### IN THE SUPREME COURT OF NEVADA

NEVADA YELLOW CAB CORPORATION, NEVADA CHECKER CAB CORPORATION, and NEVADA STAR CAB CORPORATION,	Electronically Filed  Jan 27 2016 01:40 p.m.  Tracie K. Lindeman  Sup. Ct. No. Sypris of Supreme Court
Petitioners,	) Case No.: A-12-661726-C
THE EIGHTH JUDICIAL DISTRICT COURT of the State of Nevada, in and For the County of Clark, and THE HONORABLE RONALD J. ISRAEL District Judge, Respondents, and	)     Dept. No.: XXVIII ) ) ) ) ) ) ) ) )
CHRISTOPHER THOMAS, and CHRISTOPHER CRAIG, Real Parties in Interest.	) ) ) .)

### PETITIONERS' APPENDIX

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Alun J. Elmin

**CLERK OF THE COURT** 

### DISTRICT COURT CLARK COUNTY, STATE OF NEVADA

CHRISTOPHER THOMAS, and CHRISTOPHER CRAIG, Individually and on behalf of others similarly situated, 12 Plaintiffs, 13 VS. 14 NEVADA YELLOW CAB CORPORATION, NEVADA CHECKER CAB CORPORATION, and **NEVADA STAR CAB** 16 CORPORATION, 17 Defendants. 18

Case No.: A-12-661726-C

Dept.: XXVIII

Order Granting Plaintiffs' Motion to Certify Class Action Pursuant to NRCP 23(b)(3)

Plaintiffs filed their Motion to Certify Class Action Pursuant to NRCP 23(b)(3) on June 10, 2015. Defendants' Response in Opposition to plaintiffs' motion was filed on June 26, 2015. Plaintiffs thereafter filed their Reply to defendants' Response in Opposition to plaintiffs' motion on July 7, 2015. This matter, having come before the Court for hearing on July 14, 2015 and October 27, 2015, with appearances by Leon Greenberg, Esq. on behalf of all plaintiffs, and Tamer B. Botros, Esq., on behalf of all defendants, and following the arguments of such counsel, and after due consideration of the parties' respective briefs, and all pleadings and papers on file herein, and good cause appearing, therefore

### THE COURT FINDS:

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Upon review of the papers and pleadings on file in this matter, and the evidentiary record currently before the Court, the Court holds that plaintiffs have adequately established that the prerequisites of Nev. R. Civ. P. 23(b)(3) are met to certify the requested class seeking damages under Article 15, Section 16 of the Nevada Constitution (the "Minimum Wage Amendment") and grants the motion. The Court makes no determinations of the merits of the claims asserted nor whether any minimum wages are actually owed to any class members as such issues are not properly considered on a motion for class certification. In compliance with what the Court believes is required, or at least directed by the Nevada Supreme Court as desirable, the Court also makes certain findings supporting its decision to grant class certification under NRCP Rule 23. See, Beazer Homes Holding Corp. v. Eighth Judicial Dist. Court., 291 P.3d 128, 136 (2012) (En Banc) (Granting writ petition, finding district court erred in failing to conduct an NRCP Rule 23 analysis, and holding that "[u]ltimately, upon a motion to proceed as a class action, the district court must "thoroughly analyze NRCP 23's requirements and document its findings."" Citing D.R. Horton v. Eighth Judicial Dist. Court ("First Light II"), 215 P.3d 697, 704 (Nev. Sup. Ct. 2009).

As an initial matter, the nature of the claims made in this case are of the sort for which class action treatment would, at least presumptively, likely be available if not sensible. A determination of whether an employee is owed unpaid minimum hourly wages requires that three things be determined: the hours worked, the wages paid, and the applicable hourly minimum wage. Once those three things are known the minimum wages owed, if any, are not subject to diminution by the employee's contributory negligence, any state of mind of the parties, or anything else of an individual nature that has been identified to the Court. Making those same three determinations, involving what is essentially a common formula, for a large group of persons, is very likely to involve an efficient process and common questions. The minimum hourly

wage rate is set at a very modest level, meaning the amounts of unpaid minimum wages likely to be owed to any putative class member are going to presumptively be fairly small, an additional circumstance that would tend to weigh in favor of class certification.

In respect to granting the motion and the record presented in this case, the Court finds it persuasive that a prior United States Department of Labor review of defendants' records, applying a uniform methodology, concluded that over 600 current or former taxicab drivers were owed varying amounts of unpaid minimum wages totaling in excess of \$300,000 under the federal Fair Labor Standards Act (the "FLSA") for the two year period consisting of the calendar years 2010 and 2011. While that finding does not resolve the merits of the plaintiffs' claims, since it does not establish that any class members are actually owed additional minimum wages under the Minimum Wage Amendment, it does, in the Court's view, clearly present at least two common questions warranting class certification if the methodology used to reach those conclusions is later found to be correct.

The first such question would be whether the class members are owed additional minimum wages, beyond that concluded by the United States Department of Labor, by virtue of the Minimum Wage Amendment imposing an hourly minimum wage rate that is \$1.00 an hour higher than the hourly minimum wage required by the FLSA for employees who do not receive "qualifying health insurance." The Court concludes that resolving such "qualifying health insurance" question involves issues common to all of the class members and defendants have not proffered any meaningful evidence tending to contradict such conclusion. The second such question would be whether the class members are owed additional minimum wages, beyond that concluded by the United States Department of Labor, by virtue of the Minimum Wage Amendment not allowing an employer a "tip credit" towards its minimum wage requirements, something that the FLSA does grant to employers in respect to its minimum wage requirements. The United States Department of Labor is indicated in that agency's

report as having reduced its calculation of defendants' FLSA minimum wage deficiency by crediting as tips towards that deficiency 9% of the customer fares collected by the class members. The Court concludes that resolving whether additional amounts of minimum wages are owed to the class members under the Minimum Wage Amendment, beyond the amounts concluded by the United States Department of Labor, because of such agency's use of a "tip credit," involves issues common to all of the class members and defendants have not proffered any meaningful evidence tending to contradict such conclusion.

The Court makes no finding that the foregoing two identified common questions are the only common questions present in this case that warrant class certification. Such two identified issues are sufficient for class certification as the commonality prerequisite of NRCP Rule 23(a) is satisfied when a "single common question of law or fact" is identified. *Shuette v.Beazer Homes Holdings Corp.*, 121 Nev. 837, 848 (2005).

The Court also finds that the other requirements for class certification under NRCP Rule 23(b)(3) are adequately satisfied upon the record presented. Numerosity is established as the United States Department of Labor investigation identified over 600 potential class members who may have claims for minimum wages under the Minimum Wage Amendment. "[A] putative class of forty or more generally will be found numerous." *Shuette*, 122 Nev. at 847. Similarly, adequacy of representation and typicality seem appropriately satisfied upon the record presented, it being undisputed that the two named plaintiffs are or have been taxi drivers employed by the defendants and their counsel being experienced in the handling of class actions. The Court also believes the superiority of a class resolution of these claims is established by their presumptively small individual amounts, the practical difficulties that the class members would encounter in attempting to litigate such claims individually and obtain individual counsel, the status of many class members as current employees of defendants who may be loath to pursue such claims out of fear of retaliation, and the

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desirability of centralizing the resolution of the common questions presented by the over 600 class members in a single proceeding.

Defendants have not proffered evidence or arguments convincing the Court that it should doubt the accuracy of the foregoing findings. The Court is also mindful that Shuette supports the premise that is better for the Court to initially grant class certification, if appropriate, and "reevaluate the certification in light of any problems that appear post-discovery or later in the proceedings." Shuette 124 P.3d at 544. Therefore

### IT IS HEREBY ORDERED:

Plaintiffs' Motion to Certify Class Action Pursuant to NRCP 23(b)(3) is GRANTED. The class shall consist of the class claims of all persons employed by defendants as taxi drivers in the State of Nevada at anytime from July 1, 2007 through October 27, 2015, except such persons who file with the Court a written statement of their election to exclude themselves from the class as provided below. The class claims are all claims for damages that the class members possess against the defendants under the Minimum Wage Amendment arising from unpaid minimum wages that are owed to the class members for work they performed for the defendants from July 1, 2007 through October 27, 2015. Leon Greenberg and Dana Sniegocki of Leon Greenberg Professional Corporation are appointed as class counsel and the named plaintiffs Christopher Thomas and Christopher Craig are appointed as class representatives. The Court will allow discovery pertaining to the class members and the class claims.

### IT IS FURTHER ORDERED:

Defendants' counsel are to produce to plaintiffs' counsel, within 10 days (1) of the service of Notice of Entry of this Order, the names and last known addresses of all persons employed as taxicab drivers by the defendants in the State of Nevada from July 1, 2007 through October 27, 2015;

(2) Plaintiffs' counsel, upon receipt of the names and addresses described in
(1) above, shall have 40 days thereafter (and if such 40th day is a Saturday, Sunday or
holiday the first following business day) to mail a Notice of Class Action in the form
annexed hereto as Exhibit "A" to such persons to notify them of the certification of
this case as a class action pursuant to Nev. R. Civ. P. 23(b)(3) and shall promptly file
with the Court a suitable declaration confirming that such mailing has been performed;
(3) The class members are enjoined from the date of entry of this Order, until
or unless a further Order is issued by this Court, from prosecuting or compromising
any of the class claims except as part of this action and only as pursuant to such Order;
and
(4) Class members seeking exclusion from the class must file a written
statement with the Court setting forth their name, address, and election to be excluded
from the class, no later than 45 days after the mailing of the Notice of Class Action as
provided for in (2), above.
IT IS SO ORDERED.
Dated this 2() day of November, 2015.
District Court Judge
Submitted: By:
Ohen 2
Leon Greenberg, Esq.  Dana Sniegocki, Esq.
LEON GREENBERG PROF. CORP. 2965 S. Jones Blvd., Ste. E-3
Las Vegas, NV 89146 Attorneys for Plaintiffs
Approved as to form and content:
By: Not Approved
Marc C. Gordon, Esq. Tamer B. Botros, Esq.

# EXHIBIT "A"

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8	CLARK COUNTY, STATE OF NEVADA
9	CHRISTOPHER THOMAS, and Case No.: A-12-661726-C
10	CHRISTOPHER THOMAS, and Case No.: A-12-661726-C CHRISTOPHER CRAIG, Individually and on behalf of others similarly Dept.: XXVIII
11	situated,
12	Plaintiffs, NOTICE OF CLASS ACTION CERTIFICATION
13	VS. )
14	NEVADA YELLOW CAB CORPORATION, NEVADA CHECKER CAB CORPORATION, and )
15	NEVADA STAR CAB CORPORATION, )
16	Defendants.
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18	You are being sent this notice because you are a member of the class of current
19	and former taxi drivers employed by NEVADA YELLOW CAB CORPORATION,
20	NEVADA CHECKER CAB CORPORATION, and NEVADA STAR CAB
21	CORPORATION that has been certified by the Court. Your rights as a class member
22	are discussed in this notice.
23	NOTICE OF CLASS ACTION CERTIFICATION
24	On November, 2015, this Court issued an Order certifying this case as a class
25	action for all taxi driver employees of NEVADA YELLOW CAB CORPORATION,
26	NEVADA CHECKER CAB CORPORATION, and NEVADA STAR CAB
27	CORPORATION (the "class members") who were employed at anytime from July 1,
28	2007 to October 27, 2015. The purpose of such class action certification is to resolve

the following questions:

- (1) Does NEVADA YELLOW CAB CORPORATION, NEVADA CHECKER CAB CORPORATION, and NEVADA STAR CAB CORPORATION owe class members any unpaid minimum wages pursuant to Nevada's Constitution?
- (2) If they do owe class members minimum wages, what is the amount each is owed and must now be paid by NEVADA YELLOW CAB CORPORATION, NEVADA CHECKER CAB CORPORATION, and NEVADA STAR CAB CORPORATION?
- (3) If they do owe class members minimum wages, what additional money, if any, should NEVADA YELLOW CAB CORPORATION, NEVADA CHECKER CAB CORPORATION, and NEVADA STAR CAB CORPORATION pay to the class members besides unpaid minimum wages?

The class certification in this case may also be amended or revised in the future which means the Court may not answer all of the above questions or may answer additional questions.

## NOTICE OF YOUR RIGHTS AS A CLASS MEMBER

If you wish to have your claim as a class member decided as part of this case you do not need to do anything. The class is represented by Leon Greenberg and Dana Sneigocki (the "class counsel"). Their attorney office is Leon Greenberg Professional Corporation, located at 2965 South Jones Street, Suite E-3, Las Vegas, Nevada, 89146. Their telephone number is 702-383-6085 and email can be sent to them at leongreenberg@overtimelaw.com. Communications by email instead of telephone calls are preferred.

You are not required to have your claim for unpaid minimum wages and other possible monies owed to you by NEVADA YELLOW CAB CORPORATION, NEVADA CHECKER CAB CORPORATION, and NEVADA STAR CAB CORPORATION decided as part of this case. If you wish to exclude yourself from the class and not participate in this case you may do so by filing a written and signed statement with the Clerk of the Eighth Judicial District Court, which is located at 200 Lewis Avenue, Las Vegas, Nevada, 89101, no later than [insert date 45 days after mailing] setting forth your name and address and stating that you are excluding yourself from the class certified in this case. If you do not exclude yourself from the class you will be bound by any judgment rendered in this case, whether favorable or unfavorable to the class. If you remain a member of the class you may enter an appearance with the Court through an attorney of your own selection. You do not need to get an attorney to represent you in this case and if you fail to do so you will be represented by class counsel.

### THE COURT IS NEUTRAL

No determination has been made that NEVADA YELLOW CAB
CORPORATION, NEVADA CHECKER CAB CORPORATION, and NEVADA
STAR CAB CORPORATION owes any class members any money. The Court is
neutral in this case and is not advising you to take any particular course of action. If
you have questions about this notice or your legal rights against NEVADA YELLOW
CAB CORPORATION, NEVADA CHECKER CAB CORPORATION, and NEVADA
STAR CAB CORPORATION you should contact class counsel at 702-383-6085 or by
email to leongreenberg@overtimelaw.com or consult with another attorney. The
Court cannot advise you about what you should do.

# NO RETALIATION IS PERMITTED IF YOU CHOOSE TO PARTICIPATE IN THIS LAWSUIT

Nevada's Constitution protects you from any retaliation or discharge from your employment for participating in this case or remaining a member of the class. You cannot be punished by NEVADA YELLOW CAB CORPORATION, NEVADA CHECKER CAB CORPORATION, and NEVADA STAR CAB CORPORATION or fired from your employment with them for being a class member. NEVADA YELLOW CAB CORPORATION, NEVADA CHECKER CAB CORPORATION, and NEVADA STAR CAB CORPORATION cannot fire you or punish you if this case is successful in collecting money for the class members and you receive a share of that money.

IT IS SO ORDERED .

Date:

/s/ District Court Judge

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#### 1 AFFIDAVIT OF KEITH SAKELHIDE 2 STATE OF NEVADA 3 ) ss. 4 COUNTY OF CLARK 5 I, KEITH SAKELHIDE, being duly sworn, states: 6 I am the former Deputy Labor Commissioner for the State of Nevada Office of the Labor 7 Commissioner for the Las Vegas office. 8 I served as Deputy Labor Commissioner from approximately 2007 to 2013. 9 3. The position of Deputy Labor Commissioner is subordinate to the Labor Commissioner. 10 4. During my time as Deputy Labor Commissioner I received a directive from Labor 11 Commissioner Michael Tanchek regarding minimum wage claims concerning taxi and 12 limousine drivers. 13 5. The aforementioned directive was to follow the standard initial intake procedures in that 14 that upon receipt of such complaints, staff was to inform the employer of the complaint 15 and offer the employer the opportunity to resolve the complaint. In the event that the 16 complaint was not resolved at this stage, it was to be held in abeyance until such time that 17 a court of competent jurisdiction issued a final ruling. 18 6. Upon information and belief, the Labor Commissioner's directive was based upon the 19 divergent views concerning the validity of exceptions to minimum wage laws expressed 20 in Nevada Attorney General Opinion 2005-05 (March 2, 2005) and Lucas v. Bell Trans. 21 2009 WL 2424557 (D. Nev. 2009). 22 7. The aforementioned directive coincided with the litigation before the US District Court in 23 Lucas v. Bell Trans. 24 8. I directed staff in the Labor Commissioner's Las Vegas office to follow the 25 aforementioned directive. 26 27 28

I declare under the penalty of perjury under the laws of the State of Nevada that the

KEITH SAKELHIDE

