

HAINES LAW GROUP
EMPLOYMENT ATTORNEYS

December 22, 2025

VIA LWDA WEBSITE

Labor and Workforce Development Agency
Attn. PAGA Administrator
1515 Clay Street, Ste. 801
Oakland, CA 94612

Re: *Ingrid Alvarez v. SA Recycling LLC*

To Whom It May Concern:

Please be advised that this law firm represents Ingrid Alvarez (“Ms. Alvarez”) in claims arising from her employment with SA Recycling LLC; and Does 1 through 100 (collectively “SA Recycling”). Ms. Alvarez is an “aggrieved employee” as defined by Labor Code Section 2698 *et seq.*, due to SA Recycling LLC’s numerous violations of the Labor Code as set forth below. The purpose of this letter is to comply with Labor Code Section 2699.3, which requires aggrieved employees to notify their employer and the Labor & Workforce Development Agency (“LWDA”) of the specific provisions of the Labor Code allegedly violated. For purposes of this letter, “aggrieved employees” include all of SA Recycling LLC’s non-exempt employees who worked for SA Recycling LLC in California during the one year immediately preceding the date of this letter through the present.

SA Recycling operates as a metal recycling and processing company that collects, sorts, and processes scrap materials for reuse. SA Recycling employed Ms. Alvarez as a non-exempt employee in the position of “Weightmaster” (or similarly titled position) from approximately June 2017 until August 20, 2025.

During Ms. Alvarez employment with SA Recycling, SA Recycling has failed to pay Ms. Alvarez and other aggrieved employees for all hours worked, including (but not limited to) by requiring and/or permitting employees to work while off-the-clock. For example, Ms. Alvarez and other aggrieved employees were frequently interrupted during their off-duty meal periods and expected to respond to emergent issues while clocked out for their meal periods. This has resulted in Ms. Alvarez and other aggrieved employees not being paid all required wages for all hours worked, including all minimum wages and overtime wages. Due to SA Recycling’s timekeeping policies/practices that fail to compensate for all hours worked, Ms. Alvarez and other aggrieved employees were not compensated for all required minimum and overtime wages.

Throughout Ms. Alvarez’s employment with SA Recycling, Ms. Alvarez received various forms of non-discretionary bonuses and/or other forms of pay not properly

excludable as a matter of law when calculating an employee's regular rate of pay (hereinafter the aforementioned forms of pay are collectively referred to as "Incentive Pay"). For example, every final pay period of the month, Ms. Alvarez received an additional payment of \$100.00 for "Safety Bonuses" if there were no work-related accidents. This Incentive Pay is reflected on Ms. Alvarez's wage statement as "SFTYO - \$100.00." Despite SA Recycling's payment of Incentive Pay to Ms. Alvarez, SA Recycling failed to include all forms of Incentive Pay when calculating Ms. Alvarez's regular rate of pay, thereby causing Ms. Alvarez to be underpaid for all of her required overtime wages, sick pay or equivalent payments made for sick pay, such as PTO and/or "wellness time," and meal/rest period premium payments.

During Ms. Alvarez's employment with SA Recycling, SA Recycling failed to provide Ms. Alvarez and other aggrieved employees with all legally compliant meal periods due to SA Recycling's meal period policies/practices, which have frequently resulted in late (commencing after the fifth hour of work), short (less than 30 minutes), missed meal periods, and/or meal period that were interrupted as discussed above. For example, Ms. Alvarez and other aggrieved employees' meal periods were regularly interrupted as they were expected to respond to emergent issues during their meal periods. In addition, although Ms. Alvarez and other aggrieved employees worked shifts in excess of 10.0 hours, SA Recycling failed to provide Ms. Alvarez and other aggrieved employees with second meal periods on shifts over 10.0 hours. Furthermore, SA Recycling failed to compensate Ms. Alvarez and aggrieved employees with meal period premiums at their regular rate of pay for all workdays in which a meal period violation occurred, as required by Labor Code § 226.7. Additionally, upon information and belief, when SA Recycling paid meal period premium payments, they paid meal periods premiums at the base hourly rate of pay, rather than at the regular rate of pay after factoring in Incentive Pay. As a result, SA Recycling failed to always compensate Ms. Alvarez and aggrieved employees with an additional hour of premium pay at their respective regular rates of pay for each workday in which a meal period violation occurred, as required by Labor Code § 226.7.

Furthermore, SA Recycling has also failed to authorize and permit all required rest periods for Ms. Alvarez and other aggrieved employees. Specifically, SA Recycling has often failed to authorize and permit a 10-minute rest period for every four hours worked or major fraction thereof due to work demands imposed by SA Recycling. In addition, SA Recycling did not inform Ms. Alvarez and other aggrieved employees of their legally required 10-minute rest period for every four hours worked or major fraction thereof. Furthermore, on occasions when Ms. Alvarez asked her manager to take a rest period, Ms. Alvarez's manager would become visibly annoyed and frustrated. Because Ms. Alvarez and other aggrieved employees were not authorized and permitted to take their rest periods, Ms. Alvarez was forced to contact other colleagues to cover her workstation in order for Ms. Alvarez to use the bathroom. Additionally, although Ms. Alvarez and other aggrieved employees worked shifts in excess of 10.0 hours, SA Recycling failed to provide Ms. Alvarez and other aggrieved employees with third rest periods on shifts over 10.0 hours. On those occasions when Ms. Alvarez was not authorized and permitted all legally required rest periods to which she was entitled, SA Recycling did not always

compensate Ms. Alvarez with the required rest period premium, as required by Labor Code § 226.7. In addition, as with meal period premiums, SA Recycling failed to compensate their aggrieved employees with an additional hour of premium pay at their respective regular rates of pay for each workday in which a rest period violation occurred, as required by Labor Code § 226.7.

SA Recycling also failed to reimburse Ms. Alvarez and other aggrieved employees for all reasonable and necessary work expenditures, including, but not limited to, personal cellular phone expenses incurred for work-related purposes. Specifically, Ms. Alvarez's supervisors and colleagues would call and/or text Ms. Alvarez to discuss current assignments or ask work-related questions. Ms. Alvarez and other aggrieved employees were not reimbursed for these work-related expenditures as required pursuant to Labor Code § 2802.

As a result of SA Recycling's failure to compensate Ms. Alvarez and other aggrieved employees for all minimum wages, overtime wages, and all meal and rest period premium wages, SA Recycling maintained inaccurate payroll records and failed to issue accurate, compliant, itemized wage statements. As a further result of SA Recycling's failure to compensate Ms. Alvarez and other aggrieved employees for all minimum wages, overtime wages, and all meal and rest period premium wages, SA Recycling failed to pay Ms. Alvarez and other aggrieved employees all wages owed at the time of their separation of employment with SA Recycling.

As described above, SA Recycling committed the following violations of the Labor Code, and Industrial Welfare Commission Wage Order 1 ("Wage Order 1"):

Overtime Wage Violations

SA Recycling was required to pay Ms. Alvarez and other aggrieved employees overtime wages for all hours worked in excess of eight hours per workday and/or forty hours per workweek. *See* Labor Code §§ 1194(a) and 1198; Wage Order 1, § 3. According to Labor Code § 510(a), "Any work in excess of eight hours in one workday and any work in excess of 40 hours in any one workweek and the first eight hours worked on the seventh day of work in any one workweek shall be compensated at the rate of no less than one and one-half times the regular rate of pay for an employee." This Section further provides, "Any work in excess of 12 hours in one day shall be compensated at the rate of no less than twice the regular rate of pay for an employee. In addition, any work in excess of eight hours on any seventh day of a workweek shall be compensated at the rate of no less than twice the regular rate of pay of an employee." As alleged above, SA Recycling caused Ms. Alvarez and other aggrieved employees to work overtime hours but did not compensate Ms. Alvarez and other aggrieved employees at one and one-half times their regular rate of pay for such hours. As a result of these policies/practices, Ms. Alvarez and other aggrieved employees were not compensated for all overtime and double-time wages.

Minimum Wage Violations

SA Recycling was required to pay Ms. Alvarez and other aggrieved employees an hourly rate at least equal to the minimum wage for each hour actually worked. *See* Labor Code §§ 1182.12, 1194, 1194.2, 1197; Wage Order 1, § 4. As alleged above, SA Recycling failed to conform its pay practices to the requirements of the law by failing to pay Ms. Alvarez and other aggrieved employees for all hours worked including, but not limited to, all hours they were subject to the control of SA Recycling and/or suffered or permitted to work under the California Labor Code and Wage Order 1. As a result of these policies/practices, which fail to compensate for all hours worked, Ms. Alvarez and other aggrieved employees were deprived of all required minimum wages.

Meal Period Violations

As alleged above, SA Recycling failed to provide Ms. Alvarez and other aggrieved employees with all required and compliant meal periods. *See* Labor Code §§ 226.7 and 512; Wage Order 1, § 11. As a result, Ms. Alvarez and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday they experienced a meal period violation. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal or rest or recovery period in accordance with ... [an] order of the Industrial Welfare Commission ... the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest or recovery period is not provided.”).

Rest Period Violations

As alleged above, SA Recycling also failed to authorize and permit Ms. Alvarez and other aggrieved employees to take all required rest periods. *See* Labor Code §§ 226.7 and 516; Wage Order 1, § 12. As a result, Ms. Alvarez and other aggrieved employees are owed an additional hour of wages at their regular rate of compensation for each workday that they were not authorized and permitted to take all legally required rest periods. *See* Labor Code § 226.7 (“If an employer fails to provide an employee a meal period or rest period in accordance with an applicable order of the Industrial Welfare Commission, the employer shall pay the employee one additional hour of pay at the employee’s regular rate of compensation for each workday that the meal or rest period is not provided.”)

Wage Statement Violations

SA Recycling was required to furnish Ms. Alvarez and other aggrieved employees with complete and accurate itemized wage statements that showed, among other things, their rates of pay, corresponding number of hours worked at each rate of pay, total gross wages earned, and total net wages earned. *See* Labor Code §§ 226(a) and 1174(d); Wage Order 1, § 7. As a result of SA Recycling’s failure to pay all overtime, minimum, and double-time wages, and failure to pay all required meal and rest period premium wages, SA Recycling maintained inaccurate payroll records and issued inaccurate wage statements

to Ms. Alvarez and other aggrieved employees in violation of Labor Code § 226. SA Recycling's failure to comply with its wage statement obligations was knowing and intentional, and Ms. Alvarez and other aggrieved employees have suffered injury as a result.

Waiting Time Penalties

Labor Code §§ 201 and 202 require that employees receive all of their final wages at the time of their separation of employment. SA Recycling failed to timely pay Ms. Alvarez and other aggrieved employees all of their final wages at the time of separation, which included all overtime, double-time, and minimum wages as well as all meal and rest period premium wages. Pursuant to Labor Code § 203, SA Recycling's failure to pay all final wages due to Ms. Alvarez and other aggrieved employees was willful and, consequently, entitles Ms. Alvarez and other aggrieved employees to waiting time penalties equal to one day of wages at their standard hourly rate for each day SA Recycling failed to pay their final wages after their separation, up to a maximum of thirty days.

Failure to Indemnify Employees for All Necessary Business Expenditures

As alleged above, SA Recycling failed to reimburse Ms. Alvarez and other aggrieved employees for necessary work expenses, including the use of their personal cellular phones for business purposes. SA Recycling's policy of not providing reimbursement for necessary work-related expenses is in violation of Wage Order 1, § 9, and Labor Code §§ 2802 and 2804 ("An employer shall indemnify his or her employees for all necessary expenditures or losses incurred by the employee in direct consequence of the discharge of his or her duties, or of his or her obedience to the directions of the employer.") Ms. Alvarez and other aggrieved employees are therefore entitled to reimbursement of such unpaid work expenses with interest.

As an "aggrieved employee," Ms. Alvarez will initiate a civil action on behalf of herself and other aggrieved employees to recover civil penalties resulting from the wage and hour violations alleged herein. Based on Ms. Alvarez's own investigation, and on information and belief, SA Recycling committed and continues to commit the following Labor Code violations:

- a. SA Recycling violated Labor Code §§ 204, 510, 1194, and 1198 by failing to pay Ms. Alvarez and other aggrieved employees all overtime compensation earned;
- b. SA Recycling violated Labor Code §§ 1182.12, 1194, 1194.2, and 1197 by failing to pay Ms. Alvarez and other aggrieved employees the statutory minimum wage for all hours worked;
- c. SA Recycling violated Labor Code §§ 226.7, 512, and 558 by failing to provide meal periods as required by law and failing to pay meal period premiums to Ms.

Alvarez and other aggrieved employees at these employees' respective regular rates of compensation for meal period violations;

- d. SA Recycling violated Labor Code §§ 226.7, 516, and 558 by failing to authorize and permit Ms. Alvarez and other aggrieved employees all required rest periods and failing to pay rest period premiums to Ms. Alvarez and other aggrieved employees at these employees' respective regular rates of compensation for rest period violations;
- e. SA Recycling violated Labor Code § 226 by failing to furnish Ms. Alvarez and other aggrieved employees with accurate and compliant itemized wage statements;
- f. SA Recycling violated Labor Code §§ 201, 202, and 203 by failing to timely pay all final wages due to Ms. Alvarez and other aggrieved employees;
- g. SA Recycling violated Labor Code §§ 2802 and 2804 by failing to indemnify Ms. Alvarez and other aggrieved employees for all necessary expenditures incurred;
- h. SA Recycling violated Labor Code § 204 by failing to pay Ms. Alvarez and other aggrieved employees all wages earned at least twice during each calendar month; and
- i. SA Recycling violated Labor Code §§ 1174 and 1198 by failing to maintain accurate records on behalf of Ms. Alvarez and other aggrieved employees.

Pursuant to Labor Code Section § 2699.3(a)(2)(A), please notify us and SA Recycling if the LWDA intends to investigate these alleged violations of the Labor Code. Please contact me should you require additional information.

Very truly yours,
HAINES LAW GROUP, APC



Paul K. Haines

cc: SA Recycling LLC (via certified mail)