

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

RECEIVED
CLERK'S OFFICE

Mach III Farms, LLC
(Property Identification Number
23-03-200-001

)
)
)
) PCB 05- 131
) (Tax Certification)

JAN 20 2005

STATE OF ILLINOIS
Pollution Control Board

NOTICE

Dorothy M. Gunn, Clerk
Illinois Pollution Control Board
James R. Thompson Center
100 West Randolph Street, Suite. 11-500
Chicago, Illinois 60601

Mach III Farms, LLC
13477 CR 500 N.
Bath, Illinois 62617

Steve Santarelli
Illinois Department of Revenue
101 West Jefferson
Post Office Box 19033
Springfield, Illinois 62794

PLEASE TAKE NOTICE that I have today filed with the Office of the Clerk of the
Pollution Control Board an APPEARANCE AND THE RECOMMENDATION of the Illinois
Environmental Protection Agency, a copy of which is herewith served upon you.

ENVIRONMENTAL PROTECTION AGENCY
OF THE STATE OF ILLINOIS

By: Vera Herst
Vera Herst
Assistant Counsel
Division of Legal Counsel

DATED: January 19, 2005

Illinois Environmental Protection Agency
1021 North Grand Avenue East
Post Office Box 19276
Springfield, Illinois 62794-9276
(217) 782-5544

THIS FILING IS SUBMITTED ON RECYCLED PAPER

RECEIVED
CLERK'S OFFICE

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

JAN 20 2005

Mach III Farms, LLC
(Property Identification Number
23-03-200-001

)
)
)
) PCB 05- 131
) (Tax Certification)
)

STATE OF ILLINOIS
Pollution Control Board

APPEARANCE

The undersigned, as one of its attorneys, hereby enters an APPEARANCE on behalf of Respondent,
Illinois Environmental Protection Agency.

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

By: Vera Herst
Vera Herst
Assistant Counsel
Division of Legal Counsel

DATED: January 19, 2005
Illinois Environmental Protection Agency
1021 North Grand Avenue East
Post Office Box 19276
Springfield, Illinois 62794-9276
(217)782-5544

THIS FILING IS SUBMITTED ON RECYCLED PAPER

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD JAN 20 2005

Mach III Farms, LLC)
(Property Identification Number) PCB 05- 131
23-03-200-001) (Tax Certification)
)

STATE OF ILLINOIS
Pollution Control Board

RECOMMENDATION

The Illinois Environmental Protection Agency ("Illinois EPA") hereby files its Recommendation pursuant to Section 125.204 of the regulations of the Illinois Pollution Control Board, 35 Ill. Adm. Code 125.204.

1. On April 2, 2004, the Illinois EPA received a request from Mach III Farms, LLC (log number TC-09-04, Exhibit A) for an Illinois EPA recommendation regarding the tax certification of water pollution control facilities pursuant to 35 Ill. Adm. Code 125.204.
2. The applicant's address is: Mach III Farms
13477 CR 500 N.
Bath, Illinois 62617
3. The proposed water pollution control facilities in this request are located at Sections 34 and 3, T20N and T19N, R9W of the 3rd P.M. in Mason County, at the above street address and consist of the following:

Livestock waste management facilities consisting of four concrete manure pits (10 ft. x 112 ft. x 17 inches deep), each with one pull plug, four concrete manure pits (8ft. by 112 ft. by 17 inches deep) each with one pull plug and the slotted concrete portion of the floor over the manure pits in each of seven swine buildings; one earthen lined lagoon (217.14 ft. x 550.44 ft. x 12 ft. deep); one synthetic lined lagoon (138.6 ft. by 514.8 ft. x 12 ft. deep); and approximately 1853 ft. of 10-inch diameter PVC manure transfer pipe.

These livestock waste management facilities are used to collect, transport, and/or store livestock wastes prior to cropland application, and are further described in Exhibit A.

4. Section 11-10 of the Property Tax Code, 35 ILCS 200/11-10 (2004), defines “pollution control facilities” as:

“any system, method, construction, device or appliance appurtenant thereto or any portion of any building or equipment, that is designed, constructed, installed or operated for the primary purpose of: (a) eliminating, preventing, or reducing air or water pollution ...or (b) treating, pretreating, modifying or disposing of any potential solid, liquid or gaseous pollutant which if released without treatment, pretreatment modification or disposal might be harmful, detrimental or offensive to human, plant or animal life, or to property.”

5. Pollution control facilities are entitled to preferential tax treatment, 35 ILCS 200/11-5.
6. Based on the information in the application and the purpose of the facilities, it is the Illinois EPA’s engineering judgment that the described facilities may be considered “pollution control facilities,” pursuant to 35 Ill. Adm. Code 125.200(a), with the primary purpose of eliminating, preventing, or reducing water pollution, or as otherwise provided in 35 Ill. Adm. Code 125.200, and are eligible for tax certification from the Board.

WHEREFORE, the Illinois EPA recommends that the Board issue the

requested tax certification.

ILLINOIS ENVIRONMENTAL
PROTECTION AGENCY

By: Vera Herst
Vera Herst
Assistant Counsel
Division of Legal Counsel

Dated: January 19, 2005

Illinois Environmental Protection Agency
1021 North Grand Ave. E.
P.O. Box 19276
Springfield, Illinois 62794-9276
217/782-5544

STATE OF ILLINOIS

COUNTY OF SANGAMON

)
)
)
)
)

PROOF OF SERVICE

I, the undersigned, on oath state that I have served the attached **APPEARANCE AND THE RECOMMENDATION**, upon the person to whom it is directed, by placing a copy in an envelope addressed to:

Dorothy M. Gunn, Clerk
Illinois Pollution Control Board
James R. Thompson Center
100 West Randolph Street, Suite. 11-500
Chicago, Illinois 60601

Mach III Farms, LLC
13477 CR 500 N.
Bath, Illinois 62617

Steve Santarelli
Illinois Department of Revenue
101 West Jefferson
Post Office Box 19033
Springfield, Illinois 62794

and mailing it from Springfield, Illinois, on January 19, 2005, with sufficient postage affixed for first class mail.

Nancy J D Lampert

SUBSCRIBED AND SWORN TO BEFORE ME
this 19th day of January, 2005

Brenda Boehner
Notary Public



THIS FILING IS SUBMITTED ON RECYCLED PAPER

Watershed Unit Tax Certification Review Sheet

Project Name: Mach III Farms, LLC - Bath
Reviewer: Thaddeus Fawcett
Log No.: TC-09-04

Location: Bath
Date: 12/7/04
Type: Agchem
 Livestock

Applicant: Ken Maschhoff
7475 State Route 107
Carleton, IL 62621
618-594-2125

Contact: Jason Logsdon
Phone: 618-594-2125

Facility: Mach III Farms, LLC
13477 CR 500N
Bath, IL 62617

Property ID: 23-03-200-001

Legal Description: Sections 34+3, T20+19N, R9W of 3rd PM

County: Mason

Date Control Devices Installed: 1991 + 1995

Provided Fair Cash Value: \$455,000

Signature: signed by Ken Maschhoff

Title: Manager

Wastes: Livestock waste is applied to cropland.
 Agrichemical rinsate and spillage is recycled through the facility and/or land applied.
 Other: _____

Physical Description of Pollution Control Devices:

8 concrete manure pits (4 are 10 ft x 112 ft x 17 inches deep ; 4 are 8 ft x 112 ft x 17 inches deep)
with 1 pull plug/pit and concrete slatted flooring in each of 7 buildings
Approximately 1913 Dept of 10" PVC pipe + 40 ft to second lagoon
one 217.14 ft x 550.44 ft x 12 ft deep earthen lined lagoon
one 139.6 ft x 514.9 ft x 12 ft deep synthetic lined lagoon

Other: 50 total pits (8 per building -> 7 buildings)
12/17/04 - spoke with Jason Logsdon - Jason said that all pits are 112 ft long
(Not 9 ft x 12 ft like flow diagram shows). Jason said they do not pump-out of
these pits if all drains to lagoon, pipe to second lagoon is approximately 20 ft x 2 pipes
with 1 pull plug/pit = 40 ft

4

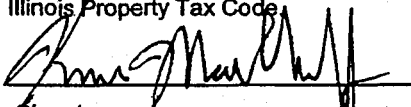

APPLICATION FOR CERTIFICATION (PROPERTY TAX TREATMENT)
 POLLUTION CONTROL FACILITY
 AIR WATER
 ILLINOIS ENVIRONMENTAL PROTECTION AGENCY
 P. O. Box 19276, Springfield, IL 62794-9276

TC-09-04

This Agency is authorized to request this information under Illinois Revised Statutes, 1979, Chapter, 120, Section 502a-5. Disclosure of this information is voluntary. However, failure to comply could prevent your application from being processed or could result in denial of your application for certification.

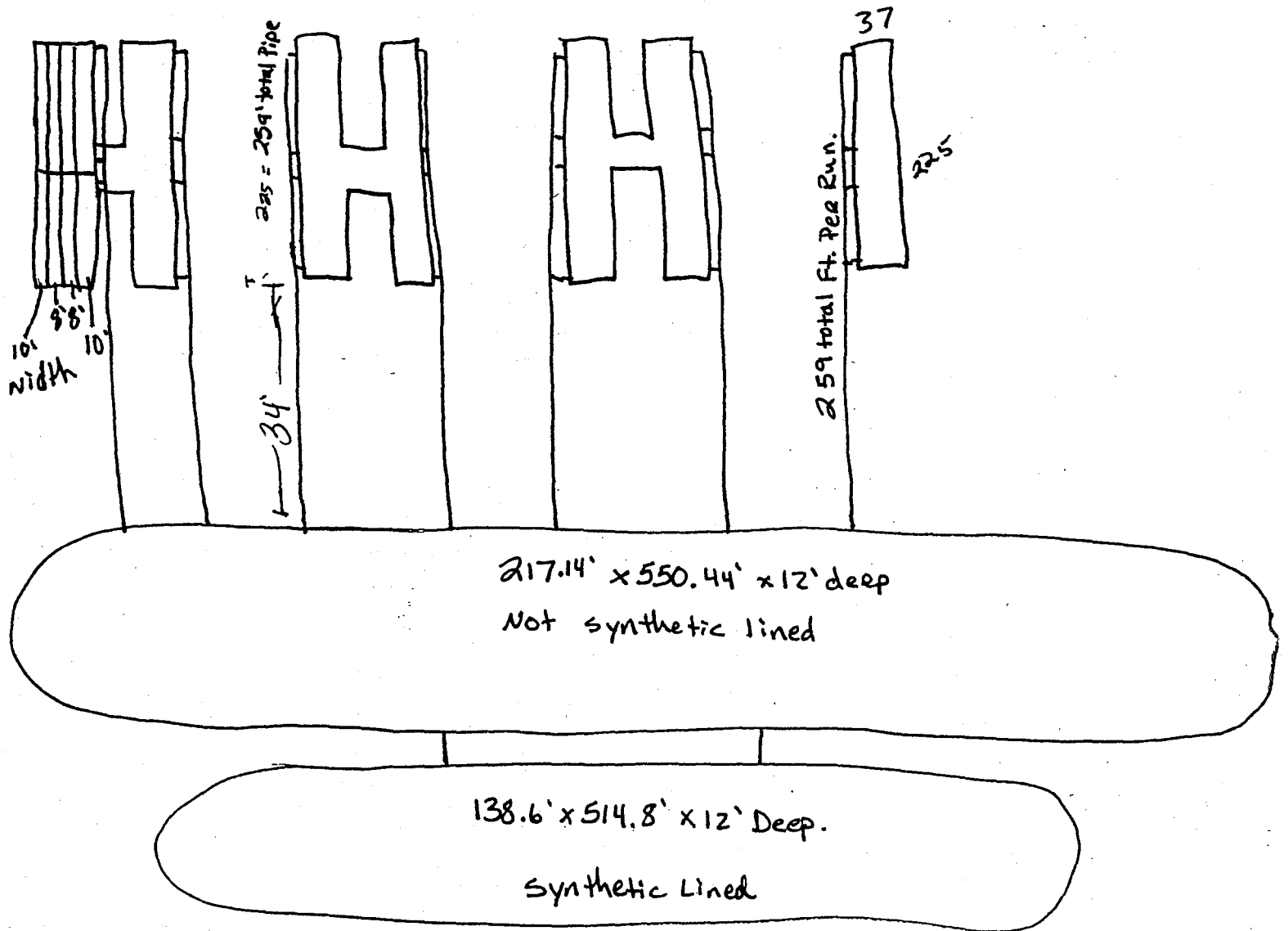
FOR AGENCY USE			
File No.	Date Received	Certification No.	Date
Sec. A APPLICANT	Company Name MACH III Farms, LLC		
	Person Authorized to Receive Certification Ken Maschhoff		Person to Contact for Additional Details Jason Logsdon
	Street Address 7475 State Route 127		Street Address SAME
	Municipality, State & Zip Code Carlyle, IL 62231		Municipality, State & Zip Code SAME
	Telephone Number 618-594-2125		Telephone Number SAME
	Location of Facility Quarter Section 3443		Municipality Township Bath
	Township 20+19N		Range 9W+9W
	Street Address 13477 CR 500N Bath, IL 62217		County Mason
	Book Number		Parcel Number 002-37-000
Sec. B MANUFACTURING OPERATIONS	Nature of Operations Conducted at the Above Location This is a 7,140 head feeder to finish facility. There are 7 barns on this site.		
	Water Pollution Control Construction Permit No. N/A	Date Issued N/A	
	NPDES PERMIT No. N/A	Date Issued N/A	Expiration Date
	Air Pollution Control Construction Permit No. N/A	Date Issued N/A	
	Air Pollution Control Operating Permit No. N/A	Date Issued N/A	
Sec. C MANUFACTURING PROCESS	Describe Unit Process N/A		
	Materials Used in Process N/A		
Sec. D POLLUTION CONTROL FACILITY DESCRIPTION	Describe Pollution Abatement Control Facility See attached documents.		
	<div style="text-align: right;"> <p>RECEIVED</p> <p>APR 02 2004</p> <p>ILLINOIS ENVIRONMENTAL PROTECTION AGENCY BOW/WPC/PERMIT SECTION</p> </div>		

POLLUTION CONTROL FACILITY - CONTAMINANTS	Sec. E (1) Nature of Contaminants or Pollutants <u>Swine Manure</u>		
			Material Retained, Captured or Recovered
	Contaminant or Pollutant	DESCRIPTION	DISPOSAL OR USE
	<u>Swine Manure</u>	<u>Application to Cropland</u>	<u>We pump the manure from the lagoons through 6" ^{Aluminum} lagoon pipe to a traveling gun irrigator onto the fields at rates in accordance with the Manure Management Plan.</u>
	(2) Point(s) of Waste Water Discharge - <u>NONE</u>		
	Plans and Specifications Attached		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
	(3)	Are contaminants (or residues) collected by the control facility?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
	(4)	Date installation completed <u>1991+1995</u> status of installation on date of application <u>Complete</u>	
	(5)	a. FAIR CASH VALUE IF CONSIDERED REAL PROPERTY:	\$ <u>455,000</u>
		b. NET SALVAGE VALUE IF CONSIDERED REAL PROPERTY:	\$ <u>10,000</u>
	c. PRODUCTIVE GROSS ANNUAL INCOME OF CONTROL FACILITY:	\$ <u>0</u>	
	d. PRODUCTIVE NET ANNUAL INCOME OF CONTROL FACILITY:	\$ <u>0</u>	
	e. PERCENTAGE CONTROL FACILITY BEARS TO WHOLE FACILITY VALUE:	% <u>42%</u>	

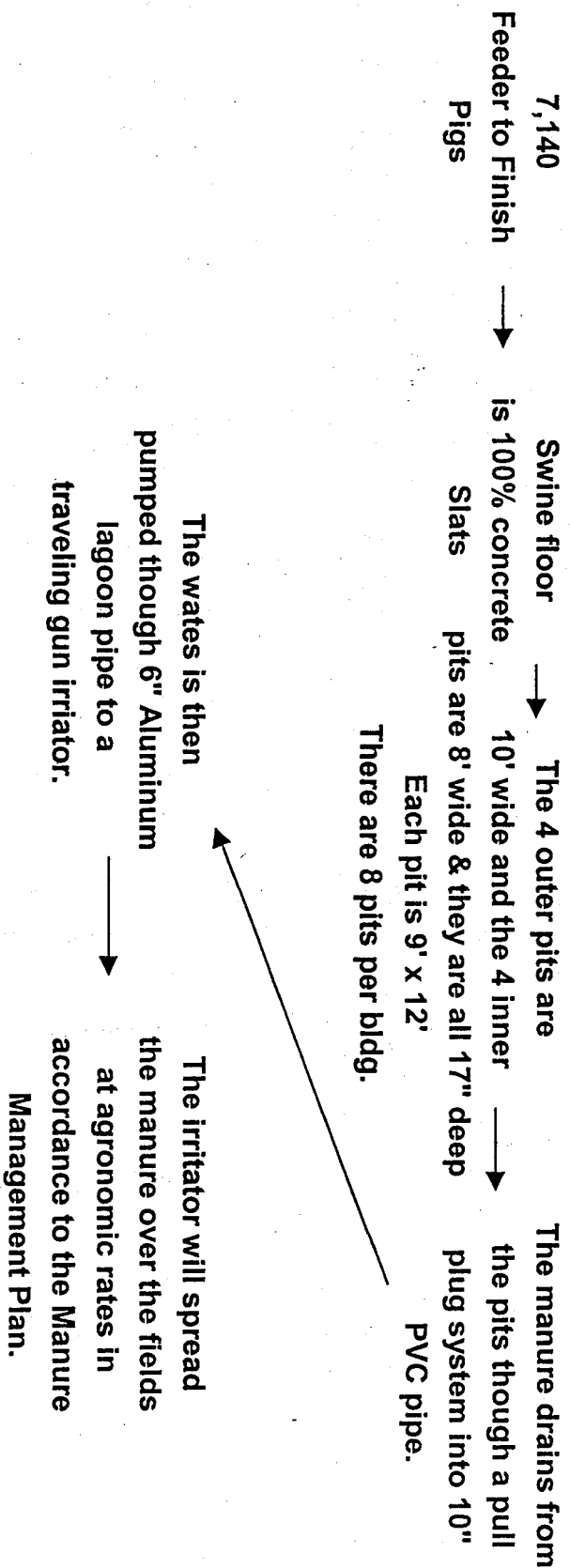
SIGNATURE	Sec. F The following information is submitted in accordance with the Illinois Property Tax Code, as amended, and to the best of my knowledge, is true and correct. The facilities claimed herein are "pollution control facilities" as defined in Section 11-10 of the Illinois Property Tax Code.		
			
	Signature	Title	

INSTRUCTIONS	Sec. G INSTRUCTIONS FOR COMPILING AND FILING APPLICATION			
	General: Separate applications must be completed for each control facility claimed. Do not mix types (water and air). Where both air and water operations are related, file two applications. If attachments are needed, record them consecutively on an index sheet.			
	Sec. A	Information refers to applicant as listed in the tax records and the person to be contacted for further details or for inspection of facilities. Define facility location by street address or legal description. A plat map location is required for facilities located outside of municipal boundaries. The property identification number is required.		
	Sec. B	Self-explanatory. Submit copies of all permits issued by local pollution control agencies. (e.g. MSD Construction Permit)		
	Sec. C	Refers to manufacturing processes or materials on which pollution control facility is used.		
	Sec. D	Narrative description of the pollution control facility, indicating that its primary purpose is to eliminate, prevent or reduce pollution. State the type of control facility. State permit number, date, and agency issuing permit. A narrative description and a process flow diagram describing the pollution control facility. Include a listing of each major piece of equipment included in the claimed fair cash value for real property. Include an average analysis of the influent and effluent of the control facility stating the collection efficiency.		
	Sec. E	List air contaminants, or water pollution substances released as effluents to the manufacturing processes. List also the final disposal of any contaminants removed from the manufacturing processes. Item (1) - Refers to pollutants and contaminants removed from the process by the pollution control facility. Item (2) - Refers to water pollution but can apply to water-carried wastes from air pollution control facilities. Submit drawings, which clearly show (a) Point(s) of discharge to receiving stream, and (b) Sewers and process piping to and from the control facility. Item (3) - If the collected contaminants are disposed of other than as wastes, state the disposition of the materials, and the value in dollars reclaimed by sale or reuse of the collected substances. State the cost of reclamation and related expense. Item (4) - State the date which the pollution control facility was first placed in service and operated. If not, explain. Item (5) - This information is essential to the certification and assessment actions. This accounting data must be completed to activate project review prior to certification by this Agency.		
	Sec. F	Self-explanatory. Signature must be a corporate authorized signature.		
		Submit to:	Attention:	Attention:
		Illinois EPA P.O. Box 19276 Springfield, IL 62794-9276	Thomas McSwiggin Permit Section Division of Water Pollution Control	Donald E. Sutton Permit Section Division of Air Pollution Control

All of the buildings are 37' x 225' w/ 8 pits under each building. The outer Pits are 10' wide + the Inner Pits are 8' wide. All pits are 17" deep. Each pit has a drain plug which drains into 10" PVC Lagoon Pipe and drains into the lagoons. There are 7 Buildings. Each building holds 1020 Head of feeder to finish hogs. Each building is 100% total slats. All the the buildings Have pits under them exactly like the 1st Building. Each Building has 4 pump outs on each side.



Flow Diagram of Waste Handling



Base 3 continued

Legal Descriptions

S-28 T-18 R-12, Beardstown Township

25.00 acres: S 1/2 NW E of Ditch Exc Mid Pt (25 acres assessed farm land)

40.30 acres: Mid Pt S 1/2 NW (40.30 acres assessed farm land)

20.00 acres: W 1/2 SW NE (20.00 acres assessed farm land)

136.28 acres: N & W Pt SW 1/4 (135.28 acres assessed farm land)

8.94 acres: NE Cor NW SW & NW Cor NE SW (8.94 acres assessed farm land)

7.63 acres: W SD NW SE (7.63 acres assessed farm land)

S-29 T-18 R-12, Beardstown Township

37.6 acres: SE 1/4 E of Ditch (37.6 acres assessed farm land)

"The foregoing information about the property is not warranted or guaranteed. A prospective buyer should verify the information for himself or herself. This fact sheet is not part of the purchase agreement unless otherwise specifically agreed to by both the sellers and buyers."

U.S. Bank Lien

**Triple Edge Pork
Base 4**

Located 7 miles North of Chandlerville, IL

Land \$154,500

Finishing Buildings - 7000 Spaces @ \$75/Space

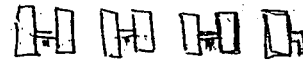
Property Description

120.00 total tillable acres (buildings on 10 of those acres)

- soil types: Bloomfield sand, 1 to 7% slopes; Plainfield sand, 1 to 7% slopes; Watseka loamy sand; Gilford sandy loam; Sparta loamy sand, 1 to 7% slopes

- acreage base: wheat 11.8, corn 69.7

- yield base: wheat 39, corn 123



Livestock Facilities

Finisher Unit

5 buildings built in 1991 (11 years old); 2 buildings built in 1995 (7 years old)

- improvements: none

- capacity of unit: 7 - 1,000-head buildings

- feed storage & delivery systems: auger systems with 162 tons of bulk bin storage

- type of ventilation: naturally ventilated

- type of construction: 2-foot pits with pull-plug

- waste management: 2 - lagoons (6-8 month storage capacity); no manure easements; verbal land application agreements w/Mark Kramer and Don Friend

- access: blacktop township road

MPC4

Legal Descriptions

S-34 T-20 R-9, Bath Township

80 acres: S 1/2 SW 1/4 (80 acres assessed farm land)

S-3 T-19 R-9, Bath Township

40 acres: NW 1/4 NE 1/4 (40 acres assessed farm land)

"The foregoing information about the property is not warranted or guaranteed. A prospective buyer should verify the information for himself or herself. This fact sheet is not part of the purchase agreement unless otherwise specifically agreed to by both the sellers and buyers."

*possibly need
for
chlorination.*