

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF
CALIFORNIA

Chavoya v. Merrill Gardens L.L.C.

No. 1:24-cv-00268-KES-BAM (E.D. Cal. July 31, 2025) · No. 1:24-cv-00268-KES-BAM · Decided August 1, 2025

SUMMARY

The United States District Court for the Eastern District of California granted Merrill Gardens L.L.C.’s motion to compel arbitration in Jacob Chavoya’s putative class action alleging California wage-and-hour violations. The court held that the Federal Arbitration Act applied, that Merrill Gardens sufficiently authenticated Chavoya’s electronic signature on the mutual arbitration agreement, and that the agreement encompassed his claims. The action was ordered to proceed in individual arbitration.

CASE DETAILS

COURT	United States District Court for the Eastern District of California
JURISDICTION	United States District Court for the Eastern District of California
DECIDED	August 1, 2025
DOCKET	1:24-cv-00268-KES-BAM
DISPOSITION	dismissed
PROCEDURAL POSTURE	Plaintiff brought a putative class action asserting California wage-and-hour and related state-law claims. After removal to federal court, defendant moved to compel arbitration under an electronically signed employment arbitration agreement. The court granted the motion and dismissed the action without prejudice.
STANDARD OF REVIEW	On a motion to compel arbitration, the court determines whether a valid agreement to arbitrate exists and whether it encompasses the dispute. The party seeking arbitration bears the burden of proving the agreement's existence by a preponderance of the evidence. Contract formation is determined under state-law principles, and authentication under Federal Rule of Evidence 901 requires evidence sufficient to support a finding that the item is what the proponent claims it is.
PRECEDENTIAL VALUE	unpublished district-court order; precedential status unknown

TOPICS

employment arbitration

arbitration

wage and hour

unconscionability

civil procedure

PRACTICE AREAS

employment law

arbitration

contracts

civil procedure

evidence

QUESTIONS PRESENTED

1. Whether the Federal Arbitration Act governed the employment arbitration agreement because the employment relationship involved interstate commerce.
2. Whether Merrill Gardens proved by a preponderance of the evidence that Chavoya entered into the electronic arbitration agreement.
3. Whether the arbitration agreement was procedurally or substantively unconscionable under California law.
4. Whether Chavoya's employment-related wage-and-hour claims fell within the agreement's broad arbitration clause.

HOLDINGS

1. The FAA governed because Chavoya's employment relationship with Merrill Gardens sufficiently involved interstate commerce.
2. Merrill Gardens proved by a preponderance of the evidence that Chavoya entered into a valid arbitration agreement.
3. The arbitration agreement was not unenforceable on unconscionability grounds because it was neither procedurally nor substantively unconscionable.
4. Chavoya's claims were encompassed by the arbitration agreement and had to be submitted to individual arbitration.

KEY QUOTATIONS

“Merrill Gardens properly authenticated Chavoya’s electronic signature on the arbitration agreement and has shown by a preponderance of the evidence that Chavoya entered into the agreement.” (Analysis § III.B)

“The parties shall submit all claims pending in this matter to arbitration in accordance with the employment arbitration policy signed on February 21, 2022” (Conclusion)

FACTUAL BACKGROUND

Jacob Chavoya worked as an hourly, non-exempt cook at Merrill Gardens' Truewood by Merrill facility in Clovis, California, from approximately February 2022 through June 2023. During electronic onboarding through the UKG platform, Merrill Gardens presented Chavoya with a mutual arbitration agreement covering employment-related claims and requiring individual arbitration, with a ten-day opt-out period. UKG records showed that Chavoya logged in using the email address from his employment application, reviewed and electronically signed the agreement on February 21, 2022, and completed other onboarding documents using the same IP address. Chavoya stated that he did not remember signing the agreement, but the court found the

employer's declarations, signature audit report, security procedures, and related onboarding records sufficient to authenticate the signature.

PROCEDURAL HISTORY

Chavoya filed the putative class action in Fresno County Superior Court on January 30, 2024. Merrill Gardens removed the action on March 4, 2024; the federal court denied Chavoya's motion to remand on June 28, 2024. Merrill Gardens moved to compel arbitration on December 11, 2024. The court granted the motion, directed the parties to arbitrate all claims pending in the matter, dismissed the action without prejudice, and closed the case.

DISPOSITION

dismissed

CASES CITED

- Viking River Cruises, Inc. v. Moriana, 596 U.S. 639, 649-50, 662 (2022)
- AT&T Mobility LLC v. Concepcion, AT&T Mobility LLC v. Concepcion, 563 U.S. 333, 339-40 (2011)
- Chiron Corp. v. Ortho Diagnostic Sys., 207 F.3d 1126, 1130 (9th Cir. 2000)
- Knutson v. Sirius XM Radio Inc., 771 F.3d 559, 565 (9th Cir. 2014)
- Berman v. Freedom Fin. Network, LLC, 30 F.4th 849, 855 (9th Cir. 2022)
- First Options of Chi., Inc. v. Kaplan, 514 U.S. 938, 944 (1995)
- Simula, Inc. v. Autoliv, Inc., 175 F.3d 716, 719 (9th Cir. 1999)
- Mitsubishi Motors Corp. v. Soler Chrysler-Plymouth, Inc., 473 U.S. 614, 624 n.13 (1985)
- Dean Witter Reynolds Inc. v. Byrd, 470 U.S. 213, 218 (1985)
- Perry v. Thomas, 482 U.S. 483, 489, 491 (1987)
- Chamber of Commerce v. Bonta, 62 F.4th 473, 478 (9th Cir. 2023)
- Allied-Bruce Terminix Cos. v. Dobson, 513 U.S. 265, 273, 277, 281-82 (1995)
- Citizens Bank v. Alafabco, Inc., 539 U.S. 52, 56-57 (2003)
- Taylor v. United States, 579 U.S. 301, 306 (2016)
- Mandeville Island Farms, Inc. v. American Crystal Sugar Co., 334 U.S. 219, 236 (1948)
- E.E.O.C. v. Waffle House, Inc., 534 U.S. 279, 282-83, 289 (2002)
- Hoover v. Am. Income Life Ins. Co., 206 Cal. App. 4th 1193, 1207-08 (2012)
- Evenskaas v. Cal. Transit, Inc., 81 Cal. App. 5th 285, 297 n.5 (2022)
- Vasquez v. RSI Home Prods., No. 8:20-CV-01494-JWH-JDEX, 2020 WL 6778772, at *15 (C.D. Cal. Nov. 12, 2020)
- Steele v. Am. Mortg. Mgmt. Servs., No. 2:12-CV-00085 WBS JBM, 2012 WL 5349511, at *4 n.2 (E.D. Cal. Oct. 26, 2012)
- Langston v. 20/20 Cos., No. EDCV 14-1360 JGB SPX, 2014 WL 5335734, at *4 (C.D. Cal. Oct. 17, 2014)
- Rogers v. Lyft, Inc., 452 F. Supp. 3d 904, 916 (N.D. Cal. 2020), aff'd, No. 20-15689, 2022 WL 474166 (9th Cir. Feb. 16, 2022)

- Simeon v. Domino's Pizza LLC, No. 17CV5550RJDST, 2019 WL 7882143, at *3 (E.D.N.Y. Feb. 6, 2019)
- Am. Fed'n of Musicians of the U.S. v. Paramount Pictures Corp., 903 F.3d 968, 976 (9th Cir. 2018)
- In re Kaypro, 218 F.3d 1070, 1075 (9th Cir. 2000)
- Strong v. Valdez Fine Foods, 724 F.3d 1042, 1045 (9th Cir. 2013)
- Prostek v. Lincare Inc., 662 F. Supp. 3d 1100, 1111 (E.D. Cal. 2023)
- Barrera v. Floor & Decor Outlets of Am., Inc., No. 2:24-CV-02390-SB-KES, 2024 WL 3993871, at *3 (C.D. Cal. July 11, 2024)
- DeLeon v. Verizon Wireless, LLC, 207 Cal. App. 4th 800, 813 (2012)
- Windsor Mills, Inc. v. Collins & Aikman Corp., 25 Cal. App. 3d 987, 992 (1972)
- Nguyen v. Barnes & Noble Inc., 763 F.3d 1171, 1175 (9th Cir. 2014)
- Ruiz v. Moss Bros. Auto Group, Inc., 232 Cal. App. 4th 836, 843-44 (2014)
- Lira v. Nat'l Distribution Ctrs., LLC, No. EDCV 21-672 JGB (KKx), 2021 WL 6693934, at *2-3 (C.D. Cal. Dec. 22, 2021)
- Taft v. Henley Enters., Inc., No. SACV 15-1658-JLS (JCGx), 2016 WL 9448485, at *3
- Smith v. Rent-A-Center, No. 1:18-CV-01351 LJO JLT, 2019 WL 1294443, at *6
- Espejo v. S. Cal. Permanente Med. Grp., 246 Cal. App. 4th 1047, 1062 (2016)
- Bielski v. Coinbase, Inc., 87 F.4th 1003, 1013 (9th Cir. 2023)
- Pinnacle Museum Tower Ass'n v. Pinnacle Mkt. Dev. (US), LLC, 55 Cal. 4th 223, 236 (2012)
- Mohamed v. Uber Techs., Inc., 848 F.3d 1201, 1210-12 (9th Cir. 2017)
- Baltazar v. Forever 21, Inc., 62 Cal. 4th 1237, 1244 (2016)
- Sanchez v. Valencia Holding Co., LLC, 61 Cal. 4th 899, 911 (2015)
- Kilgore v. KeyBank, Nat'l Ass'n, 718 F.3d 1052, 1058-59 (9th Cir. 2013) (en banc)
- Nagrampa v. MailCoups, Inc., 469 F.3d 1257, 1281 (9th Cir. 2006)
- OTO, LLC v. Kho, 8 Cal. 5th 111, 126 (2019)
- Circuit City Stores, Inc. v. Ahmed, 283 F.3d 1198, 1199 (9th Cir. 2002)
- Jenkins v. Dermatology Mgmt., 107 Cal. App. 5th 633, 642 (2024)
- Iskanian v. CLS Transp. Los Angeles, LLC, 59 Cal. 4th 348 (2014)
- Armendariz v. Found. Health Psychcare Servs., Inc., 24 Cal. 4th 83, 103, 113-15 (2000)