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8 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
9 **COUNTY OF LOS ANGELES**

10 LUIS GONZALEZ, individually and on behalf
of all aggrieved employees of Defendants in the
11 State of California,

12 Plaintiff,

13 v.

14 ROLLING HILLS COMMUNITY
ASSOCIATION OF RANCHO PALOS
15 VERDES, and DOES 1 through 50 inclusive,

16 Defendants.

Case No.: 23TRCV00477

*[Assigned for all purposes to the Hon. Tamara
Hall, Department 1]*

REPRESENTATIVE ACTION

**MEMORANDUM OF POINTS AND
AUTHORITIES IN SUPPORT OF PLAINTIFF
LUIS GONZALEZ'S MOTION FOR
APPROVAL OF PAGA SETTLEMENT**

Date: June 16, 2025

Time: 8:30 a.m.

Dept: 1

Judge: Hon. Tamara Hall

Complaint Filed: February 17, 2023

Trial Date: None set

Reservation ID: 391833313645

*[Notice of Motion; Declarations of Hali M.
Anderson, Luis Gonzalez and Sean Hartranft on
behalf of Apex Class Action, LLC; and [Proposed]
Order are filed concurrently herewith.]*

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MEMORANDUM OF POINTS AND AUTHORITIES

I. INTRODUCTION

Plaintiff Luis Gonzalez (“Plaintiff”) seeks approval of the parties’ PAGA Settlement Agreement (“Settlement” or “Agreement”)¹, which provides for Defendant Rolling Hills Community Association of Rancho Palos Verdes (“Defendant” or “Rolling Hills”) to fund a non-reversionary Gross Settlement Amount of \$95,000 on behalf of all current and former non-exempt employees who worked for Rolling Hills as Gate Attendants and/or Gate Service Representatives² during the period from December 14, 2021 to December 28, 2024. The Settlement of \$95,000, with \$10,936.60 going to the Aggrieved Employees, provides a value of \$6.19 per pay period (\$10,936.60/1,766 pay periods) and/or an average \$243.04 per Aggrieved Employee (\$10,936.60/45 Aggrieved Employees). The Court should approve the Settlement because it is fundamentally fair and reasonable. The Settlement resolves litigation between the parties regarding the disputed representative wage and hour claims under the California Labor Code’s Private Attorneys General Act of 2004 (“PAGA”). The negotiations leading to the Settlement were hard-fought and conducted at arm’s-length by attorneys highly experienced in wage-and-hour litigation, ultimately resulting in a resolution reached after mediation with the help of an experienced mediator.

Under the terms of the Settlement, the Gross Settlement Amount of \$95,000 will be distributed as follows:

- Attorneys’ fees to GrahamHollis APC in the amount of \$31,666.67 (one-third of the Gross Settlement Amount);
- Litigation costs to GrahamHollis APC in the amount of \$12,000;
- Administration Expenses in an amount not to exceed \$2,586.94 to Apex Class Action, LLC;
- Plaintiff’s Enhancement Award in the amount of \$5,000;

¹ To the extent the terms used in this Motion for Approval are defined in the Agreement, the defined terms contained herein shall have the same meaning as set forth in the Agreement.

² The terms “Gate Attendant” and “Gate Service Representative” (or “GSR”) refer to the same job position. Defendant used both titles interchangeably during Plaintiff’s employment, and the Settlement Agreement reflects this by including both terms in the definition of Aggrieved Employees. For purposes of the settlement and this declaration, there is no distinction between the two.

- PAGA Penalties in the amount of \$43,746.39, with 25% (\$10,936.60) distributed to the Aggrieved Employees and 75% (\$32,809.79) paid to the LWDA.

As fully set forth below, the Settlement is fair, reasonable, and the product of approximately two years of litigation and a mediation with Tagore Subramaniam, a highly experienced and well-respected mediator. The terms of the Settlement are fair and reasonable based on the disputed validity of the PAGA claims, the range of possible outcomes in the litigation, the risk, expense, and complexity of further litigation, and the experience and views of counsel. Accordingly, Plaintiff respectfully requests that the Court approve the Settlement.

II. PROCEDURAL AND FACTUAL BACKGROUND

A. Plaintiff's Allegations

This Settlement involves the claims of approximately 45 current and former non-exempt employees who worked for Defendant as Gate Attendants and/or Gate Service Representatives during the PAGA Period, which is defined as the period from December 14, 2021 to December 28, 2024. Declaration of Hali M. Anderson ["Anderson Decl."], ¶ 3, Ex. 1 ["Settlement Agreement"] at ¶¶ 1.4, 1.22.

Plaintiff is a former non-exempt employee who worked for Defendant as a Gate Attendant and/or Gate Service Representative ("GSR") from March 2020 to July 2022. Declaration of Luis Gonzalez ["Gonzalez Decl."] ¶ 2; Anderson Decl., ¶ 9. He was classified as non-exempt employee and was paid on an hourly basis *Id.* On September 15, 2022, Plaintiff notified the California Labor and Workforce Development Agency ("LWDA") and Defendant of his intent to assert the rights granted to him under PAGA. *Id.*, ¶ 7.

On February 17, 2023, Plaintiff filed a complaint seeking civil penalties under the PAGA based on Defendant's alleged Labor Code violations. Specifically, the complaint alleges that Defendant failed to provide legally compliant meal periods and/or pay premium wages for non-compliant meal periods during employment; failed to provide legally compliant rest periods and/or pay premium wages for non-compliant meal periods during employment; failed to timely pay all minimum and/or regular wages during employment; failed to timely pay all overtime wages during employment; failed to reimburse necessary business expenses; failed to furnish accurate itemized wage statements; and failed to timely pay all wages upon separation of employment. Anderson Decl., ¶ 8.

B. Defendant's Position

Defendant vehemently denies any liability and wrongdoing of any kind associated with the claims alleged in this Action. Anderson Decl., ¶ 10; Settlement Agreement at ¶ 10.1. Among other things, Defendant contends that it provided Aggrieved Employees with legally compliant meal and rest periods; paid all minimum, regular, and overtime wages owed; paid all wages in a timely manner, including at the time of separation of employment; and consistently provided accurate itemized wage statements. Anderson Decl., ¶ 10. Defendant maintains it did not engage in any Labor Code violations, and that Plaintiff will not be able to demonstrate liability under PAGA. *Id.*

C. Case History and Discovery

As part of Plaintiff's informal discovery and investigation, Defendant provided Plaintiff with its written policies and procedures, including those governing compensation and meal and rest periods, and the timekeeping and payroll records for Aggrieved Employees. Anderson Decl., ¶ 15.

In addition, Plaintiff's Counsel also spent a significant amount of time conducting fact-finding interviews with Plaintiff Gonzalez and Aggrieved Employees. Through these interviews, counsel was able to make a detailed assessment of the strength and weaknesses of Plaintiff's claims, as well as Defendant's total potential liability. Anderson Decl., ¶ 16.

On October 29, 2024, the parties attended a mediation with well-respected and experienced mediator, Tagore Subramaniam. Anderson Decl., ¶ 11. The parties engaged in good-faith, non-collusive negotiations throughout the mediation, discussing the realistic exposure to Defendant, as well as the strengths and weaknesses of Plaintiff's claims. *Id.*, ¶ 13. Following the mediation, Mr. Subramaniam made a mediator's proposal, which the parties accepted on approximately November 1, 2024. *Id.*, ¶ 14. Over the following months, the parties drafted and executed the Settlement Agreement. *Id.*

III. SUMMARY OF SETTLEMENT

The Settlement Agreement before the Court provides substantial financial consideration in exchange for releasing all the PAGA claims asserted in the Action. The consideration is fair and reasonable in light of the potential liabilities and risks of litigation. The released claims have been narrowly tailored to ensure the settlement is not unduly expansive. The parties' agreed upon procedure for distributing the consideration is sufficient to ensure efficient distribution to the Aggrieved Employees.

A. Monetary Terms

The Gross Settlement Amount is \$95,000. Settlement Agreement, ¶ 1.12. Under the terms of the Settlement, PAGA Penalties in the amount totaling \$43,746.39 will be paid from the Gross Settlement Amount, with 25% (\$10,936.60) distributed to the Aggrieved Employees and 75% (\$32,809.79) paid to the LWDA. *Id.*, 3.3.4. The portion allocated to Aggrieved Employees provides a value of \$6.16 per pay period (\$10,936.60/1776 PAGA Pay Periods) and/or an average \$243.04 per Aggrieved Employee (\$10,936.60/45 Aggrieved Employees). In addition, \$31,666.67 (one-third of the Gross Settlement Amount) will be awarded to Plaintiff's Counsel for attorneys' fees; \$12,000 will be awarded to Plaintiff's Counsel for litigation costs; \$5,000 will be awarded to Plaintiff as an Enhancement Award; and \$2,586.94 will be allocated to Administration Expenses. *Id.*, ¶ 3.1.

B. Distribution Procedure

The parties have agreed to use Apex Class Action, LLC to administer the distribution of funds from the Settlement. Settlement Agreement, ¶ 1.3. No later than 14 days after the Effective Date, Defendant will fund the Gross Settlement Amount by transmitting the funds to Apex. *Id.*, ¶ 4.3. Within 14 calendar days after Defendant fully funds the Gross Settlement Amount, Apex will distribute checks for all Individual PAGA Payments, the LWDA PAGA Payment, the Administration Expenses Payment, the PAGA Counsel Fees Payment, the PAGA Counsel Expenses Payment, and the Plaintiff's Enhancement Award. *Id.*, ¶ 4.4. Apex will determine the appropriate settlement payments for each Aggrieved Employee based on his or her proportionate share of PAGA Pay Periods worked during the PAGA Period.³ *Id.* at ¶ 3.3.4.1. The Individual PAGA Payments will be valid for a period of not less than 180 days after the date of mailing, after which time any unclaimed funds will be directed to the California Controller's Unclaimed Property Fund in the name of the Aggrieved Employee. *Id.*, ¶¶ 4.4.1, 4.4.3.

C. PAGA Released Claims

The Settlement provides that all Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or

³ A copy of the proposed notice to be included with settlement checks is attached as Exhibit A to the Settlement Agreement.

1 reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint,
2 and the PAGA Notice. Settlement Agreement, ¶ 5.2.

3 **IV. THE PAGA SETTLEMENT SHOULD BE APPROVED**

4 Pursuant to Labor Code section 2699(1)(2), the settlement of a civil action brought under PAGA
5 must be submitted to the LWDA and must be approved by the trial court. Where a settlement purports to
6 resolve PAGA claims, courts must examine the settlement as a whole and the amount allocated to PAGA,
7 including the amount distributed to the LWDA. *O'Connor v. Uber Techs, Inc.*, 201 F. Supp. 3d 1110,
8 1134-1135 (2016). To warrant approval, a PAGA settlement must be fair, adequate, and reasonable. *Id.*

9 To determine whether a settlement is fair, adequate, and reasonable, a court must be provided with
10 “basic information about the nature and magnitude of the claims in question and the basis for concluding
11 that the consideration being paid for the release of those claims represents a reasonable compromise.” *See*
12 *Clark v. American Residential Services LLC*, 175 Cal. App. 4th 785, 799 (2009). In the class action
13 context, the trial court must exercise its discretion through the application of several well-recognized
14 factors when deciding whether the settlement is fair. *Id.* A California Court of Appeal has held that in
15 determining whether a PAGA settlement is fair, a court may refer to the well-developed settlement
16 standards analyzed by courts in the class actions. *Moniz v. Adecco USA, Inc.*, 72 Cal. App. 5th 56, 77
17 (2021). The list of factors, which “is not exhaustive and should be tailored to each case,” includes “the
18 strength of plaintiff’s case, the risk, expense, complexity and likely duration of further litigation . . . the
19 amount offered in settlement, the extent of discovery completed and the stage of the proceedings, the
20 experience and views of counsel, the presence of a governmental participant, and the reaction of the
21 [represented] members to the proposed settlement.” *Kullar v. Foot Locker Retail, Inc.*, 168 Cal. App. 4th
22 116, 128 (2008) (quoting *Dunk v. Ford Motor Co.*, 48 Cal. App. 4th 1794, 1801 (1996)). The most
23 important factor the trial court should consider in determining whether to approve a settlement is the
24 strength of the case for plaintiff on the merits, balanced against the amount offered in settlement. *Munoz*
25 *v. BCI Coca-Cola Bottling Co. of Los Angeles*, 186 Cal. App. 4th 399, 407-408 (2010); *Kullar*, 168 Cal.
26 App. 4th at 130. In sum, the trial court must determine that the settlement was not the product of fraud,
27 overreaching or collusion, and that the settlement is fair, reasonable, and adequate. *Nordstrom Com’n*
28 *Cases*, 186 Cal. App. 4th 576, 581 (2010).

A. The Settlement is the Result of Non-Collusive, Arm's-Length, and Informed Negotiations

California courts recognize that a “presumption of fairness exists where (1) the settlement is reached through arm’s-length bargaining; (2) sufficient investigation allows counsel and the court to act intelligently; (3) counsel is experienced in similar litigation; and (4) the percentage of objectors is small.” *Dunk*, 48 Cal. App. 4th at 1802. Here, the Settlement objectively meets all these requirements, and this Court should undoubtedly give considerable weight to the competency and integrity of the parties’ respective counsel, who are experienced in wage and hour class action litigation and reached the settlement through arm’s length negotiations without self-dealing or other misconduct. *Kullar*, 168 Cal. App. 4th at 129.

1. The Settlement is the Product of Arm’s Length Negotiations

“[W]hat transpires in settlement negotiations is highly relevant to the assessment of a proposed settlement’s fairness.” *State v. Levi Strauss & Co.*, 41 Cal. 3d 460, 482 (1986). Courts presume the absence of fraud or collusion in the negotiation of a settlement unless evidence to the contrary is offered. In short, there is a presumption that the negotiations were conducted in good faith. William B. Rubenstein, et al., *Newberg on Class Actions* § 13:45 (5th ed. 2011-2017). Here, there can be no doubt as to the fairness of the settlement as the parties did not engage in settlement negotiations until they possessed sufficient information and documents to conduct a comprehensive review and analysis of the facts and legal issues raised by the action to make an informed decision. Anderson Decl., ¶¶ 15-17.

In reaching the settlement, Plaintiff’s Counsel considered relevant factors such as the information and documents obtained in informal discovery, the fact-finding interviews of Plaintiff Gonzalez and Aggrieved Employees, Defendant’s projected liability, the expense of continued litigation, the inherent risks in litigating complex representative actions, the potential for appeals. Anderson Decl., ¶¶ 27-30. Based on Plaintiff’s Counsel’s experience, they believe the settlement represents a favorable resolution without the further expense and uncertainty of continued litigation, while at the same time maintaining the enforcement purpose behind the PAGA statute. *Id.*, ¶ 28.

2. The Settlement is the Product of Informed Investigation and Discovery

There is a presumption that a proposed settlement is fair and reasonable when there has been

sufficient investigation and discovery to permit counsel and the court to act intelligently, and counsel are experienced in similar litigation. *Dunk*, 48 Cal. App. 4th at 1802. Here, the parties conducted a lengthy and thorough investigation into the merits of Plaintiff's claims prior to settling this case. Anderson Decl., ¶¶ 15-17. Plaintiff's Counsel's investigation included the exchange of informal discovery, including the production of Plaintiff's personnel file, timekeeping records, and wage statements, as well as Defendant's written policies and procedures, and time and payroll records for all Aggrieved Employees from the start of the PAGA Period up until mediation. *Id.*, ¶ 15. Plaintiff's Counsel undoubtedly obtained sufficient information to adequately evaluate the merits of the claims asserted and Defendant's maximum potential liability. *Id.*, ¶ 17. Therefore, this Court can and should presume the fairness of the proposed settlement.

3. Plaintiff's Counsel is Highly Experienced in Similar Litigation

Throughout this litigation, Plaintiff has been represented by well-qualified counsel who have years of experience in wage and hour litigation. Anderson Decl., ¶¶ 36-40, Ex. 4. To date, Plaintiff's Counsel has handled well over 150 class, collective, and representative action cases. *Id.*, ¶ 36. Plaintiff's Counsel relied on their extensive experience while negotiating the settlement. *Id.*, ¶¶ 36-40. As discussed, the settlement negotiations were conducted with consideration of the common experience of Aggrieved Employees; the strength of the case versus the amount offered in settlement; the risk, expense, complexity, and likely duration of further litigation; the present state of the law as it applies to the claims asserted; and the burdens of proof necessary to establish liability against Defendant. *Id.*, ¶ 28. Although the recommendations of counsel proposing the settlement are not conclusive, courts can properly consider the recommendations, particularly if counsel has been involved in litigation for some period of time, appears to be competent, has experience with this type of litigation, and significant discovery has been completed. *Newberg on Class Actions* § 13:53 (5th ed. 2011-2017).

The Court should presume the proposed settlement is fair because it was the result of arm's-length negotiations, sufficient investigation and discovery, and the experience of Plaintiff's Counsel.

B. The Settlement is Fair, Reasonable, and Adequate in Light of the Significant Risks and Expense of Further Litigation

To determine whether a representative settlement is fair, adequate and reasonable, courts must be provided with "basic information about the nature and magnitude of the claims in question and the basis

1 for concluding that the consideration being paid for the release of those claims represents a reasonable
2 compromise.” *Kullar*, 168 Cal. App. 4th at 133; *Clark*, 175 Cal. App. 4th at 799. A settlement is not judged
3 against what might have been recovered had a plaintiff prevailed at trial, nor does the settlement have to
4 provide 100% of the damages sought to be fair and reasonable. *Wershba v. Apple Computer, Inc.*, 91 Cal.
5 App. 4th 224, 246, 250 (2001).

6 Here, the settlement results in a substantial benefit to the Aggrieved Employees, the State of
7 California, and the general public because it achieves the enforcement objectives of PAGA while
8 providing compensatory relief to the Aggrieved Employees and the State. Anderson Decl., ¶ 42. In
9 reaching this settlement, Plaintiff’s counsel carefully considered the strength of the case versus the amount
10 offered in settlement and the risk, expense, and complexity of the case. *Id.*, ¶ 27.

11 While Plaintiff believes that his claims are meritorious and that he would have prevailed had the
12 issues gone to trial, Plaintiff also acknowledges that Defendant possesses legitimate defenses, including
13 defenses to the liability, manageability, and stacking of civil penalties. Anderson Decl., ¶¶ 20-26.
14 Defendant has consistently denied all material allegations in the operative complaint and denied that it
15 violated any laws or is liable for any civil penalties. *Id.*, ¶ 10.

16 Plaintiff also acknowledges that even if he was successful, continued litigation would likely result
17 in additional attorneys’ fees and costs, as Defendant would undoubtedly appeal any judgment in Plaintiff’s
18 favor. Anderson Decl., ¶ 29. Moreover, continued litigation would result in a substantial delay of any
19 recovery to the Aggrieved Employees and the State of California. *Id.* Given the risks, expenses, and delays
20 associated with further litigation, the Gross Settlement Amount of \$95,000 is an excellent result for the
21 Aggrieved Employees.

22 **C. The Court’s Ability to Reduce the Maximum Potential Civil Penalties Justifies**
23 **Approval of the Settlement.**

24 Plaintiff’s Counsel estimated Defendant’s maximum potential liability for civil penalties to be
25 \$707,400. Anderson Decl., ¶ 19. This assessment assumed that Plaintiff would prevail on all claims at trial
26 and recover all penalties sought. *Id.* Thus, Defendant’s maximum potential liability of civil penalties is
27 premised on an “everything goes right” scenario. *Id.*

28 Although the \$95,000 Gross Settlement Amount accounts for approximately 13.43% of

Defendant's maximum potential exposure in this case and thus represents a significant discount on Defendant's potential liability, this reduction represents an extremely reasonable compromise considering the substantial and significant risks Plaintiff faced in this litigation. Anderson Decl., ¶ 28. As explained above, Defendant has legitimate defenses on the merits of Plaintiff's claims, and there are considerable risks to Plaintiff. *Id.*, ¶¶ 20-30. These risks are obviated by the proposed settlement, which strikes a balance between providing monetary relief to the State and the Aggrieved Employees, while still penalizing Defendant for the violations alleged. *Id.*

Further, in the event Plaintiff was successful at trial, Defendant would likely argue that any civil penalties awarded should be reduced because they are unjust, arbitrary, oppressive, or confiscatory. As Defendant likely has sufficient defenses limiting Plaintiff's ability to recover at least some of the civil penalties sought, there is a significant likelihood that the Court would exercise its discretion to reduce any recovery under Labor Code section 2699(e)(2). Given this additional risk, the settlement on the terms outlined in the Settlement Agreement justifies approval of the proposed settlement.

D. The Distribution of the Settlement is Reasonable

The Settlement provides that Defendant will pay a non-reversionary Gross Settlement Amount of \$95,000. Settlement Agreement, ¶ 3.1. The Gross Settlement Amount will fund: (a) payment to the Aggrieved Employees; (b) payment to the LWDA; (c) an award of attorneys' fees to Plaintiff's Counsel; (d) an award of litigation costs to Plaintiff's Counsel; (e) an Enhancement Award to Plaintiff; and (f) Administrator Expenses Payment to the Administrator. *Id.*, 3.3.

The following chart reflects the estimated payments from the Gross Settlement Amount:

Gross Settlement Amount	\$95,000
Enhancement Award	\$5,000
Administration Expenses Payment	\$2,586.94
PAGA Counsel's Fees Payment	\$31,666.67
PAGA Counsel's Litigation Expenses Payment	\$12,000
LWDA Payment	\$32,809.79
Individual PAGA Payments	\$10,936.60

It is estimated that the LWDA will receive \$32,809.79 and the Aggrieved Employees will receive \$10,936.60. The \$10,936.60 will be allocated to each Aggrieved Employee based on his or her proportionate share of PAGA Pay Periods worked during the PAGA Period. Settlement Agreement,

¶ 3.3.4.1. The Administrator is to ensure proper distribution of payments within 14 days of Defendant funding the Gross Settlement Amount. *Id.*, ¶ 4.4. All Individual PAGA Payments will be valid for a period of 180 days, after which any unclaimed funds will be directed to the California Controller’s Unclaimed Property Fund in the name of the Aggrieved Employee. *Id.*, 4.4.1, 4.4.3.

The California Supreme Court has explained that a judgment in “a representative action brought by an aggrieved employee under the Labor Code Private Attorneys General Act of 2004 . . . is binding not only on the named employee plaintiff but also on government agencies and any aggrieved employee not a party to the proceeding,” *Arias v. Superior Court*, 46 Cal. 4th 969, 985-986 (2009). In accordance with this rule, all Aggrieved Employees are deemed to release, on behalf of themselves and their respective former and present representatives, agents, attorneys, heirs, administrators, successors, and assigns, the Released Parties from all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period facts stated in the Operative Complaint, and the PAGA Notice. Settlement Agreement, ¶ 5.2.

E. Plaintiff Submitted the Settlement Agreement to the LWDA

In 2016, the Labor Code was amended to require the Court to review and approve any settlement of a civil action brought pursuant to PAGA. Labor Code § 2699(l)(2). The amendment also required that the “proposed settlement [] be submitted to the agency at the same time that it is submitted to the court.” *Id.*

In accordance with the statute, the Settlement Agreement, Notice of Motion, and Memorandum of Points and Authorities were submitted to the LWDA on May 9, 2025, via the agency’s online portal. Anderson Decl., ¶ 5, Ex. 2. Therefore, the LWDA has had the opportunity to review the Settlement and advise the parties or the Court of any objections. To date, the LWDA has yet to indicate any objections to the Settlement. As such, the Court should approve the Settlement.

V. THE REQUESTED ENHANCEMENT AWARD TO PLAINTIFF IS JUSTIFIED

Courts routinely approve enhancement awards to compensate named plaintiffs for the services they provide and the risks they incur during the course of the class litigation. *See e.g., Cellphone Termination Fee Cases*, 186 Cal. App. 4th 1380 (2010) (affirming \$10,000 service award to four named plaintiffs); *Van Vranken v. Atlantic Richfield Co.*, 901 F. Supp. 294 (N.D. Cal. 1995) (awarding \$50,000

incentive award to a representative); *Manual for Complex Litigation* (Fourth) § 21.62 n.971 (2004) (noting that service or enhancement awards may be warranted based on the named plaintiff's participation in the litigation and the benefits conferred on the class). While such awards are discretionary, they are "intended to compensate class representatives for work done on behalf of the class, to make up for financial or reputational risk undertaken in bringing the action, and, sometimes, to recognize their willingness to act as a private attorney general." *Cellphone Termination Fee Cases*, 186 Cal. App. 4th at 1393-1394. In determining whether an award is appropriate, courts consider several different factors, including: (1) the actions the plaintiffs have taken to protect the interest of the class; (2) the degree to which the class has benefited from those actions; and (3) the amount of time and effort the plaintiffs expended in pursuing the litigation. *Clark v. Am. Residential Servs. LLC*, 175 Cal. App. 4th 785, 805 (2009).

Here, the settlement contemplates that Plaintiff's Counsel will seek an Enhancement Award not to exceed \$5,000 on behalf of Plaintiff. Settlement Agreement, ¶ 3.3.2. As the named representative, Plaintiff has performed his duties without exception. Anderson Decl., ¶¶ 31-35; Gonzalez Decl., ¶¶ 6-14. Plaintiff has actively participated in this lawsuit since its inception, including, but not limited to, providing documents related to the claims asserted, communicating with his attorneys by phone and email, assisting his attorneys with the preparation of the operative complaint and the notices submitted to the LWDA by conferring with his attorneys about Defendant's policies and practices, remaining available to answer questions during the mediation, and reviewing documents produced by Defendant and discussing the contents of the documents with his attorneys. Anderson Decl., ¶ 32; Gonzalez Decl., ¶¶ 10-13. The time and effort Plaintiff put into this litigation allowed Plaintiff's Counsel to negotiate a fair and reasonable settlement. Anderson Decl., ¶ 32. For example, Plaintiff took the time to explain Defendant's policies and practices, which were instrumental to counsel's understanding of the claims and defenses asserted, as well as Defendant's potential liability. Anderson Decl., ¶ 32; Gonzalez Decl., ¶¶ 10-13.

By bringing and maintaining this lawsuit, Plaintiff assumed the risk of an adverse judgment, awards of costs to Defendant, and the risk that his future employment may be negatively impacted by his involvement in this litigation. Anderson Decl., ¶ 34; Gonzalez Decl., ¶¶ 7-8. Plaintiff went above and beyond what was required of him, and in the absence of his participation and efforts, there undoubtedly would have been no recovery. Anderson Decl., ¶¶ 32-34; Gonzalez Decl., ¶¶ 17-18. The requested

Enhancement Award of \$5,000 is fair and reasonable in light of the work performed and the risks undertaken by Plaintiff. Anderson Decl., ¶ 35.

VI. THE REQUESTED ATTORNEYS' FEES AND COSTS ARE FAIR AND REASONABLE

Pursuant to section 2699(g)(1) of the Labor Code, "[a]ny employee who prevails in a PAGA action shall be entitled to an award of reasonable attorney's fees and costs." Accordingly, Plaintiff's Counsel requests that this Court approve an attorneys' fees award in the amount of \$31,666.67, or one-third of the Gross Settlement Amount, as well as the reimbursement of actual litigation costs of \$12,000. Anderson Decl., ¶ 41. As discussed below, these awards are not only recoverable under the common fund theory and lodestar approach but also are within the range of awards granted in similar cases. *Id.*, ¶¶ 43-60.

A. Plaintiff's Counsel's Fees Are Supported Under the Common Fund Theory

In a PAGA action, which is a type of *qui tam* action, reasonable attorneys' fees are typically awarded under the common fund theory where, as here, the litigation creates a common fund of a specific amount for the benefit of others. *Iskanian v. CLS Transp. Los Angeles, LLC*, 59 Cal. 4th 348, 382 (2014). When a common fund is created, attorneys who secured the fund are entitled to a percentage of the fund. *See Laffitte v. Robert Half Int'l, Inc.*, 1 Cal. 5th 480, 503 (2016) ("[T]he court may determine the amount of a reasonable fee by choosing an appropriate percentage of the fund created."). The bases of the common fund doctrine are:

Fairness to the successful litigant, who might otherwise receive no benefit because his recovery might be consumed by the expenses; correlative prevention of an unfair advantage to the others who are entitled to share in the fund and who should bear their share of the burden of its recovery; and encouragement of the attorney for the successful litigant, who will be more willing to undertake and diligently prosecute proper litigation for the protection or recovery of the fund if he is assured that he will be promptly and directly compensated should his efforts be successful.

Bank of America v. Cory, 164 Cal. App. 3d 66, 90 (1985); *see Serrano v. Priest*, 20 Cal. 3d 25, 34 (1977) ("[O]ne who expends attorneys' fees in winning a suit which creates a fund from which other derive benefits, may require those passive beneficiaries to bear a fair share of the litigation costs.").

Here, a common fund was created in the amount of \$95,000 for the benefit of the Aggrieved Employees and the State of California. As such, these beneficiaries must bear their share of the costs and attorneys' fees, to be deducted from the \$95,000 Gross Settlement Amount under the common fund theory.

1 The parties allocated one-third of the Gross Settlement Amount to Plaintiff's Counsel for their reasonable
2 attorneys' fees. Settlement Agreement, ¶ 3.3.1. The award sought is justified in light of the amount of
3 work Plaintiff's Counsel performed over the course of approximately two years and the substantial risks
4 involved in litigating this type of case. Anderson Decl., ¶¶ 43-45. Indeed, the requested attorneys' fees
5 award of \$31,666.67, or one-third of the Gross Settlement Amount, constitutes a fair market cost for the
6 benefits conferred by the Settlement because Plaintiff's Counsel's skills in negotiating the Settlement
7 resulted in the substantial benefit for the Aggrieved Employees, the State of California, the general public.

8 **B. Plaintiff's Attorneys' Fees Are Also Recoverable Under The Lodestar Approach**

9 The reasonableness of Plaintiff's Counsel's requested Attorneys' Fees award is also supported
10 under the lodestar method. *See e.g., Lealao v. Beneficial Cal., Inc.*, 82 Cal. App. 4th 19, 26 (2000) ("[F]ees
11 have traditionally been allowed in such common fund cases, although . . . the lodestar methodology may
12 also be utilized in this context."). Under the lodestar approach, the number of hours reasonably expended
13 is multiplied by a reasonable hourly rate. *Id.* Once the Court has established the lodestar, it may be
14 increased or decreased "by applying a positive or negative 'multiplier' to consider a variety of other
15 factors, including the quality of the representation, the novelty and complexity of the issues, the results
16 obtained, and the contingent risk presented." *See id.* at 26; *see, e.g., Serrano*, 20 Cal. 3d at 49.

17 Here, Plaintiff's Counsel has expended 295 hours litigating this case, which includes time spent
18 investigating and researching the legal issues raised in this litigation, drafting a notice to the LWDA,
19 preparing the complaint, corresponding with Defendant, reviewing and analyzing documents produced by
20 Defendant, conducting a thorough analysis of Defendant's potential liability, attending mediation,
21 negotiating the terms of the settlement and finalizing the written agreement, and moving for approval of
22 the settlement. Anderson Decl., ¶¶ 50, 55. At Plaintiff's Counsel's usual and customary rate, this results
23 in a total lodestar of approximately \$135,741. *Id.*, ¶ 50. Thus, Plaintiff's Counsel's request for an
24 attorneys' fees award in the amount of \$31,666.67, or approximately 23% of the firm's total lodestar, is
25 undoubtedly fair and reasonable given the nature and complexity of the litigation and the experience level
26 of each timekeeper. *Id.*, ¶ 53.

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28 ///

C. Plaintiff's Litigation Costs Were Reasonable and Necessarily Incurred

It is appropriate for litigation costs to be paid from the common fund. *In re Media Vision Tech. Sec. Litig.*, 913 F. Supp. 1362, 1366 (N.D. Cal. 1996) ("Reasonable costs and expenses incurred by an attorney who creates or preserves a common fund are reimbursed proportionally by those class members who benefit from the settlement."). Courts permit attorneys to "recover their reasonable expenses that would typically be billed to paying clients in non-contingency matters." *See In re Omnivision Technologies, Inc.*, 559 F. Supp. 2d 1036, 1048 (N.D. Cal. 2008); *see also Harris v. Marhoefer*, 24 F.3d 16, 19 (9th Cir. 1994) ("[Plaintiff] may recover as part of the award of attorney's fees those out-of-pocket expenses that 'would normally be charged to a fee-paying client.'"). Recoverable expenses may include photocopying, document scanning, postage and delivery charges, travel, attorney services fees, and legal research costs. *Bussey v. Affleck*, 225 Cal. App. 3d 1162, 1166 (1990) ("[A]ttorneys' fees and expenses are inseparably intertwined as equally vital components of the costs of litigation . . . expenses such as supplemental secretarial costs, copying, telephone costs and necessary travel, are integrally related to the work of an attorney and the services for which outlays are made may play a significant role in the ultimate success of litigation . . .").

Here, Plaintiff's Counsel seeks reimbursement of \$12,000 for costs and expenses incurred in connection with this Action from its inception to the present. Anderson Decl., ¶ 57; Ex. 4. As set forth above, Plaintiff's Counsel's costs are warranted as they include filing fees, computerized legal research expenses, copying costs, delivery charges, postage, attorney services costs, and mediation. *Id.* The costs incurred are also the same as those that would normally have been billed to a client paying for my firm's services on a non-contingency basis. *Id.* Plaintiff's Counsel's costs are more than reasonable in light of the work that has been performed over approximately two years. *Id.*

VII. CONCLUSION

Plaintiff respectfully requests that this Court approve the Settlement on the terms outlined in the Settlement Agreement. As set forth herein, the Settlement is fair, reasonable, and adequate given the range of possible outcomes of the litigation, the risks and expenses associated with further litigation, the scope of the release and the experience and views of Plaintiff's Counsel.

Respectfully submitted,

Dated: May 9, 2025

GRAHAMHOLLIS APC

By: _____

Hali M. Anderson

Samara A. Bahu

Attorneys for Plaintiff Luis Gonzalez



Court Reservation Receipt

Reservation

Reservation ID: 391833313645	Status: RESERVED
Reservation Type: Motion re: (Approval of PAGA Settlement)	Number of Motions: 1
Case Number: 23TRCV00477	Case Title: LUIS GONZALEZ vs ROLLING HILLS COMMUNITY ASSOCIATION OF RANCHOS PALOS VERDES, et al.
Filing Party: Luis Gonzalez (Plaintiff)	Location: Inglewood Courthouse - Department 1
Date/Time: June 16th 2025, 8:30AM	Confirmation Code: CR-ADV9M6DC9HGFCU8DZ

Fees

Description	Fee	Qty	Amount
Motion re: (name extension)	0.00	1	0.00
TOTAL			\$0.00

Payment

Amount: \$0.00	Type: NOFEE
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