1 MANATT, PHELPS & PHILLIPS, LLP PETER DUCHESNEAU (Bar No. CA 168917) 2 DAVID MCGRATH (Bar No. CA 284564) E-mail: pduchesneau@manatt.com 3 E-mail: dlmcgrath@manatt.com 2049 Century Park East, Suite 1700 4 Los Angeles, CA 90067 Telephone: (310) 312-4000 5 Facsimile: (310) 312-4224 6 Attorneys for Petitioner Milan REI X, LLC 7 8 SOLID WASTE LOCAL ENFORCEMENT AGENCY COUNTY OF ORANGE HEALTH CARE AGENCY 9 10 IN THE MATTER OF: JOINT STATUS UPDATE AND [PROPOSED] ORDER TO CONTINUE STAY 11 Rio Santiago Facility 6145 E. Santiago Canyon Road [Public Resources Code §§ 44310 et seq.] 12 Orange, California 92869 SWIS No. 30-AB-0472 13 Milan REI X LLC (Property Owner) 14 Petitioner. 15 16 17 Petitioner Milan REI X, LLC ("Milan") and Respondent, the Orange County Solid Waste 18 Local Enforcement Agency ("LEA") (collectively referred to herein as the "Parties"), by and 19 20 through their respective counsel, hereby provide the following joint status update pursuant to the 21 Order of the Hearing Office entered on January 15, 2025 ("Order"). 22 I. **BACKGROUND** On October 8, 2024, Milan filed a Request for Hearing ("Hearing Request") regarding 23 matters arising under the Stipulated Notice and Order ("Stipulated N&O") entered into by and 24 25 between the LEA and Milan, dated June 16, 2022. Thereafter, as set forth in the Order, the 26 Parties jointly requested that the hearing be stayed to allow Milan to explore and potentially work out arrangements with the appropriate state agency with relevant expertise to consider matters at 27 28 issue in the Hearing Request.

## II. <u>VOLUNTARY OVERIGHT APPLICATION</u>

On November 18, 2024, Milan submitted an application for a voluntary oversight agreement to the California Department of Toxic Substances Control ("DTSC"). On November 22, 2024, DTSC informed Milan that it received the application and was moving forward with the application process, including reviewing the application and conferring with the Santa Ana Regional Water Quality Control Board ("Regional Board") to determine the appropriate lead regulatory agency. On December 19, 2024, Milan was informed that the Regional Board was designated as the most appropriate lead regulatory oversight agency for the project.

Most recently, on February 18, 2025, the Regional Board sent an Oversight Cost Reimbursement For Site Cleanup Program agreement to Milan. Milan executed the agreement on February 19, 2025. On March 6, 2025, representatives of the Regional Board and the LEA met with Milan, its consultant (Leighton (nka Verdantas)), and its counsel to address the next steps for transitioning the oversight of Milan's investigation to the Regional Board. Through Verdantas, Milan is in the process of setting up another meeting with the Regional Board to coordinate on technical issues and the transition of the investigation oversight. On March 25, 2025, counsel for Milan had a call with County Counsel and the LEA to meet and confer as to amending the Stipulated N&O.

## III. REQUEST FOR FURTHER CONTINUANCE

As set forth in the attached proposed order, the Parties jointly request that the pre-hearing conference be continued and that the hearing be further stayed to allow time for Milan and the LEA to complete the oversight transition, including amending the Stipulated N&O and thereafter the withdrawal of the Hearing Request. The Administrative Hearing Rules allow for a continuance of proceedings for good cause or where all parties agree. (AHR, § 8.)

Accordingly, the Parties propose that by May 15, 2025, the Parties shall meet and confer and submit status reports and, if necessary, proposals to the Hearing Officer for a hearing date and the schedule of related submissions, including but not limited to the LEA's response to the Hearing Request, the production of the administrative record, and other submissions as may be

<sup>&</sup>lt;sup>1</sup> See https://dtsc.ca.gov/brownfields/voluntary-agreements-quick-reference-guide/.

1	necessary to promote an orderly and efficient hearing. A prehearing conference shall be held on		
2	or about May 30, 2025, at which time the hearing date(s) and schedule will be determined, if		
3	necessary. In the event that the Parties are able to fully resolve the matters at issue in the Hearing		
4	Request, the Parties shall report to the Hearing Officer and propose availability for a status		
5	conferen	ce.	
6		03/27/25	
7	Dated:	March $\frac{03/27/25}{}$ , 2025	MANATT, PHELPS & PHILLIPS, LLP
8			DocuSigned by:
9			By: Peter Duchesneru
10			Peter Duchesneau Attorneys for Petitioner
11			MILAN ŘEI X, LLC
12	Dated:	March <sup>27</sup> , 2025	OFFICE OF COUNTY COUNSEL
13			Signed by:
14			By: Joscelynn Gadzinski  Joscelynn Gadzinski, Deputy
15			Attorneys for Respondent ORANGE COUNTY SOLID WASTE LOCAL
16			ENFORCEMENT AGENCY
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1 [PROPOSED] ORDER 2 Having considered the Parties' joint request and relevant legal authority, and for good 3 cause appearing, the Hearing Officer rules as follows: 4 1. The Hearing Request is further stayed until May 30, 2025. 5 2. By May 15, 2025, the Parties shall meet and confer and submit status reports and if 6 necessary, proposals to the Hearing Officer for a hearing date and the schedule of 7 related submissions, including but not limited to the LEA's response to the 8 Hearing Request, the production of the administrative record, and other 9 submissions as may be necessary to promote an orderly and efficient hearing. 10 3. A prehearing conference shall be held on May 30, 2025, at which time the hearing 11 date(s) and schedule will be determined. 12 4. In the event that the Parties are able to resolve the matters at issue in the Hearing 13 Request, the Parties shall report to the Hearing Officer and propose availability for 14 a status conference. 15 March \_\_\_, 2025 Dated: 16 By: 17 Hearing Officer Deborah Pernice Knefel 18 19 403799113.2 20 21 22 23 24 25 26 27 28

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