
ENVIRONMENTAL CRIMES SECTION



MONTHLY BULLETIN

April 2014

EDITOR'S NOTES:

If you have significant updates and/or interesting photographs from a case, please email them to [NAME REDACTED]. If you have information concerning state or local cases, please send it directly to the [Regional Environmental Enforcement Associations' website](#).

REMINDER: We are now producing a *separate* public version of the ECS Monthly Bulletin. When submitting details about your case developments please bear in mind that the information you provide could be disclosed to the public. As such, it would be very helpful if you would include a press release whenever possible to help ensure that the facts we are using are publicly available. If a press release was not issued, then please only provide facts that are appropriate to disclose to the public.

The [Environmental Crimes Intranet Site](#) is available to those who have access to USDOJ-operated sites.



See more details, [below](#), on the sentencing of Tonawanda Coke Corporation et al.
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Glossary for April 2014 Edition of the Bulletin:

The following Table of Cases is organized by District, the name of the case, the type of case, and the statutes. The Districts are spelled out within the chart, but they will be abbreviated within the summary of the case.

For example: District of Alaska will be noted as D. of Ak. The case name will be noted as United States v. John Jones.

The statutes are cited within the body of each case summary. The statutes will be abbreviated as follows:

APPS = Act to Prevent Pollution from Ships

CAA = Clean Air Act

CERCLA = Comprehensive Environmental Response, Compensation, and Liability Act

CWA = Clean Water Act

ESA = Endangered Species Act

FIFRA = Federal Insecticide, Fungicide, and Rodenticide Act

HMTA = Hazardous Materials Transportation Act

MBTA = Migratory Bird Treaty Act

RCRA = Resource Conservation and Recovery Act

Other abbreviations:

CITES = Convention on International Trade in Endangered Species

DOT = Department of Transportation

ECS = Environmental Crimes Section

EPA = Environmental Protection Agency

FAA = Federal Aviation Administration

NOAA = National Oceanic and Atmospheric Administration

NPDES = National Pollutant Discharge Elimination System

POTW = Publicly owned treatment works

USC = United States Code

USDA – United States Department of Agriculture

USDOJ = United States Department of Justice

WWTP = Waste water treatment plant

AT A GLANCE:

- o [United States v. Keith Gordon-Smith et al.](#), No. 11-4079 (2nd Cir. Mar. 21, 2014).
- o [United States v. Diana Shipping Services, S.A.](#), No. 2:13-CR-00040 (E.D. Va.).

DISTRICT	CASES	CASE TYPE/ STATUTES
District of Alaska	United States v. North Pacific Seafoods	<i>Seafood Processor/CWA</i>
Central District of California	United States v. Rene De La Peza	<i>Jaguar Skin Sale/ESA</i>
Northern District of California	United States v. Chou Vang et al. United States v. Hasan Ibrahim	<i>Marijuana Operation/ Depredation of Public Lands</i> <i>Hazardous Materials on Aircraft/Smuggling, HMTA, Improper Labeling Hazardous Materials, Placing Harmful Materials on Aircraft</i>
Southern District of California.	United States v. Cheng Zhuo Liu United States v. Pacific Tank Cleaning et al.	<i>Sea Cucumber Harvesting/ Smuggling</i> <i>Tank Cleaning Company/CWA, CERCLA</i>
District of Connecticut.	United States v. Odfjell Asia II Pte Ltd. et al.	<i>Vessel/ APPS</i>
District of Delaware	United States v. Patrick H. Procino et al.	<i>Electroplating Company/CWA, RCRA</i>

DISTRICT	CASES	CASE TYPE/ STATUTES
Southern District of Florida	<u>United States v. Richard Perrin et al.</u> <u>United States v. Jose E. Souto</u>	<i>Marine Wildlife/Lacey Act, Conspiracy</i> <i>Song Birds/MBTA</i>
Middle District of Georgia	<u>United States v. Bio-Tech Management, Inc., d/b/a Bio-Tech Systems et al.</u>	<i>Misapplication of Pesticide/FIFRA, Conspiracy, False Statement, Mail Fraud</i>
Northern District of Indiana	<u>United States v. NH Environmental Group, Inc. d/b/a Tierra Environmental and Industrial Services, Inc. et al</u>	<i>Wastewater Discharges/CWA</i>
Western District of Louisiana	<u>United States v. Robbie Mouton et al.</u>	<i>Oilfield Exploration/CWA</i>
District of Maryland	<u>United States v. Kent Sadler et al.</u>	<i>Striped Bass Harvesting/ Lacey Act, Conspiracy</i>
Western District of New York	<u>United States v. Tonawanda Coke Corporation et al.</u>	<i>Coke Facility/CAA, RCRA, Obstruction</i>
Southern District of Ohio	<u>United States v. Donald W. Wainwright et al.</u> <u>United States v. Roy Wayne Light</u>	<i>Deer Breeding and Hunting/ Conspiracy, False Statement, Lacey Act, Wire Fraud</i> <i>Coal Mine Operator/CWA</i>
Western District of Pennsylvania	<u>United States v. Ronald A. Wright</u>	<i>Well-Plugging Service/False Statement</i>
Northern District of Texas	<u>United States v. Califco et al.</u>	<i>Property Management Company/CAA</i>
Western District of Washington	<u>United States v. James Barber</u>	<i>WWTP Operator/CWA</i>

Additional Quick Links:

- ◇ [Significant Decisions](#) pp. 6 - 7
- ◇ [Informations/Indictments](#) pp. 7 - 8
- ◇ [Plea Agreements](#) pp. 8 - 11
- ◇ [Sentencings](#) pp. 12 – 18

Significant Decisions

Second Circuit

United States v. Keith Gordon-Smith et al., No. 11-4079 (2nd Cir. Mar. 21, 2014).

On March 21, 2014, in a Summary Order, the Second Circuit affirmed Keith Gordon-Smith's conviction. The defendant raised three issues on appeal: 1) that there was insufficient evidence to support that he knowingly failed to notify EPA prior to starting an asbestos abatement project; 2) that the district court erred in admitting hearsay evidence and prejudicial testimony from a government witness who claimed Gordon-Smith had fired him in retaliation for testifying before a grand jury; and 3) that the district court erred in allowing the government to make certain statements during its closing argument.

As to the notification issue, the Second Circuit was not convinced that the defendant, with 27 years of experience, would have believed that giving notification to a contractor, instead of the EPA, was somehow "accidental" or "careless" rather than deliberate. Regarding testimony from the government witness, the Court found that the statements the defendant challenged as hearsay merely corroborated other evidence the jury would be able to use to conclude that Gordon-Smith knew asbestos was being removed by his employees without adequate precautions. Also, even if the witness's statements were arguably irrelevant or prejudicial, the defendant failed to show that the jury would not have convicted him absent the error. Lastly, the Court found that nothing the prosecutor said during closing argument or rebuttal was unduly improper or prejudicial so as to deny the defendant a fair trial.

Gordon-Smith was sentenced to serve six years' incarceration after he and his Rochester-based asbestos abatement company, Gordon-Smith Contracting, Inc., were convicted by a jury on eight Clean Air Act violations and three false statement counts.

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District Court

United States v. Diana Shipping Services, S.A., No. 2:13-CR-00040 (E.D. Va.), ECS Trial Attorney Ken Nelson.

On February 28, 2014, the district court entered an order granting the government's motion for whistleblower payments, and provided favorable language in its decision:

"Defendant's position is that the whistleblowers waited to report the illegal acts only to inflate their fine recovery, which would appear to require the whistleblowers, who are not American citizens and speak only rudimentary English, to know the intricacies of U.S. jurisdictional law and APPS law, including the fact that although there would not be a separate fine for each U.S. port call, there could be a separate fine for each port call in Norfolk, or Newport News, Virginia, because those ports are in the jurisdiction of this Court."

"Particularly in light of the fact that a senior engineering room officer who proceeded to trial in this case admitted his guilt at sentencing, admitted that illegal dumping of engine room bilge water was occurring on the *M/V Thetis*, and acknowledged the fact that the chief engineer operated his engine room through intimidation such that even the second officer in charge was fearful that he would lose his job if he did not follow the chief engineer's illegal orders, Defendant's continued efforts to convince the Court that the whistleblowers deserve nothing because they were motivated solely by greed falls flat."

"If anything, Defendant's continued efforts to challenge the veracity of the whistleblowers' reports of illegal conduct lends credence to the whistleblowers' contention that Defendant's corporate culture is not nearly as open as Defendant repeatedly suggests when it comes to reports of environmental misconduct, as even to this day Defendant leaves no room for the possibility that a chief engineer representing Defendant would intimidate his subordinates into staying silent."

"Accordingly, notwithstanding Defendant's protestations to the contrary, the record of this case provides overwhelming support for the award of 50% of the APPS fine to the two whistleblowers that alerted federal authorities to the crimes being committed by Defendant."

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Informations/Indictments

United States v. Donald W. Wainwright et al., No. 2:14-CR-00044 (S.D. Ohio) AUSA Mike Marous.

On March 4, 2014, a 15-count indictment was filed charging Donald W. Wainwright and his son Donald W. Wainwright, Jr., with conspiracy, false statement, Lacey Act, and wire fraud violations (18 U.S.C. §§ 371, 1001, 1343; 16 U.S.C. §§ 3372, 3373, 3374) stemming from the illegal operation of a White-tailed deer breeding and hunting facility.

From April 2010 to the present, the defendants allegedly conspired with others to engage in the interstate sale of deer that had not been tested for disease and for which documents certifying their

testing had been falsified. Some of these deer were allegedly sold for breeding services, further increasing the potential risk of spreading disease.

Trophy-sized White-tailed deer can sell for hundreds of thousands of dollars apiece if the animals come from herds that have been government certified as free from tuberculosis, brucellosis, and chronic wasting disease (these herds are known as "certified herds" and the deer as "certified deer"). The certification status of a deer is critical to its value; farmers are intensely interested in the disease status of White-tailed deer herds because tuberculosis and brucellosis (and possibly chronic wasting disease) can be transmitted to cattle from deer. In turn, humans can contract tuberculosis from cattle via airborne transmission, and can contract both tuberculosis and brucellosis from consuming the meat or milk products of infected cattle. Due to the human health threat, cattle herds testing positive for any of these diseases are immediately quarantined by agricultural officials. The quarantining of a single cattle herd can lead to the confinement of an entire state's beef and milk-products industries, and catastrophic economic losses to a state's cattle industry.

This case was investigated by the Ohio Department of Natural Resources, the U.S. Fish and Wildlife Service, and the Franklin County Prosecutor's Office.

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United States v. Ronald A. Wright, No. 1:14-CR-00007 (W.D. Pa.), AUSA Marshall Piccinini.

On February 11, 2014, Ronald A. Wright was charged in a three-count indictment with false statement violations (18 U.S.C. § 1001(a)(3)) in connection with permits issued under the Safe Drinking Water Act's underground injection control program.

Wright worked as a contractor for S&T Services and Supply, a company that performed well-plugging services. According to the indictment, between September 2009 and April 2011, Wright prepared certificates that falsely stated that three abandoned wells had been properly plugged. EPA relies upon this type of information when issuing permits for Class II injection wells. The agency requires that all abandoned wells within a quarter mile of the proposed injection well be properly plugged.

This case was investigated by the U.S. EPA Criminal Investigation Division, the Pennsylvania Office of Attorney General's Environmental Crimes Section, and the U.S.D.A Forest Service Law Enforcement and Investigations.

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Plea Agreements

United States v. Bio-Tech Management Inc., d/b/a Bio-Tech Systems et al., No. 5:13-CR-00068 (M.D. Ga.), ECS Trial Attorneys Richard Powers and Adam Cullman, ECS Paralegal Ashleigh Nye, and Litigation Support Specialist Olga Ozols.

On March 14, 2014, Bio-Tech Management, Inc., a pest control services company, and company owner Steven Murray, pleaded guilty to multiple offenses stemming from the misapplication of pesticides at nursing homes. Of the 52 counts charged, the defendants pleaded guilty to conspiracy, 10 counts of unlawful use of a pesticide (FIFRA), three counts of making false statements, and two counts of mail fraud (18 U.S.C. §§ 371, 1001, 1341, 7 U.S.C. § 136j).

From October 2005 to June 2009, the defendants repeatedly misapplied the registered pesticide Termidor SC in nursing homes in the state of Georgia and falsified company service reports to conceal

the unlawful use. Murray and Bio-Tech sent invoices to their nursing home clients to solicit payment for the unlawful pesticide applications. At the direction of Murray, Bio-Tech employees routinely applied Termidor indoors, contrary to the manufacturer's label instructions. After the Georgia Department of Agriculture made inquiries regarding Bio-Tech's misuse of Termidor and other pesticides, Murray directed several of his employees to alter the service reports in order to obstruct the investigation.

This case was investigated by the U.S. EPA Criminal Investigation Division.

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United States v. Kent Sadler et al., No. 1:13-CR-00649 (D. Md.), ECS Senior Trial Attorney Todd Gleason, ECS Trial Attorney Shennie Patel, and ECS Paralegal Casey Layman.

On March 14, 2014, Kent Sadler pleaded guilty to conspiring to violate the Lacey Act and to defraud the United States through the illegal harvesting and interstate sale of Striped Bass (18 U.S.C. § 371). Sadler and other co-conspirators engaged in a multi-year scheme to illegally poach hundreds of thousands of pounds of Striped Bass from the Chesapeake Bay in violation of Maryland regulations relating to harvest method, quantity, tagging, and reporting. Michael D. Hayden, Jr., his company, William J. Lednum, and Daniel Murphy remain charged in a 26-count indictment and are scheduled for trial to begin on September 8, 2014.

This case was investigated by the Maryland Department of Natural Resources and the U.S. Fish and Wildlife Service.

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United States v. Robbie Mouton et al., No. 6:13-CR-00135 (W.D. La.), AUSA Daniel McCoy.



Oil Spill

negligently discharging a mixture of wastewater and crude oil into the river between January 6, 2009 and January 19, 2009, without a permit.

This case was investigated by the U.S. EPA Criminal Investigation Division, with assistance from the Louisiana Department of Environmental Quality Criminal Investigation Division, and the Louisiana State Police Emergency Services Unit.

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On March 12, 2014, Robbie Mouton pleaded guilty to a misdemeanor Clean Water Act violation (33 U.S.C. §§ 1311(a), 1319 (c)(1)(A)) for the negligent discharge of pollutants.

Mouton is the owner of Robbie's Gauging Service, an oilfield exploration and production company. On January 19, 2009, investigators responded to an oil spill in the Vermillion River. Further investigation at the site revealed an unauthorized bypass built into containment at the site of a land-based oil and gas production well leased by Precision Holdings, LLC. Emergency response personnel also observed extensive oil contamination and

small animal kill leading from the site and along the river for approximately one mile. Mouton admitted to

United States v. Cheng Zhuo Liu, No. 3:13-CR-04347 (S.D. Calif.), AUSA Melanie Pierson.

On March 6, 2014, Cheng Zhuo Liu pleaded guilty to smuggling protected sea cucumbers, in violation of the Endangered Species Act (18 U.S.C. § 554) in October 2013. Liu admitted that he smuggled 100 pounds of dried sea cucumber into the United States from Mexico that he had concealed in the spare tire area of his vehicle. The sea cucumbers have a market value of between \$5,000 and \$10,000.

Sea cucumbers serve a useful role in the marine ecosystem as they help recycle nutrients, breaking down detritus and other organic matter. Due to overfishing, many species of sea cucumber are protected under CITES Appendix III and require a permit from the country of origin and a U.S. Fish and Wildlife Import/Export permit to import them into the United States. Liu had neither permit.

Currently a thriving black market in sea cucumbers is being driven by demand in Asia where a pound may sell for as much as \$300. In China, the sea cucumber is used in Chinese cuisine as well as for alleged medicinal purposes.

In addition to smuggling from Mexico, India has been grappling with the smuggling of a large quantity of sea cucumbers to Indonesia, Japan and Sri Lanka. Similarly, illegal harvesting from the Caribbean Sea off the shores of the Yucatán Peninsula has devastated the population of sea cucumbers and resulted in conflict in the community as rival gangs struggle to control the illegal harvest.

Sentencing is scheduled for June 9, 2014. This case was investigated by NOAA, with assistance from Homeland Security Investigations, and the U.S. Fish and Wildlife Service.

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Sea Cucumbers

United States v. Chou Vang et al., No. 12-CR-00732 (N.D. Calif.), AUSA Stacey Geis.



Abandoned trash

On March 4, 2014, Chou Vang, Vang Pao Yang, and Pao Vang pleaded guilty to depredation of government property (18 U.S.C. § 1361) stemming from their marijuana cultivation on the King Range National Conservation Area in the summer of 2012. The defendants cleared away trees and vegetation, causing siltation and erosion issues, used copious amounts of fertilizers, and failed to properly dispose of trash. Their actions impacted the surrounding watershed and ecosystem including habitat for four federally-listed threatened species.

The King Range National Conservation Area is often referred to as the “crown jewel” of land protected by the U.S. Bureau of Land Management and is part of a larger system of national conservation areas, monuments, and reserves protecting nationally-significant landscapes throughout the western United

States. The area provides habitat for Chinook salmon, Coho salmon, steelhead, and the northern spotted owl.

This case was investigated by the U.S. Bureau of Land Management.

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United States v. Odfjell Asia II Pte Ltd., et al., No. 3:14-CR-00038 (D. Conn.), ECS Trial Attorney Stephen DaPonte, AUSA Paul McConnell, and ECS Paralegal Jessica Pannett.

On March 4, 2014, Odfjell Asia II Pte Ltd., and senior engineer Ramil Leuterio pleaded guilty to APPS violations (33 U.S.C. § 1908(a)) stemming from the overboard discharge of bilge water from the *M/T Bow Lind*, a petroleum/chemical tanker ship.

During a Coast Guard inspection of the ship in November 2012, investigators found that the vessel had discharged bilge water directly into the sea while in international waters on three occasions between October 2011 and October



M/V Bow Lind

2012. Leuterio directed crew members to use a variety of methods to bypass pollution prevention equipment and then concealed the illegal discharges by making misleading entries and omissions in the vessel's oil record book.

Sentencing is scheduled for May 14, 2014. This case was investigated by the U.S. Coast Guard.

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United States v. Pacific Tank Cleaning et al., Nos. 3:14-CR-00394 and 00395 (S.D. Calif.), AUSA Melanie Pierson.



spill, the employee in charge of the facility

On February 20, 2014, Pacific Tank Cleaning, Inc., and production manager Jorge Luquin, pleaded guilty to Clean Water Act and CERCLA violations (33 U.S.C. §§ 1311, 1342, 1319(c)(1)(A); 42 U.S.C. §§ 9602, 9603(b)(3)), respectively, stemming from an acid spill that occurred at its facility in March 2011.

The failure of a valve on a 275-gallon container of acidic tank cleaning solution caused the tank's contents to leak onto the ground, and down a nearby alley and street. The company admitted that although an employee advised management of the

Acid spill in front of elementary school

failed to notify the National Response Center. Luquin knew that the tank had leaked, but made no effort to contain the spill outside the facility. The company is scheduled to be sentenced on May 27, 2014, and Luquin is scheduled for June 24, 2014.

This case was investigated by the U.S. EPA Criminal Investigation Division and the FBI.

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Sentencings

United States v. Richard Perrin et al., No. 4:13-CR-10027 (S.D. Fla.), AUSA Tom Watts-FitzGerald.

On March 26, 2014, Richard Perrin was sentenced after previously pleading guilty to conspiracy and Lacey Act charges (16 U.S.C. §§ 3372(a)(2)(A), 3373(d)(1); 18 U.S.C. § 371) for the illegal transport, sale, and purchase of fish and marine wildlife. Perrin will pay a \$15,000 fine, complete a three-year term of probation, and forfeit a vehicle.

From approximately December 2008 through December 2011, Perrin and co-defendant Joseph Franko engaged in a conspiracy to purchase, harvest, and transport

marine life and reptiles from Florida to Michigan for sale through a business known as Tropicorium, Inc. Perrin was the hands-on owner and Franko was an employee. The company was engaged in the purchase and retail sale of marine life and reptiles, including sharks, marine invertebrates, Sea Fans, ornamental tropical fish, and alligators.

The defendants did not have the required licenses to legally harvest marine life from the Keys. Additionally, the Sea Fans they took and sold in Michigan are prohibited from being harvested from state waters. The defendants also illegally poached juvenile alligators from the Big Cypress National Preserve, one of which they sold to an undercover agent. Franko is scheduled for sentencing on April 14, 2014.

This case was investigated by the NOAA Office of Law Enforcement and the U.S. Fish and Wildlife Service Office of Law Enforcement, with assistance from the Michigan Department of Natural Resources.

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**Live corals illegally collected and sold from Florida
Keys**

United States v. Tonawanda Coke Corporation et al., No. 1:10-CR-00219 (W.D.N.Y.), ECS Senior Counsel Rocky Piaggione, AUSA Aaron Mango, and ECS Paralegal Lauren DiFilippo.



Storage tank with coal tar sludge

On March 19, 2014, Tonawanda Coke Corporation (TCC) was sentenced to pay a \$12.5 million fine and \$12.2 million in community service. The company was placed on a five-year term of probation during which it is to pay its community service. This money will fund an epidemiological study and an air and soil study to help determine the extent of health and environmental impacts of the coke facility on the Tonawanda community. Environmental manager Mark Kamholz was sentenced to serve one year of incarceration, followed by one year of supervised release. He also will pay a \$20,000 fine and perform 100 hours of

community service.

After a five-week trial in March 2013, a jury convicted the company and Kamholz on multiple counts stemming from the improper operation of this coke facility. TCC was convicted of 11 Clean Air Act violations that took place over a five-year period, and three RCRA violations that took place over a 19-year period. Kamholz was found guilty of 11 counts of violating the CAA, one count of obstruction of justice, and three counts of violating RCRA (42 U.S.C. §§ 6928(d)(2)(A), 7413(c); 18 U.S.C. § 1505).

TCC is a merchant by-product coke facility located in Tonawanda, New York. Coke is used in the steel-mill and foundry industries as an additive in the steel-making process. The evidence proved that the company operated an unpermitted coke oven gas emission source for approximately 19 years. This gas contains several chemical compounds, including benzene. Prior to an EPA inspection in April 2009, Kamholz instructed another employee to conceal the operation of this unpermitted source from inspectors. TCC also operated its quench towers without baffles in violation of its Title V permit. Baffles are required to reduce the amount of particulate matter that escapes into the atmosphere during coke processing. Two of the RCRA convictions stem from the illegal recycling of hazardous waste coal tar sludge with coal without appropriate safeguards to prevent release. The third count involved the active management of disposed hazardous waste that was inherited from a previous owner.

This case was investigated by the U.S. EPA Criminal Investigation Division, and the N.Y. State Department of Environmental Conservation Police Bureau of Environmental Crimes Investigation.

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United States v. Jose E. Souto, No. 1:14-CR-20010 (S.D. Fla.), AUSA Tom Watts-FitzGerald.

On March 18, 2014, Jose E. Souto was sentenced to pay the maximum \$15,000 fine, complete a one-year term of probation, and pay an additional \$7,500 to the Tropical Audubon Society for the purpose of funding research, education, and monitoring of migratory birds and their habitats in South Florida.

After a tip from a neighbor and the execution of a search warrant in November 2013, Souto was found to have 34 songbirds all of which are protected under the Migratory Bird Treaty Act (16 U.S.C. §§ 703, 707(a)). Among the species found were Indigo Buntings and Blue Grosbeaks, species that have diminished significantly over their range in the Eastern United States in recent years. Investigation revealed that local bird fanciers often attempt to trap them to fuel an underground black-market in the attractive song-birds.

This case was investigated by the U.S. Fish and Wildlife Service and the Florida Fish Wildlife Conservation Commission.



Painted Bunting

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United States v. James Barber, No. 3:13-CR-005288 (W.D. Wash.), AUSAs Matthew D. Diggs and Katheryn Frierson.



Sewage sludge

On March 18, 2014, James Barber was sentenced to pay a \$15,000 fine and will complete a one-year term of probation with a special condition of 30 day's home confinement.

Barber was convicted after a six-day trial in December 2013 on felony Clean Water Act violations (33 §§ U.S.C. 1311(a), 1319(c)(2)(A)). Barber had pleaded guilty in 2012 to a misdemeanor violation, but withdrew his plea.

The defendant was the operator of the wastewater treatment plant in Mount Rainier National Park. According to evidence at trial, Barber stopped discussing maintenance issues at the plant with the certified plant operator after having had

an argument with her. He routinely failed to note problems in the plant's logbook and never brought them up in staff meetings, even as the plant began to malfunction and clog because of a lack of maintenance and heavy usage due to the summer tourist season.

Before going home for the weekend on August 27, 2011, Barber closed a large valve, and opened another, allowing minimally treated sewage and sewage sludge to discharge for three days directly into a small creek that empties into the Nisqually River. The incident was discovered when other employees arrived to find sewage, sludge, and toilet paper pouring into the unnamed creek. Investigators determined that more than 200,000 gallons had been discharged.

This case was investigated by the U.S. EPA Criminal Investigation Division and the National Park Service Criminal Investigation Division.

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United States v. NH Environmental Group, Inc. d/b/a Tierra Environmental and Industrial Services, Inc. et al., Nos. 2:10-CR-00126, 2:11-CR-00177 (N.D. Ind.), ECS Senior Counsel James Morgulec, AUSA Toi Houston, SAUSA RCEC David Mucha, and ECS Paralegals Ashleigh Nye and Casey Layman.

On March 14, 2014, NH Environmental Group, Inc. d/b/a Tierra Inc. (Tierra), and company owner Ronald Holmes, were sentenced for the illegal dumping of wastewater into a local POTW. Both defendants will complete four-year terms of probation. In addition, Tierra will pay a \$70,000 fine, \$100,000 in restitution to the City of Hammond, Indiana, and will implement a corporate compliance and ethics program. Holmes will pay a \$30,000 fine and will perform 100 hours of community service.

Holmes previously pleaded guilty to a felony violation of the Clean Water Act (33 U.S.C. § 1319(c)(2)(A)) for knowingly violating a requirement of a pretreatment program approved by EPA, in that, without a permit, he knowingly directed employees to discharge pollutants to a sanitary sewer that led to a POTW. Tierra pleaded guilty to a misdemeanor CWA violation (33 U.S.C. § 1319(c)(1)(A)) for negligently discharging trucked pollutants to a POTW without authorization.

The defendants had been charged in a seven-count indictment with conspiracy to violate the CWA and six substantive CWA counts for knowingly introducing trucked or hauled pollutants to a POTW without authorization from the POTW, in violation of National Pretreatment Standards. Tierra was in the business of collecting liquid wastes from customers, treating the wastes, and then transporting them to proper disposal facilities. Between January and June 2008, however, to avoid the expense of lawfully disposing of these wastes, the defendants hauled them to a closed-down treatment facility owned by Holmes and dumped the wastes into the sewer system that led to the Hammond POTW. Project manager Stewart Roth is scheduled for sentencing on May 16, 2014. Employee Thomas Grad has not yet been scheduled for sentencing. Both previously pleaded guilty to felony CWA violations.

This case was investigated by the Northern District of Indiana Environmental Crimes Task Force, which includes the U.S. EPA Criminal Investigation Division, the Indiana Department of Environmental Management Office of Criminal Investigations, the U.S. Department of Transportation Office of Inspector General, and the U.S. Coast Guard Investigative Service.

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United States v. North Pacific Seafoods, No. 3:14-CR-00011 (D. Alaska), AUSA Aunnie Steward and RCEC Karla Perrin.

On March 11, 2014, North Pacific Seafoods pleaded guilty to a misdemeanor Clean Water Act violation (33 U.S.C. § 1319(c)(1)(B)) and was sentenced for the illegal dumping of ammonia into the Kodiak city sewer. The company was ordered to pay a \$150,000 fine and will make a \$50,000 community service payment to the City of Kodiak for hazardous waste response training and equipment for sewer and fire department employees. The company also will complete a three-year term of



Alaska Pacific Seafoods facility

probation and implement an environmental compliance plan that includes, among other things, training for all employees at all the company's facilities in Alaska regarding proper handling of hazardous wastes, specifically ammonia.

North Pacific Seafoods owns five seafood processing facilities throughout Alaska, including Alaska Pacific Seafoods (APS), located in Kodiak, Alaska. On November 29, 2011, employees at its APS facility dumped approximately 40 pounds of ammonia waste from its refrigeration system into the Kodiak city sewer. The ammonia odor was detected by employees at the sewage plant, who contacted the Kodiak Fire Department to assist in locating the source of the ammonia. Bill Long, the facility's chief engineer, initially denied discharging the ammonia when questioned about the odor. After POTW employees traced the discharge back to APS, Long admitted to the discharge. The ammonia wiped out the POTW's secondary treatment system and caused it to violate its permit. Long is being prosecuted in Alaska state court.

This case was investigated by the U.S. EPA Criminal Investigation Division and the Alaska Department of Environmental Conservation.

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United States v. Roy Wayne Light, No. 2:13-CR-00208 (S.D. Ohio), SAUSA Brad Beeson and AUSAs Laura Fulton and Mike Marous.

On March 6, 2014, Roy Wayne Light was sentenced to serve four days' incarceration, followed by eight months' home confinement and one year of supervised release. He was further ordered to pay a \$5,000 fine and to perform 104 hours of community service. Light previously pleaded guilty to a felony Clean Water Act false statement violation (33 U.S.C. § 1319(c)(4)).

The defendant was responsible for environmental matters for Oxford Resource Partners, a coal mine operator. Oxford's NPDES permit limits a number of pollutants, including total suspended solids (TSS) that may be discharged during the coal mining operations. Between November 2007 and November 2011, discharge sampling analyses reports showed violations of permit limits including TSS, iron, and manganese levels. Light did not report those violations on the required monthly operating reports that were submitted to the Ohio EPA and, instead, falsified the data for those three pollutant parameters.

This case was investigated by the U.S. EPA Criminal Investigation Division, the Ohio EPA, and the Ohio Bureau of Criminal Investigation.

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United States v. Califco et al., No. 3:13-CR-00131 (N.D. Tex.), AUSA Errin Martin.

On February 27, 2014, a property management company and a manager were sentenced after previously pleading guilty to a Clean Air Act violation (42 U.S.C. § 7413(c)(2)(B)) stemming from an illegal asbestos removal project. Califco will pay a \$500,000 fine and will complete a five-year term of probation, to include the implementation of an environmental compliance plan. Jonathan Shokrian will serve a year and a day of incarceration, followed by one year of supervised release, and will pay a \$25,000 fine. Both defendants were jointly ordered to pay the costs of medical monitoring for three individuals.

Califco is a property management company that owns and operates several commercial properties in the Dallas area, and Shokrian is a regional director. In October 2008, Califco, Shokrian and another individual contracted with an asbestos abatement contractor to lawfully remove asbestos from an old movie theater. Approximately one month later, however, Shokrian initiated a renovation of an abandoned department store, employing two day laborers to remove ceiling and floor tiles that he knew contained asbestos. The laborers were neither told about the asbestos nor given adequate protective equipment to do the job.

In February 2009, the day laborers, under Shokrian's supervision, began using large amounts of gasoline to remove the tile mastic. After responding to a call regarding the overwhelming smell of gasoline in the shopping center, the local fire department ordered the evacuation of the shopping center and several nearby residences.

This case was investigated by the U.S. EPA Criminal Investigation Division and the Texas Department of State Health Services.

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United States v. Patrick H. Procino et al., No. 1:13-CR-00081 (D. Del.), AUSA Edmond Falgowski and SAUSA Joseph Lisa.



On February 27, 2014, Patrick H. Procino and his company, Procino Plating, Inc., were sentenced after previously pleading guilty to RCRA and Clean Water Act violations (33 U.S.C. § 1319(c)(2)(A); 42 U.S.C. § 6928(d)(2)(A)) stemming from the illegal operation of an electroplating business. Procino will pay a \$50,000 fine and the company will complete a five-year term of probation.

Despite notifying officials in June 2009 that the company was ceasing operations, it continued to process chemicals that had been stored onsite through March 2010, in violation of its CWA permit. From December 2007 through May 2010, Patrick Procino illegally stored a tank containing approximately 450 gallons of liquid hazardous waste that had remained from the chrome plating line. The waste was characterized as corrosive under RCRA.

Procino Plating

This case was investigated by the U.S. EPA Criminal Investigation Division and the Delaware Department of Natural Resources and Environmental Control.

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United States v. Rene De La Peza, No. 2:13-CR-00507 (C.D. Calif.), AUSA Amanda Betinelli.

On February 24, 2014, Rene De La Peza was sentenced to pay a \$500 fine, complete a one-year term of probation, and perform 25 hours of community service. De La Peza previously pleaded guilty to a violation of the Endangered Species Act (16 U.S.C. §§ 1538(a)(1)(F), 1540(b)(1)) for advertising a jaguar skin for sale on Craigslist in August 2012. The defendant also was ordered to forfeit the animal skin.

This case is a result of Operation Wild Web, an investigative task force that is targeting illegal online wildlife trafficking. It was investigated by the U.S. Fish and Wildlife Service.

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United States v. Hasan Ibrahim, No. 11-CR-00811 (N.D. Calif.), AUSAs Peter Axelrod and Brian Stretch.

On February 21, 2014, Hasan Ibrahim was sentenced to serve 30 days' incarceration in a community confinement center. Ibrahim also will serve five months' home confinement as a condition of three years' supervised release. A fine was not assessed.

Ibrahim was convicted by a jury in July 2013 of attempting to place destructive substances on an airplane. The jury found that Ibrahim intended to place nine different hazardous materials on a Lufthansa passenger airplane bound for Frankfurt, Germany, in June 2010, with those materials ultimately destined for Jeddah, Saudi Arabia. In related charges, he also was convicted of failing to properly label the packages containing the hazardous materials, failing to complete the required shipping documents, and attempting to smuggle goods (13 U.S.C. § 305(a)(1); 18 U.S.C. §§ 32(a)(2), 554(a); 49 U.S.C. § 5124(c) and (d)).

Evidence at trial established that Ibrahim, doing business as MechChem Corporation, ordered and shipped hazardous materials for more than a decade. Many of the chemicals the defendant handled were flammable, corrosive, and highly toxic. Most of them were prohibited from transport on a passenger airplane, and two in particular were forbidden to be placed on any type of aircraft.

This case was investigated by the FBI, the U.S. DOT Office of Inspector General, the FAA, U.S. Customs and Border Protection, and the U.S. Department of Commerce Bureau of Industry and Security.

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