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September 16, 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

Bellingham Marine Industries, Inc.
Attn: Human Resources
8810 Sparling Lane
Dixon, CA 95620

Bellingham Marine Industries, Inc.
Attn: Legal Department
5500 Nordic Place
Ferndale, WA 98248

Bellingham Marine Industries, Inc.
Attn: Legal Department
610 Newport Center Drive, Suite 490
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CC: VIA EMAIL

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

To: The California Labor and Workforce Development Agency; Bellingham Marine Industries, Inc.

From: Angel Caballero, 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 Angel Caballero ("Mr. Caballero") 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. Caballero, "Claimants") who have been injured by Bellingham Marine Industries, Inc.'s ("BMI") violations of the California Labor Code. Mr. Caballero, on behalf of himself and all other similarly aggrieved current and former hourly nonexempt employees of BMI, 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:

BMI is operating through California as a company of a group of engineers, builders, and manufacturers that offer general contracting and construction services for the erection and installation of floating dock systems, floating platform systems, and wave attenuators.[1]

Claimant Mr. Caballero worked for BMI as an hourly, nonexempt employee in the position of Concrete Laborer, earning $23.00 per hour from approximately January 2, 2025 through May 26, 2025. Mr. Caballero, on behalf of himself and all other similarly aggrieved current and former employees in California in various positions, are or were engaged in providing construction services. As part of their employment with BMI, 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, stripping forms; re-drilling forms; building concrete platforms and structures; relocating concrete platforms and structures; tying rebar; filling the constructed concrete platform and structures with concrete provided by trucks.

Claimant Mr. Caballero regularly worked six (6) days per week for 10 hours or more hours per day. During the entire course of his employment, BMI failed to provide Mr. Caballero and continues to fail to provide those similarly aggrieved with some overtime pay and compliant meal periods and rest breaks. BMI has also failed to pay minimum wages to Mr. Caballero 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. 16-2001. As a consequence, BMI 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. 16-2001. In violation of Labor Code sections 510, 1194, 1197, and 1182.12, BMI 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.

BMI has also failed and continues to fail to pay all wages owed every pay period in violation of Labor Code section 204. Likewise, BMI has failed and continues to fail to keep accurate time records of Claimants' time worked and has actually falsified Claimants' time and has failed to provide timely, accurate wage statements to Mr. Caballero and other aggrieved persons in violation of Labor Code section 226(a). With regard to those no longer employed by BMI, including Mr. Caballero, BMI has violated Labor Code section 203 by failing to timely pay all wages due upon separation. BMI 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 tools and equipment such as steel-toed safety boots, which were not provided but were required for each employee. BMI's failure to reimburse these expenses violated Labor Code section 2802. Mr. Caballero is informed and believes that such violations are ongoing, systematic, and continuous. Mr. Caballero intends to bring an action against BMI under the Private Attorneys General Act ("PAGA") to recover wages and penalties as provided by California law.[2]

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[1] https://bellingham-marine.com/services/ and https://bellingham-marine.com/products/ (last accessed September 15, 2025).

[2] Without limitation, Mr. Caballero, 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:

Theories of Labor Code Violations and Remedies:

Claimant Mr. Caballero was employed by BMI from approximately July 1, 2024 through November 8, 2024 as a Builder. For a period of at least four (4) years prior to September 2025, but for our purposes here, one (1) year prior, BMI 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**. BMI 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. 16-2001. First, Claimants worked a substantial amount of time while off-the-clock—meaning they are effectively 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 were regularly interrupted during their meal periods to return to work any time a cement truck arrived to pour cement, so Claimants clocked back in early from their meal periods, however, BMI changed Claimants' hours to reflect full-length 30-minute meal periods. Correspondingly, BMI did not add the time removed from Claimants' total hours, so Claimants were effectively off-the-clock time during those meal period interruptions and, therefore, that time removed remains uncompensated. Accordingly, Claimants were not paid for that time spent working off the clock. Moreover, BMI enforces practices that require Claimants to perform work during their meal periods and rest breaks, the effects of which BMI could have mitigated by increasing staff to provide coverage so Claimants can take off-duty meal periods and rest breaks. However, BMI instead chose to preserve smaller-than-optimum staffing levels, which forced meal periods and rest breaks into noncompliance. With that, BMI's corresponding failure to provide premium pay at the correct regular rate, if any premiums were paid at all, in lieu of compliant meal periods and rest breaks constitutes BMI's 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. BMI's failure to pay Claimants their meal period and rest break premiums for noncompliant meal periods and 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. 16-2001.

Under Labor Code sections 226.7 and 512 and section 11 of IWC Wage Order No. 16-2001, Claimants were at all times entitled to unpaid, timely, off-duty, uninterrupted **meal periods**. As explained in the preceding paragraph, BMI failed to authorize and permit timely, full-length meal periods for Mr. Caballero and all other similarly aggrieved employees as required by Labor Code sections 226.7 and 512 and section 11 of IWC Wage Order No. 16-2001. Mr. Caballero and Claimants' meal periods were noncompliant because their meal periods were regularly interrupted, and these interruptions required

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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, 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.

Claimants to return to work immediately. These interruptions were due to the arrivals of cement trucks that required immediate attention to pour cement at the job site and once the pouring was done, the cement trucks needed to leave the job site. Even though they missed their meal periods and Mr. Caballero and Claimants clocked back in for work, BMI's personnel adjusted Claimants' time by falsifying time records to reflect full-length 30-minute meal periods. BMI falsified these meal period times because noncompliant meal periods trigger meal period premiums owed to Claimants. Consequently, BMI did not compensate Claimants with an extra hour of pay at the regular rate for noncompliant meal periods for each workday on which they occurred nor for the time worked during the meal period. Accordingly, since BMI required Mr. Caballero and others similarly situated to work during their meal periods in violation of Labor Code sections 226.7(a) and 512, Claimants seek all available penalties as set forth in Labor Code sections 558, section 20 of IWC Wage Order No. 16-2001, and 2699(f).

Pursuant to Labor Code sections 226.7 and section 12 of IWC Wage Order No. 16-2001, Claimants were at all times entitled to take paid, off duty 10-minute **rest breaks**. However, for the same reasons cited in the preceding paragraph regarding meal periods, BMI likewise failed to authorize and permit Mr. Caballero 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. 16-2001. Claimants were not able to take their requisite number of 10-minutes rest breaks based on their shift duration. More specifically, Mr. Caballero and Claimants' rest breaks were noncompliant because they were required to completely forego both of their rest breaks each shift because of the need to timely complete the day's workload. Nonetheless, BMI 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. 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. 16-2001. Furthermore, since BMI 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, BMI 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. Caballero and Claimants regularly worked overtime hours. BMI 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. In short, during the entire course of their employment, BMI failed to provide Mr. Caballero 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. 16-2001, section 3.

Pursuant to Labor Code sections 201–203, Claimants who have since separated from BMI, including Mr. Caballero, 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. Caballero, did not receive their final pay of all wages immediately upon being terminated nor did they receive all wages BMI owed based on BMI's prior failings to pay all wages owed every pay period, including but not limited to minimum wage, overtime, and meal and rest premiums owed and for all hours worked, as explained above. For instance, Mr. Caballero was terminated on May 23, 2025, however, BMI paid Mr. Caballero his final paycheck via direct deposit on May 26, 2025—three days following his termination rather than immediately as required by Labor Code section 201. Independent of untimeliness, that final paycheck did not include all of Mr. Caballero's final wages owed. Accordingly, BMI has violated Labor Code sections 201–202.

Pursuant to IWC Wage Order No. 16-2001, employers are required to keep **accurate time records** showing when employees begin and end each work period, including meal periods. During the relevant time period, BMI had a company-wide policy and engaged in a companywide practice of doctoring Claimants' time records and actual hours worked by adjusting their time-in and/or time-out punches so the records reflect full-length, 30-minute meal periods. Upon information and belief, BMI falsified these time recrods to avoid triggering and paying for meal period premiums for noncompliant meal periods. Therefore, BMI failed to keep accurate records of work period start and stop times for Claimants, in violation of section 1198. Because BMI failed to record the actual hours worked, BMI miscalculated the correct net and gross wages earned on Claimants' wage statements. As a consequence, 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. BMI's 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).

Claimants were at all times entitled to be provided timely and accurate **wage statements** from BMI pursuant to Labor Code section 226. First, Mr. Caballero's wage statements do not reflect the correct legal name of Defendant—Bellingham Marine Industries, Inc. Mr. Caballero's and Claimants' paystubs read "Bellingham Marine Corporate." There are several Bellingham Marine entities, so this error made it quite difficult to ultimately identify the entity on the California Secretary of State website. Second, because BMI failed to pay Claimants minimum wages for all hours worked during their shifts, for all overtime wages due, and for all meal period and rest break premiums, Claimants' wage statements were inaccurate in reflecting overtime hours worked and straight time worked, and all hours worked every pay period. As a consequence, Claimants' wage statements also do not reflect the accurate corresponding amounts 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 BMI for all necessary, **business-related expenses** they incurred in executing their duties for BMI. 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." BMI, however, has failed to fully reimburse Mr. Caballero and Claimants for all necessary, business-related expenses and losses they incurred, including, but not limited to, expenses for tools and safety equipment such as steel-toed boots. Claimants, including Mr. Caballero, were required to wear safety steel-toed boots while on BMI's job site. However, BMI failed to reimburse these expenses but required these boots nonetheless to complete the assigned jobs. BMI's failure to provide all tools and safety items or else reimburse Claimants for purchasing these expenses violated Labor Code section 2802. Accordingly, Claimants are entitled to recover their unreimbursed expenses and losses pursuant to Labor Code section 2802.

BMI's uniform failure to pay minimum and overtime wages, failure to provide meal and rest breaks, failure to keep accurate time records, failure to furnish timely and accurate wage statements, and failure to reimburse all necessary, business-related expenses 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. Caballero, 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 BMI 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

Cheryl Kenner

Cheryl A. Kenner