

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

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CLERK'S OFFICE

JAN 28 2005

STATE OF ILLINOIS
Pollution Control Board

Bay Creek 1 Investments, LLC
(Property Identification Numbers
46-064-02 and 46-064-03)

)
)
)
) PCB 05- 143
) (Tax Certification)

NOTICE

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

Bay Creek 1 Investments, LLC
RR 2 Box B
Barry, Illinois 62312

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 26, 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

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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 26, 2005
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

BEFORE THE ILLINOIS POLLUTION CONTROL BOARD

Bay Creek 1 Investments, LLC)
(Property Identification Numbers) PCB 05- 143
46-064-02 and 46-064-03) (Tax Certification)
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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 12, 2004, the Illinois EPA received a request from Bay Creek 1 Investments, LLC (log number TC-17-04, 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: Bay Creek 1 Investments, LLC
RR 2 Box B
Barry, Illinois 62312
3. The proposed water pollution control facilities in this request are located at SE ¼ Section 3, T4S, R6W of the 4th P.M. in Pike County, at the above street address and consist of the following:

Livestock waste management facilities consisting of one concrete manure pit (600 ft. x 79 ft. x 8 ft. deep), with the slotted concrete portion of the floor over the manure pit and 14 concrete pump out manure pits (each 6 ft. x 6 ft. x 8 ft. deep) located in one swine gestation building; one concrete manure pit (162 ft. x 75 ft. x 2 ft. deep) with the slotted concrete portion of the floor over the manure pit and one pull plug drain located in one swine farrowing building; one concrete manure pit (288 ft. x 41 ft. x 2 ft. deep) with the slotted concrete portion of the floor over the manure pit and one pull plug drain located in one swine isolation building; 3 concrete manure pits (each 100 ft. x 25 ft. x 2 ft. deep); one concrete manure pit (154 ft. x 28 ft. x 2 ft. seep) with one pull plug and the slotted portion of the floor

over the manure pits located in a swine farrowing building; one clay-lined lagoon (350 ft. x 105 ft. x 12 ft. deep); and approximately 560 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 26, 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

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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

Bay Creek 1 Investments, LLC
RR 2 Box B
Barry, Illinois 62312

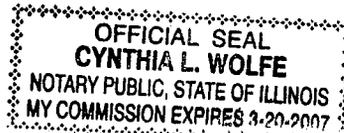
Steve Santarelli
Illinois Department of Revenue
101 West Jefferson
Post Office Box 19033
Springfield, Illinois 62794

and mailing it from Springfield, Illinois, on January 26, 2005, with sufficient postage affixed for first class mail.

Nancy J D Lamport

SUBSCRIBED AND SWORN TO BEFORE ME
this 26th day of January, 2005

Cynthia L. Wolfe
Notary Public



THIS FILING IS SUBMITTED ON RECYCLED PAPER

Watershed Unit Tax Certification Review Sheet

Project Name: Bay Creek I Investments, LLC Location: Barry
 Reviewer: Thaddeus Favant Date: 12/8/04
 Log No.: TC-17-04 Type: Agchem
 Livestock

Applicant: Ken Maschhoff Contact: Jason Loasdon
7475 State Route 127 Phone: 618-594-2125
Carlyle IL 62231
618-594-2125

Facility: Bay Creek I Investments, LLC Property ID: 46-064-02
RR 2 Box B 46-064-03
Barry, IL 62312

Legal Description: Se 1/4 Section 35, T4S, R6W of 40 4th PM County: Pike

Date Control Devices Installed: August 2002 Provided Fair Cash Value: \$560,000

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:

1 concrete manure pit (600 ft x 79 ft x 8 ft deep) with concrete slatted floors + 14 pumps, (6 ft x 6 ft)
1 concrete manure pit (162 ft x 75 ft x 2 ft deep) with 1 pull plug and concrete slatted floors
1 concrete manure pit (288 ft x 41 ft x 2 ft deep) with concrete slatted floors + one pull plug
3 concrete manure pits (100 ft x 25 ft x 2 ft deep) with concrete slatted flooring
1 concrete manure pit (154 ft x 28 ft x 2 ft deep) with concrete slatted flooring + one pull plug
1 clay lined lagoon (350 ft x 105 ft x 12 ft deep)
approximately 560 feet of PVC manure transfer pipe

Other: 12/17/04 - spoke with Jason Loasdon - Jason said pumps are concrete (6 ft x 6 ft x 9 ft deep)

TC-17-04

APPLICATION FOR CERTIFICATION (PROPERTY TAX TREATMENT)
 POLLUTION CONTROL FACILITY
 AIR WATER

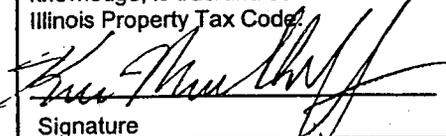
ILLINOIS ENVIRONMENTAL PROTECTION AGENCY
 P. O. Box 19276, Springfield, IL 62794-9276

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.

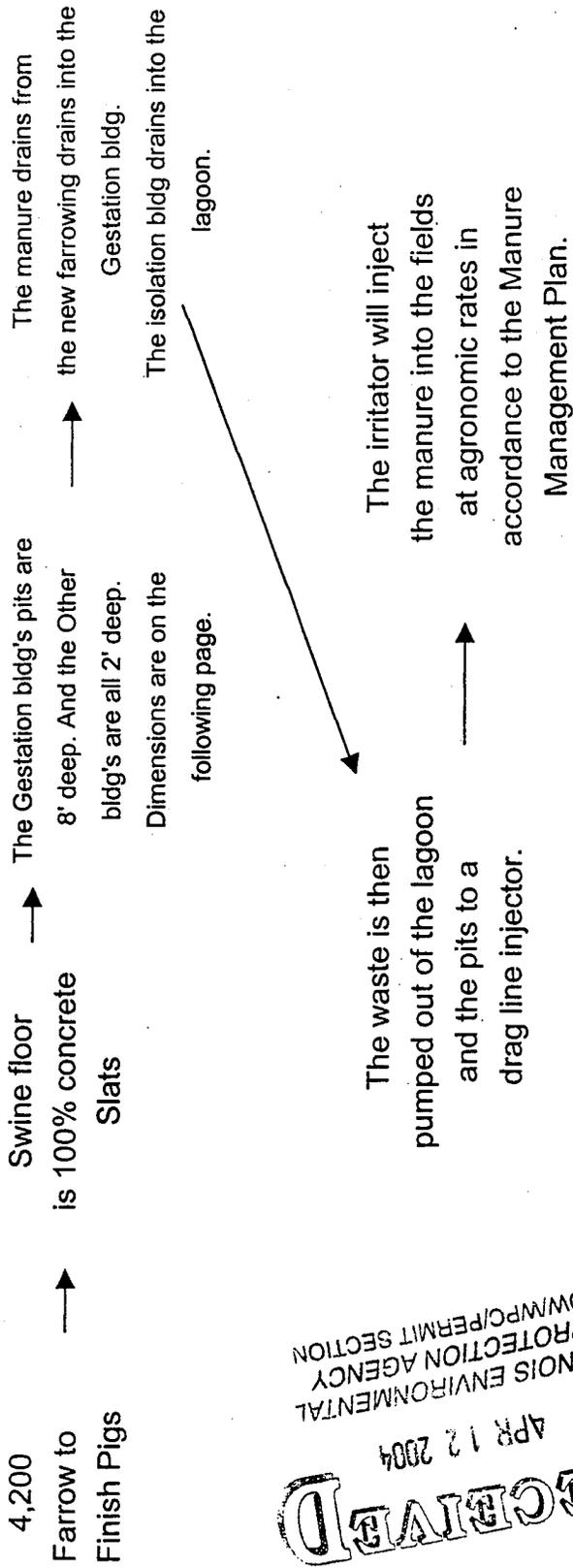
FOR AGENCY USE			
File No.	Date Received	Certification No.	Date
Sec. A APPLICANT	Company Name Bay Creek I Investments LLC		
	Person Authorized to Receive Certification Ken Maschhoff		Person to Contact for Additional Details Jason Logsdon
	Street Address 7475 State Route 127		Street Address SAME
	Municipality, State & Zip Code Carlyle, IL 62231		Municipality, State & Zip Code SAME
	Telephone Number 618-594-2125		Telephone Number SAME
	Location of Facility	Municipality	Township
	Quarter Section	Township	Range
	SE 1/4 of Sec. 35	45	6W
	Street Address RR 2 Box B Barry, IL 62312	County Pike	Book Number
Property Identification Number 46-064-02 + 46-064-03	Parcel Number		
Sec. B MANUFACTURING OPERATIONS	Nature of Operations Conducted at the Above Location This is a 4200 head Farrow to finish swine confinement facility.		
	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		

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 APR 12 2004

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY
 BOW/WPC/PERMIT SECTION

Sec. E POLLUTION CONTROL FACILITY - CONTAMINANTS	(1) Nature of Contaminants or Pollutants <i>Swine Manure</i>			
			Material Retained, Captured or Recovered	
	Contaminant or Pollutant	DESCRIPTION	DISPOSAL OR USE	
	<i>Swine Manure</i>	<i>applied to cropland</i>	<i>We Pump the manure from the lagoon + the Deep Pits to a drag line injector & inject it into the ground @ agronomic rates in accordance to the MMP.</i>	
	(2) Point(s) of Waste Water Discharge <i>NONE</i>			
	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 <i>Aug-2002</i> status of installation on date of application <i>complete</i>		
	ACCOUNTING DATA	(5) a.	FAIR CASH VALUE IF CONSIDERED REAL PROPERTY:	\$ <i>560,000</i>
		b.	NET SALVAGE VALUE IF CONSIDERED REAL PROPERTY:	\$ <i>15,000</i>
c.		PRODUCTIVE GROSS ANNUAL INCOME OF CONTROL FACILITY:	\$ <i>-</i>	
d.		PRODUCTIVE NET ANNUAL INCOME OF CONTROL FACILITY:	\$ <i>-</i>	
e.		PERCENTAGE CONTROL FACILITY BEARS TO WHOLE FACILITY VALUE:	% <i>35%</i>	
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	 Signature _____ Title <i>Manager</i>			
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.			
INSTRUCTIONS	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	

Flow Diagram of Waste Handling



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PROTECTION AGENCY
BOWMPC/PERMIT SECTION

The Gestation building Houses 2900 Hd. of Farrow to finish hogs. The building is 79' x 600' with 8' deep pits. The pit is made of concrete reinforced w/ rebar. The new farrowing room is 182 Head of sows with the building dimensions of 75' x 162' x 2' pits. There is a 10" PVC pipe between the gestation + the new farrowing. The pipe empties the manure from one to the other. There is 1 Isolation Building w/ A 1000 Head capacity of 1000 Hd. Dimensions are 41' x 288' w/ 2' shallow pit. There is a 250' - 10" PVC that drains from the pull plug pit on the isolation bldg to the Lagoon. The lagoon is 105' x 350' + 12' deep. It is earthen lined **clay**. The old farrowing rooms are 25' x 100' + there are 3 of these, 40 Head capacity + 2' pits + they are connected to a 28' x 154' w/ A 2' pit. All pits are reinforced w/ rebar. There are 14 pump out on the gestation building.

