



United States Department of Justice

United States Attorney Melinda Haag
Northern District of California

11th Floor, Federal Building
450 Golden Gate Avenue, Box 36055
San Francisco, California 94102
(415) 436-7200
FAX: (415) 436-7234

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WWW.USDOJ.GOV/USAO/CAN

CONTACT: Jack Gillund
(415) 436-6599
Jack.Gillund@usdoj.gov

CONSTRUCTION COMPANY SENTENCED TO PAY \$5 MILLION FOR CLEAN WATER ACT VIOLATION

Employees Illegally Discharged Pollutants Into The San Joaquin River Over The Course Of Several Years

SAN FRANCISCO - Kie-Con, Inc., a Delaware corporation, pled guilty today in front of the Honorable Nathanael M. Cousins to one count of negligently violating the Clean Water Act and was sentenced to pay \$5 million and enter into a comprehensive environmental compliance plan, United States Attorney Melinda Haag announced.

“The San Francisco Bay Area is a place of spectacular natural beauty, cherished by people from here and around the world,” U.S. Attorney Haag said. “Those who pollute our pristine waters and cavalierly disregard the laws designed to protect the environment will be brought to justice.”

According to the plea agreement, Kie-Con, which at the time of the unlawful activity was a division of Kiewit Pacific Co., is a manufacturer of pre-stressed and pre-fabricated concrete products, such as beams and girders used in building and bridge construction. Kie-Con had a facility located in Antioch, Calif. that has been in operation since the early 1980s. As part of its operations, concrete was manufactured and poured into pile casting beds to create concrete piles used on the foundations of buildings and for other purposes. As part of this process, concrete process water was generated that had high pH levels.

According to the plea agreement, starting at a time unknown to the government, but no later than January 2004, and continuing to April 2007, Kie-Con employees routinely discharged or caused others to discharge concrete process water, a pollutant, directly into the San Joaquin River in violation of its Clean Water Act

permit. The process water was a pollutant in part because it contained significantly high pH levels that fell outside the effluent limits set for the San Joaquin River. Kie-Con admitted that employees routinely discharged the process water by using a hose that pumped the process water from sedimentation basins to a nearby storm water drain that led directly to the river.

As part of the plea agreement, Judge Cousins sentenced Kie-Con to pay a total monetary payment of \$5 million, with \$3.5 million to be paid as a fine, \$750,000 to be paid to the National Fish & Wildlife Foundation to fund environmental projects relating to watersheds and ecosystems in the Bay Area, and \$750,000 to be paid to the Contra Costa District Attorney for funding environmental projects in the county where the violations occurred.

As part of the plea, both Kie-Con and the Northern California District of Kiewit Infrastructure West Co., f/k/a Kiewit Pacific Co., must implement a comprehensive Environmental Compliance Plan (ECP). The ECP is expected to provide strong environmental protections and improve the two companies' operations as it relates to environmental compliance. Both companies fully cooperated with the government's investigation once the violations were uncovered.

“For more than three years, the defendant discharged high pH concrete process water into the San Joaquin River,” said Nick Torres, Special Agent in Charge of EPA's criminal enforcement program in California. “Today's guilty plea demonstrates that companies who grossly neglect their industrial wastes and thereby pollute our nation's waters will be prosecuted.”

Stacey Geis and Jeffrey Rabkin are the Assistant U.S. Attorneys who prosecuted the case with the assistance of Rania Ghawi. The prosecution is the result of a two year investigation by the United States Environmental Protection Agency's Criminal Investigative Division, the Federal Bureau of Investigation, and the Contra Costa County District Attorney's Office.
