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FILED
Superior Court of California
County of Sacramento
02/13/2025
V. Aleman, Deputy

SUPERIOR COURT OF CALIFORNIA
COUNTY OF SACRAMENTO

JEFFREY PORTER, on behalf of himself and all
others similarly situated,

Plaintiff,

vs.

SONSRAY MACHINERY, LLC and Does 1
through 50, inclusive,

Defendant.

No. 34-2023-00333822

Assigned for All Purposes to the
Hon. Lauri A. Damrell, Dept. 22

**(PROPOSED) ORDER GRANTING
MOTION FOR APPROVAL OF
SETTLEMENT OF CLAIMS BROUGHT
UNDER THE PRIVATE ATTORNEYS
GENERAL ACT, REASONABLE
ATTORNEYS' FEES, COSTS, AND
ENHANCEMENT PAYMENT**

DATE: February 7, 2025
TIME: 10:30 a.m.
DEPT: 22

1 Before the Court are Plaintiff Jeffrey Porter’s (“Plaintiff”) motions for approval of the
2 Parties’ Private Attorneys General Act (“PAGA”) settlement and reasonable attorneys’ fees. Both
3 motions are UNOPPOSED. For the reasons set forth herein, the Court **GRANTS** both motions.

4 **Background**

5 On November 18, 2022, Plaintiff sent a notification letter to the Labor and Workforce
6 Development Agency (“LWDA”) and Defendant Sonsray Machinery LLC (“Defendant”).
7 (Workman Decl., ¶ 41, Exh. J.) On January 30, 2023, Plaintiff filed his complaint alleging that
8 Defendant: (1) failed to pay employees all compensation owed; (2) failed to timely pay all wages
9 after employees voluntarily or involuntarily terminated their employment with Defendant; (3) failed
10 to provide employees with accurate, itemized, wage statements; (4) failed to provide signed
11 commission plans; (5) taking unlawful deductions from wages; (6) failed to reimburse for work-
12 related expenses; and, (7) failed to provide paid sick leave and written notice of available sick leave.
13 (*Id.*, ¶ 3.) Plaintiff brought these claims under the California Labor Code and PAGA. (*Ibid.*)

14 Plaintiff moved for approval of the Parties’ PAGA Representative Action Settlement
15 Agreement (“Settlement Agreement” or “Agreement”). (Workman Decl., ¶ 7, Exh. A (“SA”).) On
16 December 18, 2024, Plaintiff provided a copy of the Agreement to the LWDA. (*Id.*, ¶ 41, Exh. K.)

17 **Legal Standard**

18 The purpose of PAGA is to “create a means of ‘deputizing’ citizens as private attorneys
19 general to enforce the Labor Code.” (*Brown v. Ralphs Grocery Co.* (2011) 197 Cal.App.4th 489,
20 501.) A PAGA plaintiff is an “aggrieved employee” who brings a civil action “personally and on
21 behalf of other current or former employees to recover civil penalties for Labor Code violations” as
22 the “proxy or agent of the state’s labor law enforcement agencies.” (*Iskanian v. CLS Transportation*
23 *Los Angeles, LLC* (2014) 59 Cal.4th 348, 380; Labor Code, § 2699.) The settlement of a PAGA
24 claim requires court approval pursuant to the operative PAGA statute, which states that the “[t]he
25 superior court shall review and approve any settlement of any civil action filed pursuant to this part.”
26 (Lab. Code, § 2699(l)(2).) Such review and approval must “ensur[e] that any negotiated resolution
27 is fair to those affected.” (*Williams v. Superior Court* (2017) 3 Cal.5th 531, 549.)

1 Aside from the requirement that the court “review and approve” a settlement in a civil action
2 filed under PAGA (§ 2699, subd. (l)(2)), PAGA itself does not provide a standard for this review
3 and approval in the majority of PAGA cases. (*Moniz v. Adecco USA, Inc.* (2021) 72 Cal.App.5th
4 56, 75 (*Moniz*) [citing *Flores v. Starwood Hotels & Resorts Worldwide* (C.D.Cal. 2017) 253
5 F.Supp.3d 1074, 1075 [“[PAGA] is surprisingly short on specifics”]].) In *Moniz*, the First District
6 Court of Appeal clarified that a trial court “should evaluate a PAGA settlement to determine whether
7 it is fair, reasonable, and adequate in view of PAGA's purposes to remediate present labor law
8 violations, deter future ones, and to maximize enforcement of state labor laws.” (*Id.*, at p. 77.)
9 Because many of the factors used to evaluate class action settlements bear on a settlement’s fairness
10 – including the strength of the plaintiff’s case, the risk, the stage of the proceeding, the complexity
11 and likely duration of further litigation, and the settlement amount – these facts can be useful in
12 evaluating the fairness of a PAGA settlement. (*Ibid.*)

13 **Analysis**

14 Under the terms of the Settlement Agreement, Defendant denies liability but agrees to pay a
15 Gross Settlement Amount (“GSA”) of \$150,000 to resolve Plaintiff’s claims. (SA, ¶¶ 14, 26.) There
16 will be no reversion to Defendant. (*Id.*, ¶ 14.) Within 20 days after the Effective Date, Defendant
17 shall transmit the GSA to the Settlement Administrator. (*Id.*, ¶ 40.) The Effective Date is essentially
18 30 days after the entry of the Final Order and Judgment, assuming there are no objections to the
19 settlement. (*Id.*, ¶ 10.) The Agreement applies to all account managers employed by Defendant in
20 California who worked any time between November 18, 2021 through December 31, 2024. (*Id.*, ¶¶
21 2, 4, 19.) Aggrieved Employees will not have to submit a claim to receive payment. (*Id.*, ¶ 5.)

22 The GSA is inclusive of the following:

- 23 - Attorneys’ fees up to \$49,500 (33% of the GSA) and litigation expenses not to exceed
24 \$8,000 (SA, ¶¶ 2, 49);
- 25 - An enhancement award not to exceed \$10,000 (*id.*, ¶¶ 2, 48);
- 26 - Settlement administration costs not to exceed \$2,550 (*id.*, ¶¶ 2, 46);
- 27 - The Aggrieved Employee Payment Amounts (*id.*, ¶¶ 2, 5); and
- 28 - The LWDA Payment Amount (*id.*, ¶¶ 2, 16).

1 The LWDA Payment Amount means 75% of the GSA (\$112,500), less attorneys' fees and
2 litigation costs, any Enhancement Award, and settlement administration fees and costs approved by
3 the Court. (*Id.*, ¶ 16.) The Aggrieved Employee Payment Amount is 25% of the GSA (\$37,500),
4 which will be distributed the Aggrieved Employees on a pro-rata basis. (SA, ¶¶ 5, 38.) While it is
5 somewhat unusual for the costs of settlement to be deducted from the LWDA's portion only, the
6 Court is not aware of any authority prohibiting this settlement structure and the LWDA received
7 notice of the settlement. (Workman Decl., ¶ 41, Exh. K.)

8 The amount that an Aggrieved Employee receive from the Settlement shall be calculated on
9 a pro rata basis based on the number of Pay Periods that Defendant employed Aggrieved Employees
10 from November 18, 2021 through December 31, 2024. (*Id.*, ¶ 39.) Counsel attests that there are 36
11 Aggrieved Employees who worked a total of 1,250 pay periods in the PAGA Period. (Workman
12 Decl., ¶ 9, fn 1; Exh. M.) Each Aggrieved Employee will receive, on average, approximately \$1,000.
13 (*Id.*, ¶ 8.)

14 Defendant shall provide the names, last known addresses, social security numbers, and
15 periods of employment during the PAGA Period for the Aggrieved Employees to the Settlement
16 Administrator no later than 20 business days after the Court grants approval of the Settlement. (SA,
17 ¶ 47.) The Settlement Administrator shall run the data list through the National Change of Address
18 database, and shall use the most recent address for each Aggrieved Employee – either from
19 Defendant's records or the National Change of Address database – before mailing the Notice of
20 Settlement and settlement payments. (*Ibid.*) The Settlement Administrator shall also take reasonable
21 steps to locate any Aggrieved Employee whose Notice of Settlement is thereafter returned as
22 undeliverable. (*Ibid.*) Within 15 days after its receipt of the GSA, the Settlement Administrator shall
23 mail settlement payments and the Notice of Settlement to each Aggrieved Employee, the LWDA,
24 Counsel's attorneys' fees and costs, and Plaintiff's enhancement award. (*Id.*, ¶¶ 17, 40.)

25 The Aggrieved Employees Payment Amounts shall be reported by the Settlement
26 Administrator, as required, to the state and federal taxing authorities on IRS forms 1099 or similar
27 forms. (SA, ¶52.) Any settlement payment that remains uncashed after 120 days of disbursement
28 shall be void, and the Settlement Administrator shall pay the funds represented by such un-redeemed

1 checks to the Legal Aid Society of San Francisco – Employment Law Center as cy prey beneficiary.
2 (*Id.*, ¶ 44.) Both Plaintiff and his Counsel attest that they have no interest in the cy pres recipient,
3 including its governance. *See* Supplemental Declarations of Robin G. Workman and Plaintiff,
4 Jeffrey Porter.

5 “Upon approval by the Court of the Settlement and as of the Effective Date, the State of
6 California and all Aggrieved Employees are deemed to release ... Defendant and the other Released
7 Parties from all claims, rights, demands, liabilities, causes of action, and theories of liability for
8 PAGA penalties or other PAGA relief that were pled or could have been pled based on the factual
9 allegations contained in the LWDA Letter or Complaint, and relating to the PAGA Period, including
10 without limitation any alleged Violations of California Labor Code §§ 201- 203, 221-224, 226,
11 226(a), 246, 248.5, 1194, 2751, 2698, et seq., 2699, 2699(a), 2699.5 and 2802; California Business
12 and Professions Code § 17200, et seq.; and Applicable Industrial Welfare Commission Wage
13 Orders.” (SA, ¶ 53.)

14 Plaintiff’s moving papers demonstrate that the settlement was reached after adequate
15 investigation. After being compelled to arbitration, Counsel worked with counsel for Defendant to
16 determine the scope of the case, including Plaintiff’s individual claims and the breadth of the
17 representative claims. (Workman Decl., ¶ 5.) Plaintiff propounded discovery and received
18 information and data from Defendant which allowed Plaintiff to evaluate the strengths and
19 weaknesses of the claims and the potential damages flowing from these claims. (*Ibid.*) Based on the
20 information and data provided, the parties engaged in settlement negotiations and agreed to
21 participate in a mediation. (*Ibid.*)

22 On October 2, 2024, the parties participated in a mediation before Jeff Owensby, a highly
23 experienced wage and hour class action mediator with Judicate West. (Workman Decl.,6.) Through
24 the assistance of Mr. Owensby, the parties reached an agreement on the key terms of a settlement
25 that addressed the PAGA claims brought by Plaintiff on behalf of himself, aggrieved employees,
26 and the LWDA. (*Ibid.*) Although professional, the parties zealously advocated their respective
27 positions. (*Ibid.*)
28

1 As Defendant received no notice from the LWDA of violations of the Labor Code provisions
2 at issue prior to this case, Plaintiff argues that the maximum PAGA penalty available for each claim
3 is \$125,000, based on 1,250 pay periods and an initial violation rate of \$100. (Mot. re Approval, pp.
4 13:27-14:1.) However, Plaintiff acknowledged that courts rarely award the full \$100 rate or approve
5 of stacked penalties. (*Id.*, p. 14:1-4.) Instead, courts generally award and approve settlements
6 allocating a fraction of the potential penalties to the PAGA settlements. (*Id.*, pp. 14:4-15:2.) Here,
7 the GSA exceeds Defendant's maximum exposure, without stacking penalties.

8 Counsel further attests to their experience litigating similar claims. (Workman Decl., ¶¶ 13-
9 16.) The Court finds the Settlement fair, reasonable, and adequate as required under California Labor
10 Code section 2698 et seq. The Court also finds that the Settlement Agreement provides a recovery
11 that creates an effective substantial deterrent to any potential future non-compliance, furthering the
12 purpose of the Labor Code and the LWDA.

13 **Notice of Settlement**

14 The Agreement indicates that the Settlement Administrator will provide a Notice of
15 Settlement with the Aggrieved Employees' payments. (SA, ¶¶ 17, 47; Exh. A.) Following receipt
16 of the Court's tentative ruling, Plaintiff modified the notice to summarize the claims released by the
17 Aggrieved Employees and included the following statement, in bold text at the top of the first page
18 of the notice: **"This settlement does not release any individual claims that you might have**
19 **against Defendant outside of PAGA."**

20 Plaintiff also corrected the notice to reflect that the Aggrieved Employees' checks will
21 remain valid for 120 days, per the Agreement, (SA, ¶ 44.) and to correctly state that ILYM Group,
22 Inc. will be the Settlement Administrator. (SA, ¶ 24.) Given Plaintiff made these modifications,
23 the Court approves the modified notice.

24 **Settlement Administrator**

25 The Agreement designates ILYM Group, Inc. as the Settlement Administrator. (SA, ¶ 24.)
26 The Agreement provides for the payment of settlement administration costs of up to \$2,550. (*Id.*, ¶
27 46.) ILYM Group, Inc. is appointed as Settlement Administrator and these costs are reasonable and
28 approved.

Attorneys' Fee Award and Costs

The Agreement provides for the payment of Counsel's attorneys' fees of up to 33% of the GSA (\$49,500) and the reimbursement of Counsel's litigation costs not to exceed \$8,000. (SA, ¶¶ 2, 49.) Counsel attests that her actual litigation costs are \$6,767.95. (Workman Decl., ¶¶ 17, 33, Exh. I.) Plaintiff argues that the requested award is reasonable as a percentage of the common fund, consistent with awards in similar cases, and supported by the results achieved and the risks counsel faced. (Mot. re Fees, pp. 9:5-12:23.) Plaintiff further argues that the requested award is justified under the lodestar cross check. (*Id.*, pp. 12:25-16:16.)

Counsel attests that the Workman Law Firm, PC's lodestar is \$100,522.50, based on 189.90 hours. (Workman Decl., ¶¶ 23-24.) The lodestar is broken down as follows:

Attorney Experience Rate Hours Total

<u>Attorney</u>	<u>Experience</u>	<u>Rate</u>	<u>Hours</u>	<u>Total</u>
Robin G. Workman	30+ years	\$750	26.25	\$19,687.50
Suzanne Klotz	30+ years	\$650	106.90	\$69,485.00
Cheryl Porter	Paralegal – 30 years	\$200	54.55	\$10,910.00
Jonda Miller	Paralegal – 10 years	\$200	2.2	\$440.00
		Total	189.90	\$100,522.50

(Workman Decl., ¶ 24, Exh. I.) Counsel provides a breakdown of the tasks performed by each billing professional and the hours spent on each task. (*Ibid.*) In her Supplemental Declaration, Counsel provided a verification that each paralegal meets the requirements of Business & Professions Code section 6450 *et seq.*, including qualifications and continuing education. (See Checklist.)

Here, Counsel's lodestar far exceeds the requested award. Under the circumstances, the Court is persuaded that the requested award is reasonable and appropriate.

Counsel attests that her actual litigation costs are \$6,767.95. (Workman Decl., ¶¶ 17, 33, Exh. I.) The Court finds these actual costs reasonable and proper.

Representative Enhancement Payment

Service awards or enhancement payments derive from class action procedures. PAGA is silent on incentive payments for the named plaintiffs. Its requirement that 25 percent of recovered penalties "shall be" distributed to "the aggrieved employees" offers no suggestion that any employee should receive more than his or her pro rata share. (Lab. Code § 2699(i).) While "[r]elief under

1 PAGA is designed primarily to benefit the general public, not the party bringing the action”], courts
2 have routinely approved enhancement payments consistent with the approach in class action cases.
3 The Ninth Circuit has recognized that a named plaintiff’s “willingness to act as a private attorney
4 general” may justify the award of an incentive payment. (*Rodriguez v. West Publishing Corp.* (9th
5 Cir. 2009) 563 F.3d 948, 959.)

6 The Agreement provides for a representative enhancement payment not to exceed \$10,000.
7 (SA, ¶¶ 2, 48.) Plaintiff argues that the requested enhancement payment is warranted in light of
8 Plaintiff’s efforts and the risks he faced in bringing this action. (Mot. re Approval, pp. 18:26- 21:11.)
9 Plaintiff describes his efforts and estimates that he spent 25-30 hours assisting his attorneys in this
10 matter. (Porter Decl., ¶¶ 7-10.) The Court finds that Plaintiff provides sufficient justification for this
11 representative payment.

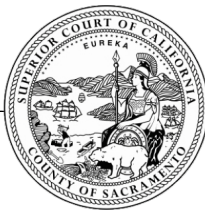
12 **Disposition**

13 Based on the foregoing, the Court **GRANTS** Plaintiffs’ motions.

14 The Court sets a further Compliance Hearing for **November 7, 2025 at 10:30 a.m.** At least
15 15 days prior to the hearing, Counsel shall file a declaration regarding the status of the distribution
16 of the settlement funds. If the Court is satisfied that the settlement funds have been fully distributed,
17 no appearance will be required.

18
19 **IT IS SO ORDERED.**

20 DATE: 02/13/2025



A handwritten signature in dark ink, appearing to read "Lauri A. Damrell".

Hon. Lauri A. Damrell
Superior Court Judge