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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 APPLICATION

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

Following the submission of the last status update, on April 7, 2025, Milan provided the LEA and Regional Board with the proposed amendment to the Stipulated N&O. On April 9, 2025, the Regional Board conducted a site visit and met with Milan and Verdantas. Verdantas has had multiple other 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 Water Board. By the week of May 26, 2025, the Parties anticipate meeting to address the proposed Stipulated N&O amendment.

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

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

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 July 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 July 30, 2025, at which time the hearing date(s) and schedule will be determined, if necessary. In the event that the Parties 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.

Dated: May 14, 2025

MANATT, PHELPS & PHILLIPS, LLP

DocuSigned by:
Peter Duchesneau
 By: Peter Duchesneau
Attorneys for Petitioner
 MILAN REI X, LLC

Dated: May 14, 2025

OFFICE OF COUNTY COUNSEL

Signed by:
Joscelynn Gadzinski
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 ORANGE COUNTY SOLID WASTE LOCAL
 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 July 30, 2025.
2. By July 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 July 30, 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: May 15, 2025

By: Deborah Pernice Knefel
Hearing Officer Deborah Pernice Knefel

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