

**CHANNAHON VILLAGE BOARD
COMMITTEE MEETING
JANUARY 15, 2007**

President Joe Cook called the meeting to order at 6:00 p.m. with Trustees Militello, McMillin, Lyons and Greco were present. Trustees Davidson and Nash were absent.

Also present were Village Administrator Jamie Bowden, Village Attorney Justin Fredin, Director of Finance Robert Guess, Chief of Police Steve Admonis, Director of Public Works Ed Dolezal, Director of Community Development Mike McMahan and Village Clerk Eileen Clark.

COMMUNITY DEVELOPMENT DEPARTMENT

Southern Crossings, Unit 2 re-subdivision

Director of Development Mike McMahan stated Southern Crossing-Channahon, LLC is approximately 68 acres of C-3 commercially zoned property at Route 6 and Ridge Rd. Initially, the property was subdivided into eleven (11) parcels, nine (9) out-lot parcels along Route 6 and two (2) larger parcels.

The applicant wishes to re-subdivide three out-lots east of Yellow Pine on Route 6 into four (4) out-lots. Three of the newly created out-lots will be 1.5 acres and the fourth will be 1.8 acres. These out-lot sizes are consistent with that of the existing out-lots west of Yellow Pine Dr., all averaging between 1.5-1.8 acres.

Trustee Nash entered the meeting at 6:04 p.m.

On January 8th, 2007, the Planning and Zoning Commission recommended approval of the re-subdivision of Unit 2 of Southern Crossings.

Requested Action: Approve the re-subdivision of Unit 2 of Southern Crossing from three (3) lots to four (4) lots at Route 6 and Yellow Pine in accordance with the reviewed plans.

McDonalds Restaurant at Yellow Pine/Route 6 Concept Plan

Director of Community Development Mike McMahan stated McDonald's Restaurant is proposing to build a 3,856 square foot eatery and drive-thru at the property of Route 6 and Yellow Pine Drive. It is approximately a 1.6 acre site that is zoned C-3 commercial. The proposed use is permitted in this zoning district by ordinance.

The applicant first submitted a concept plan to staff on November 16, 2006. As seen on the first concept elevations, EFIS material was used for the front elevation and non-drive thru side, accompanied by brick on all four sides. Staff suggestions from this meeting included the following:

EFIS material be replaced by a masonry material

Provide parking for oversize trucks
Vertical variations changes to the building

The current concept plan submitted to the Village staff on December 21, 2006 shows the applicant complied with the suggestions by adding stone to replace the EFIS material, changing the overhang of awnings along the non-drive thru side, and increasing the height and length of the full parapet for vertical variation. The applicant has also allotted space for truck parking in the rear of the parking lot, and an Auto-turn simulation of a bus has been provided on the site plan as a demonstration.

Landscaping will be provided throughout the site and a concept of this has been illustrated on the plan. Sixty-one (61) parking stalls have been provided with the addition of two (2) bus-size spaces, and five (5) future additional parking stalls giving sixty-eight (68) total spaces. Because the applicant's business falls between the definitions of a sit-down, carryout and drive-in restaurant, and they provided oversize truck spaces, staff feels sixty-eight (68) spaces to be appropriate for this site.

Requested action: Review and comment.

Whispering Oaks Town-homes Concept Plan

Director of Community Development Mike McMahon stated that the subject property, Whispering Oaks Sub-division, was annexed into the Village of Channahon on August 1, 2005. In May 2004, the Planning and Zoning Commission approved the preliminary plat, and in July 2004, approved the re-zoning R-1 to R-3 for what is currently part of Lot 15 and Lot 16 on the proposed plat. The preliminary plat was revised to all single-family lots and approved by the commission in November 2004.

Whispering Oaks Sub-division was final platted and approved by the Village board in March 2006 with an R-1 single-family zoning and 162 single-family lots. The applicant approached the Village in August 2006 to discuss re-platting 16 single-family lots into 9 multi-family lots located at the north end of the subdivision on Orchid Lane.

On September 11, 2006, the Planning and Zoning Commission held a workshop with the applicant to review the concept plan and rezoning. The higher density of traffic and people that town-homes may bring compared to single-family was seen as an issue of concern.

On December 11, 2006, the Planning and Zoning Commission held a Public Hearing on the rezoning of the 16 single-family lots to 9 multi-family lots. Trustee Davidson entered the meeting at 6:20 p.m.

DISCUSSION

Royal Assets is seeking approval for an R-1 to R-3 rezoning for the property located at the north end of Whispering Oaks on Orchid Lane originally platted as Lot 1-14. The applicant also seeks approval for the preliminary plat of the re-subdivision of this subject property. The comprehensive plan of the Village calls for single-family units and an R-1

zoning, however, just west of the subject property are town-homes on Old Kerry Rd. and duplexes to the east in McKinley Oaks.

Based on comments from the Public Hearing and engineering concerns, the preliminary plat was revised by the applicant. The three (3) unit town-homes on Lot 14 was replaced with a duplex, Lot 13 will have a three (3) unit town-home instead of a four (4) unit, and Lots 15 and 16 will remain two single-family lots. This reduction will assist the transition of single-family to multi-family as Orchid Lane curves west. The revision has cut the total amount of 35 multi-family units to 29 units.

On January 8, 2007, the Planning and Zoning Commission recommended approval of the preliminary plat, as well as the re-zoning of Lots 1-14 from R-1 to R-3.

Requested Action: Approve the preliminary plat for Whispering Oaks Sub-division, in accordance with the reviewed plans.

Approve the rezoning from R-1 single-family to R-3 multi-family for Lots 1-14 of Whispering Oaks Subdivision, in accordance with the reviewed plans.

Diamond Bio-fuels Special Use Permit

Director of Community Development Mike McMahon stated that the applicant John Cutcher, with Diamond Bio-fuels, Inc. is proposing to construct and operate a Bio-diesel production facility at 24109 S. Northern Illinois Drive. This property is located in an I-1 District and the production of fuel is considered a permitted special use within this district. Mr. Cutcher requests a special use permit for the processing and production of bio-diesel fuel in an I-1 District.

The proposed facility will be erected abutting the east end of the existing asphalt driveway at the read of the current industrial site. It will be an outdoor facility consisting of a 4,000 sq. ft. concrete pad and tank farm with 12 steel tanks ranging from 1,500 gallons to 10,000 gallons. The maximum height of the largest tanks will be approximately 20 feet. A steel canopy may be added to the site at a later date.

Materials will be transferred throughout the site utilizing air pumps and steel piping. The entire process will be closed to limit environmental exposure, allowing neither raw materials nor finished products access to open air. All processes and storage will meet or exceed National Fire Prevention Association requirements. Any processing that may create odor will be addressed with suitable venting and scrubbing. The facility will operate during normal business hours and will not produce noise beyond that currently experienced at the proposed industrial site. Materials used at the site will not pose a significant

The Planning and Zoning Commission denied a recommendation the Village Board concerned by the issues of management changeover, possible fire hazard and the relative location to residential communities.

The applicant is agreeable to the conditions set and staff encourages the Board to consider the following:

- 1) No odor will be emitted.
- 2) Hours of operation are limited to day light hours.
- 3) No noise nuisance to the adjacent residential neighborhood, within reason.
- 4) The permit is only applicable under the current ownership and management for this property.
- 5) If the owner sells the property and/or management changes hands, the operation will stop and the applicant is responsible for the disassembling and removal of all equipment on the site.
- 6) Heavy screening will be provided around the entire site and must be approved by Village staff.
- 7) Installation of a Methanol detection device or meter.
- 8) The applicant will hire a third party to conduct annual tank and equipment inspections and submit a report to the Village.
- 9) The property and facility must be: well maintained at all times free of waste, garbage, unused equipment or tanks per the discretion of the Village; equipment is to be free of rust and other visible damage or wear; the surrounding fence must be maintained at all times to restrict access to the site by the public; and landscaping must be properly maintained to insure adequate screening and to maintain the aesthetics of the facility.

As you know there are standard of this special use permit in our ordinance.

John Cutcher is a chemist with over 25 years experience and will operate the site. Joe Majewski, partner in Diamond Bio-fuels, owns the Northern Illinois Drive site.

Director of Community Development Mike McMahon introduced Mr. John Cutcher, who gave a presentation.

Mr. Cutcher stated, the proposed facility will be erected abutting the east end of the existing asphalt driveway at the rear of the current industrial site facility consisting of a Proposal

Construction of a 50x75" concrete containment facility at 24109 S. Northern Illinois Drive

Erect and maintain 12 processing/storage tanks

Tanks sizes ranges from 1,500 to 10,000 gallons

Maximum tank height will be 20'

Secure the containment with 8' fencing and suitable vehicle barriers

Screen the site with approved landscaping

Production of 500,000 gallons of bio-diesel annually

Zero water discharge

Tank truck access 3-5 times per week

Bio-diesel

- ...is not diesel fuel
- ...is an alternative to petroleum diesel fuel made from renewable animal/vegetable oil an methanol
- ...is the only alternative fuel that has passed all of the EPA clean air fuel requirements
- ...is readily biodegradable
- ...has been tested more thoroughly than any other alternative fuel
- ...is safe to handle and nonflammable (Class IIIB)
- ...is less toxic than table salt

Renewable Oil

- ...Can be any processed triglyceride
 - Refined vegetable oil or animal fat
 - Recycled fryer oil
- ...Readily biodegradable
- ...Non-toxic-often edible
- ...Class IIIB Combustible
 - Nonflammable
 - Flashpoint > 500 degrees F
- ...On-site quantity is approximately 10,000 gallons
- ...Primary processing concerns are odor and containment

Methanol

- ...Commonly called wood alcohol
- ...Readily bio-degradable
- ...Toxic profile very similar to ethanol/grain alcohol
- ...Class IA Flammable
 - Flashpoint < 73 degree F
 - Boiling point < 100 degree F
- ...On-site quantity approximately 2,000 gallons
- ...Primary processing concerns are flammability and containment

Catalysts

- ...Sulfuric Acid
 - Biodegradable/Neutralized
 - Nonflammable
 - Corrosive
 - On-site quantity is approximately 100 gallons
 - Primary processing concern is containment
- ...Sodium Methoxide
 - Biodegradable- 70% methanol
 - Flammability and toxicity similar to methanol

Corrosive

On-site quantity is approximately 250 gallons

Primary processing concerns are flammability and containment

Glycerin

...Readily biodegradable

...Non-toxic – refined state is edible

...Class IIB Combustible

Nonflammable

Flashpoint > 350 degrees F

...On-site quantity is approximately 5,000 gallons

...Primary processing concern is containment

Addressing Concerns

Triglyceride

...All steel storage and transport

...Process registered and monitored through Illinois and Federal EPA

...Sealed concrete secondary containment

...Venting and scrubbers to prevent odor

...Production and storage is limited to this proposal

Addressing Concerns

...Methanol

Limited processing quantity <3,000 gallons

All steel storage and transport

Tanks registered with Illinois State Fire Marshall

Process registered and monitored through Illinois and a Federal EPA

Separate sealed secondary containment

All storage & processing tanks fitted with flame arrestors and conservation vents

On-site methanol electronic detection

Addressing Concerns

...Catalysts

Small processing quantity

<200 gallons for sulfuric acid

<500 gallons for sodium methoxide

Contained storage and transport

No bulk storage

HDPE containers used for corrosives

Process registered and monitored through Illinois and Federal EPA

Maintained within sealed concrete secondary containment

Addressing Concerns

...Glycerin

- All steel storage and transport
- Process registered and monitored through Illinois and Federal EPA
- Sealed concrete secondary containment
- Production and storage is limited to this proposal

Addressing Concerns

...B100 Bio-diesel

- All steel storage and transport
- Process registered and monitored through Illinois and Federal EPA
- Sealed concrete secondary containment
- Production and storage is limited to this proposal
- Blending limited to 99.9% bio-diesel

Additional Restrictions

- ...Odor restriction
- ...Noise restriction
- ...Daytime operation restriction
- ...Site Maintenance restriction
- ...Site screening
- ...Current ownership restriction
- ...BQ9000 third-party certified (on site location)

Lengthy discussion followed.

Trustee Nash asked if any of the gentlemen, that were present, from the Bio-diesel group live in the Village?

Mr. Cutcher stated no.

Trustee Nash stated that the people here are residents in the community, would you locate your home near one of these plants?

Mr. Cutcher stated from a safety point of view he would have no problem.

Trustee Nash stated she is curious as to what the benefit to the Village is by locating this in our community, because this is probably going to be taxed as personal property. She doesn't for see a great deal of property tax coming from that particular entity. Is that correct?

Mr. Cutcher stated everything is located in Channahon. Primarily since it is B to B there isn't a sales tax.

Discussion followed.

Trustee Davidson stated he looked on Cyber Drive Illinois and found that Diamond Bio-Fuels is not in good standing as a corporation with the Illinois Secretary of State.

Mr. Cutcher stated he has no idea why as they have not sold a gallon yet.

Trustee Davidson stated he is a lawyer and does corporate law, and it always concerns him when a corporation is not complying with very basic requirements, including filing an annual report with the Secretary of State.

Mr. Cutcher stated they did file tax returns in 2006. We are, as far as I know, registered with the State of Illinois as a corporation.

Trustee Davidson stated it looks like they haven't paid their annual franchise taxes in the state. They might want to check that out. Trustee Davidson doesn't feel they have standing to bring forward an application without being a legitimate corporate entity.

Village President Cook asked if anyone in the audience had any comments.

Laura Haldeman, of 24266 S. Burr Rd, stated she has been in the chemical industry for about 25 years and is now a teacher at Galloway School. She stated there has been a lot of talk about Methanol but nothing Sodium Methoxide, which is highly flammable, many reactions can cause fire and explosions. That is not allowed to put that out with water because that makes it very explosive.

Discussion followed.

Art Scaccia, a resident at 24321 S. Edwin Drive, stated he was the former Emergency Planning Coordinator for the Village of Channahon. His background and what he heard tonight worries him regarding the emergency response this facility has not spoken about at all. Has not touched on but very little on worse case scenario in regard how it is going to effect the population of the Channahon area.

Scaccia stated that we all know about the Mobil situation and what cost came to the Village because of that and it was not even a toxic situation. It cost a lot of time and money in that effort. This should be denied because they have not talked about any risk assessment. It should also be denied because they have not mentioned that they have contacted the local LAPC in regard to the hazardous material they are dealing with. This should be denied because of the additional traffic that is going to be brought into this area. It should also be denied because there is no mention of about what the nuclear industry calls decommissioning fund, that if this company goes belly up it is going to be Channahon's responsibility to clean up that site. That ultimately will come to us the taxpayers. This should also be denied as nothing has been mentioned about any validation of the installation of this equipment, in addition to that there has been no discussion how often the instruments will be calibrated and how they are going to be

maintained. I heard one little statement on how they are going to use a cell phone on there methanol monitoring. That is inadequate, they are going to be off in Vegas attending some conference and their phone goes off and saying there is a methanol release, guess who is going to get the next call 911, Channahon Fire Department.

Scaccia continued that it should be denied, as he has not heard anything about any ground water monitoring in regard to around this site. You know this area is full of wells, very little city water. Rolling Acres, where he lives is all wells. He is not saying it is going up hill but the point is there could be a potential worst case scenario a rupture and this stuff goes into the ground. It has to be taken care of.

Lengthy discussion.

Finally, I say deny this Special Use Permit as you don't put this kind of facility in a highly populated area. There are many areas around Channahon where this facility can be located.

Joe Pejovich, of 24128 S. Burr Court North, at the Planning and Zoning Commission meeting, the whole thing was the appropriateness of this facility at such close proximity to our house. In his own words this wasn't the best place for it but the only reason he is putting it there is because it is free land. He says he is going to put all these fancy safety gadgets and everything, but when he was asked why he didn't look for other places to put it he stated he couldn't afford it. This land is free and that is where I want to put it. We are going to trust him to follow all the safety guidelines. To me that seems wrong. When they can't afford to buy land.

Village President Cook asked the people who were opposed to this facility being built here. All residents in attendance are against this facility.

Bradley Denton, of 24240 S. Burr Rd., moved in as a new resident two (2) years ago. He stated he hauls septic waste and portable toilets, so he knows about smell. He is concerned about this issue more than anything. He got on line and in Kansas City he found a town that sold something similar. It was taking turkey waste and changing it into oil and they promised no odor and no smell ever. In this article they were shut down. That company is called Changing World Technology. They were shut down by Missouri Department of Natural Resources because of odors. They mentioned Arthur, Illinois and doing a test site. It is farmland and wants to develop it.

Lee Sexton, of 24402 S. Valley Drive, we live right behind the Blue Rhino area. They said they would not be making noise at night. At 4:00 a.m. they are banging things around. It wakes me up at night. They said they would not be having any odor, well their stack where they burn off stuff, the stack is just about as high as our house and it blows straight toward us. He has lung problems and there are times I can hardly get a breath.

Village President Cook stated that the Board has no intent of making a decision tonight. We don't have an Ordinance in front of us. The point of this tonight was to hear the discussion on a Special Use Permit, as part of this zoning district. This is not final site plan approval. It is merely the Special Use Permit. What the Board will do a Special Use Permit Ordinance draft and the Board will take a vote on that at the next scheduled Board Meeting that is merely for the Special Use Permit. There is still site plan approvals and other approvals.

Village President Cook asked Community Development Director Mike McMahon if that is correct. Community Development Director Mike McMahon stated he would assume so, that is what the Village Attorney stated. He was putting this on the agenda for approval.

Village President Cook stated we don't have an Ordinance in front of us. Village Administrator Jamie Bowden asked Village Attorney Justin Fredin, can't they take action on the Special Use Permit and direct you draft an Ordinance.

Village President Cook asked the Boards wishes to look at an Ordinance first before taking action. Trustee Greco stated if you have that many people opposed why waste the time and paper to draft an ordinance.

Trustee Nash stated other than to put the denial on record, this could keep coming up over and over again.

Trustee Greco stated he lives in Rolling Acres and I agree with them at times the wind blows you get Mobil smells and Durkees smells. My vote is no.

Director of Community Development Mike McMahon stated just to point out even though we don't have an ordinance on paper, by our Special Use Ordinance there are conditions that have to be addressed to deny. Not saying the Board can't do as they wish. However, those conditions are the items he listed A through G, unfortunately there is nothing in those standards that talk about the situation the residents are discussing. There is nothing in those standards other than the possibility adverse effect on property values in the area.

Discussion followed.

Village President Cook stated the Village Attorney will draft an Ordinance certainly for the sake of the records certainly to hammer out some of the issues with the application. It will be put on the agenda for the next board meeting.

Art Scaccia stated he would encourage the Board to pass an Ordinance not to allow these types of facilities in our Village limits.

Discussion followed.

FINANCE DEPARTMENT

Director of Finance Robert Guess stated no formal items to be discussed.

POLICE DEPARTMENT

Chief of Police Steve Admonis stated no formal items for discussion.

PUBLIC WORKS DEPARTMENT

Whispering Oaks Sub-division Letter of Credit Reduction

Director of Public Works Ed Dolezal stated the Whispering Oaks Subdivision Guarantee currently holds \$4,367,999. The developer has asked for a reduction to \$2,454,166.55, a difference of \$1,913,832.45 based on their claim of work completed to date. Staff has reviewed completed work and is in general agreement to the requested reduction with the exception of Off-Site Sanitary Sewer work not being complete. Therefore a reduction to \$2,586,253.00 would be more in line with completed work.

Requested Action: A motion to reduce the Subdivision Guarantee for Whispering Oaks Sub-division to \$2,586,253.00.

McKinley Oaks Sub-division Units 1, 2 & 3 Sub-division & Maintenance Guarantees

Director of Public Works Ed Dolezal stated McKinley Oaks Units 1, 2 & 3 Subdivision and Maintenance Guarantees currently hold \$47,597 in cash. Staff has inspected the public improvements and determined they can be accepted by the Village along with a cash Maintenance Guarantee for Units 2 & 3 – Phase 4 improvements in the amount of \$20,637. This guarantee will be held for a period of two years past the date of Village final acceptance of said improvements. The Maintenance Guarantee breakdown will be as follows:

Unit 1, Phase 1-4	\$0
Unit 2, Phase 4	\$16,357
Unit 3, Phase 4	\$ 4,280

Thereafter, if the requested action is approved, the Village will be returning \$26,960 to the developer and continue to hold \$20,637.

Requested Action: A motion to accept improvements to Units 2 & 3, Phase 4 along with a cash Maintenance Guarantee in the amount of \$20,637 for Unit 2 Phase 4 and Unit 3-Phase 4 improvements in McKinley Oaks Subdivision and return \$26, 960 to the developer.

ADMINISTRATION DEPARTMENT

School District Tap-on Fees

Village Administrator Jamie Bowden stated Jake Melrose has conducted a survey of the surrounding communities. They are handled differently. A letter dated December 6, 1995, in regards to Galloway School. We had waived these fees.

I would like to clarify Dr. Middleton's statement on that these fees are unanticipated revenues and the Village forgo them since it has no expense issue.

The Village has expended funds to install the improvement and the fees are use to cover the expense associated with such improvement. If the Village is to consider this waiver, I would suggest to MCHS District 111 to be open minded on open dialogue on their philosophy of property tax abatement for industrial and commercial property and projects. These uses cause no impact to school district, and any tax property revenue facilitated would be unanticipated revenue with no expense implications.

The current enrollment of MCHS District 111 is 2,108. A total of 886 students reside in Channahon (42% of total).

Requested Action: The Village should consider the request of the waiver of sewer and tap-on fees.

Request for Liquor License at BP Products North America

Village Administrator Jamie Bowden stated that Diane Toyser from BP Products of North America called and wanted to obtain a Class F Liquor License. I informed her that there are only 2 Class F Liquor Licenses available and they are both taken by Casey's General Store and Speedway SuperAmerica.

Toyser asked that we submit their request to petition for a Liquor License at the next Board Meeting.

Length discussion followed.

Requested Action: Staff looking for direction on this matter.

Consensus of the Board was not to issue another Class F Liquor License.