



SUPERIOR COURT OF CALIFORNIA COUNTY OF SANTA CLARA

MINUTE ORDER

The parties have reached a settlement. On February 6, 2025, the Court issued an order granting Plaintiffs' motion for preliminary approval of the settlement. Now before the Court is Plaintiffs' unopposed motion for final approval of the settlement.

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II. Legal Standard

A. Class Action

Generally, "questions whether a [class action] settlement was fair and reasonable, whether notice to the class was adequate, whether certification of the class was proper, and whether the attorney fee award was proper are matters addressed to the trial court's broad discretion." (Wershba v. Apple Computer, Inc. (2001) 91 Cal.App.4th 224, 234-235 (Wershba), disapproved of on other grounds by Hernandez v. Restoration Hardware, Inc. (2018) 4 Cal.5th 260.)

In determining whether a class settlement is fair, adequate and reasonable, the trial court should consider relevant factors, such as 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 the 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.

(Wershba, supra, 91 Cal.App.4th at pp. 244-245, internal citations and quotations omitted.)

In general, the most important factor is the strength of the plaintiffs' case on the merits, balanced against the amount offered in settlement. (See Kullar v. Foot Locker Retail, Inc. (2008) 168 Cal.App.4th 116, 130 (Kullar).) But the trial court is free to engage in a balancing and weighing of factors depending on the circumstances of each case. (Wershba, supra, 91 Cal.App.4th at p. 245.) The trial court must examine the "proposed settlement agreement to the extent necessary to reach a reasoned judgment that the agreement is not the product of fraud or overreaching by, or collusion between, the negotiating parties, and that the settlement, taken as a whole, is fair, reasonable and adequate to all concerned." (Ibid., citation and internal quotation marks omitted.)

The burden is on the proponent of the settlement to show that it is fair and reasonable. However "a presumption of fairness exists where: (1) the settlement is reached through arm's-length bargaining; (2) investigation and discovery are sufficient to allow counsel and the court to act intelligently; (3) counsel is experienced in similar litigation; and (4) the percentage of objectors is small."

(Wershba, supra, 91 Cal.App.4th at p. 245, citation omitted.)

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B. PAGA

Labor Code section 2699, subdivision (s)(2) provides that "[t]he superior court shall review and approve any settlement of any civil action filed pursuant to" PAGA. The court's review "ensur[es] that any negotiated resolution is fair to those affected." (Williams v. Superior Court (2017) 3 Cal.5th 531, 549.) Seventy-five percent of any penalties recovered under PAGA go to the Labor and Workforce Development Agency (LWDA), leaving the remaining twenty-five percent for the aggrieved employees. (Iskanian v. CLS Transportation Los Angeles, LLC (2014) 59 Cal.4th 348, 380, overruled on other grounds by Viking River Cruises, Inc. v. Moriana (2022) 596 U.S. 639.)

Like its review of class action settlements, the Court must "determine independently whether a PAGA settlement is fair and reasonable," to protect "the interests of the public and



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the LWDA in the enforcement of state labor laws." (Moniz v. Adecco USA, Inc. (2021) 72 Cal.App.5th 56, 76-77.) It must make this assessment "in view of PAGA's purposes to remediate present labor law violations, deter future ones, and to maximize enforcement of state labor laws." (Id. at p. 77; see also Haralson v. U.S. Aviation Servs. Corp. (N.D. Cal. 2019) 383 F. Supp. 3d 959, 971 ["when a PAGA claim is settled, the relief provided for under the PAGA [should] be genuine and meaningful, consistent with the underlying purpose of the statute to benefit the public"], quoting LWDA guidance discussed in O'Connor v. Uber Technologies, Inc. (N.D. Cal. 2016) 201 F.Supp.3d 1110 (O'Connor).)

The settlement must be reasonable considering the potential verdict value. (See O'Connor, supra, 201 F.Supp.3d at p. 1135 [rejecting settlement of less than one percent of the potential verdict].) But a permissible settlement may be substantially discounted, given that courts often exercise their discretion to award PAGA penalties below the statutory maximum even where a claim succeeds at trial. (See Vicerai v. Mistras Group, Inc. (N.D. Cal., Oct. 11, 2016, No. 15-cv-02198-EMC) 2016 WL 5907869, 2016 U.S. Dist. LEXIS 140759, at *20-24.)

III. Terms and Administration of Settlement

The proposed settlement provides that this action has been settled on behalf of the following class:

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all current and former Truck Drivers who worked for Defendant from May 25, 2019, through the date of execution of this Agreement [(i.e., April 17, 2024)] who have not previously released their claims against Defendant and/or accepted payments in exchange for release of their claims against Defendant.

The settlement also provides that the action has been settled on behalf of the following aggrieved employees: "any Truck Drivers employed by Defendant in California who worked for Defendant during the PAGA Period." The "PAGA Period" is defined as the period of time from May 27, 2022, to the date of execution of the agreement (i.e., April 17, 2024).

Defendant will pay a non-reversionary, gross settlement amount of \$55,000. The gross settlement amount includes attorney fees of \$11,000 (20 percent of the gross settlement amount), litigation costs not to exceed \$16,000, a service award in the total amount of \$3,000 (\$2,000 for Perez and \$1,000 for Landaverde), settlement administration costs not to exceed \$5,500, and a PAGA allocation of \$1,000 (75 percent of which will be paid to the LWDA and 25 percent of which will be paid to Aggrieved Employees).

The net settlement amount will be distributed to the class members on a pro rata basis based on the number of workweeks worked during the Class Period. Similarly, Aggrieved Employees will receive a pro rata share of the 25 percent portion of the PAGA payment allocated to them based on the number of workweeks worked during the PAGA Period. In exchange for the settlement, class members agree to release Defendant, and related persons and entities, from "all claims that were alleged, or reasonably could have been alleged, based on the Class Period facts stated in the Operative Complaint [...]." Aggrieved Employees agree to release Defendant, and related persons and entities, from "all claims for PAGA penalties that were alleged, or reasonably could have been alleged, based on the PAGA Period acts stated in the Operative Complaint, and PAGA Notices."

In its order granting preliminary approval, the Court approved Atticus as settlement administrator. On February 13, 2025, Defendant delivered class data to Atticus. (Declaration of Bryn Bridley ("Bridely Decl."), 4.) On February 24, 2025 Atticus mailed class notices to 126 class members and aggrieved employees. (Id. at 6.) The deadline to submit a written objection, submit a workweek dispute, or opt out of the settlement was April 10, 2025. As of June 27, 2025, Atticus has not received any written objections, workweek disputes, or opt-out



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requests. (Id. at 9.) Atticus estimates the average settlement share will be approximately \$264.29. (Id. at 13.) The notice process has now been completed.

At preliminary approval, the court found the settlement to be fair and reasonable. Given that there are no objections, it finds no reason to deviate from that finding now. Accordingly, the court finds that the settlement is fair and reasonable for purposes of final approval.

IV. Enhancement Awards, Attorney Fees and Costs

Plaintiffs seek service payments of \$3,000 total.

The rationale for making enhancement or incentive awards to named plaintiffs is that they should be compensated for the expense or risk they have incurred in conferring a benefit on other members of the class. An incentive award is appropriate if it is necessary to induce an individual to participate in the suit.

Criteria courts may consider in determining whether to make an incentive award include: 1) the risk to the class representative in commencing suit, both financial and otherwise; 2) the notoriety and personal difficulties encountered by the class representative; 3) the amount of time and effort spent by the class representative; 4) the duration of the litigation and; 5) the personal benefit (or lack thereof) enjoyed by the class representative as a result of the litigation.

These "incentive awards" to class representatives must not be disproportionate to the amount of time and energy expended in pursuit of the lawsuit.

(Cellphone Termination Fee Cases (2010) 186 Cal.App.4th 1380, 1394-1395, internal punctuation and citations omitted.)

Plaintiffs have submitted declarations describing their participation in this case. The court finds that service awards are justified, and the amounts requested are reasonable. Therefore, the service awards are approved in the amounts requested.

Plaintiffs' counsel seeks an attorney fee award of \$11,000 (20 percent of the gross settlement amount). (Motion, pp. 16; Declaration of Vladimir J. Kozina, 55 -56.) Plaintiffs' counsel submits that the lodestar of fees incurred in this action is \$192,970.50 based on a total of 219.95 hours billed at rates ranging from \$150-\$878 per hour. (Kozina Decl., 62.) This results in a negative multiplier, suggesting the requested fee award is reasonable based on the range of multipliers that courts typically approve. (See Wershba, supra, 91 Cal.App.4th at p. 255 ["[m]ultipliers can range from 2 to 4 or even higher"]; Vizcaino v. Microsoft Corp. (9th Cir. 2002) 290 F.3d 1043, 1051, fn. 6 [stating that multipliers ranging from one to four are typical in common fund cases].)

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The benefits achieved by the settlement justify an award of attorney fees to class counsel. The Court finds that the requested attorney fee award is reasonable as a percentage of the common fund and approves an attorney fee award in the requested amount.

Plaintiffs' counsel requests reimbursement of litigation costs in the amount of \$15,961.70 and presents an itemized list supporting that figure. (Kozina Decl., 66 and Ex. 4.)

The Court finds the cost reimbursement request to be reasonable and therefore approves an award of litigation costs in the requested amount. The settlement administration costs are also approved in the requested amount of \$5,500. (See Bridley Decl., 14.)

V. Conclusion

The motion for final approval of the settlement is GRANTED.

Compliance hearing is for April 1, 2026 at 2:30 p.m. in Department 19.

Plaintiffs shall prepare the order in accordance with California Rules of Court, rule 3.1312.



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Case Management Conference at 2:30 p.m. is VACATED.