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May 9, 2002

**SHAW ENVIRONMENTAL & INFRASTRUCTURE INC.
ASSUMES IT GROUP \$45 MIL CONSTRUCTION CONTRACTS**

Stormwater Treatment Area 3/4 construction moves forward

The South Florida Water Management District announced today that Shaw Environmental & Infrastructure Inc. has assumed all three Everglades Construction Project – Stormwater Treatment Area 3 / 4 construction contracts from IT Group, which filed for bankruptcy in January 2002. The announcement was made at today’s Governing Board meeting at District headquarters in West Palm Beach.

George P. Bevan, senior vice president of The Shaw Group and head of business development for Shaw Environmental & Infrastructure Inc., told the board that The Shaw Group closed the deal on May 3 to purchase substantially all of the assets of IT Group. He added that that Baton Rouge-based Shaw Group is a financially stable company with no liquidity problems, a projected annual revenue of approximately \$2.5 billion and a worldwide workforce of more than 20,000.

“We are extremely pleased that Shaw has the ability to step in and continue the vital construction projects at STA 3/4 without interruption,” Governing Board Chair Trudi Williams said.

Shaw Environmental & Infrastructure Inc. intends to resolve the payment issues that the IT Group had with vendors and subcontractors on the projects, and has already begun working with the District to get the projects back on schedule.

(more)

The contracted projects include:

- STA 3/4 Works: 39 miles of canals and levees and 49 water control structures at a cost of \$31.5 million;
- STA 3/4 Supply Canal: 11 miles of new canal at a cost of \$9.3 million; and
- L-5 Canal: Widening the L-5 canal at a cost of \$4.3 million.

The 1994 Everglades Forever Act mandated construction of six stormwater treatment areas to improve water quality in the Everglades, including the 16,000-acre STA 3/4 in southwest Palm Beach County. These large, constructed wetlands reduce the level of phosphorus entering the Everglades using naturally occurring biological processes and large pumps that enhance the outward flow of treated water. These six STAs will remove more than 160 metric tons of phosphorus per year when fully operational. The act mandates that STA 3/4 be completed by Oct. 1, 2003.

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