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COURT OF APPEALS
DIVISION III
STATE OF WASHINGTON
By _____

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WASHINGTON STATE
SUPREME COURT

94348-6

SUPREME COURT

OF THE STATE OF WASHINGTON

Appeal from Court of Appeals, Division III # 340899

ANDREWS MECHANICAL, INC.
Plaintiff/ Respondent

Vs.

AARON LOWE
Defendant/ Petitioner

PETITION FOR DISCRETIONARY REVIEW
RAP 13

AARON LOWE
Petitioner
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Spokane, WA 99201
Tele: (509) 323-9000

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INTRODUCTION

Petitioner, Aaron Lowe (hereinafter Mr. Lowe), requests this Court accept review of this matter. After accepting review, Mr. Lowe will request this Court overturn the attached Division III, Court of Appeals (hereinafter Division III) unpublished opinion entered on March 9, 2017, #340899, since the opinion is without a factual or legal basis and the opinion raises a number of substantial issues of public interest that can only be addressed by this Court. Once this Court accepts review, Mr. Lowe will finally request that the judgment that was entered on January 13, 2016 (CP 62) be voided, and enter a satisfaction of judgment in this matter since the superior court had no jurisdiction to enter a new order and judgment because the parties agreed the judgment had previously been “satisfied.”

ISSUES PRESENTED FOR REVIEW

1. When is a judgment satisfied?
2. How can a judgment be satisfied?
3. What effect does a judicial admission by a party have that a judgment is satisfied?
4. What effect does a defendant overpaying the outstanding judgment have, and stated another way, is a judgment

satisfied once it is paid, or is it satisfied when the parties agreed by way of a judicial admission that it is satisfied?

5. What was the amount outstanding on the judgment that was on file in court when Mr. Lowe paid \$1660 in May, 2015?
6. Should the clerks of courts in this state accept payments on judgments in accordance with RCW 4.84.120?
7. How else can judgment be satisfied when the clerk of court refuses to accept payment of the judgment in violation of RCW 4.84.120?
8. If a judgment is satisfied by paying the plaintiff, rather than the clerk of court, will the defendant then be given the protections set forth in RCW 4.84.120?
9. Once a judgment is satisfied by overpayment and/or by judicial admission, what steps are necessary by plaintiff to increase the amount of the judgment?
10. What jurisdiction does a trial court have to modify the judgment once the judgment is satisfied?

STATEMENT OF CASE

Mr. Lowe requests this Court accept discretionary review under RAP 13 (4) because there are a number of substantial issues of public interest outlined below that effect all defendants that have a judgment entered against them in this state. All the defendants in Spokane County Civil District Court (SCCDC) are potentially greater effected by the injustices outlined below because SCCDC refuses to accept any payments on any civil judgment. Therefore,

it is impossible to comply with RCW 4.84.120 in SCCDC.

Moreover, there is no citable case authority in Washington on these issues and statutes outlined below. Accordingly, Mr. Lowe requests this Court accept discretionary review and publish a citable opinion regarding these issues of substantial public interest since Division III failed to cite even one supporting case in their unpublished opinion.

In this matter, there is a history in this matter that Mr. Lowe would make a final payment of the judgment, and then request a satisfaction be entered by the superior court. (RP from May 15, 2015, Page 8 Lines 7-16) Typically, the plaintiff/ respondent, Andrews (hereinafter Andrews), would then alleged more costs and fees after the judgment was satisfied. Rather than relating the many times that this merry-go-around occurred, Mr. Lowe has outlined below the latest version of these events.

At a hearing on May 15, 2015, Mr. Lowe requested that satisfaction be entered by the superior court. The superior court denied Mr. Lowe's request so in order to stop this ever revolving door, Mr. Lowe asked on the record what was the outstanding amount of the judgment so it could be paid immediately? Andrews

at the hearing could not state how much it was alleged owed on the judgment so Mr. Lowe calculated the fees and interest and then tendered a cashier's check for more than this amount to Andrews a few days after the hearing. (RP Pages 8-9). Mr. Lowe then paid an amount greater than the outstanding judgment and interest. Afterwards, Andrews related in a letter, and months later in court, that it was allegedly owed more fees than what was contained in the outstanding judgment that was fully paid. Consequently, Andrews submitted another new judgment several months later to include these new additional funds after Andrews already agreed that Mr. Lowe had "satisfied" or fully paid the outstanding judgment.

In a sworn affidavit, Andrews' attorney related:

Plaintiff acknowledges that with the May 19, 2015, check from Defendant in the amount of \$1660 (which has yet to be cashed), he (Mr. Lowe) *satisfied* the Superior Court Judgment. (Emphasis added)

(CP 52. Page 4 Lines 6-8.) The fact that Mr. Lowe "satisfied" this judgment was also repeated in open court, by Andrews when its attorney stated:

So your Honor, as set forth in the affidavit of Mr. Floyd, Mr. Floyd does acknowledge that the May 19

check in the amount of \$1660 that the defendant previously references, and has yet to be cashed, *does satisfy* (sic) the Superior Court Judgment. (Emphasis added)

(RP Page 15 Lines 7-11) Accordingly, the parties agreed that with the payment of \$1660 on May 19, 2015, that the outstanding judgment was satisfied by Mr. Lowe's overpayment. The amount of the judgment on May 19, 2015, was \$1580 so Mr. Lowe paid \$80 more than the outstanding judgment. The superior court had no jurisdiction to increase the amount alleged owed by executing a new judgment several months later.

ARGUMENT

Initially, petitioner will counter all of the case authority which Division III relied upon, and cited, in upholding the trial court had jurisdiction to enter another judgment in this matter after Mr. Lowe satisfied the outstanding judgment. There was not one case, however, cited by Division III, or the lower court, in support their extension of jurisdiction beyond Mr. Lowe's satisfaction of the judgment in May, 2015. These courts extension of legal reasoning is essentially ... we have "jurisdiction" because we are here. There are, however, a number of other states that have

reviewed these issues and reached the exact opposite conclusion as outlined below.¹

There is almost no case authority in Washington which construes its statutes regarding judgments and when jurisdiction is terminated after a satisfaction of judgment, but generally other states have ruled, a debtor is entitled to have a formal satisfaction of judgment entered once the judgment has been “paid” or “satisfied.” *See, e.g.,* RCW 4.56.100; *American Jurisprudence* 2d Judgments Section 805 on page 382-3; cases cited in footnote 1,

¹ *See, e.g., Challenger Investment Group v. Jones*, 20 So. 3rd 941 (2009); *DeCoteau v. Nodak Mutual Insurance Co.*, 636 N.W. 2d 432 (N.D. 2001); *Dock and Marine Construction Corp v. Parrino*, 211 So. 2d 57 (1968); *Gregory v. North Dakota Workers Comp.* 578 N.W. 2d 101 (N.D. 1998); *Johnson v. BMW of North America*, 583 So. 1333 (Ala. 1991); *Key Savings and Loan Assoc. v. Louis John* 549 A.2d 988 (PA 1988); *Lyon v. Ford Motor Co.*, 604 N.W. 2d 453 (N.D. 2000); *Mr. G's Mountain Lodge v. Roland Township*, 651 N.W. 2d 625 (N.D.) 2002; *Schwennen v. Abell*, 471 N.W. 880 (1991); *Spencer v. DiGiacomo*, 56 So. 3rd 92 (2011); *Stegman v. Nodak Mutual Insurance* 647 N.W.2d 133 (N.D. 2002). Just as a side note, Division III falsely alleges that Mr. Lowe only cited three (3) cases in support of his arguments, but all of these cases, and more, were cited in Mr. Lowe's briefs before Division III.

and discussed in defendant's briefs, which are incorporated herein. Payment of the outstanding judgment is the final act which ends the proceeding. Payment in full, or otherwise a satisfaction of judgment, extinguishes the claim or lawsuit and ends the controversy or lawsuit. Once the outstanding judgment is "satisfied," the judgment has no further force, authority, or effect and the court's jurisdiction ends. Satisfaction of an outstanding judgment bars any further effort to alter or amend the judgment or to take any other action since there is no longer any jurisdiction for any other actions. *American Jurisprudence* 2d Judgment Section 806 page 383-4.

This treatise even goes on to provide a practice note:

Caution: Since satisfaction of judgment (full payment) bars any further proceedings on the judgment, a full satisfaction (or payment) will extinguish plaintiffs right to any post judgment hearing on a claim for additional attorney fees, costs, or legal interest. (Citations omitted, emphasis in original)

Id. Page 384.

In all of the cases cited in this section of *American Jurisprudence*, the cases have a common pattern which is: (1) There is a legal basis for a judgment; (2) A judgment is obtained;

(3) The judgment was paid by the defendant; (4) Later, the plaintiff unsuccessfully attempted to obtain more funds greater than the satisfied judgment; (5) Typically, this requests for more funds beyond the judgment was based upon the original legal basis for a judgment outlined in #1; (6) The appellate courts in all other states that have reviewed these issues regarding judgments, and satisfaction of judgments, have uniformly held that once the judgment was paid, or satisfied, there was no jurisdiction to further increase or modify the judgment. *See, e.g.*, the cases listed in footnote 1. Mr. Lowe is requesting this Court review these cases from these other states and issue a similar overall ruling with these 1-6 steps outlined above.

In a similar case to the case at bar, the appellate court in *Spencer v. DiGiacomo*, 56 So. 3rd 92 (Fl. 2011), held that:

A facially valid satisfaction (of judgment) is a complete bar to any effort to alter or amend the judgment. *Morris North American, Inc. v. King*, 430 So. 2d 592, 593 1983. (Parenthesis added)

Id. at 94. In this case the defendant paid the judgment while the case was on appeal. Later, the plaintiff had the trial court increase

the judgment to include pre-judgment interest so the defendant also appealed this issue.

The appellate court ruled that since the judgment was “satisfied,” so the trial court had “no” jurisdiction to amend the satisfied judgment in any manner. *Id.* at 94. Moreover the appellate court held this “satisfaction”:

[O]perates as a total relinquishment of all rights of the judgment creditor in the judgment; it (the satisfaction or payment) is a complete discharge of the debt created by the judgment and a complete surrender of the judgment creditor’s rights in the judgment, ***including the right to challenge the judgment on appeal and seek a judgment in excess of the amount awarded in the trial court’s judgment.*** (Emphasis in original and parenthesis added)

See, e.g., Challenger Investment Group LC v. Jones, 20 So.3d 941, 944 (Fla. 2009) quoting 47 Am.Jur. 2d Judgments Section 807, at 384-5 (2006)

In *Mr. G’s Mountain Lodge v. Roland Township*, 651 N.W. 2d 625 (N.D. 2002) the supreme court for the state of North Dakota held:

We have recently held that an attempted appeal from a judgment that has been properly satisfied of record fails for lack of jurisdiction: . . . A judgment that has been paid and satisfied of record ceases to have any existence. *Lyon v. Ford Motor, Co.*, 604 N.W. 2d 453 (N.D.

2000). A satisfaction of judgment on the record extinguishes the claim, and the controversy is deemed ended, leaving an appellate court with nothing to review. *DeCoteau v. Nodak Mutual Insurance Co.*, 636 N.W.2d 432 (N.D. 2001). An appellate court is without jurisdiction if there is no actual and justiciable controversy. *Gregory v. North Dakota Workers Comp. Bureau*, 578 N.W. 2d 101 (N.D. 1998). Thus, an attempted appeal from a judgment that has been satisfied of record fails for lack of jurisdiction. *Stegman v. Nodak Mutual Insurance Co.*, 647 N.W. 2d 133 (N.D. 2002).

Id. at 626. Applying this applicable case authority to the factual issues presented herein, there is no question that Mr. Lowe “satisfied” the outstanding judgment in this matter in May, 2015, by overpayment of the judgment, and by indisputable judicial admissions. Afterwards, there was no longer any jurisdiction for Andrews, or any court, to attempt to increase the amount owed by Mr. Lowe by way of a new judgment.

In Andrew’s reply brief before Division III, Andrew’s attempted to argue for the first time on appeal that Mr. Lowe did not “fully” satisfy the judgment which means that Andrews was either lying in its arguments before Division III, or Andrews was lying in its arguments before the Superior Court, because there was

no qualifier on Andrew's judicial admissions as quoted above on page 4.

RCW 4.84.120 is cited in 5B Wash. Prac. Series 81.54.

This is the section of the practice manual discusses judicial admissions, and the text in this manual outlines that these sorts of judicial admissions are essentially *indisputable admitted facts*. Moreover, these indisputable admitted facts are binding on the parties and courts. Once these judicial admissions of these binding facts are made, it is improper to even attempt dispute them further. Page 446. Moreover, it has long been established legal authority for over one-hundred (100) years that a statement of counsel in open court is a judicial admission, which is binding and factually conclusive. *Black v. Suydam*, 81 Wash. 279, 142 P. 700 (1914). Similarly, statements in pleadings have been admitted as indisputable judicial admissions. *See, e.g., Kassel v. Gannett Co. Inc.*, 875 F.2d 935 (1st Cir. 1989) as cited in 5B Wash. Pract. Page 446. In this matter, Andrews admitted in pleadings and statements in open court that Mr. Lowe "satisfied" the outstanding amount on the judgment. Thus, this case should have been over when these indisputable judicial admissions were made since the superior

court no longer possessed any jurisdiction to further modify the judgment.

Besides these indisputable judicial admissions, Mr. Lowe overpaid the amount of the outstanding judgment. On May 19, 2015, the amount of the outstanding judgment was \$1580, and he tendered \$1660 to Andrews so Mr. Lowe overpaid the judgment by \$80. This overpayment was the factual basis for Andrews making the judicial admissions that the judgment was “satisfied,” or fully paid. Later, Andrews alleged that its attorney was still owed more fees that were not contained in the paid outstanding judgment so it obtained another new judgment even though Andrews did not move to reopen the judgment.

As outlined above, it is well settled hornbook law, once a judgment is satisfied, the courts no longer have any jurisdiction to modify, or increase, the judgment. Thus, Mr. Lowe has consistently argued that a satisfaction be entered since the Superior Court no longer had any legal authority to continuously increase the judgment after the judgment was “satisfied” by his overpayment and/or the parties’ judicial admissions. Since this matter was terminated with the satisfaction of the judgment, Andrews at a

minimum should have been required to re-open the judgment before a new judgment could be entered.

So how were these indisputable judicial admissions, and the over payment of the outstanding judgment, utilized by Division III in its legal analysis? Instead of attempting to weave its conclusion around the indisputable judicial admissions, and that Mr. Lowe “satisfied” the outstanding judgment, Division III suddenly and miraculously changed this unchangeable fact by holding that the since he did not obtain a pleading entitled satisfaction of judgment, he did not satisfy the judgment because Andrews alleged more fees, and he never followed the procedure under 4.84.120. Page 13 of the opinion. Of course, there is no discussion or citation in the opinion to any case authority how an indisputable judicial admission can be transformed 180 degrees from undisputed to disputed, from binding to unbinding, and from satisfied to unsatisfied. It is almost as if Division III decided who it was going to hold for in this matter, and then it went about attempting to draft a decision to support that conclusion, but even then, Division III had to change the indisputable judicial admissions, and it failed to find one case to support their

unpublished opinion. In contrast, when this Court reviews the established case authority on these issues as outlined herein, and then applies the facts in this matter to the case authority from other states, this Court will agree that review should be granted so all litigants in the future in the state of Washington have more direction regarding these issues that Division III's unpublished opinion..

Since the outstanding judgment had been "satisfied," Andrews had to obtain a new judgment in order to obtain more fees, but again Andrews did not request to reopen the judgment. The lower court, however, no longer had any jurisdiction to modify the judgment in any manner.

Division III falsely opines that Mr. Lowe did not follow RCW 4.84.120. It was impossible for Mr. Lowe to deposit with the clerk an amount of the judgment since SCCDC flatly refuses to accept any payment on any judgment which raises some more interesting public interest issues. For example, how are other defendants suppose to attempt to "satisfy" judgment in those matters where the plaintiff cannot be found? The short version of the answer to this question is that since SCCDC refuses to accept

any and all payments on judgments, it is impossible for all defendants, including Mr. Lowe, in SCCDC to even attempt to comply with RCW 4.84120, and to satisfy outstanding judgment in those cases where the plaintiffs cannot be found. Moreover, as long as Andrews alleges more fees, Mr. Lowe can never satisfy the judgment against him applying the unsupported and flawed legal analysis set forth in Division III's opinion because no matter what Mr. Lowe pays, Andrews always alleges more and more fees even after a judgment is paid in full, so the merry-go-around continues. As outlined in the cases herein, there are many different ways to "satisfy" a judgment. Here, this matter was "satisfied" by Mr. Lowe's over payment of the outstanding judgment, and this over payment was acknowledged by Andrews's indisputable judicial admissions that Mr. Lowe "satisfied" the outstanding judgment.

The lower court, and Division III, had multiple opportunities to correct this injustice of allegedly not complying with RCW 4.84.120 on behalf of Mr. Lowe, and all defendants in SCCDC, but these courts failed to correct this injustice. Now, it is up to this Court, by accepting this petition to correct this injustice by informing the SCCDC, and all courts in Washington, in its citable

opinion that SCCDC should accept payments on judgments in accordance with RCW 4.84.120.

The Division III even took this issue a step further by at least implying that if Mr. Lowe had complied with RCW 4.84.120, and deposited the amount of the judgment with SCCDC, that it would have entered a satisfaction on behalf of Mr. Lowe. It's like Division III is making up facts, and/or not reading the briefs that were submitted in this matter because Mr. Lowe attempted to deposit with SCCDC an amount greater than the outstanding judgment, but since SCCDC refuses to accept any payments on all judgments, it is impossible for Mr. Lowe, and all other defendants in SCCDC, to deposit any funds into SCCDC so under Division III's falsification of the admitted undisputed facts, and lack of legal analysis, no one can ever meet the requirements under RCW 4.84.120 that has been set forth in Division III's opinion.

Not only do Andrew's contentions fail on a factual basis, but its arguments also fail on a legal basis. Andrews typically begins its legal analysis by citing the statutory basis of how this matter began. RCW 12.40 et seq., is the Small Claims Act. There is no citable appellate case

authority construing RCW 12.40.105, but Andrews, and Division III, believe that this statute states more than it actually does.

Division III believes, without citation to some other construing case authority, that RCW 12.40.105 somehow would provide an additional jurisdiction for more costs and fees even after the outstanding judgment was “satisfied” so somehow this statute miraculously extends jurisdiction in contrast to all the cases cited in footnote 1. In all the cases in footnote note #1, however, all the plaintiffs, like Andrews, alleged they were owed more money, but in those cases, the appellate courts similarly ruled that their various lawsuits were terminated when the outstanding judgment was satisfied. Otherwise, those cases would never end because the plaintiffs, like Andrews, would want more and more fees.

RCW 12.40.105 does not provide that: (1) this statute will overrule all other statutes and case authority regarding post judgments payments; (2) with a mere citation to this statute a plaintiff does not have to move to reopen a judgment after it has been “satisfied” to obtain more costs and fees; (3) under this statute, defendants must be punished beyond any other case authority or statute involving judgments; and/or (4) once this statute is cited, it is the basis for all continuing jurisdiction even

after the judgment has been satisfied. Of course, all of these contentions are false and without any legal support. Andrews' reliance on this statute as a legal basis to provide costs and fees stopped when Mr. Lowe "satisfied" the outstanding judgment in May, 2015. After Mr. Lowe satisfied the outstanding judgment, this case ceased to be active, and the lower court no longer had jurisdiction to increase the judgment, or take any other action in this matter, especially since Andrews did not even move to reopen the judgment.

Andrews argued, and Division III essentially ruled, that as long as Andrews alleges it is owed more fees, there can never be a satisfaction of judgment in this matter, regardless if Mr. Lowe overpaid the outstanding judgment, and regardless of Andrew's indisputable judicial admissions. Accordingly, Division III's ruling is just plain wrong, and contrary to all of the case authority on these issues. *See, e.g.*, the cases listed in footnote 1.

Just because Andrews believes it is owed more fees, those new fees are not automatically part of an outstanding judgment. If Andrews believed that it was owed more funds than it was paid by Mr. Lowe in May, 2015, Andrews should have followed the cases cited in Mr. Lowe's briefs, and the practice note cited above, and

made sure that those alleged fees were included in the judgment before Mr. Lowe paid the outstanding judgment because once the judgment was “satisfied” this case was terminated.

In applying the rulings in the analogous cases to the case at bar, the overpayment payment of the judgment by Mr. Lowe in May, 2015, and the indisputable judicial admissions by Andrews,

“...extinguish(ed) plaintiff’s (possible) right to any post judgment hearing on a claim for additional fees, costs, or legal interest.”

American Jurisprudence 2d Judgment Section 806 page 383-4. Andrews did not move to reopen the judgment after it had been “satisfied.” As an additional fact to show that the judgment had been fully paid, Andrews had to request another judgment to add more fees because Mr. Lowe had fully paid the outstanding judgment. The lower court had no jurisdiction to add to any judgment, or make a new judgment, in January, 2016.

CONCLUSION

Initially, Mr. Lowe would request this Court, and Andrews in its response, answer the above issues outlined in the second section of this petition. Once this Court sequentially answers those questions and applies those answers to this matter, this Court will also conclude that review should be granted in this matter given

the injustices occurring in SCCDC and the total misunderstanding of Division III of when and how a judgment is “satisfied” by the courts in Spokane, and probably in this state. More importantly, this Court will instruct everyone in this state that once an outstanding judgment is satisfied there is no longer jurisdiction to further increase a paid judgment. After this Court accepts review of these substantial public interest issues, after briefing and oral argument, Mr. Lowe will request this Court enter a published citable opinion so other litigants and attorneys have more direction than Division III’s unpublished opinion which does not even cite one supporting case regarding these substantial public interest issues.

DATED this 7th day of April, 2017

Aaron Lowe
Aaron Lowe, Petitioner

APPENDIX
Court of Appeals, Division III unpublished opinion

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MARCH 9, 2017
In the Office of the Clerk of Court
WA State Court of Appeals, Division III

IN THE COURT OF APPEALS OF THE STATE OF WASHINGTON
DIVISION THREE

ANDREWS MECHANICAL, INC., a)	
Washington Corporation,)	No. 34089-9-III
)	
Respondent,)	
)	
v.)	
)	UNPUBLISHED OPINION
AARON LOWE, an Individual,)	
)	
Appellant.)	

FEARING, C.J. — A \$1,160.87 small claims court judgment continues to skyrocket by imposition of reasonable attorney fees and costs incurred by the creditor because of the judgment debtor’s continuing failure to pay all amounts owed and challenges to the judgment amount. We are asked to determine the extent to which the trial court may impose reasonable attorney fees and costs under RCW 12.40.105 when a judgment creditor lifts the judgment from small claims to the district court and superior court. The issue on appeal also entails when does a judgment debtor satisfy the judgment.

FACTS

On September 28, 2010, the small claims court granted Andrews Mechanical, Inc.,

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a judgment against Aaron Lowe in the amount of \$1,160.87, with post-judgment interest thereon at the rate of 12 percent per annum. We do not know the nature of the debt owed by Lowe to Andrews Mechanical. Lowe failed to pay the judgment.

One and one-half years later, Aaron Lowe had yet to pay the judgment. On May 17, 2012, Andrews Mechanical filed a motion, pursuant to RCW 12.40.105, in district court to supplement the small claims court judgment pursuant to RCW 12.40.105. RCW 12.40.105 declares:

If the losing party fails to pay the judgment within thirty days or within the period otherwise ordered by the court, the judgment shall be increased by: (1) An amount sufficient to cover costs of certification of the judgment under RCW 12.40.110; (2) the amount specified in RCW 36.18.012(2); and (3) any other costs incurred by the prevailing party to enforce the judgment, including but not limited to reasonable attorneys' fees, without regard to the jurisdictional limits on the small claims department.

On July 17, 2012, the district court supplemented the judgment against Aaron Lowe by an additional sum of \$3,206.21 for the total amount of \$4,367.08. This judgment sum included the principal judgment amount of \$1,160.87, post-judgment interest of \$250.71, district court costs to Andrews Mechanical of \$65.00, and reasonable attorney fees incurred by Andrews Mechanical in the district court in the sum of \$2,890.50.

On August 16, 2012, Aaron Lowe appealed the district court judgment to the superior court. Lowe argued that RCW 12.40.105 did not allow the small claims

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Andrews Mechanical Inc. v. Lowe

judgment to be increased. On May 2, 2013, the superior court affirmed the July 17, 2012 district court judgment.

On September 20, 2013, Aaron Lowe sought discretionary review from this court. We denied review. Andrews Mechanical claimed it incurred \$3,100 in attorney fees in responding to Lowe's motion for discretionary review. Andrews Mechanical sought recovery against Lowe for the fees. This court's commissioner denied Andrews Mechanical's request for fees.

On October 31, 2013, the superior court entered judgment against Aaron Lowe in favor of Andrews Mechanical for \$11,025.02. The judgment amount included the district court judgment sum of \$4,367.08, interest on that judgment of \$610.34, costs incurred by Andrews Mechanical in the superior court of \$108.10, and attorney fees incurred by Andrews Mechanical in responding to Lowe's appeal in the superior court of \$5,939.50.

On February 24, 2014, Aaron Lowe paid Andrews Mechanical \$9,635.00. The post-judgment interest that had accrued on the district court judgment from October 12, 2013 to February 23, 2014 was \$182.70. Apparently on November 7, 2014, Andrews Mechanical filed a motion in district court to supplement its judgment by the amount of the additional fees and costs incurred since the entry of the last judgment.

On December 31, 2014, Aaron Lowe brought a motion in superior court for entry of a full satisfaction of judgment. On January 15, 2015, someone entered a partial satisfaction of judgment. On May 15, 2015, the superior court entertained argument on

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Lowe's long pending motion for satisfaction of judgment. The superior court impliedly denied the motion. The following discussion among the superior court, Aaron Lowe, and Jon Floyd, Andrews Mechanical's counsel, occurred at the end of the hearing:

MR. LOWE: If I knew what it was exactly, I'd pay it.

THE COURT: Mr. Floyd [Andrews Mechanical's counsel] has it in his paperwork.

MR. LOWE: Can I ask what it is?

THE COURT: I wrote it down.

MR. FLOYD: As of the date the judgment was entered, it was \$1390.02. But that was a year and a half ago.

THE COURT: You would have to give him a number with the interest on it. I wrote it down here in my notes. The judgment was signed for \$11,025.02 and approximately 9635 had been paid. The balance owing, 1390.02. That is just the arithmetic from those two numbers, it does not include any interest.

Mr. Floyd, if you would please provide Mr. Lowe with an exact number so he will be aware what needs to be paid. I presume you would create a daily amount. Give him an exact number as of the next day and then every day thereafter you would add X dollars, you would owe 50 cents or \$2, whatever is the daily amount so Mr. Lowe would know what it is. Okay?

Report of Proceedings (RP) (May 15, 2015) at 8-9. The hearing transcript reflects no response from attorney Jon Floyd to the court's question.

On May 19, 2015, Aaron Lowe hand delivered a letter and a check, in the sum of \$1,660, to Jon Floyd's law firm. The letter stated that the check fully satisfied the outstanding judgment. In his appeal brief, Lowe claims that, before tendering the check he calculated fees and interest owed and added that amount to the sum paid. He does not

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identify the amount of fees calculated and from where he obtained the information to calculate the fees.

Attorney Jon Floyd responded by letter to Aaron Lowe:

I am in receipt of your May 19, 2015, letter which included a check in the amount of \$1,660.00. Your letter indicates that this check is for the outstanding balance of the judgment and interest in *Andrews Mechanical v. Lowe*. Andrews Mechanical disagrees with that assertion.

The Spokane County Superior Court Judgment was for a total of \$11,025.02. You previously paid a total of \$9,635 toward that Judgment, leaving a balance of \$1,390.02. However, as you know, I have filed a further motion in Spokane County District Court to have the small claims judgment supplemented further. This motion is and was based on the additional fees Mr. Andrews incurred in responding to your appeal to the Court of Appeals, and in filing the newest motion in District Court to further supplement the small claims Judgment. The additional costs and fees being requested come to \$4,800. This amount does not include the fees Mr. Andrews incurred for this office to respond to your recent superior court motion for entry of full satisfaction of judgment. Those additional fees come to \$850.

Therefore, Mr. Andrews intends on amending his November 7, 2014, Motion to Supplement Judgment in District Court to include the \$850 in fees he incurred in responding to your recent superior court motion. The total amount requested will be no less than \$5,650.00.

The \$1,660 check that you have provided me would bring your total payments to \$11,295. However, Mr. Andrews' total costs and fees incurred to date to collect this small claims judgment are now at \$15,615. If you remit that total, we will consider this matter to be fully resolved (an additional \$4,380 on top of the \$1,660 check just provided).

Clerk's Papers (CP) at 89. We do not have a copy of any November 2014 motion to supplement the judgment referenced in the letter.

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On June 16, 2015, the superior court entered an order denying Aaron Lowe's motion to enter a full satisfaction of judgment. We assume the order denied Lowe's December 31, 2014 motion that the parties argued on May 15, 2015.

On September 22, 2015, Andrews Mechanical filed a motion in district court to further supplement the district court judgment against Aaron Lowe. We do not know if this motion differed from the motion Andrews Mechanical claims it filed in November 2014. In the September 2015 motion, Andrews Mechanical sought recovery of an additional \$7,263.45, beyond the superior court balance of \$1,390.02, for fees and costs incurred in collecting the small claims judgment.

On October 30, 2015, Aaron Lowe brought another motion in superior court for entry of a full satisfaction of judgment. Lowe argued that he conformed to the superior court's May 15, 2015, oral ruling that he owed \$1,390.02 plus interest accrued thereon. According to Lowe, he paid the judgment in full by tendering the amount of \$1,660 on May 19, 2015. On November 6, Jon Floyd, Andrews Mechanical's counsel, filed a responding affidavit, which declared in part:

Plaintiff acknowledges that with the May 19, 2015, check from Defendant in the amount of \$1,660.00 (which has yet to be cashed), he has satisfied the Superior Court Judgment. However, additional fees and costs have been incurred by Plaintiff in responding to further motions brought by Defendant in Superior Court, in responding to the appeal he filed in the Court of Appeals, and in bringing its current motion in District Court to further supplement the judgment. The District Court has original jurisdiction to supplement the judgment based on those additional fees and costs that have been incurred.

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CP at 34.

On November 13, 2015, the superior court conducted a hearing on Aaron Lowe's motion for entry of satisfaction of judgment. During the hearing, John Harper, substitute counsel for Andrews Mechanical, commented:

MR. HARPER: So your Honor, as set forth in the affidavit of Mr. Floyd, Mr. Floyd does acknowledge that the May 19 check in the amount of \$1660 that the defendant previously references, and has yet to be cashed, does satisfy the Superior Court judgment. However, it's the position of our client that subsequent filings by the defendant, and appeals and motions, have caused him to incur additional costs and attorneys fees which he would like to seek at the District Court level where jurisdiction is original.

THE COURT: Okay. I'm looking at the affidavit of Mr. Floyd, it is item number 13. About when he acknowledges that there was this hand-delivered check of \$1660, which Mr. Lowe indicates he delivered. And you are saying that that \$1660 is what is left on the Superior Court judgment, correct? That would have satisfied the judgment.

MR. HARPER: Correct. Up until that date.

THE COURT: So you acknowledge the \$1660 would have acknowledged the judgment on or about the May 19th date when they got the \$1660 check.

MR. HARPER: Yes, your Honor. And it's the position of the plaintiff, Andrews Mechanical, that he has had to incur additional cost and attorneys fees since that date to respond to the appeal and motions from the defendant.

RP (Nov. 13, 2015) at 15-16. During the November 13 hearing, the superior court commented to Andrews Mechanical's counsel that Andrews Mechanical should file any request for supplementation of the judgment with the superior court, not the district court. At the conclusion of the hearing, the superior court postponed Aaron Lowe's motion until

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December 11 and directed Andrews Mechanical to file any request for a supplementation of the judgment in time for the request to also be heard on December 11.

On November 24, 2015, Andrews Mechanical filed a motion, pursuant to RCW 12.40.105, to supplement the judgment in the superior court by adding \$5,617.50 as a result of reasonable attorney fees and costs incurred in collecting the judgment since May 2, 2013. We do not know why this figure is lower than the amount sought in the September 2015 district court motion. The motion sought fees accrued as a result of Andrews Mechanical's lawyers work in defending the motion for discretionary review in this court, for defending Aaron Lowe's December 2014 motion for satisfaction of judgment, and for defending Lowe's October 2015 motion for satisfaction of judgment. In support of the motion to supplement the judgment, Andrews Mechanical's counsel, Jon Floyd filed a November 24, 2015 affidavit that attached an accounting for fees incurred.

On December 11, 2015, the trial court orally granted Andrews Mechanical's request to supplement the judgment and denied Aaron Lowe's latest motion to enter a satisfaction of judgment. The superior court granted Andrews Mechanical an additional \$4,767.50 in attorney fees and costs. On January 13, 2016, the superior court entered judgment against Aaron Lowe in the amount of \$4,840.35. The court arrived at the judgment amount as follows:

Small Claims Principal:	\$ 1,160.87
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Post Judgment Interest 12% from 9/28/10 to 07/17/12	\$ 250.71
Costs at District Court	\$ 65.00
Attorney Fees at District Court	\$ 2,890.50
Post Judgment Interest 12% from 7/18/12 to 10/11/13	\$ 610.34
Costs at Superior Court	\$ 108.10
Attorney Fees Incurred After 7/18/12 District Court Judgment	\$ 5,939.50
Total Interest, Costs, and Attorney Fees in Superior Court through 10/11/13	\$ 6,267.94
Total of 10/11/13 Superior Court Judgment	\$ 11,025.02
Post Judgment Interest 12% from 10/12/13 to 2/23/14	\$ 171.87
Partial Satisfaction of Judgment 2/24/14	(\$9,635.00)
Post Judgment Interest 12% from 2/24/14 to 5/18/15	\$ 170.96
Partial Satisfaction of Judgment 5/19/15	(\$1,660.00)
<u>Judgment Supplemented on 12/11/2015</u>	<u>\$ 4,767.50</u>
TOTAL through 12/11/15	\$ 4,840.35

CP at 97-98.

LAW AND ANALYSIS

Superior Court Supplement Judgment

On appeal, Aaron Lowe assigns error to “all decisions made by the trial court in this matter.” CP at 100. Nevertheless, his appeal centers around whether, under RCW 4.56.100, he satisfied the judgment when he paid \$1,660 on May 19, 2015. He contends the parties agreed that he then satisfied the judgment, and thus the superior court should have entered a satisfaction of judgment. He also claims that the superior court lost jurisdiction to award fees to Andrews Mechanical after he satisfied the judgment in May

2015. According to Lowe, Andrews Mechanical needed to have filed a motion to amend the judgment before its receipt of the \$1,660, which satisfied the debt owed under the most recent judgment. In the alternative, Andrews Mechanical should have filed, but failed to file, a motion to reopen the satisfied judgment.

Andrews Mechanical responds that Lowe never fully satisfied his obligations under the small claims judgment. Andrews Mechanical emphasizes that, if Lowe does not pay all additional attorney fees incurred, Andrews Mechanical recovers nothing on the debt owed. Under RCW 12.40.105's imposition of attorney fees and costs on the judgment debtor, the legislature intended to make the judgment creditor whole even if the creditor must hire counsel to collect the small claims judgment. According to Andrews Mechanical, RCW 12.40.105 contains no time limit to supplement the judgment for additional attorney fees and costs incurred. We agree with Andrews Mechanical.

Although this court may condole with Aaron Lowe because he genuinely wanted to pay the judgment on May 15, 2015, his payment of May 19, 2015 failed to cover additional fees and expenses incurred by Andrews Mechanical since an earlier entry of judgment. Lowe may have been caught in a perpetual cycle that accrued additional fees at each step, but he deserves blame because of his failure to timely pay the small claims judgment and then failing to follow the statutory process for satisfying a judgment. The law awards Andrews Mechanical fees until payment of the principal judgment, interest accrued, and reasonable attorney fees and costs incurred, and the trial court did not err in

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granting each request to supplement the judgment.

The trial court's grant of attorney fees was based on RCW 12.40.105, which we repeat:

If the losing party fails to pay the judgment within thirty days or within the period otherwise ordered by the court, the judgment shall be increased by: (1) An amount sufficient to cover costs of certification of the judgment under RCW 12.40.110; (2) the amount specified in RCW 36.18.012(2); and (3) *any other costs incurred by the prevailing party to enforce the judgment, including but not limited to reasonable attorneys' fees*, without regard to the jurisdictional limits on the small claims department.

(Emphasis added.) The process of collecting a judgment is technical in nature and difficult for a layperson to follow. The legislature intended to allow the judgment creditor the right to hire counsel to collect the judgment without the cost of counsel significantly reducing, if not overcoming, the small claims judgment.

We note that Aaron Lowe does not challenge the reasonableness of the fees incurred by Andrews Mechanical. We further observe that the superior court likely awarded recovery by Andrews Mechanical for fees incurred during Lowe's request for discretionary review before this court, despite our court commissioner denying Andrews Mechanical's application for fees. We do not address whether the superior court may award fees for work on which this court previously rejected recovery.

Aaron Lowe relies on RCW 4.56.100(1) and RCW 4.84.120 to support his contention that he satisfied the judgment when he paid the \$1,660 in May 2015. The

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former statute reads, in part:

When any judgment for the payment of money only have been paid or satisfied, the clerk of the court in which such judgment was rendered shall note upon the record in the execution docket satisfaction thereof giving the date of such satisfaction upon either the payment to the clerk of the amount of such judgment, costs and interest. . . . Every satisfaction of judgment and every partial satisfaction of judgment which provides for the payment of money shall clearly designate the judgment creditor and his or her attorney, if any, and the judgment debtor, and amount or type of satisfaction, whether the satisfaction is full or partial, the cause number, and the date of the entry of the judgment.

RCW 4.56.100(1). RCW 4.84.120 declares:

If the defendant in any action pending, shall at any time deposit with the clerk of the court, for the plaintiff, the amount *which he or she admits to be due*, together with all costs that have accrued, and notify the plaintiff thereof, and such plaintiff shall refuse to accept the same in discharge of the action, and shall not afterwards recover a larger amount than that deposited with the clerk, exclusive of interest and cost, he or she shall pay all costs that may accrue from the time such money was so deposited.

(Emphasis added.)

Aaron Lowe argues that Andrews Mechanical, in Jon Floyd's November 6, 2015 affidavit and by John Harper's comments during the November 13, 2015 hearing admitted Lowe paid the amount due under the judgment. Lowe fails to note, however, that both Floyd and Harper legitimately qualified their respective concessions by observing that Lowe now owed additional amounts because of additional costs and fees incurred.

More importantly, Aaron Lowe, if he relies on RCW 4.84.120, never deposited

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any amount with the clerk of the court. Therefore, RCW 4.84.120 provides him no assistance. Assuming he deposited a sum with the clerk, Lowe may have been entitled to entry of a satisfaction of judgment. Since he did not do so, we need not address whether the entry of the satisfaction would have prevented Andrews Mechanical from seeking another judgment for fees and costs incurred since entry of the satisfied judgment.

Aaron Lowe cites three foreign cases wherein the courts denied a judgment debtor additional fees and costs after satisfaction of judgment. None of these cases benefit Lowe because Lowe never obtained a satisfaction of judgment and never followed the procedure under RCW 4.84.120 for satisfaction of the judgment.

The superior court did not err when granting Andrews Mechanical the additional judgment on January 13, 2016. RCW 12.40.105 dictates recovery by the small claims judgment creditor of reasonable attorney fees and costs incurred until satisfaction of the judgment.

Fees and Costs on Review

Both parties request attorney fees and costs under RAP 18.1. We award reasonable attorney fees and costs incurred by Andrews Mechanical on appeal in an amount to be determined by our court commissioner.

For fees and costs to be available on appeal, some applicable law beyond RAP 18.1 must make fees and costs available. RCW 12.40.105(3) allows recovery of “any other costs incurred by the prevailing party to enforce the judgment, including but not

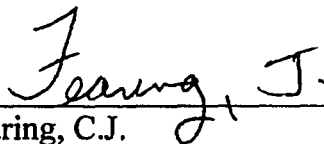
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limited to reasonable attorneys' fees, without regard to the jurisdictional limits on the small claims department." The broad language of the statute applies to defending the judgment on appeal.

CONCLUSION

We affirm the trial court's January 2016 judgment in favor of Andrews Mechanical. We award Andrews Mechanical costs and reasonable attorney fees incurred on appeal.

A majority of the panel has determined this opinion will not be printed in the Washington Appellate Reports, but it will be filed for public record pursuant to RCW 2.06.040.

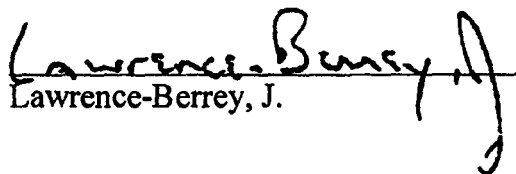


Fearing, C.J.

WE CONCUR:



Siddoway, J.



Lawrence-Berrey, J.