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ADEQ Director Owens, Attorney General Goddard Announce Record \$12.1 Million Civil Environmental Settlement

PHOENIX (Dec. 20, 2007) – Arizona Department of Environmental Quality Director Steve Owens and Attorney General Terry Goddard today announced a \$12.1 million civil environmental settlement, the largest in state history.

The settlement resolves a 2005 lawsuit brought against land developer George H. Johnson, several of his companies, excavation contractor Jack McCall, 3F Contracting, Inc. and Preston Well Drilling. The defendants agreed that the State would be paid \$12,111,500 to resolve all claims in the case.

“This record-setting settlement reflects the importance of this case,” Director Owens said. “We felt strongly that serious violations of the law had occurred.”

Johnson and his companies have agreed that the state will be paid \$7 million; 3F Contracting, Inc. has agreed the state will be paid \$5.05 million; and Preston Well Drilling has agreed the State will be paid \$61,500.

The 2005 lawsuit -- which the Attorney General brought on behalf of ADEQ, the Arizona State Land Department, the Department of Agriculture, the Arizona State Museum and the Arizona Game and Fish Commission -- charged the defendants with numerous violations of state law and destruction of natural and archeological resources, including:

- Bulldozing and clearing of nearly 270 acres of State Trust Lands located in and near the Ironwood National Monument and the Los Robles Archeological District.
- Bulldozing and clearing an estimated 2,000 acres of private lands in the Santa Cruz River Valley without obtaining permits required by state law.
- Destroying portions of seven major Hohokam archeological sites, circa A.D. 750-1250.
- Destroying more than 40,000 protected native plants on State Trust Lands, including Saguaro, Ironwood, Mesquite, Palo Verde and other protected species.
- Violating the state’s clean water laws by failing to secure required permits and discharging pollutants into the Little Colorado River, the South Fork of the Little Colorado River and tributaries of the Santa Cruz River.
- Negligently causing a disease epidemic that resulted in the death of at least 21 rare Arizona desert bighorn sheep and serious injury to numerous others.

“We are committed to enforcing our environmental and heritage protection laws to preserve the priceless resources that make this state unique,” Attorney General Goddard said. “This resolution sends a strong message to anyone who would despoil our heritage.”