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24CV431369
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SUPERIOR COURT OF CALIFORNIA

COUNTY OF SANTA CLARA

DANIEL GONZALEZ, on behalf of himself and all others similarly situated, Plaintiff, v. VORTEX INDUSTRIES, LLC, a California Limited Liability Company; and DOES 1-50, inclusive, Defendants.	Case No. 24CV431369 **ORDER GRANTING PLAINTIFF'S MOTION FOR FINAL APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT**

This is a putative class and Private Attorneys General Act ("PAGA") action. Plaintiff Daniel Gonzalez alleges defendant Vortex Industries, LLC committed various wage and hour violations.

Before the Court is Plaintiff's motion for final approval of settlement, which is unopposed. As discussed below, the Court GRANTS the motion.

I. BACKGROUND

According to the allegations of the operative third amended complaint ("TAC"), Plaintiff was employed by Defendant as a "Service Technician" from March 2020 until February 1, 2024. (TAC, ¶ 18.) Defendant failed to: pay for all time worked including overtime and minimum wages; maintain accurate and complete payroll records; provide meal periods or compensation in

lieu thereof; rest periods or compensation in lieu thereof; and reimburse for business expenses. (TAC, ¶¶ 19-43.)

Based on the foregoing, Plaintiff initiated this action on February 22, 2024, and on April 29, 2024, he filed his first amended complaint, which asserted the following claims: (1) failure to pay all minimum wages; (2) failure to pay all overtime wages; (3) meal period violations; (4) rest period violations; (5) wage statement violations; (6) waiting time penalties; (7) failure to reimburse necessary business expenses; (8) unfair competition; and (9) penalties under PAGA.

The second amended complaint was deemed filed on August 21, 2024, and the operative TAC was deemed filed on November 5, 2025, which asserts the following causes of action: (1) failure to pay all minimum wages; (2) failure to pay all overtime wages; (3) meal period violations; (4) rest period violations; (5) wage statement violations; (6) waiting time penalties; (7) failure to reimburse necessary business expenses; (8) violation of Business & Professions Code §§ 166000, 16600.1, and 16600.5; (9) unfair competition; (10) penalties under PAGA.

On April 3, 2026, the Court issued its order which granted Plaintiff's motion for preliminary approval. Plaintiff now seeks an order finally: certifying the class for settlement purposes; appointing Plaintiff as the class representative; appointing Mehrdad Bokhour of Bokhour Law Group, P.C., and Joshua Falakassa of Falakassa Law, P.C., as class counsel; finding that the class notice was properly provided; approving the settlement; binding participating class members to the terms of the settlement agreement; retaining jurisdiction and setting a compliance hearing.

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 CLASS

> All persons who are or were employed by Defendant in California and classified as non-exempt or hourly employees at any time during the Class Period [August 1, 2021 to November 18, 2025].

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.)

At preliminary approval, the Court provisionally certified the above-described Class, and it does not find any reasons to depart from that ruling at this time. Consequently, the Court will certify the Class for settlement purposes as requested.

IV. TERMS AND ADMINISTRATION OF SETTLEMENT

The non-reversionary gross settlement amount is $ 1,100,000. Attorneys' fees of up to one-third, which is approximately $366,666.67, litigation costs of up to $40,000, and administrative costs of $8,500. $100,000 will be allocated to PAGA penalties, with $75,000 paid to Labor and Workforce Development Agency ("LWDA") and $25,000 will be distributed to Aggrieved Employees, who are defined as "all persons who are or were employed by Defendant

in California and classified as non-exempt or hourly employees at any time during the Class Period [February 23, 2023 through November 18, 2025] or the date the Court grants preliminary approval, whichever is sooner." Plaintiff will seek a Class Representative Service Award in the amount of $5,000.

The net settlement amount—which is estimated to be $588,867.38—will be allocated to Class Members. The average individual payment will be about $760.80, with the highest payment being $1,713.46. For tax purposes, 20% of each individual Class payment will be allocated as wages and 80% will be located as non-wages. Funds associated with checks uncashed after 180 days will be transmitted to the State Controller's Office, Unclaimed Property Division.

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

> [A]ll claims, transactions, or occurrences, including but not limited to: (a) all claims that were alleged, or reasonably could have been alleged, based on the facts stated in the Complaint, including claims for (1) failure to pay minimum, overtime, and sick wages; (2) failure to provide meal periods or pay a premium in lieu thereof; (3) failure to authorize and permit rest period or pay a premium in lieu thereof; (5) failure to timely pay final wages at the time of termination/end of employment; (6) failure to reimburse expenses; (7) deceptive, fraudulent, or otherwise unlawful business practices in violation of California's Unfair Competition[]; and (8) unlawful inclusion, enforcement, or failure to provide statutory notice regarding non-compete, non-solicitation, or other restrictive covenants in violation of Business & Professions Code §§ 16600, 16600.1, and 16600.5.

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

> [A]ny and all claims for civil penalties under [PAGA] that were alleged in the first amend complaint, second amended complaint, the operative complaint, and

the PAGA notice submitted to the LWDA, or that reasonably could have been alleged based on the facts stated therein, during the PAGA Period.

The notice period has now been completed. Taylor Mitzner ("Mitzner"), a case manager for settlement administrator Phoenix Settlement Administrators ("Phoenix") submitted a declaration in support of the instant motion. On May 4, 2026, defense counsel delivered the Class data to Phoenix and on May 21, 2026, Phoenix mailed the Class notices to 774 Class Members. As of the date of Mitzner's declaration, 0 notices have been returned as undeliverable.

The response deadline was July 6, 2026 and as of the date of Mitzner's declaration, Phoenix received 0 objections and 0 requests for exclusion. Consequently, there are 774 participating Class Members, representing 100% of the Class. The average individual payment is $760.81, with the highest being $1,713.46. The average PAGA payment is $40.58, with the highest being $79.82.

Plaintiff requests $8,500 for administration costs. This request is supported by Mitzner's declaration. Thus, the amount is reasonable and therefore, it is approved.

At the preliminary approval, the Court found that the proposed settlement provides a fair and reasonable compromise to Plaintiff' claims. It finds no reason to depart from these findings now, especially considering that there are no objections. Therefore, the Court finds that the Settlement is fair and reasonable for the purposes of final approval.

V. ATTORNEYS' FEES, LITIGATION COSTS, AND PLAINTIFF'S SERVICE AWARD

Class Counsel seeks a fee award of $366,666.67 or one-third of the gross settlement amount, which is not an uncommon contingency fee in a wage and hour class action. Class Counsel provide a lodestar figure of $188,125, however this includes 20 hours of anticipated work, which the Court does not award. Therefore, it appears the lodestar is $173,125 based on 235 hours of work at billing rates ranging from $725 to $750 per hour, resulting in a multiplier of 2.11. This is within the range of multipliers that courts typically approve. (See *Wershba, supra*, 91 Cal.App.4th at p. 255 ["[m]ultipliers can range from 2 to 4 or even higher"]; *Vizcaino v. Microsoft Corp.* (9th Cir. 2002) 290 F.3d 1043, 1051, fn. 6 [stating that multipliers ranging from

one to four are typical in common fund cases and citing the court's own survey of large settlements funding a range of 0.6-19.6, with most (20 to 24, or 83%) from 1.0-4.0 and a bare majority (13 of 24, or 54%) in the 1.5-3.0 range"].)

"While the percentage method has been generally approved in common fund cases, courts have sought to ensure the percentage fee is reasonable by refining the choice of a percentage or by checking the percentage result against the lodestar-multiplier calculation." (*Laffitte v. Robert Half Intern, Inc.* (2016) 1 Cal.5th 480, 495 (*Laffitte*).) Applying the latter approach,

> [T]he percentage-based fee will typically be larger than the lodestar based fee. Assuming that one expects rough parity between the results of the percentage method and the lodestar method, the difference between the two computed fees will be attributable solely to a multiplier that has yet to be applied. Stated another way, the ratio of the percentage-based fee to the lodestar-based fee implies a multiplier, and that implied multiplier can be evaluated for reasonableness. If the implied multiplier is reasonable, then the cross-check confirms the reasonableness of the percentage-based fee; if the implied multiplier is unreasonable, the court should revisit its assumptions.

(*Laffitte, supra,* 1 Cal.5th at p. 496, quoting Walker & Horwich, *The Ethical Imperative of a Lodestar Cross-check: Judicial Misgivings About "Reasonable Percentage" Fees in Common Fund Cases* (2005) 18 Geo. J. Legal Ethics 1453, 1463.) As described by the California Supreme Court, "[i]f the multiplier calculated by means of a lodestar crosscheck is extraordinarily high or low, the trial court should consider whether the percentage used should be adjusted so as to bring the imputed multiplier within a justifiable range, but the court is not necessarily required to make such an adjustment." (*Laffitte, supra,* 1 Cal.5th at 505.)

Here, the multiplier sought by Class Counsel is within the range California courts typically award, and it is supported by the percentage cross-check and Class Counsel's declarations. Thus, the Court finds Class Counsel's requested fee award is reasonable.

Class Counsel also seeks $30,965.95 in litigation costs, which is below the $40,000 allowed for in the Settlement. The request is supported by Class Counsel's declarations. This amount is reasonable and thus, it is approved.

Plaintiff requests a Class Representative Enhancement payment of $5,000.

> 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.) Incentive awards are particularly appropriate where a plaintiff undertakes a significant reputational risk in bringing an action against an employer. (*Covillo v. Specialty's Café* (N.D. Cal. 2014) 2014 U.S.Dist.LEXIS 29837, at *29.)

At preliminary approval, the Court found that Plaintiff is entitled to an award and preliminarily approved the request. The Court does not find any reason to depart from this ruling at this time. Thus, Plaintiff's request is approved.

VI. CONCLUSION

In accordance with the above, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

Plaintiff's motion for final approval is GRANTED. The following Class is certified for settlement purposes only:

All persons who are or were employed by Defendant in California and classified as non-exempt or hourly employees at any time during the Class Period.

Judgment will be entered through the filing of this order and judgment. (Code Civ. Proc., § 668.5.) Plaintiff and the members of the Class will take from the operative complaint only the relief set forth in the settlement agreement and this order and judgment. Pursuant to Rule 3.769(h) of the California Rules of Court, the Court will retain jurisdiction over the parties to enforce the terms of the settlement agreement and the final order and judgment.

The Court sets a compliance hearing for **June 24, 2027 at 2:30 P.M.** in Department 22. At least ten court days before the hearing, class counsel and the settlement administrator shall submit a summary accounting of the net settlement fund identifying distributions made as ordered herein; the number and value of any uncashed checks; amounts remitted pursuant to Code of Civil Procedure section 384, subdivision (b); the status of any unresolved issues; and any other matters appropriate to bring to the Court's attention. Counsel shall also submit an amended judgment as described in Code of Civil Procedure section 384, subdivision (b). Counsel may appear at the compliance hearing remotely.

IT IS SO ORDERED.

Date: 10-15-26

BETH MCGOWEN
Judge of the Superior Court