

SUPERIOR COURT OF CALIFORNIA, COUNTY OF ALAMEDA

Rene C. Davidson Courthouse

<p>Terrance Austin Plaintiff/Petitioner(s) VS. The Alliance For Community Wellness, a California corporation Defendant/Respondent (s)</p>	<p>No. 23CV057867 Date: 01/07/2026 Time: 1:30 PM Dept: 18 Judge: Patrick McKinney</p> <p>ORDER re: Hearing on Motion - Other PRELIMINARY APPROVAL OF CLASS ACTION AND PAGA SETTLEMENT; filed by Terrance Austin (Plaintiff) CRS# 201434026545 filed by Terrance Austin (Plaintiff) on 10/21/2025</p>
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The Motion for Preliminary Approval of Settlement filed by Terrance Austin on 10/21/2025 is Granted.

BACKGROUND

This is a wage-and-hour class action and PAGA representative action. Plaintiff Terrance Austin has agreed to settle the claims against Defendant The Alliance for Community Wellness for \$625,000.00, which includes an attorney’s fee award of up to \$208,333.33; reimbursement of Plaintiff’s litigation costs up to \$20,000.00; a service award of up to \$10,000.00 for the representative plaintiff; settlement administration costs of up to \$9,000.00; and \$20,000.00 in PAGA civil penalties, 75% of which will go to California’s Labor and Workforce Development Agency (LWDA) and 25% distributed among approximately 332 aggrieved employees. The remaining settlement funds are to be distributed among approximately 576 participating class members on a pro rata basis.

LEGAL STANDARD

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To prevent “fraud, collusion or unfairness to the class, the settlement or dismissal of a class action requires court approval.” (*Dunk v. Ford Motor Co.* (1996) 48 Cal.App.4th 1794, 1800.) The court “must determine the settlement is fair, adequate, and reasonable.” (*Id.* at p. 1801.) “The well-recognized factors that the trial court should consider in evaluating the reasonableness of a class action settlement agreement include ‘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 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.’” (*Kullar v. Foot Locker Retail, Inc.* (2008) 168 Cal.App.4th 116, 128 [quoting *Dunk, supra*, at p. 1801].)

Similarly, 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.” (*Moniz v. Adecco USA, Inc.* (2021) 72 Cal.App.5th 56, 77 [noting overlap of factors in class action analysis, “including the strength of the plaintiff’s case, the risk, the stage of the proceeding, the complexity and likely duration of further litigation, and the settlement amount”].)

PRELIMINARY APPROVAL

Plaintiff’s counsel investigated and obtained information from Defendant, analyzing Defendant’s wage-and-hour policies and practices as well as a sample of time and pay records. (Moon Decl., ¶¶ 8, 9.) Plaintiff retained a statistics expert to analyze the records produced and prepare a damage analysis prior to mediation. (*Id.*, ¶ 9.) The parties then participated in an arm’s length mediation with a professional mediator before settling. (*Id.*, ¶ 10.) Plaintiff includes an adequate *Kullar* analysis, providing a reasonable estimate of the number of class members, the total estimated possible recovery, and an explanation why the settlement was reasonable in light thereof. (See *id.*, ¶¶ 15–29.) The court gives “considerable weight to the competency and integrity of counsel and the involvement of a neutral mediator in assuring itself that a settlement agreement represents an arm’s length transaction entered without self-dealing or other potential misconduct.” (*Kullar, supra*, 168 Cal.App.4th at p. 129.) The terms of the settlement and notice procedures appear generally fair, reasonable, and adequate. At the court’s request, the parties revised the scope of the PAGA release and identified a cy pres beneficiary in accordance with Code of Civil Procedure section 384. (See Supp. Moon Decl., filed Dec. 19, 2025.)

SERVICE AWARD, FEES, & COSTS

The court will not rule on the incentive award for the representative plaintiff, attorney’s fees, or costs until final approval but provides the following preliminary guidance:

Any incentive, enhancement, or service award must be supported with “quantification of time and effort expended on the litigation, and in the form of reasoned explanation of financial or other risks incurred by the named plaintiffs.” (*Clark v. Am. Residential Servs. LLC* (2009) 175 Cal.App.4th 785, 807.) This court is unlikely to approve an award of more than \$7,500.00 absent

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special circumstances.

This court’s benchmark for attorney’s fees is 30%. (See *Laffitte v. Robert Half Internat. Inc.* (2016) 1 Cal.5th 480, 495; *Schulz v. Jeppesen Sanderson, Inc.* (2018) 27 Cal.App.5th 1167, 1175; *Consumer Privacy Cases* (2009) 175 Cal.App.4th 545, 557 fn 13; *Chavez v. Netflix, Inc.* (2008) 162 Cal.App.4th 43, 66 fn 11.) A “court approving a settlement that includes a negotiated fee [] is required to decide if the fee negotiated by the parties closely approximates the value of the attorneys’ work.” (*Robbins v. Alibrandi*, 127 Cal.App.4th 438, 452.) Counsel must address the value of the attorneys’ work, as well as the justification for any deviation from this court’s benchmark. Ten percent of the attorney’s fee award must be held by the settlement administrator until completion of the distribution process and court approval of a final accounting.

The settlement agreement authorizes reimbursement of litigation costs. Counsel must provide evidentiary support for the actual costs incurred at the time of final approval.

The court’s preference is for Plaintiff to move for final approval, including approval of attorneys’ fees, costs, and Plaintiff’s enhancement award, in a single motion.

ORDER

Plaintiff’s motion for preliminary approval of class action and PAGA settlement is GRANTED. The court will enter the proposed order submitted on December 19, 2025. A final approval hearing will be held on June 3, 2026 at 1:30 pm in Department 18. Hearing on Motion for Final Approval of Settlement CRS# A-57867-001.

The Court orders counsel to obtain a copy of this order from the eCourt portal.

Dated : 01/07/2026



Patrick McKinney / Judge

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