Filed
August 4, 2026
Clerk of the Court
Superior Court of CA
County of Santa Clara
25CV461988
By: fbryant

SUPERIOR COURT OF CALIFORNIA

COUNTY OF SANTA CLARA

CRUZ M. JUAREZ and JOSEPH GONZALES, individuals, on behalf of Plaintiffs, and on behalf of all persons similarly situated, Plaintiffs, v. CENTURY COMMERCIAL SERVICE dba CENTURY LITGING & ELECTRIC, a California corporation; and DOES 1-50, inclusive, Defendants.	Case No. 25CV461988 **ORDER GRANTING PLAINTIFFS' MOTION FOR APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT**

This is a putative class and Private Attorneys General Act ("PAGA") action. Plaintiffs Cruz M. Juarez ("Juarez") and Joseph Gonzales ("Gonzales")(collectively, "Plaintiffs") allege defendant Century Commercial Services dba Century Lighting & Electric committed various wage and hour violations.

Before the Court is Plaintiffs' motion for preliminary approval of class action and PAGA settlement, which is unopposed. As discussed below, the Court GRANTS the motion.

I. BACKGROUND

According to the allegations of the operative second amended complaint ("SAC"), Plaintiff Juarez was employed as a non-exempt, hourly employee from December 2021 through September 2024. (SAC, ¶ 3.) Plaintiff Gonzales was employed as a non-exempt, hourly employee from October 2022 to May 2025. (SAC, ¶ 4.) Defendant failed to, among other things,: provide meal periods or compensation in lieu thereof; provide rest periods or compensation in lieu thereof; timely pay wages; pay minimum or overtime wages; maintain accurate records; and provide itemized wage statements.

Based on the foregoing, Plaintiff Juarez initiated this action on March 25, 2025, with the filing of the Complaint and on July 9, 2025, Plaintiffs filed the first amended complaint, which asserted the following causes of action: (1) unfair competition in violation of Business & Professions Code § 17200, *et seq.*; (2) failure to pay minimum wages in violation of Labor Code §§ 1194, 1197, 1197.1; (3) failure to pay overtime wages in violation of Labor Code §§510, *et seq.*; (4) failure to provide required meal periods in violation of Labor Code §§ 226.7 & 512, and the applicable IWC wage order; (5) failure to provide required rest periods in violation of Labor Code §§ 226.7 & 512 and the applicable wage order; (6) failure to provide accurate itemized statements in violation of Labor Code §226 ; (7) failure to provide wage when due in violation of Labor Code §§ 201-203; (8) failure to reimburse employees for required expenses in violation of Labor Code § 2802; and (9) failure to permit inspection of employee records in violation of Labor Code § 1198.5. On June 25, 2026, Plaintiff filed the operative SAC, which asserts the same claims and adds a tenth cause of action for PAGA penalties.

Plaintiffs now move for an order preliminarily approving the Stipulation of Settlement of Class and PAGA Claims and Release of Claims (the "Settlement"); conditionally certifying the Settlement Class; approving distribution of the proposed Class notice; appointing Plaintiffs as the Class Representatives; appointing JCL Law Firm, APC; and Zakay Law Group APLC as Class Counsel; and setting the hearing date for final approval.

II. LEGAL STANDARDS FOR SETTLEMENT APPROVAL

A. Class Action

Generally, "questions whether a [class action] settlement was fair and reasonable, whether notice to the class was adequate, whether certification of the class was proper, and whether the attorney fee award was proper are matters addressed to the trial court's broad discretion." (*Wershba v. Apple Computer, Inc.* (2001) 91 Cal.App.4th 224, 234–235 (*Wershba*), disapproved of on other grounds by *Hernandez v. Restoration Hardware, Inc.* (2018) 4 Cal.5th 260.)

> In determining whether a class settlement is fair, adequate and reasonable, the trial court should consider relevant factors, such as the strength of plaintiffs' case, the risk, expense, complexity and likely duration of further litigation, the risk of maintaining class action status through trial, the amount offered in settlement, the extent of discovery completed and the stage of the proceedings, the experience and views of counsel, the presence of a governmental participant, and the reaction of the class members to the proposed settlement.

(*Wershba, supra*, 91 Cal.App.4th at pp. 244–245, internal citations and quotations omitted.)

In general, the most important factor is the strength of the plaintiffs' case on the merits, balanced against the amount offered in settlement. (See *Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 130 (*Kullar*).) But the trial court is free to engage in a balancing and weighing of relevant factors, depending on the circumstances of each case. (*Wershba, supra*, 91 Cal.App.4th at p. 245.) The trial court must examine the "proposed settlement agreement to the extent necessary to reach a reasoned judgment that the agreement is not the product of fraud or overreaching by, or collusion between, the negotiating parties, and that the settlement, taken as a whole, is fair, reasonable and adequate to all concerned." (*Ibid.*, citation and internal quotation marks omitted.) The trial court also must independently confirm that "the consideration being received for the release of the class members' claims is reasonable in light of the strengths and weaknesses of the claims and the risks of the particular litigation." (*Kullar, supra*, 168 Cal.App.4th at p. 129.) Of course, before performing its analysis the trial court must be "provided with basic information about the nature and magnitude of the claims in question and the basis for concluding that the consideration being paid for the release of those claims represents a reasonable compromise." (*Id.* at pp. 130, 133.)

B. PAGA

Labor Code section 2699, subdivision (l)(2) provides that "[t]he superior court shall review and approve any settlement of any civil action filed pursuant to" PAGA. The court's review "ensur[es] that any negotiated resolution is fair to those affected." (*Williams v. Superior Court* (2017) 3 Cal.5th 531, 549.) Seventy-five percent of any penalties recovered under PAGA go to the Labor and Workforce Development Agency (LWDA), leaving the remaining twenty-five percent for the aggrieved employees. (*Iskanian v. CLS Transportation Los Angeles, LLC* (2014) 59 Cal.4th 348, 380, overruled on other grounds by *Viking River Cruises, Inc. v. Moriana* (2022) 596 U.S. 639 , 2022 U.S. LEXIS 2940.)

Similar to its review of class action settlements, the Court must "determine independently whether a PAGA settlement is fair and reasonable," to protect "the interests of the public and the LWDA in the enforcement of state labor laws." (*Moniz v. Adecco USA, Inc.* (2021) 72 Cal.App.5th 56, 76–77.) It must make this assessment "in view of PAGA's purposes to remediate present labor law violations, deter future ones, and to maximize enforcement of state labor laws." (*Id.* at p. 77; see also *Haralson v. U.S. Aviation Servs. Corp.* (N.D. Cal. 2019) 383 F. Supp. 3d 959, 971 ["when a PAGA claim is settled, the relief provided for under the PAGA [should] be genuine and meaningful, consistent with the underlying purpose of the statute to benefit the public …."], quoting LWDA guidance discussed in *O'Connor v. Uber Technologies, Inc.* (N.D. Cal. 2016) 201 F.Supp.3d 1110 (*O'Connor*).)

The settlement must be reasonable in light of the potential verdict value. (See *O'Connor, supra,* 201 F.Supp.3d at p. 1135 [rejecting settlement of less than one percent of the potential verdict].) But a permissible settlement may be substantially discounted, given that courts often exercise their discretion to award PAGA penalties below the statutory maximum even where a claim succeeds at trial. (See *Viceral v. Mistras Group, Inc.* (N.D. Cal., Oct. 11, 2016, No. 15-CV-02198-EMC) 2016 WL 5907869, at *8–9.)

III. SETTLEMENT PROCESS

On March 25, 2025, Plaintiff served Defendant and the Labor and Workforce Development Agency ("LWDA") with his PAGA notice and he initiated this action with the filing of his Complaint. On May 30, 2025, he filed a separate representative PAGA action. On July 9, 2025, he filed the FAC which added Plaintiff Gonzales to the instant action.

On February 11, 2026, the parties participated in a full-day mediation presided over by Hon. Brian C. Walsh (Ret.). The parties reached a settlement after accepting a mediator's proposal and they signed a Memorandum of Understanding on April 10, 2026. Subsequently, the parties drafted and negotiated a long-firm settlement agreement. To facilitate the Settlement, on June 24, 2026, Plaintiffs filed the operative SAC.

IV. SETTLEMENT PROVISIONS

The non-reversionary gross settlement amount is $1,136,097.16. Attorneys' fees of up to one-third ($378,699.05), litigation costs of up to $30,000, and administration costs of up to $10,000. $75,000 will be allocated to PAGA penalties, 65% if which ($48,750) will be paid to the LWDA, and the remaining 35% ($26,250) will be paid to "Aggrieved Employees" who are defined as "all current and former non-exempt employees of Defendant within the State of California who worked for Defendant at any time during the PAGA Period [March 25, 2024 to April 12, 2026]." Plaintiffs will seek service awards in the amount of $10,00 each—totaling $20,000.

The net settlement amount—estimated to be $622,398.11—will be allocated to Class Members who are defined as "[a]ll current and former nonexempt employees of Defendant within the State of California at any time during the Class Period [March 25, 2021 through April 12, 2026]." For tax purposes, 20% of each Class Member's settlement payment will be allocated to wages and 80% will be allocated to interests and penalties. Defendant will pay the employer side payroll taxes separate and apart from the Settlement. Funds associated with checks uncashed after 180 days will be transmitted the State Controller's Unclaimed Property Fund in the name of the Class Member who did not claim the funds.

In exchange for settlement, Class Members who do not opt out will release:

> [A]ll the claims asserted or that could have reasonably been alleged arising out of the facts, circumstances, and primary rights at issue in the operative complaints in the Action and any amendments thereto which occurred during the Class Period; and, expressly excluding claims for vested benefits, wrongful termination, unemployment insurance, disability, social security, workers' compensation, and class claims outside of the Class Period.

Aggrieved Employees, who consistent with the statute will not be able to opt out of the PAGA portion of the settlement, will release:

> [A]ll claims for PAGA penalties asserted or that could reasonably have been alleged arising out of facts alleged in the operative complaints and any amendments thereto and Plaintiffs' respective letters to the LWDA which occurred during the PAGA Period.

The foregoing releases are appropriately tailored to the allegations at issue. (See *Amaro v. Anaheim Arena Management, LLC* (2021) 69 Cal.App.5th 521, 537.)

V. FAIRNESS OF SETTLEMENT

Based on available data provided by Defendants, Class Counsel engaged Berger Consulting Group ("BCG") to evaluate the Class Members' payroll and time data. Class Counsel calculated Defendant's maximum exposure for the class claims as follows: $1,364,439.30 (failure to pay for all hours worked);$1,534,588.89 (meal period claim) ;$1,534,588.89 (rest period claim); $74,944.35 (failure to reimburse for necessary business expenses); $97,423 (failure to calculate the regular rate of pay); $795,960.90 (waiting time penalties); $267,190 (wage statement penalties)—totaling $5,669,135.33. The maximum exposure for the PAGA penalties is approximately $973,145.

Class Counsel applied a 30% discount to the following claims failure to pay for all hours worked claim; meal period claim; and the rest period claim. Class Counsel also considered the risks associated with continued litigation.

When considering the maximum exposure of the class claims and the PAGA liability, the gross settlement amount is approximately 17.1% of the maximum exposure, which is well below the range of recoveries typically approved by California courts. (See *Cavazos v. Salas Concrete,* *Inc.* (E.D. Cal., Feb 18, 2022, No. 1:19-cv-00062-DAD-EPG) 2022 U.S.Dist. LEXIS 30201, at *41-42 [citing cases approving settlements in the range of 5 to 35 percent of the maximum potential exposure].)

Considering the portion of the case's value attributable to uncertain penalties, claims that could be difficult to certify for class treatment, and the multiple, dependent contingencies that Plaintiffs would have had to overcome to prevail on the claims, the settlement achieves a good result for the Class. For purposes of preliminary approval, the Court finds that the settlement is fair and reasonable to the Class, and the PAGA allocation is genuine, meaningful, and reasonable in light of the statute's purposes.

VI. PROPOSED SETTLEMENT CLASS

Plaintiffs request certification of the following class for settlement purposes:

> [A]ll current and former nonexempt employees of Defendant within the State of California at any time during the Class Period.

A. Legal Standard for Certifying a Class for Settlement Purposes

Rule 3.769(d) of the California Rules of Court states that "[t]he court may make an order approving or denying certification of a provisional settlement class after [a] preliminary settlement hearing." California Code of Civil Procedure Section 382 authorizes certification of a class "when the question is one of a common or general interest, of many persons, or when the parties are numerous, and it is impracticable to bring them all before the court …."

Section 382 requires the plaintiff to demonstrate by a preponderance of the evidence: (1) an ascertainable class and (2) a well-defined community of interest among the class members. (*Sav-On Drug Stores, Inc. v. Superior Court* (2004) 34 Cal.4th 319, 326, 332 (*Sav-On Drug Stores*).) "Other relevant considerations include the probability that each class member will come forward ultimately to prove his or her separate claim to a portion of the total recovery and whether the class approach would actually serve to deter and redress alleged wrongdoing." (*Linder v. Thrifty Oil Co.* (2000) 23 Cal.4th 429, 435.) The plaintiff has the burden of establishing that class treatment will yield "substantial benefits" to both "the litigants and to the court." (*Blue Chip Stamps v. Superior Court* (1976) 18 Cal.3d 381, 385.)

In the settlement context, "the court's evaluation of the certification issues is somewhat different from its consideration of certification issues when the class action has not yet settled." (*Luckey v. Superior Court* (2014) 228 Cal.App.4th 81, 93.) As no trial is anticipated in the settlement-only context, the case management issues inherent in the ascertainable class determination need not be confronted, and the court's review is more lenient in this respect. (*Id.* at pp. 93–94.) But considerations designed to protect absentees by blocking unwarranted or overbroad class definitions require heightened scrutiny in the settlement-only class context, since the court will lack the usual opportunity to adjust the class as proceedings unfold. (*Id.* at p. 94.)

B. Ascertainable Class

A class is ascertainable "when it is defined in terms of objective characteristics and common transactional facts that make the ultimate identification of class members possible when that identification becomes necessary." (*Noel v. Thrifty Payless, Inc.* (2019) 7 Cal.5th 955, 980 (*Noel*).) A class definition satisfying these requirements

> puts members of the class on notice that their rights may be adjudicated in the proceeding, so they must decide whether to intervene, opt out, or do nothing and live with the consequences. This kind of class definition also advances due process by supplying a concrete basis for determining who will and will not be bound by (or benefit from) any judgment.

(*Noel*, *supra,* 7 Cal.5th at p. 980, citation omitted.)

"As a rule, a representative plaintiff in a class action need not introduce evidence establishing how notice of the action will be communicated to individual class members in order to show an ascertainable class." (*Noel*, *supra,* 7 Cal.5th at p. 984.) Still, it has long been held that "[c]lass members are 'ascertainable' where they may be readily identified … by reference to official records." (*Rose v. City of Hayward* (1981) 126 Cal. App. 3d 926, 932, disapproved of on another ground by *Noel, supra,* 7 Cal.5th 955; see also *Cohen v. DIRECTV, Inc.* (2009) 178 Cal.App.4th 966, 975-976 ["The defined class of all HD Package subscribers is precise, with objective characteristics and transactional parameters, and can be determined by DIRECTV's own account records. No more is needed."].)

Here, the estimated 575 Class members are readily identifiable based on Defendant's records, and the settlement Class is appropriately defined based on objective characteristics. The Court finds that the settlement Class is numerous, ascertainable, and appropriately defined.

C. Community of Interest

The "community-of-interest" requirement encompasses three factors: (1) predominant questions of law or fact, (2) class representatives with claims or defenses typical of the class, and (3) class representatives who can adequately represent the class. (*Sav-On Drug Stores, supra*, 34 Cal.4th at pp. 326, 332.)

For the first community of interest factor, "[i]n order to determine whether common questions of fact predominate the trial court must examine the issues framed by the pleadings and the law applicable to the causes of action alleged." (*Hicks v. Kaufman & Broad Home Corp.* (2001) 89 Cal.App.4th 908, 916 (*Hicks*).) The court must also examine evidence of any conflict of interest among the proposed class members. (See *J.P. Morgan & Co., Inc. v. Superior Court* (2003) 113 Cal.App.4th 195, 215.) The ultimate question is whether the issues which may be jointly tried, when compared with those requiring separate adjudication, are so numerous or substantial that the maintenance of a class action would be good for the judicial process and to the litigants. (*Lockheed Martin Corp. v. Superior Court* (2003) 29 Cal.4th 1096, 1104–1105 (*Lockheed Martin*).) "As a general rule if the defendant's liability can be determined by facts common to all members of the class, a class will be certified even if the members must individually prove their damages." (*Hicks, supra,* 89 Cal.App.4th at p. 916.)

Here, common legal and factual issues predominate. Plaintiffs' claims all arise from Defendants' wage and hour practices.

As for the second factor,

> The typicality requirement is meant to ensure that the class representative is able to adequately represent the class and focus on common issues. It is only when a defense unique to the class representative will be a major focus of the litigation, or when the class representative's interests are antagonistic to or in conflict with the objectives of those she purports to represent that denial of class certification is

> appropriate. But even then, the court should determine if it would be feasible to divide the class into subclasses to eliminate the conflict and allow the class action to be maintained.

(*Medrazo v. Honda of North Hollywood* (2008) 166 Cal. App. 4th 89, 99, internal citations, brackets, and quotation marks omitted.)

Like the other members of the proposed Class, Plaintiffs were employed by Defendants and allege that they experienced the conduct at issue. The anticipated defenses are not unique to Plaintiffs, and there is no indication that Plaintiffs' interests are otherwise in conflict with those of the proposed Class.

Finally, adequacy of representation "depends on whether the plaintiff's attorney is qualified to conduct the proposed litigation and the plaintiff's interests are not antagonistic to the interests of the class." (*McGhee v. Bank of America* (1976) 60 Cal.App.3d 442, 450.) The class representative does not necessarily have to incur all of the damages suffered by each different class member in order to provide adequate representation to the class. (*Wershba, supra,* 91 Cal.App.4th at p. 238.) "Differences in individual class members' proof of damages [are] not fatal to class certification. Only a conflict that goes to the very subject matter of the litigation will defeat a party's claim of representative status." (*Ibid.*, internal citations and quotation marks omitted.)

Plaintiffs have the same interest in maintaining this action as any Class Member would have. Further, they have hired experienced counsel. Plaintiffs have sufficiently demonstrated adequacy of representation.

D. Substantial Benefits of Class Certification

"[A] class action should not be certified unless substantial benefits accrue both to litigants and the courts. . . ." (*Basurco v. 21st Century Ins.* (2003) 108 Cal.App.4th 110, 120, internal quotation marks omitted.) The question is whether a class action would be superior to individual lawsuits. (*Ibid.*) "Thus, even if questions of law or fact predominate, the lack of superiority provides an alternative ground to deny class certification." (*Ibid.*) Generally, "a class action is proper where it provides small claimants with a method of obtaining redress and when numerous parties suffer injury of insufficient size to warrant individual action." (*Id.* at pp. 120–121, internal quotation marks omitted.)

Here, there are an estimated 575 Class Members. It would be inefficient for the Court to hear and decide the same issues separately and repeatedly for each class member. Further, it would be cost prohibitive for each Class member to file suit individually, as each member would have the potential for little to no monetary recovery. It is clear that a class action provides substantial benefits to both the litigants and the Court in this case.

VII. NOTICE

The content of a class notice is subject to court approval. (Cal. Rules of Court, rule 3.769(f).) "The notice must contain an explanation of the proposed settlement and procedures for class members to follow in filing written objections to it and in arranging to appear at the settlement hearing and state any objections to the proposed settlement." (*Ibid.*) In determining the manner of the notice, the court must consider: "(1) The interests of the class; (2) The type of relief requested; (3) The stake of the individual class members; (4) The cost of notifying class members; (5) The resources of the parties; (6) The possible prejudice to class members who do not receive notice; and (7) The res judicata effect on class members." (Cal. Rules of Court, rule 3.766(e).)

Here, the notice, which will be provided in English, informs the Class Members of the nature of the lawsuit and their rights under the terms of the Settlement and applicable law. It includes: a detailed explanation of the case, including the basic contentions or denials of the Parties and the basic terms of the Settlement; a statement that the court will exclude the member from the Class if they request so by a specified date; a procedure for the member to follow in requesting exclusions from the Class; an explanation that members of the Class can participate in the Settlement by doing nothing; a statement that the judgment, whether favorable or not, will bind all members who do not request exclusion; and a statement that any member who does not request exclusion may, if the member so desires, enter an appearance through counsel. Class Members are given 45 days to exclude themselves or object.

The form of notice is generally adequate but must be modified to instruct Class Members that they may opt out of or object to the settlement simply by providing their name, without needing to provide personal information.

Regarding appearances at the final fairness hearing, the notice shall be modified to instruct class members as follows:

> Although class members may appear in person, the judge overseeing this case encourages remote appearances. Class members who wish to appear remotely should contact class counsel at least three days before the hearing if possible. Remote appearances must be made through UDC, unless otherwise arranged with the Court. Please go to https://santaclara.courts.ca.gov/online-services/remote-hearings to find the appropriate link. Also, please note that that you must register in advance to appear remotely.

Turning to the notice procedure, as articulated above, the parties have selected Xpand Legal Consulting, LLC ("Xpand"). No later than 21 days after preliminary approval is entered, Norcal will deliver the Class Data to Xpand. No later than 30 days after preliminary approval, Xpand will mail the Class notices. Any returned notices will be promptly re-mailed to any forwarding address provided within 7 days. If no forwarding address is found, Xpand shall conduct an investigation for one and if one is found, Xpand shall re-mail the notice. The response deadline will be extended by 14 days for Class Members' whose notice is re-mailed. These notice procedures are appropriate and are approved.

VIII. SERVICE AWARDS, FEES, AND COSTS

Plaintiffs request a service award of $10,000 each.

> The rationale for making enhancement or incentive awards to named plaintiffs is that they should be compensated for the expense or risk they have incurred in conferring a benefit on other members of the class. An incentive award is appropriate if it is necessary to induce an individual to participate in the suit. Criteria courts may consider in determining whether to make an incentive award include: 1) the risk to the class representative in commencing suit, both financial

and otherwise; 2) the notoriety and personal difficulties encountered by the class representative; 3) the amount of time and effort spent by the class representative; 4) the duration of the litigation and; 5) the personal benefit (or lack thereof) enjoyed by the class representative as a result of the litigation. These "incentive awards" to class representatives must not be disproportionate to the amount of time and energy expended in pursuit of the lawsuit.

(*Cellphone Termination Fee Cases* (2010) 186 Cal.App.4th 1380, 1394-1395, internal punctuation and citations omitted; see also *Covillo v. Specialty's Café* (N.D. Cal. 2014) 2014 U.S.Dist.LEXIS 29837, at *29 [incentive awards are particularly appropriate where a plaintiff undertakes a significant "reputational risk" in bringing an action against an employer].)

Plaintiffs submitted their respective declarations in support of their request. However, neither Plaintiff included the amount of time spent on this action. Thus, prior to final approval, Plaintiffs are ordered to submit supplemental declarations stating the total hours they each spent on this action, the tasks performed, and any other factors they would like the Court to consider.

The request for administrative costs in the amount of $10,000 is supported by the declaration Jonathan Paul, CEO of Xpand. Thus, it is approved.

The court also has an independent right and responsibility to review the requested attorney fees and only award so much as it determines reasonable. (See *Garabedian v. Los Angeles Cellular Telephone Co.* (2004) 118 Cal.App.4th 123, 127-128.) Class Counsel will seek attorneys' fees of up to one-third of the gross settlement amount (currently estimated to be 378,699.05), and litigation costs for up to $30,000. Prior to any final approval hearing, Class Counsel shall submit lodestar information (including hourly rate and hours worked) as well as evidence of actual litigation costs incurred.

IX. CONCLUSION

Plaintiffs' motion for preliminary approval is GRANTED.

The final approval hearing shall take place on **January 28, 2027** at 1:30 in Department 22. The following Class is preliminarily certified for settlement purposes:

All current and former nonexempt employees of Defendant within the State of California at any time during the Class Period.

IT IS SO ORDERED.

Date: 7-30-26

BETH MCGOWEN
Judge of the Superior Court