Opinion issued December 7, 2021



In The

Court of Appeals

For The

First **District** of Texas

NO. 01-19-00966-CV

TIMOTHY PLETTA, Appellant

V.

ORO AII COMMERCE, LLC D/B/A COMMERCE BANK APARTMENTS, Appellee

On Appeal from the County Civil Court at Law No. 1 Harris County, Texas Trial Court Case No. 1129067-101

MEMORANDUM OPINION

Appellant Timothy Pletta attempts to appeal from a judgment awarding sanctions to appellee ORO AII Commerce, LLC d/b/a/ Commerce Bank Apartments

("Commerce").¹ The county court sanctioned Pletta, an attorney, and his client for their litigation conduct, severed Commerce's sanctions award against Pletta from its award against Pletta's client, and then signed an order granting Commerce's motion to enter final judgment. In four issues, Pletta argues that the court erred in entering the sanctions order against him and the severance order. In response, Commerce challenges our jurisdiction over this appeal. We dismiss for want of jurisdiction.

Background

Pletta filed a lawsuit in a Dallas County justice court against Commerce on behalf of his client, Royal Carpet Services, Inc. d/b/a/ Royal Carpet ("Royal Carpet").² Royal Carpet asserted various contractual claims against Commerce for allegedly failing to pay \$173.20 for carpet cleaning services. Royal Carpet attached two invoices to its petition showing the unpaid amount and the service address of an apartment complex in Houston where Royal Carpet allegedly performed the cleaning services. Royal Carpet also requested its attorney fees.

In response to Royal Carpet's lawsuit, Commerce filed a motion to transfer venue to a justice court in Harris County and requested sanctions against Royal Carpet for filing the lawsuit. Commerce asserted that venue was proper in Harris

¹ ORO AII Commerce, LLC was incorrectly named in Pletta's briefing as Oro All Commerce, LLC. We refer to Commerce by its correct name.

² Royal Carpet is not a party to this appeal.

County because the contract was entered into and performed in Harris County, Commerce operated its business in Harris County, and no facts established proper venue in Dallas County. Commerce sought its attorney's fees and expenses as sanctions for having to respond to the lawsuit. The Dallas County justice court signed an agreed order transferring Royal Carpet's lawsuit to a Harris County justice court.

Commerce filed a counterclaim against Royal Carpet for attorney's fees and expenses as sanctions for having to defend the lawsuit. After a trial, the Harris County justice court entered a take-nothing judgment on both parties' claims and counterclaims. Commerce appealed the justice court's judgment to the county court. *See* TEX. R. CIV. P. 506.1(a) (authorizing appeal of justice court judgment), 506.3 (requiring, on appeal from justice court judgment, trial de novo in county court).

In the county court, Commerce filed a combined motion for summary judgment and for sanctions. Commerce argued that Royal Carpet sued the wrong party because Commerce did not own the apartment complex where Royal Carpet performed the allegedly unpaid cleaning services. As evidence, Commerce attached Royal Carpet's invoices and an affidavit from Commerce's representative averring that Commerce had no affiliation with the apartment complex at the service address on Royal Carpet's invoices and that Commerce did not know who owned that apartment complex.

In its motion for sanctions, Commerce argued that Pletta and Royal Carpet did not reasonably investigate Royal Carpet's claims before filing suit. Commerce further argued that Pletta, on Royal Carpet's behalf, continued pursuing attorney's fees from Commerce after Pletta learned that Commerce was not affiliated with the apartment complex and after the true owner of the apartment complex paid the debt in full a few days after Royal Carpet filed the lawsuit. Commerce attached its email communications to Pletta notifying him that Commerce had no affiliation with the apartment complex and cancelled checks showing that the debt had been paid. Commerce also attached an affidavit from its counsel averring that Commerce had expended \$17,750 defending Royal Carpet's lawsuit and that it would incur additional specified fees if Pletta appealed. Commerce requested sanctions against both Royal Carpet and Pletta, including for its reasonable attorney's fees and expenses incurred by defending the lawsuit.

On May 7, 2019, the county court signed an order granting Commerce's motion for sanctions ("sanctions order"). The sanctions order included the following findings of fact: that Pletta "intentionally filed suit in Dallas County" despite venue being proper in Harris County; that Pletta "has a long pattern and practice of filing lawsuits in the Justice Court of Dallas County" near Pletta's office even though Dallas County has "no connection to the dispute"; that Pletta and Royal Carpet continued pursuing the lawsuit after learning Commerce was not the proper

defendant and after the true debtor paid the debt in full; and that Pletta and Royal Carpet filed the lawsuit against Commerce "for the purposes of harassment, to cause unnecessary delay and/or to needlessly increase the cost of litigation" in violation of the law. The court also found that Commerce "incurred substantial and unnecessary expenses and attorneys' fees in this lawsuit in excess of \$17,000.00[.]" The court granted Commerce's motion and sanctioned Pletta and Royal Carpet, jointly and severally, in the amount of \$10,000 for Commerce's reasonable and necessary attorney's fees. The sanctions order further required Pletta or Royal Carpet to pay the sanctions award to Commerce within ten days of the order.

In July, Commerce filed a motion to sever its claim against Pletta based on the sanctions award. Commerce argued that neither Pletta nor Royal Carpet had paid the sanctions award and that its claim against Pletta was properly severable. In addition to severing the action, Commerce requested that "the judgment against Mr. Pletta be made final."

On July 24, the county court signed an order granting Commerce's motion to sever "in all things" ("severance order"). The order severed only Commerce's claim against Pletta into a new lawsuit with a new cause number.

On August 30, Commerce filed a motion for entry of final judgment in the severed lawsuit. Commerce argued that Pletta had not paid the sanctions award, so it requested that the court "enter a final judgment in this matter so that [Commerce]

may seek to collect the outstanding amount" from Pletta pursuant to the sanctions order.

On September 5, the court granted Commerce's motion for entry of final judgment. Referencing both the sanctions order and the severance order, this order entered judgment against Pletta for \$10,000. The judgment also awarded Commerce conditional attorney's fees in the event of an appeal and post-judgment interest. The order concluded, "This is a final, appealable judgment."

On October 7, Pletta filed a motion for new trial, which was overruled by operation of law. *See* TEX. R. CIV. P. 329b(c). On December 2, Pletta filed a notice of appeal of the September 5 order entering final judgment.

Appellate Jurisdiction

We first address Commerce's challenge to our appellate jurisdiction. Commerce argues that the July 24 severance order made the May 7 sanctions order final for purposes of appeal, but Pletta did not timely file a notice of appeal from this final judgment. According to Commerce, the sanctions order awarded Commerce sanctions against Pletta and Royal Carpet jointly and severally and, when the court severed the sanctions award against Pletta into a new lawsuit, no parties or claims remained pending in the severed action. Thus, according to Commerce, the severance order made the prior sanctions order final. Commerce further argues that the court's subsequent order entering final judgment was "superfluous and beyond the trial court's plenary power."

Pletta responds that the September 5 order entering final judgment was the final, appealable order. Pletta argues that Commerce did not believe the sanctions order had become final because it subsequently requested entry of final judgment. Pletta also argues that the sanctions order did not state "clearly and unequivocally" that it disposed of all claims and parties. Pletta further contends that Royal Carpet was not a party to the severed action so its claims against Commerce could not be disposed of in the severed action. Pletta thus concludes that the September 5 order was final and appealable, making his December 2 notice of appeal timely.

A. Standard of Review and Governing Law

Whether this Court has appellate jurisdiction to consider an appeal is an issue of law that we review de novo. *Caress v. Fortier*, 576 S.W.3d 778, 781 (Tex. App.— Houston [1st Dist.] 2019, pet. denied) (citing *Tex. A&M Univ. Sys. v. Koseoglu*, 233 S.W.3d 835, 840 (Tex. 2007)). "Unless specifically authorized by statute, Texas appellate courts only have jurisdiction to review final judgments." *Bison Bldg. Materials, Ltd. v. Aldridge*, 422 S.W.3d 582, 585 (Tex. 2012); *Lehmann v. Har-Con Corp.*, 39 S.W.3d 191, 195 (Tex. 2001) (stating "general rule, with a few mostly statutory exceptions," that "an appeal may be taken only from a final judgment"). With few exceptions not applicable here, there is only one final judgment in a case.

TEX. R. CIV. P. 301 ("Only one final judgment shall be rendered in any cause except where it is otherwise specially provided by law."); *see Lehmann*, 39 S.W.3d at 192 (distinguishing cases, such as probate and receivership proceedings, "in which multiple judgments final for purposes of appeal can be rendered on certain discreet issues").

A judgment rendered prior to trial is final and appealable "if and only if either it actually disposes of all claims and parties then before the court, regardless of its language, or it states with unmistakable clarity that it is a final judgment as to all claims and all parties." *Lehmann*, 39 S.W.3d at 192–93; *see Offord v. W. Houston Trees, Ltd.*, No. 14-16-00532-CV, 2018 WL 1866044, at *2 (Tex. App.—Houston [14th Dist.] Apr. 19, 2018, no pet.) (mem. op.) (applying *Lehmann* rule for final, appealable judgments to sanctions order). Appellate courts may review the record to determine whether an order actually disposes of all claims and parties. *Lehmann*, 39 S.W.3d at 205–06.

The language in an order can indicate that the order is final and appealable if the language "leave[s] no doubt about the court's intention" in signing the order, such as a statement like, "This judgment finally disposes of all parties and all claims and is appealable." *Id.* at 206. This is true even if the order should have been interlocutory: the order may say it is final and appealable, but that statement is erroneous and subject to reversal. *Id.* at 200. On the other hand, an order that merely states it is "final" or includes a Mother Hubbard clause—a statement that "all relief not granted is denied', or essentially those words"—is too ambiguous to indicate finality. *Id.* at 203–04.

Regardless of its language, an order is final and appealable if it actually disposes of all claims and parties then before the court. *Id.* at 192–93. A final order cannot be made interlocutory by its language, such as by reciting that it is partial or by referring to only some of the parties or claims. *Id.* at 200. But an interlocutory order can later become a final judgment.

If an interlocutory order disposes of all claims between some of the parties, for example in a partial summary judgment order, the court can sever the claims and parties subject to the interlocutory order into a new lawsuit. *See* TEX. R. CIV. P. 41 ("Any claim against a party may be severed and proceeded with separately."); *State v. Morello*, 547 S.W.3d 881, 889 (Tex. 2018) (approving order severing claims in civil action by State against two separate parties). This is true even if the plaintiff asserts a single cause of action seeking joint and several recovery for an indivisible injury caused by multiple defendants. *Morgan v. Compugraphic Corp.*, 675 S.W.2d 729, 733–34 (Tex. 1984) (stating that severance was proper because plaintiff had "option of proceeding to judgment against any one defendant separately or against all in one suit" and therefore suit against either defendant "might properly be tried and determined as if it were the only claim in controversy"). If all the claims between

the parties to the severed lawsuit were disposed of in the prior interlocutory order, then the interlocutory order becomes final upon signing of the severance order regardless of whether the severance was proper.³ *See Lehmann*, 39 S.W.3d at 203 (recognizing that order granting summary judgment for three of five remaining defendants became final for purposes of appeal when it was later severed) (citing *Park Place Hosp. v. Estate of Milo*, 909 S.W.2d 508, 510 (Tex. 1995)); *In re Henry*, 388 S.W.3d 719, 725 (Tex. App.—Houston [1st Dist.] 2012, orig. proceeding).

It is crucial that parties know with certainty when a final judgment has been signed because the deadline to perfect an appeal from the judgment runs from the date the judgment was signed. TEX. R. APP. P. 26.1; *Lehmann*, 39 S.W.3d at 195. When a notice of appeal is not timely filed, appellate courts lack jurisdiction over the appeal. TEX. R. APP. P. 25.1(b), 26.1; *In re K.L.L.*, 506 S.W.3d 558, 560 (Tex. App.—Houston [1st Dist.] 2016, no pet.). To be timely, a notice of appeal generally must be filed within thirty days of the date the judgment is signed, or within ninety days of the date the judgment is signed if any party timely files certain post-judgment motions, such as a motion for new trial or to modify the judgment. TEX. R. APP. P.

³ See Blomstrom v. Altered Images Hair Studio, No. 01-19-00456-CV, 2020 WL 6065437, at *1 (Tex. App.—Houston [1st Dist.] Oct. 15, 2020, no pet.) (Kelly, J., concurring) (stating that severance of order granting partial summary judgment disposing of some but not all claims between parties does not make order final and appealable if judgment being appealed does not include finality language).

26.1; TEX. R. CIV. P. 329b(a) (requiring that motion for new trial be filed within thirty days after judgment signed), (g) (requiring that motion to modify judgment be filed within time prescribed for filing motion for new trial).

In addition, a court's plenary power is affected by the signing of a judgment. See TEX. R. CIV. P. 329b(d), (e), (g). A court generally retains plenary power over a case for thirty days after it signs a final judgment, but this plenary power may be extended by the filing of a timely motion for new trial or motion to modify, correct, or reform a judgment. TEX. R. CIV. P. 329b(a), (d), (e), (g); see Martin v. Tex. Dep't of Family & Protective Servs., 176 S.W.3d 390, 392 (Tex. App.—Houston [1st Dist.] 2004, no pet.). Once a court's plenary power expires, the court has no jurisdiction to act. See TEX. R. CIV. P. 329b(f); Akinwamide v. Transp. Ins. Co., 499 S.W.3d 511, 520 (Tex. App.—Houston [1st Dist.] 2016, pet. denied). Any order entered by a court without jurisdiction to act is void. Tesco Am., Inc. v. Strong Indus., Inc., 221 S.W.3d 550, 556 (Tex. 2006); Akinwamide, 499 S.W.3d at 520. We have jurisdiction to determine whether an order is void but not to consider the merits of a challenge to a void order. Freedom Commc'ns, Inc. v. Coronado, 372 S.W.3d 621, 623-24 (Tex. 2012) (per curiam).

B. Analysis

The parties dispute which order constituted the final, appealable order in this case. Commerce argues that the July 24 severance order finalized the May 7

sanctions order against Pletta, making the sanctions order final and appealable. Pletta responds that the September 5 order granting Commerce's motion for entry of final judgment is the final judgment in this case.

1. The Sanctions Order

The only parties to the original lawsuit were Royal Carpet and Commerce. Pletta was Royal Carpet's attorney in that lawsuit, not a party to it. The claims in the original lawsuit consisted only of Royal Carpet's contractual and attorney-fee claims against Commerce and Commerce's counterclaim against Royal Carpet for sanctions. Commerce later filed a motion for sanctions against both Pletta and Royal Carpet, jointly and severally, thereby asserting the only claim between Commerce and Pletta. *See Morgan*, 675 S.W.2d at 733–34; *James v. Calkins*, 446 S.W.3d 135, 143 (Tex. App.—Houston [1st Dist.] 2014, pet. denied) (stating that motion for sanctions is independent claim for affirmative relief).

The sanctions order, which issued in the original lawsuit, awarded Commerce's requested sanctions against both Pletta and Royal Carpet, jointly and severally. In issuing the order, the court resolved the only two claims asserted by Commerce in the original lawsuit: one each against Pletta and Royal Carpet, jointly and severally, for sanctions. *See Morgan*, 675 S.W.2d at 733–34; *White Lion Holdings, L.L.C. v. State*, No. 01-14-00104-CV, 2015 WL 5626564, at *3 (Tex. App.—Houston [1st Dist.] Sept. 24, 2015, pet. denied) (stating that "severance order

did not split one cause of action asserted" against two defendants "but rather split two causes of action on the same legal theory: one against each defendant"). The sanctions order did not state that it disposed of all parties' claims or actually dispose of all parties' claims. Specifically, the sanctions order did not dispose of Royal Carpet's contractual and attorney-fee claims against Commerce. *See Lehmann*, 39 S.W.3d at 192–93. Therefore, the sanctions order was not final and appealable when it was signed.

2. The Severance Order

Subsequently, the county court severed Commerce's sanctions award against Pletta from the original lawsuit. *See* TEX. R. CIV. P. 41. The severance order granted Commerce's motion to sever, in which Commerce argued that its claim for sanctions against Pletta was severable from the original lawsuit and requested severance of its claims only against Pletta "as a result of the Sanctions Order." *See Morello*, 547 S.W.3d at 889; *Morgan*, 675 S.W.2d at 733–34. Commerce specifically requested that the sanctions award against Pletta be finalized and that "the judgment against Mr. Pletta be made final." The record does not indicate that Pletta responded to Commerce's motion to sever. The court granted Commerce's motion to sever "in all things," and it severed Commerce's claim against Pletta into a separate lawsuit with a new cause number. *See* TEX. R. CIV. P. 41. The severance order did not include any language indicating that it was final or that it made any prior order final.

But regardless of the language in the severance order, the record indicates that the severance order made the prior sanctions order final and appealable. See Lehmann, 39 S.W.3d at 192–93. The only parties to the severed action were Commerce and Pletta. The only claim between the two severed parties was Commerce's claim for sanctions against Pletta, which was resolved by the prior sanctions order. Although the sanctions order was not final and appealable when it was signed because Royal Carpet's claims remained pending, the only claim between Commerce and Pletta was severed into a new lawsuit. Between these two parties to the severed lawsuit, no issue of law or fact pended resolution by the court. See Offord, 2018 WL 1866044, at *2. Thus, the severance order finalized the sanctions order against Pletta. See In re Henry, 388 S.W.3d at 725 (stating that granting of severance can make order in severed portion of case final and appealable regardless of whether severance was proper); Offord, 2018 WL 1866044, at *2 (concluding that severance of sanctions award finalized award); see also Wilson v. Shamoun & Norman, LLP, 523 S.W.3d 222, 225 (Tex. App.-Dallas 2017, pet. denied) (stating that appeal was timely filed after court severed sanctions order against party's attorney and attorney's law firm); Randolph v. Walker, 29 S.W.3d 271, 273 n.1 (Tex. App.—Houston [14th Dist.] 2000, pet. denied) (stating that severance made prior interlocutory order granting sanctions against opposing party's attorneys and dismissing claims final and appealable).

Pletta argues that Royal Carpet was not a party to the severed action and thus its claims against Commerce could not have been adjudicated in the severed action. Because these claims could not be adjudicated in the severed action, Pletta contends that neither the sanctions order nor the severance order constituted a final, appealable order. To the extent Pletta argues that the severed sanctions order did not constitute a final judgment in the original action between Royal Carpet and Commerce, we agree. As stated above, neither order disposed of Royal Carpet's pending contractual claims against Commerce. *See Lehmann*, 39 S.W.3d at 192–93. But to the extent Pletta argues that the severed action between Commerce and Pletta because Royal Carpet, as a non-party to the severed action, could not have had its claims adjudicated in the severed action, we disagree.

The relevant inquiry is whether all claims between the parties to the severed action were disposed of. *See id.* (stating that judgment is final if "it actually disposes of all claims and parties *then before the court*") (emphasis added); *Harris Cty. Flood Control Dist. v. Adam*, 66 S.W.3d 265, 266 (Tex. 2001) (per curiam) (stating that severance of order granting summary judgment for two of three defendants finalized judgment in severed cause because severance order "disposed of all parties and issues *in that cause*") (emphasis added). Royal Carpet was not a party to the severed

cause and thus we do not consider its claims in determining whether a final judgment issued in the severed cause.

Pletta also argues that the sanctions order was not final because it did not "clearly and unequivocally" dispose of all parties and claims. While we agree with Pletta that neither the sanctions order nor the severance order included any language of finality, we disagree that the lack of such language rendered the sanctions order not final and not appealable when the court signed the severance order. The language of an order can be sufficient to indicate finality, but finality language is not necessary to make an order final and appealable. *See Lehmann*, 39 S.W.3d at 192–93. Thus, for example, the sanctions order would have been final upon its signing if it had stated that it disposed of all claims and parties even though it did not actually dispose of Royal Carpet's claims—it would have been erroneous and subject to reversal, but final and appealable. *See id.* at 200.

But the opposite is not true. An order that is otherwise final—i.e., an order that actually disposes of all claims and parties, regardless of its language—cannot become interlocutory based on a lack of finality language. *See id.* ("The language of an order or judgment cannot make it interlocutory when, in fact, on the record, it is a final disposition of the case."). Thus, Pletta is incorrect that the lack of language "clearly and unequivocally" disposing of all parties and claims in either the sanctions

order or the severance order indicates that the sanctions order did not become final upon severance.

Pletta further argues that Commerce did not believe the severance order was final because it subsequently filed a motion for entry of judgment. But the record indicates that Commerce did intend the severance order to be final because Commerce's motion to sever specifically requested that judgment against "Pletta be made final." In any event, the finality of an order does not depend on the parties' subjective beliefs about the order's finality. See id. If finality was determined based upon the parties' subjective beliefs, a final judgment prior to trial on the merits would be hard to come by as the losing party could always challenge appellate jurisdiction based on a subjective belief about the finality of the order. See id. at 196 ("A party who is uncertain whether a judgment is final must err on the side of appealing or risk losing the right to appeal."). This is not the law. See id. at 195-206 (discussing "obscure" origins of and clarifying general rule that appeal may be taken only from final judgment). We therefore conclude that the final judgment in this case is the court's May 7 sanctions order, which was made final and appealable when the court signed the severance order on July 24.

Pletta did not file a notice of appeal within thirty days after the court signed the severance order. Neither party filed a timely motion that could extend the appellate deadline to ninety days after judgment was signed. *See* TEX. R. APP. P. 26.1; TEX. R. CIV. P. 329b(a), (g). Pletta filed his notice of appeal on December 2, more than four months after the county court signed the judgment. Because Pletta did not timely perfect his appeal challenging the final judgment in this case, we lack jurisdiction to review it. *See* TEX. R. APP. P. 25.1, 26.1; *In re K.L.L.*, 506 S.W.3d at 560.

3. September 5 Order Granting Motion to Enter Final Judgment

We must also determine whether the September 5 order was appealable because Pletta specifically listed that order in his notice of appeal. This order cannot be a final order because there can only be one final judgment in a case, which we have already determined was the severed sanctions order. See TEX. R. CIV. P. 301; Lehmann, 39 S.W.3d at 192; Offord, 2018 WL 1866044, at *2. Thus, the September 5 order is a post-judgment order, which we generally lack jurisdiction to review. See Sunnyland Dev., Inc. v. Shawn Ibrahim, Inc., 597 S.W.3d 1, 2 (Tex. App.-Houston [1st Dist.] 2020, no pet.) ("Most post-judgment orders made to carry into effect or enforce a judgment are not appealable because these orders are not themselves a final judgment or an order for which appeal is statutorily authorized."). Pletta offers no argument or authority showing this Court's jurisdiction to review such a postjudgment order. We therefore conclude that we lack jurisdiction to review the September 5 order purporting to enter final judgment.

Commerce argues that the September 5 order is "superfluous and beyond the trial court's plenary power." But orders issued by a court without plenary power are void, not merely superfluous. *Tesco Am.*, 221 S.W.3d at 556; *Akinwamide*, 499 S.W.3d at 520. After the court signed the severance order on July 24, which finalized the prior sanctions order, neither party filed a motion for new trial or to modify, correct, or reform the judgment within thirty days to extend the court's plenary power. *See* TEX. R. CIV. P. 329b(a), (c), (e), (g); *Martin*, 176 S.W.3d at 392. Thus, the court's plenary power—its jurisdiction to act—expired on August 23, 2019.

On August 30, after the court's plenary power expired, Commerce filed the motion for entry of final judgment. Even if we construe Commerce's motion as a motion to modify the judgment, it was not timely filed within thirty days of the July 24 severance order and therefore did not extend the court's plenary power. *See* TEX. R. CIV. P. 329b(g). The court lost jurisdiction to act in the case after August 23 and therefore had no authority to enter the September 5 order purporting to rule on Commerce's motion and enter final judgment. *See* TEX. R. CIV. P. 329b(d); *Akinwamide*, 499 S.W.3d at 520. Accordingly, we conclude that the court's September 5 order is void. *See Tesco Am.*, 221 S.W.3d at 556; *Akinwamide*, 499 S.W.3d at 520; *see also Freedom Commercins*, 372 S.W.3d at 623–24 (stating that appellate courts have jurisdiction to determine whether order is void but not to consider merits of challenge to void order).

In sum, the final judgment in this severed case is the May 7 sanctions order against Pletta, which became final and appealable when the county court subsequently signed the severance order on July 24. Pletta did not timely perfect an appeal from the final judgment. Moreover, the court's plenary power expired thirty days after it signed the severance order. The court therefore lacked jurisdiction to enter the order on September 5, and thus the September 5 order is void. We therefore hold that we lack jurisdiction to consider the merits of Pletta's issues on appeal.

Conclusion

We dismiss the appeal for want of jurisdiction.

April L. Farris Justice

Panel consists of Justices Kelly, Guerra, and Farris.