

SUPERIOR COURT OF CALIFORNIA, COUNTY OF SACRAMENTO

Tani G. Cantil-Sakauye Courthouse, Department 8A

JUDICIAL OFFICER: HONORABLE JILL H. TALLEY

Courtroom Clerk: T. Shaddix

Court Attendant: M. Aria

CSR: None

34-2021-00310762-CU-OE-GDS

June 12, 2026

9:00 AM

Jorge Narez vs. Hillside Foodmart Inc, a California corporation

MINUTES

APPEARANCES:

No Appearances

NATURE OF PROCEEDINGS: Hearing on Motion for Preliminary Approval of Settlement

There being no request for oral argument, the Court affirmed the tentative ruling.

TENTATIVE AFFIRMED

Plaintiffs Jorge Narez (“Plaintiff Narez”) and Abraham Chavez’s (“Plaintiff Chavez”) (collectively, “Plaintiffs”) motion for preliminary approval of class and representative action settlement is UNOPPOSED and GRANTED as follows.

Plaintiff must amend the proposed Class Notice at section 7 to state that the final approval hearing will take place in Department 8A of the Sacramento Superior Court, located at 500 G Street, Sacramento, CA 95814 before the notice is sent out.

Overview

On November 3, 2021, Plaintiff Narez his wage and hour class action against Defendant Hillside Foodmart, Inc. (“Defendant”), alleging ten causes of action: (1) unpaid overtime; (2) unpaid meal premiums; (3) unpaid rest period premiums; (4) unpaid minimum wages; (5) final wages not timely paid; (6) wages not timely paid during employment; (7) non-compliant wage statements; (8) failure to keep requisite payroll records; (9) unreimbursed business expenses; and (10) violation of Business & Professions Code section 17200 *et seq.*

On May 23, 2024, the Parties participated in mediation with Hon. Raul A. Ramirez, following which the Parties reached a resolution. (Slinger Decl., ¶ 21, Exh. 2 (“Agreement”) at ¶ 6.)

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On September 25, 2025, the Court signed and filed the Parties' Joint Stipulation to file a First Amended Complaint ("1AC"). On October 6, 2025, Plaintiff Narez filed the operative 1AC, adding Plaintiff Chavez and adding a cause of action for civil penalties under the Private Attorneys General Act ("PAGA"). (See 1AC; see also Joint Stipulation, filed 9/25/25.)

After filing the initial Complaint, the Parties engaged in informal and formal discovery which included the exchange of information, data, and documents, and the review of Defendant's employment and operations policies, practices, and procedures. (Slinger Decl., ¶¶ 21-22, Agreement, ¶ 5.)

The Parties entered into a written settlement agreement and now move for preliminary approval of the class and representative settlement. This ruling incorporates by reference the definitions in the Agreement and all capitalized terms defined therein shall have the same meaning in this ruling as set forth in the Agreement. (See Agreement.)

Settlement Class Certification

Plaintiffs move to certify the following settlement Class: "all current and former non-exempt or hourly- paid employees who were employed by Defendant in California at any time during the Class Period." (Agreement, ¶ 10.d.) The "Class Period" is defined to mean November 3, 2017, through May 23, 2024. (*Id.* at ¶ 10.f.) The settlement Class has approximately 686 Class Members. (Slinger Decl., ¶ 12.) The Parties stipulated to certification for settlement purposes. (Agreement, ¶¶ 9-10.) The Court finds, based on the moving papers, that Plaintiffs have established the requisites for class certification. Accordingly, the Court preliminarily certifies the proposed class for settlement purposes only.

Aggrieved Employees

An aggrieved employee, or pursuant to the Agreement, "PAGA Employees" is defined as, "all current and former non-exempt or hourly-paid employees who were employed by Defendant in California at any time during the PAGA Period." (*Id.* at ¶ 8.z.) The PAGA Period is defined to mean from May 21, 2023, through May 23, 2024. (*Id.* at ¶ 8.bb.) There are approximately 465 aggrieved employees. (Slinger Decl., ¶ 30.j.)

PAGA Members will receive an Individual PAGA Payment regardless of whether they opt out of the settlement's class component. (Agreement, ¶ 24, Exh. B ("Class Notice") at p. 5.) According to the Agreement, "Class Counsel will submit a copy of this Settlement Agreement and all necessary PAGA documents to the LWDA at the same time that it is submitted to the Court for preliminary approval." (Agreement, ¶ 20.)

However, it does not appear that Plaintiffs have provided evidence with this motion establishing that Plaintiffs gave notice of the Agreement to the Labor and Workforce Development Agency ("LWDA"). Moving counsel must provide a copy of Plaintiffs' notice letter(s) to the LWDA and evidence that the settlement was provided to the LWDA. A statement in counsel's declaration

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alone is not sufficient. Proof in the form of a confirmation email from the LWDA must be provided. **Plaintiffs' counsel must submit proof that the settlement was provided to the LWDA, in the form of a confirmation email from the LWDA, with the final approval motion.**

Class Representative(s)

Plaintiffs are preliminarily appointed as Class Representatives for settlement purposes only. Plaintiffs have generally described the involvement in this action, including the work performed and the approximate amount of time spent on the case. (Chavez Decl., ¶¶ 2-8; Narez Decl., ¶¶ 2-9.)

Class Counsel

The Court preliminarily appoints Arby Aiwarzian, Joanna Ghosh, Brian J. St. John, and Harris Koenig of Lawyers for Justice, PC, as Class Counsel for settlement purposes only.

Settlement Administrator

The Court approves ILYM Group, Inc. as the Settlement Administrator.

Fair, Adequate, and Reasonable Settlement

The Court must find a settlement is “fair, adequate, and reasonable” before approving a class action settlement. (*Wershba v. Apple Computer* (2001) 91 Cal.App.4th 224, 244-245.) The trial court has broad discretion to determine whether a proposed settlement in a class action is fair, adequate, and reasonable. (*Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1801.) In making its fairness determination, the Court considers the strength of the Plaintiff's case, the risk, expenses, 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 state of the proceedings, and the experience and views of counsel. (*Id.* at p. 1801.) In approving a class action settlement, the Court must “satisfy itself that the class settlement is within the ‘ballpark’ of reasonableness.” (*Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 133.)

This is a non-reversionary, opt out settlement. (Slinger Decl., ¶ 6.) Defendants will pay the gross settlement amount (“GSA”), or pursuant to the Agreement, the “Maximum Settlement Amount,” of \$895,000. (Agreement, ¶ 8.u.) Defendants will separately pay the employer portion of payroll taxes owed on the wage portions of the Individual Class Payments. (*Ibid.*) The following will be paid out of the GSA: (1) a service payment to Plaintiffs of not more than \$7,500, each (\$15,000 total); (2) attorneys' fees award equaling not more than 35% of the GSA (estimated to be \$312,250) and litigation expenses payment not to exceed \$30,000 to Class Counsel; (3) settlement administration costs not to exceed \$15,000, absent good cause; (4) Individual Class Member payments; and (5) a PAGA Penalty of \$135,000 (75% of which (\$135,000) will be paid to the LWDA and 25% of which (\$33,750) will be paid to Aggrieved Employees). (Agreement, ¶¶ 13-18.)

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Attorney's Fees:

Plaintiffs' Counsel's requested attorneys' fees award, equaling 35% of the GSA, does not appear to be justified given the nature of this case. The Court will typically not award more than one third of the GSA at the time of final approval.

Escalator Clause:

The Agreement has the following Escalator Clause:

If it is determined that the total number of Workweeks exceed 46,987 by more than eight percent (8%) (i.e. exceeds 50,746) the total number of Workweeks exceed 46,987 by more than eight percent (8%) (i.e. exceeds 50,746) during the Class Period, then the Maximum Settlement Amount will be increased on a *pro rata* basis during the Class Period, then the Maximum Settlement Amount will be increased on a pro rata basis equal to the percentage increase in the number of Workweeks above 50,746 Workweeks (e.g., if the equal to the percentage increase in the number of Workweeks above 50,746 Workweeks (e.g., if the number of Workweeks increase by 9% to 51,216 Workweeks, the Maximum Settlement Amount will number of Workweeks increase by 9% to 51,216 Workweeks, the Maximum Settlement Amount will increase by 1%). (*Id.* at ¶ 39.)

Class Member's Individual Payments:

For tax purposes, Class Member's Individual Payments will be treated as 10% wages and 90% penalties and interest. (Agreement, ¶ 28.) PAGA payments will be treated as penalties. (*Ibid.*) Class Members have 45 days to respond to the Class Notice. (*Id.* at ¶ 8.jj.)

For any Class Member whose Individual Class Payment check or Individual PAGA Payment check is uncashed and cancelled after the void date, all funds remaining will be paid to Compassion International ("Proposed *Cy Pres* Recipient"). (*Id.* at ¶ 23.c.) Pursuant to the Agreement:

The Proposed *Cy Pres* Recipient is a 501(c)(3) nonprofit organization which helps support youths experiencing poverty including by providing and or nonprofit organization which helps support youths experiencing poverty including by providing and/or funding vocational training. The Parties and their counsel do not have any interests in the Proposed *Cy Pres* Recipient or involvement within the governance or work of the Proposed *Cy Pres* Recipient. Should the Court reject Compassion International as a viable *cy pres* recipient, the Parties agree to select and propose an alternate *cy pres* recipient ("Alternate *Cy Pres* Recipient") that is an entity that the Parties and their counsel do not have any interest in and with respect to which they do not have any involvement in the entity's governance or work. Payment to the *Cy Pres* Recipient or Alternative *Cy Pres* Recipient shall be made after the Court enters an order approving the Parties' stipulation to amend the judgment, which Parties shall prepare and file in accordance with California Code of Civil Procedure section 384.5, *et seq.* (*Ibid.*)

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Disposition

The Court preliminarily finds that all relevant factors support settlement approval. (*Dunk, supra*, 48 Cal.App.4th at p. 1802.) The papers demonstrate the settlement was reached after arms-length bargaining between the parties and was reached after sufficient discovery and negotiations, which allowed the Parties, and therefore, this Court, to act intelligently with respect to the settlement. Class Counsel conducted an investigation into the facts and law and issues in this case, including the exchange of informal discovery and the review of relevant information. The settlement appears to be within the “ballpark of reasonableness.” (Slinger Decl., ¶¶ 20-32.)

Therefore, the motion is GRANTED.

Again, the Court notes, while it preliminarily approves the Plaintiffs’ requested attorneys’ fees award, equaling 35% of the GSA, the Court will typically not award more than one third of the GSA at the time of final approval.

The Court also approves the proposed Class Notice **subject to the Parties amending the final approval hearing location as noted at the beginning of this ruling.** The Notice shall be disseminated as provided in the Agreement.

The Final Approval Hearing will take place on December 18, 2026, at 9:00 a.m., in Department 8A.

The Court will sign the Proposed Order submitted with the moving papers. **The Court will insert the hearing date in Paragraph 13.**

Plaintiffs must include any request for attorneys’ fees, costs, and the service award in the final approval motion, *not* a separately filed motion.

Counsel for Plaintiffs is directed to notice all parties of this order.

Hearing on Motion for Final Approval of Settlement is scheduled for 12/18/2026 at 09:00 AM in Department 8A at Tani G. Cantil-Sakauye Courthouse.

/s/ T. Shaddix

T. Shaddix, Deputy Clerk

By:

Minutes of: 06/12/2026
Entered on: 06/12/2026