

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

ALACHUA GOVERNMENT SERVICES,
INC.,

Debtor.¹

Chapter 11

Case No. 25-11289 (JKS)

Re: Docket No. 198, 213

**THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS
(I) OBJECTION TO DEBTOR'S DESIGNATION OF CERTAIN MATERIAL
AS PROFESSIONAL EYES ONLY; AND (II) RESERVATION OF RIGHTS
IN CONNECTION WITH THE BIDDING PROCEDURES MOTION**

The Official Committee of Unsecured Creditors (the "Committee") of the above-captioned debtor and debtor-in-possession (the "Debtor") hereby submits this objection to the Debtor's designation of certain material as professional eyes only and reservation of rights to the Bidding Procedures Motion.² In support, the Committee respectfully states as follows:

¹ The Debtor in this chapter 11 case, along with the last four digits of its federal tax identification number is: Alachua Government Services, Inc. (5370). The Debtor's mailing address is 13200 NW Nano Court Alachua, Florida 32615.

² *Motion of the Debtor for Entry of Orders (I)(A) Approving Bidding Procedures for the Sale of the Debtor's Real and Personal Property Assets in Alachua, Florida, (B) Authorizing the Debtor to Designate a Stalking Horse Bidder and to Provide Bidding Protections, (C) Scheduling an Auction and Approving the Form and Manner of Notice Thereof, (D) Approving Assumption and Assignment Procedures, (E) Scheduling a Sale Hearing and Approving the Form and Manner of Notice Thereof and (F) Granting Related Relief; and (II)(A) Approving the Sale of the Debtor's Real and Personal Property Assets in Alachua, Florida Free and Clear of Liens, Claims, Interests and Encumbrances, (B) Approving the Assumption and Assignment of Executory Contracts and Unexpired Leases and (C) Granting Related Relief [Docket No. 198] and (ii) Supplement to Motion of the Debtor for Entry of Orders (I)(A) Approving Bidding Procedures for the Sale of the Debtor's Real and Personal Property Assets in Alachua, Florida, (B) Authorizing the Debtor to Designate a Stalking Horse Bidder and to Provide Bidding Protections, (C) Scheduling an Auction and Approving the Form and Manner of Notice Thereof, (D) Approving Assumption and Assignment Procedures, (E) Scheduling a Sale Hearing and Approving the Form and Manner of Notice Thereof and (F) Granting Related Relief; and (II)(A) Approving the Sale of the Debtor's Real and Personal Property Assets in Alachua, Florida Free and Clear of Liens, Claims, Interests and Encumbrances, (B) Approving the Assumption and Assignment of Executory Contracts and Unexpired Leases and (C) Granting Related Relief [Docket No. 213] (collectively, the "Bidding Procedures Motion"). Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Bidding Procedures Motion.*

1. Despite the Committee's repeated inquiries and requests for the Debtor to promptly file bidding procedures related to the Alachua Site, the Debtor elected to delay filing the Bidding Procedures Motion, burning both precious marketing time and the Debtor's limited capital. As a result, there are now only 24 calendar days between the filing of the Bidding Procedures Motion and the proposed bid deadline on October 6, 2025. Moreover, on the Debtor's proposed timeline, there will be only seven calendar days between the entry of the Bidding Procedures Order and the bid deadline.

2. This is a far cry from a value maximizing process. Proper marketing of the Alachua Site requires a wide canvassing of specific markets and sufficient time for interested parties to complete diligence. The Committee is concerned that under the proposed timeline, interested parties have only limited opportunity to properly engage. Nonetheless, the Committee recognizes that a longer sale process will result in increased cost, a challenging Hobson's Choice for the Committee given the Debtor's limited liquidity. The Committee therefore does not object to the Bidding Procedures, nor the designation of the Stalking Horse Bidder.

3. That said, the Committee believes the Alachua Site should have significant value above the \$3.5 million Stalking Horse Bid and reserves all rights to seek to extend the timeline should additional time be requested by bidders.

4. The Committee is also troubled by the lack of transparency in the sale process. The Debtor has denied the Committee Professionals' repeated requests to share the names of potential bidders contacted by the Debtor with the Committee Members, even on a confidential basis, with no satisfactory explanation as to why the Debtor's professionals view this request as inappropriate.³ The Committee Members are comprised of various real estate and medical supply

³ The Debtor has provided this information to the Committee Professionals on a "professional eyes only" basis.

companies with knowledge of the Debtor's business and the Alachua Site, whose expertise could help to assist the Debtor by identifying additional bidders potentially interested in the Alachua Site. Moreover, knowing the parties the Debtor contacted will allow the Committee, which is identified as a Consultation Party in the proposed Bidding Procedures, to assess whether the Stalking Horse Bid provides the highest or otherwise best bid. By denying the Committee Members the ability to review the outreach list, the Debtor is directly impairing the Committee's ability to assist with the sale process. This is counterintuitive given that the Debtor and the Committee should be aligned in attempting to maximize value.

5. Accordingly, the Committee objects to the Debtor's "professional eyes only"⁴ designation, which is without valid justification, and requests the Court grant the Committee, as a Consultation Party under the Bidding Procedures, the ability to provide the Committee Members with the outreach list on a confidential basis pursuant to the Confidentiality Agreement.

6. Finally, the Debtor owns Royalty Assets, along with other intellectual property, that the Committee hopes will bring additional value into the Debtor's estate. Akin to the delay related to the Alachua Site, the Committee is concerned about collateral issues causing undue delay in filing bidding procedures for these assets. The Committee ardently believes that one or more bidding procedures motions should be filed as soon as possible, so that all potential bidders have

⁴ The Debtor and the Committee are parties to a Confidentiality Agreement dated August 6, 2025, executed by the Debtor, the Committee Advisors, and the members of the Committee. Section 6 of the Agreement provides the Debtor the ability to designate certain information as "Professional Eyes Only." The Confidentiality Agreement further provides: "If the Parties cannot reach an agreement with regard to the designation of certain information as *For Professional Eyes Only*," the Parties will seek a final determination from the Bankruptcy Court as to the designation of such information." By this filing, the Committee seeks such a determination. If the parties cannot resolve the dispute prior to the hearing, the Committee will submit a copy of the disputed materials in advance of the hearing.

the maximum amount of time to conduct due diligence and formulate bids for the Debtor's remaining assets.⁵

[Remainder of page left intentionally blank]

⁵ *In re Worldwide Direct, Inc.*, 316 B.R. 637, 648 (Bankr. D. Del. 2004) (noting that “speed and efficiency in bankruptcy is ... essential because delay only operates to devalue assets, hinder financial rehabilitation, and prevent exercise of rights.”).

Dated: September 25, 2025
Wilmington, Delaware

ROBINSON & COLE LLP

/s/ Natalie D. Ramsey

Natalie D. Ramsey (DE No. 5378)
1201 N. Market Street, Suite 1406
Wilmington, DE 19801
Tel: (302) 516-1702
Fax: (302) 516-1699
E-mail: nramsey@rc.com

Rachel Jaffe Mauceri (admitted *pro hac vice*)
Laurie A. Krepto (DE No. 4109)
1650 Market Street, Suite 3030
Philadelphia, PA 19103
Tel: (215) 398-0600
Fax: (215) 827-5982
Email: rmauceri@rc.com
lkrepto@rc.com

Evan M. Lazerowitz (admitted *pro hac vice*)
666 Third Avenue, 20th Floor
New York, NY 10017
Tel: (212) 451-2900
Fax: (212) 451-2999
Email: elazerowitz@rc.com

- and -

GOODWIN PROCTER LLP

Alexander J. Nicas (admitted *pro hac vice*)
Howard S. Steel (admitted *pro hac vice*)
Barry Z. Bazian (admitted *pro hac vice*)
James Lathrop (DE No. 6492)
Artem Skorostensky (admitted *pro hac vice*)
The New York Times Building
620 Eighth Avenue
New York, NY 10018
Telephone: (212) 813-8800
Email: anicas@goodwinlaw.com
hsteel@goodwinlaw.com
bbazian@goodwinlaw.com
jlathrop@goodwinlaw.com
askorostensky@goodwinlaw.com

Counsel to the Official Committee of Unsecured Creditors