



**UNITED STATES BANKRUPTCY COURT
Eastern District of California**

Chief Judge Fredrick E. Clement
Sacramento Federal Courthouse
501 I Street, 7th Floor
Courtroom 28, Department A
Sacramento, California

DAY: MONDAY
DATE: MAY 20, 2024
CALENDAR: 9:00 A.M. CHAPTER 9 AND 11 CASES

Unless otherwise ordered, all matters before Chief Judge Fredrick E. Clement shall be simultaneously: (1) **IN PERSON** at Sacramento Courtroom No. 28, (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/RemoteAppearances>.

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 the 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:

- Review the [Pre-Hearing Dispositions](#) prior to appearing at the hearing.
- Review the court's [Zoom Procedures and Guidelines](#) for these, and additional instructions.
- 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.

PRE-HEARING DISPOSITION INSTRUCTIONS

RULINGS

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

"No Ruling" means the likely disposition of the matter will not be disclosed in advance of the hearing. The matter will be called; parties wishing to be heard should rise and be heard.

"Tentative Ruling" means the likely disposition, and the reasons therefor, are set forth herein. The matter will be called. Aggrieved parties or parties for whom written opposition was not required should rise and be heard. Parties favored by the tentative ruling need not appear. However, non-appearing parties are advised that the court may adopt a ruling other than that set forth herein without further hearing or notice.

"Final Ruling" means that the matter will be resolved in the manner, and for the reasons, indicated below. The matter will not be called; parties and/or counsel need not appear and will not be heard on the matter.

CHANGES TO PREVIOUSLY PUBLISHED RULINGS

On occasion, the court will change its intended ruling on some of the matters to be called and will republish its rulings. The parties and counsel are advised to recheck the posted rulings after 3:00 p.m. on the next business day prior to the hearing. Any such changed ruling will be preceded by the following bold face text: **"[Since posting its original rulings, the court has changed its intended ruling on this matter]"**.

ERRORS IN RULINGS

Clerical errors of an insignificant nature, e.g., nomenclature ("2017 Honda Accord," rather than "2016 Honda Accord"), amounts, ("\$880," not "\$808"), may be corrected in (1) tentative rulings by appearance at the hearing; or (2) final rulings by appropriate ex parte application. Fed. R. Civ. P. 60(a) *incorporated by* Fed. R. Bankr. P. 9024. All other errors, including those occasioned by mistake, inadvertence, surprise, or excusable neglect, must be corrected by noticed motion. Fed. R. Bankr. P. 60(b), *incorporated by* Fed. R. Bankr. P. 9023.

1. [14-25820](#)-A-11 **IN RE: INTERNATIONAL MANUFACTURING GROUP, INC.**
[FWP-86](#)

MOTION TO PAY
5-3-2024 [\[1621\]](#)

MARC CARASKA/ATTY. FOR DBT.
THOMAS A. WILLOUGHBY/ATTY. FOR MV.

Final Ruling

The motion is denied without prejudice. This is a motion to approve payment of excess funds under the terms of the inter-estate agreement. Mot. to Approve, ECF No. 1621. The movant contends that limited noticing is applicable. Certificate of Service § 3, ECF No. 1625 (Rule 2002(i)). Since Rule 2002(i) applies only to motion under Rule 2002(a)(2), (a)(3), (a)(6), the court infers that the movant deems this a motion under Rule 2002(a)(2) (use of property of the estate).

Applying those rules to this motion notice is sufficient. Not fewer than 21 days notice of the motion must be given. Fed. R. Bankr. P. 2002(a). The motion was served May 3, 2024, for a hearing on May 20, 2024, which is only 17 days notice. No order shortening time has been entered. As a result, the motion will be denied.

As an aside, the court notes that the Certificate of Service, ECF No. 1625, does not comply with LBR 7005-1 or with Federal Rule of Bankruptcy Procedure 9036. Where applicable, where service is accomplished by mail, Section 6B(2)(a)—not Section 6B(3)—is the proper method of memorializing service. And where service is accomplished by mail, in all most all cases the Clerk's Matrix must be used to support the Certificate of Service. LBR 7005-1(a). Section 3 of EDC Form 7-005 is to be used when Section 6B(2)(a) is not applicable. That is not the case here.

Moreover, "Attachment 6B4 and 6B(5)" purports to provide notice by U.S. Mails and by email. This is not comport with Rule 9036, which only allows e-notice upon registered users of the electronic filing system (which were already noticed by Attachment 6B(1)) or on an email address to a persons who has consented in writing to Rule 5 service at that address. Fed. R. Bankr. P. 9036(b)(2), (c) ("For any recipient, the clerk may send notice or serve a paper by electronic means that the recipient consented to in writing, including by designating an electronic address for receipt of notices."). Here, there is no indication that the parties listed on Attachment 6B(5) have so consented. LBR 7005-1(b) (requiring the written consent to be appended).

2. [23-22125](#)-A-11 **IN RE: ESCALON LIVESTOCK MARKET, INC.**
[CAE-1](#)

CONTINUED STATUS CONFERENCE RE: VOLUNTARY PETITION
6-28-2023 [\[1\]](#)

DAVID JOHNSTON/ATTY. FOR DBT.

No Ruling

3. [20-23726](#)-A-11 **IN RE: AME ZION WESTERN EPISCOPAL DISTRICT
[AFS-1](#)**

MOTION FOR COMPENSATION BY THE LAW OFFICE OF ARENTFOX SCHIFF
LLP FOR ARAM ORDUBEGIAN, SPECIAL COUNSEL(S)
4-22-2024 [\[902\]](#)

GABRIEL LIBERMAN/ATTY. FOR DBT.
ARAM ORDUBEGIAN/ATTY. FOR MV.

Final Ruling

The application is denied without prejudice. The first and foremost reason is that not all persons entitled to notice have been served with the motion. Unless limited noticing applies (which has not been contended here, Certificate of Service § 3, ECF No. 908), all creditors must be served with a motion for compensation. Fed. R. Bankr. P. 2002(a)(6). The court has compared the Clerk's Matrix to the matrix used by the movant, Certificate of Service Attachment 6B2 pp. 4. The Clerk's Matrix shows 124 creditors; the list of creditors used the applicant, Certificate of Service Attachment 6B2 pp. 4, serves only 84 creditors. From this the court concludes that not all creditors have been served.

Second, numerous violations of local rules exist. At the outset, the applicant has used the wrong docket control number. LBR 9014-1(c) provides:

(c) Docket Control Number.

1) In motions filed in the bankruptcy case, a Docket Control Number (designated as DCN) shall be included by all parties immediately below the case number on all pleadings and other documents, including proofs of service, filed in support of or opposition to motions.

2) In motions filed in adversary proceedings, the Docket Control Number shall be placed immediately below the adversary number.

3) **The Docket Control Number shall consist of not more than three letters, which may be the initials of the attorney for the moving party (e.g., first, middle, and last name) or the first three initials of the law firm for the moving party, and the number that is one number higher than the number of motions previously filed by said attorney or law firm in connection with that specific bankruptcy case.**

Example: The first Docket Control Number assigned to attorney John D. Doe would be DCN JDD-1, the second DCN JDD-2, the third DCN JDD-3, and so on. This sequence would be repeated for each specific bankruptcy case and adversary proceeding in which said attorney or law firm filed motions.

4) Once a Docket Control Number is assigned, all related papers filed by any party, including motions for orders shortening the amount of notice and stipulations resolving that motion, shall include the same number. However, motions for reconsideration and countermotions shall be treated as separate motions with a new Docket Control Number assigned in the manner provided for above.

LBR 9014-1(c) (emphasis added).

Because this unique docket control number is the method by which the court locates items on its docket, the re-use of a docket control number makes it difficult for the court to locate documents associated with the motion. Here, "AFS-1" has been used for both the employment application and this application.

Second, Attachment 6B(2) is a custom typed matrix rather than the official matrix. Local Bankruptcy Rule 7005-1 provides:

(a) Unless service is on six or fewer parties in interest and a custom service list is used or the persons served are not on the Clerk of the **Court's Matrix, the Certificate of Service Form shall have attached to it the Clerk of the Court's Official Matrix**, as appropriate: (1) for the case or the adversary proceeding; (2) list of ECF Registered Users; (3) list of persons who have filed Requests for Special Notice; and/or (4) the list of Equity Security Holders.

LBR 7005-1(a) (emphasis added).

Moreover, the affiant, Kevin H.Y. Chen, has sworn that he has used the official matrix.

Clerk's Matrix of Creditors. A copy of the matrix of creditors maintained by the Clerk of the Court as applicable to this case and/or adversary proceeding is appended hereto and numbered Attachment 6B2. Such list shall be downloaded not more than seven days prior to the date of filing of the pleadings and other documents and shall reflect the date of downloading. WARNING: If "raw data format" of the Clerk's Matrix of Creditors is Attachment 6B2, the signer of the Certificate of Service hereby swears that no changes to the matrix have been made except (1) formatting; and/or (2) "X" ing out of person not served. Such list shall be downloaded not more than seven days prior to the date of filing of the pleadings and other documents and shall reflect the date of downloading.

Certificate of Service § 6B(2)(a) (emphasis added).

Third, the list of persons who have filed a request for special notice is also not the official list of persons who have so requested notice. See Attachment 6B3, Certificate of Service, ECF No. 908. This is contrary to local rules. LBR 7005-1. And once

again the affiant, Kevin H.Y. Chen, has sworn that he has used the official matrix.

Request for Special Notice List. A copy of the Clerk of the Court's matrix of creditors who have filed a Request for Special Notice is appended hereto and numbered Attachment 6B3.

Certificate of Service § 6B(2)(b), ECF No. 908.

For each of these reasons, the application is denied without prejudice.

4. [20-23726](#)-A-11 **IN RE: AME ZION WESTERN EPISCOPAL DISTRICT**
[WGG-36](#)

MOTION FOR COMPENSATION FOR HAHN FIFE & COMPANY,
ACCOUNTANT(S)
4-22-2024 [\[893\]](#)

GABRIEL LIBERMAN/ATTY. FOR DBT.

Final Ruling

Application: Allowance of First Interim Compensation and Expense Reimbursement

Notice: LBR 9014-1(f)(1); written opposition required

Disposition: Approved

Order: Civil minute order

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, *incorporated by* Fed. R. Bankr. P. 7055, 9014(c). Written opposition to this application was required not less than 14 days before the hearing on the application. LBR 9014-1(f)(1)(B). None has been filed. The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

COMPENSATION AND EXPENSES

In this Chapter 11 case, Hahn Fife & Company has applied for an allowance of interim compensation and reimbursement of expenses. The application requests that the court allow compensation in the amount of \$29,100 and reimbursement of expenses in the amount of \$77.70.

Section 330(a) of the Bankruptcy Code authorizes "reasonable compensation for actual, necessary services" rendered by an employed professional in a Chapter 11 case and "reimbursement for actual, necessary expenses." 11 U.S.C. § 330(a)(1). Reasonable compensation is determined by considering all relevant factors. See *id.* § 330(a)(3).

The court finds that the compensation and expenses sought are reasonable, and the court will approve the application on an interim basis. Such amounts shall be perfected, and may be adjusted, by a final application for compensation and expenses, which shall be filed prior to case closure.

VIOLATION OF LBR 9014-1(c)

This application, and the application of Golden Goodrich LLP, were filed and served jointly by Golden Goodrich, LLP. They each use the docket control number WGG-36. LBR 9014-1(c) provides:

(c) Docket Control Number.

1) In motions filed in the bankruptcy case, a Docket Control Number (designated as DCN) shall be included by all parties immediately below the case number on all pleadings and other documents, including proofs of service, filed in support of or opposition to motions.

2) In motions filed in adversary proceedings, the Docket Control Number shall be placed immediately below the adversary number.

3) **The Docket Control Number shall consist of not more than three letters, which may be the initials of the attorney for the moving party (e.g., first, middle, and last name) or the first three initials of the law firm for the moving party, and the number that is one number higher than the number of motions previously filed by said attorney or law firm in connection with that specific bankruptcy case.**

Example: The first Docket Control Number assigned to attorney John D. Doe would be DCN JDD-1, the second DCN JDD-2, the third DCN JDD-3, and so on. This sequence would be repeated for each specific bankruptcy case and adversary proceeding in which said attorney or law firm filed motions.

4) Once a Docket Control Number is assigned, all related papers filed by any party, including motions for orders shortening the amount of notice and stipulations resolving that motion, shall include the same number. However, motions for reconsideration and countermotions shall be treated as separate motions with a new Docket Control Number assigned in the manner provided for above.

LBR 9014-1(c) (emphasis added).

Golden Goodrich has violated LBR 9014-1(c); future applications shall comply with all applicable local rules.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Findings of fact and conclusions of law are stated in the civil minutes for the hearing.

Hahn Fife & Company's application for allowance of interim compensation and reimbursement of expenses has been presented to the court. Having entered the default of respondent for failure to appear, timely oppose, or otherwise defend in the matter, and having considered the well-pleaded facts of the application,

IT IS ORDERED that the application is approved on an interim basis. The court allows interim compensation in the amount of \$29,100 and reimbursement of expenses in the amount of \$77.70. The applicant is authorized to draw on any retainer held.

IT IS FURTHER ORDERED that the fees and costs are allowed pursuant to 11 U.S.C. § 331 as interim fees and costs, 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.

IT IS FURTHER ORDERED that the debtor in possession 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.

5. [20-23726](#)-A-11 **IN RE: AME ZION WESTERN EPISCOPAL DISTRICT**
[WGG-36](#)

MOTION FOR COMPENSATION BY THE LAW OFFICE OF GOLDEN GOODRICH
LLP FOR DAVID M. GOODRICH, TRUSTEES ATTORNEY(S)
4-22-2024 [\[897\]](#)

GABRIEL LIBERMAN/ATTY. FOR DBT.

Final Ruling

Application: Allowance of Second Interim Compensation and Expense Reimbursement

Notice: LBR 9014-1(f)(1); written opposition required

Disposition: Approved

Order: Civil minute order

Unopposed motions are subject to the rules of default. Fed. R. Civ. P. 55, *incorporated by* Fed. R. Bankr. P. 7055, 9014(c). Written opposition to this application was required not less than 14 days before the hearing on the application. LBR 9014-1(f)(1)(B). None has been filed. The default of the responding party is entered. The court considers the record, accepting well-pleaded facts as true. *TeleVideo Sys., Inc. v. Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

COMPENSATION AND EXPENSES

In this Chapter 11 case, Golden Goodrich, LLP, counsel for the debtor in possession, has applied for an allowance of interim compensation and reimbursement of expenses. The application requests that the court allow compensation in the amount of \$271,892.50 and reimbursement of expenses in the amount of \$14,987.85.

Section 330(a) of the Bankruptcy Code authorizes "reasonable compensation for actual, necessary services" rendered by counsel for the debtor in possession in a Chapter 11 case and "reimbursement for actual, necessary expenses." 11 U.S.C. § 330(a)(1). Reasonable compensation is determined by considering all relevant factors. See *id.* § 330(a)(3).

The court finds that the compensation and expenses sought are reasonable, and the court will approve the application on an interim basis. Such amounts shall be perfected, and may be adjusted, by a final application for compensation and expenses, which shall be filed prior to case closure.

VIOLATION OF LBR 9014-1(c)

This application, and the application of Han Fife & Company were filed and served jointly by Golden Goodrich, LLP. They each use the docket control number WGG-36. LBR 9014-1(c) provides:

(c) Docket Control Number.

1) In motions filed in the bankruptcy case, a Docket Control Number (designated as DCN) shall be included by all parties immediately below the case number on all pleadings and other documents, including proofs of service, filed in support of or opposition to motions.

2) In motions filed in adversary proceedings, the Docket Control Number shall be placed immediately below the adversary number.

3) **The Docket Control Number shall consist of not more than three letters, which may be the initials of the attorney for the moving party (e.g., first, middle, and last name) or the first three initials of the law firm for the moving party, and the number that is one number higher than the number of motions previously filed by said attorney or law firm in connection with that specific bankruptcy case.**

Example: The first Docket Control Number assigned to attorney John D. Doe would be DCN JDD-1, the second DCN JDD-2, the third DCN JDD-3, and so on. This sequence would be repeated for each specific bankruptcy case and adversary proceeding in which said attorney or law firm filed motions.

4) Once a Docket Control Number is assigned, all related papers filed by any party, including motions

for orders shortening the amount of notice and stipulations resolving that motion, shall include the same number. However, motions for reconsideration and countermotions shall be treated as separate motions with a new Docket Control Number assigned in the manner provided for above.

LBR 9014-1(c) (emphasis added).

Golden Goodrich has violated LBR 9014-1(c); future applications shall comply with all applicable local rules.

CIVIL MINUTE ORDER

The court shall issue a civil minute order that conforms substantially to the following form:

Findings of fact and conclusions of law are stated in the civil minutes for the hearing.

Golden Goodrich, LLP's application for allowance of interim compensation and reimbursement of expenses has been presented to the court. Having entered the default of respondent for failure to appear, timely oppose, or otherwise defend in the matter, and having considered the well-pleaded facts of the application,

IT IS ORDERED that the application is approved on an interim basis. The court allows interim compensation in the amount of \$271,892.50 and reimbursement of expenses in the amount of \$14,987.85. The applicant is authorized to draw on any retainer held.

IT IS FURTHER ORDERED that the fees and costs are allowed pursuant to 11 U.S.C. § 331 as interim fees and costs, 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.

IT IS FURTHER ORDERED that the debtor in possession 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.