

Court News

is published by the United States Bankruptcy Court for the Central District of California as an informational service for the practitioners and public of our Court.

MAUREEN A. TIGHE
Chief Judge

KATHLEEN J. CAMPBELL
Executive Officer/Clerk of Court

Suggestions and comments
are always welcome.

Please email us at editor@cacb.uscourts.gov.

This issue and back issues
of the Court News are
available on the Court's
website at <http://www.cacb.uscourts.gov/publications>.



This Issue

Roadways to The Federal Bench: Who Me? A Bankruptcy Judge? P. 1

Fees Awarded to Trustees and Professionals, P. 2

Honor Roll Reception Held for Riverside Pro Bono Volunteers P. 3

Top 20 Cases P. 4

ROADWAYS TO THE FEDERAL BENCH: WHO ME? A BANKRUPTCY JUDGE?

The Judicial Conference of the United States Committee on the Administration of the Bankruptcy System recognizes the importance of diversity on the federal bench, particularly the bankruptcy bench. To promote and improve diversity in the practice of bankruptcy law and on the federal bankruptcy bench, the Committee's Diversity Working Group has hosted or participated in a number of well-received events that were open to all and targeted law students and young lawyers of diverse backgrounds. These events have given students and lawyers an opportunity to meet a variety of federal judges—appellate, district, bankruptcy, and magistrate and to learn and ask questions about bankruptcy practice, judicial clerkships, and judicial service. The only thing missing from these programs was the ability for lawyers and law students across the country to participate.

In order to expand the geographic availability and as part of efforts to foster diversity in the bankruptcy bench and bar, the Judicial Conference of the United States Committee on the Administration of the Bankruptcy System will present a live broadcast from Washington, D.C. on October 24, 2019 entitled 'Roadways to the Federal Bench: Who Me? A Bankruptcy Judge?'. Following the live broadcast, there will be local roundtable discussions with the federal bench, bar association members, and law students hosted by the United States Bankruptcy Court, Central District of California (Los Angeles division). Registration may be limited due to space constraints. For questions, please contact Jessica Garibay at (213) 894-3126.

SAVE THE DATE!

October 24, 2019

As part of its efforts to foster diversity in the bankruptcy bench and bar, the Judicial Conference of the United States Committee on the Administration of the Bankruptcy System presents:

ROADWAYS TO THE FEDERAL BENCH: WHO, ME? A BANKRUPTCY JUDGE?



**LIVE BROADCAST FROM WASHINGTON, D.C.
**LOCAL ROTATING ROUNDTABLE DISCUSSIONS
AMONG FEDERAL BENCH, BAR, AND LAW STUDENTS.

Locations:
Washington, D.C.
Atlanta, GA
Boston, MA
Chicago, IL
Cincinnati, OH
Dallas/Fort Worth, TX
Denver, CO
Detroit, MI
Houston, TX
Los Angeles, CA
Miami, FL
Minneapolis, MN
New York City, NY
Philadelphia, PA
Phoenix, AZ
St. Louis, MO
Raleigh/Durham, NC
San Francisco, CA
Seattle, WA

UPDATES TO THE COURT'S STRATEGIC PLAN UNDERWAY

In 2014, the Court adopted a new Strategic Plan to define its direction for the next five years. The Court's Strategic Plan identifies long-term issues facing the Court, together with the goals and strategies to address each of these issues. However, this plan is set to expire at the end of this year. In the following months, the Court will be identifying new issues and setting additional goals to update its Strategic Plan. The questions to consider include the following:

- What would you change and how would you change it?
- What issues should the Court address over the next 1-5 years?
- What goals should the Court set to address these issues?
- How do you envision the Court in the next five years?

(continued on page 2)

For more information,
visit our web site at www.cacb.uscourts.gov.

Statistics Dashboard

The interactive Statistics Dashboard is a new feature of the Court's website that provides up-to-date filing and closing data for chapter 7, 11, and 13 cases, as well as adversary proceedings. Users can view data sorted by division or from the entire Central District, or they can choose to view only pro se or business cases. The Statistics Dashboard also displays year-by-year and month-by-month comparisons; another option compares each month of the current year to the corresponding month of the prior year. Access the new feature through the "Interactive Statistics" link on the Information tab of the Court's homepage (www.cacb.uscourts.gov), or follow this link.



Accessing Court Information by Twitter

The Court has tweeted over 4,000 times since 2011, and its Twitter account has over 850 followers. The Court tweets announcements, Notices of Sale, Public Notices, and other timely information. In March 2015, the Court began tweeting judicial opinions.

You do not need a Twitter account to view the Court's tweets—just click on the Twitter logo on the home page of the (www.cacb.uscourts.gov). The postings are arranged in chronological order, making it easy to quickly catch up with what is going on at the Court. If you have a Twitter account, follow @cacbnews.

WEBSITE FEEDBACK

The U.S. Bankruptcy Court for the Central District of California continues to enhance its website based on feedback from users. Please let us know your thoughts about what is working well and what could be improved at www.cacb.uscourts.gov/contact.

(continued from page 1)

To review the Court's current Strategic Plan, click on the following link: [Strategic Plan](#). The Court solicited comments and suggestions from the public on the upcoming Strategic Plan between March 5, 2019 – April 26, 2019. A draft Plan incorporating these comments and suggestions will be circulated for additional review in the months ahead. The Court's goal is to complete the process and adopt a new Plan by January 2020.

FEES AWARDED TO TRUSTEES AND PROFESSIONALS

Federal Rule of Bankruptcy Procedure 2013(a) provides that the clerk shall maintain a public record listing fees awarded by the court (1) to trustees and attorneys, accountants, appraisers, auctioneers and other professionals employed by trustees, and (2) to examiners. The record shall include the name and docket number of the case, the name of the individual or firm receiving the fee and the amount of the fee awarded. The record shall be maintained chronologically and shall be kept current and open to examination by the public without charge. "Trustees," as used in this rule, does not include debtors in possession.

The Court's website now has a section dedicated to displaying fees awarded to various professionals. The site provides quick access to review the fees, and eliminates the need to visit the Clerk's Office to examine paper records. These Annual Fee Summary Reports are now available online as far back as 2014. In addition to the Annual Fee Summary Report, there are Year to Date Fees Awarded by Month Reports for the current year. In both these Reports, the information is sorted by Payee.

The Advisory Committee Notes to Rule 2013 indicate that the reporting requirements do not apply to chapter 12 or chapter 13 trustees. These reports include only chapter 7 and chapter 11 trustees and their professionals. Compensation paid to professionals employed by chapter 11 debtors-in-possession is not reported. Compensation paid to professionals employed by chapter 11 trustees is reported.

For more information, please visit the [Court's website](#) and click on the Information tab and select Professional Fees Awarded from the drop down menu.

REVISED DOLLAR AMOUNTS IN SPECIFIC FORMS WENT INTO EFFECT APRIL 1, 2019

The Bankruptcy Code, 11 U.S.C. § 104(a), provides that the Judicial Conference make the adjustments, which are calculated at three-year intervals on the basis of the change in the Consumer Price Index for the most recent three-year period ending immediately before the year in which the adjustment is made and rounded to the nearest \$25. The Conference has delegated that authority to the Administrative Office. The adjusted dollar amounts will affect, among other matters:

- the eligibility of a debtor to file under chapters 12 and 13 of the Bankruptcy Code;
- the definition of a small business debtor;
- certain maximum values of property that a debtor may claim as exempt;
- the maximum amount of certain claims entitled to priority;
- the calculation of the "means test" for chapter 7 debtors;
- the duration of a chapter 13 plan;
- the minimum aggregate value of claims needed to commence an involuntary bankruptcy case;
- the minimum value for trustee avoidance actions; and
- the value of "luxury goods and services" deemed to be nondischargeable where the trustee may commence certain proceedings to recover a money judgment or property.

(continued on page 3)

The adjustments will apply to cases filed on or after April 1, 2019. The updated forms, instructions, and Petition Packages have been posted on the [Court's website](#).

HONOR ROLL RECEPTION HELD FOR RIVERSIDE PRO BONO VOLUNTEERS

The Court recognized the Riverside Honor Roll volunteers on January 29th in a reception in conjunction with the Inland Empire Bankruptcy Forum's (IEBF) "Ask the Judges Night" at the Riverside Convention Center Marriott. The Honor Roll is based on the names submitted on an ongoing basis by each of the Court's self-help desks to recognize volunteers for each organization. The Honor Roll is published on the Court's website at the link [Pro Bono Volunteers Honored](#) under the "For Attorneys" portion of the "Programs and Services".



Judges Scott C. Clarkson, Mark D. Houle, Wayne Johnson, Mark S. Wallace, and Scott H. Yun participated in the event, which was also attended by Court staff, and self-help desk staff. The following list of volunteers were recognized on the Honor Roll: Manfred Schroer; Suzette C. Douglas; Jennifer F. Tanios; Benjamin R. Heston; Amelie A. Kamau; Donald W. Reid; Nancy Y. Korompis.

Judge Houle acknowledged the Riverside Pro Se Clinic staff (Robert Simmons, Supervising Attorney, Marjorie Johnson, Staff Attorney, and Donald McKay, Staff Attorney) and paralegal (Gabriela Figueroa) and then awarded certificates to the volunteers. The judge explained to the audience how important the Pro Se Clinic attorneys and volunteers are in serving the community and, with their help, pro se litigants have a much better chance of having a successful bankruptcy. Judge Houle also pointed out how much all chambers appreciate the volunteers' service and asked for others to think of volunteering their time, too.

A CELEBRATION IN HONOR OF PRO BONO VOLUNTEERS HELD IN SANTA ANA

On the afternoon of April 30, 2019, Pro Se Committee Chair Hon. Catherine E. Bauer hosted an Honor Roll reception in her chambers to thank the volunteers serving the Santa Ana division's self-help desk. The Honor Roll is published on the Court's website under "Programs and Services for Attorneys," and is based on the names submitted on an ongoing basis by each of the Court's self-help desks to recognize volunteers for each organization. Hosting Honor Roll events at each division to distribute certificates to pro bono volunteers is an initiative by the Court's Pro Se Committee that began in 2016, to make these events more accessible to the volunteers being recognized.

Chief Judge Maureen A. Tighe, Hon. Erithe A. Smith, Hon. Catherine E. Bauer and Clerk of Court Kathleen J. Campbell also attended the reception, along with law clerks and Court staff who visited with the Self-Help Desk volunteers. More than 20 guests mingled over an assortment of charcuterie, hors d'oeuvres, and sweet treats. Swag bags for the volunteers included mobile device stands with the Pro Bono Celebration logo.



Trouble Accessing Lodged Order Upload (LOU)

On occasion, you may click on the Lodged Order Upload link in CM/ECF and nothing happens. This indicates that your pop-up blocker is turned on. To turn off pop up blocker:

If using **Internet Explorer**:

Click on Tools > **hover over pop up blocker** > click **turn off** pop up blocker.

If using **Google Chrome**:

Click on Settings > **Advanced** > **Content settings** > **Popups** > change to **Allowed**

If using **Mozilla Firefox**:

Click on Options > **Content** > remove the check mark for **Block Pop-up windows**

Upon completion, log back into CM/ECF and retry. For additional information, please contact the ECF Support Desk at 213-894-2365.

Utilizing the Search Feature in CM/ECF

The "Search" feature located on the blue menu bar in CM/ECF is a helpful tool when searching for an event code. By clicking on "Search" and entering a key word such as "Relief" for Relief from stay, CM will list all of the areas where the word "Relief" for example can be found. This is an excellent way to verify event codes prior to filing your documents.

Flattening and Shrinking the Document Image

All PDF files must be "flattened" prior to uploading in the court's CM/ECF system. Documents that have not been flattened prior to submission can result in poor image quality problems for all users who attempt to view the PDF via CM/ECF. Flattening files also reduces the file size of a fillable form by over 90 percent, conserving valuable resources for the court. CM/ECF users who fail to flatten files will be contacted and asked to resubmit these files. To "flatten" the electronic file (i.e., to make the field data indistinguishable from the rest of the text in the form), "print" the form to PDF (using the print dialogue box) and file the resulting document. Detailed instructions for flattening and shrinking a PDF document titled, "Warning for Electronic Filers: Flattening PDF Files Required," are available on the court's website at www.cacb.uscourts.gov>CM/ECF.

Top 20 Cases of Interest*

Air Force Village West, Inc.

RS-19-11920-SC, Chapter 11, Filed 3/10/19. Assets \$50-100 million and Liabilities \$50-100 million. Chapter 11 voluntary petition filed 3/10/2019; Order setting scheduling hearing and case management conference and requiring status report entered 3/11/2019 - hearing set for 4/30/2019 at 1:30 p.m. Rm 126; Amended list of creditors who have the 20 largest unsecured claims and are not insiders filed 3/19/2019; Order authorizing filing under seal of confidential patient information entered 3/19/2019; Interim order limiting scope of notice and setting final hearing of 4/18/2019 at 1:30 p.m. Crtrm 5C Santa Ana and Rm 126 Riverside Video Courtroom; Order granting debtor's emergency motion to appoint Kurtzman Carson Consultants LLC as Claims and Noticing Agent entered 3/20/2019; Order to extend time to file schedules entered 3/21/2019 - deadline extended through 4/24/2019; Notice of commencement of case and meeting of creditors pursuant to section 341 - meeting scheduled for 4/23/2019 at 10:00 a.m. at Altavista Village, Main Building (Commons), Convocation Rm, 17050 Arnold Drive, Riverside CA 92518; Stipulation by United States Trustee and Debtor for appointment of a Patient Care Ombudsman filed 4/15/2019.

Andrew Marc Pitscalis

SV-19-10062-BK, Chapter 11, Filed 1/11/19. Assets under \$1 million and Liabilities under \$1 million. Order setting last day to file proofs of claim entered on 3/8/19. Scheduling and case management conference continued to 8/8/19 at 1:00 p.m.

Banner Mattress Inc.

RS-19-13381-SC, Chapter 11, Filed 4/22/19. Assets \$1-10 million and Liabilities \$1-10 million. Chapter 11 petition filed 4/22/2019; Schedules due 5/06/2019; Emergency motion to limit scope of notice filed 4/23/2019 with hearing scheduled 4/25/2019 @ 10:00 a.m. Crtrm 126; Meeting of creditors scheduled 5/29/2019 at 1:30 p.m. Rm 720, 3801 University Avenue, Riverside, CA 92501; Order (1) setting scheduling hearing and case management conference and (2) Requiring status report entered 4/25/2019 - hearing set 6/11/2019 at 1:30 p.m. Crtrm 126.

Cosmedx Science Inc

RS-18-16043-WJ, Chapter 11, Filed 07/19/18. Assets \$1-10 million and Liabilities \$1-10 million. Final report of post-petition debts and account - rule 1019 with additional debts listed filed by debtor 3/14/2019; Trustee's omnibus motion under rule 9019 for order approving settlement and compromise of accounts receivable disputes filed 4/9/2019.

DFH Network, Inc.

SA-18-13119-ES, Chapter 11, Filed 08/23/18. Assets \$50-100 million and Liabilities \$1-10 million. Hearing Set 5/16/19 @10:30 a.m. crtrm 5A on Motion to Value Collateral of BB&T Commercial Equipment Capital Corp. filed 4/12/19. Status Hearing set for 6/20/2019 @10:30 a.m.

Elas, LLC dba Calnopoly LLC

SV-18-12494-VK, Chapter 11, Filed 10/08/18. Assets \$1-10 million and Liabilities \$1-10 million. Order granting motion in individual Ch 11 case for order pursuant to 11 USC Sec. 363 setting budget for interim use of estate property as defined in 11 USC Sec. 1115 entered 4/11/19. Scheduling and case management conference continued to 6/20/19 at 1:00 p.m.

Green Pharmaceuticals, Inc.

ND-18-12087-DS, Chapter 11, Filed 12/16/18. Assets under \$1 million and Liabilities \$1-10. Chapter 11 Status Conference continued to 5/28/19 at 11 a.m.; Motion to Use Cash Collateral hearing continued to 5/28/19 at 11 a.m.

Hekmatjah Family Limited Partnership

SV-18-13023-VK, Chapter 11, Filed 12/17/18. Assets \$1- 10 million and Liabilities \$10-50 million. Order setting last day to file proofs of claim entered on 3/1/19. Scheduling and case management conference to be heard on 8/15/19 at 1:00 p.m.

Kendall Frozen Fruits, Inc.

SA-18-14052-SC, Chapter 11, Filed 11/05/18. Assets \$1-10 million and Liabilities \$1-10 million. Hearing Granted on Motion Approve Compromise Under Rule 9019 Chapter 11 Trustee Motion set for 3/20/2019 at 11:00 a.m. courtroom 5C. Monthly Operating report filed 4/3/2019; Hearing Held approving Global Compromise between Debtor, the Trustee and Creditor Agroindustrial Valle Frio S.A. (2) Post Petition financing to Fund Global settlement (3) Authorization to obtain Customs Bond filed by Trustee Howard Grobstein; Motions, Notice and Applications filed to Employ Professional; Trustee; Channel Marketing Resources filed 4/23/19; Hearing set 6/13/2019 @11:00 a.m. crtrm, 5C on Application to Employ.

MidiCi Group LLC

SV-18-12354-VK, Chapter 11, Filed 09/21/18. Assets \$1-10 million and Liabilities \$1-10 million. Hearing regarding motion for order approving further post-petition financing from members of debtor to be heard on 4/25/19 at 2:00 p.m. Hearing on confirmation of debtor's first amended chapter 11 plan to be heard on 6/13/19 at 1:00 p.m. Scheduling and case management conference continued to 6/13/19 at 1:00 p.m.

Modern VideoFilm, Inc.

SA-18-11792-MW, Chapter 11, Filed 05/16/18. Assets \$1-10 million and Liabilities \$50-100 million. Monthly Operating Reports 9 & 11; Motion to Extend Exclusivity Period for filing Chapter 11 Plan and Disclosure Statement filed 3/12/19; Objection to Motion to Extend filed 3/26/19; Order Continuing Status Conference to July 10, 2019 @9:00 a.m. crtrm 6C. and Updated Status due 6/26/19; Status Hearing set for 7/10/2019 @ 9:00 a.m. crtrm 6C.

PB-1 LLC

SV-18-12855-MT, Chapter 11, Filed 11/27/18. Assets \$1-10 million and Liabilities \$1-10 million. Order approving of debtor's disclosure statement and setting schedule for chapter 11 plan confirmation entered on 4/12/19. Hearing regarding motion for order approving debtor in possession construction financing on a first priority basis priming all liens except real property taxes continued to 6/17/19 at 10:00 a.m. Scheduling and case management conference continued to 6/17/19 at 10:00 a.m.

Rockin Artwork, LLC (Lead case to JNTADMN case) Purple Haze Properties, LLC

SV-19-10051-VK SV-19-10052-VK, Filed 01-09-19. Assets under \$1 million and Liabilities under \$1 million. Withdrawal of motion for an order: (1) approving form of asset purchase agreement for stalking horse bidder and for prospective overbidders to use, (2) approving auction sale format, bidding procedures, and stalking horse bid protections; and (3) scheduling a court hearing to consider approval of the sale to the highest bidder filed 4/16/19. Scheduling and case management conference continued to 8/8/19 at 1:00 p.m.

Ruby's Diner, Inc. a California Corporation

SA-18-13311-CB, Chapter 11, Filed 09/05/18. Assets \$1-10 million and Liabilities \$1-10 million. Jointly Adminstrated 8:18-13324-CB - Chapter 11 Plan of Reorganization filed by debtor Ruby's Dinner Inc; Disclosure Statement Describing Joint Chapter 11 Plan filed 4/25/2019; Notice of Hearing on Approval of Disclosure Statement Describing Joint Chapter 11 Plan of Reorganization. Updated chapter 11 status Report dated April 11, 2019 and Declaration. Proof of Claim Deadlines Bar Date 6/3/2019, Hearing Scheduled for 6/5/2019 at 10:00 a.m. approving Disclosure Statement (2) Scheduling Confirmation Hearing (3) Approving form and Manner of Notice of Confirmation Hearing (4) Establishing Procedures for Solicitation (5) Establishing the Deadling and Proceures for Filing Objection Confirmation of the Plan. Claims Agent for Debtor's Estate must be received by Donlin Recano & Company, Inc for the following cases: 8:18-bk-13197-CB; 8:18-bk-13198-CB; 8:18-bk-13199-CB; 8:18-bk-13200-CB; 8:18-bk-13201-CB; 8:18-bk-13202-CB) Claims Deadline 6/3/2019 Bar Date.

Technology Solutions & Services Inc.

RS-18-18339-MH, Chapter 11, Filed 10/02/2018, Assets \$1- 10 million and Liabilities \$10-50 million. Debtor's Chapter 11 status conference report filed 2/22/2019; Order approving first amended disclosure statement for Chapter 11 liquidating plan entered 3/11/2019; Confirmation hearing set for 5/7/2019 at 2:00 p.m. Crtrm 303; Summary of ballots filed by debtor 4/5/2019; Monthly operating report 6 for the month ending 3/31/2019 filed 4/5/2019.

Three Chiefs and No Indians, LLC

RS-18-17106-WJ, Chapter 11, Filed 07/17/2018, Assets \$10- 50 million and Liabilities \$10-50 million. First amended disclosure statement filed by debtor 4/11/2019; First amended plan of reorganization filed by debtor 4/11/2019; Order approving first amended disclosure statement entered 4/11/2019; Notice of plan confirmation hearing, voting and objection deadlines and ballot for accepting or rejecting the first amended plan of reorganization filed 4/11/2019; Confirmation hearing set for 6/4/2019 at 2:00 p.m. Crtrm 304.

Valley C LLC

SV-18-11786-MB, Chapter 11, Filed 08/22/2018, Assets \$1- 10 million and Liabilities \$1-10 million. Hearing regarding motion to dismiss chapter 11 case for failure to pay property taxes to be heard on 5/14/19 at 1:30 p.m. Scheduling and case management conference continued to 4/23/19 at 10:00 a.m.

Verity Health System of California, Inc. et al. (lead case), St. Louise Regional Hospital, Verity Holdings, LLC, St. Vincent Medical Center, St. Francis Medical Center, Seton Medical Center, O'Connor Hospital, Verity Medical Foundation, St. Vincent Dialysis Center, Inc., Saint Louise Regional Hospital Foundation, Verity Business Services, Seton Medical Center Foundation, De Paul Ventures, LLC, St. Francis Medical Center of Lynwood Foundation, O'Connor Hospital Foundation, St. Vincent Foundation, De Paul Ventures - San Jose Dialysis, LLC. LA-18-20151-ER LA-18-20162 LA-18-20163 LA-18-20164 LA-18-20165 LA-18-20167 LA-18-20168 LA-18-20169 LA-18-20171 LA-18-20172 LA-18-20173 LA-18-20175 LA-18-20176 LA-18-20178 LA-18-20179 LA-18-20180 LA-18-20181, Chapter 11, Filed 08/31/2018, Assets \$500-\$1 Billion Liabilities \$100-500 million. There are several pending hearings in bankruptcy case and adversaries proceeding set between April 23, 2019 thru January 27, 2020. See docket entry no 1528: Last day to file Proofs of Claim 4/1/2019. Government Proof of Claim due by 8/12/19.

Visiting Nurse Association of the Inland Counties

RS-18-16908-MH, Chapter 11, Filed 08/15/2018, Assets \$1- 10 million and Liabilities \$10-50 million. Order granting motion for order approving management agreement entered 2/25/2019; Order granting patient care ombudsman's emergency motion for order approving review of confidential patient records under section 333 and approving notice to patients under bankruptcy rule 2015.1(b) entered 2/27/2019; Chapter 11 status report filed by debtor 3/13/2019; Scheduling and case management conference continued to 5/1/2019 at 11:00 a.m. Crtrm 303; Monthly operating report number 8 for month ending 3/31/2019 filed by debtor 4/15/2019.

Zacky & Sons Poultry, LLC.

LA-18-23361-RK, Chapter 11, Filed 11/13/18. Assets \$50-100 million and Liabilities \$50-100 million. Pursuant to docket entry no 188, Status conference set on 4/30/2019 at 2:30 pm.; Docket entry no 248: Hearing re: Motion for entry of an order authorizing sale of substantially all of the debtor's real estate related assets free and clear of all liens, claims, encumbrances and interests and granting related relief set on 4/30/2019 at 2:30 pm. Adversary status conference set on 5/28/2019 at 1:30 pm.

*Based on a combination of asset and liability levels, number of creditors, high activity, and/or name recognition.