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SUPERIOR COURT OF CALIFORNIA

COUNTY OF SAN LUIS OBISPO

AARON WALCH, **Plaintiff,** **vs.** **HOWARD & PEPPER, INC. dba TRAILER HITCH RV, MIKE HOWARD, an individual, and DOES 1-100, inclusive,** **Defendants.**	**CASE NO: 24CV-0312** **ORDER APPROVING PAGA SETTLEMENT AND DISMISSING ACTION WITH PREJUDICE** **Hearing Date: November 5, 2025** **Time: 9:00 a.m** **Dept: 4**

Plaintiff's Motion for Approval of PAGA Settlement ("Motion") came before the Court on November 5, 2025, at 9:00 a.m./p.m. in Department 4. The Court's Tentative Ruling, attached hereto as Exhibit A and incorporated by reference, was to grant Plaintiff's Motion. The Parties met and conferred and agreed to submit on the Court's Tentative Ruling. Given the agreement of the Parties, good cause appearing therefore, and there being no opposition or objections filed, the Court hereby grants Plaintiff's Motion, adopts its Tentative Ruling, and Orders this matter dismissed with prejudice.

IT IS SO ORDERED:

Dated: 11/19/2025

Hon. Tana L. Coates
Judge of the Superior Court

EXHIBIT A

***Aaron Walch v. Howard & Pepper, Inc., et al.,* 24CV-0312**

Hearing: Motion to Approve PAGA Settlement

Date: November 5, 2025

Aaron Walch, on behalf of the State of California, filed this action for civil penalties pursuant to the Private Attorneys General Act, Labor Code section 2698, *et seq.* (PAGA) on May 14, 2024, against his former employer, Howard & Pepper, Inc., dba Trailer Hitch RV and its owner, Mike Howard (Defendants), for alleged violations of wage, hour and condition of work laws under the Labor Code, Code of Regulations and applicable wage orders. An amended complaint was filed on June 17, 2024.

Plaintiff and Defendants have settled, and Plaintiff now moves for an order approving the settlement. (Declaration of Robert J. Wassermann (Wassermann Dec.), ¶ 3; Ex. 1 [PAGA settlement agreement].) "The superior court shall review and approve any settlement of any civil action filed pursuant to this part. The proposed settlement shall be submitted to the agency at the same time that it is submitted to the court." (Lab. Code, § 2699, subd. (s)(2).)[1]

The motion, notice of hearing and supporting documents, including a copy of the settlement agreement, were served on Defendant and on the Labor and Workforce Development Agency (LWDA) and no opposition is on file. (Wassermann Dec., Ex.2.)

Background

Prior to filing this action, Counsel sent the necessary correspondence to the LWDA on April 12, 2024, on behalf of Plaintiff, requesting authorization from the LWDA to seek civil penalties for the wage and hour violations alleged in the PAGA Notice. (Wassermann Dec., Ex. 2.) Plaintiff filed this action on May 14, 2024. After the notice period expired, Plaintiff filed an amended complaint on June 17, 2024. (Complaint., ¶¶ 42-44.)

The parties mediated with Phillip E. Cook, Esq., on January 28, 2025. (Wassermann Dec., ¶ 5.) Prior to the mediation, the parties conducted significant investigation and discovery of the facts and law. (Wassermann Dec., ¶ 4.) According to their calculation, the "maximum potential exposure for Defendants is $339,100." (Wassermann Dec., ¶ 11(i).)

Terms of the Settlement.

The parties' settlement agreement provides for a gross PAGA settlement in the amount of $35,000. Out of that gross settlement amount, attorney fees up to $11,666,67, litigation costs up to $614.13 and settlement administration costs up to $2,200 may be deducted. The remaining PAGA payment

[1] All further statutory references are to the Labor Code.

is at least $20,519.20, of which 75% (no less than $15,389.40) will be paid to the LWDA, and the remaining 25% (no less than $5,129.80) will be divided among the employees. (Wassermann Dec., Ex. 1, ¶¶ 3.1-3.2.2.)

The payment to the aggrieved employees is based upon "periods worked by all Aggrieved Employees during the PAGA Period and multiplying the result by each respective Aggrieved Employee's PAGA Period Pay Periods." (Wassermann Dec., Ex. 1, ¶ 3.3.1.1.) Through discovery, Plaintiff calculated that there are a total of 23 individuals who fall within the "Aggrieved Employee" definition who worked 421 pay periods for Defendants. (Wassermann Dec., ¶ 11(b).) The payments are made in exchange for a release of the PAGA claims. (Wassermann Dec., Ex. 1, ¶ 5.1)

Under the settlement agreement at paragraph 4.4.3, for any aggrieved employee whose PAGA payment check is uncashed and cancelled after the void date, the Administrator shall transmit the funds represented by such checks to the State Controller Unclaimed Property Fund in the names of the individuals who failed to cash their check. (Wassermann Dec., Ex. 1, ¶ 4.4.3.)

Discussion.

PAGA was enacted because due to declining staffing levels for labor law enforcement agencies, it was "in the public interest to allow aggrieved employees, acting as private attorneys general, to recover civil penalties for Labor Code violations, with the understanding that labor law enforcement agencies were to retain primacy over private enforcement efforts." (*Arias v. Superior Court* (2009) 46 Cal.4th 969, 980.)

A PAGA-only settlement does not need to meet the requirements for class certification. However, Court review of PAGA settlements "ensur[es] that any negotiated resolution is fair to those affected." (*Williams v. Superior Court* (2017) 3 Cal.5th 531, 549.) In evaluating a PAGA settlement, the Court should evaluate "the strength of the plaintiff's case, the risk, the stage of the proceeding, the complexity and likely duration of further litigation…." (*Moniz v. Adecco USA, Inc*. (2021) 72 Cal.App.5th 56, 77, disapproved on other grounds in *Turrieta v. Lyft, Inc*. (2024) 16 Cal.5th 664.) "[A] trial court should evaluate a PAGA settlement to determine whether it is fair, reasonable, and adequate in view of PAGA's purposes to remediate present labor law violations, deter future ones, and to maximize enforcement of state labor laws." (*Ibid*.)

Plaintiff contends that the Aggrieved Employees "were paid on a commission / draw basis which failed to pay them for all hours worked when they received only their draw or to compensate them for non-productive time…that he and the other Aggrieved Employees were not paid separately and hourly for rest breaks, were not provided compliant meal and rest breaks, were not provided accurate itemized wage statements, were not reimbursed for all business expenses they were owed and were not timely paid wages." (Wassermann Dec., ¶10.)

Plaintiff calculated that the maximum amount of statutory PAGA civil penalties was potentially $339,100 based on 421 pay periods applicable to the 23 Aggrieved Employees during the PAGA

Period (Wassermann Dec., ¶¶11(a)-(i).) Plaintiff reviewed the relevant law in calculating the potential success of his claims and Defendants' defenses. (Motion., p. 6-10.) Plaintiff's counsel is experienced in PAGA and employment class actions. (Wassermann Dec., ¶¶ 19-20.) The settlement provides that one-third of the gross settlement amount, or $11,666.67, will go to PAGA counsel. The percentage method, with or without a lodestar cross-check, may be used in common fund cases. (*Laffitte v. Robert Half Internet, Inc.* (2016) 1 Cal.5th 480, 503.)

Here, the $11,666.67 award is less than Plaintiff's lodestar fees, which are $124,763.80 for 142 hours of work. (Wassermann Dec., ¶ 15.) The hourly rates for Mayall Hurley PC, are $878 per hour for Partner Attorneys. This firm's hourly rates are based on the Laffey Matrix. (Wassermann Dec., p. 6, fn. 2.) Counsel seeks $614.13 in incurred litigation expenses. (Wassermann Dec., ¶ 16.)

The Court has reviewed the settlement and finds it fair to those affected. The parties' counsel are experienced in this type of litigation and were able to arrive at a settlement after consideration of the strength and weaknesses of both sides. The parties engaged in discovery prior to attending the mediation, which they participated in in good faith and with the requisite information available to them to ensure a fair settlement.

ORDER

The motion to approve PAGA settlement is granted.