

1 Plaintiff's motion for an order finally approving the Class Action and PAGA Settlement
2 Agreement and Class Notice, fully executed on December 13, 2024 (jointly referred to as the
3 "Agreement") and Motion for Class Counsel Attorneys' Fees and Litigation Costs Payment and
4 Class Representative Award duly came on for hearing on February 4, 2025, before the above-
5 entitled Court. The Zakay Law Group, APLC, appeared on behalf of Plaintiff Uvaldo Chavez
6 ("Plaintiff"). Ogletree, Deakins, Nash, Smoak, & Stewart, P.C. appeared on behalf of Defendants
7 Borrmann Metal Center; Contractors Steel Holding, LLC; Contractors Steel Company; UPG
8 Enterprises, LLC; And Up Investment Holdings, LLC. ("Defendants").

9 **I. FINDINGS**

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

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

14 2. This Court has jurisdiction over the subject matter of this litigation pending
15 in the California Superior Court for the County of Los Angeles ("Court"), Case No. 22STCV34521,
16 entitled *Chavez v. Borrmann Metal Center, et al.*, and over all Parties to this litigation, including the
17 Class.

18 **Preliminary Approval of the Settlement**

19 3. On August 12, 2024, the Court granted preliminary approval of a class-wide
20 settlement. At this same time, the Court approved certification of a provisional settlement class for
21 settlement purposes only. The Court confirms this Order and finally approves the settlement and
22 the certification of the Class.

23 **Notice to the Class**

24 4. In compliance with the Preliminary Approval Order, the Notice Packet was
25 mailed by first class U.S. Mail to the Class Members at their last known addresses on September 9,
26 2024. Mailing of the Notice Packet to the Class Members' last known addresses was the best notice
27 practicable under the circumstances and was reasonably calculated to communicate actual notice of
28 the litigation and the proposed settlement to the members of the Class Members. The Court finds

1 that the Notice Packet provided fully satisfies the requirements of California Rules of Court, rule
2 3.769.

3 5. The Response Deadline for opting out or objecting was October 24, 2024.
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. Zero Class Members objected. Zero Class Members requested
6 to be excluded.

7 **Fairness Of The Settlement**

8 6. The Agreement provides for a Gross Settlement Amount of \$900,000.00 The
9 Agreement is entitled to a presumption of fairness. (*Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th
10 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. No objections were received. No requests for exclusion were
20 received.

21 e. The participation rate is high. 213 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, given the uncertainties and risks of the litigation and the delays which would
27 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 **PAGA Payment**

4 9. The Agreement provides for a payment of PAGA Payment in the amount of
5 \$40,000.00. The Court has reviewed the PAGA Payment and finds and determines that the PAGA
6 Payment and the allocation of \$30,000.00 to the LWDA and \$10,000.00 to the Aggrieved
7 Employees is fair and reasonable and complies with the requirements set forth in *Moniz v. Adecco*
8 *USA, Inc.* (2021) 72 Cal.App.5th 56.

9 **Class Counsel Attorneys' Fees and Litigation Expenses Payment**

10 10. The Agreement provides for a Class Counsel Attorneys' Fees of not more
11 than one-third of the Gross Settlement Amount and Litigation Expenses not to exceed \$30,000.00.
12 The Gross Settlement Amount is \$900,000, one-third of which is \$300,000. Litigation Expenses are
13 \$20,195.70.

14 11. Class Counsel Attorneys' Fees of \$300,000.00 and reimbursement of
15 Litigation Expenses of \$20,195.70 are reasonable in light of the contingent nature of Class Counsel's
16 fee, the hours worked by Class Counsel, and the results achieved by Class Counsel. The requested
17 attorneys' fee award represents one-third (1/3) of the Gross Settlement Amount, which is reasonable
18 and at the low end of the range for fee awards in common fund cases and is supported by Class
19 Counsel's lodestar.

20 **Class Representative Service Payment**

21 12. The Agreement provides for a Class Representative Service Payments of up
22 to \$10,000.00 for the Plaintiff, subject to the Court's approval. The Court finds that the amount of
23 \$7,500 is reasonable in light of the risks and burdens undertaken by the Plaintiff in this class action
24 litigation.

25 **Settlement Administration Expenses Payment**

26 13. The Agreement provides for Settlement Administration Expenses Payment
27 to be paid in an amount not to exceed \$8,000.00. The Declaration of the Settlement Administrator
28 provides that the actual claims administration expenses were \$8,000.00. The amount of this

1 payment is reasonable in light of the work performed by the Settlement Administrator.

2 **II. ORDERS**

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

4 1. The Class is certified for the purposes of settlement only. The Settlement
5 Class is hereby defined as:

6 All non-exempt employees who are or previously were employed by Borrmann Metal
7 Center and performed work in California at any time during the Class Period. The
8 Class Period is October 27, 2018 through February 29, 2024.

9 2. There are 213 participating members of the Class. Every person in the Class
10 who did not opt out is a Settlement Class Member. After providing Notice to the Class of 213
11 individuals, there were zero opt-outs to the Settlement.

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

15 4. Defendants shall fund the Gross Settlement Amount on the Funding Date.
16 Upon entry of final judgment and funding of the Gross Settlement Amount, (i) Plaintiff Uvaldo
17 Chavez and each member of the Settlement Class shall release the “Released Class Claims”
18 against the Defendants and all of the “Released Parties,” as set forth in the Agreement , (ii)
19 Plaintiff Uvaldo Chavez, the Labor and Workforce Development Agency, the State of California,
20 and each of the “Aggrieved Employees” shall release the “Released PAGA Claims” against the
21 Defendants and all of the “Released Parties,” as set forth in the Agreement, and (iii) Plaintiff
22 Uvaldo Chavez shall be conclusively determined to have given a general release of all claims,
23 known and unknown, against the Released Parties, as set forth in the Agreement.

24 a. The Released Parties are defined Defendants Borrmann Metal
25 Center, Inc., Contractors Steel Holding, LLC, Contractors Steel Company, UPG Enterprises, LLC
26 and UP Investment Holdings, LLC, and each of their past, present and/or future, direct and/or
27 indirect, officers, directors, members, managers, employees, agents, representatives, attorneys,
28

1 insurers, partners, investors, shareholders, owners, administrators, parent companies, subsidiaries,
2 affiliates, divisions, predecessors, successors, assigns, and joint venturers,

3 b. The Released Class Claims are defined as all causes of action and
4 factual or legal theories that (i) are alleged in the Operative Complaint or (ii) reasonably could
5 have been alleged based on the facts and legal theories contained in the Operative Complaint
6 including all of the following claims for relief: (a) failure to pay all and overtime wages due; (b)
7 failure to provide proper meal periods and to properly provide premium pay in lieu thereof; (c)
8 failure to provide proper rest periods, and to properly provide premium pay in lieu thereof; (d)
9 failure to pay all minimum wages due; (e) failure to pay all wages timely during employment; (f)
10 failure to pay all wages timely at the time of termination; (g) failure to provide complete, accurate
11 or properly formatted wage statements; (h) failure to reimburse business expenses; (i) unfair
12 business practices that could have been premised on the claims, causes of action or legal theories
13 of relief described above or any of the claims, causes of action or legal theories of relief pleaded in
14 the operative complaint; (j) failure to keep requisite payroll records; (k) any other claims or
15 penalties under the wage and hour laws pleaded in the Action; and (l) all damages, penalties,
16 interest and other amounts recoverable under said claims, causes of action or legal theories of
17 relief. The Released Class Claims expressly exclude claims for penalties under the Private
18 Attorney General Act (PAGA). The period of the release of Released Class Claims shall extend to
19 the limits of the Class Period. The res judicata effect of the Judgment will be the same as that of
20 this release of Released Class Claims. Defendants and each of the Released Parties shall be
21 entitled to a release of all Released Class Claims which occurred during the Class Period only
22 during such time that the Settlement Class member was classified as non-exempt, and expressly
23 excluding all other claims, including claims for vested benefits, wrongful termination,
24 unemployment insurance, disability, social security, workers' compensation, claims while
25 classified as exempt, and claims outside of the Class Period.

26 c. The Released PAGA Claims are defined as all causes of action and
27 factual or legal theories for civil penalties under the California Labor Code Private Attorneys
28 General Act of 2004 against any of the Released Parties that (i) were alleged in the Operative

1 Complaint and in Plaintiff's notice of claims to the LWDA, or (ii) reasonably could have been
2 alleged based on the facts and legal theories contained in the Operative Complaint and in Plaintiffs
3 notice of claims to the LWDA. The period of the release of Released PAGA Claims shall extend
4 to the limits of the PAGA Period. The res judicata effect of the Judgment will be the same as that
5 of this release of Released PAGA Claims. Defendants and each of the Released Parties shall be
6 entitled to a release of all Released PAGA Claims which occurred during the PAGA Period only
7 during such time that the Aggrieved Employee was classified as non-exempt, and expressly
8 excluding all other claims, including claims for vested benefits, wrongful termination,
9 unemployment insurance, disability, social security, workers' compensation, claims while
10 classified as exempt, and claims outside of the PAGA Period.

11 d. The term "Aggrieved Employees" is hereby defined as all non-
12 exempt employees who are or previously were employed by Borrmann Metal Center and
13 performed work in California during the PAGA Period. The PAGA Period is defined as the
14 period beginning on November 30, 2022 through February 29, 2024.

15 5. Class Counsel are awarded a Class Counsel Attorneys' Fees and Litigation
16 Expenses Payment in the amount of Three Hundred Twenty Thousand One Hundred Ninety-Five
17 Dollars and Seventy Cents (\$320,195.70) comprised of attorneys' fees in the amount of Three
18 Hundred Thousand Dollars and Zero Cents (\$300,000.00) and reimbursement of costs and expenses
19 in the amount of Twenty Thousand One Hundred Ninety-Five Dollars and Seventy Cents
20 (\$20,195.70). Class Counsel shall not seek or obtain any other compensation or reimbursement
21 from Defendants, Plaintiffs, or members of the Class.

22 6. The payment of the Class Representative Service Payment to Plaintiff in the
23 amount of \$10,000 is reduced to \$7,500 and approved. The payment of \$8,000.00 to the Settlement
24 Administrator for the Administration Expenses Payment is approved.

25 7. The PAGA Payment of \$40,000.00 is hereby approved as fair, reasonable,
26 adequate, and adequately protects the interests of the public and the LWDA. Further, the Court
27 finds that Plaintiffs and Class Counsel negotiated the PAGA Payment at arms-length, absent of any
28 fraud or collusion.

1 8. The Court further finds and determines that Class Counsel satisfied
2 California Labor Code § 2699(s)(2) by giving the LWDA notice of the proposed Settlement of
3 claims arising under the Private Attorney General Act (“PAGA”).

4 9. The Court orders Class Counsel to comply with California Labor Code §
5 2699(l)(3) by providing the LWDA a copy of this order within ten (10) calendar days of the Court’s
6 entry of this Order.

7 10. The Agreement is not an admission by Defendants, nor is this Final Approval
8 Order nor the Final Judgment (as that term is defined, below) a finding, of the validity of any claims
9 in the Action or of any wrongdoing by Defendants. Neither this Final Approval Order, the Final
10 Judgment, the Settlement, nor any document referred to herein, nor any action taken to carry out the
11 Settlement is, may be construed as, or may be used as an admission by or against Defendants of any
12 fault, wrongdoing, or liability whatsoever. The entering into or carrying out of the Agreement, and
13 any negotiations or proceedings related thereto, shall not in any event be construed as, or deemed to
14 be evidence of, an admission or concession with regard to the denials or defenses by Defendants
15 and shall not be offered in evidence in any action or proceeding against Defendants in any court,
16 administrative agency or other tribunal for any purpose as an admission whatsoever other than to
17 enforce the provisions of this Final Approval Order, the Final Judgment, the Settlement, or any
18 related agreement or release. Notwithstanding these restrictions, any of the Parties may file in the
19 Action or in any other proceeding this Final Approval Order, the Final Judgment, the Agreement,
20 or any other papers and records on file in the Action as evidence of the Settlement to support a
21 defense of res judicata, collateral estoppel, release, or other theory of claim or issue preclusion or
22 similar defense as to the claims being released by the Settlement.

23 11. Notice of entry of this Final Approval Order and Judgment shall be given to
24 Class Counsel on behalf of Plaintiff and all Class Members. It shall not be necessary to send notice
25 of entry of this Final Approval Order to individual Class Members and the Final Approval Order
26 and Judgment shall be posted on Settlement Administrator’s website as indicated in the Notice
27 Packet.

28

1 12. Final Judgment is hereby entered in this action. The Final Judgment shall
2 bind each Settlement Class Member. Final Judgment shall also bind Plaintiff Uvaldo Chavez, acting
3 on his own behalf, and the Labor Workforce Development Agency, the State of California and all
4 Aggrieved Employees, pursuant to the California Private Attorneys' General Act ("PAGA").

5 13. Except as set forth in the Agreement and in this Order and Judgment, Plaintiff
6 and all members of the Settlement Class shall take nothing in this Action. Each party shall bear its
7 own attorneys' fees and costs, except as otherwise provided in the Agreement and/or this Order and
8 Judgment.

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

13 15. Plaintiff shall give notice of this Judgment to the Labor and Workforce
14 Development Agency within ten (10) fays after entry of the Judgment or order pursuant to Labor
15 Code Section 2699(s)(3).

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

21 17. A non-appearance case review is set for May 28, 2026, 8:30 a.m., in Department
22 9. By May 21, 2026, Class Counsel must file a Final Report re: Distribution of the settlement funds.

23 18. This Amended Order and Judgment will be effective as of the date the
24 original Order and Judgment was entered, March 7, 2025.

25
26 **LET JUDGMENT BE FORTHWITH ENTERED ACCORDINGLY. IS SO ORDERED.**

27 DATED: 03/10/2025



JUDGE OF THE SUPERIOR COURT