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Fee Examiner

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
OAKLAND DIVISION**

<p>In re: THE ROMAN CATHOLIC BISHOP OF OAKLAND, a California corporation sole, Debtor.</p>	<p>Chapter 11 Case No. 23-40523 (WJL) (Jointly Administered)</p>
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**FEE EXAMINER’S CONSOLIDATED FINAL REPORT
PERTAINING TO THE INTERIM FEE APPLICATIONS
OF CERTAIN RETAINED PROFESSIONALS**

David M. Klauder (the “Fee Examiner”), the Fee Examiner for the bankruptcy estate (the “Bankruptcy Estate”) of The Roman Catholic Bishop of Oakland (the “Debtor”), hereby submits this Final Report (the “Final Report”) pursuant to the Court’s *Order Appointing Fee Examiner and Establishing Related Procedures for the Review of Fee Applications of Retained Professionals* [D.I. 1122] (the “Fee Examiner Order”) in connection with applications for the allowance of compensation and reimbursement of expenses for the interim fee periods (the “Interim Fee Applications”) of certain professionals retained in the above-referenced case (the “Retained Professionals”) as listed on **Exhibit A**. In support of this Final Report, the Fee Examiner respectfully represents as follows:



1 **BACKGROUND**

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3 1. On May 8, 2023 (the "Petition Date"), the Debtor filed a voluntary petition for
4 relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in this
5 Court.

6 2. On May 10, 2024, David M. Klauder was appointed as the Fee Examiner for this
7 case.

8 3. As noted, and set out in detail in the Fee Examiner Order, the Fee Examiner is
9 tasked with reviewing the various fee applications filed by retained professionals in the case and
10 recommending any reductions in fees or expenses sought in the fee applications. The Fee
11 Examiner Order also sets out in detail the process for the Fee Examiner's review, including
12 issuance of initial reports, a consultation period with retained professionals, and the filing of this
13 Final Report, which contains the Fee Examiner final recommendations to this Court with respect
14 to the Interim Fee Applications.
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16 4. The Fee Examiner reviewed the Interim Fee Applications for compliance with
17 sections 330 and 331 of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure (the
18 "Bankruptcy Rules"), the Local Rules of Bankruptcy Practice and Procedure of the United States
19 Bankruptcy Court for the Northern District of California (the "Local Bankruptcy Rules"), the
20 *Order Establishing Procedures for Interim Compensations and Reimbursement of Expenses of*
21 *Professionals*, dated June 23, 2023 [D.I. 170] (the "Interim Compensation Order"), and the
22 Appendix B Guidelines for Reviewing Applications for Compensation & Reimbursement of
23 Expenses filed under United States Code by Attorneys in Large Chapter 11 Cases (78 Fed. Reg.
24 No. 116, page 36248 (June 17, 2013)) (the "UST Guidelines").
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1 8. The Fee Examiner reviewed the Alvarez & Marsal Fee Application to ensure
2 compliance with the applicable rules, orders and guidelines and no issues were noted. The Fee
3 Examiner has no objection to this Court’s approval of the Alvarez & Marsal Fee Application.
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5 **Foley & Lardner LLP**

6 *Fifth Interim Fee Application*
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8 9. Foley & Lardner LLP (“Foley”) is general bankruptcy counsel to the Debtor. On
9 February 14, 2025, Foley filed its *Fifth Interim Fee Application* [D.I. 1722] (the “Foley Fee
10 Application”). In the Foley Fee Application, Foley requests approval of compensation in the
11 amount of \$2,031,711.50 and reimbursement of expenses in the amount of \$45,934.36 for the
12 period of September 1, 2024 through December 31, 2024.
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14 10. The Fee Examiner reviewed the Foley Fee Application to ensure compliance with
15 the applicable rules, orders and guidelines. Based on that review, the Fee Examiner generated an
16 interim report that identified the following general issues with the Foley Fee Application:

- 17 a. Multiple billers at hearings, calls, and meetings;
18 b. Attorney time spent on administrative matters;
19 c. Fee applications time/invoice preparation;
20 d. Questionable billers; and
21 e. Issues with various expenses incurred.

22 11. In response to the Fee Examiner’s interim report, Foley and the Fee Examiner
23 discussed the issues raised by the interim report. As a result, Foley and the Fee Examiner have
24 agreed to a recommended reduction of \$27,442.50 in compensation and \$2,330.80 in expenses.
25 The Fee Examiner has no objection to this Court’s approval of the Foley Fee Application as
26 modified herein.
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1 **Breall & Breall LLP**

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3 *Fourth Interim Fee Application*

4 12. Breall & Breall LLP (“Breall”) is Special Counsel to the Debtor. On February 14,
5 2025, Breall filed its *Fourth Interim Fee Application* [D.I. 1727] (the “Breall Fee Application”).
6 In the Breall Fee Application, Breall requests approval of compensation in the amount of
7 \$35,250.00 and reimbursement of expenses in the amount of \$0.00 for the period of September
8 1, 2024 through December 31, 2024.

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10 13. The Fee Examiner reviewed the Breall Fee Application to ensure compliance with
11 the applicable rules, orders and guidelines. Based on that review, the Fee Examiner generated an
12 interim report that identified the following general issues with the Breall Fee Application:

- 13 a. Fee application correction.

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15 14. In response to the Fee Examiner’s interim report, Breall and the Fee Examiner
16 discussed the issues raised by the interim report. As a result, Breall and the Fee Examiner have
17 agreed to a recommended reduction of **\$5,475.00** in compensation. The Fee Examiner has no
18 objection to this Court’s approval of the Breall Fee Application as modified herein.

19 **Professionals Retained by Official Committee of Unsecured Creditors**

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21 **Lowenstein Sandler LLP**

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23 *Fifth Interim Fee Application*

24 15. Lowenstein Sandler LLP (“Lowenstein”) is counsel to the Official Committee of
25 Unsecured Creditors (the “Committee”). On February 14, 2025, Lowenstein filed its *Fifth*
26 *Interim Fee Application* [D.I. 1742] (the “Lowenstein Fee Application”). In the Lowenstein Fee
27 Application, Lowenstein requests approval of compensation in the amount of \$1,387,687.00 and
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1 reimbursement of expenses in the amount of \$40,849.57 for the period of September 1, 2024
2 through December 31, 2024.

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4 16. The Fee Examiner reviewed the Lowenstein Fee Application to ensure
5 compliance with the applicable rules, orders and guidelines. Based on that review, the Fee
6 Examiner generated an interim report that identified the following general issues with the
7 Lowenstein Fee Application:

- 8 a. Transient timekeepers;
9 b. Task division for “hearings” project category;
10 c. Adversary proceedings and bankruptcy court litigation;
11 d. Inadvertent overbilled time entry;
12 e. Block billing; and
13 f. Issues with various expenses incurred.

14 17. In response to the Fee Examiner’s interim report, Lowenstein and the Fee
15 Examiner engaged in a dialogue to address and resolve the issues raised by the interim report.
16 As a result of that dialogue, Lowenstein and the Fee Examiner have agreed to a recommended
17 reduction of \$2,236.50 in compensation and \$520.22 in expenses. The Fee Examiner has no
18 objection to Lowenstein’s modified request and to this Court’s approval of the Lowenstein Fee
19 Application, as modified.

20 **Keller Benvenuti Kim LLP**

21 *Fifth Interim Fee Application*

22 18. Keller Benvenuti Kim LLP (“KBK”) is counsel to the Committee. On February
23 14, 2025, KBK filed its *Fifth Interim Fee Application* [D.I. 1731] (the “KBK Fee Application”).
24 In the KBK Fee Application, KBK requests approval of compensation in the amount of
25 \$134,452.50 and reimbursement of expenses in the amount of \$3,769.35 for the period of
26 September 1, 2024 through December 31, 2024.
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1 19. The Fee Examiner reviewed the KBK Fee Application to ensure compliance with
2 the applicable rules, orders and guidelines. Based on that review, the Fee Examiner generated an
3 interim report that identified the following general issues with the KBK Fee Application:
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- 5 a. Task division for “hearings” project category; and
- 6 b. Fee and employment applications.

7 20. In response to the Fee Examiner’s interim report, KBK and the Fee Examiner
8 discussed the issues raised by the interim report. Those discussions resolved the concerns raised
9 by the Fee Examiner and he has no objection to KBK’s request and to this Court’s approval of
10 the Lowenstein Fee Application.

11 **Berkeley Research Group, LLC**

12 *Fourth Interim Fee Application*

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14 21. Berkeley Research Group, LLC (“BRG”) are financial advisors to the Committee.
15 On February 14, 2025, BRG filed its *Fourth Interim Fee Application* [D.I. 1746] (the “BRG Fee
16 Application”). In the BRG Fee Application, BRG requests approval of compensation in the
17 amount of \$206,837.50 and reimbursement of expenses in the amount of \$4,391.41 for the period
18 of September 1, 2024 through December 31, 2024.

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20 22. The Fee Examiner reviewed the BRG Fee Application to ensure compliance with
21 the applicable rules, orders and guidelines. Based on that review, the Fee Examiner generated an
22 interim report that identified the following general issues with the BRG Fee Application:
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- 24 a. Transient timekeepers; and
- 25 b. Fee and employment applications.

26 23. In response to the Fee Examiner’s interim report, BRG and the Fee Examiner
27 engaged in discussion to address the issues raised by the interim report. As a result of that
28 discussion, BRG and the Fee Examiner have agreed to a recommended reduction of **\$2,744.70** in

1 compensation and \$71.50 in expenses. The Fee Examiner has no objection to BRG’s modified
2 request and to this Court’s approval of the BRG Fee Application, as modified.
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4 **Stout Risius Ross, LLC**

5 *Fourth Interim Fee Application*

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7 24. Stout Risius Ross, LLC (“Stout”) is the expert consultant on valuation of sexual
8 abuse claims to the Committee. On February 14, 2025, Stout filed its *Fourth Interim Fee*
9 *Application* [D.I. 1734] (the “Stout Fee Application”). In the Stout Fee Application, Stout
10 requests approval of compensation in the amount of \$85,224.00 for the period of September 1,
11 2024 through December 31, 2024.

12 25. The Fee Examiner reviewed the Stout Fee Application to ensure compliance with
13 the applicable rules, orders and guidelines. Based on that review, the Fee Examiner generated an
14 interim report that identified the following general issues with the Stout Fee Application:
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- 16 a. Transient timekeepers; and
- 17 b. Research and meetings related to historical recoveries.

18 26. In response to the Fee Examiner’s interim report, Stout and the Fee Examiner
19 discussed the issues raised by the interim report. Those discussions resolved the concern raised
20 by the Fee Examiner and he has no objection to Stout’s request and to this Court’s approval of
21 the Stout Fee Application.
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23 **Burns Bair LLP**

24 *Fourth Interim Fee Application*

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26 27. Burns Bair LLP (“Burns Bair”) is special insurance counsel to the Committee.
27 On February 14, 2025, Burns Bair filed its *Fourth Interim Fee Application* [D.I. 1739] (the
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1 “Burns Bair Fee Application”). In the Burns Bair Fee Application, Burns Bair requests approval
2 of compensation in the amount of \$456,140.00 and reimbursement of expenses in the amount of
3 \$15,570.15 for the period of September 1, 2024 through December 31, 2024.
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5 28. The Fee Examiner reviewed the Burns Bair Fee Application to ensure compliance
6 with the applicable rules, orders and guidelines. Based on that review, the Fee Examiner
7 generated an interim report that identified the following general issues with the Burns Bair Fee
8 Application:

- 9 a. Multi-staffed attendance at hearings and meetings/excessive internal
10 communications; and
- 11 b. Air travel expenses.

12 29. In response to the Fee Examiner’s interim report, Burns Bair and the Fee
13 Examiner discussed the issues raised by the interim report. Those discussions resolved the
14 concern raised by the Fee Examiner and he has no objection to Burns Bair’s request and to this
15 Court’s approval of the Burns Bair Fee Application.

16 **Douglas Wilson Companies, Inc.**

17 *First Interim Fee Application*

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19 30. Douglas Wilson Companies, Inc. (“Douglas Wilson”) are real estate consultants
20 to the Committee. On February 14, 2025, Douglas Wilson filed its *First Interim Fee Application*
21 [D.I. 1737] (the “Douglas Wilson Fee Application”). In the Douglas Wilson Fee Application,
22 Douglas Wilson requests approval of compensation in the amount of \$130,000.00 and
23 reimbursement of expenses in the amount of \$84,000.00 for the period of August 5, 2024
24 through December 31, 2024.
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26 31. The Fee Examiner reviewed the Douglas Wilson Fee Application to ensure
27 compliance with the applicable rules, orders and guidelines. Based on that review, the Fee
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1 Examiner generated an interim report that identified the following general issues with the
2 Douglas Wilson Fee Application:

3 a. Reimbursement requests.

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5 32. In response to the Fee Examiner's interim report, Douglas Wilson and the Fee
6 Examiner discussed the issues raised by the interim report. Those discussions resolved the
7 concern raised by the Fee Examiner and he has no objection to Douglas Wilson's request and to
8 this Court's approval of the Douglas Wilson Fee Application.

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1 **CONCLUSION**

2 Accordingly, the Fee Examiner recommends that the compensation and expenses sought
3 by the Retained Professionals in the Interim Fee Applications be allowed as modified, and for
4 such other relief that this Court deems just and appropriate.
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6 Dated: April 24, 2025

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12 *Fee Examiner*
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Exhibit A

In re: The Roman Catholic Bishop of Oakland
Case No. 23-40523 (WJL)

Summary of Fees and Expenses Reviewed by Fee Examiner for the First, Fourth or Fifth Interim Fee Period

Professional	Docket Entry #	Fee Application	Fees Requested	Fee Reduction Agreed to	Expenses Requested	Expense Reduction Agreed to
Alvarez & Marsal North America, LLC	1724	Fifth Interim	\$119,215.00	\$0.00	\$17.93	\$0.00
Foley & Lardner, LLP	1722	Fifth Interim	\$2,031,711.50	\$27,442.50	\$45,934.36	\$2,330.80
Breall & Breall LLP	1727	Fourth Interim	\$35,250.00	\$5,475.00	\$0.00	\$0.00
Lowenstein Sandler LLP	1742	Fifth Interim	\$1,387,687.00	\$2,236.50	\$40,849.57	\$520.22
Keller Benevenuti Kim LLP	1731	Fifth Interim	\$134,452.50	\$0.00	\$3,769.35	\$0.00
Berkeley Research Group, LLC	1746	Fourth Interim	\$206,837.50	\$2,744.70	\$4,391.41	\$71.50
Stout Risius Ross, LLC	1734	Fourth Interim	\$85,224.00	\$0.00	\$0.00	\$0.00
Burns Bair LLP	1739	Fourth Interim	\$456,140.00	\$8,000.00	\$15,570.15	\$0.00
Douglas Wilson Companies Inc.	1737	First Interim	\$130,000.00	\$0.00	\$84,000.00	\$0.00
TOTAL:			\$4,586,517.50	\$45,898.70	\$194,532.77	\$2,922.52