

## Summary Judgment Review

**Case Name:** *Ronald Kinslow and Lucas Hill v. 5 Star Field Services Group, LLC, Title One Management, LLC, and Robert Gilstrap*

**Nature of the Order:** Opinion and Order on Defendant's Motion for Summary Judgment

**Magistrate Judge:** N/A

**District Judge:** Michael L. Brown

**Claims & Outcomes:**

1. **Claim:** Failure to Pay Overtime Wages (FLSA)
  - a. **Outcome:** Summary Judgment Denied
2. **Claim:** Breach of Contract
  - a. **Outcome:** Summary Judgment Denied
3. **Claim:** Intentional Breach of Contract
  - a. **Outcome:** Summary Judgment Denied

**Whether R&R Followed:** N/A

**For Race/Gender Discrimination Cases:**

**Race of Plaintiff:** N/A

**Gender of Plaintiff:** N/A

**Long Summary:**

Title One is a residential property management company and Five Star does maintenance and rehab of residential rental properties for Title One and other properties. Five Star makes no money and is part of the Title One family of companies. Defendant Robert Gilstrap is the sole owner of both companies. Plaintiff Ronald Kinslow is a handyman who worked as an independent contractor, during which time he was paid by Five Star. Plaintiff Lucas Hill worked for Five Star in maintenance, as did Elias Medina, an opt-in plaintiff.

The Court first addressed Plaintiffs' FLSA claims, beginning with whether Gilstrap was an "employer" under the FLSA. The Court began by noting that Defendants put forth conclusory statements that merely repeated the legal test for what defines an employer under the FLSA without factual support. Even if Defendants had met their burden, there was a genuine issue of material fact as to whether Gilstrap was an employer based on Plaintiffs' allegations that he was involved in day-to-day operations and had some direct responsibility for Plaintiffs' supervision. Specifically, Gilstrap is the sole owner of Title One and Five Star, he was involved in setting policies applicable to Plaintiffs, there was testimony that he was involved in the decision to hire plaintiffs, he was involved in how the plaintiffs were paid, and he was involved in work orders and

provided on-the-job training. The Court therefore denied Defendants' motion as to Plaintiffs' FLSA claims against Gilstrap.

Turning to Title One and Five Star, the Court analyzed whether the companies had two or more employees, whether Plaintiffs alleged wage violations, and whether Plaintiffs were employees. The Court initially noted, particularly with regard to whether Defendants had two or more employees, that Defendants' arguments mainly consisted of the fact that Plaintiffs did not prove that Defendants were subject to liability. It explained that Defendants bear the burden of demonstrating the absence of a genuine dispute of material fact, and they failed to meet such a burden. The Court then focused on the Plaintiffs' burden to prove the number of hours they worked for which they were improperly compensated. It noted that when an employer fails to keep adequate records, the employee has a relaxed burden, such that an estimate of hours is sufficient. Thus, Plaintiffs' estimate was sufficient. Defendants could not provide evidence of the specific number of hours Plaintiffs performed, and therefore could not rebut Plaintiffs' estimate. Finishing the analysis, the Court found that Plaintiffs were employees of Defendants, rather than independent contractors, based upon the six factors of the economic realities test.

The Court also rejected Defendants' argument that summary judgment was appropriate as to Title One because Five Star and Title One are not joint employers.

With regard to the breach of contract claim, the Court held that Plaintiffs produced sufficient evidence from which a reasonable jury could conclude that Plaintiffs were paid incorrectly. Additionally, the Court held that Plaintiffs only needed to prove the amount of damages with reasonable certainty, that is, to the extent that a jury can estimate damages. Plaintiffs did so here.

Lastly, the Court found that there was a genuine issue of material fact as to whether Defendants breached the contract with knowledge and for the purposes of depriving plaintiff of benefits. Accordingly, the intentional breach of contract claim survived summary judgment.

The Court therefore Denied Defendants' Motion for Summary Judgment as to all of Plaintiffs' claims.