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Attorneys for Petitioner  
Milan REI X, LLC

**SOLID WASTE LOCAL ENFORCEMENT AGENCY  
COUNTY OF ORANGE HEALTH CARE AGENCY**

IN THE MATTER OF:

Rio Santiago Facility  
6145 E. Santiago Canyon Road  
Orange, California 92869  
SWIS No. 30-AB-0472

Milan REI X LLC (Property Owner)  
  
Petitioner.

**JOINT STATUS UPDATE AND  
[PROPOSED] ORDER TO CONTINUE STAY**  
  
**[Public Resources Code §§ 44310 *et seq.*]**

Petitioner Milan REI X, LLC (“Milan”) and Respondent, the Orange County Solid Waste Local Enforcement Agency (“LEA”) (collectively referred to herein as the “Parties”), by and through their respective counsel, hereby provide the following joint status update pursuant to the Order of the Hearing Office entered on January 15, 2025 (“Order”).

**I. BACKGROUND**

On October 8, 2024, Milan filed a Request for Hearing (“Hearing Request”) regarding matters arising under the Stipulated Notice and Order (“Stipulated N&O”) entered into by and between the LEA and Milan, dated June 16, 2022. Thereafter, as set forth in the Order, the 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 issue in the Hearing Request.

**II. VOLUNTARY OVERSIGHT BY REGIONAL BOARD**

On November 18, 2024, Milan submitted an application for a voluntary oversight agreement to the California Department of Toxic Substances Control (“DTSC”).<sup>1</sup> 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.

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. 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.

On April 9, 2025, the Regional Board conducted a site visit and met with Milan and Verdantas. Since then, Verdantas and Milan have had regular conference calls and meetings with the Regional Board and the LEA to coordinate on technical issues and the transition of the investigation oversight, including the submittal of previously conducted site investigation reports under LEA’s oversight from 2023/2024 to the Regional Board. On behalf of Milan, Verdantas has prepared and submitted a number of documents to the Regional Board (with copies to the LEA) in furtherance of the investigation, including Memorandum re Utilization of Sonic Drilling to Collect Samples of Subgrade Soil Beneath Stockpiles and at Drilling Refusal Locations, May 16, 2025; Revised Addendum #1 to Revised Subgrade Testing and Geotechnical Workplan on May 21, 2025 (approved by the Regional Board on June 12, 2025); Revised Stockpile Characterization and Data Validation Report Stockpile H, April 18, 2025; Stockpile

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

Characterization and Data Validation Report Stockpile F, May 27, 2025; and Stockpile Characterization and Data Validation Report Stockpile G, July 3, 2025.

The LEA, the Regional Board, Milan, and Verdantas continue to meet and communicate regularly to progress the work under the Stipulated N&O. Following the submission of the last status update, on July 16 and 17 and August 18 through August 26, 2025, Verdantas performed and completed the remaining subgrade soil and groundwater sampling under the Regional Board oversight.

### **III. STIPULATED NOTICE & ORDER AMENDMENT**

On April 7, 2025, Milan provided the LEA and Regional Board with the proposed amendment to the Stipulated N&O. On June 19, 2025, the LEA provided Milan with revisions to the proposed amendment to the Stipulated N&O. On July 14, 2025, Milan responded to the revisions.

On August 15, 2025, the LEA provided comments to Milan on the revised amendment. On August 26, 2025, the parties and counsel held a remote conference to review and discuss the remaining items to be resolved for the amendment. The parties are very close to finalizing the amendment and anticipate doing so within the time of the proposed continuance.

### **IV. REQUEST FOR FURTHER CONTINUANCE**

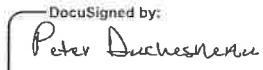
As set forth in the attached proposed order, the Parties jointly request that the pre-hearing conference be continued and that the hearing be further stayed to allow time for Milan and the LEA to complete the oversight transition, including amending the Stipulated N&O and thereafter the withdrawal of 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 October 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 necessary to promote an orderly and efficient hearing. A prehearing conference shall be held on or about October 31, 2025, at which time the hearing date(s) and schedule will be determined,

1 if necessary. In the event that the Parties are able to fully resolve the matters at issue in the  
2 Hearing Request, the Parties shall report to the Hearing Officer and propose availability for a  
3 status conference.

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5 Dated: August 28, 2025

MANATT, PHELPS & PHILLIPS, LLP

6  
7 By:   
8 Peter Duchesneau  
9 Attorneys for Petitioner  
MILAN REI X, LLC

10 Dated: August 28, 2025

OFFICE OF COUNTY COUNSEL

11  
12 By:   
13 Joscelynn Gadzinski, Deputy  
14 Attorneys for Respondent  
ORANGE COUNTY SOLID WASTE LOCAL  
15 ENFORCEMENT AGENCY  
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**PROPOSED ORDER**

Having considered the Parties' joint request and relevant legal authority, and for good cause appearing, the Hearing Officer rules as follows:

1. The Hearing Request is further stayed until October 31, 2025.
2. By October 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 necessary to promote an orderly and efficient hearing.
3. A prehearing conference shall be held on October 31, 2025, at which time the hearing date(s) and schedule will be determined.
4. In the event that the Parties are able to resolve the matters at issue in the Hearing Request, the Parties shall report to the Hearing Officer and propose availability for a status conference.

Dated: August 28\_\_, 2025

By: Deborah Pernice Knefel

Hearing Officer Deborah Pernice Knefel

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