

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

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APR 08 2008

STATE OF ILLINOIS
Pollution Control Board

CAC Farms, Inc.-Ashton
(Property Identification Number
23-11-100-006)

ORIGINAL) PCB 08-65
) (Tax Certification)
)

NOTICE

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

Dr. Michel Schelkopf
2435 Bethany Road
Sycamore, Illinois 60178

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: April 7, 2008

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

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CAC Farms, Inc.-Ashton
(Property Identification Number
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STATE OF ILLINOIS
Pollution Control Board

ORIGINAL

A P P E A R A N C E

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: April 7, 2008
Illinois Environmental Protection Agency
1021 North Grand Avenue East
Post Office Box 19276
Springfield, Illinois 62794-9276
(217)782-5544

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STATE OF ILLINOIS
Pollution Control Board

CAC Farms, Inc.-Ashton)
(Property Identification Number) PCB 08-
23-11-100-006) (Tax Certification)

01/11/08

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 May 21, 2007, the Illinois EPA received a request from CAC Farms, Inc. (log number TC-02-07, 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: CAC Farms, Inc.
7386 IL State Route 38
Ashton, Illinois 61006
3. The proposed water pollution control facilities in this request are located at NW 1/4 of Section 11, T22N, R11E of the 3rd PM in Ogle County, at the above street address and consist of the following:

Livestock waste management facilities consisting of three concrete pits (each 26 ft. x 160 ft. x 6 ft. deep) with one concrete pump out pit (6 ft. x 6 ft. x 6 ft. deep) with plywood covers and three concrete pits (each 25 ft. x 80 ft. x 6 ft. deep) with one concrete pump out pit (6 ft. x 6 ft. x 6 ft. deep) with plywood covers and the portion of the concrete slotted flooring over the manure pits in three swine buildings; one concrete pit (26 ft. x 80 ft. x 6 ft. deep) with one concrete pump out pit (6 ft. x 6 ft. x 6 ft. deep) with plywood covers and one concrete pit (25 ft. x 80 ft. x 6 ft. deep) with one concrete pump out pit (6 ft. x 6 ft. x 6 ft. deep) with plywood covers and the portion of the concrete slotted flooring over the manure pits in one swine building; one concrete pit (26 ft. x 160 ft. x 6 ft. deep) with one concrete pump out pit (6 ft. x 6 ft. x 6 ft. deep) with plywood covers and the portion of the concrete slotted flooring over the manure pit in one swine building; one concrete pit (26 ft. x 180 ft. x 6 ft. deep) with two concrete pump out pits (each 6 ft. x 6 ft. x 6 ft. deep) with plywood covers and the portion of the

concrete slotted flooring over the manure pit in one swine building; two concrete pits (each 26 ft. x 184 ft. x 6 ft. deep) with two concrete pump out pits (each 6 ft. x 6 ft. x 6 ft. deep) with plywood covers and the portion of the concrete slotted flooring over the manure pits in two swine buildings; one concrete pit (25 ft. x 50 ft. x 6 ft. deep) and the portion of the concrete slotted flooring over the manure pit in the ISO barn; and one earthen storage basin (150 ft. x 300 ft. x 15 ft. deep). These livestock waste management facilities are used to collect, transport, and/or store livestock wastes prior to cropland application.

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 (2006), defines “pollution control facilities” as:

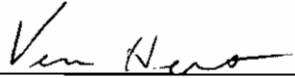
“any system, method, construction, device or appliance appurtenant thereto or any portion of any building or equipment, that is designed, constructed, installed or operated for the primary purpose of: (a) eliminating, preventing, or reducing air or water pollution ...or (b) treating, pretreating, modifying 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
Assistant Counsel
Division of Legal Counsel

Dated: April 7, 2008
Illinois Environmental Protection Agency
1021 North Grand Ave. E.
P.O. Box 19276
Springfield, Illinois 62794-9276
217/782-5544



ILLINOIS ENVIRONMENTAL PROTECTION AGENCY

1021 NORTH GRAND AVENUE EAST, P.O. BOX 19276, SPRINGFIELD, ILLINOIS 62794-9276 – (217) 782-3397
 JAMES R. THOMPSON CENTER, 100 WEST RANDOLPH, SUITE 11-300, CHICAGO, IL 60601 – (312) 814-6026

ROD R. BLAGOJEVICH, GOVERNOR

DOUGLAS P. SCOTT, DIRECTOR

Memorandum

To: Connie Tonsor, Division of Legal Counsel

From: Alan Keller, Manager, Permit Section *AK*

Date: MAR 12 2008

Re: CAC Farms, Inc. - Ashton
 Recommendation of Tax Certification
 Log # TC-02-07
 Property Identification # 23-11-100-006

RECEIVED
 Division of Legal Counsel
 MAR 12 2008
 Environmental Protection
 Agency

The Bureau of Water received a request on May 21, 2007 from CAC Farms, Inc. for an Illinois EPA recommendation regarding the tax certification of water pollution control facilities pursuant to 35 Il. Adm. Code 125.204. We offer the following recommendation.

The water pollution control facilities in this request include the following:

CAC Farms, Inc.
 7386 IL State Route 38
 Ashton, IL 61006

NW 1/4 of Section 11, T22N, R11E of the 3rd PM in Ogle County

Livestock waste management facilities consisting of three concrete pits (each 26 ft. x 160 ft. x 6 ft. deep) with one concrete pump out pit (6 ft. x 6 ft. x 6 ft. deep) with plywood covers and three concrete pits (each 25 ft. x 80 ft. x 6 ft. deep) with one concrete pump out pit (6 ft. x 6 ft. x 6 ft. deep) with plywood covers and the portion of the concrete slotted flooring over the manure pits in three swine buildings; one concrete pit (26 ft. x 80 ft. x 6 ft. deep) with one concrete pump out pit (6 ft. x 6 ft. x 6 ft. deep) with plywood covers and one concrete pit (25 ft. x 80 ft. x 6 ft. deep) with one concrete pump out pit (6 ft. x 6 ft. x 6 ft. deep) with plywood covers and the portion of the concrete slotted flooring over the manure pits in one swine building; one concrete pit (26 ft. x 160 ft. x 6 ft. deep) with one concrete pump out pit (6 ft. x 6 ft. x 6 ft. deep) with plywood covers and the portion of the concrete slotted flooring over the manure pit in one swine building; one concrete pit (26 ft. x 180 ft. x 6 ft. deep) with two concrete pump out pits (each 6 ft. x 6 ft. x 6 ft. deep) with plywood covers and the portion of the concrete slotted flooring over the manure pit in one swine building; two concrete pits (each 26 ft. x 184 ft. x 6 ft. deep) with two concrete pump out pits (each 6 ft. x 6 ft. x 6 ft. deep) with plywood covers and the portion of the concrete slotted flooring over the manure pits in two swine buildings; one concrete pit (25 ft. x 50 ft. x 6 ft. deep) and the portion of the concrete slotted flooring over the manure pit in the ISO barn; and one earthen storage basin (150 ft. x 300 ft. x 15 ft. deep). These livestock waste management facilities are used to collect, transport, and/or store livestock wastes prior to cropland application.

These facilities are further described in the enclosed applications and supporting documents.

ROCKFORD – 4302 North Main Street, Rockford, IL 61103 (815) 987-7760 • DES PLAINES – 9511 W. Harrison St., Des Plaines, IL 60016 – (847) 294-4000
 ELGIN – 595 South State, Elgin, IL 60123 – (847) 608-3131 • PEORIA – 5415 N. University St., Peoria, IL 61614 – (309) 693-5463
 BUREAU OF LAND - PEORIA – 7620 N. University St., Peoria, IL 61614 – (309) 693-5462 • CHAMPAIGN – 2125 South First Street, Champaign, IL 61820 – (217) 278-5800
 SPRINGFIELD – 4500 S. Sixth Street Rd., Springfield, IL 62706 – (217) 786-6892 • COLLINSVILLE – 2009 Mall Street, Collinsville, IL 62234 – (618) 346-5120
 MARION – 2309 W. Main St., Suite 116, Marion, IL 62959 – (618) 993-7200

Based on the information included in this submittal, it is our engineering judgment that the above proposed facilities may be considered "Pollution Control Facilities" under 35 IAC 125.200(a), with the primary purpose of eliminating, preventing, or reducing water pollution, or as otherwise provided in this section, and therefore eligible for tax certification from the Illinois Pollution Control Board. The Bureau of Water therefore recommends that the Board issue the requested tax certification for these facilities.

If you have any questions regarding the above, please contact James Allison at 217/782-3362.

SAK:DLH:JRA:

cc: Tax Cert File

Watershed Unit Tax Certification Review Sheet

Project Name: CAC Farms, Inc. Location: Ashton
 Reviewer: JRA Date: 8 Feb 08
 Log No: TC-02-07 Type: Agchem Livestock
 Applicant: Dr Michael Schelkopf Contact: Home
2435 Bethany Road Phone: (815) 756-3279
Sycamore IL 60178
 Facility: 7386 IL State Route 38 Property ID: 03-11-100-006
Ashton, IL 61006
 Legal Description: NW 1/4 Sec 11 T22N R11E n/3 1/2 PM County: Ogle
 Date Control Devices Installed: 11/01/06 Provided Fair Cash Value: \$ 225,000
 Signature: Michael Schelkopf Title: Owner/CEO

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: *and 25'x80'x6' pit and 25'x80'x6' pit w/plywood covers*

3 ^{blags}	26' x 160' x 6' pits w/ 6' x 6' x 6' pump outs	2 conc slabs
1 bldg	26' x 80' x 6' pit w/ 6' x 6' x 6' pump outs	2 conc slabs
1 bldg	26' x 160' x 6' pit w/ 6' x 6' x 6' pump outs	2 conc slabs
1 bldg	26' x 180' x 6' pit w/ 2 6' x 6' x 6' pump outs	2 conc slabs
2 bldg	26' x 184' x 6' pits w/ 2 - 6' x 6' x 6' pump outs	2 conc slabs

Lagoon 150' x 300' x 15'

~~PVC transfer piping~~

ISO barn - 25' x 50' x 6' - w/ conc slabs

Other: 8 Feb 08 spoke w/ Michael S. for clarifications.
 No piping
 uses PTO driven pump
 ISO barn dimensions
 pump out port covers

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

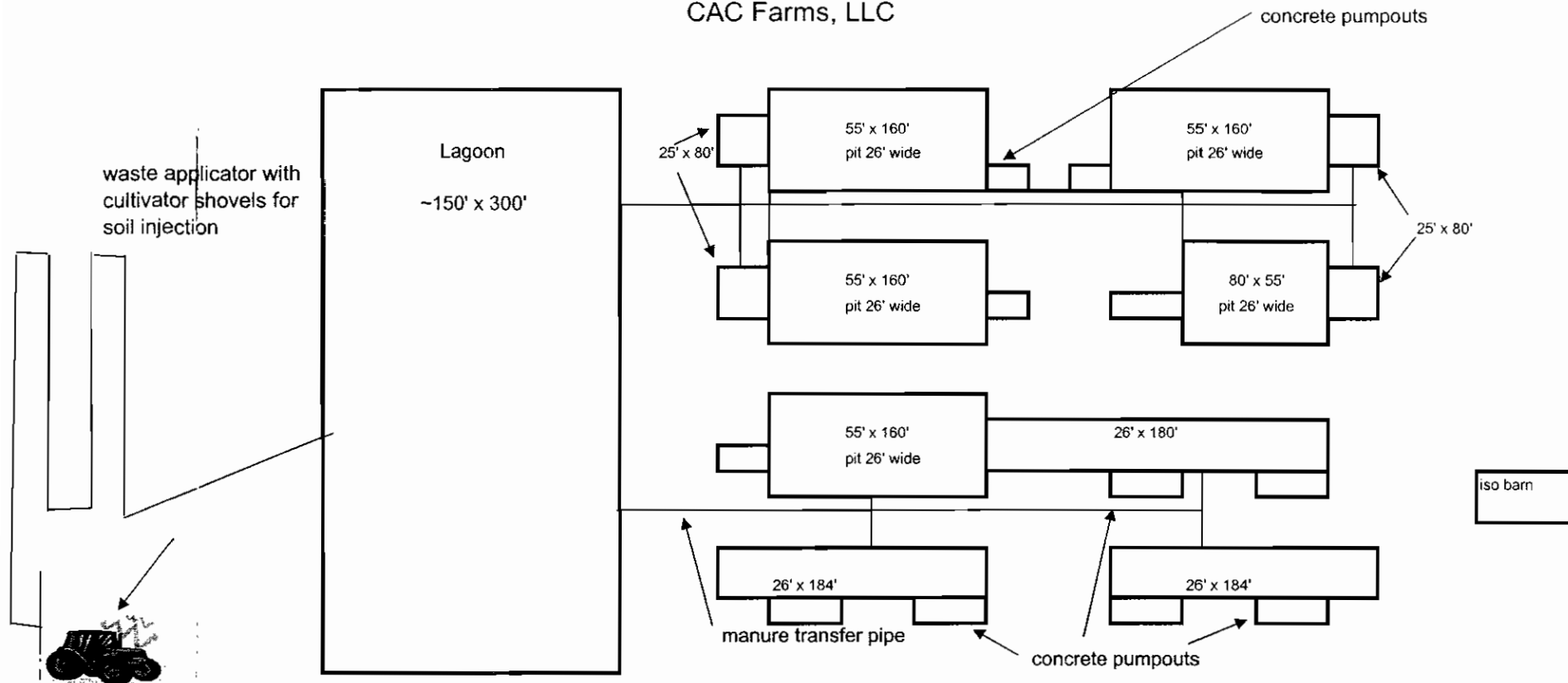
This Agency is authorized to request this information under Illinois Revised Statutes, 1979, Chapter, 120, Section 502a-5. Disclosure of this information is voluntary. However, failure to comply could prevent your application from being processed or could result in denial of your application for certification.

FOR AGENCY USE				
File No.	Date Received	Certification No.	Date	
APPLICANT	Sec. A Company Name CAC Farms, Inc.			
	Person Authorized to Receive Certification Dr. Michael Schelkopf		Person to Contact for Additional Details Dr. Michael Schelkopf	
	Street Address 2435 Bethany Road		Street Address 2435 Bethany Road	
	Municipality, State & Zip Code Sycamore, IL 60178		Municipality, State & Zip Code Sycamore, IL 60178	
	Telephone Number (815) 756-3279		Telephone Number (815) 756-3279	
	Location of Facility Quarter Section NW-11	Township T22N	Range R11E	Municipality Ashton
	Street Address 7386 IL State Route 38 - Ashton, IL		County Ogle	Township <i>Lafayette</i> Book Number
	Property Identification Number 23-11-100-006		Parcel Number 23-11-100-006	
	MANUFACTURING OPERATIONS	Sec. B Nature of Operations Conducted at the Above Location 7000 hd swine finishing facility		
		Water Pollution Control Construction Permit No.	Date Issued	
NPDES PERMIT No.		Date Issued	Expiration Date	
Air Pollution Control Construction Permit No.		Date Issued		
Air Pollution Control Operating Permit No.		Date Issued		
MANUFACTURING PROCESS	Sec. C Describe Unit Process			
	Materials Used in Process			
POLLUTION CONTROL FACILITY DESCRIPTION	Sec. D Describe Pollution Abatement Control Facility			
	Manure structures that include the concrete slats & 6' deep concrete manure pits under all of the buildings (1 pit=26' x 180', 4 pits=26' x 160', 4 pits=25' x 80', 1 pit=26' x 80', 2 pits=26' x 184') as well as 6" manure transfer pipes that allow the pits to be flushed to the lagoon (150' x 430', 15' deep). The buildings also have 6' x 6', 6' deep concrete pumpouts installed to facilitate in waste removal & transport (16 pumpouts).			

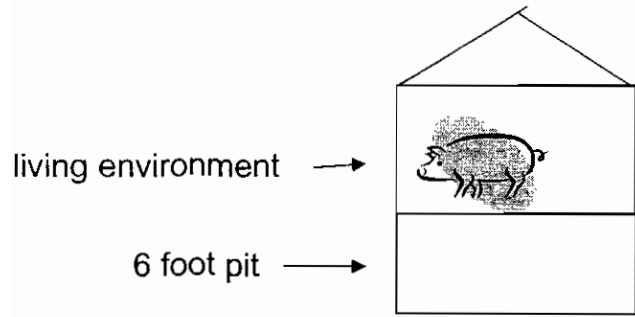
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 MAY 21 2007
 ILLINOIS ENVIRONMENTAL
 PROTECTION AGENCY
 BOW/WPC/PERMIT SECTION

Sec. E	(1) Nature of Contaminants or Pollutants Liquid swine waste		
			Material Retained, Captured or Recovered
	Contaminant or Pollutant	DESCRIPTION	DISPOSAL OR USE
	Liquid swine waste	From finishing pigs	Land applied to adjacent fields
		(2) Point(s) of Waste Water Discharge Waste is pumped from the lagoon for land application	
	Plans and Specifications Attached	Yes <input checked="" type="checkbox"/>	No <input 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 11/01/06 status of installation on date of application _____		
(5)	a. FAIR CASH VALUE IF CONSIDERED REAL PROPERTY:	\$ 225,000.00	- manure handling only
	b. NET SALVAGE VALUE IF CONSIDERED REAL PROPERTY:	\$	
	c. PRODUCTIVE GROSS ANNUAL INCOME OF CONTROL FACILITY:	\$	
	d. PRODUCTIVE NET ANNUAL INCOME OF CONTROL FACILITY:	\$	
	e. PERCENTAGE CONTROL FACILITY BEARS TO WHOLE FACILITY VALUE:	% 55	
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.		
	<p><i>improvements made upon purchase of A 2/06.</i></p> <p>Signature: <u><i>[Signature]</i></u> Title: <u><i>Owner/CEO</i></u></p>		
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 <u>pollution control facility</u> . Include a listing of each major piece of equipment included in the claimed fair cash value for real property. Include an <u>average</u> 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	AJ Keller Permit Section Division of Water Pollution Control	Donald E. Sutton Permit Section Division of Air Pollution Control

Chapman Facility
CAC Farms, LLC



This swine facility utilizes total or partial slatted pits under all buildings. The concrete slats, as well as the 6' deep concrete pits are all a part of the pollution control facility. In addition, these buildings have concrete pumpouts that facilitate timely & accurate waste removal. All pits are also connected via PVC pipe transfer line to the lagoon, which is used as an additional waste control storage when necessary.



Cross sectional of each bldg
(all buildings identical)

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STATE OF ILLINOIS
COUNTY OF SANGAMON

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APR 08 2008
STATE OF ILLINOIS
Pollution Control Board

PROOF OF SERVICE

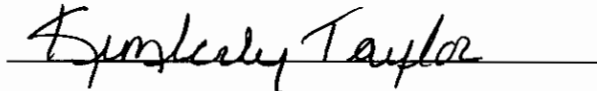
I, the undersigned, on oath state that I have served the attached **APPEARANCE AND THE RECOMMENDATION**, upon the person to whom it is directed, by placing a copy in an envelope addressed to:

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

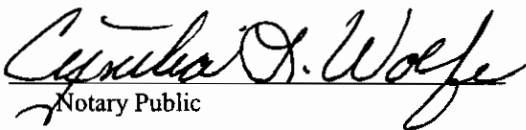
Dr. Michel Schelkopf
2435 Bethany Road
Sycamore, Illinois 60178

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

and mailing it from Springfield, Illinois, on April 7, 2008, with sufficient postage affixed for first class mail.



SUBSCRIBED AND SWORN TO BEFORE ME
This 7th day of April , 2008


Notary Public



THIS FILING IS SUBMITTED ON RECYCLED PAPER