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

-	Chapter 11
In re:	Case No. 25-10979 (JKS)
VWS Holdco, Inc., et al.,	
Debtors. <sup>1</sup>	Jointly Administered
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# JOINT MOTION OF CHESTERFIELD COUNTY, VIRGINIA, AND THE VIRGINIA DEPARTMENT OF ENVIRONMENTAL QUALITY TO TRANSFER VENUE TO THE UNITED STATES BANKRUPTCY COURT FOR THE EASTERN DISTRICT OF VIRGINIA

Chesterfield County, Virginia ("Chesterfield"), and the Virginia Department of Environmental Quality ("DEQ") hereby move this Court to transfer the venue of these bankruptcy cases to the United States Bankruptcy Court for the Eastern District of Virginia (the "Virginia Bankruptcy Court") pursuant to 28 U.S.C. § 1412 and Bankruptcy Rule 1014(a)(1) (the "Motion").

#### **BACKGROUND**

- 1. On July 24, 2025, Chesterfield filed the *Objection of Chesterfield County, Virginia, to Debtor-in-Possession Financing Motion* [Docket No. 189] and DEQ filed the *Joinder of the Virginia Department of Environmental Quality to the Objection of Chesterfield County, Virginia, to Debtor-in-Possession Financing Motion* [Docket No. 190] (together, the "Objections"). <sup>2</sup>
- 2. The Objections contain background information that supports the relief requested in this Motion and the Objections are incorporated herein as if set forth in full.

<sup>&</sup>lt;sup>2</sup> Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Objections, as applicable.



The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number are as follows: VWS Holdco, Inc. (5412) and Shoosmith Bros., Inc. (6914). The Debtors' mailing address is P.O. Box 2770, Chesterfield, VA 23832.

- 3. After the Objections were filed, on July 24, 2025, the Debtors filed the *Debtors' Motion to Convert These Chapter 11 Cases to Cases Under Chapter 7 of the Bankruptcy Code* [Docket No. 194] (the "Conversion Motion") and the Motion to Shorten Notice and Objection Periods Regarding *Debtors' Motion to Convert These Chapter 11 Cases to Cases Under Chapter 7 of the Bankruptcy Code* [Docket No. 196] (the "Conversion Motion to Shorten"). Pursuant to the Conversion Motion, the Debtors seek to covert these bankruptcy cases to cases under Chapter 7. Pursuant to the Conversion Motion to Shorten, the Debtors seek to schedule the hearing on the Conversion Motion for July 31, 2025, at 1:00 p.m. (eastern).
- 4. Contemporaneously herewith, Chesterfield and DEQ are filing a Motion to Shorten seeking to have this Motion heard at the hearing on July 31, 2025, at 1:00 p.m. (eastern), so that these bankruptcy cases can be transferred to the Virginia Bankruptcy Court simultaneously with their conversion to Chapter 7.

#### **RELIEF REQUESTED**

5. Chesterfield and DEQ respectfully request that this Court transfer the venue of these bankruptcy cases to the Virginia Bankruptcy Court, which is the district where the Landfill is located, pursuant to 28 U.S.C. § 1412 and Bankruptcy Rule 1014(a)(1), simultaneously with the conversion of these bankruptcy cases to Chapter 7.

#### **BASIS FOR RELIEF**

6. As discussed in the Objections, 28 U.S.C. § 1412 and Bankruptcy Rule 1014(a)(1) provide the authority for this Court to transfer the venue of these bankruptcy cases to the Virginia Bankruptcy Court. The Objections also contain case citations and quotes that identify the factors courts consider when analyzing venue transfer motions.

- 7. The applicable factors, including the interests of justice, the convenience of the parties, conserving time and resources, and improving judicial efficiency, weigh strongly in favor of transferring the venue of these bankruptcy cases to the Virginia Bankruptcy Court.
- 8. The distressed Landfill is located in Chesterfield, which is in the district of the Virginia Bankruptcy Court. This fact alone is sufficient to justify transferring these bankruptcy cases to the Virginia Bankruptcy Court upon their conversion to Chapter 7.
- 9. The Landfill has substantial public health and safety problems that will require the Chapter 7 Trustee to work closely and regularly with multiple parties in interest, including Chesterfield and DEQ. In fact, even having a Chapter 7 Trustee initially appointed in Delaware would result in a waste of time and resources, impair judicial efficiency, and be contrary to the interests of justice. Specifically, on day one a Chapter 7 Trustee will need to deal with issues related to trucking leachate water from the Landfill and the related \$90,000 per week expense. It would be nonsensical to have a Delaware Chapter 7 Trustee attempt to accomplish this instead of a Chapter 7 Trustee of the Virginia Bankruptcy Court. The difficulties a Delaware Chapter 7 Trustee would have dealing with leachate issues and other problems at the Landfill would only serve to exacerbate the substantial environmental, public health and safety risks posed by the Landfill.
- 10. Succinctly, it would be contrary to the interests of justice for a Chapter 7 Trustee in Delaware to administer a distressed Landfill in Chesterfield or to force the parties who have the most interest in the substantial public health and safety problems at the Landfill, including without limitation Chesterfield and DEQ, to address these problems in a Chapter 7 case in Delaware, hundreds of miles away from the Landfill.

- 11. Moreover, the claims against the Debtors arise almost exclusively in Virginia, the Debtors' books and records are primarily in Virginia, a Chapter 7 Trustee will undoubtedly need to be familiar with the Landfill, visit the Landfill, and negotiate with vendors, all of which will occur in Virginia. Further, the Debtors have no real operations in Delaware. The administrative and oversight body for the Landfill, primarily DEQ, is located in Virginia. The Judges in the Virginia Bankruptcy Court are familiar with applicable Virginia law on environmental regulation having dealt with numerous large Chapter 11 cases with environmental implications. The Virginia Bankruptcy Court also would be a much more convenient forum for most of the creditors, including Chesterfield and DEQ. Additionally, the taxpayers of Virginia and the residents of Chesterfield are the parties in interest which have the most to lose from the outcome of these bankruptcy cases.
- 12. In sum, there is an overwhelming interest in having these bankruptcy cases transferred to the Virginia Bankruptcy Court, where the Landfill is located, immediately upon conversion.

#### **RESERVATION OF RIGHTS**

13. Chesterfield and DEQ reserve their rights to make further and additional arguments and to submit witnesses and other evidence in connection with this Motion.

WHEREFORE, Chesterfield and DEQ jointly request that the Court transfer the venue of these bankruptcy cases to the Virginia Bankruptcy Court and enter the proposed order substantially in the form attached hereto as <a href="Exhibit A">Exhibit A</a>, granting the relief requested in this Motion and granting such other and further relief as is appropriate under the circumstances.

Dated: July 24, 2025 Respectfully submitted,

#### GELLERT SEITZ BUSENKELL & BROWN, LLC

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

	Chapter 11
In re:	
	Case No. 25-10979 (JKS)
VWS Holdco, Inc., et al.,	
	Jointly Administered
Debtors. <sup>1</sup>	
	Related D.I. No

## ORDER TRANSFERRING VENUE TO THE UNITED STATES BANKRUPTCY COURT FOR THE EASTERN DISTRICT OF VIRGINIA

Upon the joint motion (the "Motion")<sup>2</sup> of Chesterfield County, Virginia, and the Virginia Department of Environmental Quality to transfer the venue of these bankruptcy cases to the United States Bankruptcy Court for the Eastern District of Virginia pursuant to 28 U.S.C. § 1412 and Bankruptcy Rule 1014(a)(1); and this Court having jurisdiction over this matter pursuant to 28 U.S.C. § 1334; and this Court having found that this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2); and this Court having found that the relief requested in the Motion is in the best interests of the Debtors' estates, creditors, and other parties in interest; and this Court having found that the notice of the Motion and opportunity for a hearing on the Motion were 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; 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 this Court; and after due deliberation and sufficient cause appearing therefor,

The Debtors in these Chapter 11 Cases, along with the last four digits of each Debtor's federal tax identification number are as follows: VWS Holdco, Inc. (5412) and Shoosmith Bros., Inc. (6914). The Debtors' mailing address is P.O. Box 2770, Chesterfield, VA 23832.

<sup>&</sup>lt;sup>2</sup> Capitalized terms not otherwise defined herein have the meanings ascribed to them in the Motion.

### IT IS HEREBY ORDERED THAT:

- 1. The Motion is GRANTED.
- 2. The venue of these bankruptcy cases is transferred to the United States Bankruptcy Court for the Eastern District of Virginia.