

UNITED STATES BANKRUPTCY COURT Eastern District of California Honorable Jennifer E. Niemann Hearing Date: Wednesday, March 26, 2025 Department A - Courtroom #11 Fresno, California

Unless otherwise ordered, all matters before the Honorable Jennifer E. Niemann shall be simultaneously: (1) In Person at, Courtroom #11 (Fresno hearings only), (2) via ZoomGov Video, (3) via ZoomGov Telephone, and (4) via CourtCall. You may choose any of these options unless otherwise ordered or stated below.

All parties who wish to appear at a hearing remotely must sign up by 4:00 p.m. one business day prior to the hearing. Information regarding how to sign up can be found on the Remote Appearances page of our website at https://www.caeb.uscourts.gov/Calendar/CourtAppearances. Each party who has signed up will receive a Zoom link or phone number, meeting I.D., and password via e-mail.

If the deadline to sign up has passed, parties who wish to appear remotely must contact the Courtroom Deputy for the Department holding the hearing.

Please also note the following:

- Parties in interest may connect to the video or audio feed free of charge and should select which method they will use to appear when signing up.
- Members of the public and the press appearing by ZoomGov may only listen in to the hearing using the zoom telephone number. Video appearances are not permitted.
- Members of the public and the press may not listen in to trials or evidentiary hearings, though they may appear in person in most instances.

To appear remotely for law and motion or status conference proceedings, you must comply with the following guidelines and procedures:

- 1. Review the <u>Pre-Hearing Dispositions</u> prior to appearing at the hearing.
- 2. Parties appearing via CourtCall are encouraged to review the CourtCall Appearance Information.

If you are appearing by ZoomGov phone or video, please join at least 10 minutes prior to the start of the calendar and wait with your microphone muted until the matter is called.

Unauthorized Recording is Prohibited: Any recording of a court proceeding held by video or teleconference, including "screen shots" or other audio or visual copying of a hearing is prohibited. Violation may result in sanctions, including removal of court-issued media credentials, denial of entry to future hearings, or any other sanctions deemed necessary by the court. For more information on photographing, recording, or broadcasting Judicial Proceedings, please refer to Local Rule 173(a) of the United States District Court for the Eastern District of California.

INSTRUCTIONS FOR PRE-HEARING DISPOSITIONS

Each matter on this calendar will have one of three possible designations: No Ruling, Tentative Ruling, or Final Ruling. These instructions apply to those designations.

No Ruling: All parties will need to appear at the hearing unless otherwise ordered.

Tentative Ruling: If a matter has been designated as a tentative ruling it will be called, and all parties will need to appear at the hearing unless otherwise ordered. The court may continue the hearing on the matter, set a briefing schedule, or enter other orders appropriate for efficient and proper resolution of the matter. The original moving or objecting party shall give notice of the continued hearing date and the deadlines. The minutes of the hearing will be the court's findings and conclusions.

Final Ruling: Unless otherwise ordered, there will be no hearing on these matters. The final disposition of the matter is set forth in the ruling and it will appear in the minutes. The final ruling may or may not finally adjudicate the matter. If it is finally adjudicated, the minutes constitute the court's findings and conclusions.

Orders: Unless the court specifies in the tentative or final ruling that it will issue an order, the prevailing party shall lodge an order within 14 days of the final hearing on the matter.

THE COURT ENDEAVORS TO PUBLISH ITS RULINGS AS SOON AS POSSIBLE. HOWEVER,

CALENDAR PREPARATION IS ONGOING AND THESE RULINGS MAY BE REVISED OR UPDATED AT

ANY TIME PRIOR TO 4:00 P.M. THE DAY BEFORE THE SCHEDULED HEARINGS. PLEASE CHECK

AT THAT TIME FOR POSSIBLE UPDATES.

1. $\frac{25-10505}{YW-2}$ -A-11 IN RE: WATTS CHOPPING

CONTINUED MOTION TO USE CASH COLLATERAL AND/OR MOTION FOR ADEQUATE PROTECTION $3-4-2025 \quad [21]$

WATTS CHOPPING/MV LEONARD WELSH/ATTY. FOR DBT.

NO RULING.

2. $\frac{24-12709}{BCC-2}$ -A-11 IN RE: KEWEL MUNGER

MOTION FOR COMPENSATION FOR BACHECKI, CROM & CO., LLP, ACCOUNTANT(S) 2-26-2025 [341]

BACHECKI, CROM & CO., LLP/MV RILEY WALTER/ATTY. FOR DBT.

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Granted.

ORDER: The Moving Party shall submit a proposed order in conformance

with the ruling below.

This motion was set for hearing on at least 28 days' notice prior to the hearing date pursuant to Local Rule of Practice ("LBR") 9014-1(f)(1). The failure of creditors, the U.S. Trustee, or any other party in interest to file written opposition at least 14 days prior to the hearing as required by LBR 9014-1(f)(1)(B) may be deemed a waiver of any opposition to the granting of the motion. Cf. Ghazali v. Moran, 46 F.3d 52, 53 (9th Cir. 1995). Further, because the court will not materially alter the relief requested by the moving party, an actual hearing is unnecessary. See Boone v. Burk (In re Eliapo), 468 F.3d 592 (9th Cir. 2006). Therefore, the defaults of the above-mentioned parties in interest are entered and the matter will be resolved without oral argument. Upon default, factual allegations will be taken as true (except those relating to amount of damages). Televideo Sys., Inc. v. Heidenthal, 826 F.2d 915, 917 (9th Cir. 1987). Constitutional due process requires a moving party make a prima facie showing that they are entitled to the relief sought, which the movant has done here.

Bachecki, Crom & Co., LLP ("Movant"), accountants for the debtor and debtor in possession Kewel K. Munger dba Munger Investments ("DIP"), requests allowance of interim compensation and reimbursement for expenses for services rendered from December 1, 2024 through February 15, 2025. Doc. #341. Movant requests allowance of interim compensation in the amount of \$31,001.50 and reimbursement for expenses in the amount of \$22.84. Doc. #341. DIP has no objection to the fees and expenses requested by Movant. Doc. #347. This is Movant's second fee application in this case. The court previously approved a total of \$20,512.10 in interim fees and expenses. Order, Doc. #242.

Section 330(a)(1) of the Bankruptcy Code authorizes "reasonable compensation for actual, necessary services rendered" and "reimbursement for actual, necessary expenses" to a "professional person." 11 U.S.C. § 330(a)(1). In determining the amount of reasonable compensation to be awarded to a professional person, the court shall consider the nature, extent, and value of such services, taking into account all relevant factors. 11 U.S.C. § 330(a)(3).

Movant's services included, without limitation: (1) reviewing and preparing monthly operating reports; (2) preparing liquidation analysis regarding the potential sale of real properties and related entities; (3) preparing reports and related documents regarding various tax issues; and (4) preparing and filing fee application. Decl. of Jay D. Crom, Doc. #343; Ex. B, Doc. #344. The court finds the compensation and reimbursement sought are reasonable, actual, and necessary.

This motion is GRANTED. The court allows interim compensation in the amount of \$31,001.50 and reimbursement of expenses in the amount of \$22.84. Movant is allowed interim fees and costs pursuant to 11 U.S.C. § 331, subject to final review and allowance pursuant to 11 U.S.C. § 330. Such allowed amounts shall be perfected, and may be adjusted, by a final application for allowance of compensation and reimbursement of expenses, which shall be filed prior to case closure. Movant may draw on any retainer held. DIP is authorized to pay the fees allowed by this order from available funds only if the estate is administratively solvent and such payment will be consistent with the priorities of the Bankruptcy Code.

3. $\frac{24-12709}{\text{WJH}-27}$ -A-11 IN RE: KEWEL MUNGER

MOTION FOR COMPENSATION BY THE LAW OFFICE OF WANGER JONES HELSLEY FOR RILEY C. WALTER, DEBTORS ATTORNEY(S) 2-26-2025 [336]

RILEY WALTER/ATTY. FOR DBT.

TENTATIVE RULING: This matter will proceed as scheduled.

DISPOSITION: Granted in part, the fee request will be reduced by

\$3,100.60 and the expense award will be reduced by

\$34.00.

ORDER: The minutes of the hearing will be the court's findings

and conclusions. The Moving Party shall submit a proposed

order after hearing.

This motion was set for hearing on at least 28 days' notice prior to the hearing date pursuant to Local Rule of Practice ("LBR") 9014-1(f)(1). The United States Trustee ("UST") filed a written status statement on March 11, 2025. Doc. #354. The failure of creditors or any other party in interest to file written opposition at least 14 days prior to the hearing as required by LBR 9014-1(f)(1)(B) may be deemed a waiver of any opposition to the granting of the motion. Cf. Ghazali v. Moran, 46 F.3d 52, 53 (9th Cir. 1995). Therefore, the defaults of the non-responding parties in interest are entered.

Wanger Jones Helsley ("Movant"), general bankruptcy counsel for the debtor and debtor in possession Kewel K. Munger dba Munger Investments ("DIP"), requests allowance of interim compensation in the amount of \$186,904.50 and reimbursement for expenses in the amount of \$1,055.81 for services rendered

from December 1, 2024 through February 15, 2025. Doc. #336. DIP has no objection to the fees and expenses requested by Movant. Doc. #346. This is Movant's second fee application in this case. The court previously approved a total of \$159,743.63 in interim fees and expenses. Order, Doc. #247.

Section 330(a)(1) of the Bankruptcy Code authorizes "reasonable compensation for actual, necessary services rendered" and "reimbursement for actual, necessary expenses" to a professional person. 11 U.S.C. § 330(a)(1). In determining the amount of reasonable compensation to be awarded to counsel, the court shall consider the nature, extent, and value of such services, taking into account all relevant factors. 11 U.S.C. § 330(a)(3).

Movant's services included, without limitation: (1) preparing and filing motion to assume various leases; (2) reviewing motion to dismiss case and filing opposition; (3) preparing and filing motion for relief from the automatic stay and/or adequate protection; (4) correspondence with various parties regarding proofs of claim; (5) preparing and revising confidentiality agreement regarding proposed sale of real estate and broker agreements; (6) reviewing new listing agreement and rewriting motion to employ replacement broker; (7) preparing monthly operating reports; (8) filing various employment applications for professionals needed to assist in this case; (9) researching, analyzing and addressing issues related to the turnover of estate property; (10) addressing the pending adversary proceeding; (11) providing general case administration; and (12) preparing and filing fee and employment applications. Decl. of Riley C. Walter, Doc. #338; Ex. A & B, Doc. #339. The court finds the compensation and reimbursement sought by Movant to be reasonable, actual, and necessary.

UST filed a status statement with respect to the application for payment of interim fees to Movant. Doc. #354. In the statement, UST identified a total of \$3,100.60 in objectionable fees as follows:

- (1) Block Billing in the amount of \$1,439.60; and
- (2) Motion to Extend Exclusivity Fees in the amount of \$1,661.00.

<u>Id.</u> In addition, UST identified \$34.00 in expenses related to a stale expense incurred prior to the period covered by this fee application. <u>Id.</u> UST communicated these issues to Movant, and Movant has informed UST that Movant agrees to reduce its fee request by \$3,100.60 and expenses reimbursement request by \$34.00. Id.

Accordingly, this motion will GRANTED on an interim basis with the fees and expenses to be reduced in the amount agreed to by Movant. The court will authorize the interim compensation in the reduced amount of \$183,803.90 and reimbursement for expenses in the reduced amount of \$1,021.81, for a total combined payment of \$184,825.71 for services rendered from December 1, 2024 through February 15, 2025. Movant is allowed interim fees and costs pursuant to 11 U.S.C. § 331, subject to final review and allowance pursuant to 11 U.S.C. § 330. Such allowed amounts shall be perfected, and may be adjusted, by a final application for allowance of compensation and reimbursement of expenses, which shall be filed prior to case closure. Movant may draw on any retainer held. DIP is authorized to pay the fees allowed by this order from available funds only if the estate is administratively solvent and such payment will be consisted with the priorities of the Bankruptcy Code.

4. $\frac{24-11967}{CAE-1}$ IN RE: LA HACIENDA MOBILE ESTATES, LLC

CONTINUED STATUS CONFERENCE RE: CHAPTER 11 VOLUNTARY PETITION 5-9-2024 [1]

GREGORY TAYLOR/ATTY. FOR DBT.

NO RULING.

5. $\frac{24-11967}{OHS-3}$ -A-11 IN RE: LA HACIENDA MOBILE ESTATES, LLC

CONTINUED MOTION FOR RELIEF FROM AUTOMATIC STAY 8-30-2024 [224]

TRAILS END UNITED FOR CHANGE/MV GREGORY TAYLOR/ATTY. FOR DBT. MARC LEVINSON/ATTY. FOR MV.

NO RULING.

6. $\frac{24-13373}{CAE-1}$ -A-11 IN RE: HILLER AIRCRAFT CORPORATION

CONTINUED STATUS CONFERENCE RE: CHAPTER 11 VOLUNTARY PETITION 11-21-2024 [1]

LEONARD WELSH/ATTY. FOR DBT.

NO RULING.

7. $\frac{25-10074}{FW-2}$ -A-12 IN RE: CAPITAL FARMS, INC

CONTINUED MOTION TO USE CASH COLLATERAL 1-13-2025 [6]

CAPITAL FARMS, INC./MV PETER FEAR/ATTY. FOR DBT.

TENTATIVE RULING: This matter will proceed as scheduled.

DISPOSITION: Granted on an interim basis through April 23, 2025.

ORDER: The minutes of the hearing will be the court's findings and conclusions. The Moving Party shall submit a proposed

order after the hearing.

This motion was set for hearing pursuant to an interim order authorizing use of cash collateral ("Interim Order"). Doc. #110. The motion was heard initially on January 16, 2025, and again on January 22, 2025, February 12, 2025, and March 6, 2025, and was granted on an interim basis on January 22, 2025,

February 12, 2025, and March 6, 2025. <u>See</u> Doc. ##17, 51, 79, 110. A further hearing on use of cash collateral was set for March 26, 2025. Interim Order, Doc. #110. The Interim Order provided that the debtor may file and serve any supplemental documents, which may include a revised budget, on or before March 19, 2025. Id.

On March 19, 2025, the debtor filed a supplemental budget for use of cash collateral from March 27, 2025 through April 23, 2025. Doc. #119. Because the request authorizing continued use of cash collateral was set on less than 28 days' notice, opposition to the continued use of cash collateral may be raised at the hearing. Unless opposition is presented at the hearing, the court intends to enter the respondents' defaults and grant continued use of cash collateral on an interim basis through April 23, 2025. If opposition is presented at the hearing, the court will consider the opposition and whether further hearing is proper. The court will issue an order if a further hearing is necessary.

Capital Farms, Inc. ("DIP" or "Debtor"), moves the court for an interim order authorizing Debtor to use the cash collateral of Tech Ag Financial Group, Inc. and Rabo AgriFinance LLC (together, "Lenders") for the period March 27, 2025 through April 23, 2025 subject to a proposed budget. Doc. #119. Debtor asserts Lenders hold duly perfected security interests in nearly all of Debtor's cash collateral. Motion, Doc. #6; Stip., Doc. #77.

Pursuant to 11 U.S.C. § 363, a debtor in possession can use property of the estate that is cash collateral by obtaining either the consent of each entity that has an interest in such cash collateral or court authorization after notice and a hearing. 11 U.S.C. § 363(c)(2). "The primary concern of the court in determining whether cash collateral may be used is whether the secured creditors are adequately protected." In re Plaza Family P'ship, 95 B.R. 166 (E.D. Cal. 1989) (citing 11 U.S.C. § 363(e)). Bankruptcy Code § 1205(b) requires DIP to provide adequate protection to the secured creditors for DIP's use of cash collateral for any decrease in the value of the secured creditors' interest in the accounts receivable due to DIP's use of cash collateral.

DIP moves the court for an interim order authorizing DIP to use cash collateral through April 23, 2025, consistent with the budget filed as Doc. #119. DIP seeks authority to use cash collateral from Debtor's 2024 almond crop in the total amount of \$470,920.48 for that period. Doc. #119.

DIP operates several almond farms on leased property. DIP seeks court authorization to use cash collateral from its 2024 almond crop, including payments on crop insurance, to pay expenses needed to grow its 2025 almond crop. As adequate protection for DIP's use of cash collateral, DIP will grant a replacement lien on incoming cash collateral to the extent cash collateral actually used. Motion, Doc. #6; Stip., Doc. #77. The evidence filed in support of the motion shows that the projected value of future payments for the 2024 crop for the period March 27, 2025 through April 23, 2025 will be sufficient to support DIP's use of cash collateral.

Accordingly, pending any opposition at the hearing, the motion will be GRANTED on a further interim basis through April 23, 2025, consistent with the budget set forth in Doc. #119. At the hearing, counsel for DIP should be prepared to set a new hearing date for the further use of cash collateral and date to file and serve supplemental pleadings.

8. $\frac{23-12784}{FW-2}$ -A-11 IN RE: KODIAK TRUCKING INC.

FURTHER HEARING RE: MOTION TO USE CASH COLLATERAL 12-15-2023 [7]

KODIAK TRUCKING INC./MV PETER FEAR/ATTY. FOR DBT.

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Dropped from calendar.

NO ORDER REQUIRED.

This motion is most because the debtor's chapter 11 plan was confirmed on February 13, 2025. Doc. #418.

9. $\frac{24-12501}{CAE-1}$ -A-11 IN RE: US JET TRANS INC

CONTINUED STATUS CONFERENCE RE: CHAPTER 11 SUBCHAPTER V VOLUNTARY PETITION 8-27-2024 [1]

DAVID JOHNSTON/ATTY. FOR DBT.

NO RULING.

10. $\frac{24-12501}{UST-1}$ -A-11 IN RE: US JET TRANS INC

CONTINUED MOTION TO DISMISS CASE AND/OR MOTION TO CONVERT CASE FROM CHAPTER 11 TO CHAPTER 7 2-25-2025 [48]

TRACY DAVIS/MV
DAVID JOHNSTON/ATTY. FOR DBT.
MICHAEL FLETCHER/ATTY. FOR MV.

TENTATIVE RULING: This matter will proceed as scheduled.

DISPOSITION: Granted.

ORDER: The minutes of the hearing will be the court's findings and conclusions. The Moving Party shall submit a proposed

order after the hearing.

This motion was filed and served on at least 21 days' notice prior to the hearing date pursuant to Federal Rule of Bankruptcy Procedure ("Rule") 2002 and Local Rule of Practice ("LBR") 9014-1(f)(2) and will proceed as scheduled. Unless opposition is presented at the hearing, the court intends to enter the respondents' defaults, grant the motion if improper notice is waived and dismiss this bankruptcy case. If opposition is presented at the hearing, the court will consider the opposition and whether further hearing is proper

pursuant to LBR 9014-1(f)(2). The court will issue an order if a further hearing is necessary.

Tracy Hope Davis, the United States Trustee for Region 17 ("UST"), moves to dismiss or, alternatively, convert the Subchapter V chapter 11 bankruptcy case of US Jet Trans Inc. ("Debtor") pursuant to 11 U.S.C. § 1112(b). Doc. #48. UST argues that Debtor's bankruptcy case should be dismissed for cause under 11 U.S.C. § 1112(b) because Debtor has failed to: (a) attend the initial and subsequent meetings of creditors; (b) file any monthly operating reports since the bankruptcy case was filed in August 2024; and (c) file a plan of reorganization in the time required by 11 U.S.C. § 1198(b). Id.

Debtor filed this chapter 11 bankruptcy case on August 27, 2024 as a Subchapter V chapter 11 case. Doc. #1. Debtor failed to appear at the initial meeting of creditors held on October 4, 2024. Decl. of Cecilia Jimenez, Doc. #50. Debtor also failed to appear for subsequent meetings of creditors held on October 17, 2024, November 13, 2024, December 18, 2024, and February 19, 2025. Id. A review of the court's docket shows that Debtor has not filed any monthly operating reports in this bankruptcy case.

The deadline for Debtor to file its plan of reorganization was November 25, 2024. 11 U.S.C. § 1189. Instead of filing a plan, on November 25, 2024, Debtor filed a declaration stating that "Debtor is not able to propose a plan in this Subchapter V and intends to file a motion for dismissal of the Chapter 11 case." Singh Decl., Doc. #34. To date, Debtor has not filed a motion to dismiss this bankruptcy case.

Any party in interest, including the debtor, may move to dismiss a chapter 11 bankruptcy case. 11 U.S.C. § 1112(b)(1). After notice and a hearing, the court may dismiss a chapter 11 case for "cause" unless the court finds "unusual circumstances establishing that converting or dismissing the case is not in the best interests of creditors and the estate." 11 U.S.C. § 1112(b)(1), (2).

"Dismissal of a chapter 11 case under 11 U.S.C. § 1112(b) requires a two-step analysis." Moore v. United States Tr. For Region 16 (In re Moore), 583 B.R. 507, 511 (C.D. Cal. 2018). It must first be determined that there is "cause" to act, and it then must be determined that dismissal, rather than conversion to chapter 7, is in the best interests of the creditors and the estate. Id. (citing Nelson v. Meyer (In re Nelson), 343 B.R. 671, 675 (B.A.P. 9th Cir. 2006)). While § 1112(b)(4) of the Bankruptcy Code identifies specific conduct constituting cause, "bankruptcy courts may look beyond 11 U.S.C. § 1112(b)(4) and 'consider other factors as they arise, and to use its equitable powers to reach an appropriate result in individual cases.'" Id. at 512 (quoting Pioneer Liquidating Corp. v. United States Tr. (In re Consol. Pioneer Mortg. Entities), 248 B.R. 368, 375 (B.A.P. 9th Cir. 2000)).

The court finds that cause exists to dismiss Debtor's chapter 11 case because Debtor has: (a) not attended the initial and subsequent meetings of creditors; (b) not filed any monthly operating reports; and (c) failed to file a plan of reorganization in the time required by 11 U.S.C. § 1189(b). Id.

The court also finds that dismissal, rather than conversion to chapter 7, is in the best interests of creditors and the estate. Debtor's bankruptcy petition was filed to prevent the trial of an unlawful detainer case, but the creditor proceeded with the trial, obtained a judgment in the trial and then had the Merced County Sheriff enforce the judgment, which made it impossible for Debtor to continue in business and provide accurate information about its financial affairs. Singh Decl., Doc. #34. Moreover, Debtor has intended to file a motion to dismiss this bankruptcy case since November 2024 and has not yet done so. Id.

Accordingly, pending any opposition being raised at the hearing, the motion will be GRANTED, and this case dismissed.

11. $\underline{22-10416}$ -A-11 IN RE: KR CITRUS, INC., A CALIFORNIA CORPORATION WJH-18

CONTINUED MOTION BY RILEY C. WALTER TO WITHDRAW AS ATTORNEY $1-2-2025 \quad [472]$

KR CITRUS, INC., A CALIFORNIA CORPORATION/MV RILEY WALTER/ATTY. FOR DBT.

TENTATIVE RULING: This matter will proceed as scheduled.

DISPOSITION: Continue to June 25, 2025 at 9:30 a.m.

ORDER: The minutes of the hearing will be the court's findings

and conclusions. The court will issue an order after the

hearing.

Based on the notice of intent filed on March 10, 2025 (Doc. #484) by the moving party, the court intends to continue this motion to June 25, 2025 at 9:30 a.m.

12. $\frac{25-10420}{PK-1}$ -A-11 IN RE: JAMES GRIMES

CONTINUED MOTION FOR RELIEF FROM AUTOMATIC STAY 2-27-2025 [20]

RW BAKERSFIELD PARTNERS, LTD/MV LEONARD WELSH/ATTY. FOR DBT. PATRICK KAVANAGH/ATTY. FOR MV.

TENTATIVE RULING: This matter will proceed as scheduled.

DISPOSITION: Granted.

ORDER: The minutes of the hearing will be the court's findings

and conclusions. The Moving Party shall submit a proposed

order after the hearing.

This motion was filed and served on at least 14 days' notice prior to the hearing date pursuant to Local Rule of Practice ("LBR") 9014-1(f)(2) and will proceed as scheduled. Unless opposition is presented at the hearing, the court intends to enter the respondents' defaults and grant the motion. If opposition is presented at the hearing, the court will consider the opposition and whether further hearing is proper pursuant to LBR 9014-1(f)(2). The court will issue an order if a further hearing is necessary.

The movant, RW Bakersfield Partners, LTD ("Movant"), seeks relief from the automatic stay under 11 U.S.C. § 362(d) with respect to commercial real property located at 9330 Stockdale Highway, Suite 600, Bakersfield, CA 93309 ("Property"). Doc. #20. Movant is the owner of the Property, but James Bruce Grimes ("Debtor") had an interest in the Property at the time of commencing his chapter 11 case stemming from a 10-year office lease agreement between Movant and Debtor. Ex. 1, Doc. #26. According to Debtor, Debtor's wholly owned

corporation, Kern Bone & Joint Specialists, Inc., previously operated from the Property but has relocated its business to a new location and vacated the Property. Doc. ##14, 41. Debtor does not oppose the motion. Doc. #41.

11 U.S.C. \S 362(d)(1) allows the court to grant relief from the stay for cause. "Because there is no clear definition of what constitutes 'cause,' discretionary relief from the stay must be determined on a case by case basis." In re Mac Donald, 755 F.2d 715, 717 (9th Cir. 1985).

After review of the included evidence, the court finds that "cause" exists to lift the stay. Debtor breached the lease agreement with Movant pre-petition by failing to make monthly rental payments. Decl. of Stephen Goodman, Doc. #25; Ex. A, Doc. #26. Pre-petition, on December 30, 2024, Movant commenced an unlawful detainer case in Kern County Superior Court captioned, RW Bakersfield Partners, LTD v. James B. Grimes, Case No. BCL-24-020300. Decl. of Fawn Dessy, Doc. #24; Ex. A, Doc. #26. Pursuant to the unlawful detainer complaint, the outstanding unpaid rent as of December 16, 2024 was \$10,687.68. Ex. A, Doc. #26. Prior to Debtor's bankruptcy case being filed, Movant had obtained an interlocutory judgment for possession by default and had submitted paperwork to the Kern County Sheriff for a lockout to be scheduled. Dessy Decl., Doc. #24. Movant requests relief from the automatic stay to take all actions necessary to obtain possession and enforce of the judgment with Kern County Superior Court, including lockout but not for the enforcement of any money judgment.

Accordingly, the motion will be granted pursuant to 11 U.S.C. § 362(d)(1) to permit Movant to take all actions under applicable non-bankruptcy law to enforce of the judgment with Kern County Superior Court, including lockout but not for the enforcement of any money judgment. No other relief is awarded.

The 14-day stay of Fed. R. Bankr. P. 4001(a)(3) will be ordered waived to permit Movant to enforce the lockout because: (i) it appears Debtor has vacated the Property; (ii) time is of the essence to permit Movant to the ability to re-let the Property; and (iii) Debtor does not contest granting the motion.

13. $\frac{25-10343}{CAE-1}$ -A-12 IN RE: BART FLORES

CONTINUED STATUS CONFERENCE RE: CHAPTER 12 VOLUNTARY PETITION 2-6-2025 [1]

WILEY RAMEY/ATTY. FOR DBT.

NO RULING.

14. $\frac{23-12784}{\text{TPL}-1}$ -A-11 IN RE: KODIAK TRUCKING INC.

CONTINUED MOTION FOR ADMINISTRATIVE EXPENSES 2-12-2025 [410]

ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, LLC/MV PETER FEAR/ATTY. FOR DBT. DAVID KUPETZ/ATTY. FOR MV.

NO RULING.

1. <u>25-10211</u>-A-7 **IN RE: ROCIO RAMIREZ**

CONTINUED PRO SE REAFFIRMATION AGREEMENT WITH TD BANK, N.A. $2-28-2025 \quad [\underline{16}]$

NO RULING.

1. 25-10501-A-7 **IN RE: RACHEL SIEVERS**

ORDER TO SHOW CAUSE - FAILURE TO PAY FEES 3-7-2025 [$\underline{14}$] \$388.00 FILING FEE PAID 3/18/25

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: The order to show cause will be vacated.

ORDER: The court will issue an order.

The record shows that the filing fees now due have been paid.

2. $\frac{25-10406}{\text{SKI}-1}$ IN RE: GUILLERMO RUIZ GUERRERO

MOTION FOR RELIEF FROM AUTOMATIC STAY 2-26-2025 [16]

MECHANICS BANK/MV SCOTT LYONS/ATTY. FOR DBT. SHERYL ITH/ATTY. FOR MV.

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Granted.

ORDER: The Moving Party shall submit a proposed order in conformance

with the ruling below.

This motion was set for hearing on at least 28 days' notice prior to the hearing date as required by Local Rule of Practice ("LBR") 9014-1(f)(1). The failure of creditors, the debtor, the U.S. Trustee, or any other party in interest to file written opposition at least 14 days prior to the hearing as required by LBR 9014-1(f)(1)(B) may be deemed a waiver of any opposition to the granting of the motion. Cf. Ghazali v. Moran, 46 F.3d 52, 53 (9th Cir. 1995). Further, because the court will not materially alter the relief requested by the moving party, an actual hearing is unnecessary. See Boone v. Burk (In re Eliapo), 468 F.3d 592 (9th Cir. 2006). Therefore, the defaults of the abovementioned parties in interest are entered and the matter will be resolved without oral argument. Upon default, factual allegations will be taken as true (except those relating to amount of damages). Televideo Sys., Inc. v. Heidenthal, 826 F.2d 915, 917 (9th Cir. 1987). Constitutional due process requires a movant make a prima facie showing that they are entitled to the relief sought, which the movant has done here.

The movant, Mechanics Bank, a California Banking Corporation ("Movant"), seeks relief from the automatic stay under 11 U.S.C. § 362(d)(1) and (d)(2) with respect to a 2017 Toyota Corolla, VIN: 5YFBURHE9HP600096 ("Vehicle"). Doc. #16.

11 U.S.C. § 362(d)(1) allows the court to grant relief from the stay for cause, including the lack of adequate protection. "Because there is no clear definition of what constitutes 'cause,' discretionary relief from the stay must

be determined on a case by case basis." <u>In re Mac Donald</u>, 755 F.2d 715, 717 (9th Cir. 1985).

11 U.S.C. § 362(d)(2) allows the court to grant relief from the stay if the debtor does not have any equity in such property and such property is not necessary to an effective reorganization.

After review of the included evidence, the court finds that "cause" exists to lift the stay because the debtor has failed to make at least two complete preand post-petition payments. Movant has produced evidence that the debtor is delinquent by at least \$791.36, which includes late fees of \$19.30. Decl. of Michelle Morris, Doc. #21. In addition, Movant does not have proof the Vehicle is insured with Movant named as the loss payee. Id. According to the debtor's Statement of Intention, the Vehicle will be surrendered. Doc. #1.

The court also finds that the debtor does not have any equity in the Vehicle and the Vehicle is not necessary to an effective reorganization because the debtor is in chapter 7. The Vehicle is valued at \$15,025.00 and the debtor owes \$17,348.56. Morris Decl., Doc. #21.

Accordingly, the motion will be granted pursuant to 11 U.S.C. § 362(d)(1) and (d)(2) to permit Movant to dispose of its collateral pursuant to applicable law and to use the proceeds from its disposition to satisfy its claim. No other relief is awarded.

The 14-day stay of Fed. R. Bankr. P. 4001(a)(3) will be ordered waived because the debtor has failed to make at least two pre- and post-petition payments to Movant, the Vehicle is a depreciating asset and there is no proof of insurance.

3. $\frac{24-13414}{SD-1}$ IN RE: FELIPE IBARRA

MOTION FOR RELIEF FROM AUTOMATIC STAY, MOTION/APPLICATION FOR ADEQUATE PROTECTION 2-20-2025 [13]

NEWREZ LLC/MV ROBERT WILLIAMS/ATTY. FOR DBT. SHANNON DOYLE/ATTY. FOR MV.

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Denied without prejudice.

ORDER: The court will issue an order.

The certificate of service filed in connection with this motion shows that the chapter 7 trustee was only served electronically pursuant to Federal Rule of Civil Procedure 5 and Federal Rules of Bankruptcy Procedure ("Rule") 7005 and 9036 Service. Doc. #18. However, Rules 4001(a)(1) and 9014(b) require service of a motion for relief from stay to be made pursuant to Rule 7004. Rule 9036(e) does not permit electronic service when any paper is required to be served in accordance with Rule 7004.

Because the chapter 7 trustee was not served by mail as required by Rule 7004(b)(1), the motion was not served properly on the chapter 7 trustee.

As a further procedural matter, the notice of hearing (Doc. #14) filed in connection with this motion does not comply with LBR 9014-1(d)(3)(B)(i), which requires the notice include the names and addresses of persons who must be served with any opposition. The court encourages counsel to review the local rules to ensure compliance in future matters or those matters may be denied without prejudice for failure to comply with the local rules. The rules can be accessed on the court's website at

Accordingly, this motion is DENIED WITHOUT PREJUDICE for improper service.

4. $\underbrace{24-11545}_{\text{CAD}-1}$ -A-7 IN RE: RIDGELINE CAPITAL INVESTMENTS, LLC

https://www.caeb.uscourts.gov/LocalRulesAndGeneralOrders.

MOTION FOR RELIEF FROM AUTOMATIC STAY 3-4-2025 [231]

ALLSTATE LENDING GROUP SERVICING, LLC/MV MICHAEL TOTARO/ATTY. FOR DBT. CAROLYN DYE/ATTY. FOR MV.

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Denied without prejudice.

ORDER: The court will issue an order.

This matter is DENIED WITHOUT PREJUDICE for improper notice.

Notice by mail of this motion was sent March 4, 2025, with a hearing date set for March 26, 2025. The motion was set for hearing on less than 28 days' notice and is governed by Local Rule of Practice ("LBR") 9014-1(f)(2). Pursuant to LBR 9014-1(f)(2), written opposition was not required, and any opposition may be raised at the hearing. However, the notice of hearing filed with the motion states that opposition must be filed and served no later than fourteen days before the hearing and that failure to file written response may result in the court granting the motion prior to the hearing. Doc. #232. The notice of hearing does not comply with LBR 9014-1(f)(2).

As a further procedural matter, the notice of hearing does not comply with LBR 9014-1(d)(3)(B)(i), which requires the notice include the names and addresses of persons who must be served with any opposition.

As a further procedural matter, the notice of hearing does not comply with LBR 9014-1(d)(3)(B)(iii), which requires the notice to advise respondents that they can determine whether the matter has been resolved without oral argument or whether the court has issued a tentative ruling by viewing the court's website at www.caeb.uscourts.gov after 4:00 p.m. the day before the hearing, and that parties appearing telephonically must view the pre-hearing dispositions prior to the hearing.

The court encourages counsel to review the local rules to ensure compliance in future matters or those matters may be denied without prejudice for failure to comply with the local rules. The rules can be accessed on the court's website at https://www.caeb.uscourts.gov/LocalRulesAndGeneralOrders.

As an informative matter, the movant incorrectly completed Section 6 of the court's mandatory Certificate of Service form. In Section 6, the declarant

marked that service was effectuated by Rule 5 and Rules 7005, 9036 Service. Doc. #236. However, Federal Rules of Bankruptcy Procedure ("Rule") 4001(a)(1) and 9014(b) require service of a motion for relief from stay to be made pursuant to Rule 7004 on both the chapter 7 trustee and the debtor, which was done here. In Section 6, the declarant should have checked the appropriate boxes under both Section 6A and Section 6B.

5. $\underbrace{25-10177}_{\text{EAT}-1}$ -A-7 IN RE: BLANCA CASTILLO

MOTION FOR RELIEF FROM AUTOMATIC STAY 2-21-2025 [25]

BLANCA CASTILLO/MV BLANCA CASTILLO/ATTY. FOR MV.

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Granted.

ORDER: The Moving Party shall submit a proposed order in conformance

with the ruling below.

This motion was set for hearing on at least 28 days' notice prior to the hearing date as required by Local Rule of Practice ("LBR") 9014-1(f)(1). The failure of creditors, the debtor, the U.S. Trustee, or any other party in interest to file written opposition at least 14 days prior to the hearing as required by LBR 9014-1(f)(1)(B) may be deemed a waiver of any opposition to the granting of the motion. Cf. Ghazali v. Moran, 46 F.3d 52, 53 (9th Cir. 1995). Further, because the court will not materially alter the relief requested by the moving party, an actual hearing is unnecessary. See Boone v. Burk (In re Eliapo), 468 F.3d 592 (9th Cir. 2006). Therefore, the defaults of the above-mentioned parties in interest are entered and the matter will be resolved without oral argument. Upon default, factual allegations will be taken as true (except those relating to amount of damages). Televideo Sys., Inc. v. Heidenthal, 826 F.2d 915, 917 (9th Cir. 1987). Constitutional due process requires a movant make a prima facie showing that they are entitled to the relief sought, which the movant has done here.

The movant, The Huntington National Bank ("Movant"), seeks relief from the automatic stay under 11 U.S.C. § 362(d)(1) and (d)(2) with respect to a 2024 Thor Motor Coach Coleman 22CM; VIN: 1HA3GSC74PN004025 ("Vehicle"). Doc. #25.

11 U.S.C. § 362(d)(1) allows the court to grant relief from the stay for cause, including the lack of adequate protection. "Because there is no clear definition of what constitutes 'cause,' discretionary relief from the stay must be determined on a case by case basis." In re Mac Donald, 755 F.2d 715, 717 (9th Cir. 1985).

11 U.S.C. \S 362(d)(2) allows the court to grant relief from the stay if the debtor does not have any equity in such property and such property is not necessary to an effective reorganization.

After review of the included evidence, the court finds that "cause" exists to lift the stay because the debtor has failed to make at least two complete preand post-petition payments. Movant has produced evidence that the debtor is delinquent by at least \$1,871.64. Decl. of Scott Mellinger, Doc. #27.

The court also finds that the debtor does not have any equity in the Vehicle and the Vehicle is not necessary to an effective reorganization because the debtor is in chapter 7. The Vehicle is valued at \$50,000.00 and the debtor owes \$104,603.62. Mellinger Decl., Doc. #27.

Accordingly, the motion will be granted pursuant to 11 U.S.C. § 362(d)(1) and (d)(2) to permit Movant to dispose of its collateral pursuant to applicable law and to use the proceeds from its disposition to satisfy its claim. No other relief is awarded.

The 14-day stay of Fed. R. Bankr. P. 4001(a)(3) will be ordered waived because the debtor has failed to make at least two pre- and post-petition payments to Movant and the Vehicle is a depreciating asset.

6. $\frac{25-10190}{\text{NLG}-1}$ -A-7 IN RE: NOE/MARIA NOYOLA

MOTION FOR RELIEF FROM AUTOMATIC STAY 2-20-2025 [15]

LAKEVIEW LOAN SERVICING, LLC/MV MARK ZIMMERMAN/ATTY. FOR DBT. NICHOLE GLOWIN/ATTY. FOR MV.

FINAL RULING: There will be no hearing on this matter.

DISPOSITION: Granted.

ORDER: The Moving Party shall submit a proposed order in conformance

with the ruling below.

This motion was set for hearing on at least 28 days' notice prior to the hearing date as required by Local Rule of Practice ("LBR") 9014-1(f)(1). The failure of creditors, the debtors, the U.S. Trustee, or any other party in interest to file written opposition at least 14 days prior to the hearing as required by LBR 9014-1(f)(1)(B) may be deemed a waiver of any opposition to the granting of the motion. Cf. Ghazali v. Moran, 46 F.3d 52, 53 (9th Cir. 1995). Further, because the court will not materially alter the relief requested by the moving party, an actual hearing is unnecessary. See Boone v. Burk (In re Eliapo), 468 F.3d 592 (9th Cir. 2006). Therefore, the defaults of the above-mentioned parties in interest are entered and the matter will be resolved without oral argument. Upon default, factual allegations will be taken as true (except those relating to amount of damages). Televideo Sys., Inc. v. Heidenthal, 826 F.2d 915, 917 (9th Cir. 1987). Constitutional due process requires a movant make a prima facie showing that they are entitled to the relief sought, which the movant has done here.

The movant, Lakeview Loan Servicing, LLC ("Movant"), seeks relief from the automatic stay under 11 U.S.C. § 362(d)(1) and (d)(2) with respect to real property located at 165 W. Magnolia Avenue, Hanford, CA ("Property"). Doc. #15.

11 U.S.C. § 362(d)(1) allows the court to grant relief from the stay for cause, including the lack of adequate protection. "Because there is no clear definition of what constitutes 'cause,' discretionary relief from the stay must be determined on a case by case basis." <u>In re Mac Donald</u>, 755 F.2d 715, 717 (9th Cir. 1985).

11 U.S.C. § 362(d)(2) allows the court to grant relief from the stay if the debtors do not have any equity in such property and such property is not necessary to an effective reorganization.

After review of the included evidence, the court finds that "cause" exists to lift the stay because the debtors have failed to make at least nine complete pre- and post-petition payments. Movant has produced evidence that the debtors are delinquent by at least \$16,285.32, and the entire balance of \$225,842.94 is due. Decl. of Linda Brown, Doc. #17.

The court also finds that the debtors do not have any equity in the Property and the Property is not necessary to an effective reorganization because the debtors are in chapter 7. The Property is valued at \$240,000.00 and the debtors owe \$225,842.94. Brown Decl., Doc. #17. After adjusting for 8% costs of sale, there is no equity for the debtors remaining in the Property. Doc. #15; Brown Decl., Doc. #17.

Accordingly, the motion will be granted pursuant to 11 U.S.C. § 362(d)(1) and (d)(2) to permit Movant to dispose of its collateral pursuant to applicable law and to use the proceeds from its disposition to satisfy its claim. No other relief is awarded.

The order shall also provide that the bankruptcy proceeding has been finalized for purposes of California Civil Code § 2923.5.

The 14-day stay of Fed. R. Bankr. P. 4001(a)(3) will be ordered waived because the debtors have failed to make at least nine payments, both pre- and postpetition to Movant.

7. 25-10501-A-7 **IN RE: RACHEL SIEVERS**

CONTINUED ORDER TO APPEAR AND SHOW CAUSE WHY A PATIENT CARE OMBUDSMAN SHOULD NOT BE APPOINTED 2-24-2025 [8]

TENTATIVE RULING: This matter will proceed as scheduled.

DISPOSITION: The minutes of the hearing will be the court's findings

and conclusions.

ORDER: The court will issue an order.

On February 21, 2025, debtor Rachel Sievers ("Debtor") filed a voluntary chapter 7 bankruptcy petition. Doc. #1. As part of her bankruptcy petition, Debtor indicated that she operated a health care business. <u>Id.</u> On February 24, 2025, this court issued an order to show cause ("OSC") why a patient care ombudsman should not be appointed pursuant to 11 U.S.C. § 333(a)(1). Doc. #8.

On March 19, 2025, Debtor filed a declaration explaining that Debtor is the sole provider and owner of Arrive Coaching and Counseling, LLC ("Business"), a private counseling practice located in Visalia, California. Decl. of Rachel Sievers, Doc. #19. Through the Business, Debtor provides counseling services to approximately 10 to 20 clients per week. Id. Debtor has no employees, contractors or ancillary staff involved in the operation of Debtor's practice. Id. Debtor personally manages all aspects of patient care, scheduling, billing, and administrative tasks. Id.

To determine whether the appointment of a patient care ombudsman is necessary under the specific facts of this case, the court must examine the operations of the debtor in light of the following nine non-exclusive factors:

- (1) The cause of the bankruptcy;
- (2) The presence and role of licensing or supervising entities;
- (3) Debtor's past history of patient care;
- (4) The ability of the patients to protect their rights;
- (5) The level of dependency of the patients on the facility;
- (6) The likelihood of tension between the interests of the patients and the debtor;
- (7) The potential injury to the patients if the debtor drastically reduced its level of patient care;
- (8) The presence and sufficiency of internal safeguards to ensure appropriate level of care; and
- (9) The impact of the cost of an ombudsman on the likelihood of a successful reorganization.

In re Valley Health Sys., 381 B.R. 756, 761 (Bankr. C.D. Cal. 2008) (citing In re Alternate Family Care, 377 B.R. 754, 785 (Bankr. S.D. Fla. 2007). "The weight to be accorded to each of the Alternate Family Care factors in making a determination whether to appoint a patient care ombudsman is left to the sound discretion of the court." Valley Health Sys., 381 B.R. at 761.

While the court appreciates Debtor's declaration filed in response to the OSC, the declaration does not address the various factors the court must consider when determining whether the appointment of a patient care ombudsman is necessary in a particular case. Debtor should be prepared to address the relevant factors at the hearing.

8. $\frac{24-13022}{\text{UST}-1}$ IN RE: MARIA VINLUAN

CONTINUED MOTION TO DISMISS CASE PURSUANT TO 11 U.S.C. SECTION 707(B) $1-15-2025 \quad [\frac{16}{3}]$

TRACY DAVIS/MV LEONARD WELSH/ATTY. FOR DBT. DEANNA HAZELTON/ATTY. FOR MV.

TENTATIVE RULING: This matter will proceed as scheduled.

DISPOSITION: Continue to April 3, 2025, at 10:00 a.m.

ORDER: The minutes of the hearing will be the court's findings and conclusions. The court will issue an order after the

hearing.

On March 14, 2025, the debtor filed a motion to convert this chapter 7 case to chapter 13 and set that motion for hearing on April 3, 2025, at 10:00 a.m. Doc. ##39-42. Because this motion to dismiss will be mooted if this court grants the debtor's motion to convert, the court intends to continue the hearing on this motion to April 3, 2025, at 10:00 a.m.

9. 05-61838-A-7 **IN RE: TOBY/JULIE KEENEY**

CONTINUED MOTION FOR PAYMENT OF UNCLAIMED FUNDS IN THE AMOUNT OF \$ 3517.71 2-18-2025 [94]

PATRICIA CARRILLO/ATTY. FOR DBT.

CLOSED: 05/11/2015;

TENTATIVE RULING: This matter will proceed as scheduled.

DISPOSITION: Granted.

ORDER: The minutes of the hearing will be the court's findings

and conclusions. The Moving Party shall submit a proposed

order after the hearing.

PYOD, LLC, successor in interest to Washington Mutual ("Movant"), has filed an application for payment of unclaimed funds and seeks to recoup the sum of \$3,517.71 from the unclaimed dividends paid into the court in the underlying chapter 7 bankruptcy case of Toby Kevin Keeney and Julie L. Keeney (together, "Debtors"). Doc. #94.

Debtors filed their chapter 7 bankruptcy case on October 14, 2005. Doc. #1. On October 21, 2014, James E. Salven, the chapter 7 trustee assigned to Debtors' case, filed a Turnover of Unclaimed Funds advising the court that \$3,517.71 in unclaimed money relating to proof of claim number 13 filed by Washington Mutual in Debtors' bankruptcy case had been deposited into the Treasury Registry. Doc. #82.

On February 18, 2025, Movant filed its application for payment of unclaimed funds accompanied by, among other things, proof of the identity of the authorized individual filing the application on behalf of Citibank, a completed Request for Taxpayer Identification Number and Certification, and a certificate of service indicating that the United States Attorney's Office was properly served. Doc. #94. The court is satisfied that Movant has demonstrated its entitlement to the unclaimed funds.

Consistent with its internal procedures, the Clerk's Office generated a Notice of Hearing on Application for Payment of Unclaimed Funds on February 20, 2025. Doc. #95. This matter was set on less than 28 days' notice prior to the hearing. Pursuant to Local Rule of Practice 9014-1(f)(2), any opposition to the granting of this application may be raised at the hearing. Accordingly, this matter will proceed as scheduled, and any opposition may be presented at the hearing. In the absence of any such opposition, the court intends to enter the respondents' defaults and GRANT this motion.