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# ENVIRONMENTAL CRIMES SECTION



## MONTHLY BULLETIN

*June 2014*

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### 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 Association's webpage](#).

REMINDER: We are now producing a *separate* public version of the Environmental Crimes Section 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.

For those who have access to United States Department of Justice website, please visit the [Environmental Crimes Section webpage](#). It has a fresh new look, and we are redoubling our efforts to provide you with current, relevant, and helpful content. You will notice that we have a streamlined home page, which now includes updated press releases and photos from the Bulletin. If you have any ideas or materials to submit, please send them to [NAME REDACTED]. We are especially looking for more recent briefs and memoranda from your cases, to ensure we have a brief bank that is up-to-date and useful.

## Exhibit 8



Figures carved from rhino horns that were seized by authorities in an international rhino horn smuggling case. See [United States v. Li](#), *below*, for more details.

## **Glossary for June 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

BGEPA = Bald and Golden Eagle Protection Act

CAA = Clean Air Act

CERCLA = Comprehensive Environmental Response, Compensation, and Liability Act

CWA = Clean Water Act

FIFRA = Federal Insecticide, Fungicide, and Rodenticide Act

Other abbreviations:

DEA = Drug Enforcement Administration

ECS = Environmental Crimes Section

EPA = Environmental Protection Agency

NOAA = National Oceanic and Atmospheric Administration

NPDES = National Pollutant Discharge Elimination System

POTW = Publicly owned treatment works

USC = United States Code

USDOJ = United States Department of Justice

## AT A GLANCE:

DISTRICT	CASES	CASE TYPE/ STATUTES
Southern District of Alabama	<a href="#"><u>United States v. James Martin et al.</u></a>	<i>Illegal Fishing/ Lacey Act</i>
Central District of California	<a href="#"><u>United States v. Herm. Dauelsberg GMBH &amp; Co. KG</u></a>	<i>Vessel/ APPS, Failure to Report Hazardous Condition</i>
Eastern District of California	<a href="#"><u>United States v. Marcelina Botello Charles et al.</u></a>	<i>Marijuana Cultivation/FIFRA, Conspiracy, Drugs</i>
Northern District of California	<a href="#"><u>United States v. Patty Chen</u></a>	<i>Marine Wildlife Imports/ Lacey Act, False Statement</i>
District of Connecticut	<a href="#"><u>United States v. Odfjell Asia II Pte Ltd., et al.</u></a>	<i>Vessel/ APPS</i>
District of Delaware	<a href="#"><u>United States v. Arab Ship Management Ltd.</u></a>	<i>Vessel/ APPS</i>
Southern District of Florida	<a href="#"><u>United States v. Patty Chen</u></a>	<i>Marine Wildlife Imports/ Lacey Act, False Statement</i>
District of Hawaii	<a href="#"><u>United States v. Waste Management of Hawaii, Inc., et al.</u></a>	<i>Medical Waste Discharges/CWA, False Statement, Conspiracy</i>
District of Idaho	<a href="#"><u>United States v. Owyhee Construction, Inc., et al.</u></a>	<i>Asbestos Removal/ CERCLA</i>
Northern District of Indiana	<a href="#"><u>United States v. Stewart Roth et al.</u></a>	<i>Industrial Waste Hauler/ CWA</i>
Eastern District of Louisiana	<a href="#"><u>United States v. Martha Hebert et al.</u></a>	<i>Water Testing/Misprision of a Felony, CWA</i>

DISTRICT	CASES	CASE TYPE/ STATUTES
District of New Jersey	<a href="#">United States v. Zhifei Li</a>	<i>Rhino Horn Smuggling/ Conspiracy, Lacey Act, Smuggling</i>
Western District of New York	<a href="#">United States v. Theodore Lehmann et al.</a>	<i>Asbestos Abatement/ CAA</i>
Northern District of New York	<a href="#">United States v. Mark Anselm</a>	<i>Fraudulent Coast Guard License/ False Statement, Identify Theft, Altered Marine Merchant License</i>
Northern District of Ohio	<a href="#">United States v. Mark Goff et al.</a>	<i>Oil and Gas Company/ CWA</i>
	<a href="#">United States v. James L. Hidey</a>	<i>Oil and Gas Company/ CWA</i>
District of South Carolina	<a href="#">United States v. David Braswell</a>	<i>Renovation Project/ CAA</i>
Eastern District of Tennessee	<a href="#">United States v. Mark C. Sawyer et al.</a>	<i>Demolition/Conspiracy, CAA</i>
Western District of Wisconsin	<a href="#">United States v. Alvin C. Sowinski et al.</a>	<i>Wildlife Poisoning/BGEPA</i>

## Additional Quick Links:

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- ◇ [Plea Agreements](#) pp. 7 - 10
- ◇ [Sentencings](#) pp. 10 – 15

# Informations/Indictments

**United States v. Waste Management of Hawaii Inc. et al., No. 14-CR-00468 (D. Hawaii), AUSA Marshall Silverberg, ECS Senior Trial Attorney Dan Dooher, USAO Paralegal Specialist Ora Morita, and ECS Paralegal Specialist Lisa Brooks.**



**Waste discharge onto beach**

On April 30, 2014, a 13-count indictment was returned charging Waste Management of Hawaii Inc. (WMH); Joseph R. Whelan, a vice president and general manager; and environmental protection manager Justin H. Lottig with conspiracy, Clean Water Act, and false statement violations (18 U.S.C. §§ 371, 1001; 33 U.S.C. §§1311(a), 1318(a), 1319(c)(4), 1319(c)(2)(A)) stemming from the illegal discharge of millions of gallons of medical waste-contaminated storm water into coastal waters. The discharges came from the Waimanalo Gulch Sanitary Landfill after heavy rainfall in December 2010 and January 2011.

According to the company's NPDES permit, WMH was permitted to discharge storm water from the landfill to the Pacific Ocean only after it was processed through the landfill's storm water management system. On December 19, 2010, a heavy rainstorm struck Oahu, and a portion of the landfill (Cell E6), (containing millions of pounds of waste including raw sewage, sewage sludge and medical waste) was flooded with storm water. As a result, WMH discharged millions of gallons of contaminated storm water over a three-day period from the landfill into coastal waters near the Ko Olina Resort. Lottig allegedly told inspectors from the Hawaii Department of Health Clean Water Branch (DOH-CWB) that none of this storm water had come into contact with waste from Cell E6.

On the evening of January 12, 2011, another heavy rainstorm struck Oahu. Unknown to officials, Whelan and WMH allegedly caused the discharge of millions of gallons of contaminated storm water to the coastal waters near the resort again over several hours that evening and/or into the morning of January 13. The pollutants included large amounts of medical waste, including blood vials, syringes and catheters, raw sewage and sewage sludge. Following the discharge, a company engineer allegedly told DOH-CWB inspectors that the manhole the company used for the unauthorized discharges had been closed when in fact he knew that it had been left open to serve as an overflow drain.

In addition, WMH, Lottig, and Whelan are variously charged with conspiracy, with making false statements, and with omitting vital information that should have been provided to authorities regarding the storm water management system.

This case was investigated by the U.S. EPA Criminal Investigation Division, with assistance from the DOH-CWB.

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# Plea Agreements

## **United States v. Marcelina Botello Charles et al., No. 1:12-CR-00221(E.D. Calif.), AUSA Karen Escobar.**

On May 19, 2014, Marcelina Botello Charles pleaded guilty to conspiracy, FIFRA, and drug charges (7 U.S.C. §§ 136j (a)(1)(A), 136l (b)(2); 18 U.S.C. § 1361(b)(2); 21 U.S.C. §§ 841, 846) stemming from the illegal cultivation of marijuana plants in the Sequoia National Forest.

Investigation revealed a great deal of damage to park land. Native oak trees and other vegetation were killed or cut down to make room for almost 10,000 marijuana plants. The soil was tilled, and fertilizers, pesticides, and rodenticides were spread throughout the site. Cans of a



common Mexican rat poison, Fosfuro de Zinc and "Ratone: fosfuro de zinc," and a Mexican insecticide, "QúFuran," were found at both the cultivation site and the residence where Charles temporarily resided after she was found delivering supplies to the marijuana cultivation operation. In addition to the pesticides, two handguns and numerous items relating to marijuana cultivation were seized.

### **Illegal pesticides from Mexico**

Botello Charles is scheduled for sentencing on August 11, 2014. Co-defendant and Mexican national Julio Cesar Villanueva Cornejo was previously sentenced to serve six years' incarceration, followed by five years' supervised release, after pleading guilty to possessing a firearm and a FIFRA violation (7 U.S.C. §§ 136j (a)(1)(A), 136l (b)(2); 18 U.S.C. § 924 (c)(1)(A)). Cornejo also was ordered to pay \$4,294 in restitution to the U.S. Forest Service for damages to public land caused by the cultivation operation. He is subject to deportation after he serves his prison sentence.

This case was investigated by the U.S. Forest Service, the DEA, U.S. Immigration and Customs Enforcement Homeland Security Investigations, the U.S. EPA Criminal Investigation Division, and the Kern County Sheriff's Department.

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**United States v. Mark C. Sawyer et al., No. 2:11-CR-00082 (E.D. Tenn.), ECS Senior Trial Attorney Todd Gleason and AUSA Matt Morris.**



**Aerial view of Liberty Fibers Plant**

On May 14, 2014, Mark C. Sawyer pleaded guilty to conspiracy to violate the Clean Air Act (18 U.S.C. § 371). Co-defendants Eric Gruenberg, Newell Lynn Smith, Armida J. Di Santi, and Milto Di Santi previously entered similar pleas stemming from their involvement in demolition and salvage operations at an industrial complex known as the Liberty Fibers Plant in Morristown, Tennessee. The buildings contained extensive amounts of asbestos-containing materials in the form of pipe wrap, insulation, and floor tile. Sawyer admitted that, between October 2006 and July 2008, he conspired with others to, among other things, fail to properly remediate the asbestos before demolishing the buildings and to violate several work-practice standards relevant to the safe-handling of asbestos. Sentencing is scheduled for November 19, 2014.

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

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**United States v. Alvin C. Sowinski et al., No. 3:14-mj-00016 (W.D. Wis.), AUSA Peter M. Jarosz.**

On May 14, 2014, Alvin C. Sowinski and his son, Paul A. Sowinski, pleaded guilty to violations of the Bald and Golden Eagle Protection Act (16 U.S.C. § 668(a)) after using pesticide on their property that killed at least two American bald eagles.

The Sowinski family owns approximately 8,000 acres, with about half consisting of an active farming operation. In May 2007, local wildlife officials began investigating the potential poisoning of animals on their property. A bald eagle, crow, gray squirrel, and a bobcat were found dead within 100 yards of a deer carcass that was later found laced with Carbofuran.

In the winter of 2010 and continuing through April 2010, Alvin Sowinski placed several bait sites on his family's property for the purpose of killing predators. Found near the sites were numerous dead animals, including crows, ravens, chickadees, coyotes, one bobcat, one skunk, and three ermine. The bait was found to contain Carbofuran. The remains of two bald eagles and one rough-legged hawk also were found in another area of the property near a bait site from the winter of 2009, and in the vicinity of a deer stand used by Paul Sowinski. Numerous other dead animals were discovered after the execution of search warrants in May 2010 on Sowinski property.

This case was investigated by the Wisconsin Department of Natural Resources, the U.S. Fish and Wildlife Service, the Oneida County Sheriff's Department, and the U.S. EPA Criminal Investigation Division.

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**United States v. Theodore Lehmann et al., No. 1:11-CR-00241 (W.D. N.Y.), AUSAs Aaron Mango and Russell T. Ippolito.**

On May 13, 2014, Theodore Lehmann pleaded guilty to a Clean Air Act negligent endangerment violation (42 U.S.C. § 7413(c)(4)) for his role in an illegal asbestos abatement project.



Lehmann is the ninth and final defendant to be prosecuted after a four-year investigation of the Kensington Towers project.

In June of 2009, Johnson Contracting was awarded a subcontract to conduct the asbestos abatement project at Kensington Towers, a six-building complex owned by the Buffalo Municipal Housing Authority. In a survey conducted prior to the abatement project, it was estimated that each building contained in excess of 63,000 square feet of asbestos-containing material (ACM). In January 2010, the New York State Department of Environmental Conservation received an anonymous call indicating that friable asbestos was being mixed with non-friable asbestos in open containers at Kensington Towers.

Lehmann worked as an inspector for the New York State Department of Labor. He was responsible for conducting periodic inspections to ensure compliance with state environmental regulations during the abatement project. During his inspections, the defendant negligently released asbestos into the air and negligently relied on previous inspections conducted by JMD Environmental Inc., and its employees, who had falsely indicated that all asbestos had been removed from the buildings.

The other eight defendants pleaded guilty to the following: Johnson Contracting supervisors Ernest Johnson and Rai Johnson pleaded guilty to violating CAA asbestos work practice standards; JMD project monitor and supervisor Evan Harnden pleaded guilty to aiding and abetting a violation of the CAA asbestos work practice standards; JMD project monitors Chris Coseglia, Henry Hawkins, and Brian Scott pleaded guilty to being an accessory-after-the-fact to a CAA false statement; and City of Buffalo inspectors Donald Grzebielucha and William Manuszewski pleaded guilty to CAA negligent endangerment violations.

This case was investigated by the U.S. EPA Criminal Investigation Division, the FBI, the U.S. Department of Housing and Urban Development Office of Inspector General, and the N.Y. State Department of Environmental Conservation Police Bureau of Environmental Crimes Investigations, with assistance from the N.Y. State Department of Labor Asbestos Control Bureau.

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#### **United States v. Mark Goff et al., No. 4:13-CR-00113 (N.D. Ohio), SAUSA Brad Beeson.**

On April 15, 2014, Mark Goff pleaded guilty to a felony Clean Water Act violation (33 U.S.C. § 1319(c)(2)(A)) for his role in the discharge of brine and oil-based drilling mud that eventually flowed into the Mahoning River, a water of the United States.

Goff was an employee of Hardrock Excavating LLC. The company provides services to the oil and gas industry in Ohio and Pennsylvania, including the storage of brine and oil-based drilling mud. There are approximately 58 mobile storage tanks at the facility and each holds approximately 20,000 gallons. Starting in October 2012 and continuing over the next few months, Goff illegally discharged oil drilling wastes into a stormwater drain on nine occasions, at the direction of company owner Benedict Lupo.

After receiving an anonymous call in January 2013, inspectors found a hose connected to a storage tank that was discharging wastewater into a stormwater drain at the facility. The stormwater drain flowed into an unnamed tributary of the Mahoning River and ultimately into the river, where an oily sheen was clearly visible. Lupo directed employee Michael Guesman on numerous occasions to discharge storage tanks at night over a several-month period. Guesman pleaded guilty to a CWA



**Opening to sewer where oil was discharged**

violation and was sentenced on March 27<sup>th</sup> to serve a three-year term of probation and perform 300 hours of community service. A fine was not assessed. Lupo has pleaded guilty and trial against the company is scheduled to begin on June 26, 2014.

This case was investigated by the Ohio Environmental Protection Agency, the Ohio Department of Natural Resources, the United States Environmental Protection Agency Criminal Investigation Division, the Ohio Bureau of Criminal Investigation, the Youngstown Department of Public Works, and the Youngstown Fire Department.

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## Sentencings

**United States v. Zhifei Li, No. 13-CR-00113 (D.N.J.), ECS Senior Counsel Richard Udell, AUSAs Kathleen O’Leary and Tom Watts-FitzGerald, and ECS Paralegal Lisa Brooks.**



On May 27, 2014, Zhifei Li was sentenced to serve 70 months’ incarceration, followed by two years’ supervised release. He also will forfeit \$3.5 million in proceeds from his criminal activity as well as several Asian artifacts. Li previously pleaded guilty to being the organizer of an illegal wildlife smuggling conspiracy in which 30 raw rhinoceros horns (worth approximately \$3 million) were smuggled from the United States to China.

Li, the owner of Overseas Treasure Finding in Shandong, pleaded guilty to a total of 11 counts: conspiracy to smuggle and to violate the Lacey Act, six smuggling violations, one Lacey Act trafficking violation, and two counts of making false wildlife documents (16 U.S.C. §§ 3372(a)(1), 3373(d)(1)(A), 3373(d)(3)(A); 18 U.S.C. §§ 371, 554). Shortly after arriving in the United States in January 2013, Li was arrested in Florida on federal charges brought under seal in New Jersey. Before he was arrested, he had purchased two endangered black rhinoceros horns from an undercover U.S. Fish and Wildlife Service agent in a Miami Beach hotel room for \$59,000 while attending an antique show.

Li sold raw rhino horns to factories where they would be carved into fake antiques. The horns were hidden by a variety of means, including: wrapping them in duct tape, hiding them in porcelain vases that were falsely described on customs and shipping documents, and labeling them as porcelain vases or handicrafts. The leftover pieces from the carving process were sold for alleged “medicinal” purposes.

Li admitted that he was the “boss” of three antique dealers in the United States whom he paid to help obtain wildlife items and smuggle to him through Hong Kong. One of those individuals was Qiang Wang, aka “Jeffrey Wang,” who was sentenced to serve 37 months’ incarceration. Rhino carvings valued at as much as \$242,500 were sold to Li’s customers in China. In early 2013, one of those customers, Shusen Wei, pleaded guilty in the Southern District of Florida to knowingly buying a smuggled rhino carving from Li.

This case was investigated by the United States Fish and Wildlife Service.

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**United States v. Stewart Roth 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 May 22, 2014, Thomas Grad was sentenced to pay a \$1,000 fine and will complete a one-year term of probation. Stewart Roth was sentenced on May 16 to pay a \$4,000 fine and to complete a two-year term of probation. These are the final two defendants to be sentenced in this case stemming from the illegal discharge of wastewaters to a POTW. NH Environmental Group, Inc. d/b/a Tierra Inc. (Tierra) and company owner Ronald Holmes have been sentenced for their roles in the illegal dumping.

Tierra was in the business of collecting liquid industrial wastes from customers, treating the wastes, and then transporting them to proper disposal facilities. Between January and June 2008, to avoid the expense of lawfully treating and disposing of these wastes, the defendants hauled them to a closed-down treatment facility and dumped the wastes into the sewer system that led to the POTW.

The company previously pleaded guilty to a misdemeanor CWA violation (33 U.S.C. § 1319(c)(1)(A)), and Holmes and Grad pleaded guilty to felony CWA violations (33 U.S.C. § 1319(c)(2)(A)).

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. David Braswell, No. 4:13-CR-00075 (D.S.C.), AUSA Jim May.**

On May 22, 2014, David Braswell was sentenced to serve six months' incarceration and six months' home detention, followed by three years' supervised release. Braswell also was ordered to pay a \$10,000 fine, after previously pleading guilty to a Clean Air Act violation (42 U.S.C. §§ 7412, 7413(c)(1)).

Braswell operated a construction and renovation company in the Myrtle Beach area. In March and April 2009, the defendant began a renovation project that involved replacing siding on a high-rise beach front condominium complex. Despite knowing the siding contained asbestos, Braswell did not provide the proper protection to his employees or obtain the proper permits to allow for the removal of asbestos. The material also was not properly wetted, bagged, or removed from the site.

This case was investigated by the U.S. EPA Criminal Investigation Division and the S.C. Department of Health and Environmental Control.

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**United States v. Owyhee Construction Inc. et al., No. 3:13-CR-00044 (D. Idaho), ECS Senior Trial Attorney Ron Sutcliffe and AUSA D. Marc Haws.**

On May 21, 2014, Owyhee Construction, Inc., was sentenced to pay a \$100,000 fine after previously pleading guilty to a CERCLA violation (42 U.S.C. §9603(a)). The company will complete a three-year term of probation and will implement a compliance and ethics program. Restitution is to be determined at a later date. Employees Douglas Greiner and Bradley Eberhart were previously sentenced to prison terms for acts related to the disposal of asbestos.

The defendants were involved in a project known as the Riverside Water and Sewer District. The project involved the renovation/replacement of the City of Orofino's water lines during the spring

and fall of 2009 and the spring of 2010. Existing waterlines were known to consist of asbestos-containing concrete pipe that was approximately 5,000 feet in length. The onsite manager and foreman failed to properly supervise the renovation. Workers under their supervision removed the pipe from the trenches that ended up as part of fill material on sixteen properties around Orofino. Owyhee Construction never reported the releases of the asbestos. The EPA cleanup cost just under \$4 million.

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

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**United States v. James Martin et al., Nos. 1:13-CR-00238 and 00239 (S.D. Ala.), ECS Trial Attorney Colin Black and AUSA Maria Murphy.**

On May 20, 2014, James Martin was sentenced to serve five months' incarceration, followed by five months of home confinement, as a special condition of three years' supervised release. Martin also will pay \$144.60 in restitution. Tiffany Wilson was sentenced on May 16 to complete a five-year term of probation and will pay \$3,296 in restitution to an individual. She also will be held jointly and severally liable (with David Braley) for restitution in the amount of \$259.68 to the National Marine Fisheries Service.

These defendants previously pleaded guilty to Lacey Act violations (16 U.S.C. §§ 3372(a)(2)(A), 3372(a)(4), 3373(d)(1)(B)), for the illegal harvesting of Gulf reef fish. A total of eight defendants have been prosecuted as a result of an undercover investigation into illegal Gulf reef fish commercialization along the Alabama and northern Florida Gulf Coasts in 2012 and 2013. Natalie McArdle pleaded guilty on the eve of trial to acting as a broker for commercial fisherman selling unreported red snapper and grouper. On six occasions in 2012 and 2013, McArdle sold or attempted to sell red snapper and grouper that had been landed illegally in Alabama to undercover law enforcement officers posing as employees of a Georgia-based fish and seafood dealer. She is set for sentencing on July 11, 2014, along with Mathias Kumm. Hunter Evans is scheduled to be sentenced on June 19; John Whitworth is set for June 26; Josh Jones for June 10; and Braley for June 26, 2014.

This case was investigated by the NOAA Office of Law Enforcement, with assistance from the Florida Fish and Wildlife Commission, and the Alabama Department of Natural Resources.

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**United States v. Arab Ship Management Ltd., No. 1:14-CR-00016 (D. Del.), ECS Trial Attorney Stephen DaPonte, AUSA Edmond Falgowski, and ECS Paralegal Jessica Pannett.**

On May 20, 2014, Arab Ship Management LTD. (ASM) pleaded guilty to an APPS violation (33 U.S.C. § 1908(a)) stemming from illegal overboard discharges of sludge. The company was sentenced to pay \$375,000 in restitution, make a \$125,000 community service payment, and complete a two-year term of probation during which all vessels owned and operated by the company will be banned from U.S. ports.

ASM operated the *M/V Neameh*, a 6,398 gross ton ocean-going livestock carrier. On March 28, 2013, the Coast Guard boarded the vessel in the Delaware Bay Big Stone Anchorage to conduct an inspection. The inspection and subsequent criminal investigation revealed heavy oil sludge inside the piping on the discharge side of the pollution prevention equipment leading directly overboard, where no oil sludge should be if the equipment was operating properly. Inspectors also discovered that the vessel's piping arrangement had been illegally modified to allow this sludge to be pumped directly overboard. The piping arrangement was removed prior to the vessel's arrival in Delaware. Also during the inspection, Coast Guard officers were presented with two oil record books that contained different



and contradictory entries for the period between November 30, 2011 and January 2, 2012, as well as fake oily waste disposal receipts.

This case was investigated by the U.S. Coast Guard.

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**United States v. Odfjell Asia II Pte Ltd., et al., Nos. 3:14-CR-00038, 00039 (D. Conn.), ECS Trial Attorney Stephen DaPonte, AUSA Paul McConnell, and ECS Paralegal Jessica Pannett.**

On May 14, 2104, Odfjell Asia II Pte Ltd. and senior engineer Ramil Leuterio were sentenced. Leuterio will serve three months' incarceration. The company will pay a \$900,000 fine plus an additional \$300,000 community service payment. The company will complete a three year term of probation and is required to implement an environmental compliance plan. The two previously 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.



**Bypass hose**

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 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.

This case was investigated by the U.S. Coast Guard.

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**United States v. Patty Chen, Nos. 13-CR-00771, 13-CR-20544 (N.D. Calif., S.D. Fla.), AUSAs Maureen Bessette and Tom Watts-FitzGerald.**



On May 9, 2014, Patty Chen was sentenced to serve a three-year term of probation and will pay \$29,760 in restitution to the Lacey Act Reward Fund. Chen previously pleaded guilty to false statement and Lacey Act violations (18 U.S.C. § 1001(a)(3); 16 U.S.C. §§ 3372(d)(1), 3373(d)(3)(A)) for illegally importing wildlife products (including shark fins, shark fin noodles, sea horses, dried conch, dried fish, and eel maw) into the United States from Ecuador. These items were valued at nearly \$30,000.

In November 2009 and October 2011 Chen illegally brought wildlife into the United States by denying that

falsifying customs documentation, she had any wildlife in her possession.

**Large bag of shark fins**

This case was charged in South Florida and then transferred to California. It was investigated



by the NOAA Office for Law Enforcement, with assistance from Homeland Security Investigations.  
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**United States v. Mark Anselm, No. 5:13-CR-00262 (N.D. N.Y.), AUSA Craig Benedict.**

On May 5, 2014, Mark Anselm was sentenced to serve seven years' incarceration, followed by three years' supervised release. A fine was not assessed. Anselm previously pleaded guilty to six violations stemming from making false statements to officials. Specifically, he pleaded guilty to possession and use of an altered merchant marine license, aggravated identity theft, and false statement violations (18 U.S.C. §§ 1001, 1028(a), 2197).

During 2011 and 2012, the defendant claimed to be a licensed commercial ship pilot when he did not possess a license. After presenting fraudulent merchant marine licenses to potential employers on numerous occasions, he captained a variety of commercial ships on Lake Ontario including a tour boat. The Coast Guard became aware of his scheme after Anselm grounded a tug boat in Canadian waters in June 2012. Subsequent investigation revealed the defendant's fraudulent activity.

This case was investigated by the U.S. Coast Guard and the Department of Homeland Security Office of the Inspector General.

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**United States v. James L. Hidey, No.1:13CR-00462 (N.D. Ohio), SAUSA Brad Beeson.**

On May 1, 2014, James L. Hidey was sentenced to pay a \$2,000 fine and will complete a two-year term of probation. Hidey previously pleaded guilty to a Clean Water Act violation (33 U.S.C. § 1319(c)(2)(A)) for discharging well drilling waste into Beecher Brook, a tributary of the Chagrin River.

In 2008, Hidey worked for Great Plains Exploration, an oil and gas well drilling company based in Northeast Ohio. On two separate occasions in 2008, the defendant allegedly directed the discharge of brine into a stormwater sewer after the completion of gas wells in two different locations. The brine flowed from the stormwater sewers into Beecher Brook and eventually into the Chagrin River.

This case was investigated by the Northeast Ohio Environmental Crimes Task Force, which includes the U.S. EPA Criminal Investigation Division, the Ohio Bureau of Criminal Identification and Investigation, the Ohio Environmental Protection Agency, and the Ohio Department of Natural Resources.

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**United States v. Herm. Dauelsberg GMBH & Co. KG, No. 14-CR-00200 (C.D. Calif.), AUSA Mark Williams.**

On April 25, 2014, Germany-based company Herm. Dauelsberg GmbH & Co. KG was sentenced to pay a \$1 million fine and will make a \$250,000 community service payment after pleading guilty to charges stemming from the discharge of oil from a ship with a cracked hull. The company pleaded guilty to an APPS violation and failure to report a hazardous condition aboard the *M/V Bellavia* to the Coast Guard (33 U.S.C. §§ 1908(a); 1232(b)(1)).



*M/V Bellavia*

This case was initiated after four of the cargo ship's crew members provided information to the Coast Guard, including pictures and videos, of overboard discharges from the vessel's fuel tank. The four crewmembers each received a portion of the \$500,000 whistleblower award.

The *M/V Bellavia* transports cargo between European, Central American, and North American ports. In 2011, it sustained cracks in the hull while going through the Panama Canal. The company was aware of the fractures, but completed only temporary repairs on them. Over the past three years, the cracks allowed seawater to enter one of the ship's fuel tanks. As a result, bunker fuel was very likely released into the sea.

In September 2013, the ship again hit the side of the Panama Canal causing another crack in the hull and into a fuel tank. Subsequently, the crew used one of the ship's pumps to discharge nearly 120,000 gallons of oil-contaminated seawater from the ship's fuel tank directly into the ocean, which was not properly processed or reported in the oil record book.

The community service payment will be paid to the Channel Islands Natural Resources Protection Fund, which is administered by the National Park Foundation.

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

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**United States v. Martha Hebert et al., Nos. 2:13-CR-000270, 00271 (E.D. La.), AUSA Emily Greenfield.**

On April 24, 2014, Martha Hebert was sentenced to pay a \$10,000 fine and will complete a two-year term of probation. Hebert previously pleaded guilty to misprision of a felony (18 U.S.C § 4) stemming from the falsification of water testing data.

The defendant was the co-owner of Laboratory Technology, (LT), a company that performed water toxicity tests for companies that were involved in the production of oil and gas in the Gulf. These companies are responsible for the management of wastewater that is generated during oil and gas production. From approximately July 2008 through June 2012, LT supervisor Leonard Johnson did not follow the required protocol for toxicity testing for samples provided by client companies. Johnson instructed lab employees and Hebert to falsify information that was given to their clients, who in turn used this information to prepare their monthly discharge monitoring reports (DMRs) that were filed with the U.S. EPA.

Hebert was responsible for sending clients the results of these tests and knew Johnson was certifying the information as accurate. Johnson previously pleaded guilty to a Clean Water Act false statement violation and is scheduled to be sentenced on June 14, 2014.

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

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