

MOHAVE COUNTY BOARD of SUPERVISORS



2001 College Drive, Suite 90
Lake Havasu City, AZ 86403
johnsbd@frontiernet.net

Telephone (928) 453-0724
Fax (928) 453-0717
1-888-735-3711

BUSTER D. JOHNSON SUPERVISOR DISTRICT 3

Honorable Congressmen thank you for your concern to the problems facing Arizonians and all Americans. I appreciate your dedication to the growth of our economy and once again holding a stakeholders meeting to get local input.

I am Buster Johnson and have represented Mohave County's 3rd District since elected in 1996. Mohave County has had an aggressive industrial recruitment program since I took office, even leading the state for six years in industrial growth per capita.

The addition of industry benefits everyone with new jobs and new taxes but we must not forget those who have paid the taxes, employed our people enabling us in government to do our jobs. Mohave Generating Station was sited across the river in Laughlin, Nv. They employed Mohave County citizens and paid Mohave County and Arizona taxes starting in 1971.

This was a coal fired plant that produced the same amount of energy as the Hoover Dam. Mohave Generating Station produced 1,580 megawatts of energy each year (enough to serve up to 1.5 million households in California, Arizona and Nevada).

They represented the largest source of private income for the Hopi and Navajo Nations of Arizona & New Mexico. Mohave Generating Station and the coal mine that fuels it pumped \$30 million a year into the two reservations (80% of the Hopi's annual budget).

To give you an idea of their contribution to the Northern Arizona economy: 500 workers employed, Payroll \$21,000,000 in 1996, \$18,900,000 paid to tribe governments, \$4,100,000 in Arizona state and local taxes, \$100,600 in Mohave County Property taxes in 1997 on the pipeline.

Mohave Generating Station was not only a good employer and tax payer they were an integral part of our infrastructure. They produced inexpensive electricity.

When I took office a lawsuit was filed regarding their pollution of the Grand Canyon, a familiar scenario that we continue to see. It was claimed that pollution from the plant was leading to haze in the Grand Canyon. Studies were conducted and proved that the wind currents did not in fact blow towards the Grand Canyon but the frivolous claims cost money to defend. The EPA continued to push for costly upgrades which due to time restraints I will not go into. The plant had plans, like every other successful business to install upgrades as replacements became necessary due to age. Mohave County was working with another company to purchase the fly ash waste to use in the construction of a lightweight, but extremely strong, building block. Because of the over reach of the EPA, we not only lost the Mohave Generating Station but new industry that was poised to use their by product to create

jobs and pay taxes. The EPA has a job to do and we all support a clean environment but working with business and being a partner for the betterment of all should be their goal.

Mohave County government has felt the overreach of the EPA. You are all familiar with the waste tire program. A fee is charged on tires purchased and a portion is sent back to the county to dispose of used tires. Mohave County entered into an intergovernmental agreement with Maricopa County for our disposal, removing us from responsibility. Maricopa entered into an agreement with a licensed, bonded disposal company, further removing us. This company had an agreement with the Gila Indian Reservation, removing us further. The tires stored on the reservation caught on fire and the EPA came after Mohave County for clean-up costs. We had followed every regulation set by the EPA. The tires were on a reservation under the control and with the agreement of the tribe but somehow the EPA took us to court. We fought this perversion of power but it still cost the taxpayer's money in attorney fees and a settlement fee.

I would like to say this is an isolated incident but it is not. I think my time allows me one more. In 1984 Marine Shale Processors Inc, Amelia, La started business with the full approval and oversight of EPA and the Louisiana DEQ. In 1994, 10 years later, Mohave County legally and lawfully sent 1.26 tons of waste to Marine Shale Processors under Louisiana DEQ Quality A 1 Number 5414 and U.S.E.P.A. ID: LAD 98105776. We paid for this disposal in accordance with all rules and regulations.

In 1996 Marine Shale went out of business leaving behind unprocessed waste and debris. The EPA found our legal receipt from 1994 and demanded we, along with others, pay for the clean-up. Once again it caused our taxpayers to spend money on attorneys and settlement agreement. Now the EPA licensed this company and approved of our sending waste to this facility. The EPA had authority over the facility and should have had a bond and plan for closure. Obviously they did not monitor the facility nor did they care to hold them responsible. Instead of doing their job they once again come after the customer who followed all rules, regulations and who paid with legal tender to properly dispose of waste material in the manner that they themselves required and approved.

How do we protect our citizens from an organization that is judge, jury and executioner with the full weight and power of the federal government behind them?

Thank you for allowing me to address you.