

UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF
CALIFORNIA

Hunter v. Brenneman

No. 2:22-cv-1141 DJC CKD (PC) (E.D. Cal. June 6, 2025) (findings and recommendations) · No. No. 2:22-cv-1141 DJC CKD (PC) · Decided June 6, 2025

SUMMARY

The document contains findings and recommendations concerning enforcement of an oral settlement agreement in a prisoner civil-rights action. The magistrate judge recommends denying the plaintiff’s motion to enforce the agreement and granting in part the defendants’ counter-motion, finding that the settlement is enforceable despite the plaintiff’s failure to sign the written agreement. It recommends dismissal with prejudice, payment of the settlement proceeds after satisfaction of identified liens, and retention of limited jurisdiction to ensure compliance.

CASE DETAILS

COURT	United States District Court for the Eastern District of California
WRITING FOR THE COURT	Allison Claire
JURISDICTION	United States District Court for the Eastern District of California
DECIDED	June 6, 2025
DOCKET	No. 2:22-cv-1141 DJC CKD (PC)
DISPOSITION	other
PROCEDURAL POSTURE	Magistrate judge issued findings and recommendations on plaintiff's motion to enforce an oral settlement agreement and defendants' counter-motion to compel execution of a written settlement agreement.
STANDARD OF REVIEW	The settlement-enforcement standards require the moving party to establish formation of a legally enforceable agreement; when material terms and assent are placed on the record, an evidentiary hearing is unnecessary.
PRECEDENTIAL VALUE	Nonprecedential magistrate judge findings and recommendations; persuasive only unless adopted by the district judge.
PARTIES	Brandon Eugene Hunter v. Brenneman, et al.

TOPICS

contract formation

contract interpretation

breach of contract

remedies

civil procedure

PRACTICE AREAS

civil procedure

contracts

prisoner civil rights

remedies

QUESTIONS PRESENTED

1. Whether the parties formed an enforceable oral settlement agreement when its material terms and assent were placed on the record.
2. Whether the proposed written settlement agreement accurately reflected the oral settlement terms.
3. Whether plaintiff was entitled to enforcement on different terms, prejudgment or post-judgment interest, or an order compelling defendants to pay additional amounts.
4. Whether the settlement could be enforced and the action dismissed despite plaintiff's failure to sign the written agreement.
5. Whether the court could compel plaintiff to execute the written settlement agreement.

HOLDINGS

1. The parties formed a legally enforceable oral settlement agreement because the material terms and their assent were placed on the record during the settlement conference.
2. The proposed written settlement agreement fully accorded with the oral settlement and did not add terms having an unanticipated negative effect on plaintiff.
3. Defendants did not breach the settlement agreement.
4. Plaintiff was not entitled to prejudgment or post-judgment interest because interest was not part of the settlement, was not contemplated, and had no applicable legal basis on the record.
5. The settlement agreement was enforceable notwithstanding plaintiff's failure to execute the written document, and the action should be dismissed with prejudice pursuant to the agreement.
6. The court should not compel plaintiff to sign the written agreement because it was unaware of authority permitting that remedy; enforcement of the already binding agreement was sufficient.

KEY QUOTATIONS

"A district court has the inherent power to enforce a complete settlement agreement entered into while the litigation is pending before it." (at 2)

"The Agreement is enforceable notwithstanding plaintiff's failure to sign, and the appropriate remedy is simply enforcement of its terms—including dismissal of the lawsuit and payment by defendants." (at 6)

FACTUAL BACKGROUND

At a settlement conference, the parties agreed that defendants would pay \$6,500 in exchange for dismissal of the action and a broad release. The agreement included payment of identified liens from the settlement proceeds, documentation of lien satisfaction, and mailing the remaining funds to plaintiff's designated aunt. After

defendants prepared a written agreement reflecting those terms and an updated lien amount, plaintiff refused to sign, alleged that defendants had breached or altered the oral agreement, and sought enforcement and interest.

PROCEDURAL HISTORY

The parties reached an oral settlement during a February 13, 2025 settlement conference in this prisoner civil-rights action. Plaintiff moved for entry of judgment, alleging breach of the settlement and seeking enforcement on terms different from defendants' proposed written agreement; defendants counter-moved to compel plaintiff to sign the agreement. The magistrate judge recommended denying plaintiff's motion, granting defendants' motion in part, enforcing the oral settlement and consistent written terms despite plaintiff's failure to sign, dismissing the action with prejudice, and retaining limited jurisdiction to ensure payment obligations were satisfied.

DISPOSITION

other

CASES CITED

- In re City of Equities Anaheim, Ltd., 22 F.3d 954, 957 (9th Cir. 1995)
- Callie v. Near, 829 F.2d 888, 890 (9th Cir. 1987)
- Doi v. Halekulani Corp., 276 F.3d 1131, 1138-40 (9th Cir. 2002)
- In re Andreyev, 313 B.R. 302, 305 (B.A.P. 9th Cir. 2004)
- Lynch, Inc. v. SamataMason, Inc., 279 F.3d 487, 490-92 (7th Cir. 2002)
- Shah v. United States, 878 F.2d 1156, 1159 (9th Cir. 1989)
- Jeff D. v. Andrus, 899 F.2d 753, 759 (9th Cir. 1990)
- United Commercial Ins. Serv., Inc. v. Paymaster Corp., 962 F.2d 853, 856 (9th Cir. 1992)
- Harrop v. West. Airlines, Inc., 550 F.2d 1143, 1145 (9th Cir. 1977)
- Lopez v. Charles Schwab & Co., Inc., 118 Cal. App. 4th 1224 (2004)
- Weddington Prod., Inc. v. Flick, 60 Cal. App. 4th 793 (1998)
- Adams v. John-Manville Corp., 876 F.2d 702, 710 (9th Cir. 1989)
- Air Separation, Inc. v. Underwriters at Lloyds of London, 45 F.3d 288, 290 (9th Cir. 1995)
- Martinez v. Ylst, 951 F.2d 1153 (9th Cir. 1991)

OPINION

1 2 3 4 5 6 7 8 UNITED STATES DISTRICT COURT 9 FOR THE EASTERN DISTRICT OF
CALIFORNIA 10 11 BRANDON EUGENE HUNTER, No. 2:22-cv-1141 DJC CKD (PC) 12
Plaintiff, 13 v. FINDINGS AND RECOMMENDATIONS 14 BRENNEMAN, et al., 15
Defendants. 16 17 The undersigned conducted a settlement conference in this prisoner civil rights
case on 18 February 13, 2025, and the case settled.

ECF No. 57. The material terms of the agreement were 19 summarized on the record, ECF No. 58 & 59, and the parties were given 30 days to file 20 dispositional documents. That deadline has twice been extended, and dispositional documents 21 have not been filed. Plaintiff has now filed a Motion for Entry of Judgment, ECF No. 70, which 22 accuses defendants of breach of contract and seeks court enforcement of the settlement agreement 23 on terms different than those included in the proposed written agreement drafted by defense 24 counsel.

Defendants have opposed plaintiff's motion, and bring a counter-motion to compel 25 plaintiff to execute the settlement agreement as drafted. ECF No. 71. For the reasons explained 26 below, the undersigned recommends that plaintiff's motion be denied and that defendants' motion 27 be granted in part and denied in part. 28 /// 1 I. BACKGROUND 2 The parties agreed at the settlement conference that in exchange for a payment of 3 \$6,500.00, plaintiff would dismiss this lawsuit and release all defendants known and unknown 4 from liability on all claims known and unknown arising from the facts alleged in the complaint.

5 The material terms, which were confirmed by the parties on the record, included the following: 6 Mr. Hunter understands that it is a material condition of this settlement that he acknowledges the County's independent legal 7 obligation to satisfy liens that have been identified by the California Department of Resource Recovery. Defendant believes the lien 8 obligation to be in the neighborhood of \$1900 and Mr. Hunter understands that whatever the lien balance is the County must satisfy 9 it prior to disbursing the remainder of the settlement amount, which will be in the form of a check made out to Mr. Hunter and sent to his 10 aunt, Darlene Hunter.

11 Defendants have agreed to obtain whatever documentation is reasonably available from the Department of Revenue Recovery 12 regarding the source of these liens and provide copies to Mr. Hunter. Defendant will also provide proof of satisfaction of the liens on Mr. 13 Hunter's behalf to include a copy of the check and a copy of the cover letter identifying Mr. Hunter's liens as the subject of that check.

14 15 ECF No. 59 (transcript) at 2. 16 In addition to confirming his agreement to these terms, Mr. Hunter made a record of the 17 fact—which had been discussed at length during the course of the settlement conference—that he 18 disputes the validity and/or amount of the debt(s) on which the referenced liens are based. Id. at 19 4. He acknowledged that he would take that issue up directly with the Department of Revenue 20 Recovery “and any entities or agencies that they might identify to you as being the source of the 21 debt,” independently of the settlement agreement and “after the fact” of the County's satisfaction 22 of the liens.

Id. at 4-5. He affirmed his understanding that “the County has to pay whatever liens 23 Revenue Recovery says you have out of the [\$]6500 before cutting you a check for the 24 remainder[.]” Id. 25 After the settlement conference, defendants sent plaintiff a Settlement Agreement for 26 signature. Defendants had determined that the lien amount, according to the Department of 27

Recovery, was \$1,139.98 rather than the previous estimate of \$1,900.00, and the Agreement 28 stated the lower figure as the amount to be paid out of the settlement proceeds.

Plaintiff later 1 requested that his check be sent to a different aunt, and the Agreement has been updated to make 2 that change. Plaintiff requested certain other modification to the Agreement's language, which 3 also resulted in non-substantive edits.

The current version of the still unexecuted Settlement 4 Agreement is at ECF No. 71-1 (Declaration of Matthew R. Mendoza) at pp. 29-33. 5 In his Motion for Entry of Judgment to Enforce the Settlement Agreement, plaintiff 6 alleges that defendants have breached their oral settlement agreement in numerous ways: they 7 were late in sending him paperwork for signature, failed to provide a W-9 form, failed to ensure 8 the written Agreement was executed within 7 days, changed the amount of the liens to be paid 9 from the settlement proceeds, and changed (unspecified) material terms other than the details of 10 the release of liability.

ECF No. 70 at 4-5. As a result, plaintiff explains that he will not sign any 11 document provided to him by defendants because he believes that are trying to deceive him and 12 insert terms that are beyond the scope of the agreement and unfavorable to him. Id. at 5-6. 13 Plaintiff complains further that he has not received the proceeds of the settlement, and that 14 defendants have neither satisfied his liens nor provided proof of satisfaction as required.

Id. at 6. 15 In addition to asking the court to enforce the oral agreement of February 13, 2025, plaintiff seeks 16 pre- and post-judgment interest. Id. at 8. 17 Defendants oppose plaintiff's motion, deny any breach, and argue that any confusing 18 language in the current version of the Agreement is the result of changes made at plaintiff's 19 insistence. ECF No. 71 at 5-6 and passim.

They ask the court to compel plaintiff to sign the 20 written agreement. Id. at 5. 21 II. STANDARDS 22 A district court has the inherent power to enforce a complete settlement agreement entered 23 into while the litigation is pending before it.

In re City of Equities Anaheim, Ltd., 22 F.3d 954, 24 957 (9th Cir. 1995); Callie v. Near, 829 F.2d 888, 890 (9th Cir. 1987). This enforcement power 25 extends to oral agreements. Doi v. Halekulani Corp., 276 F.3d 1131, 1138 (9th Cir. 2002).

The 26 moving party has the burden of demonstrating that the parties formed a legally enforceable 27 settlement agreement. In re Andreyev, 313 B.R. 302, 305 (B.A.P. 9th Cir. 2004) (citing 15A Am. 28 Jur. 2d Compromise and Settlement § 57 (2000)). Where the material terms of an agreement and 1 the parties' assent to such terms is placed on the record, an evidentiary hearing is unnecessary.

2 Doi, 276 F.3d at 1139-40. The recollection of the judge conducting the settlement conference can
3 also support a finding of an enforceable agreement without an evidentiary hearing. *Lynch, Inc. v.*
4 *SamataMason, Inc.*, 279 F.3d 487, 490-92 (7th Cir. 2002) (judge may rely on recollections to
find 5 enforceable agreement when agreement is not on record); see also *Shah v. United States*,
878 6 F.2d 1156, 1159 (9th Cir.

1989) (judge may rely on own notes and recollection of plea hearing 7 and sentencing process to
supplement record without an evidentiary hearing). 8 “The construction and enforcement of
settlement agreements are governed by principles 9 of local law which apply to interpretation of
contracts generally.” *Jeff D. v. Andrus*, 899 F.2d 10 753, 759 (9th. Cir. 1989).

Therefore, even though the underlying cause of action presented in this 11 litigation is based upon
a federal statute, this court applies California law regarding the formation 12 and interpretation of
contracts in determining whether a legally enforceable settlement agreement 13 was reached.
United Commercial Ins. Serv., Inc. v. Paymaster Corp., 962 F.2d 853, 856 (9th Cir.

14 1992); see also *Harrop v. West. Airlines, Inc.*, 550 F.2d 1143, 1145 (9th Cir. 1977) (applying 15
California law). 16 In California, oral settlement agreements made before the court and oral
contracts are 17 enforceable. Cal. Civ. Proc. Code § 664.6; Cal. Civ. Code § 1622. “The essential
elements of a 18 contract are: [1] parties capable of contracting; [2] the parties’ consent; [3] a
lawful object; and 19 [4] sufficient cause or consideration.” *Lopez v. Charles Schwab & Co., Inc.*,
118 Cal. App.

4th 20 1224 (2004) (citing Cal. Civ. Code § 1550). “Mutual assent usually is manifested by an
offer 21 communicated to the offeree and an acceptance communicated to the offeror.” *Id.* (citing
Cal. 22 Civ. Code § 1565).

The existence of mutual consent is determined by objective criteria; the 23 “parties’ outward
manifestations must show that the parties all agreed ‘upon the same thing in the 24 same sense.’”
Weddington Prod., Inc., v. Flick, 60 Cal. App. 4th 793 (1998) (quoting Cal. Civ. 25 Code § 1580).
26 III. DISCUSSION 27 The undersigned has reviewed the most recent version of the Settlement
Agreement 28 drafted by defense counsel, ECF No. 71-1 at 29-33, and finds that it fully accords
with the oral 1 agreement placed on the record and with the understanding of the parties during the
course of the 2 settlement conference.

No terms have been inserted that could have an unanticipated negative 3 effect on plaintiff. The
agreement requires defendants to pay off liens, in the amount specified by 4 the Department of
Revenue Recovery, from the \$6500 settlement proceeds and thereafter to 5 provide the balance to
plaintiff by check mailed to Epifania Marshall.

The difference in the 6 specified amount of the liens lies in plaintiff’s favor, and in any event it
was made clear at the 7 settlement conference that the estimated lien amount was subject to

adjustment. The liens have not yet been satisfied nor the settlement proceeds dispersed because plaintiff has not signed the Settlement Agreement. Judge Delaney granted extensions of the deadlines originally set by the undersigned.

For all these reasons, the court finds that there has been no breach by defendants. To the extent if any that plaintiff challenges the language of Paragraph 16 (“Liens”), ECF 12 No. 71-1 at 32, the court provides the following clarification. That “[t]he Defendants are not responsible for any liens” and that plaintiff “is responsible for any and all liens” means that liens must be paid out of plaintiff’s funds because he is the responsible party.

This is consistent with Paragraphs 6 and 7, *id.* at 30, which respectively set forth defendant’s obligation to ensure satisfaction of a specific lien from the settlement proceeds, and the process by which the settlement proceeds will be divided and issued to the Sacramento County Department of Revenue and to plaintiff.

In other words, defendants are responsible for the distribution of plaintiff’s settlement funds, including to the Department of Revenue, but not for the debt itself. That is the arrangement agreed to at the settlement conference. Plaintiff’s contention that he is entitled to interest on the settlement amount has been previously presented and was rejected by Judge Delaney.

ECF No. 68. Interest was not part of the settlement agreement, was never contemplated in this case, and has no legal basis.¹ Plaintiff cites *Adams v. John-Manville Corp.*, 876 F.2d 702, 710 (9th Cir. 1989); *Air Separation, Inc. v. Underwriters at Lloyds of London*, 45 F.3d 288, 290 (9th Cir. 1995); and Cal. Civ. Code § 26 3289(b). ECF No. 70 at 8. None of these authorities apply here.

Adams affirmed the grant of prejudgment interest as a form of compensatory damages, after defendants had wrongfully failed to pay disputed settlement amounts the district court found were owed to asbestos personal injury plaintiffs. *Air Separation* reversed the district court’s denial of post-judgment interest where an insurance company had wrongfully failed to pay a covered claim.

Cal. Civ. Code § 1 For all these reasons, plaintiff’s motion should be denied. Because the unexecuted written agreement at ECF No. 71-1, pp. 29-33, is fully consistent with the oral agreement, its terms should be adopted by the court as requested by defendants.

As for the remedy proposed in defendants’ counter-motion, however, the court is unaware of any authority that has to “compel” plaintiff to sign anything. The Agreement is enforceable notwithstanding plaintiff’s failure to sign, and the appropriate remedy is simply enforcement of its terms—including dismissal of the lawsuit and payment by defendants.

See Doi, supra, 276 F.3d 1131 (affirming 8 district court's enforcement of settlement agreement reached orally at court settlement conference 9 and affirmed on the record, and dismissal of case pursuant to that agreement, after plaintiff 10 refused to sign written agreement). 11 The record now reflects that plaintiff has provided defense counsel with a completed W-9 12 form, ECF No. 71 at 9, and the mailing address for delivery of the check, ECF No. 70 at 9.

13 Accordingly, should the district judge adopt these Findings and Recommendations and dismiss 14 the case pursuant to the Agreement, there will be no barrier to processing of the settlement 15 proceeds. It will be recommended that defendants be ordered to satisfy plaintiff's lien, provide to 16 plaintiff documentation of such satisfaction, and mail a check for the balance of the settlement 17 proceeds to plaintiff's aunt, all as provided in the Agreement, within 14 days of entry of 18 judgment.

It will be further recommended that the undersigned settlement judge retain 19 jurisdiction for the sole purpose of ensuring that these obligations are satisfied. 20 CONCLUSION 21 Accordingly, it is HEREBY RECOMMENDED that: 22 1. Plaintiff's Motion for Entry of Judgment (ECF No. 70) be DENIED; 23 2. Defendants' Counter-Motion to Compel Plaintiff to Execute Settlement Agreement (ECF 24 No. 71) be GRANTED IN PART by issuance of an order providing that: 25 a. The agreement of February 13, 2025, is fully enforceable as stated on the record (ECF 26 27 3289(b) provides for interest on judgements for damages in breach of contract cases.

In this case has there been no breach of contract by defendants, or other circumstances that would make these 28 authorities applicable. 1 No. 59) and as set forth by defendants at ECF No. 71-1 pp. 29-33, notwithstanding 2 plaintiff's failure to sign the written document; 3 b. This action is DISMISSED with prejudice pursuant to the Agreement; 4 c. Defendants shall, within 14 days of entry of judgment, comply with its obligations 5 under Paragraph 7 (ECF No. 71-1 at 30) regarding payment of funds.

The settlement 6 judge may extend this deadline only for good cause shown; 7 d. Defendants shall file a notice of satisfaction of the Agreement promptly upon 8 compliance with their payment obligations; 9 e. The settlement judge shall retain jurisdiction for the sole purpose of ensuring that 10 defendants satisfy their payment obligations under the Agreement.

11 These findings and recommendations are submitted to the United States District Judge 12 || assigned to the case, pursuant to the provisions of 28 U.S.C. § 636(b)(1). Within fourteen days 13 || after being served with these findings and recommendations, any party may file written 14 || objections with the court and serve a copy on all parties. Such a document should be captioned 15 || "Objections to Magistrate Judge's Findings and Recommendations." Any response to the 16 || objections shall be served and filed within fourteen days after service of the objections.

The 17 || parties are advised that failure to file objections within the specified time may waive the
right to 18 || appeal the District Court's order. Martinez v. YIst, 951 F.2d 1153 (9th Cir. 1991). 19 |
DATED: June 6, 2025 * 20 Htttenr— Lhor—e_ ALLISON CLAIRE 21 UNITED STATES
MAGISTRATE JUDGE 22 23 24 25 26 27 28

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