

**SUPERIOR COURT OF CALIFORNIA
COUNTY OF SANTA BARBARA**

Dated and Entered:	02/18/2026	Time:	10:00 AM
Judicial Officer:	Thomas P Anderle		
Deputy Clerk:	Veronica Robles	Dept:	SB Dept 3
Deputy Sheriff:			
Bailiff/Court Officer:	Brandon Thillman	Case No:	24CV05385
Court Reporter:			

Leopoldo Martinez-Bravo et al vs Mike Kelley Construction Inc et al

Parties Present:

NATURE OF PROCEEDINGS: Motion: Approval

The parties submitted to the Court's tentative ruling, therefore no appearances were required.

The Court adopted the tentative ruling as follows:

#24CV05385 Leopoldo Martinez-Bravo, individually, and on behalf of all others similarly situated v. Mike Kelley Construction, Inc., et al.

#24CV05393 Roberto Ramon Joya Estrada aka Roberto R. Flores Cruz, individually, and on behalf of all others similarly situated v. Mike Kelley Construction, Inc., et al.

HEARING

Plaintiffs' Motion for Preliminary Approval of Class Action and PAGA Settlement

ATTORNEYS

For Plaintiff Leopoldo Martinez-Bravo: Elliot J. Siegel, King & Siegel LLP, Xavier Villegas, Law Office of Xavier Villegas APC

For Plaintiff Roberto Ramon Joya Estrada aka Roberto R. Flores Cruz: Heather Davis, D. Luke Clapp, Protection Law Group LLP

For Defendants Mike Kelley Construction, Inc. and Blake Kelley: Nicole K. Ricotta

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xavier@xaviervillegaslaw.com; nicole@anticounilaw.com

RULING

The motion for preliminary approval of class action and PAGA settlement is granted as follows:

Counsel for Plaintiffs shall correct the Notice of Proposed Class Action Settlement, Section 5, subdivisions (D) and (E), prior to sending to Class Members, as indicated below. The Court has reviewed the proposed order submitted with the motion and intends on signing the same. The relevant terms include:

- (1) Preliminary approval of the settlement set forth in the Class Action and PAGA Settlement Agreement is granted; and
- (2) The proposed settlement class is conditionally certified; and
- (3) Plaintiffs are provisionally appointed as the representatives of the settlement class; and
- (4) Protection Law Group LLP, King & Siegen LLP, and Law Office of Xavier Villegas APC are appointed as class counsel; and
- (5) Distribution of the proposed notice of class action settlement to the settlement class is approved, as modified by corrections; and
- (6) Apex Class Action LLC is appointed as the third-party settlement administrator; and
- (7) A hearing on Final Approval of Settlement is set for June 24, 2026, at 10:00 a.m. in Department 3.
- (8) All documents related to the final approval, fees, costs, and enhancement award, shall be filed no later than 16 Court days prior to the final approval hearing date.

Background

On September 26, 2024, Plaintiff Leopoldo Martinez-Bravo (“Bravo”), individually and on behalf of all similarly situated individuals, filed his Class Action Complaint in Case No. 24CV05385 against Defendants Mike Kelley Construction, Inc. (“MKC”) and Blake Kelley (collectively “Defendants”). On September 30, 2024, Plaintiff Roberto Ramon Joya Estrada aka Roberto R. Flores Cruz (“Estrada”), individually, and on behalf of all others similarly situated, filed his Class Action Complaint in Case No. 24CV05393 against Mike Kelley Construction. Bravo and Estrada will be collectively referred to as “Plaintiffs.”

On January 8, 2025, as a result of a stipulation, the two cases were consolidated with Case No. 24CV05385 being designated the lead case.

On January 14, 2025, Plaintiffs filed the operative consolidated class action complaint against Defendants for: (1) Failure to pay minimum wages; (2) Failure to pay overtime wages; (3) Failure to provide meal periods or premium pay in lieu thereof; (4) Failure to provide rest periods or premium pay in lieu thereof; (5) Failure to reimburse necessary business expenses; (6) Failure to provide and maintain accurate records; (7) Failure to pay wages when due during employment and at separation; (8) Private Attorneys General Act of 2004 (“PAGA”) penalties; and (9) Violation of California’s unfair competition law.

Bravo was an employee of MKC, working as a construction worker from December 8, 2003, to May 1, 2023. (Compl., ¶ 1.) Estrada worked for Defendants as a general laborer from October 9, 2023, to August 29, 2024. (Compl., ¶ 2.)

The allegations of the complaint are typical of complaints alleging violations of the Labor Code.

On January 16, 2025, Defendants answered the complaint with a general denial and 55 affirmative defenses.

Following the exchange of extensive informal discovery, including a 20 percent sampling of time and payroll records and other pertinent information, on July 9, 2025, the parties attended mediation. (Davis Decl., ¶¶ 20-23.)

After a full day of mediation, the parties reached an agreement to resolve this consolidated matter, including the representative action and the PAGA action, for a gross settlement of \$499,000.00. (Davis Decl., ¶ 25.) On October 28, 2025, after extensive discussions and revisions to the agreement, the parties executed a Joint Stipulation of Class Action and PAGA Settlement which contains all relevant terms of the proposed settlement. (Davis Decl., ¶ 26 & Exh. 3.)

Plaintiffs now seek preliminary approval of the proposed class action and PAGA settlement.

Analysis

Preliminary Approval

The purpose of the preliminary approval hearing is to determine whether the settlement is within the range of reasonableness for preliminary approval and to approve or deny certification of a provisional settlement class. A full inquiry into the fairness of the proposed settlement occurs at the final approval hearing. (Rules of Court, rule 3.769, subd. (g).)

“The Court has a fiduciary responsibility as guardians of the rights of the absentee class members when deciding whether to approve a settlement agreement.” (*Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 129.) The Court has broad discretion to determine whether the settlement is fair. (*Dunk v. Ford Motor Co.*) (1996) 48 Cal.App.4th 1794, 1801.) “The well-recognized factors that the trial Court should consider in evaluating the reasonableness of a class action settlement agreement include ‘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 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.’ [Citations.] This list ‘is not exhaustive and should be tailored to each case.’ [Citation.]” (*Kullar v. Foot Locker Retail, Inc.*, *supra*, 168 Cal.App.4th at p. 128.)

A PAGA action is a type of *qui tam* action, in which a private party is authorized to bring an action to recover a penalty on behalf of the government and receive part of the recovery as compensation. (*Huff v. Securitas Sec. Servs. USA, Inc.* (2018) 23 Cal.App.5th 745, 753.) In doing so, the employee acts as proxy for the state labor law enforcement agency; the proceeding is designed to protect the public, not to benefit private parties. (*Amalgamated Transit Union, Local 1756, AFL-CIO v. Superior Court* (2009) 46 Cal.4th 993, 1003.) The dispute is between the employer and the state. (*Kim v. Reins International California, Inc.* (2020) 9 Cal.5th 73, 81.) The purpose of PAGA is not to recover damages, restitution, or redress the employees’ injuries, but to recover civil penalties to remediate present violations and deter future ones. (*Id.* at p. 86.) While a PAGA case is representative in nature, it is not a class action and may be brought without the procedural requirements involved in class actions.

Prior to January 1, 2026, Labor Code section 2699, subdivision (i) mandated that PAGA civil penalties be allocated 75% to the California Labor and Workforce Development Agency (“LWDA”), for enforcement

of labor laws and education of employers and employees about their rights and responsibilities under the code, and 25% to the aggrieved employees. Section 2699(1)(2) required that the superior Court review and approve any penalties sought as part of a proposed settlement agreement, pursuant to that part of the code. The code section, as was effective prior to January 1, 2026, is applicable to this action.

As noted above, on October 28, 2025, the parties executed a joint stipulation of class action and PAGA settlement that resulted in a settlement in principle of the class action and PAGA claims. Pursuant to the agreement, which is attached as Exhibit 3 to the Davis declaration, the parties agreed:

The Class Period means the period from September 26, 2020, and ending on September 7, 2025. (Agreement, ¶ 7.) The PAGA Period means the period from April 24, 2023, and ending on September 7, 2025. (*Id.* at ¶ 23.) The settlement class members means all participating class members and the PAGA members. (*Id.* at ¶ 37.) The proposed class consists of an estimated 141 class members within the class period and approximately 97 PAGA members who were employed within the PAGA period. (Davis Decl., ¶ 30.)

The non-revisionary gross settlement amount is \$499,000.00 and is inclusive of payments to the class, class counsels' fees, class counsels' costs, settlement administration costs, incentive payments to Plaintiffs, and payment of PAGA penalties to be paid to the LWDA. (Agreement, ¶ 15.) The gross settlement amount is exclusive of employer share of any applicable payroll taxes, and any such employer-side payroll taxes shall be paid by Defendants separately and in addition to the gross settlement amount. (*Ibid.*) 10 percent of each individual settlement payment will be allocated as wages; 45 percent shall be allocated as interest; and 45 percent shall be allocated as penalties. (*Id.* at ¶ 59, subd. (c).)

The gross settlement amount is based on Defendants' representation that the class members worked a total of 10,605 workweeks during the class period. Should the qualifying workweeks worked by the class members during the class period ultimately increase by more than 10 percent, Defendant shall increase the gross settlement amount on a pro-rata basis equal to the percentage increase in the number of workweeks worked by the class members above 10 percent. (Agreement, ¶ 52.)

Proposed Class Counsel, Protection Law Group LLP, King & Siegen LLP, and Law Office of Xavier Villegas APC, request attorneys' fees in an amount not to exceed thirty-five percent of the gross settlement amount, or \$174,650.00, plus costs not to exceed \$25,000.00. (Agreement, ¶ 54.) In the event the Court awards class counsel less than this requested amount, the difference shall become part of the net settlement amount and shall be distributed to participating class members as part of their individual settlement awards. (*Ibid.*) If the escalator clause of the settlement agreement is triggered, class counsel shall have the right to seek up to 35 percent of the escalated gross settlement amount. (*Ibid.*)

For settlement purposes only, the parties agree to the designation of Plaintiffs as the class representatives and request a class representative service award of \$15,000.00 for Bravo and \$10,000.00 for Estrada. (Agreement, ¶¶ 8, 55.)

The parties agree that Apex Class Action ("Apex") shall be the settlement administrator and shall paid settlement administration costs, not to exceed \$6,500.00, to be paid from the gross settlement amount. (Agreement, ¶¶ 35, 56.)

Apex shall: (1) establish and maintain a Qualified Settlement Fund, (2) calculate the individual settlement payment each participating class member is eligible to receive and the portion of the PAGA penalties each PAGA member shall receive, (3) translate the notice from English to Spanish, (4) print and mail the notice in English and Spanish, (5) conduct additional address searches for mailed notices that are returned as undeliverable, (6) process requests for exclusion and field inquiries from class members, (7) print and issue settlement payment checks, prepare IRS W-2 and 1099 Tax Forms and any other filings required by any governmental taxing authority, (8) provide declarations and other information to the Court as requested by the parties or the Court regarding settlement administration process, (9) provide weekly status reports to counsel for the parties, and (10) post a notice of final judgment online at Apex's website. (Agreement, ¶ 61.)

The parties agree that Defendant will pay a total of \$25,000.00 to resolve the PAGA claims, with 75 percent, or \$18,750.00, to be paid to the LWDA and the remaining 25 percent, or \$6,250.00 to be distributed to the PAGA eligible employees based on their proportionate share of the compensable pay periods worked during the PAGA period. (Agreement, ¶ 57.)

The Court has carefully analyzed the terms of the settlement, including the nature and scope of the release it requires of absent class members and the representative Plaintiffs. The Court finds, generally, that it is within the range of acceptable settlements.

Substantial investigation and discovery was conducted, giving rise to an informed settlement considering the risks of further litigating the action through trial. The case involves experienced class counsel, who believe the settlement is fair, reasonable, and in the best interests of the class members. The settlement was achieved through extensive arms'-length negotiations and was not collusive.

The motion asks the Court for an order provisionally certifying the settlement class. The class is ascertainable from Defendant's records and is so numerous that joinder of all members is impracticable. There are questions of law or fact common to the proposed class, and there is a well-defined community of interest among its members with respect to the subject matter of the litigation.

It appears to the Court that the claims of the class representatives are typical of the claims of the members of the proposed class, and that they are positioned to fairly and adequately protect the interests of the class members. It also appears to the Court that proposed class counsel is experienced and qualified in wage and hour class litigation and will properly and adequately represent the interests of the absent class.

The Court further finds that the PAGA claim class is appropriate and the terms of the PAGA settlement are, generally, fair and reasonable.

The motion further seeks approval of the proposed Notice of Proposed Class Action Settlement to be provided to the absent class members. The Notice is attached as Exhibit A to the agreement that is attached to the Davis declaration. Under *Trotsky v. Los Angeles Fed. Sav. & Loan Assn.* (1975) 48 Cal.App.3d 134, 151-152, the notice provided to a class must fairly apprise the class members of the terms of the proposed compromise and of the options open to dissenting class members. The Court has analyzed the contents of the Notice and finds that it meets the standard for approval in clearly outlining what the recipient must do in order to object to the settlement, or to opt out of the settlement, and the time within which each must be accomplished.

Having so determined, there are what appear to be typographical errors in the proposed class notice:

Section 5, subdivision (D) lists settlement administration costs “not to exceed Ten Thousand Dollars (\$10,000).” The settlement agreement, as noted above, lists settlement administration costs as not to exceed \$6,500.00. The entry must be corrected to reflect \$6,500.00.

Section 5, subdivision (E) lists PAGA penalties as “One-Hundred Thousand Dollars (\$25,000.00).” The entry must be corrected to change the written number to “Twenty-Five Thousand Dollars.”

The Court will approve a corrected notice containing the above two modifications and sign the order granting preliminary approval.

Future Scheduled Hearings:

June 24, 2026 10:00 AM Hearing
Anderle, Thomas P
Robles, Veronica
SB Dept 3

DARREL E. PARKER, EXECUTIVE OFFICER

Minutes Prepared by:

Veronica Robles _____, Deputy