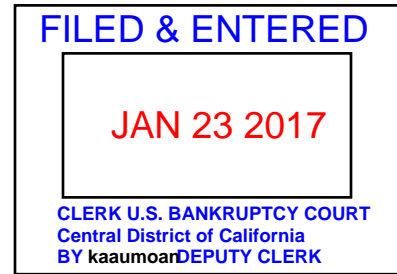


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11 Proposed Attorneys for Chapter 11 Debtor and Debtor in Possession

12 **CHANGES MADE BY COURT**
13 **UNITED STATES BANKRUPTCY COURT**
14 **CENTRAL DISTRICT OF CALIFORNIA**
15 **LOS ANGELES DIVISION**

16 In re:
17 STEINY AND COMPANY, INC.,
18 Debtor and Debtor in Possession.

19 Case No.: 2:16-bk-25619-WB

20 Chapter 11 Case

21 **ORDER AUTHORIZING THE USE OF**
22 **CASH COLLATERAL ON A FINAL**
23 **BASIS**

24 Final Hearing:

25 DATE: January 5, 2017
26 TIME: 2:00 p.m.
27 PLACE: Courtroom 1375
28 255 E. Temple St.
Los Angeles, CA 90012

1 On January 5, 2017, at 2:00 p.m., the Honorable Julia W. Brand, United States Bankruptcy
2 Judge for the Central District of California (the "Court"), held a hearing (the "Hearing") in
3 Courtroom 1375 of the United States Bankruptcy Courthouse located at 255 East Temple Street,
4 Los Angeles, California, to consider approval on a final basis of the *Emergency Motion For Entry*
5 *Of An Order Authorizing The Use Of Cash Collateral On An Interim Basis Pending A Final*
6 *Hearing* (the "Motion"), filed by Steiny and Company, Inc., chapter 11 debtor and debtor in
7 possession (the "Debtor") in the above-captioned Chapter 11 bankruptcy case (the "Chapter 11
8 Case"). Appearances were made as set forth on the record at the Hearing.

10 The Court, having considered the Motion, the Memorandum of Points and Authorities
11 appended to the Motion,¹ the Omnibus Declaration of Vincent Mauch in Support of Emergency
12 First Day Motions (the "Omnibus Declaration"), the budget attached to the Omnibus Declaration
13 (the "Initial Budget"), the Declaration of Jacqueline L. James in support of the Motion, the first
14 supplement to the Motion filed by the Debtor on or about December 12, 2016 (the "First
15 Supplement") [Docket No. 47], the stipulation entered into by and between the Debtor and the
16 United States of America on behalf of the Internal Revenue Service (the "IRS") and filed with the
17 Court on or about December 27, 2016 (the "IRS Stipulation") [Docket No. 88], the second
18 supplement to the Motion filed by the Debtor on or about December 28, 2016 (the "Second
19 Supplement") and the Declaration of Vince Mauch filed in support of the Second Supplement (the
20 "Supplemental Mauch Declaration") [with the Second Supplement and the Supplemental Mauch
21 Declaration jointly filed as Docket No. 94], the supplemental budget attached as Exhibit 2 to the
22 Supplemental Mauch Declaration (the "Supplemental Budget"), the response filed by the Official
23 Committee of Unsecured Creditors, the response filed by creditor Construction Laborers Trusts
24 and the supplemental opposition filed by creditors the Trustees of the Southern California IBEW-

1 NECA Pension Plan, *et al.*, and all other pleadings, and exhibits filed in support of, in response to,
2 and in opposition to the Motion and/or the Second Supplement and/or the Supplemental Budget,
3 the notice of the Motion and notice of final hearing, the entire record and docket in this case, and
4 the Court finding that the Debtor provided requisite notice of the Motion and the hearing on the
5 Motion and that such notice was good and proper, and for good cause appearing,

6
7 ***THE COURT HEREBY ORDERS AS FOLLOWS:***

8 1. The Motion is GRANTED in its entirety subject to the provisions of First
9 Supplement, the Second Supplement and the IRS Stipulation.

10 2. Consistent with the Court's Order entered on January 9, 2017, the IRS Stipulation is
11 approved in its entirety.

12 3. All objections to the Motion, the Second Supplement and/or to the Supplemental
13 Budget are overruled in their entirety.

14 4. The Debtor is authorized to use cash collateral on a final basis through March 31,
15 2017 to pay all of the expenses set forth in the Supplemental Budget, subject to a permitted
16 variance of up to 15% on both a line item and cumulative basis, and to deviate by category
17 (provided the Debtor does not pay expenses outside any of the categories), and with any unused
18 amount to roll over to subsequent periods, without the need for further Court order.

19 5. In consideration for the use of their cash collateral, all of the Debtor's secured
20 parties who assert an interest in the Debtor's cash collateral are hereby granted replacement liens
21 against the Debtor's assets with such replacement liens to have the same extent, validity, scope,
22 and priority as the prepetition liens held by the secured parties.

23 6. Among other things, pursuant to the terms of the IRS Stipulation: (a) the Debtor
24 shall make adequate protection payments to the IRS in the amount of \$5,122.24 per month with
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28 ¹ Capitalized terms used and not defined herein have the meaning set forth in the Motion and Memorandum

1 each such payment to be received by the 15th day of the month, commencing on January 15, 2017,
2 and with such payments to continue on a monthly basis until the effective date of a confirmed
3 plan, and (b) the Debtor shall submit an updated budget to counsel for the United States, AUSA
4 Jolene Tanner, by no later than 12 calendar days prior to the deadline for the use of cash collateral
5 as ordered by the Court herein, so that the IRS may consider stipulating to continued use of cash
6 collateral.

7
8 7. Obligors of amounts due to the Debtor, including without limitation the Debtor's
9 customers, clients and general contractors ("Payors"), shall make payment on account of such
10 obligations directly to the Debtor (on behalf of the Debtor's bankruptcy estate) to the extent that
11 such payment is presently due and payable to the Debtor pursuant to the terms of the applicable
12 contracts, subject to any reduction or holdback pursuant to contract or applicable law (a "Net
13 Payment"), including any and all amounts that otherwise may be subject to a Notice of Levy
14 served at any time on the following entities in possession of the Debtor's assets,
15

- 16 a. Bank of the West
- 17 b. Mass Electric Construction Co.
- 18 c. Skanska-Rados
- 19 d. Bernard Bros.
- 20 e. Regional Connector Constructors
- 21 f. Griffith Company
- 22 g. Skanska USA Civil West California District, Inc. and affiliated joint ventures,
23 subsidiaries, and companies; and
- 24 h. the United States Marshall

25
26 except that this provision shall not affect receivables that have been assigned to and directed for
27 payment to Liberty. To the extent that any such Net Payment includes an amount that may be
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of Points and Authorities and/or in the First Supplement and/or the Second Supplement.

1 subject to a Notice of Levy, such Net Payment shall be paid directly to the Debtor, in which case
2 the Net Payment shall remain subject to all liens, claims and interests on or in such Net Payment
3 with the same validity, extent, scope and priority that existed before the funds were paid to the
4 Debtor. Upon delivery of a Net Payment to the Debtor, the Payors are released from any claim,
5 liability, interest or obligation that may be held or asserted by the Debtor, the Debtor's bankruptcy
6 estate, and any other party with regard to such Net Payment or the making and delivery of such
7 Net Payment to the Debtor. Notwithstanding the release, the Debtor reserves the right to dispute
8 the amount of any reduction or holdback. Nothing in this Order is intended to waive, impair or
9 modify in any way Liberty's rights to receive funds on projects that Liberty has issued surety
10 bonds and apply them to its secured claim (subject to receiving relief from the Automatic Stay
11 under Bankruptcy Code § 362(d)). Notwithstanding anything in this Order to the contrary,
12 Liberty's right, claims and defenses, including, but not limited to, its UCC liens and claims, and its
13 equitable rights of subrogation, are fully preserved.
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16 8. The U.S. Marshal's Service is hereby ordered to turn over any and all monies,
17 sums, funds, amounts and/or other property in its possession, custody and/or control owned by,
18 owed and/or belonging to, intended for and/or that the Debtor may have an equitable interest in,
19 and that the U.S. Marshal's Service has in its, possession, custody and/or control as a result of
20 levies, writs and/or any and all other methods of judgment enforcement and/or pre-judgment
21 process that was and/or may have been issued and/or entered by a court, served, and/or otherwise
22 created against the Debtor and in favor of one and/or more of the Debtor's creditors.
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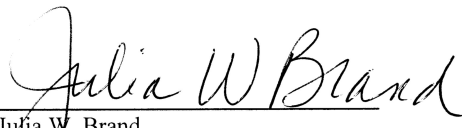
24 9. Nothing herein shall be construed to affect or alter in any way the rights and
25 obligations of any person as to mechanic liens, stop payment notices or bond claims, under
26 California Civil Code §§ 8000-9566 or California Code Civ. P. § 708.760, and the Debtor
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1 expressly reserves all of its rights, remedies and defenses to any such mechanic liens, stop notice
2 or bond claims, pursuant to all applicable law.

3 **IT IS SO ORDERED.**

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24 Date: January 23, 2017



Julia W. Brand
United States Bankruptcy Judge