

Arby Aiwarzian (SBN 269827)
Joanna Ghosh (SBN 272479)
Melissa LeBlanc-Mansell (SBN 283080)
LAWYERS for JUSTICE, PC
450 N. Brand Blvd., Suite 900
Glendale, California 91203
Tel: (818) 265-1020 / Fax: (818) 265-1021

Attorneys for Plaintiffs

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

GABRIEL TROCHE MALDONADO,
GREGORY A. SHERMAN, individually, and
on behalf of other aggrieved employees
pursuant to the California Private Attorneys
General Act;

Plaintiff,

vs.

AMERIGAS PROPANE, INC., a California
limited liability company ; and DOES 1
through 100, inclusive,

Defendants.

Case No.: STK-CV-UOE-2023-0010754

Honorable Barbara Kronlund
Department 10D

**PLAINTIFFS' NOTICE OF MOTION
AND MOTION FOR APPROVAL OF
PRIVATE ATTORNEYS GENERAL
ACT (CAL. LABOR CODE § 2698,
ET SEQ.) SETTLEMENT AGREEMENT
AND AWARD OF PAGA COUNSEL
FEES PAYMENT, PAGA COUNSEL
LITIGATION EXPENSES PAYMENT,
PAGA REPRESENTATIVE GENERAL
RELEASE FEES, AND
ADMINISTRATION EXPENSES
PAYMENT; MEMORANDUM OF
POINTS AND AUTHORITIES**

[Declaration of PAGA Counsel
(Melissa LeBlanc-Mansell); Declarations of
Plaintiffs (Gabriel Troche Maldonado and
Gregory A. Sherman); and [Proposed] Order
and Judgment filed concurrently herewith]

Date:
Time: 9:00 a.m.
Department: 10D

Complaint Filed: October 10, 2023
FAC Filed: June 14, 2024
Trial Date: Vacated

**PLAINTIFFS' NOTICE OF MOTION AND MOTION FOR APPROVAL OF PRIVATE ATTORNEYS
GENERAL ACT (CAL. LABOR CODE § 2698, ET SEQ.) SETTLEMENT AGREEMENT AND AWARD OF
PAGA COUNSEL FEES PAYMENT, PAGA COUNSEL LITIGATION EXPENSES PAYMENT, PAGA
REPRESENTATIVE GENERAL RELEASE FEES, AND ADMINISTRATION EXPENSES PAYMENT;
MEMORANDUM OF POINTS AND AUTHORITIES**

PLEASE TAKE NOTICE that on _____, at _____ or as soon thereafter as the matter may be heard before the Honorable Barbara Kronlund in Department 10D of the Superior Court of the State of California, for the County of San Joaquin, located at 180 E. Weber Avenue, Stockton, California 95202, Plaintiffs Gabriel Troche Maldonado and Gregory A. Sherman (together, the “Plaintiffs”) will and hereby do move for entry of the following orders:

1. Granting approval, pursuant to California Labor Code § 2699(l)(2), of the settlement between Plaintiffs and Defendant AmeriGas Propane, Inc. (“Defendant”) of the claims brought pursuant to the Private Attorneys General Act of 2004, California Labor Code § 2698, *et seq.* (“PAGA”), as set forth in the Stipulation of Settlement of Representative Claims Under the Labor Code Private Attorneys General Act (“Settlement,” “Agreement,” or “Settlement Agreement”), attached as “**EXHIBIT 3**” to the Declaration of Melissa LeBlanc-Mansell, including and not limited to, the plan of allocation and distribution of the Gross Settlement Amount for payment of the LWDA PAGA Payment to the California Labor and Workforce Development Agency (“LWDA”), Individual PAGA Payments to the Aggrieved Employees, PAGA Counsel Fees Payment and PAGA Counsel Litigation Expenses Payment to PAGA Counsel, Administration Expenses Payment to the Administrator, and PAGA Representative General Release Fees to Plaintiffs;
2. Approving the PAGA Penalties, estimated to be no less than \$314,260.29 which will be distributed to the LWDA and the Aggrieved Employees, pursuant to California Labor Code section 2699(i), of which 75% will be paid to the LWDA (“LWDA PAGA Payment”) and 25% will be paid to the Aggrieved Employees (“Individual PAGA Payment(s)” or collectively the “Net Settlement Amount”);
3. Appointing Rust Consulting (“Rust Consulting”) as the Administrator, to handle the administration of the Settlement;
4. Directing Defendant to fund the Gross Settlement Amount, and directing the

- 1 Administrator to distribute payments in accordance with the Settlement Agreement;
- 2 5. Directing the mailing of Individual PAGA Payment checks to the Aggrieved
- 3 Employees along with the Notice of Settlement, which is substantially similar in
- 4 content and form to that attached as “**EXHIBIT 1**” to the [Proposed] Order and
- 5 Judgment Granting Approval of Private Attorneys General Act (Cal. Labor Code §
- 6 2698, Et seq.) Settlement Agreement and Award of PAGA Counsel Fees Payment,
- 7 PAGA Counsel Litigation Expenses Payment, PAGA Representative General Release
- 8 Fees, and Administrator Expenses Payment (“[Proposed] Order and Judgement”) filed concurrently herewith;
- 9
- 10 6. Awarding \$7,500.00 each to Plaintiffs Gabriel Troche Maldonado and Gregory A.
- 11 Sherman (totaling \$15,000.00) as their PAGA Representative General Release Fees;
- 12
- 13 7. Awarding \$6,990.00 to the Administrator as Administrator Expenses Payment; and
- 14
- 15 8. Awarding to Lawyers *for* Justice, PC (“PAGA Counsel”) the amount of \$192,500.00
- 16 as compensation for reasonable attorneys’ fees (“PAGA Counsel Fees Payment”) and
- 17 the amount of \$21,249.71 for reimbursement of litigation costs and expenses (“PAGA
- 18 Counsel Litigation Expenses Payment”), pursuant to California Labor Code §
- 19 2699(g)(1).

20 Unless otherwise specified, all citations and references to the Private Attorneys General

21 Act of 2004, California Labor Code §§ 2698, *et seq.* are to the version of statute prior to the

22 recent amendment effective July 1, 2024; the amended statute does not apply to the above-

23 captioned action and the Settlement pursuant to California Labor Code § 2699(v)(1), as

24 amended, because the notice to the Labor and Workforce Development Agency was filed prior to

25 June 19, 2024.

26 The Settlement Agreement and moving and supporting papers for this motion are being

27 concurrently submitted to the California Labor and Workforce Development Agency in

28 conformity with California Labor Code § 2699(l)(2).

This motion is made pursuant to California Labor Code § 2699(l)(2), which provides for review and approval by the Court of the settlement of a civil action filed pursuant to PAGA, and

1 Rule 3.1113(e) of the California Rules of Court, which permits the Court to extend the page limit
2 for memoranda.

3 This motion will be based upon the following Memorandum of Points and Authorities,
4 the Settlement Agreement, the Declarations of PAGA Counsel (Melissa LeBlanc-Mansell) and
5 Plaintiffs Gabriel Troche Maldonado and Gregory A. Sherman in support thereof, as well as the
6 pleadings and other records on file with the Court in this matter, and such evidence and oral
7 argument as may be presented at the hearing on this motion.

8 Dated: July 14, 2025

LAWYERS for JUSTICE, PC

9
10
11 By:



Melissa LeBlanc-Mansell
Attorneys for Plaintiffs

TABLE OF CONTENTS

I.	SUMMARY OF MOTION.....	1
II.	FACTUAL BACKGROUND AND RELEVANT PROCEDURAL HISTORY	2
III.	SUMMARY OF THE SETTLEMENT TERMS	2
A.	Scope of the Settlement.....	2
B.	Funding and Distribution of the Total Settlement Amount.....	2
C.	Standards for Approval of PAGA Settlement.....	4
IV.	THE SETTLEMENT IS FAIR AND SHOULD BE APPROVED.....	5
A.	The Factors Giving Rise to a Presumption of Fairness Exist	6
B.	The Relative Strengths and Weaknesses of the PAGA Claim and the Range of Possible Outcomes Strongly Favor Approval of the Settlement	7
C.	The Settlement Avoids Risky, Complex, and Lengthy Further Litigation.....	7
D.	The Settlement Is Fair, Adequate, and Reasonable.....	8
E.	The Experience and Views of Plaintiff’s Counsel Favor Approval of the Settlement.....	9
V.	The REQUESTED ATTORNEYS’ FEES AWARD SHOULD BE APPROVED	9
A.	A Fee Award of a Percentage of the Entire Fund Is Appropriate.....	9
B.	The Requested Fee Award is Reasonable Based on the Factors Considered in Determination of Fee Awards	12
	1. Time & Labor	13
	2. The Skill Required to Perform Legal Services Properly	14
	3. Whether the Fee Is Fixed or Contingent.....	14
	4. The Amount Involved and the Results Achieved	15
	5. The Reputation and Ability of the Attorneys.....	15
C.	The Lodestar Methodology Also Justifies Approval of the Requested	

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

Fees 16

**VII. REIMBURSEMENT OF PLAINTIFF’S COUNSEL LITIGATION COSTS AND
EXPENSES SHOULD BE APPROVED 18**

VIII. THE SETTLEMENT ADMINISTRATION COSTS SHOULD BE APPROVED .. 19

**IX. THE PAGA REPRESENTATIVE GENERAL RELEASE FEES SHOULD BE
APPROVED 19**

X. CONCLUSION 20

TABLE OF AUTHORITIES

Cases

<i>Amalgamated Transit Union, Local 1756, Afl-Cio v. Superior Court</i> (2009), 46 Cal.4th 993	5
<i>Apple Computer, Inc. v. Superior Court</i> (2005) 126 Cal.App.4th, 1253.....	11
<i>Arias v. Superior Court</i> (2009) 46 Cal.4th 969	4, 5
<i>Boyd v. Bechtel Corp.</i> (N.D. Cal. 1979) 485 F.Supp. 610.....	6
<i>Casida v. Sears Holdings Corp.</i> (E.D. Cal. Jan. 26, 2012) 2012 WL 253217.....	4
<i>Cates v. Chiang</i> (2013) 213 Cal.App.4th 791.....	18
<i>Chavez v. Netflix, Inc.</i> (2008) 162 Cal.App.4th 43.....	18
<i>City of Oakland v. Oakland Raiders</i> (1988) 203 Cal.App.3d 78.....	18
<i>Consumer Privacy Cases</i> (2009) 175 Cal. App. 4th 545.....	11
<i>Dunk v. Ford Motor Co.</i> (1996) 48 Cal. App. 4th 1794	11
<i>Graham v. DaimlerChrysler Corp.</i> (2004) 34 Cal.4th 553.....	18
<i>Iskanian v. CLS Transportation Los Angeles, LLC</i> (2014) 58 Cal.4th 348.....	5
<i>Kerr v. Screen Extras Guild, Inc.</i> (9th Cir. 1975) 526 F.2d 67.....	18
<i>Kirkorian v. Borelli</i> (N.D. Cal. 1988) 695 F.Supp. 446	6
<i>Laffitte v. Robert Half Int’l, Inc.</i> (2016) 1 Cal.5th 480.....	10, 11, 16
<i>Lealao v. Beneficial Cal., Inc.</i> (2000) 82 Cal.App.4th 19	11
<i>Ochoa-Hernandez v. CJADERS Foods, Inc.</i> (N.D. Cal. Apr. 2, 2010) 2010 WL 1340777	5
<i>Ochoa-Hernandez v. CJADERS Foods, Inc.</i> (N.D. Cal. Apr. 2, 2010), 2010 WL 1340777	4
<i>Officers for Justice v. Civil Service Comm’n</i> (9th Cir. 1981) 688 F.2d 615.....	8
<i>Pedroza v. PetSmart, Inc.</i> (C.D. Cal. Jan. 28, 2013) 2013 WL 1490667	4
<i>Robinson v. Southern Counties Oil Co.</i> (2020) 53 Cal.App.5th 476.....	4
<i>Satchell v. Fed. Express Corp.</i> (N.D. Cal. Apr. 13, 2007) 2007 WL 1114010	6
<i>Sutter Health Uninsured Pricing Cases</i> (2009) 171 Cal.App.4th 495	18
<i>Thomas v. Aetna Health of Cal., Inc.</i> (E.D. Cal. June 2, 2011) 2011 WL 2173715.....	4
<i>Vizcaino v. Microsoft Corp.</i> , (9th Cir. 2002) 290 F.3d 1043.....	16, 17

1	<i>Vo v. Las Virgenes Municipal Water Dist.</i> (2000) 79 Cal.App.4th 440	16
2	<i>Wershba v. Apple Computer, Inc.</i> (2001) 91 Cal.App.4th 224	6
3	<i>Williams v. Superior Court</i> (2017) 3 Cal.5th 531	5, 9

Statutes

4	Cal. Code Civ. Proc. § 1021.5	10
5	Cal. Lab. Code § 2698	1
6	Cal. Lab. Code § 2699.3	4
7	Cal. Lab. Code § 2699(a)	4
8	Cal. Lab. Code § 2699(g)(1)(i)	9
9	Cal. Lab. Code § 2699(i)	10
10	Cal. Lab. Code § 2699(j)	5
11	Cal. Lab. Code § 2699(l)	5
12	Cal. Lab. Code § 2699(l)(2)	1, 4, 5

Other Authorities

14	A. Conte, <i>Attorney Fee Awards</i> (2d ed. 1993) 104	10
15	<i>Civil Procedure Before Trial</i> , Chapter 14, section 14	11

Rules

17	California Rules of Court, Rule 3.1113(d)	2
----	---	---

MEMORANDUM OF POINTS AND AUTHORITIES

I. SUMMARY OF MOTION

Plaintiffs Gabriel Troche Maldonado (“Plaintiff Maldonado”) and Gregory A. Sherman (“Plaintiff Sherman”) (together, the “Plaintiffs”) seek approval of the Stipulation of Settlement of Representative Claims Under the Labor Code Private Attorneys General Act (“Settlement,” “Agreement,” or “Settlement Agreement”) entered into between Plaintiffs and Defendant AmeriGas Propane, Inc. (“Defendant”), pursuant to California Labor Code § 2699(1)(2).¹ Plaintiffs and Defendant (together, the “Parties”) have agreed to resolve the above-captioned action, brought pursuant to the Private Attorneys General Act of 2004, California Labor Code section 2698, *et seq.* (“PAGA”), for a Gross Settlement Amount of \$550,000.00.²

The Settlement is fair, adequate, and reasonable, as it represents a reasoned compromise of a disputed claim that has been reached through arm’s-length negotiations, in light of the risks, complexity, and expense of further litigation, and the strengths and weaknesses of the PAGA claim. The Settlement meets the requirements for Court approval based upon the relevant fairness factors. The Court is respectfully requested to approve the Settlement, award the PAGA Counsel Fees Payment, PAGA Counsel Litigation Expenses Payment, Administration Expenses Payment, and PAGA Representative General Release Fees, and approve the PAGA Penalties to be paid 75% to the LWDA (i.e., the LWDA PAGA Payment) and 25% to Aggrieved Employees (i.e., the Net Settlement Amount).

The Settlement Agreement and moving and supporting papers for this motion are being concurrently submitted to the LWDA and Plaintiffs now move for an order granting approval of the Settlement, in conformity with California Labor Code section 2699(1)(2).³ In order to efficiently present the Court with adequate information, Plaintiffs also move for an order

¹ The Stipulation of Settlement of Representative Claims Under the Labor Code Private Attorneys General Act (“Settlement Agreement”) is attached as “**EXHIBIT 3**” to the Declaration of Melissa LeBlanc-Mansell (“LeBlanc-Mansell Decl.”).

² Settlement Agreement, ¶ 8. The Gross Settlement Amount is subject to possible increase pursuant to Section 8.1 of the Settlement Agreement.

³ The Court is referred to the concurrently-filed Proof of Service, which confirms submission of the papers to the LWDA.

1 permitting the filing of this memorandum, although it exceeds the page limit set forth in
2 California Rules of Court, Rule 3.1113(d).

3 **II. FACTUAL BACKGROUND AND RELEVANT PROCEDURAL HISTORY**

4 For a discussion of relevant procedural history and facts regarding this case, please see
5 the Declaration of Melissa LeBlanc-Mansell at paragraphs 7 to 12.

6 **III. SUMMARY OF THE SETTLEMENT TERMS**

7 **A. Scope of the Settlement**

8 If the Court grants approval of the Settlement, Plaintiffs, Aggrieved Employees, the State
9 of California, and the Labor and Workforce Development Agency⁴ will release the Released
10 Parties⁵ from the Released PAGA Claims⁶.

11 **B. Funding and Distribution of the Gross Settlement Amount**

12 Under the terms of the Settlement Agreement, Defendant will pay a Gross Settlement
13 Amount of \$550,000.00⁷, which is inclusive of the following: (1) compensation for reasonable
14 attorneys' fees (i.e., the PAGA Counsel Fees Payment") and the reimbursement of litigation
15 costs and expenses (i.e., PAGA Counsel Litigation Expenses Payment) to be paid to Lawyers for
16 Justice, PC ("PAGA Counsel"), (2) PAGA Representative General Release Fees to Plaintiffs, (3)
17 Administration Expenses Payment to be paid to the Administrator, and (4) PAGA Penalties to be
18 paid to the California Labor and Workforce Development Agency ("LWDA") and Aggrieved
19 Employees. The PAGA Penalties will be the Gross Settlement Amount less the Court-approved
20 PAGA Counsel Fees Payment, Administration Expenses Payment, and PAGA Representative
21 General Release Fees; the PAGA Penalties is currently estimated to be no less than

22 ⁴ Settlement Agreement, ¶¶ 3.2.1-3.2.4, and LeBlanc-Mansell Decl., ¶ 15. "PAGA Period" is defined as the period
23 of August 3, 2022 through the date of settlement approval and entry of judgment, or the Alternate End Date pursuant
24 to Paragraph 8.1 (the escalator clause). *Id.*, ¶¶ 1.22 & 8.1. As discussed in footnote 10, *infra*, Defendant has advised
25 that for the period commencing on August 3, 2022 and up to approximately March 26, 2025, the PAGA Pay Periods
26 count exceeds the threshold set forth in the Paragraph 8.1 (the escalator clause), and that Defendant has thus elected
27 to shorten the PAGA Period so that it is December 24, 2022 through July 31, 2025, based on its representation that
28 its best estimate is that the period December 24, 2022 through July 31, 2025 will encompass 20,570 PAGA Pay
Periods. Defendant continues to review their pay records, and will provide the Court with updated information at
the time of hearing.

⁵ The definition of the "Released Parties" is set forth in the Settlement Agreement, ¶ 1.28.

⁶ The definition of the "Released PAGA Claims is set forth in the Settlement Agreement, ¶ 1.27.

⁷ Settlement Agreement, ¶ 3.1, LeBlanc-Mansell Decl., ¶ 15, and see footnote 2.

\$314,260.29.⁸ The PAGA Penalties will be distributed as follows: 75% of the PAGA Penalties (or approximately \$235,695.22) will be distributed to the LWDA (i.e., the LWDA PAGA Payment) and 25% of the PAGA Penalties (or approximately \$78,565.07) will be distributed to the Aggrieved Employees on a *pro rata* basis, based on their PAGA Pay Periods (i.e., Individual PAGA Payments or collectively the Net Settlement Amount).⁹ The Gross Settlement Amount is \$550,000.00.¹⁰

No later than 14 calendar days after the Effective Date, Defendant will provide the Administrator with the Aggrieved Employee Data, containing the contact information and other information required to calculate payment for each Aggrieved Employees.¹¹ Within 21 calendar days of the Effective Date, Defendant will transmit the Gross Settlement Amount to a qualified settlement account established by the Administrator for administration of the Settlement.¹²

No later than 7 calendar days after the Administrator receives the Gross Settlement Amount, the Administrator will calculate payments and mail the agreed-upon Notice of Settlement¹³ and Individual PAGA Payment¹⁴ checks to all Aggrieved Employees by first-class United States mail.¹⁵ For each Individual PAGA Payment that is returned as undeliverable without a USPS

⁸ *Id.*, ¶ 1.17.

⁹ Settlement Agreement, ¶ 3.2.4.

¹⁰ Pursuant to Paragraph 8.1 of the Settlement Agreement, if the actual number of PAGA Pay Periods during the period August 3, 2022 through the date of settlement approval and entry of judgment is more than 20,570 PAGA Pay Periods, then, at the election of Defendants, either (a) the Total Settlement Amount will increase by the percentage that the actual number exceeds 20,570 PAGA Pay Periods or (b) the dates for the PAGA Period shall be adjusted so that the number of PAGA Pay Periods for the Aggrieved Employees does not exceed 20,570 PAGA Pay Periods. Settlement Agreement, ¶ 8.1. Defendant has advised that for the period commencing on August 3, 2022 and up to approximately March 26, 2025, the PAGA Pay Periods count exceeds 20,570 PAGA Pay Periods. However, pursuant to Paragraph 8.1(i), Defendant has elected to cut short the beginning of the PAGA Period, so that it is the period December 24, 2022 through July 31, 2025, based on its representation that its best estimate is that the period December 24, 2022 through July 31, 2025 will encompass 20,570 PAGA Pay Periods. Defendant continues to review their pay records, and will provide the Court with updated information at the time of hearing.

¹¹ Settlement Agreement, ¶ 4.1.

¹² *Id.*, ¶ 4.2.

¹³ The Parties have prepared a simple Notice of Settlement for transmission to the Aggrieved Employees along with their Individual PAGA Payment checks, substantially in the form attached as “EXHIBIT 1” to the [Proposed] Order and Judgment and as “EXHIBIT A” to the Settlement Agreement. The Notice of Settlement informs the Aggrieved Employees about the Action and the Settlement.

¹⁴ Each Aggrieved Employees’ share of the Net Settlement Amount (i.e., Individual PAGA Payment(s)), will be calculated by the Administrator based on their PAGA Pay Periods. *Id.*, ¶ 4.4.1. The payments to Aggrieved Employees for their Individual PAGA Payment are considered 100% penalties to be reported on IRS Form 1099, if required. *Id.*, ¶¶ 3.2.1 & 3.2.4.2.

¹⁵ *Id.*, ¶ 4.4.1.

forwarding address within 30 calendar days of the initial mailing, the PAGA Settlement Administrator will promptly attempt to locate an alternate, updated address for the Aggrieved Employee at issue, by way of an Aggrieved Employees Address Search, and shall attempt one (1) re-mailing of the Individual PAGA Payment.¹⁶

The Individual PAGA Payment checks issued to Aggrieved Employees will remain valid for 180 calendar days, and thereafter, will become void.¹⁷ Funds associated with canceled checks will be transmitted to the California Controller's Unclaimed Property Division in the name of the Aggrieved Employee(s) at issue and in the amounts of their respective Individual PAGA Payment(s).¹⁸

C. Standards for Approval of PAGA Settlement

The PAGA allows an "aggrieved employee" to bring a civil action on behalf of the State of California to recover civil penalties that normally the LWDA can pursue on behalf of employees against an employer without employees' involvement or approval. Unnamed employees need not be given notice of the PAGA claim, nor do they have the ability to opt-out of the representative PAGA claim.¹⁹ Before bringing a civil action under PAGA, an employee must comply with California Labor Code section 2699.3. See Cal. Lab. Code § 2699(a). Plaintiffs have complied.

The settlement of a PAGA action requires court approval. See Cal. Lab. Code § 2699(1)(2). However, a PAGA claim asserted on a non-class representative basis is not a class action but a law enforcement action.²⁰ A court's review of a PAGA settlement involves

¹⁶ *Id.*, ¶ 4.4.2.

¹⁷ *Id.*, ¶ 4.4.1.

¹⁸ *Id.*, ¶ 4.4.3.

¹⁹ *Robinson v. Southern Counties Oil Co.* (2020) 53 Cal.App.5th 476 (aggrieved employee cannot opt out of a PAGA settlement); *Williams v. Superior Court* (2017) 3 Cal.5th 531, 546-548 ("[A] PAGA action is a statutory action for penalties brought as a proxy for the State," "whatever personal claims the absent employees might have for relief are not at stake[.]" as such, "there is no need to protect absent employees' due process rights" and they "will be bound by the outcome of any PAGA action[.]"); *Ochoa-Hernandez v. CJADERS Foods, Inc.* (N.D. Cal. Apr. 2, 2010), 2010 WL 1340777, at *5 (Unnamed employees need not be given notice); *Arias v. Superior Court* (2009) 46 Cal.4th 969, 984-86 (Same).

²⁰ *Casida v. Sears Holdings Corp.* (E.D. Cal. Jan. 26, 2012) 2012 WL 253217, at *3; *Thomas v. Aetna Health of Cal., Inc.* (E.D. Cal. June 2, 2011) 2011 WL 2173715, at *11; *Arias, supra*, 46 Cal.4th at 980-88 (affirming lower court's holding that "plaintiff need not satisfy class action requirements" to assert a PAGA claim); *Pedroza v. PetSmart, Inc.* (C.D. Cal. Jan. 28, 2013) 2013 WL 1490667, at *15; *Amalgamated Transit Union, Local 1756, Afl-*

(Footnote continued)

consideration of unique factors that render the approval process distinct from, and simpler than the two-step court approval process for a class action settlement. A court reviewing a PAGA settlement need only “ensur[e] that a negotiated resolution is fair to those affected.” *Williams v. Superior Court* (2017) 3 Cal.5th 531, 549 (citing Cal. Lab. Code § 2699(l)(2)). Although California Labor Code § 2699(l) does not set forth the criteria on which a PAGA settlement is to be judged, courts have approved settlements of PAGA claims.²¹

In a PAGA case, the court’s focus is not the monetary amount which aggrieved employees or the State stand to receive, but instead, whether the total settlement amount achieves the PAGA’s objectives. The purpose of the PAGA is “to incentivize private parties to recover civil penalties for the government that otherwise may not have been assessed and collected by overburdened state enforcement agencies.” See *Ochoa-Hernandez, supra*, 2010 WL 1340777, at *4 (citing *Arias, supra*, 46 Cal.4th at 986). Penalties recovered under the PAGA are, in part, to “be distributed to the [LWDA] for enforcement of labor laws . . . and for education of employers and employees about their rights and responsibilities under this code, to be continuously appropriated to supplement and not supplant the funding to the agency for those purposes.” See Cal. Lab. Code § 2699(j).

IV. THE SETTLEMENT IS FAIR AND SHOULD BE APPROVED

The Settlement resulted from hard-fought negotiations, fulfills the objectives of the PAGA statute, is fair, adequate, and reasonable, and meets all of the criteria for approval for the reasons discussed below.

///

///

///

Cio v. Superior Court (2009), 46 Cal.4th 993, 1003; see also *Iskanian v. CLS Transportation Los Angeles, LLC* (2014) 58 Cal.4th 348, 381.

²¹ LeBlanc-Mansell Decl., ¶ 2. See, e.g., *Resendez v. Bridgestone Retail Operations, LLC*, Los Angeles Superior Court, Case No. BC596892 (June 2016), *DCH Auto Wage and Hour Cases*, Los Angeles Superior Court, Case No. JCCP4833 (May 2017); *Garcia v. Gordon Trucking* (E.D. Cal. Oct. 31, 2012) 2012 WL 5364575, at *3; *Schiller v. David’s Bridal, Inc.* (E.D. Cal. June 11, 2012) 2012 WL 2117001, at *14; *Chu v. Wells Fargo Invs., LLC* (N.D. Cal. Feb. 16, 2011) 2011 WL 672645, at *1; *Franco v. Ruiz Food Prods.* (E.D. Cal. Nov. 27, 2012) 2012 WL 5941801, at *14; *Nordstrom Commissions Case* (2010) 186 Cal.App.4th 576, 589.

1 **A. The Factors Giving Rise to a Presumption of Fairness Exist**

2 The Parties reached the Settlement after conducting extensive, arm's-length settlement
3 negotiations with the involvement of a neutral mediator Eve Wagner, Esq.²² A settlement that is
4 "the product of extensive and hard-fought adversarial negotiations between the parties" is
5 entitled to a presumption of fairness. *Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th
6 224, 245.

7 As discussed in the Declaration of Melissa LeBlanc-Mansell, the Settlement is
8 presumptively fair because: (1) it is the product of adversarial non-collusive, and arm's-length
9 negotiations with the assistance of an independent mediator knowledgeable in complex labor and
10 employment matters; (2) it was negotiated by counsel with significant experience in similar
11 complex labor and employment matters; and (3) it occurred after counsel for the Parties engaged
12 in significant investigation to evaluate the strength and potential value of the PAGA claim, and
13 risks and expenses of litigating this claim through trial.²³

14 Based on all of the information available to the Parties, the Parties agree that this matter
15 is well-suited for settlement given the strengths and weaknesses of the PAGA claim and the facts
16 and circumstances of the case.²⁴ PAGA Counsel has extensive experience handling
17 representative and class action wage-and-hour litigation and used that experience to achieve a
18 settlement recovery for Plaintiffs, the State of California, and the Aggrieved Employees.²⁵
19 Therefore, the Court should give considerable weight to the competency, experience, and
20 opinion of counsel and the involvement of a neutral mediator in assuring that the settlement is a
21 product of arm's length bargaining.²⁶

22 ///

23 ²² LeBlanc-Mansell Decl., ¶ 17.

24 ²³ *Id.*, ¶¶ 2-6, 16-32.

25 ²⁴ *Id.*, ¶ 39.

26 ²⁵ *Id.*, ¶¶ 2-6.

27 ²⁶ See *Kirkorian v. Borelli* (N.D. Cal. 1988) 695 F.Supp. 446, 451 (opinion of experienced counsel is entitled to
28 considerable weight); *Boyd v. Bechtel Corp.* (N.D. Cal. 1979) 485 F.Supp. 610, 616-17, 622 (recommendations of
plaintiffs' counsel should be given a presumption of reasonableness); see also *Satchell v. Fed. Express Corp.* (N.D.
Cal. Apr. 13, 2007) 2007 WL 1114010, at *4 (stating that the "assistance of an experienced mediator in the
settlement process confirms that the settlement is non-collusive").

B. The Relative Strengths and Weaknesses of the PAGA Claim and the Range of Possible Outcomes Strongly Favor Approval of the Settlement

For a discussion of the relative strengths and weaknesses of the PAGA claim and the range of possible outcomes in the litigation, see the Declaration of Melissa LeBlanc-Mansell at paragraphs 21-32.

C. The Settlement Avoids Risky, Complex, and Lengthy Further Litigation

Courts favor voluntary conciliation and settlement of complex litigation. *Class Plaintiffs v. City of Seattle* (9th Cir. 1992) 955 F.2d 1268, 1276. Generally, unless the settlement is clearly inadequate, its acceptance and approval are preferable to lengthy and expensive litigation with uncertain results. *Nat'l Rural Telecomms. Coop. v. DIRECTV, Inc.* (C.D. Cal. Jan. 5, 2004) 221 F.R.D. 523, 526.

Prior to reaching the Settlement, the Parties investigated the veracity, strength, and scope of the PAGA claim and allegations and considered a large volume of information, documents, and data relevant to Plaintiffs' claim and Defendant's defenses thereto.²⁷ The Parties thoroughly and sufficiently evaluated the PAGA claim and related allegations, including, and not limited to, calculating the potential monetary recovery under PAGA.²⁸ PAGA Counsel performed other work as well, which is discussed in the Declaration of Melissa LeBlanc-Mansell.²⁹

Had the case not settled, the Parties would have conducted extensive additional formal discovery, including propounding additional written discovery requests as well as noticing and conducting multiple depositions of party and percipient witnesses all over the State of California, to prepare the case for trial. From the inception of this litigation, Defendant indicated that it would aggressively litigate this case.³⁰ Even if Defendant failed on its defenses, litigating a complex PAGA action is inherently expensive, and the litigation could continue beyond entry of judgment if either party were to appeal adverse rulings.³¹ Additionally, there is a real possibility

²⁷ LeBlanc-Mansell Decl., ¶ 18.

²⁸ *Ibid.*

²⁹ LeBlanc-Mansell Decl., ¶ 32-33.

³⁰ *Id.*, ¶¶ 22-26.

³¹ *Id.*, ¶¶ 20, 31-32, & 37.

that Plaintiffs could recover nothing, either for themselves or on behalf of the State of California or other Aggrieved Employees after years of costly and labor-intensive litigation. Avoiding these risks and the likelihood of future contentious litigation, which would involve significant costs, favors settlement.

D. The Settlement Is Fair, Adequate, and Reasonable

The Settlement provides significant benefits to the State of California and the Aggrieved Employees and falls well-within the range of acceptable settlements under the circumstances. “[T]he very essence of a settlement is compromise, ‘a yielding of absolutes and an abandoning of highest hopes.’” *Officers for Justice v. Civil Service Comm’n* (9th Cir. 1981) 688 F.2d 615, 624. “The proposed settlement is not to be judged against a hypothetical or speculative measure of what might have been achieved by the negotiators.” *Id.* at 625.

The Settlement is a compromise of highly disputed claims. Plaintiffs and their counsel recognize the expense and length of continued proceedings necessary to pursue the matter through trial and any possible appeals.³² Plaintiffs and their counsel have also taken into account the uncertainty and risk of the outcome of further litigation, and the difficulties and delays inherent in such litigation.³³ Plaintiffs and their counsel are also aware of the burdens of proof necessary to establish liability, both generally and in response to Defendant’s defenses thereto, and the difficulties in establishing Defendant’s liability for, and the right to recover, penalties on behalf of Plaintiffs, the State of California, and other Aggrieved Employees.³⁴ Plaintiffs and their counsel have also taken into account Defendant’s agreement to enter into a settlement that confers significant relief upon the Aggrieved Employees and the State of California.³⁵

Considering all of the facts in this case, Plaintiffs and their counsel have determined that the Settlement represents a fair, adequate, and reasonable resolution of the PAGA claim, and that it is in the best interests of the Aggrieved Employees and the State of California.³⁶

³² *Ibid.*

³³ *Ibid.*

³⁴ *Id.*, ¶¶ 21-32.

³⁵ *Id.*, ¶ 15.

³⁶ *Id.*, ¶ 39.

The result achieved in this case, and the monetary recovery provided by the Settlement, are well-within the range of an acceptable settlement under the circumstances, especially when compared to trial court penalties assessments in contested cases and the settlement of PAGA claims in other cases. Here, the value obtained for settlement of the PAGA claim is significant, and it will be distributed in accordance with and in fulfillment of the objectives of the PAGA statute.

E. The Experience and Views of PAGA Counsel Favor Approval of the Settlement

PAGA Counsel is highly experienced in complex representative and class action wage-and-hour litigation.³⁷ In the view of PAGA Counsel, the benefits conferred by the Settlement are eminently fair and reasonable, and in the best interests of the State of California and the Aggrieved Employees in light of the risk, delay, and uncertainty of continued litigation and the substantial monetary benefits provided for by the Settlement.³⁸ Furthermore, courts have acknowledged that “the interests of plaintiff, counsel and other potentially aggrieved employees are largely aligned. All stand to gain from proving as convincingly as possible as many Labor Code violations as the evidence will sustain[.]” *Williams, supra*, 548 (citing Cal. Lab. Code § 2699(g)(1)(i)).

V. THE REQUESTED ATTORNEYS’ FEES AWARD SHOULD BE APPROVED

A. A Fee Award of a Percentage of the Entire Fund Is Appropriate

The Settlement provides for attorneys’ fees in an amount of up to 35% of the Gross Settlement Amount, which is \$192,500.00 (assuming the Gross Settlement Amount remains \$550,000.00)³⁹, subject to approval and award by the Court.⁴⁰ The requested attorneys’ fees award is commensurate with: (1) the risk that PAGA Counsel took in bringing and litigating the case, (2) the time, effort, and expense dedicated to the case, (3) the skill and determination that PAGA Counsel has shown, (4) the results that PAGA Counsel has achieved in the case, (5) the

³⁷ LeBlanc-Mansell Decl., ¶¶ 2-6.

³⁸ *Id.*, ¶¶ 20, 31-32, 37, & 39.

³⁹ See note 2.

⁴⁰ *Id.*, ¶ 3.2.2.

1 value that PAGA Counsel has achieved in the case, and (6) the other cases that PAGA Counsel
2 has turned down in order to work on this matter.

3 PAGA Counsel is entitled to recover reasonable attorneys' fees and costs as a matter of
4 right under PAGA. See Cal. Lab. Code § 2699(g)(1) ("Any employee who prevails in any
5 [PAGA] action shall be entitled to an award of reasonable attorney's fees and costs"). PAGA
6 Counsel is also entitled to fees and costs under California Code of Civil Procedure section
7 1021.5, as the instant PAGA action is by definition "for the benefit" of others and secures
8 monetary recovery for a large number of allegedly aggrieved employees, as well as the State of
9 California.⁴¹ The settlement will also provide funds to the state labor agency, to enhance
10 enforcement of labor laws and education of "employers and employees about their rights and
11 responsibilities under [the California Labor Code]." Cal. Lab. Code § 2699(i).

12 Courts may calculate and award attorneys' fees as a percentage of a monetary fund that
13 has, by litigation, been preserved or recovered for the benefit of others. *Laffitte v. Robert Half*
14 *Int'l, Inc.* (2016) 1 Cal.5th 480 at 486 & 506. Trial courts "retain the discretion to forgo a
15 lodestar cross-check and [may] use other means to evaluate the reasonableness of a requested
16 percentage fee." *Id.* (internal quotes omitted); see also *Wershba, supra*, 91 Cal.App.4th at 253.

17 Courts award fees as an economic incentive for lawyers to pursue litigation that will
18 enhance and facilitate access to the judicial system for meritorious claims, deter wrongdoing, and
19 address multiple similar alleged wrongs that would not be economically feasible to pursue
20 individually, such as here. See A. Conte, *Attorney Fee Awards* (2d ed. 1993) 104, at 6.

21 The percentage method is particularly appropriate where a monetary settlement has been
22 recovered and "the benefit [recovered can be] easily quantified." *In re Bluetooth Headset Prods.*
23 *Liab. Litig.* (9th Cir. 2011) 654 F.3d 935, 942. Where the amount of a settlement is a "certain
24 easily calculable sum of money," California courts may calculate attorneys' fees as a reasonable
25 percentage of the settlement created. Weil and Brown, California Practice Guide, *Civil*

26 ⁴¹ See *Estrada v. FedEx Ground Package Sys. Inc.* (2007) 154 Cal.App.4th 1, 16-17 (recognizing that recovery
27 obtained on behalf of 209 individuals satisfies the "significant benefit," "public interest," and "large class of
28 persons" requirements of Code of Civil Procedure section 1021.5, regardless of plaintiff's personal motivation).

1 *Procedure Before Trial*, Chapter 14, section 14:145; *Dunk v. Ford Motor Co.*(1996) 48 Cal. App.
2 4th 1794, 1808.

3 The percentage fee method is preferred in representative actions because “it better
4 approximates the workings of the marketplace than the lodestar approach.” *Lealao v. Beneficial*
5 *Cal., Inc.* (2000) 82 Cal.App.4th 19, 49. California law provides that the award for attorneys’
6 fees should be equivalent to fees freely negotiated in the legal marketplace and paid in
7 comparable litigation based on the result achieved and risk incurred. *See Lealao, supra*, 82
8 Cal.App.4th at 47-50; *Laffitte, supra*, 1 Cal.5th 480 at 503. In cases where the settlement
9 agreement provides that the defendant will pay the plaintiff’s attorneys a percentage of the fund
10 created by the settlement, use of that percentage method is appropriate. *Lealao, supra*, 82
11 Cal.App.4th at 32. Fee awards that are too small will “chill the private enforcement essential to
12 the vindication of many legal rights and obstruct the representative actions that often relieve the
13 courts of the need to separately adjudicate numerous claims.” *Id.* at 53. Therefore, fees in
14 representative actions should approximate the probable terms of a contingent fee contract
15 negotiated by a sophisticated attorney and client in comparable litigation. *Id.* at 48. “The
16 ultimate goal . . . is the award of a ‘reasonable’ fee to compensate counsel for their efforts,
17 irrespective of the method of calculation.” *Consumer Privacy Cases* (2009) 175 Cal.App.4th
18 545, 557-58 (quoting *Apple Computer, Inc. v. Superior Court* (2005) 126 Cal.App.4th, 1253,
19 1270).

20 PAGA Counsel’s application for attorneys’ fees in light of the facts and circumstances
21 surrounding the case is well-within the range of reasonableness. Courts have awarded fees as
22 high as 50% of the settlement in complex actions, depending on the circumstances of the case.⁴²

23 PAGA Counsel has performed significant work in this matter, as discussed in the
24 Declaration of Melissa LeBlanc-Mansell with the very real possibility of an unsuccessful

25 ⁴² *See In re Ampicillin Antitrust Litig.* (D.D.C. 1981) 526 F.Supp. 494 (awarding attorneys’ fees in the amount of
26 45% of the \$7.3 million total settlement amount); *Beech Cinema, Inc. v. Twentieth-Century Fox Film Corp.*
27 (S.D.N.Y. 1979) 480 F.Supp. 1195 (awarding approximately 53% of the settlement as attorneys’ fees). California
28 courts routinely approve attorneys’ fees awards “average[ing] around one-third of the recovery.” *Chavez v. Netflix, Inc.* (2008) 162 Cal.App.4th 43, 66 n.11 (lower court found the range of contingency fees in marketplace to be 20%-40% and determined such a percentage fee was appropriate).

outcome and no fee recovery of any kind.⁴³ In the present case, PAGA Counsel has borne all of the risks and costs of litigation and will not receive any compensation until recovery is obtained.⁴⁴ PAGA Counsel is experienced in complex wage-and-hour litigation and used that experience to obtain a significant settlement recovery for Plaintiffs, the Aggrieved Employees, and the State of California.⁴⁵ Considering the amount of fees requested, work performed, risks incurred, results obtained, and experience of PAGA Counsel in handling similar matters, Plaintiffs maintain that the requested attorneys' fees are reasonable and should be awarded.

B. The Requested Fee Award is Reasonable Based on the Factors Considered in Determination of Fee Awards

The factors which courts consider in determining whether fee awards are reasonable, all of which support the fee award requested by PAGA Counsel, are: the time and labor required; the novelty and difficulty of the questions involved; the skill requisite to perform the legal services properly; the preclusion of other employment by the attorney due to the acceptance of the case; the customary fee; whether the fee is fixed or contingent; the time limitation imposed by the client or the circumstances; the amount involved and results obtained; the experience, reputation, and ability of the attorney; the undesirability of the case; the nature and length of the professional relationship with the client; and awards in similar cases. *Camden I Condominium Association, Inc. v. Dunkel* (11th Cir. 1991) 946 F.2d 768, 772. Some of the most relevant factors to this Court's fee determination will be addressed below.

It should be highlighted that the percentage award sought is commensurate with the time, effort, and expense dedicated to the case, the contingent nature of PAGA Counsel's representation and the risks taken in commencing the case, the skill and determination required, the results that PAGA Counsel has achieved, and the value of the settlement that PAGA Counsel has obtained on behalf of Plaintiffs, the Aggrieved Employees, and the State of California. For

⁴³ LeBlanc-Mansell Decl., ¶¶ 34-36.

⁴⁴ *Id.*, ¶ 37.

⁴⁵ *Id.*, ¶¶ 2-6.

the reasons discussed herein, an award of attorneys' fees in the amount of 35% of the Gross Settlement Amount is reasonable.

1. Time & Labor

PAGA Counsel has used its experience and skills in litigating complex wage-and-hour actions to bring this matter to a successful conclusion. Prior to commencing this lawsuit, PAGA Counsel conducted a significant amount of investigation into the factual and legal issues, Defendant's business, and its operations and employment policies, practices, and procedures.⁴⁶ During the litigation of the case, PAGA Counsel obtained information from Plaintiffs, Defendant, and other sources, conducted legal research, reviewed and analyzed a large volume of documents and data, prepared for and participated in mediation and robust settlement discussions, evaluated the PAGA claim, and calculated the potential monetary recovery under PAGA.⁴⁷ PAGA Counsel also met and conferred with Defendant's counsel regarding the pleadings, case management, discovery, mediation, and settlement negotiations, among other issues.⁴⁸ PAGA Counsel performed other work including, *inter alia*, case strategy and analysis; propounding written discovery requests on Defendant and notices of depositions of Defendant's person most knowledgeable; performing claims evaluation and analysis; drafting briefs for settlement negotiations and mediation; preparing for and participating in settlement negotiations and the mediation; drafting the settlement agreement and related motion papers; and appearing for court proceedings.⁴⁹

PAGA Counsel dedicated the full extent of staffing and monetary resources necessary to prosecute the case with maximum efficiency and has fully and actively participated in the litigation process. The Attorney Task and Time Chart, which is attached as "**EXHIBIT 4**" to the accompanying Declaration of Melissa LeBlanc-Mansell, sets forth in detail the hours that PAGA Counsel has spent performing tasks in this matter. Attorneys at Lawyers for Justice, PC have spent **281.80 hours** to obtain a recovery on behalf of Plaintiffs, the Aggrieved Employees, and

⁴⁶ LeBlanc-Mansell Decl., ¶¶ 8 & 18.

⁴⁷ LeBlanc-Mansell Decl., ¶ 18.

⁴⁸ *Ibid.*

⁴⁹ *Ibid.*

the State of California. These hours were required to bring the case to its successful conclusion.

In light of the value of time expended and the carrying of costs involved in this litigation, the requested attorneys' fees award is fair, adequate, and reasonable.

2. The Skill Required to Perform Legal Services Properly

The skill required to properly litigate this case is evident not only in the results achieved, but in the steps necessary to reach the same. Defendant retained highly-respected counsel to represent its defenses. PAGA Counsel's effort and skill were used to, among other things, investigate the allegations and gather facts, research the legal issues, analyze data, documents, and information obtained from Defendant, Plaintiffs, and through other sources, to evaluate the PAGA claim and negotiate the settlement. Despite all of the obstacles that had to be overcome, PAGA Counsel used its extensive experience and skill in the handling of complex wage-and-hour matters to advocate for and obtain a recovery now, with maximum efficiency, as opposed to the possibility of recovery in the future, after significant expense and time.⁵⁰

3. Whether the Fee Is Fixed or Contingent

PAGA Counsel has provided representation on a contingency basis, has borne all of the risks and costs of litigation, and will not receive any compensation until recovery is obtained.⁵¹ PAGA Counsel has invested **281.80 hours** performing work in this matter. PAGA Counsel is also requesting reimbursement of litigation costs and expenses of \$21,249.71.⁵² If PAGA Counsel had not been successful, the time that they have devoted to litigating the case would have been for naught and would not have produced any fee or any reimbursement of costs or expenses. PAGA Counsel is well-experienced in complex wage-and-hour litigation and used that experience to obtain a great result in this matter.⁵³ The skill and determination that PAGA Counsel has shown throughout the prosecution of the case justifies the requested attorneys' fees and costs. Considering the amounts requested, work performed, and risks incurred, the requested fees and costs are reasonable and should be awarded.

⁵⁰ LeBlanc-Mansell Decl., ¶¶ 16-32.

⁵¹ *Id.*, ¶¶ 34 & 37.

⁵² *Id.*, ¶¶ 35, 36, & Exh. 5.

⁵³ See LeBlanc-Mansell Decl., ¶¶ 2-6.

4. *The Amount Involved and the Results Achieved*

The Settlement represents an excellent resolution of this lawsuit, given the uncertainty and risks of further litigation.⁵⁴ Had the case not settled, Defendant would have vigorously defended the case, and would have raised preemption defenses, sought mandatory arbitration, challenged manageability and liability, and also sought a reduction in the amount assessed as civil penalties. Defendant, however, faced risks too, including and not limited to, the risk of trial and the risk of having the Court assess civil penalties. Additionally, preparing for trial would have been extraordinarily expensive for the Parties. At this stage, the settlement is preferred over continued litigation because such resolution saves time and money that would otherwise go to litigation. The risks and expenses of further litigation outweighed any benefit that might have been gained otherwise. The Settlement provides an immediate recovery and avoids an uncertain result in the future and additional risk, expense, and delay (e.g., prolonged expert discovery, trial preparation, and appellate review of those proceedings).

The results achieved, in light of the difficulties inherent in similar cases and the specific difficulties faced in this case, are considerable. PAGA Counsel obtained a settlement that provides for a Gross Settlement Amount of \$550,000.00, and it is currently estimated that the PAGA Penalties available for distribution to the Aggrieved Employees and the State of California, is approximately \$314,260.29.⁵⁵

5. *The Reputation and Ability of the Attorneys*

PAGA Counsel is a recognized class action and complex litigation law firm, and its attorneys employed their knowledge, skill, and experience to bring the case to a successful conclusion. PAGA Counsel has years of wage-and-hour class action and complex litigation experience, has recovered millions of dollars on behalf of thousands of individuals in California, and has successfully handled numerous significant wage-and-hour class action and representative action cases.⁵⁶

⁵⁴ *Id.*, ¶¶ 15, 18, 19, 20, 32 & 37.

⁵⁵ Settlement Agreement, ¶ 3.1 and see footnote 2.

⁵⁶ LeBlanc-Mansell Decl., ¶¶ 2-6.

1 **C. The Lodestar Methodology Also Justifies Approval of the Requested Fees.**

2 While the percentage-of-the-benefit approach is endorsed as the better approximation of
3 the workings of the marketplace than the lodestar approach, courts may also use the lodestar
4 method to “cross-check” the results of the other.⁵⁷ The lodestar is calculated based on reasonable
5 hours at reasonable prevailing hourly rates for the attorneys, and counsel is entitled to
6 compensation for every hour reasonably spent on the matter. *Ketchum v. Moses* (2001) 24
7 Cal.4th 1122, 1131-33.

8 The reasonableness of hours is assessed by “the entire course of the litigation, including
9 pretrial matters, settlement negotiations, discovery, litigation tactics, and the trial itself[.]” *Vo v.*
10 *Las Virgenes Municipal Water Dist.* (2000) 79 Cal.App.4th 440, 447. As set forth above in Part
11 VI *infra*, and also discussed in the Declaration of Melissa LeBlanc-Mansell, PAGA Counsel
12 performed significant work in this matter. The Attorney Task and Time Chart sets forth in detail
13 the numerous tasks that PAGA Counsel performed in this case, and the time required for
14 completing those tasks.⁵⁸ The chart demonstrates that Lawyers for Justice, PC has spent a total
15 of **281.80 hours** on this matter, which is reasonable.

16 Both California and federal courts recognize that attorneys should be compensated for
17 providing representation on a contingency basis and for taking on the risks associated with said
18 representation, and be provided with financial incentives to enforce important rights and
19 protections like those at issue here. *See Ketchum, supra*, 24 Cal.4th at 1132-33. In awarding
20 attorneys’ fees, the aim is to mirror “the established practice in the private legal market of
21 rewarding attorneys for taking the risk of nonpayment by paying them a premium over their
22 normal hourly rates for winning contingency cases.” *See id.*

23
24 ⁵⁷ *Laffitte, supra*, 1 Cal.5th at 505 (explaining that “[a] lodestar cross-check is simply a quantitative method for
25 bringing a measure of the time spent by counsel into the trial court’s reasonableness determination” and “the
26 lodestar calculation . . . does not override the trial court’s primary determination of the fee as a percentage” and
27 “does not impose an absolute maximum or minimum on the potential fee award.”); *see also, e.g., Vizcaino v.*
Microsoft Corp., (9th Cir. 2002) 290 F.3d 1043, 1050 (“[W]hile the primary basis of the fee award remains the
percentage method, the lodestar may provide a useful perspective on the reasonableness of a given percentage
award.”).

⁵⁸ LeBlanc-Mansell Decl., Exh. 4.

PAGA Counsel has been actively involved in the prosecution of this case and their work on this matter has precluded other employment. Here, PAGA Counsel bore the risk that, despite all of their efforts and skills employed, there may be no recovery. Ultimately, PAGA Counsel was successful in reaching a settlement of \$550,000.00.⁵⁹

As set forth in the Declaration of Melissa LeBlanc-Mansell, the professional backgrounds and experience of PAGA Counsel support a reasonable blended hourly rate of compensation of at least \$850 per hour for services provided by PAGA Counsel.⁶⁰ Lawyers for Justice, PC has been awarded attorneys' fees, compensating the firm at the rate of at least \$850 per hour for legal services performed, by courts of this state.⁶¹ While the circumstance of every case is unique, the fact remains that the work performed and efforts undertaken by PAGA Counsel in this matter justify the requested attorneys' fees award.

Applying the rate of \$850 per hour to 281.80 hours worked by Plaintiffs' Counsel, would place a base lodestar value of \$239,530.00 on the services provided by Plaintiffs' Counsel. However, PAGA Counsel only seeks an attorneys' fee award of \$192,500.00 (equal to 35% of the Gross Settlement Amount based on the Settlement Agreement).

It also bears noting that a court may apply a multiplier in consideration for risk, efficiency, and/or obtaining a substantial result, to enhance the lodestar for purpose of cross-check. See *Ketchum*, 24 Cal.4th at 1133-34 (holding that a risk multiplier may be applied to compensate contingency fee attorneys at a fair market rate). Such an enhancement "mirrors the established practice in the private legal market of rewarding attorneys for taking the risk of nonpayment by paying them a premium over their normal hourly rates for winning contingency cases." *Vizcaino*, 290 F.3d at 1051; accord *Ketchum*, *supra*, 24 Cal.4th 1122, 1132-34. A risk multiplier also serves to bring the financial incentives for enforcing important rights "into line with incentives [attorneys] have to undertake claims for which they are paid on a fee-for-services basis." *Ketchum*, 24 Cal.4th at 1132.⁶²

⁵⁹ See footnote 2.

⁶⁰ LeBlanc-Mansell Decl., ¶ 36.

⁶¹ LeBlanc-Mansell Decl., ¶ 36.

⁶² Courts have approved fee awards with multipliers of 2 and even higher. See, e.g., *City of Oakland v. Oakland*

(Footnote continued)

The risks involved, skill required, complexity of the matter, and results obtained warrant upward enhancement of the lodestar.⁶³ In determining whether or not to enhance the lodestar, California courts take into account multiple factors, many of which were specifically addressed above in §§ VI.B-C, *infra*. See, *Cates v. Chiang* (2013) 213 Cal.App.4th 791, 822-23. Multiple factors warrant enhancement of the lodestar in this case, including the following: the time and labor required; the skill requisite to perform the legal services properly; the preclusion of other employment by the attorney due to the acceptance of the case; the contingent nature of the fee; the amount involved and results obtained; the experience, reputation, and ability of the attorney; and awards in similar cases. *Ketchum* at 1134.

The lodestar method as a cross-check to the percentage figure sought strongly supports the reasonableness of the requested attorneys' fees. Accordingly, Plaintiffs respectfully request that the Court approve and grant an attorneys' fees award in the amount of \$192,500.00 to PAGA Counsel, which is reasonable and justified on a percentage-basis, and also based on a lodestar cross-check.

VI. REIMBURSEMENT OF PAGA COUNSEL'S LITIGATION COSTS AND EXPENSES SHOULD BE APPROVED

The Settlement provides for reimbursement of litigation costs and expenses of up to \$25,000.00. As set forth in the Declaration of Melissa LeBlanc-Mansell, PAGA Counsel seeks

Raiders (1988) 203 Cal.App.3d 78 (affirming a 2.34 multiplier without remand); *Wershba, supra*, 91 Cal.App.4th at 255 ("Multipliers can range from 2 to 4 or even higher."); *Sutter Health Uninsured Pricing Cases* (2009) 171 Cal.App.4th 495, 512 (applying a 2.52 multiplier on a lodestar cross-check); *Chavez v. Netflix, Inc.* (2008) 162 Cal.App.4th 43, 66 (applying a 2.5 multiplier in a consumer class action).

⁶³ Even when courts have opted to award fees in settlement fund cases based on time reasonably expended on the action, courts have generally awarded these fees based on the actual time expended (the lodestar) in conjunction with a multiplier of between 2 and 4. *Kerr v. Screen Extras Guild, Inc.* (9th Cir. 1975) 526 F.2d 67. Adjustment of the base lodestar figure to compute an award of attorneys' fees for a claim under the California Labor Code is appropriate. See *Id.*, at 1135-36; *Serrano v. Priest* (1977) 20 Cal.3d 25, 48-49. Courts frequently apply multipliers to enhance the lodestar to reflect the risks involved, the complexity of the litigation, and the other relevant facts. *Vizcaino*, 290 F.3d at 1051; *Graham v. DaimlerChrysler Corp.* (2004) 34 Cal.4th 553, 579 ("One of the most common fee enhancers [...] is for contingency risk."). Such an enhancement "mirrors the established practice in the private legal market of rewarding attorneys for taking the risk of nonpayment by paying them a premium over their normal hourly rates for winning contingency cases." *Vizcaino*, 290 F.3d at 1051; *accord Ketchum*, 24 Cal.4th at 1132-33. A risk multiplier also serves to bring the financial incentives for enforcing important rights "into line with incentives [attorneys] have to undertake claims for which they are paid on a fee-for-services basis." *Ketchum*, 24 Cal. 4th at 1132.

reimbursement of \$21,249.71 in litigation costs and expenses.⁶⁴ These expenses were reasonable and necessary in the prosecution of this matter and to obtain the Settlement, and is less than the maximum amount allocated under the Settlement Agreement.⁶⁵ The cost savings of \$3,750.29 will be part of the PAGA Penalties.⁶⁶ Accordingly, the Court is requested to award reimbursement of litigation costs and expenses to PAGA Counsel in the amount of \$21,249.71.

VII. THE ADMINISTRATION EXPENSES PAYMENT SHOULD BE APPROVED

As set forth in the Settlement Agreement, the Parties have agreed to retain, subject to approval by the Court, Rust Consulting to handle the administration of the Settlement. The fees and expenses of the Administrator are estimated not to exceed \$6,990.00. These costs include, but are not limited to, expenses for preparing, printing, and mailing the Notice of Settlement and Individual PAGA Payment checks to the Aggrieved Employees; performing Aggrieved Employee Address Searches; re-mailing the returned Individual PAGA Payments; and handling inquiries from Aggrieved Employees regarding the Settlement, among other things. Accordingly, the Court should grant approval of the Administration Expenses Payment in the amount of up to \$6,990.00 to Rust Consulting, a necessary third-party for handling the settlement process.

VIII. THE PAGA REPRESENTATIVE GENERAL RELEASE FEES SHOULD BE APPROVED

The Settlement provides for PAGA Representative General Release Fees to be paid to Plaintiffs in the amount of \$7,500.00 each (for a total of \$15,000.00) for their broader individual waiver and release of claims with a California Civil Code Section 1542 waiver (set forth in Paragraph 5.1 of the Settlement Agreement).⁶⁷ It is reasonable and just for Plaintiffs to each receive these payments. It should also be noted that Plaintiffs contributed considerable time and

⁶⁴ LeBlanc-Mansell Decl., ¶ 37.

⁶⁵ *Ibid.*

⁶⁶ *Ibid.*

⁶⁷ Settlement Agreement, ¶¶ 3(2.1& 5.1.1). The PAGA statute recognizes that a plaintiff employee may pursue or recover other remedies and relief available to the plaintiff employee under state or federal law through an action under PAGA. See, Cal. Lab. Code § 2699(k)(1) (formerly Cal. Lab. Code § 2699(g)(1)). As such, it is appropriate for Plaintiffs to each receive a payment for their broader individual release of claims.

effort to the litigation of this case in order to enforce the California Labor Code on behalf of the State of California and for the benefit of other Aggrieved Employees. Plaintiffs discussed their employment with their counsel, gathered and produced relevant documents and information, and provided the facts and evidence necessary to attempt to prove the allegations.⁶⁸ Plaintiffs were available whenever their counsel needed them and tried to obtain and provide documents and information that would aid in the litigation of the PAGA claim and pursuit of recovery on behalf of the State of California and Aggrieved Employees.⁶⁹

IX. CONCLUSION

For the reasons discussed above and in the accompanying declarations, the Court is respectfully requested to approve the Settlement, including the plan of allocation and distribution of the Gross Settlement Amount, and permit the filing of a memorandum that exceeds the page limit.

Dated: July 14, 2025

LAWYERS for JUSTICE, PC

By: 

Melissa LeBlanc-Mansell
Attorneys for Plaintiffs

⁶⁸ LeBlanc-Mansell Decl., ¶ 25; Declaration of Gabriel Troche Maldonado (“Maldonado Decl.”), ¶¶ 3 & 4; Declaration of Gregory A. Sherman (“Sherman Decl.”), ¶¶ 3 & 4.

⁶⁹ LeBlanc-Mansell Decl., ¶ 25; Maldonado Decl., ¶¶ 3 & 4; Sherman Decl., ¶¶ 3 & 4.