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

WILLY GRANADOS, on behalf of himself)
and all others similarly situated,)
Plaintiff,)
v.)
COUNTY OF LOS ANGELES,)
Defendant.)

Case No. BC361470
**DECLARATION OF DICKRAN
TEVRIZIAN IN SUPPORT OF
PLAINTIFF'S UNOPPOSED MOTION
FOR FINAL APPROVAL OF CLASS
ACTION SETTLEMENT**
Date Action Filed: November 6, 2006
Trial Date: None Set
DEPT: SS17
JUDGE: Hon. Maren Nelson

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I, Judge Dickran Tevrizian (Ret.), hereby declare as follows:

1. I submit this Declaration in my capacity as the mediator of the proposed Settlement of the claims in the matter of *Granados v. County of Los Angeles*, Los Angeles Super. Ct., No. Case No. BC361470. I make this declaration based on personal knowledge and I am competent to testify to the matters set forth herein.

2. For the reasons set forth below, I am strongly of the view that the Settlement in this action for a total of \$16.9 million (the “Settlement Fund”) represents a well-reasoned and sound resolution of this complex and risky litigation involving serious questions concerning public finance and both the ability and methods available to the County to consummate a settlement. The Court, of course, will make determinations as to the “fairness” of the Settlement under applicable legal standards. From a mediator’s perspective, however, I can say that I recommend the Settlement without reservation. The Settlement is the reasonable result of a hard-fought, arm’s-length process that was reflective of the parties’ exhaustive assessments of the risks and potential rewards of the claims being settled.

3. I set forth my background to provide context for the comments that follow, and to demonstrate that my perspective on the Settlement is rooted in significant experience in the resolution of complex litigation, including several similar class actions.

4. From 1972 to 1978, I was a judge of the Municipal Court of the State of California, County of Los Angeles. From 1978 to 1982, I was a judge of the Superior Court of the State of California, County of Los Angeles. From 1986 through April of 2007, I was a Judge of the United States District Court for the Central District of California. As an active federal judge, I participated in numerous settlement negotiations. I mediated the settlement of a variety of complex cases, including copyright, patent, securities, employment, civil rights, aviation, real estate and general commercial disputes, many of which were class action cases. I believe that I resolved in excess of 10,000 cases while serving on the bench.

5. As a private mediator since 2007, I have continued to be involved in successfully mediating numerous class action settlements including several involving governmental entities

1 such as the City of Los Angeles, including *Willits v. City of Los Angeles*, No. CV 10-05782 CBM
2 (RZx) (C.D. Cal.), and *Oronoz v. County of Los Angeles*, Los Angeles Superior Court, Case No.
3 BC334027. I also served as mediator in the related *Ardon v. City of Los Angeles* and *McWilliams*
4 *v. City of Long Beach* cases, which, like the instant matter, involved class actions seeking refunds
5 of telephone utility users' taxes. This experience has been particularly useful here given the
6 impact that continued litigation or settlement would have on the County's finances.

7 6. I was selected by the parties to mediate this matter, and a mediation session took
8 place at my offices in Los Angeles, California on September 13, 2017. Prior to this session,
9 Plaintiff's counsel had previously appeared at mediations before me on several occasions in the
10 related *Ardon* and *McWilliams* cases, which involved some similar issues and some unique issues.
11 Moreover, Plaintiff's counsel had already conducted a significant amount of discovery in *Ardon*
12 and *McWilliams*. I also understood that the parties had conducted significant party and third-party
13 discovery and that the Court had already certified the class in the *Granados* case over Defendant's
14 strenuous objection.

15 7. The mediation session included senior County officials, which I believe was
16 important to reaching a resolution. While counsel for Plaintiff had mediated in the related *Ardon*
17 and *McWilliams* cases on several occasions, and the parties in those cases had reached settlements
18 prior to the mediation session here, the settlement reached in *Granados* was not a cookie cutter
19 settlement. The unique facts of the *Granados* case, as well as the fact that the County is
20 represented by different counsel from the defendants in the other two cases, required the parties to
21 negotiate anew and tailor the settlement to the facts in *Granados*.

22 8. At the all-day mediation session, the parties agreed to a settlement in principle. At
23 all times during the mediation, the negotiations, while very professional, nonetheless were
24 completely adversarial, non-collusive, and at arm's-length. Counsel for both sides were
25 thoroughly prepared for the mediation session and highly informed about the case. The mediation
26 session involved analysis of the underlying legal issues, the risks attendant to each and the
27 mechanisms available to reach a resolution fair to the class. Further, prior to the first mediation,
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1 class counsel provided a comprehensive written submission discussing the factual and legal issues
2 in the case. The County provided its own perspective and analysis in writing.

3 9. Reaching agreement on the \$16.9 million amount was a critical step, but there still
4 remained a number of issues to resolve. I understand that after the mediation session the parties
5 continued to discuss the notice and claims process and related claims issues.

6 10. The issue of attorneys' fees was not discussed at the mediation session.

7 11. The Settlement provides for the establishment of a \$16.9 million Settlement Fund.
8 The Settlement Fund will provide for telephone utility users' taxes ("TUT") refunds to the
9 Settlement Class and also cover payment of the costs of notice and administration of the
10 Settlement, Plaintiff's attorneys' fees and costs, and payment of an incentive award to Plaintiff,
11 with the remainder (if any) reverting to the County. Settlement Class members have the option of
12 submitting a claim for a standard refund amount of \$27.50 for TUT paid on residential landline
13 service, \$46 for TUT paid on mobile telephone service and \$46 for TUT paid by businesses for
14 landline service, with no additional documentation required. Settlement Class members also have
15 the option of claiming refunds for all of the TUT they paid on mobile telephone services and 70%
16 of the TUT they paid on residential and business landline telephone services with submission of a
17 sample of at least ten telephone bills or other documentation showing the TUT charges for those
18 services utilized during the Class Period, or ten more recent telephone bills if they attest that they
19 are unable to locate copies of bills from the Class Period and that, to the best of their knowledge,
20 their telephone usage during the Class Period was substantially similar to, or greater than, the
21 telephone usage reflected in the bills being submitted. Moreover, Settlement Class members have
22 the option of obtaining their TUT payment data from T-Mobile by calling a dedicated toll-free
23 number or sending an email to a dedicated email address, or Verizon and Sprint customers may
24 give consent on the claim form for certain of the Verizon and Sprint companies to search for their
25 TUT payment data and provide it directly to the claims administrator. Finally, any costs incurred
26 by Settlement Class members to obtain copies of their telephone bills in order to file their claims
27 will be reimbursed from the Settlement Fund upon submission of receipts, up to \$5 per bill and no
28 more than \$50 total.


1 12. From my involvement as the mediator in the case, I observed first-hand that this
2 was a hard-fought negotiation conducted by well-prepared adversaries resulting in a significant
3 recovery for the Settlement Class and an equitable settlement for all concerned. The advocacy on
4 both sides of the case was outstanding.

5 13. This is a complex case where it is difficult to predict the outcome. Proceeding with
6 the case would have involved significant risk for both sides. By way of example, for the Plaintiff
7 there was the risk that it would be impossible to prove entitlement to refunds on a class-wide basis
8 and the risk of a loss on the merits or decertification. For the Defendant, there was the risk that
9 Plaintiff's interpretation of the relevant UUT ordinance would prevail. Based on the parties'
10 positions and thoroughness of preparation, it is clear to me that if the litigation had continued it
11 would have been hotly contested, and both parties would have incurred tremendous additional
12 time and expense litigating the case, including the non-prevailing side likely appealing any result.

13 14. Although clearly an issue for the Court to decide, in my view, based on my
14 knowledge of this matter, all of the materials provided to me, the extensive efforts of skillful
15 advocacy and arm's-length bargaining of counsel, the litigation risks, and the benefits reached in
16 the proposed Settlement, I believe the Settlement is fair, reasonable, and adequate, and I
17 respectfully recommend that this Court approve it.

18 I declare under penalty of perjury under the laws of the State of California that the
19 foregoing is true and correct.

20 Executed this 2 nd day of OCTOBER 2018, at Los Angeles, California.

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22 _____
23 DICKRAN TERVIZIAN
24 JUDGE, UNITED STATES DISTRICT COURT (RET.)

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26 COUNTY OF LA/25018
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