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as an individual and on behalf of all employees
similarly situated

SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

TERESA CARMEN C. MEJIA, as an
individual and on behalf of all employees
similarly situated,

Plaintiff,

v.

KF CASITAS, LLC dba CASITAS CARE
CENTER, a Limited Liability Company; and
DOES 1 through 50, inclusive,

Defendants.

Case No.: 23STCV06090

[Assigned for all purposes to Hon. Lawrence P.
Riff, Dept. 7]

**[PROPOSED] ORDER GRANTING
PLAINTIFF'S MOTION FOR AN ORDER
APPROVING SETTLEMENT OF CLAIMS
BROUGHT PURSUANT TO THE PRIVATE
ATTORNEYS GENERAL ACT OF 2004**

Date: May 30, 2024
Time: 10 a.m.
Courtroom: Dept. 7
Judge: Hon. Lawrence P. Riff

Action Filed: March 17, 2023
Trial Date: Not Set

1 **TO ALL PARTIES AND TO THEIR COUNSEL OF RECORD:**

2 Plaintiff TERESA CARMEN C. MEJIA (“Plaintiff”) and Defendant KF CASITAS, LLC dba
3 CASITAS CARE CENTER (“Defendant”) (Plaintiff and Defendant are the “Parties”) have reached the
4 terms of a settlement of this action alleging a claim for relief pursuant to the Labor Code Private
5 Attorneys General Act of 2004, Labor Code § 2698, *et seq.* (“PAGA”).

6 Pursuant to PAGA, Plaintiff, on behalf of the Parties, has filed a motion for approval of the
7 settlement of the claims asserted against Defendant in this action. Specifically, Plaintiff moves for an
8 order:

9 1. granting approval of the terms of the Agreement pursuant to the Labor Code Private
10 Attorneys General Act of 2004, Labor Code § 2698, *et seq.*, including the amount of the
11 settlement; the amount of distributions to the State and Aggrieved Employees; the amounts
12 allocated to attorneys’ fees and costs; and, the amount allocated to the settlement administrator;
13 and,

14 2. directing disbursement of the Gross Settlement Amount pursuant to the terms of the
15 Agreement.

16 The PRIVATE ATTORNEYS GENERAL ACT SETTLEMENT AGREEMENT AND
17 RELEASE (referred to as the “Agreement,” or “Settlement,” and attached to the Declaration of Lilit
18 Tunyan as Exhibit 1) is conditioned upon the Court’s approval. Capitalized terms in this Order have the
19 same meaning as in the Settlement unless indicated otherwise. A summary of the terms of the
20 Settlement is as follows:

21 (a) The Aggrieved Employees: The Aggrieved Employees (also known as the
22 “PAGA Members”) are: “All non-exempt or hourly employees of Defendant
23 who worked for Defendant in the State of California from March 17, 2022 to the
24 date of entry of order for approval of the Settlement by the Court or 60 days after
25 February 15, 2024, whichever is earlier.” It is estimated that there are
26 approximately 5,314 pay periods during the period from March 17, 2022 through
27 February 15, 2024 (“PAGA Period”). (Agreement, ¶ 1.4, 1.19, 4.1.)

28 (b) No Reversion: The Settlement is ***non-reversionary***. (Agreement, ¶ 3.1.)

- (c) Gross Settlement Amount: Defendant agrees to pay the maximum sum of **\$150,000.00** (hereinafter referred to as the “Gross Settlement Amount” or “GSA”) for settlement of the PAGA Penalties, which shall be inclusive of Individual PAGA Payments, the LWDA PAGA Payment, Plaintiff’s Counsel’s attorneys’ fees and costs and the settlement administrator’s fees and costs. (Agreement, ¶ 1.10.)
- (d) Net Settlement Amount: At least **\$84,560.80** will be available for distribution to the Aggrieved Employees and the LWDA. Of this amount, the LWDA will receive at least **\$63,420.60** under the Agreement, and Aggrieved Employees will receive at least **\$21,140.20**. (Agreement, ¶ 1.15.)
- (e) Attorneys’ Fees: Plaintiff’s Counsel request an award of attorneys’ fees in the amount of **\$50,000.00**, which is one third of the GSA. (Agreement, ¶ 3.2.1.)
- (f) Litigation Costs: Plaintiff’s Counsel’s litigation costs are capped to a maximum amount of **\$15,000.00**. Those actual costs are **\$11,439.20** which include the future costs of motion and final report filing and CaseAnywhere fees. Therefore, Plaintiff requests **\$11,439.20** for litigation costs. (Agreement, ¶¶ 3.2.1.)
- (g) Settlement Administration: Payment to Aggrieved Employees and administration will be accomplished through third-party settlement administrator Simpluris, Inc., which has agreed to perform Administrator duties for a flat not to exceed fee of **\$4,000.00**, which is reasonable, based on all of the services offered. (Agreement, ¶ 3.2.2.)
- (h) General Release Payment: Upon approval of this PAGA settlement Plaintiff shall receive a general release payment as a consideration for general release of her individual claims in accordance with the separate individual settlement agreement entered between the Parties. The General Release Payment is not included in GSA (Agreement, ¶ 5.1.)
- (i) Uncashed Checks: Funds represented by checks returned as undeliverable after a

re-mailing, and funds represented by checks remaining un-cashed for more than 180 days after issuance, will be tendered to the Unclaimed Property Fund in the name of the Aggrieved Employee. (Agreement, ¶ 4.4.3.)

(j) Release: In exchange for the above settlement consideration, Defendant shall be entitled to a release from the LWDA and each and every Aggrieved Employee, including Plaintiff.¹ (Agreement, ¶¶ 5.1-5.2.)

(k) Notice to LWDA: The Declaration of Lilit Tunyan confirms that notice was provided to the LWDA and attaches the confirmatory submission documents. (Tunyan Decl., ¶ 46 and Exh. 3.)

After reviewing the Settlement and other related documents, and the filings submitted by Plaintiff, **IT IS HEREBY ORDERED AS FOLLOWS:**

1. The Court hereby GRANTS approval of the PAGA settlement upon the terms and conditions set forth in the Agreement. The Court finds that the terms of the proposed settlement are reasonable. In granting approval of the settlement the Court has considered the factors identified in *Moniz v. Adecco USA, Inc.*, 72 Cal. App. 5th 56 (2021), *O'Connor v. Uber Technologies*, No. 13-CV-03826-EMC, 2016 WL 4398271 (N.D. Cal. Aug. 18, 2016), *Hanlon v. Chrysler Corp.*, 150 F.3d 1011 (9th Cir. 1998), *Dunk v. Ford Motor Co.*, 48 Cal. App. 4th 1794 (1996), and other authority providing a coherent framework for evaluating this Settlement.

2. The Court hereby identifies the Aggrieved Employees as:

All non-exempt or hourly employees who worked for Defendant in the State of California from March 17, 2022 to April 15, 2024.

3. The Court hereby finds the Settlement was the product of informed, non-collusive negotiations conducted at arms' length by the Parties. In making these findings, the Court considered Defendant' potential liability, the benefit to the State of California, allocation of settlement proceeds among Aggrieved Employees, and the fact that a settlement represents a compromise of the Parties'

¹ This comports with settled California Supreme Court authority. *See Arias v. Superior Court*, 46 Cal. 4th 969, 986 (2009) (concluding that "with respect to the recovery of civil penalties, nonparty employees as well as the government are bound by the judgment in an action brought under the act....").

1 respective positions rather than the result of a finding of liability at trial. The Court further finds that the
2 terms of the Settlement have no obvious deficiencies. The Court finds that the risks of further
3 prosecution are substantial and include the risks that (1) penalties would be reduced after evaluation of
4 the totality of the circumstances, or (2) that no penalties would be awarded for some or all of the alleged
5 violations.

6 4. The Court hereby approves Simpluris, Inc. to serve as the Administrator. The
7 Administrator will be paid pursuant to the Agreement's terms for such distribution, in the requested
8 amount of **\$4,000.00** out of the Gross Settlement Amount to effectuate the administration of the
9 Settlement.

10 5. Pursuant to the Agreement, the amount distributed as penalties under PAGA shall be
11 **\$150,000.00**, less administration costs, attorneys' fees, and costs awarded to Plaintiff's counsel. After
12 these amounts are deducted from the Gross Settlement Amount, the amount remaining to distribute as
13 penalties is **\$84,560.80**. The LWDA shall receive 75% of the penalties allocated, which is **\$63,420.60**.
14 Aggrieved Employees shall receive 25% of the penalties allocated, which is **\$21,140.20**.

15 6. The Court hereby awards Plaintiff's Counsel attorneys' fees in the amount of **\$50,000.00**.
16 The Court finds that the attorneys' fees are reasonable compared to amounts routinely approved in
17 similar settlements and as guided by the California Supreme Court's decision concerning the awarding of
18 fees from monetary funds for class members. *Laffitte v. Robert Half Intern. Inc.*, 1 Cal. 5th 480, 503
19 (2016). Counsel proceeded on a contingency basis despite the uncertainty of any fee award. Counsel
20 were necessarily precluded from pursuing other potential sources of fees because of work in connection
21 with this Action. The Court observed that this is not a class action. It is more akin to contingent
22 representation with an additional requirement of Court review due to the qui tam nature of a PAGA
23 claim. Attorneys' fees that are fifty percent of a common fund are typically considered the upper limit,
24 with thirty to forty percent commonly awarded in cases where the settlement is relatively small. *See Van*
25 *Vranken v. Atlantic Richfield Company*, 901 F. Supp. 294 (N.D. Cal. 1995) (stating that most cases
26 where 30-50 percent was awarded involved "smaller" settlement funds of under \$10 million). Based on
27 these considerations, including the lodestar cross-check, a fee award of one third of the total settlement
28 amount is reasonable.

1 7. The Court hereby awards Plaintiff's Counsel litigation costs in the total amount of
2 **\$11,439.20.**

3 8. Upon entry of this Order, the Parties shall effectuate all terms of the Settlement based on
4 the provisions and timelines set forth in the Agreement.

5 Pursuant to the terms of the Settlement, the released persons and entities include
6 Defendant (as defined above) and each of their former and present directors, officers,
7 shareholders, owners, members, attorneys, insurers, predecessors, successors, assigns,
8 subsidiaries, and affiliates (referred to in the Settlement as the "Released Parties").

9 9. Upon entry of the Order approving this Settlement and the Judgment thereon, PAGA
10 claims are released as follows:

11 Effective on the date when Defendant fully fund the entire Gross Settlement Amount,
12 all Aggrieved Employees are deemed to release, on behalf of themselves and their
13 respective former and present representatives, agents, attorneys, heirs, administrators,
14 successors, and assigns, the Released Parties from all claims for PAGA penalties that
15 were alleged, or reasonably could have been alleged, based on the PAGA Period facts
16 stated in the Operative Complaint and the PAGA Notice ("Released Claims"). With the
17 exception of Plaintiff who will provide a general release of all claims, this settlement
18 shall not impact aggrieved employees' ability to assert claims other than the PAGA
19 claims being released by this Agreement, i.e., the Released PAGA Claims.

16 10. The action is DISMISSED WITH PREJUDICE.

17 11. The Court will enter Final Judgment in accordance with this Order.

18 12. The Court shall retain jurisdiction with respect to all matters related to the administration
19 and consummation of the Settlement, and any and all claims asserted in, arising out of, or related to the
20 subject matter of the lawsuit, including but not limited to all matters related to the Settlement and the
21 determination of all controversies relating thereto.

22
23 **IT IS SO ORDERED.**

24 Dated: _____

Honorable Lawrence P. Riff
LOS ANGELES COUNTY SUPERIOR COURT
JUDGE

STATE OF CALIFORNIA)
) ss
COUNTY OF LOS ANGELES)

On the date indicated below, I served the document described as: **[PROPOSED] ORDER GRANTING PLAINTIFF'S MOTION FOR AN ORDER APPROVING SETTLEMENT OF CLAIMS BROUGHT PURSUANT TO THE PRIVATE ATTORNEYS GENERAL ACT OF 2004** on the interested parties in this action by sending a true copy thereof to interested parties as follows and as stated on the attached service list:

Attorneys for Defendant KF Casitas, LLC dba Casitas Care Center

Executed on April 2, 2024 at Glendale, California.

Signature