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 Los Angeles, CA 90067 4 Telephone: (310) 312-4000 Facsimile: (310) 312-4224 5 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 October 18, 2024 ("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 between the LEA and Milan, dated June 16, 2022. Thereafter, as set forth in the Order, the 25 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"). Among other things, the application involved the submittal of numerous records to be reviewed by the agency. Prior to and subsequent to the application, Milan's consultant, Leighton (*nka* Verdantas), has had multiple communications with DTSC staff regarding the application. 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. Leighton has since had several communications with the Regional Board, including that the Regional Board has indicated that its team will be meeting January to identify its Project Manager. Thereafter, in February 2025, Milan anticipates scheduling a meeting with the Regional Board so that the parties may develop a scope of work, estimate agency costs, and prepare and execute a voluntary oversight agreement. Milan and the LEA have remained in contact regarding these developments.

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 Regional Board to finalize the voluntary oversight agreement. The Administrative Hearing Rules allow for a continuance of proceedings for good cause or where all parties agree. (AHR, § 8.) After the voluntary oversight agreement with the Regional Board is completed and executed, the Parties will meet and confer to amend the Stipulated N&O and as to the withdrawal of the Hearing Request.

Accordingly, the Parties propose that by March 31, 2025, the Parties shall meet and confer and submit status reports and, if necessary, proposals to the Hearing Officer for a hearing date

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

and the schedule of related submissions, including but not limited to the LEA's response to t			
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 h			nd efficient hearing. A prehearing conference shall be held on
	or about A	April 14, 2025, at which t	ime the hearing date(s) and schedule will be determined, if
	necessary	7. In the event that the Par	rties are able to fully resolve the matters at issue in the Hearing
	Request,	the Parties shall report to	the Hearing Officer and propose availability for a status
	conference	ce.	
	Dated:	January 15, 2025	MANATT, PHELPS & PHILLIPS, LLP
			By: Peter Duchesheru BB2951EF7DEA4F6 Peter Duchesneau Attorneys for Petitioner MILAN REI X, LLC
	Dated:	January <u>15</u> , 2025	OFFICE OF COUNTY COUNSEL By: James C. Harman, Chief Assistant Attorneys for Respondent ORANGE COUNTY SOLID WASTE LOCAL 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 April 14, 2025. 5 2. By March 31, 2025, the Parties shall meet and confer and submit status reports and 6 if necessary, proposals to the Hearing Officer for a hearing date and the schedule 7 of 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 April 14, 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 Dated: January ____, 2025 16 By: _____ 17 Hearing Officer Deborah Pernice Knefel 18 19 403632409.5 20 21 22 23 24 25 26 27 28

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