

ZAKAY LAW GROUP, APLC
Shani O. Zakay (State Bar #277924)
Jackland K. Hom (State Bar #327243)
Julieann Alvarado (State Bar #334727)
Rachel N. Newman (State Bar #
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
Telephone: (619) 255-9047
Facsimile: (858) 404-9203
shani@zakaylaw.com
jackland@zakaylaw.com
julieann@zakaylaw.com

JCL LAW FIRM, APC
Jean-Claude Lapuyade (State Bar #248676)
5440 Morehouse Drive, Suite 3600
San Diego, CA 92121
Telephone: (619) 599-8292
Facsimile: (619) 599-8291
jlapuyade@jcl-lawfirm.com

Attorneys for Plaintiffs

SUPERIOR COURT OF THE STATE OF CALIFORNIA
IN AND FOR THE COUNTY OF LOS ANGELES

JOSE LUIS VELASQUEZ, on behalf of all
others similarly aggrieved,

Plaintiffs,

vs.

WATER DAMAGE RESCUE, INC., a
California corporation, ORI LAZAROVITS,
an individual, and DOES 1 through 10,
inclusive,

Defendants.

Case No. 21STCV46033

**[PROPOSED] ORDER GRANTING FINAL
APPROVAL**

Date: February 6, 2024
Time: 8:30 a.m.

Judge: Hon. Holly J. Fujie
Dept.: 56

FILED
Superior Court of California
County of Los Angeles

02/14/2024

David W. Slayton, Executive Officer / Clerk of Court

By: O. Chavez Deputy

1 Plaintiffs’ motion for an order finally approving the Stipulation of Settlement of Class and
2 PAGA Action Claims and Release of Claims (“Agreement”) and Motion for Class Counsel Fees
3 Payment, Class Counsel Litigation Expenses Payment, and Class Representative Service Payment
4 duly came on for hearing on February 6, 2024, before the above-entitled Court. Law Offices of J.
5 Kirk Donnelly, APC, Zakay Law Group, APLC and the JCL Law Firm, APC appeared on behalf of
6 Plaintiffs JOSE LUIZ VELASQUEZ and MARVIN GLENN HOLLOWAY (“Plaintiffs”). Garrell
7 Cohon Kennedy LLP appeared on behalf of Defendants WATER DAMAGE RESCUE, INC., a
8 California Corporation, and ORI LAZAROVITS, an individual (hereinafter “Defendants”).

9 **I.**

10 **FINDINGS**

11 Based on the oral and written argument and evidence presented in connection with the
12 motion, the Court makes the following findings:

13 1. All capitalized terms used herein shall have the same meaning as defined in
14 the Agreement.

15 2. This Court has jurisdiction over the subject matter of this litigation pending
16 in the California Superior Court for the County of Los Angeles (“Court”), Case No. 21STCV46033,
17 entitled *Jose Luis Velasquez v. Water Damage Rescue, et al.*, and over all Parties to this litigation,
18 including the Class.

19 **Preliminary Approval of the Settlement**

20 3. On September 6, 2023, the Court granted preliminary approval of a class-
21 wide settlement. At this same time, the court approved certification of a provisional settlement class
22 for settlement purposes only. The Court confirms this Order and finally approves the settlement
23 and the certification of the Class.

24 **Notice to the Class**

25 4. In compliance with the Preliminary Approval Order, the Notice Packet was
26 mailed by first class mail to the Class Members at their last known addresses on November 2, 2023.
27 Mailing of the Notice Packet to their last known addresses was the best notice practicable under the
28 circumstances and was reasonably calculated to communicate actual notice of the litigation and the

1 proposed settlement to the members of the Class Members. The Court finds that the Notice Packet
2 provided fully satisfies the requirements of California Rules of Court, rule 3.769.

3 5. The Response Deadline for opting out or objecting was December 18, 2023.
4 There was an adequate interval between notice and deadline to permit Class Members to choose
5 what to do and act on their decision. No Class Members objected. No Class Members requested
6 exclusion.

7 **Fairness Of the Settlement**

8 6. The Agreement provides for a Gross Settlement Amount of \$640,000.00.
9 The Agreement is entitled to a presumption of fairness. (*Dunk v. Ford Motor Co.* (1996) 48
10 Cal.App.4th 1794, 1801.)

11 a. The settlement was reached through arms-length bargaining between
12 the Parties. There is no evidence of any collusion between the Parties in reaching the proposed
13 settlement.

14 b. The Parties' investigation and discovery have been sufficient to allow
15 the Court and counsel to act intelligently.

16 c. Counsel for all parties are experienced in similar employment class
17 action litigation and have previously settled similar class claims on behalf of employees claiming
18 compensation. All counsel recommended approval of the Settlement.

19 d. The percentage of objectors and requests for exclusion is zero. No
20 objections were received. No requests for exclusion were received.

21 e. The participation rate is high. All Class Members will be
22 participating in the Settlement and will be sent settlement payments.

23 7. The consideration to be given to the Class Members under the terms of the
24 Agreement is fair, reasonable, and adequate considering the strengths and weaknesses of the claims
25 asserted in this Action and is fair, reasonable, and adequate compensation for the release of the
26 Released Class Claims and Released PAGA Claims, given the uncertainties and risks of the
27 litigation and the delays which would ensue from continued prosecution of the Action.

28 ///

1 8. The Agreement is finally approved as fair, adequate, and reasonable and in
2 the best interests of the Settlement Class Members.

3 **Attorneys' Fees and Attorneys' Expenses**

4 9. The Agreement provides for a Class Counsel Award in the amount of up to
5 Two Hundred Thirty-Eight Thousand, Three Hundred Thirty-Three Dollars and Thirty-Three Cents
6 (\$238,333.33). Subject to Court approval, the Class Counsel Award consists of attorneys' fees equal
7 to one-third (1/3) of the Gross Settlement Amount, or Two Hundred Thirteen Thousand, Three
8 Hundred Thirty-Three Dollars and Thirty-Three Cents (\$213,333.33) and reimbursement of costs
9 and expenses in an amount up to Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00).

10 10. Two Hundred Thirty-Eight Thousand, Three Hundred Thirty-Three Dollars
11 and Thirty-Three Cents (\$238,333.33) for the Class Counsel Award comprised of one-third of the
12 Gross Settlement Amount, or Two Hundred Thirteen Thousand, Three Hundred Thirty-Three
13 Dollars and Thirty-Three Cents (\$213,333.33) and reimbursement of incurred costs and expenses
14 in the amount of Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00) is reasonable in light
15 of the contingent nature of Class Counsel's fee, the hours worked by Class Counsel, and the results
16 achieved by Class Counsel. The requested attorneys' fee award represents 1/3 of the common fund,
17 which is reasonable and at the low end of the range for fee awards in common fund cases and is
18 supported by Class Counsel's lodestar.

19 **Service Award**

20 11. The Agreement provides for Class Representative Service Payments of Ten
21 Thousand Dollars and Zero Cents (\$10,000.00) to each Plaintiff, subject to the Court's approval.
22 The Court finds that the amount of Ten Thousand Dollars and Zero Cents (\$10,000.00) to each
23 Plaintiff is reasonable in light of the risks and burdens undertaken by the Plaintiffs in this class
24 action litigation.

25 **Administration Costs**

26 12. The Agreement provides for Administration Expenses to be paid in an
27 amount not to exceed \$10,000.00. The Declaration of the Settlement Administrator provides that
28

1 the actual claims administration expenses were \$10,000.00. The amount of this payment is
2 reasonable in light of the work performed by the Settlement Administrator.

3 **II.**

4 **ORDERS**

5 Based on the foregoing findings, and good cause appearing, IT IS HEREBY ORDERED:

6 1. The Class is certified for the purposes of settlement only. The Settlement
7 Class is hereby defined to include all current and former non-exempt California employees who
8 worked for Water Damage Rescue, Inc. ("Class") at any time during the period between December
9 17, 2017 and July 17, 2023 ("Class Period").

10 2. There are 323 members of the Class. Every person in the Class who did not
11 submit and timely and validly Request for Exclusion is a Settlement Class Member. There were zero
12 Requests for Exclusion submitted by the Class Members.

13 3. The Agreement is hereby approved as fair, reasonable, adequate, and in the
14 best interest of the Class. The Parties are ordered to effectuate the Settlement in accordance with
15 this Order and the terms of the Agreement.

16 4. Defendants shall fund the Gross Settlement Amount of \$640,000.00 as
17 follows: 50% of the Gross Settlement Amount (\$320,000.00) no later than thirty (30) days after
18 Final Approval (the "First Installment"), and the remaining 50% of the Gross Settlement Amount
19 (\$320,000.00) no later than one hundred twenty (120) days after Final Approval (the "Second
20 Installment"). Simultaneously with funding each Installment, Defendants shall also fund all amounts
21 necessary to pay the employer-side payroll taxes due on the Individual Class Payments to be made
22 from each Installment. In exchange, the Class Members shall release Defendants from the
23 "Released Class Claims" and the "Aggrieved Employees" shall release the "Released PAGA
24 Claims."

25 a. The Released Class Claims are defined as all claims that were alleged,
26 or reasonably could have been alleged, based on the facts stated in the Complaint, including but not
27 limited to claims for unpaid minimum wages; failure to pay overtime; failure to provide meal
28 premiums and/or unpaid meal period premiums; failure to authorize and permit rest breaks and/or

1 unpaid rest break premiums; failure to timely pay final wages; failure to provide complete wage
2 statements; failure to reimburse business expenses; failure to provide personnel files; violation of
3 relevant and/or applicable sections of the relevant Industrial Welfare Commission Wage Order(s);
4 and unfair competition under Business & Professions Code sections 17200, et seq. arising from
5 violations of the above the Labor Code sections. The operative release period for the Released Class
6 Claims is the Class Period. Participating Class Members do not release any other claims, including
7 claims for vested benefits, wrongful termination, violation of the Fair Employment and Housing
8 Act, unemployment insurance, disability, social security, workers' compensation, or claims based
9 on facts occurring outside the Class Period.

10 b. The Released PAGA Claims are defined as all claims for PAGA
11 penalties that were alleged in the Complaint and Plaintiffs' PAGA Notices, or reasonably could
12 have been alleged based on the facts stated in the Complaint and the PAGA Notices, including but
13 not limited to PAGA claims premised on violation of Labor Code sections 201, 201.3, 202, 203,
14 204, 210, 218.5, 218.6, 222, 225.5, 226, 226.3, 226.7, 227.3, 246, 256, 450, 510, 512, 516, 558,
15 1174, 1174.5, 1182.12, 1190, 1194, 1194.2, 1197, 1197.1, 1197.14, 1198, 1198.5, 2441, 2802, 2804,
16 2810.5, and applicable sections of the relevant Industrial Welfare Commission Wage Order(s). The
17 operative release period for the Released PAGA Claims is the PAGA Period.

18 5. Two Hundred Thirty-Eight Thousand, Three Hundred Thirty-Three Dollars
19 and Thirty-Three Cents (\$238,333.33) for the Class Counsel Award comprised of one-third of the
20 Gross Settlement Amount, or Two Hundred Thirteen Thousand, Three Hundred Thirty-Three
21 Dollars and Thirty-Three Cents (\$213,333.33) and reimbursement of incurred costs and expenses
22 in the amount of Twenty-Five Thousand Dollars and Zero Cents (\$25,000.00) is reasonable in light
23 of the contingent nature of Class Counsel's fee, the hours worked by Class Counsel, and the results
24 achieved by Class Counsel. Class Counsel shall not seek or obtain any other compensation or
25 reimbursement from Defendants, Plaintiffs, or members of the Class.

26 6. The payment of the Class Representative Service Payments to the Plaintiffs
27 in the amount of \$10,000.00 per Plaintiff is approved.

1 7. The payment of \$10,000.00 to the Settlement Administrator for
2 Administration Costs is approved.

3 8. The PAGA Payment of \$30,000.00 is hereby approved as fair, reasonable,
4 adequate and adequately protects the interests of the public and the LWDA. Further, the Court finds
5 that Plaintiffs and Class Counsel negotiated the PAGA Settlement at arms-length, absent of any
6 fraud or collusion.

7 9. Final Judgment is hereby entered in this action. The Final Judgment shall
8 bind each Settlement Class Member.

9 10. Final Judgment shall also bind Plaintiffs, acting on behalf of the State of
10 California and all Aggrieved Employees, pursuant to the California Labor Code Private Attorneys'
11 General Act ("PAGA") and shall release Defendants from all Released PAGA Claims as defined in
12 the Agreement.

13 11. The term "Aggrieved Employees" is hereby defined as all current and former
14 non-exempt California employees who worked for Defendants at any time during the PAGA Period.
15 The PAGA Period means the period between October 13, 2020 through July 17, 2023.

16 12. The Court further finds and determines that Class Counsel satisfied California
17 Labor Code § 2699(1)(2) by giving the LWDA notice of the proposed Settlement of claims arising
18 under the Private Attorney General Act ("PAGA") on July 24, 2023 and again on January 11, 2024.

19 13. The Court orders Class Counsel to comply with California Labor Code §
20 2699(1)(3) by providing the LWDA a copy of this order within ten (10) calendar days of the Court's
21 entry of this Order.

22 14. The Agreement is not an admission by Defendants, nor is this Final Approval
23 Order and Judgment, a finding of the validity of any claims in the Action or of any wrongdoing by
24 Defendants. Neither this Final Approval Order, the Settlement, nor any document referred to herein,
25 nor any action taken to carry out the Settlement is, may be construed as, or may be used as an
26 admission by or against Defendants of any fault, wrongdoing, or liability whatsoever. The entering
27 into or carrying out of the Agreement, and any negotiations or proceedings related thereto, shall not
28 in any event be construed as, or deemed to be evidence of, an admission or concession with regard

1 to the denials or defenses by Defendants and shall not be offered in evidence in any action or
2 proceeding against Defendants in any court, administrative agency or other tribunal for any purpose
3 as an admission whatsoever other than to enforce the provisions of this Final Approval Order and
4 Judgment, the Settlement, or any related agreement or release. Notwithstanding these restrictions,
5 any of the Parties may file in the Action or in any other proceeding this Final Approval Order and
6 Judgment, the Agreement, or any other papers and records on file in the Action as evidence of the
7 Settlement to support a defense of res judicata, collateral estoppel, release, or other theory of claim
8 or issue preclusion or similar defense as to the claims being released by the Settlement.

9 15. Notice of entry of this Final Approval Order and Judgment shall be given to
10 Class Counsel on behalf of Plaintiffs and all Class Members. It shall not be necessary to send notice
11 of entry of this Final Approval Order and Judgment to individual Class Members and the Final
12 Approval Order and Judgment shall be posted on Settlement Administrator's website as indicated
13 in the Notice Packet.

14 16. After entry of Final Judgment, the Court shall retain jurisdiction to construe,
15 interpret, implement, and enforce the Settlement, to hear and resolve any contested challenge to a
16 claim for settlement benefits, and to supervise and adjudicate any dispute arising from or in
17 connection with the distribution of settlement benefits.

18 17. If the Settlement does not become final and effective in accordance with the
19 terms of the Settlement, resulting in the return and/or retention of the Gross Settlement Amount to
20 Defendants consistent with the terms of the Settlement, then this Final Approval Order and
21 Judgment, and all orders entered in connection herewith shall be rendered null and void and shall
22 be vacated.

23 **IT IS SO ORDERED.**

24 DATED: 02/14/2024, 2024



Holly J. Fujie

Holly J. Fujie / Judge

Hon. Holly J. Fujie
Judge, Superior Court for the State of California,
County of Los Angeles