

SUPERIOR COURT OF CALIFORNIA, COUNTY OF LOS ANGELES

Civil Division

Central District, Stanley Mosk Courthouse, Department 224

24STCV06200

**JOSE LUIS MARTINEZ ALCUDIA vs ELHILU SERVICE
STATION, INC., et al.**

September 21, 2026

9:00 AM

Judge: Honorable Cindy Pánuco
Judicial Assistant: Pedro Martinez
Courtroom Assistant: Deonna Jones

CSR: None
ERM: None
Deputy Sheriff: None

APPEARANCES:

For Plaintiff(s): Grigor Sirmabekhian appearing for Sarkis Sirmabekian Via LACourtConnect

For Defendant(s): No Appearances

NATURE OF PROCEEDINGS: Hearing on Motion for Order Court Approval of PAGA
Settlement_CRS # -23520

The Court's Tentative Ruling is posted on the court's website.

Counsel for Plaintiff submit on the court's tentative ruling.

The Motion is not called for hearing.

Having reviewed and considered all motion papers, the Court adopts its tentative ruling as the order of the Court, as follows:

TENTATIVE RULING

The Motion for Court Approval of the Parties' PAGA Settlement is GRANTED.
Status Conference Re Compliance with Approved PAGA Settlement is set for February 18, 2027 at 8:30 a.m. A declaration showing compliance and execution of the settlement terms is due 10 court days in advance. An Order to Show Cause Re Dismissal for Settlement is set for the same date and time.

Introduction

On March 13, 2024, Plaintiff Jose Luis Martinez Alcudia filed the operative Complaint in this action against Defendants Elhilu Service Station, Inc., Esmat Elhilu, and Jeries Elhilu, alleging eleven causes of action for wage-and-hour violations under the California Labor Code, including a cause of action for civil penalties under the PAGA.
On January 29, 2026, the parties participated in an all-day mediation before Michael A. Strauss,

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Esq. of Judicate West and reached an agreement to settle the action. The parties executed the PAGA Settlement Agreement on April 1, 2026.

On April 3, 2026, the parties filed a Stipulation for Order Approving PAGA Settlement.

On April 8, 2026, the Court issued a Minute Order denying the Stipulation without prejudice and directing the parties to file a noticed motion for approval.

On April 23, 2026, Plaintiff filed the instant unopposed Motion for Court Approval of PAGA Settlement pursuant to Labor Code section 2699(1)(2)..

Legal Standard

Labor Code § 2699(1)(2) states: “The superior court shall review and approve any settlement of any civil action filed pursuant to this part [Labor Code Private Attorneys General Act of 2004 (“PAGA”)]. The proposed settlement shall be submitted to the [Labor and Workforce Development Agency (“LWDA”)] at the same time that it is submitted to the court.” Any settlement of any civil action filed under PAGA must be “fair and adequate in view of the purposes and policies of the statute.” (Flores v. Starwood Hotels & Resorts Worldwide, Inc. (C.D. Cal. 2017) 253 F.Supp.3d 1074, 1077, quoting O’Connor v. Uber Technologies, Inc. (N.D. Cal. 2016) 201 F.Supp.3d 1110, 1135.)

Seventy-five percent of all PAGA penalties must be paid to the LWDA. (See Lab. Code, § 2699(i) [“Except as provided in subdivision (j), civil penalties recovered by aggrieved employees shall be distributed as follows: 75 percent to the Labor and Workforce Development Agency for enforcement of labor laws and education of employers and employees about their rights and responsibilities under this code, to be continuously appropriated to supplement and not supplant the funding to the agency for those purposes; and 25 percent to the aggrieved employees.”].) Courts have discretion to approve settlements that do not allocate any penalty amount. (Nordstrom Com. Cases (2010) 186 Cal.App.4th 576, 589). Labor Code § 2699(g)(1) provides, in relevant part: “Any employee who prevails in any action shall be entitled to an award of reasonable attorney’s fees and costs” (Lab. Code, § 2699(g)(1).)

Discussion

As an initial matter, Plaintiff has presented evidence the parties complied with Labor Code section 2699(1)(2) by submitting a copy of the Settlement and instant motion to the LWDA at the

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same time they were submitted to the Court. A copy of the email from the LWDA acknowledging the submission is filed with the Court. (Sirmabekian Decl. ¶¶8, 32, Exh. 3 [PAGA Stipulation], Exh. B.)

With respect to the distribution of the PAGA settlement, the Court finds the parties' agreement is proper. After engaging in informal discovery and participating in mediation on January 29, 2026, with mediator Michael A. Strauss, Esq. of Judicate West, Plaintiff and Defendants were able to reach a settlement of Plaintiff's PAGA claims. (Sirmabekian Decl. ¶9.) The parties executed the PAGA Settlement Agreement on April 1, 2026. (Sirmabekian Decl. ¶10, Exh. 2.) Pursuant to the settlement agreement, the parties agreed that Defendants will pay a total Gross Settlement Amount of \$115,000.00, of which \$50,000.00 is allocated to settle Plaintiff's individual claims and \$65,000.00 is allocated as the PAGA Gross Settlement Amount ("PGSA"). (Sirmabekian Decl., Exh. 2, Settlement Agreement ¶¶1.10, 1.11.)

The parties have agreed to a proposed distribution of the PGSA as follows: (1) \$21,666.66 for attorney's fees, (2) \$7,100.00 for litigation costs, (3) \$2,650.00 for settlement administration costs, and (4) the PAGA Net Settlement Amount - i.e., the amount remaining from the PGSA after deducting attorney's fees, litigation costs, and settlement administration costs - for PAGA penalties, wherein 75% would be paid to the LWDA and 25% would be paid to all aggrieved employees. Specifically, Plaintiff seeks approval of \$21,666.66 in attorney's fees, \$7,100.00 in litigation costs, \$2,650.00 in settlement administration costs, and \$33,583.34 for the PAGA Payment, with \$25,187.50 to be paid to the LWDA and \$8,395.84 to be paid to the aggrieved employees. (Sirmabekian Decl. ¶¶19, 26.)

With respect to the civil penalties, the Court finds that the distribution complies with Labor Code section 2699(i), which requires 75 percent of the amount to be paid to the LWDA and 25 percent of the amount to be paid to the aggrieved employees, which consists of Plaintiff and all other hourly-paid individuals who were employed by Defendants in California and who worked at least one pay period during the PAGA Period, defined as January 5, 2023 through and including the date the Court approves the Settlement. (Sirmabekian Decl., Exh. 2, Settlement Agreement ¶¶1.4, 1.20.) There are approximately 32 aggrieved employees who worked a total of 1,500 pay periods during the PAGA Period. (Sirmabekian Decl. ¶29.)

The Court finds the release under the PAGA Settlement Agreement is fair and reasonable under the statute. The release as to the aggrieved employees is appropriately limited to only claims for civil penalties under PAGA that were alleged, or reasonably could have been alleged, based on the facts stated in the operative Complaint and the PAGA Notice during the PAGA Period,

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including all claims arising under PAGA based on violations of Labor Code sections 201, 202, 203, 204, 206, 206.5, 210, 216, 218.6, 221, 223, 224, 225.5, 226, 226.3, 226.7, 246, 256, 432.5, 450, 510, 512, 558, 1174, 1174.5, 1182.12, 1194, 1194.2, 1197, 1197.1, 1198, 1199, 2698 et seq., and 2802, Wage Order sections 3, 4, 7, 9, 11, 12, and 20, and a Civil Code section 1542 release as to those sections. (Sirmabekian Decl., Exh. 3 [PAGA Stipulation], pp. 4-5.) The aggrieved employees will not relinquish any other individual claims they may have. (Sirmabekian Decl. ¶29.)

With respect to attorney's fees, Plaintiff's counsel has provided his hourly rate and experience and the approximate amount of time spent prosecuting and resolving this matter. (Sirmabekian Decl. ¶¶15-26.) Plaintiff's counsel, Sarkis Sirmabekian, declares that he spent approximately 79.2 hours on this matter at an hourly rate of \$600.00, yielding a lodestar of \$47,520.00. (Sirmabekian Decl. ¶¶19, 23.) The requested fee of \$21,666.66 represents one-third of the PGSA and is below counsel's calculated lodestar. Based on this, the Court finds the requested \$21,666.66 in attorney's fees is reasonable and proper in this case after accounting for the time spent, counsel's experience, and the results achieved by this litigation.

Regarding the \$7,100.00 requested in litigation costs, the Court previously continued the motion and adopted a tentative ruling directing Moving Party to provide evidence of the litigation costs incurred, finding that "no summary or itemization of costs is provided such that the Court can determine whether the requested costs are reasonable." In response, Plaintiff's counsel has submitted a supplemental declaration attaching an itemized statement of costs, together with supporting invoices. (Suppl. Sirmabekian Decl. ¶¶4-9, Exhs. A-C.) This is sufficient to justify the \$7,100.00 requested in litigation costs.

With respect to the settlement administration costs, the Settlement allocates \$2,650.00 in payment for the costs of the Settlement Administrator, ILYM Group, Inc. ("Settlement Administrator"), associated with administration of the Settlement. (Sirmabekian Decl., Exh. 2, Settlement Agreement ¶3.2.2.) Plaintiff has submitted an estimate from Settlement Administrator ILYM Group, Inc. demonstrating estimated costs in the amount of \$2,650.00. (Sirmabekian Decl., Exh. 3 [PAGA Stipulation], Exh. D.) Based on the above, the Court awards settlement administration costs in the amount of \$2,650.00.

Conclusion

Based on the foregoing, the Motion for Court Approval of the Parties' PAGA Settlement is GRANTED.

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Moving party to give notice.