News Release



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FOR IMMEDIATE RELEASE

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Fisher Sand & Gravel and Subsidiary to Pay \$312,000 for Air and Water Quality Violations throughout State from 2006 until 2010

PHOENIX (April 5, 2011) – The Arizona Department of Environmental Quality and Arizona Attorney General's Office announced today that Fisher Sand & Gravel (FSG) and its subsidiary, Southwest Asphalt, will pay a settlement totaling \$312,000 under a consent judgment with ADEQ for air quality and water quality violations that occurred in six counties.

The air quality violations occurred in the City of Phoenix in Maricopa County, community of Rio Rico in Santa Cruz County, Town of Florence in Pinal County, community of Dragoon in Cochise County and near the Town of Wickenburg in Yavapai County. The water quality violation occurred at Oak Creek in Sedona in Coconino County.

Of the \$312,000 being paid by FSG, \$187,000 will be for the development and implementation of an Environmental Management System (EMS) that is expected to help FSG avoid future violations. The EMS is a continual cycle of planning, implementing, reviewing and improving the actions that FSG undertakes to meet its business goals while protecting the environment.

In 2006, ADEQ inspections conducted in Maricopa County revealed that FSG had in several cases exceeded its hours of operation during a 10-week period. In one of those cases, FSG was permitted for 3.3 hours per day but operated up to 16 hours in some instances. Subsequent inspections conducted as recently as March 2010 uncovered other significant violations including operating without an air quality permit, failure to prevent excess dust emissions, and failure to conduct performance testing on applicable equipment.

FSG also was cited for operating equipment with stack heights significantly below the permitted limits. The permit required FSG to have a 14-foot stack on its internal combustion engines and a 22-foot stack on its asphalt equipment but at the time of inspection many of the stacks measured only between six and 12 feet high. Maintaining the proper stack height is crucial for the proper dispersion of air pollutants.

ADEQ's air quality division issued FSG 18 Notices of Violation and four Notices of Opportunity to Correct from September 2006 through March 2010. The majority of the violations occurred in Maricopa County, which the U.S. Environmental Protection Agency has designated as a non-attainment area for PM-10.

In addition, FSG was issued two Notices of Violation in March 2009 and one Notice of Violation in March 2010 for unauthorized discharges of sediment to Oak Creek near Sedona and a sewage spill near U.S. Highway 89A near Oak Park. FSG also failed to control discharges from construction activities which resulted in a plume of sediment moving downstream. Sediment has adverse impacts on fish and aquatic habitats as well as spoiling aesthetic values.

"Fisher Sand & Gravel did not live up to its obligations to protect air quality near its operations and a national treasure like Oak Creek," ADEQ Director Henry Darwin said. "FSG must take its environmental obligations seriously and comply with the laws that protect the environment and public health. An Environmental Management System, as required by this settlement, is a good first step."

"The many serious violations that occurred, including in the Sedona area, prompted our office and ADEQ to take a significant enforcement action," Attorney General Tom Horne said. "Compliance with Arizona's environmental regulations is not optional and companies that fail to abide by the law must be held accountable."

The consent judgment is subject to court approval.

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