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County of San Diego

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

SAMUEL MEDINA *et al.*

Plaintiff,

vs.

PRIME ADMINISTRATION, LLC *et al.*

Defendants.

Case No. 37-2023-00047293-CU-OE-CTL

*Hon. Katherine Bacal
Dept. 69*

**Notice of Entry of Order Granting Approval
of PAGA Settlement**

Action Filed: October 30, 2023

1 TO THE COURT, ALL PARTIES AND THEIR ATTORNEYS OF RECORD, PLEASE
2 TAKE NOTICE THAT:

3 1. On February 26, 2024, the Court entered the Order Approving PAGA Settlement
4 attached hereto as Exhibit 1.

5 2. A copy of the conformed copy of this Notice shall be submitted to the LWDA via its
6 online electronic portal in accordance with Labor Code § 2699(1)(3).

7 3. Notice of the Court's final ruling is hereby provided.

8
9 Respectfully submitted,

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11 Dated: March 14, 2024

Ferraro Vega Employment Lawyers, Inc.

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13 Nicholas J. Ferraro

14 Attorneys for Plaintiff Samuel Medina
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Exhibit 1

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Attorneys for Defendant Prime Administration LLC

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

SAMUEL MEDINA *et al.*

Plaintiff,

vs.

PRIME ADMINISTRATION LLC *et al.*

Defendants.

Case No. 37-2023-00047293-CU-OE-CTL

*Hon. Katherine Bacal
Dept. 69*

**AMENDED Joint Stipulation Requesting
PAGA Settlement Approval; ~~Proposed~~
Order Approving PAGA Settlement**

Action Filed: October 30, 2023

1 Plaintiff Samuel Medina and Defendant Prime Administration, LLC have reached a settlement
2 of Plaintiff's claims brought under the Private Attorneys General Act ("PAGA"). The Parties, through
3 this Stipulation, request that the Court sign the Proposed Order approving the PAGA Settlement under
4 Labor Code section 2699(1)(2). The supporting law is detailed below. Relevant facts supporting the
5 Settlement are set forth in the amended declaration of counsel Nicholas J. Ferraro and the declaration
6 of the PAGA representative and named plaintiff Samuel Medina, filed concurrently herewith.

7 **I. BACKGROUND**

8 On April 14, 2023, Plaintiff submitted a notice to the Labor and Workforce Development
9 Agency asserting claims for civil penalties under the PAGA on behalf of himself and the Covered
10 Employees. (Amended Declaration of Nicholas J. Ferraro, ¶ 2.) On October 30, 2023, Plaintiff filed
11 a PAGA representative action in San Diego County Superior Court. (Amended Ferraro Decl., ¶ 3.)
12 In the Complaint, Plaintiff requested civil penalties under Labor Code section 2699 *et seq.*

13 On October 17, 2023, the Parties reached a resolution of Plaintiff's PAGA Action after
14 engaging in settlement discussions through an experienced mediator and exchange of information.
15 (Amended Ferraro Decl., ¶¶ 13-14.) The Parties fully executed the Settlement of Private Attorneys
16 General Act Claims as of November 7, 2023. (Amended Ferraro Decl., ¶ 15, Ex. 1.) A copy of the
17 PAGA Settlement And Release Agreement is attached to the Amended Declaration of Nicholas J.
18 Ferraro as Exhibit 1.

19 On December 19, 2023, Plaintiff electronically submitted the PAGA Settlement and Release
20 Agreement to the LWDA, via the LWDA's online filing system. (Amended Ferraro Decl., ¶ 16.)

21 On or about January 4, 2024, the Parties submitted their initial joint stipulation requesting
22 approval of the PAGA Settlement And Release Agreement.

23 On or about January 16, 2024, the Court denied without prejudice the Parties' initial joint
24 stipulation and requested that Plaintiff and his counsel submit evidence to support the request for
25 attorney's fees and for the representative service payment. Accordingly, Plaintiff now provides
26 additional information for the Court in the Amended Declaration of Nicholas J. Ferraro and
27 Declaration of Plaintiff Samuel Medina, filed concurrently with this Amended Joint Stipulation.
28

II. LEGAL STANDARD

A. The PAGA Settlement May Be Approved.

PAGA settlements require judicial review and approval. Cal. Lab. Code § 2699(l)(2). The criteria for review and approval is not well-developed, but when a PAGA claim is settled, the relief provided for must be genuine and meaningful, consistent with the purpose of the statute to benefit the public. *See Haralson v. U.S. Aviation Services Corp.* (N.D. Cal. 2019) 383 F. Supp.3d 959, 971-972.

PAGA representative actions are different than class actions. *Kim v. Reins Int'l Inc.* (2020) 9 Cal. 5th 73, 86. As such, the settlement of a PAGA action is not evaluated subject to the same requirements as class actions, though courts like this one can and often do consider the factors applicable to class action settlements when reviewing PAGA settlements. “[A] trial court should evaluate a PAGA settlement to determine whether it is fair, reasonable, and adequate in view of PAGA's purposes to remediate present labor law violations, deter future ones, and to maximize enforcement of state labor laws.” *Moniz v. Adecco USA, Inc.* (2021) 72 Cal.App.5th 56, 77. However, the factors used to assess the reasonableness of class settlements may be used for PAGA settlements. *See, e.g., Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801; *Wershba v. Apple Computer* (2001) 91 Cal.App.4th 224, 240; *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116 (factors include the (1) strengths of plaintiffs’ case; (2) risk, expense, complexity, and duration of further litigation; (3) amount offered in settlement; (4) discovery and investigation completed; (5) experience and views of counsel; and (6) governmental participant involvement). **As detailed in the Amended Declaration of Nicholas J. Ferraro, these factors support approval of the PAGA settlement.**

B. The Fees and Costs May Be Approved.

The Settlement authorizes attorneys’ fees of up to 35% of the Gross Settlement Amount. (Amended Ferraro Decl., ¶ 15, Ex. 1.) The purpose of the percentage method is to avoid unjust enrichment by spreading the litigation costs proportionally among all the beneficiaries. *See, e.g., Lealao v. Beneficial Cal., Inc.* (2000) 82 Cal. App. 4th 19, 47. This approach incentivizes lawyers to undertake risks of time and resources to vindicate the public interest and protect the policies underlying

1 the wage laws. In the case of a common fund—like the one in this case where there is no reversion or
2 claims process—the percentage method is the preferred method:

3 The recognized advantages of the percentage method—including relative ease
4 of calculation, alignment of incentives between counsel and the class, a better
5 approximation of market conditions in a contingency case, and the
6 encouragement it provides counsel to seek an early settlement and avoid
unnecessarily prolonging the litigation ... —convince us the percentage
method is a valuable tool that should not be denied our trial courts.

7 *Laffitte v. Robert Half International, Inc.* (2016) 1 Cal. 5th 480, 503 (citations omitted).
8 “[R]egardless whether the percentage method or the lodestar method is used, fee awards in class [and
9 representative] actions average around one-third of the recovery.” *Chavez v. Netflix, Inc.* (2008) 162
10 Cal. App. 4th 43, 66, n. 11. Defendant does not oppose a request by Plaintiff’s counsel for attorneys’
11 fees in an amount that does not exceed 35% of the Gross Settlement Amount (i.e., \$87,500). Plaintiff
12 contends that attorneys’ fees to Plaintiff’s counsel in the amount of 35% of the Settlement is reasonable
13 and should be approved, which are further authorized by statute via Labor Code § 2699(g)(1). *See*
14 *generally* Amended Ferraro Decl., ¶¶ 21-43.

15 Moreover, Plaintiff’s request for reimbursement of litigation costs, the itemized statement for
16 such costs set forth in the accompanying declaration, may also be approved in accordance with the
17 Settlement and pursuant to Labor Code § 2699(g)(1) and Code of Civil Procedure § 1021.5. Amended
18 Ferraro Decl., ¶ 22

19 **III. STIPULATIONS**

20 Therefore, the Parties, through their attorneys of record, hereby stipulate that the PAGA
21 settlement in this case is fair and reasonable.

22 The Parties respectfully request that this Court approve the Settlement and sign the Proposed
23 Order.

24 Respectfully submitted,

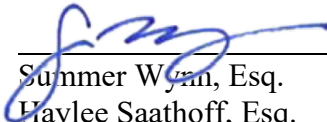
25 Dated: February 5, 2024

Ferraro Vega Employment Lawyers, Inc.

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27 
28 Nicholas J. Ferraro, Esq.
Lauren N. Vega, Esq.
Attorneys for Plaintiff Samuel Medina

1 Dated: February 5, 2024

Cooley LLP

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4 Summer Wynn, Esq.
Haylee Saathoff, Esq.

Attorneys for Defendant Prime Administration LLC

~~[PROPOSED]~~ ORDER

The Court has reviewed the Joint Stipulation Requesting PAGA Settlement Approval, the Declaration of Plaintiff Samuel Medina, the Amended Declaration of Nicholas J. Ferraro, and its exhibits, including the Private Attorneys General Act Settlement Agreement and Release ("Settlement").

NOW, THEREFORE, THE COURT HEREBY ORDERS AS FOLLOWS:

The Parties' Joint Stipulation Requesting PAGA Settlement Approval is **GRANTED** and approved pursuant to California Labor Code section 2699(1)(2). The terms of the Settlement are incorporated into this Order as though fully set forth herein. After the attorneys' fees, individual representative service payment, costs, and administrator's expenses are deducted from the Gross Settlement Amount, the Net Settlement Amount is \$133,994.17, of which 75% (\$100,495.63) shall be distributed to the LWDA and the remaining 25% (\$33,498.54) shall be distributed to the aggrieved employees as their share of PAGA penalties.

Accordingly, the \$250,000 gross settlement shall be distributed as follows:

1. \$100,495.63 to the Labor and Workforce Development Agency for PAGA penalties
2. \$33,498.54 to the PAGA Employees
3. \$10,000 to Plaintiff as a representative service payment
4. \$87,500 to Plaintiff's counsel for attorneys' fees
5. \$14,005.83 to Plaintiff's counsel for costs
6. \$4,500 to the Settlement Administrator

Plaintiff, Defendant, and the Settlement Administrator are ordered to carry out the terms of the settlement in accordance with the Settlement Agreement.

The Court retains jurisdiction over the parties to enforce the terms of the Settlement.

IT IS SO ORDERED

February 26, 2024



Hon. Katherine Bacal
Judge of the Superior Court