

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-1(b)

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In re:

CCA Construction, Inc.,¹

Debtor.



Order Filed on February 18, 2025
by Clerk
U.S. Bankruptcy Court
District of New Jersey

Chapter 11

Case No. 24-22548 (CMG)

**ADMINISTRATIVE FEE ORDER ESTABLISHING
PROCEDURES FOR THE ALLOWANCE AND PAYMENT
OF INTERIM COMPENSATION AND REIMBURSEMENT OF
EXPENSES OF PROFESSIONALS RETAINED BY ORDER OF THIS COURT**

DATED: February 18, 2025


Honorable Christine M. Gravelle
United States Bankruptcy Judge

¹ The Debtor in this chapter 11 case, along with the last four digits of its federal tax identification number, is CCA Construction, Inc. (4862). The Debtor's service address for the purposes of this chapter 11 case is 445 South Street, Suite 310, Morristown, NJ 07960.



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(Page | 2)

Debtor: CCA CONSTRUCTION, INC.

Case No.: 24-22548 (CMG)

Caption of Order: Administrative Fee Order Establishing Procedures for the Allowance and Payment of Interim Compensation and Reimbursement of Expenses of Professionals Retained by Order of this Court

The relief set forth on the following pages, numbered two (3) through nine (9) is

ORDERED.

(Page | 3)

Debtor: CCA CONSTRUCTION, INC.

Case No.: 24-22548 (CMG)

Caption of Order: Administrative Fee Order Establishing Procedures for the Allowance and Payment of Interim Compensation and Reimbursement of Expenses of Professionals Retained by Order of this Court

Upon the *Debtor's Motion for Entry of an Administrative Fee Order Establishing Procedures for the Allowance and Payment of Interim Compensation and Reimbursement of Expenses of Professionals Retained by Order of this Court* [Docket No. 73] (the “**Motion**”)¹ of the above-captioned debtor and debtor in possession (the “**Debtor**” or “**CCA**”), for entry of an administrative order (this “**Order**”) establishing procedures for the allowance and payment of interim compensation and reimbursement of expenses of certain professionals retained by Order of this Court pursuant to sections 105(a) and 331 of the Bankruptcy Code and Local Rule 2016-3, all as more fully set forth in the Motion; and upon the First Day Declarations; and the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334 and the *Standing Order of Reference to the Bankruptcy Court Under Title 11* of the United States District Court for the District of New Jersey, entered July 23, 1984, and amended on September 18, 2012 (Simandle, C.J.); and this Court having found that venue of this proceeding and the Motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and this Court having found that sufficient cause exists for the relief set forth herein; and this Court having found that CCA’s notice of the Motion was appropriate under the circumstances and no other notice need be provided; and this Court having reviewed the Motion and having heard the statements in support of the relief requested therein at a hearing before this Court (the “**Hearing**”), if any; and this Court having determined that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein; and upon all of the proceedings had before the Court and after due deliberation and sufficient cause appearing therefor **IT IS HEREBY ORDERED THAT:**

¹ Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to them in the Motion.

(Page | 4)

Debtor: CCA CONSTRUCTION, INC.

Case No.: 24-22548 (CMG)

Caption of Order: Administrative Fee Order Establishing Procedures for the Allowance and Payment of Interim Compensation and Reimbursement of Expenses of Professionals Retained by Order of this Court

1. The Motion is **GRANTED** as set forth herein.

2. Except as may otherwise be provided in Court orders authorizing the retention of specific Professionals, all Professionals retained in this chapter 11 case pursuant to section 327 and, to the extent applicable, sections 328(a) and 1103 of the Bankruptcy Code, may seek monthly compensation in accordance with the following procedures (the “**Compensation Procedures**”):

(A) Monthly Fee Statements.

1. Not later than the 25th day of the month following the month for which compensation is sought, each Professional seeking compensation under the Order must file and serve, by electronic transmission, hand delivery, or overnight delivery, or by any means directed by the Court, a monthly fee and expense statement (a “**Monthly Fee Statement**”) on the following parties:

A. the Debtor, CCA Construction, Inc., c/o BDO USA, P.C., 100 Park Avenue, New York, NY 10017, Attn: James Schwarz (JSchwarz@bdo-ba.com);

B. Debevoise & Plimpton LLP, as proposed co-counsel to CCA, 66 Hudson Boulevard, New York, NY 10001, Attn: M. Natasha Labovitz, Esq. (nlabovitz@debevoise.com) Sidney P. Levinson, Esq. (slevinson@debevoise.com) Elie J. Worenklein, Esq. (eworenklein@debevoise.com);

C. Cole Schotz P.C., as proposed co-counsel to CCA, Court Plaza North, 25 Main Street, Hackensack, New Jersey 07601, Attn: Michael D. Sirota, Esq. (msirota@coleschotz.com), Warren A. Usatine, Esq. (wusatine@coleschotz.com), Felice R. Yudkin, Esq. (fyudkin@coleschotz.com), and Ryan T. Jareck, Esq. (rjareck@coleschotz.com);

D. the United States Trustee for the District of New Jersey, One Newark Center, 1085 Raymond Boulevard, Suite 2100, Newark, New Jersey, 07102, Attn: Fran B. Steele (fran.b.steele@usdoj.gov) and Peter J. D’Auria (peter.j.d’auria@usdoj.gov);

(Page | 5)

Debtor: CCA CONSTRUCTION, INC.

Case No.: 24-22548 (CMG)

Caption of Order: Administrative Fee Order Establishing Procedures for the Allowance and Payment of Interim Compensation and Reimbursement of Expenses of Professionals Retained by Order of this Court

- E. Lowenstein Sandler LLP, as counsel to the DIP Lender, Attn: Jeffrey Cohen (jcohen@lowenstein.com) and Andrew Behlmann (abehlmann@lowenstein.com);
 - F. counsel to any other statutory committees appointed in this chapter 11 case;
 - G. any other secured creditor and counsel, to the extent known;
 - H. any party requesting notice of all proceedings; and
 - I. any other party designated by the Court.
2. Unless otherwise provided in the order authorizing the Professional's retention, each Professional's Monthly Fee Statement, in accordance with Local Rules 2016-1 and 2016-3, shall include a monthly invoice with fee and expense detail that describes the fees and expenses incurred by such Professional in accordance with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and the Guidelines established by the Office of the United States Trustee (the "**UST Guidelines**").
 3. Time spent travelling without actively working on the chapter 11 case shall be billed at 50% of the Professional's normal hourly rate.
 4. Except as otherwise provided in the Professional's specific retention orders, all timekeepers must contemporaneously maintain time entries, in increments of tenths (1/10th) of an hour, for each individual.
 5. Except as otherwise provided in the order authorizing the Professional's retention, all Monthly Fee Statements shall comply with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, the UST Guidelines, and applicable law.
 6. The first Monthly Fee Statement submitted by each Professional shall cover the period from the Petition Date through and including January 31, 2025.

(Page | 6)

Debtor: CCA CONSTRUCTION, INC.

Case No.: 24-22548 (CMG)

Caption of Order: Administrative Fee Order Establishing Procedures for the Allowance and Payment of Interim Compensation and Reimbursement of Expenses of Professionals Retained by Order of this Court

(B) Objections.

An objection to a Monthly Fee Statement must be filed and served on the applicable Professional and the parties listed in subdivision (A)(1) not later than fourteen (14) days after service of the statement. The objection must set forth the nature of the objection and the amount of fees and expenses at issue. Grounds for objection include: (i) CCA's failure to timely file monthly operating reports; and (ii) CCA's failure to remain current with administrative expenses and fees under 28 U.S.C. § 1930.

(C) Payments.

1. On the expiration of the objection deadline under subdivision (B), a Professional may file and serve on the parties listed in subdivision (A)(1) Local Form *Certification of No Objection* or Local Form *Certification of Partial Objection*, and then receive 80% of the fees and 100% of the expenses not subject to an objection. No payments shall be made to a Professional until the Professional's retention is approved by the Court. A Professional may seek authorization as part of its next interim or final fee application to receive the remaining 20% of fees not subject to an objection. If a Professional receives an objection to particular Monthly Fee Statement, CCA shall withhold payment of that portion of the Monthly Fee Statement to which the objection is directed and promptly pay the remainder of the fees and disbursements in the percentages set forth herein.
2. If the parties resolve an objection and if the applicable Professional files and serves on the parties listed in subdivision (A)(1) a statement indicating that the objection is withdrawn and describing the terms of the resolution, CCA may pay in accordance with subdivision (C)(1) that portion of the Monthly Fee Statement which is no longer subject to an objection.
3. If the parties are unable to resolve an objection not later than fourteen (14) days after the deadline for filing an objection under subdivision (B), the Professional may either (i) file a response to the objection together with a request for payment of the fees and expenses to which the objection applies and schedule a hearing on at least fourteen (14) day's notice; or (ii) forgo payment of those fees and expenses until the next interim or final fee application or another date directed by the Court.

(Page | 7)

Debtor: CCA CONSTRUCTION, INC.

Case No.: 24-22548 (CMG)

Caption of Order: Administrative Fee Order Establishing Procedures for the Allowance and Payment of Interim Compensation and Reimbursement of Expenses of Professionals Retained by Order of this Court

4. The service of an objection to a Monthly Fee Statement shall not prejudice the objecting party's right to object to any Interim Fee Application (as defined below) or final fee application made to the Court in accordance with the Bankruptcy Code on any ground whether raised in an objection or not. Failure by any party listed in section (A)(1) to object to a Monthly Fee Statement shall not constitute a waiver of any kind nor prejudice that party's right to object to any Interim Fee Application (as defined below) or final fee application.

(D) Fee Applications.

1. A Professional who has received monthly payments under the Order must, at four-month intervals (the "**Interim Fee Period**") or such other intervals directed by the Court, shall file and serve on the parties listed in subdivision (A)(1) an interim application under section 331 of the Bankruptcy Code for allowance of the compensation and reimbursement of the expenses sought in the monthly statements issued during the applicable period (an "**Interim Fee Application**") unless otherwise agreed between such professional and the U.S. Trustee. The first Interim Fee Application shall cover the Interim Fee Period from the Petition Date through and including April 30, 2025
2. Interim Fee Applications must be filed and served on or before the 45th day after the end of the Interim Fee Period for which the application seeks allowance of fees and reimbursement of expenses. The Interim Fee Application must include a summary of the Monthly Fee Statements that are the subject of the request and any other information requested by the Court or required by the Bankruptcy Code, the Bankruptcy Rules, applicable Third Circuit law, the Local Rules, and the UST Guidelines.
3. The pendency of an objection or the entry of a Court order holding that the prior payment of compensation or the reimbursement of expenses was improper as to a particular Monthly Fee Statement will not disqualify a Professional from the future payment of compensation or reimbursement of expenses as set forth above unless the Court orders otherwise.
4. Any Professional who fails to file an Interim Fee Application when due will be ineligible to receive further interim payments of fees or

(Page | 8)

Debtor: CCA CONSTRUCTION, INC.

Case No.: 24-22548 (CMG)

Caption of Order: Administrative Fee Order Establishing Procedures for the Allowance and Payment of Interim Compensation and Reimbursement of Expenses of Professionals Retained by Order of this Court

expenses under the Compensation Procedures until such time as the Interim Fee Application is submitted.

5. Neither (i) the payment of or the failure to pay, in whole or in part, interim compensation and reimbursement of expenses under the Compensation Procedures nor (ii) the filing of, or failure to file, an objection to any Monthly Fee Statement or any Interim Fee Application will bind any party in interest or the Court with respect to the final applications for allowance of compensation and reimbursement of expenses of Professionals.
6. Any party under section (A)(1) may request that a Professional deliver a Monthly Fee Statement or an Interim Fee Application in an electronically searchable format mutually acceptable to the parties.

3. CCA shall include all payments to Professionals on the CCA's monthly operating reports, detailed to state the amount paid to each Professional.

4. All Professionals that are law firms shall make a reasonable effort to comply with the *Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. Section 330 by Attorneys in Larger Chapter 11 Cases*, effective as of November 1, 2013, in connection with any Monthly Fee Statements, interim fee applications and final fee applications to be filed in this chapter 11 case. All professionals that are law firms shall provide any and all Monthly Fee Statements, interim fee applications, and final fee applications in "LEDES" format to the U.S. Trustee.

5. Each member of any Committee shall be permitted to submit statements of expenses (excluding third-party counsel expenses of individual Committee members) and supporting vouchers to the Committee's counsel, which counsel will collect and submit any Committee members' requests for reimbursement in accordance with the Compensation

(Page | 9)

Debtor: CCA CONSTRUCTION, INC.

Case No.: 24-22548 (CMG)

Caption of Order: Administrative Fee Order Establishing Procedures for the Allowance and Payment of Interim Compensation and Reimbursement of Expenses of Professionals Retained by Order of this Court

Procedures. For the avoidance of doubt, this provision only permits a Committee member to request reimbursement and does not extend to any representative purporting to act on behalf of a Committee member.

6. Time periods set forth in this Order shall be calculated in accordance with Bankruptcy Rule 9006(a).

7. All fees and expenses paid to Professionals are subject to disgorgement until such time as they are allowed pursuant to a final order of this Court.

8. CCA is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order.

9. Notwithstanding anything to the contrary in the Motion or this Order, any payment made by CCA pursuant to the authority granted in this Order must be in compliance with and any authorization of CCA contained herein is subject to: (a) any interim or final orders entered by the Court approving the CCA's entry into any postpetition debtor-in-possession financing facility and/or authorizing the use of cash collateral; (b) the documentation in respect of any such debtor-in-possession financing or use of cash collateral; and (c) any budget or cash flow forecasts in connection therewith.

10. The requirement set forth in Local Rule 9013-1(a)(3) that any motion be accompanied by a memorandum of law is hereby deemed satisfied by the contents of the Motion or otherwise waived.

11. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.