BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

PEOPLE OF THE STATE OF ILLINOIS,)
Complainant,)
v.) PCB NO. 10-84) Enforcement
PROFESSIONAL SWINE MANAGEMENT, LLC, HILLTOP VIEW, LLC, WILDCAT FARMS, LLC, HIGH POWER PORK, LLC, LONE HOLLOW, LLC, EAGLE POINT, LLC, TIMBERLINE, LLC, PRAIRIE STATE GILTS, Ltd, AND LITTLE TIMBER, LLC,)))))
)
Respondents.)

NOTICE OF FILING

TO: Mr. Don Brown Clerk of the Board Illinois Pollution Control Board 100 West Randolph Street Suite 11-500 Chicago, Illinois 60601 (VIA ELECTRONIC MAIL) Carol Webb, Esq. Hearing Officer Illinois Pollution Control Board 1021 North Grand Avenue East Post Office Box 19274 Springfield, Illinois 62794-9276 (VIA U.S. MAIL)

(PLEASE SEE ATTACHED SERVICE LIST)

PLEASE TAKE NOTICE that I have today filed with the Office of the Clerk of the Illinois Pollution Control Board, *RESPONDENTS' JOINT POST-HEARING RESPONSE*, a copy of which is herewith served upon you.

Respectfully submitted,

BROWN, HAY & STEPHENS, LLP

Dated: January 10, 2017

By: /s/ Claire A. Manning

BROWN, HAY & STEPHENS, LLP

Claire A. Manning Registration No. 3124724 205 S. Fifth Street, Suite 700 P.O. Box 2459 Springfield, IL 62705-2459 (217) 544-8491 <u>cmanning@bhslaw.com</u>

CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the foregoing instrument was served upon:

Ms. Jane McBride Illinois Attorney General's Office 500 South Second Street Springfield, IL 62706

Edward W. Dwyer Joshua J. Houser HeplerBroom, LLC 4340 Acer Grove Drive Springfield, IL 62711

Dr. Joseph F. Connor Professional Swine Management 34 West Main Street PO Box 220 Carthage, IL 62321

Matt Bradshaw Twin Valley Pumping, Inc. 22701 U.S. Highway 54 Griggsville, IL 62340

James A. Hansen Schmiedeskamp, Robertson, Neu & Mitchell, LLP 525 Jersey Street P.O. Box 1069 Quincy, IL 62306

by enclosing the same in an envelope addressed to such party at the above address, with postage fully prepaid, and by depositing said envelope in a U.S. Post Office mailbox in Springfield, Illinois, at 5:00 p.m. on this 10thday of January, 2017.

/s/ Claire A. Manning Claire A. Manning

BEFORE THE ILLINUIS POLLU	TION CONTROL BU
PEOPLE OF THE STATE OF ILLINOIS,)
Complainant,)
v .) PCB NO. 10-84
PROFESSIONAL SWINE MANAGEMENT,) Enforcement
LLC, HILLTOP VIEW, LLC, WILDCAT)
FARMS, LLC, HIGH POWER PORK, LLC,)
LONE HOLLOW, LLC, EAGLE POINT, LLC,)
TIMBERLINE, LLC,)
PRAIRIE STATE GILTS, Ltd, AND)
LITTLE TIMBER, LLC,)
)
Respondents.)

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

RESPONDENTS' JOINT POST-HEARING RESPONSE

On December 13, 2016 the Illinois Pollution Control Board ("Board") held a public hearing in the above-referenced proceeding, in accordance with Section 31 of the Illinois Environmental Protection Act ("Act") and Section 103.304 of the Board's procedural rules, 35 Ill. Adm. Code 103.304. The hearing was for the purpose of accepting public comments on the Stipulations and Proposals for Settlement ("Stipulations") executed by the parties in this matter: The State of Illinois, Office of Attorney General and Illinois Environmental Protection Agency ("IEPA") (collectively "the State") and the various respondents: Professional Swine Management, LLC ("PSM"), Hancock County; Hilltop View, LLC ("Hilltop"), Schuyler County; Wildcat Farms, LLC ("Wildcat"), Hancock County; High Power Pork, LLC ("High Power"), Adams County; Eagle Point, LLC ("Eagle Point"), Fulton County; Lone Hollow, LLC ("Lone Hollow"), Hancock County; Timberline, LLC ("Timberline"), Schuyler County; Prairie State Gilts, Ltd ("PSG"). Schuyler County; and Little Timber, LLC ("Little Timber"), Hancock County.

The violations alleged in the State's Complaint involve incidents that occurred between the summer of 2004 and the spring of 2009 at eight farms, located in three different Illinois counties. At hearing, the State entered eight separate Stipulations into the record. The Stipulations represent agreements reached for each of the separately charged farms. The executed Stipulations follow the format of standard State-negotiated settlement agreements under the Act and contain provisions related to compliance and civil penalties. Accordingly, each of the Stipulations represent current compliance with the Act and regulations on the part of each of the farms. In settlement of the alleged violations, the farms agreed to pay civil penalties ranging from \$10,055 to \$18,000 per farm, for a combined total penalty in this matter of \$116,500.

Six members of the public provided public comment at the hearing; such comment involved the following general subjects: deterrence effect of civil penalties, suitability of the location of the farms, and socioeconomic value of the farms. Some of the comments were raised as "rhetorical questions".

As the Board knows, Section 33(c) of the Act requires an evaluation of specific statutory factors when addressing alleged violations of the Act. *See* 415 ILCS 5/33(c). Similar factors are set forth in Section 42(h) of the Act. *See* 415 ILCS 5/42(h). An analysis of the Section 33(c) factors in the context of this case is set forth in each of the Stipulations. These factors are directly relevant to the parties' agreement concerning the appropriateness of the settlement and civil penalties to be paid in relation to each of the specific charges. Section III of each of the Stipulations addresses these factors and, consequently, most of the items raised by the commenters, including suitability of location, socioeconomic benefit of the facilities, and subsequent compliance.

The Stipulations in this case were fairly negotiated, over a lengthy period of time, and represent the parties' good faith mutual judgment of compliance with the Act, both in terms of settlement of the charges as envisioned by the legislature in order to deter future violations and in terms of achieving compliance on an ongoing basis. Further, the Stipulations were not executed until the State conducted site visits at each of the farms for the purpose of ascertaining that each was in compliance with all applicable rules.

As Illinois Courts have recognized in regards to the Act, the law generally favors the encouragement of settlements. *See Chemetco, Inc. v. Illinois Pollution Control Bd.*, 140 Ill. App. 3d 283, 288–89, 488 N.E.2d 639, 643 (1986), citing *Airline Stewards & Stewardesses Assn v. American Airlines* (7th Cir.1978), 573 F.2d 960, 963, *cert. denied* *289 439 U.S. 876, 99 S.Ct. 214, 58 L.Ed.2d 190). This is so because the "primary goal of the Act is the enhancement of the environment, and settlements that do not contain a finding of violation but do impose a penalty and a compliance plan may more expeditiously facilitate this enhancement." *Id.*

Similarly, the Board has recognized that its role in approving settlement agreements is to determine whether the settlement agreement is a reasonable resolution of the matter and adequately protects the environmental concerns of the State. *See People v. Archer Daniels Midland Corp.*, 140 III. App. 3d 823, 824, 489 N.E.2d 887, 888 (1986). In reviewing the Board's actions related to settlement agreements, the courts have recognized that:

[T]he public interest is better served by a procedure which encourages respondents to enter into settlement discussions and negotiations by which respondents may avoid the stigma of a finding of violation, and assist the State in effectuating the goals of the Act in those cases where the proof is tenuous or difficult to establish. By allowing the State and respondents to reason together the result will conserve resources which would otherwise be expended in litigation.

People v. Archer Daniels Midland Corp., 140 Ill. App. 3d 823, 825, 489 N.E.2d 887, 888–89 (1986)

Here, the purposes of the Act have been achieved – through the respective farm's deliberate and extensive negotiations with the State to arrive at a result which the parties to this proceeding believe best serves the public interest. Further, these negotiations occurred during a time when the Board was promulgating new and revised state regulations based upon federal regulations under the Clean Water Act that are relevant to livestock farms nationwide. *See In the Matter of: Concentrated Animal Feeding Operations (CAFOS)*: Proposed Amendments to 35 ILL. ADM. CODE PARTS 501, 502, AND 504, 2014 WL 3924271, R12-23 (August 7, 2014). These Board regulations represent Illinois' adherence to the federal CAFO program as to livestock operations in Illinois; these Stipulations represent the parties' concurrence that the Respondent farms are in compliance with those regulations.

We ask that the Board approve these Stipulations and Proposals for Settlement at its next Board meeting, and we thank the Board and the State for its commitment to public service in this proceeding.

Respectfully submitted,

HILLTOP VIEW, LLC, EAGLE POINT FARMS, LLC, TIMBERLINE, LLC, LITTLE TIMBER, LLC and WILDCAT FARMS, LLC PRAIRIE STATE GILTS, LLC, LONE HOLLOW, LLC, and HIGH POWER PORK, LLC

/s/ Edward Dwyer

HEPLERBROOM, LLC Edward W. Dwyer Joshua J. Houser 4340 Acer Grove Drive Springfield, IL 62711 (217) 528-3674 /s/Claire A. Manning

BROWN, HAY & STEPHENS, LLP Claire A. Manning Registration No. 3124724 205 S. Fifth Street, Suite 700 P.O. Box 2459 Springfield, IL 62705-2459 (217)544-8491 PROFESSIONAL SWINE MANAGEMENT, LLC

/s/ Charles T. Patterson **PATTERSON & PRAHL, LLP** Charles T. Patterson 25043 Little Water Lane PO Box 767 Custer, SD 57730-0767 (605) 673-5223

CERTIFICATE OF SERVICE

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Mr. Don Brown Clerk of the Board Illinois Pollution Control Board 100 West Randolph Street Suite 11-500 Chicago, Illinois 60601

Ms. Carol Webb Hearing Officer Illinois Pollution Control Board 1021 North Grand Avenue East Post Office Box 19274 Springfield, Illinois 62794-9274

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by enclosing the same in an envelope addressed to such party at the above address, with postage fully prepaid, and by depositing said envelope in a U.S. Post Office mailbox in Springfield, Illinois, at 5:00 p.m. on this 10th day of January, 2017.

/s/ Claire A. Manning