



Monthly

# Bulletin

## Environmental Crimes Section

November 2019

### Inside this Issue:

<a href="#">Decisions</a>	3
<a href="#">Trials</a>	4
<a href="#">Indictments</a>	5-7
<a href="#">Guilty Pleas</a>	8-12
<a href="#">Sentencings</a>	13-20
<a href="#">Announcements</a>	21
<a href="#">ECS Contacts</a>	22

Send your federal case updates to:



See film clips of [turtles kept in a backyard](#) and [turtles loaded into boxes](#)

“Oklahomans respect and value wildlife, and we don’t appreciate those who would seek to exploit our vulnerable wildlife populations for their corrupt greed. Laws created by Congress to protect wildlife, like the box turtle, will be enforced by the U.S. Attorney’s Office. Defendant Gangemi flagrantly violated state and federal laws by illegally collecting and exporting box turtles to the black market,” said U.S. Attorney Trent Shores. [From [press release](#) of sentencing in *U.S. v. Gangemi*. See [inside](#) for more details on this case.]

District/Circuit	Case Name	Case Type/Statutes
Fourth Circuit	<a href="#">United States v. Blankenship</a>	Sewage Discharges/CWA
Central District of California	<a href="#">United States v. Aquinas Kasbar</a>	Primate Theft/ESA
Eastern District of California	<a href="#">United States v. Armando Vargas Garcia et al.</a>	Marijuana Grow/Drugs, Depredation
Northern District of California	<a href="#">United States v. FGL Moon Marshall Ltd., et al.</a> <a href="#">United States v. Keri Zhang Wang</a>	Vessel/ APPS, Obstruction Turtle Sales/Lacey Act, Smuggling
██████████ ██████████	██	████████████████████
District of Colorado	██ <a href="#">United States v. Robert T. Allen</a>	████████████████████ Federal Land Destruction/ Depredation
District of Delaware	<a href="#">United States v. Chartworld Shipping Corporation et al.</a>	Vessel/ APPS, PWSA
Middle District of Florida	<a href="#">United States v. Nicholas Skaroulis</a> ████████████████████	Sponge Sales/ESA ████████████████████
Southern District of Florida	<a href="#">United States v. Richard Sheridan et al.</a>	Rhino Horn Sale/Smuggling
Northern District of Georgia	<a href="#">United States v. John Lee</a>	Emissions Standards/Obstruction, Perjury
████████████████████	████████████████████	████████████████████
District of Massachusetts	<a href="#">United States v. Nathan Boss</a>	Turtle Sales/False Statements, Smuggling
Eastern District of Michigan	<a href="#">United States v. Chandra Yarlagadda</a>	RINs Fraud/Tax
Eastern District of Missouri	<a href="#">United States v. Bobby D. Lowrey</a>	Pesticide Application/FIFRA
Northern District of New York	<a href="#">United States v. Gary Hallinan</a>	Sewage Discharges/CWA
Northern District of Oklahoma	<a href="#">United States v. William T. Gangemi</a>	Turtle Smuggling/Conspiracy
District of Oregon	<a href="#">United States v. Robert LaRue Webb II</a>	Oil Spill/CWA
Eastern District of Pennsylvania	<a href="#">United States v. Loren Varga</a>	Tiger Skin Rug/ESA, Lacey Act
Middle District of Pennsylvania	<a href="#">United States v. Haixi Sheng</a>	Turtle Sales/Smuggling
Western District of Pennsylvania	<a href="#">United States v. Vikas Jain</a>	Asbestos Removal/CAA
District of South Carolina	<a href="#">United States v. Santerrio Montinez Smith et al.</a> <a href="#">United States v. Michael Greene</a>	Dog Fighting/Animal Fighting Venture Waste Disposal/CWA
District of South Dakota	<a href="#">United States v. Everett T. MacKaben, Jr., et al.</a>	Guiding and Hunting/Lacey Act
Eastern District of Virginia	<a href="#">United States v. Thasi Limited, d/b/a The British Shop</a>	Wildlife Imports/Lacey Act, Smuggling

## Decisions

*United States v. Blankenship*, \_\_\_Fed.Appx.\_\_\_2019 WL 4805766 (4th Cir. Oct. 1, 2019).

On October 1, 2019, the 4<sup>th</sup> Circuit Court of Appeals affirmed two felony Clean Water Act (CWA) counts against Michael Blankenship for knowingly discharging untreated sewage and portable toilet waste into Little Huff Creek in Wyoming County, West Virginia in 2015. The *per curiam* decision included rulings on four issues, two of which involved CWA issues (the other two involved more generic evidentiary issues).

The court agreed with the district court that evidence proffered by the defendant on other sources of sewage in the stream lacked relevance to the CWA violations. The appellate court also ruled that the district court properly denied Blankenship's request for a jury instruction for negligent discharge of pollutants. Based upon the facts presented at trial, the district court ruled that Blankenship's conduct could not have been negligent (ruling either the jury must find that Blankenship did not discharge sewage or did it knowingly). The appellate court agreed, finding that Blankenship admitted he dumped sewage into the river, and his argument that his conduct was negligent "makes little logical sense."

Blankenship is currently serving a 15-month prison sentence after a jury convicted him in April 2018.



## Trials

### ***United States v. Santerrio Montinez Smith et al., No. 3:17-CR-00811 (D.S.C.), AUSAs Jane B. Taylor and Christopher D. Taylor.***

On October 14, 2019, a jury convicted Santerrio Montinez Smith for his involvement in an animal fighting venture (7 U.S.C. § 2156 (g)(1)). A separate jury convicted Smith in August 2019 for distributing and conspiring to distribute cocaine and heroin.

Between March and September 2017, Smith possessed pit bull terriers for the purpose of fighting. Since a state court previously convicted Smith in 2014 on dog fighting charges, he kept his fighting dogs at his grandmother's house. In September 2017, agents executed a search warrant (at the grandmother's house) seizing eight pit bull-type dogs. Two of them exhibited both scarring and fresh wounds indicative of dog fighting.



*Dog seized by authorities*

The jury heard testimony from Terry Mills, the director of Blood Sports Investigations at the American Society for the Prevention of Cruelty to Animals, who educated them about the underworld of organized dog fighting. Mills, a former law enforcement officer with the Missouri Highway Patrol, testified to spending 18 months working undercover in a massive multi-state dog fighting investigation. He described in detail the horrific treatment that dogs are forced to endure to become fighters, as well as what happens when a dog loses a fight. According to Mills, "the losing dog rarely leaves the building."

The jury also heard multiple recorded phone calls involving Santerrio Smith, his brother Dantrell Smith, their father James "Denny" Green, and other known dog fighters, discussing the dogs and different aspects of dog fighting. During one call, Santerrio Smith and another individual arranged an upcoming fight. Both Dantrell Smith and James Green previously pleaded guilty to dog fighting charges.

The Federal Bureau of Investigation's Columbia Violent Gang Task Force investigated this case. In addition to the FBI, the task force is comprised of law enforcement officers from the following agencies: the South Carolina Law Enforcement Division, the Columbia Police Department, the Richland County Sheriff's Department, the Lexington County Sheriff's Department, the Lexington Police Department, and the South Carolina National Guard.



## Indictments/Informations

***United States v. FGL Moon Marshall Ltd., et al.***, No. 19-CR-00559 (N.D. Calif.), ECS Senior Trial Attorney Ken Nelson, AUSA Katie Lloyd-Lovett, and SAUSA Andrew Briggs.

On October 24, 2019, prosecutors charged FGL Moon Marshall LTD (FGL), Unix Line PTE, LTD (Unix), and first assistant engineer Gilbert Fajardo Dela Cruz, with one count of maintaining a false oil record book (ORB) in violation of the Act to Prevent Pollution from Ships, and one count of falsifying documents in anticipation of an investigation. FGL and Unix are further charged with obstructing and endeavoring to obstruct an agency proceeding (33 U.S.C. § 1908; 18 U.S.C. §§ 1505, 1519).

FGL and Unix owned and operated, respectively, the *M/T Zao Galaxy*, an oil tankship registered in the Marshall Islands. The companies requested that the Coast Guard inspect the vessel in February 2019 to facilitate the renewal of its Certificate of Compliance (an annual certificate required for ships visiting U.S. ports).

In anticipation of the inspection, Dela Cruz directed subordinates to illegally empty and clean the primary bilge holding tank. This required the crew to create “make shift” connections using hoses, drums, and other equipment to bypass the ship’s oil pollution prevention equipment to facilitate the overboard discharges. Dela Cruz did not record these discharges in the ORB and ordered the crew to repaint the tank and conceal the equipment used to empty the tank. As the inspection was under way, Dela Cruz also told the crew that they needed to get their stories straight and to keep an eye on a suspected whistleblower crewmember.

The U.S. Coast Guard conducted the investigation.

***United States v. Nathan Boss***, No. 4:19-CR-40050 (D. Mass.), AUSA Nadine Pellegrini.

On October 24, 2019, prosecutors charged Nathan Boss with smuggling and making false statements for his involvement in turtle smuggling (18 U.S.C. §§ 545, 1001(a)(2)).

In September 2019, federal investigators intercepted an inbound U.S. Postal Service package from Hong Kong addressed to “Shelton Boss” in Worcester, Massachusetts. The package contained four black-breasted leaf turtles, a species protected by the Convention on International Trade in Endangered Species. Following a controlled delivery and after Boss took delivery of the package the following day, he told the postal clerk that he used “Shelton Boss” as an alias. Boss received an earlier shipment of turtles



*Black-breasted leaf turtle*

*(Continued on page 6)*



## Indictments/Informations

*(Continued from page 5)*

in August 2019, and exported two shipments in October 2019 using other aliases.

The U.S. Fish and Wildlife Service Office of Law Enforcement conducted the investigation, with assistance from the U.S. Postal Inspection Service, U.S. Customs and Border Protection and the Massachusetts Division of Fisheries and Wildlife.

***United States v. Keri Zhang Wang*, No. 5:19-CR-00523 (N.D. Calif.), AUSA Maia Perez, with assistance from ECS Trial Attorney Ryan Connors.**

On October 21, 2019, prosecutors charged Keri Zhang Wang with smuggling wildlife from the United States and violating the Lacey Act (18 U.S.C. § 554; 16 U.S.C. §§ 3372(d)(2), 3373(d)(3)(A)).

Between September 2016 and June 2019, Wang smuggled approximately 11 packages containing Eastern, Three-Toed, and Ornate box turtles, all of which are listed in Appendix II of the Convention on International Trade in Endangered Species. The Chinese prize them for the pet trade market. Wang labeled the packages as snacks, toys, and crystal balls to deter customs authorities. For shipping from California to Hong Kong, she stuffed the turtles into socks, that went inside shoeboxes concealed beneath bags of snacks.

The U.S. Fish and Wildlife Service Office of Law Enforcement conducted the investigation.

***United States v. Armando Vargas Garcia et al.*, No. 2:19-CR-00176 (E.D. Calif.), AUSA Adrian T. Kinsella.**

On October 17, 2019, prosecutors charged Armando Vargas Garcia and Eduardo Montero Aleman with conspiracy to cultivate marijuana, marijuana cultivation, and depredation of federal lands and resources (21 U.S.C. §§ 841, 846; 18 U.S.C. § 1361).

Between August 29, 2019 and September 5, 2019, the defendants grew close to 9,000 marijuana plants in the Big Mountain area of Shasta-Trinity National Forest. Agents discovered two compound archery bows, nine arrows, and 42 rounds of hollow-point .22-caliber ammunition on the site. They also found bottles of carbofuran, a toxic pesticide, which is banned in the United States.

The U.S. Forest Service, the Trinity County Sheriff's Department, and the California Department of Fish and Wildlife conducted the investigation.



## Indictments/Informations

***United States v. John Lee*, No. 1:19-CR-00395 (N.D. Ga.), ECS Senior Counsel Kris Dighe, AUSA Nathan Kitchens, and ECS Paralegals Chloe Harris and Dan Hauser.**

On October 8, 2019, prosecutors charged attorney John Lee with three counts of perjury and one count of obstructing justice (18 U.S.C. §§ 1503, 1623).

Hyundai Construction Equipment Americas, Inc. (HCEA), hired Lee in 2013. During a phase-in period for new air emissions standards, HCEA opted to participate in a transition program that allowed it to import limited numbers of engines not in compliance with the new standards. As part of the program, HCEA had to report the number of imported noncompliant engines to the Environmental Protection Agency (EPA). The company's imports of noncompliant engines substantially exceeded its allowance. A consultant retained by HCEA to provide advice about complying with the requirements warned the company that it was out of compliance and that it risked a substantial penalty. The consultant advised HCEA to stop importing and to notify the EPA.

HCEA hired Lee to provide a second opinion. In August 2013, he sent HCEA an analysis of its options regarding reporting the violation. In his memorandum, he wrote that the company could report the violation and likely pay a penalty or, alternatively, not report and risk EPA finding out about the violation, which likely would result in a higher penalty. Notably, Lee did not make out a case that HCEA was operating legally under the transition program. HCEA continued to import the noncompliant engines.

Lee told two key employees to move their communication about this issue to their personal email to conceal them from authorities. Using personal emails, one of the employees sent him a 2013 report that contained false information about the number of noncompliant engines imported. Lee directed the employee to submit this report to the EPA.

After the criminal investigation began, HCEA hired other counsel. The company waived privilege with regard to communications with Lee. After Lee received a document subpoena, he lied about the use of personal emails and his involvement in submitting the report to the EPA. Lee further failed to produce emails in his possession responsive to the subpoena.

A court sentenced HCEA in November 2018, to pay a \$1.95 million fine for conspiring to defraud the United States government and to violate the Clean Air Act (18 U.S.C § 371; 42 U.S.C. § 7413 (c) (2)(A)).

The U.S. Environmental Protection Agency Criminal Investigation Division conducted the investigation.



## Guilty Pleas

### ***United States v. William T. Gangemi*, No. 4:19-CR-00216 (N.D. Okla.) AUSA Ryan Roberts.**

On October 23, 2019, William T. Gangemi pleaded guilty to conspiracy for smuggling more than 1,000 box turtles from Oklahoma in violation of the Lacey Act (18 U.S.C. § 371). Sentencing is scheduled for January 27, 2020.

Gangemi worked with a wildlife smuggling syndicate that shipped protected turtles between the United States and China. Between May 2017 and May 2018, Gangemi orchestrated the purchase and transport of unlawfully collected three-toed and western (ornate) box turtles from Oklahoma to New Jersey. Gangemi and co-conspirators engaged in a series of transactions, in one instance shipping 800 turtles via Fedex from Oklahoma to New Jersey, with one individual receiving \$20,000 after selling the turtles to Gangemi.

Gangemi also pleaded guilty to similar charges for trafficking wildlife in South Carolina. A court sentenced him in July 2019 to complete a two-year term of probation to include six months' home detention.

The U.S. Fish and Wildlife Service, the Oklahoma Department of Wildlife Conservation, and the U.S. Postal Inspection Service conducted the investigation.



*Box turtles*

### ***United States v. Chandra Yarlagadda*, No. 2:19-CR-20664 (E.D. Mich.), DOJ Tax Division Trial Attorneys Melissa S. Siskind and Sarah C. Ranney, with assistance from AUSA Stephen Hiyyama.**

On October 22, 2019, a biodiesel fuel dealer pleaded guilty to filing a false income tax return (26 U.S.C. § 7206(1)). Sentencing is scheduled for March 19, 2020.

Chandra Yarlagadda owned and operated Alpha Bioenergy LLC (Alpha), formerly known as Naturol Bioenergy LLC, which purchased and sold biodiesel fuel. Pursuant to the Clean Air Act and related federal regulations, companies that purchase and sell biodiesel fuel are required to purchase Renewable Identification Numbers (RINs) for any volume of renewable fuel bought or sold. RINs are credits that obligated parties under the Clean Air Act, such as Alpha, to demonstrate compliance with annual standards set forth by the Environmental Protection Agency.

For the tax years 2009 through 2011, Yarlagadda substantially overstated expenses associated with the purchase of RINs. For these three years, Yarlagadda falsely reported RIN expenses totaling more than \$14.2 million, when, in fact, he was only entitled

*(Continued on page 9)*



## Guilty Pleas

*(Continued from page 8)*

to claim approximately \$80,000 for those years. By claiming inflated deductions, Yarlagadda avoided paying an additional \$2.3 million in federal income taxes that was due.

The Internal Revenue Service Criminal Investigations, the U.S. Environmental Protection Agency Criminal Investigation Division, and Homeland Security Investigations conducted the investigation.

### ***United States v. Bobby D. Lowrey et al., No. 1:18-CR-00165 (E.D. Mo.), AUSA Dianna Collins.***

On October 21, 2019, Bobby D. Lowrey and Lowrey & Lowrey d/b/a Lowrey Farms pleaded guilty to violations stemming from the misapplication of the pesticide dicamba. Lowrey pleaded guilty to violating the Federal Insecticide, Fungicide and Rodenticide Act and the company pleaded guilty to making a false statement. (7 U.S.C. §136j; 18 U.S.C. §§ 1001). Sentencing is scheduled for December 18, 2019.

Bobby Lowrey owned and operated Lowrey Farms. In 2016, under Lowrey's management, the farm engaged in the cultivation of cotton and soybean crops on approximately 6,700 acres covering numerous fields and plots. Scientists genetically modified these crops to resist the pesticide dicamba, a weed killer. Officials did not approve STRUT, a dicamba-based pesticide product, for post-planting application to cotton crops and limited its use on soybean crops.

On multiple occasions in 2016, under Lowrey's direction, employees applied dicamba-based pesticides to cotton post-planting and to non-mature soybean crops prior to the approved preharvest application interval. Multiple nearby farmers reported crop damage consistent with drift from dicamba-based pesticides applied on Lowrey Farms. In response to numerous complaints, Missouri Department of Agriculture representatives requested to meet with Bobby Lowrey and asked Lowrey Farms to provide current spray application records for cotton and soybean crops.

During the investigation, Lowrey made numerous false statements and provided fraudulent documentation certifying that employees only applied dicamba-based products during burndown applications.

The U.S. Environmental Protection Agency Criminal Investigation Division, the Missouri Department of Natural Resources, and the Missouri Department of Agriculture conducted the investigation.

[illegible]



## Guilty Pleas

***United States v. Vikas Jain*, No.2:19-CR-00305 (W.D. Penn.), AUSA Eric Olshan and RCEC Perry McDaniel.**

On October 10, 2019, Vikas Jain pleaded guilty to violating the Clean Air Act work practice standards (42 U.S.C. § 7413(c)(1)). Sentencing is scheduled for January 28, 2020.

Jain controlled a number of businesses involved in residential and commercial real estate development and management. In approximately May 2012, Jain purchased the George Westinghouse Research and Technology Park (the Westinghouse Facility), a multi-building commercial and industrial complex located on approximately 150 acres in Churchill, Pennsylvania. The Westinghouse Facility was built between the 1950s and 1970s, and comprised more than one million square feet of testing, laboratory, and office space. Jain sought to redevelop the Westinghouse Facility and surrounding property for commercial and residential mixed-use purposes.

Prior to buying the facility, Jain obtained the results of an earlier environmental assessment, which identified the presence of asbestos-containing materials (ACM) throughout the complex. Between May 2012 and February 2017, Jain leased space at the Westinghouse Facility to third-party tenants. For the most part, however, the Westinghouse Facility remained unoccupied.

In 2015, Jain obtained two asbestos-abatement permits from the Allegheny County Health Department (ACHD) to facilitate the proper removal of ACM from two of the buildings. Later, in early 2017, Jain obtained a proposal from a different licensed abatement company to inspect another building slated for demolition. The proposal was never consummated.

Instead, in February 2017, Jain directed workers to remove previously unabated ACM from two buildings, including large quantities of ACM floor tiles, mastic, and pipe insulation. He further directed a worker to rent floor grinders, which the workers then used to remove and pulverize ACM floor tiles and mastic. The defendant did not apply for or obtain an ACHD permit for the abatement activity, and workers removed the ACM without proper protective clothing or adequate respirators. Workers dumped trash bags with the debris in a dumpster located outside of one of Jain's rental properties, which ended up in a landfill.

The Federal Bureau of Investigation and the U.S. Environmental Protection Agency Criminal Investigation Division conducted the investigation.

## Guilty Pleas

***United States v. Nicholas Skaroulis***, No. 8:19-CR-00422 (M.D. Fla.), AUSA Jay Hoffer.

On October 5, 2019, Nicholas Skaroulis pleaded guilty to violating the Endangered Species Act (16 U.S.C. §§ 1538, 1540).

Skaroulis owned and operated Sponges Direct, Inc. (SDI). The company sold non-living natural sponges to customers across the country and overseas. Between 2014 and 2018, SDI failed to declare these wildlife shipments to the U.S. Fish and Wildlife Service on packages sold outside of the United States. The company also did not possess an import/export license. By doing so, the company evaded the payment of inspection and user fees on each shipment.

The U.S. Fish and Wildlife Service conducted the investigation.



*Sponges*



## Sentencings

### ***United States v. Everett T. MacKaben, Jr., et al. No. 5:18-CR-50040 (D.S.D.), AUSA Eric Kelderman.***

On October 28, 2019, a court sentenced outfitter Everett T. MacKaben, Jr., for guiding illegal hunting trips on the Pine Ridge Reservation, in violation of the Lacey Act (16 U.S.C. §§ 3372(a)(1), 3373(d)(1)). MacKaben will pay a \$10,000 fine and \$26,825 in restitution to the Oglala Sioux Parks and Recreation Authority (Authority). He also will complete a two-year term of probation during which he is prohibited from all hunting/guiding activity in the United States.

The investigation began in November 2016, after a ranger with the Authority notified a U.S. Fish and Wildlife Service agent about MacKaben's activities. The agent subsequently confronted MacKaben and two other men who were hunting on tribal land at that time and found that none of them possessed tribal hunting licenses. Over the next five months, investigators determined that hunters paid MacKaben to guide white-tailed and mule deer hunts on the reservation for several years without proper hunting licenses (at least as far back as 2012). MacKaben is not an enrolled member of the Oglala Sioux Tribe.

Investigators identified 12 other individuals who participated in these illegal hunts between 2011 and 2016: Conway Carowan, Stacy Carowan, David Griffin, Duane Preast, Jonathan Sawyer, Kevin Adams, Randy Bell, Donald Pettinato, Kelli Lyons-Stevens, Shane Royce, Alan Royce, and Patrick Gadjys. Each pleaded guilty to misdemeanor Lacey Act violations, paying a total of \$12,360 in fines and an additional \$17,200 in restitution to the Authority. The \$44,025 in restitution will support local enforcement operations.

The U.S. Fish and Wildlife Service and The Oglala Sioux Parks and Recreation Authority conducted the investigation.



*Defendants with illegally hunted wildlife*



## Sentencings

### ***United States v. Robert LaRue Webb II*, No. 3:19-CR-00280 (D. Ore.), AUSA Ryan Bounds.**

On October 28, 2019, a court sentenced Robert LaRue Webb, II, to pay a \$2,500 fine and complete a two-year term of probation. Webb previously pleaded guilty to violating the Clean Water Act for discharging oil into the Willamette River (33 U.S.C. §§ 1319(c)(1)(A), 1321 (b)(3)).

On January 22, 2018, Webb pumped oil into a 10,000-gallon used-oil tank at the Union Pacific Albina rail yard in Portland, Oregon. While operating the pump, the tank overflowed when Webb was distracted on a phone call. More than 1,000 gallons of oil entered a stormwater drain and discharged into the river, resulting in a sheen on the river's surface.

The U.S. Environmental Protection Agency Criminal Investigation Division conducted the investigation.

### ***United States v. Aquinas Kasbar*, No. 8:19-CR-00085 (C.D. Calif.), AUSAs Daniel Ahn and Erik Silber.**

On October 28, 2019, a court sentenced Aquinas Kasbar to three months' incarceration after pleading guilty to violating the Endangered Species Act for stealing a ring-tailed lemur from the Santa Ana zoo (16 U.S.C. §§ 1538(a)(1)(b), 1540(b)(1)). Kasbar also will pay \$8,486 in restitution to the zoo.

Kasbar broke into the zoo after hours in July 2018. He used bolt cutters to cut a hole in the zoo's enclosures for lemurs and capuchin monkeys, enabling several of the animals to escape, though they were later recovered. While inside, Kasbar removed a 32-year-old lemur named Isaac, the oldest captive ring-tailed lemur in North America (a lemur's typical lifespan is between 20 and 25 years.)

He placed the animal in an unventilated container and later abandoned it at a Newport Beach hotel. Kasbar left a note stating the animal had been taken from the zoo. Authorities recovered Isaac in good condition and identified Kasbar during the course of a separate burglary investigation. Kasbar had videotaped Isaac and himself with his cell phone.

The Federal Bureau of Investigation, the U.S. Fish and Wildlife Service, the Newport Beach Police Department, and the Santa Ana Police Department conducted the investigation.



## Sentencings

***United States v. Loren Varga*, No. 2:19-CR-00360 (E.D. Penn.), AUSA Nancy Winter, with assistance from ECS Trial Attorney Ryan Connors.**

On October 18, 2019, a court sentenced Loren Varga to one day of incarceration, followed by two years' supervised release, and a \$1,500 fine. Varga previously pleaded guilty to violating the Lacey Act and the Endangered Species Act (16 U.S.C. §§ 1538(a)(1), 1540(b)(1); 3373(a)(1), 3373(a)(1)(B)).

In June 2019, Varga traveled from New Jersey to Pennsylvania to purchase a tiger skin rug from an undercover agent for approximately \$7,000. He previously resolved a civil forfeiture claim for trying to buy a similar rug nearly 20 years earlier.

The U.S. Fish and Wildlife Service conducted the investigation, with assistance from authorities in the United Kingdom.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

## Sentencings

### ***United States v. Thasi Limited, d/b/a The British Shop, No. 1:19-CR-00281 (E.D. Va.), AUSA Gordon Kromberg.***

On October 17, 2019, a court sentenced a British shipping company to complete a one-year term of probation and forfeit \$175,000 for smuggling more than 100 undeclared and protected wildlife items into the United States.

Keith Foster operated an antique store in Middleburg, Virginia, known as The Outpost. Foster imported wildlife items through Thasi Limited, doing business as The British Shop (TBS). TBS employees in England helped Foster hide his wildlife imports from authorities, which included sea turtle shell, sawfish blades, crocodile skin bags, coral, and mounted birds of prey. TBL pleaded guilty to smuggling and violating the Lacey Act (18 U.S.C. § 545; 16 U.S.C. §§ 3372(a)(1), 3373(d)(1)(B)).

Between 2013 and 2018, TBS (on behalf of Foster) shipped from England to the United States at least 35 separate cargo shipments of merchandise for resale at The Outpost, which contained wildlife and wildlife parts with a market value between \$250,000 and \$500,000. Foster traveled abroad multiple times to source and purchase items later sold at The Outpost. He relied on TBS employees to conceal these items and avoid law enforcement attention.

A court sentenced Foster and his business in March 2019 to forfeit \$275,000, serve 30 days' incarceration, one year of supervised release, and perform 50 hours of community service.

The U.S. Fish and Wildlife Service conducted the investigation.



*CITES-protected coral*



## Sentencings

***United States v. Chartworld Shipping Corporation et al.***, No. 19-CR-00058 (D. Del.), ECS Senior Trial Attorney David Kehoe, ECS Trial Attorney Steve Da Ponte, and AUSA Edmund Falgowski.

On October 15, 2019, a court sentenced Chartworld Shipping Corporation and Nederland Shipping Corporation to each pay \$900,000 fines and complete four-year terms of probation. Chartworld also will be subject to an environmental compliance plan implemented by an independent auditing company and supervised by a court-appointed monitor. The companies pleaded guilty to violating the Act to Prevent Pollution from Ships (APPS) and the Ports and Waterways Safety Act (33 U.S.C. § 1908(a); 46 U.S.C. § 70036(b) (1)). A court sentenced chief engineer Vasileios Mazarakis to complete a one-year term of probation on November 8, 2019, after pleading guilty to violating APPS.



*M/V Nederland Reefer*

Nederland owned the *M/V Nederland Reefer* and Chartworld managed the vessel. On February 21, 2019, the ship entered the Port of Delaware Bay with a false and misleading oil record book (ORB) available for inspection by the U.S. Coast Guard. The ORB failed to accurately record transfers and discharges of oily wastewater on the vessel.

The companies also failed to report a hazardous condition to the Coast Guard, namely a breach in the hull of the vessel and resulting incursion of seawater into tanks on board the vessel that occurred before the vessel came to port in Delaware.

The U.S. Coast Guard Investigative Service conducted the investigation.

## Sentencings

***United States v. Haixi Sheng*, No. 1:18-CR-00151 (M.D. Penn.) AUSA James Clancy and SAUSA Brian McDonnell.**

On October 11, 2019, a court sentenced Haixi Sheng to one year and one day of incarceration for smuggling eastern box turtles from Pennsylvania to China (18 U.S.C. § 545).

In November 2017, Sheng entered the country on a student visa, and while here shipped 79 turtles to Kang Juntao in China. Sheng made five shipments valued at approximately \$200,000.

The U.S. Fish Wildlife Service conducted this investigation, with assistance from the U.S. Postal Inspection Service.



***United States v. Michael Greene*, No. 3:19-CR-00004 (D.S.C.), AUSA Winston Holliday.**

On October 2, 2019, a court sentenced Michael Greene to three months' incarceration, followed by one year of supervised release, and a \$25,000 fine. Greene previously pleaded guilty to violating the Clean Water Act for illegal discharging wastewater (33 U.S.C. § 1319(c)(2)(a)).

Greene worked for A&D Environmental, Inc., a company offering a variety of environmental services, including hazardous waste disposal. He drove a tanker truck that could hold close to 6,000 gallons of liquid. Greene's responsibilities included transporting the liquid runoff from a local landfill to the Florence Wastewater Management Facility.

Between May and July 2017, Greene discharged the liquid runoff, or "leachate," directly into the Leesburg Branch Creek on several occasions, without a permit. Samples of the leachate revealed lead, mercury, selenium, cadmium, and chromium.

The U.S. Environmental Protection Agency Criminal Investigation Division, the South Carolina Department of Health and Environmental Control, and the South Carolina Department of Natural Resources conducted the investigation.



## Sentencings

***United States v. Robert T. Allen*, No. 16-CR-00169 (D. Colo.), AUSA Jeremy Chaffin and Kelly Winslow.**

On October 2, 2019, a court sentenced Robert T. Allen to 13 months' incarceration, followed by three years' supervised release. A jury convicted Allen for depredation of federal property in April 2019 (18 U.S.C. § 1361). He also will pay \$20,300 in restitution to the Bureau of Land Management for damages.

Between July 2013 and May 2014, Allen used a bulldozer to dig up approximately three acres of land in an area known as the Vulcan in Saguache County. Prosecutors charged Allen in 2016, but he evaded arrest for nearly two years before being arrested and ultimately detained in 2018. At trial, Allen claimed he could lawfully prospect on federal land, despite receiving four notices directing him to stop. He said he was acting in good faith pursuant to the General Mining Law of 1872.

The Bureau of Land Management conducted the investigation, with assistance from the Colorado Division of Reclamation, Mining, and Safety.

[REDACTED]

***United States v. Richard Sheridan et al.*, No. 14-CR-20347 (S.D. Fla.), ECS Trial Attorney Gary Donner and AUSA Tom Watts-FitzGerald.**

Following his extradition from the United Kingdom, a court sentenced Richard Sheridan on October 1, 2019, to 14 months' incarceration, followed by three years' supervised release. Sheridan pleaded guilty to smuggling goods from the United States, and for his role in transporting and concealing a libation cup carved from endangered rhinoceros horn from the United States to the U.K. (18 U.S.C. § 554).

In mid-April 2012, Sheridan and his co-defendant Michael Hegarty joined a Miami resident to attend an auction in North Carolina where they bid \$57,500 for a libation cup. They paid for it by wire transfer from a bank in Miami to the auction house in North

*(Continued on page 20)*

## Sentencings

(Continued from page 19)

Carolina. The defendants then smuggled the cup to the United Kingdom, where they attempted to sell it to a Hong Kong native. Law enforcement officers in London intercepted the sale. Hegarty, later identified in Belgium on an INTERPOL Red Notice, was arrested and extradited to the United States.

The U.S. Fish and Wildlife Service conducted the investigation.

### **United States v. Gary Hallinan, No. 5:19-CR-00194 (N.D.N.Y.), AUSA Michael Perry.**

On October 1, 2019, a court sentenced Gary Hallinan to pay a \$1,000 fine, complete a two-year term of probation, and perform 200 hours of community service. Hallinan previously pleaded guilty to violating the Clean Water Act for improperly discharging sewage into Lake Ontario (33 U.S.C. §§ 3342, 1311(a), 1319 (c)(1)(A)).



*Photos from NYSDEC inspection*

Hallinan worked as the superintendent for the City of Oswego, New York, wastewater treatment plant. His responsibilities included ensuring the plant's compliance with its State Pollutant Discharge Elimination System permit, a federally approved program under the National Pollutant Discharge Elimination System.

In December 2014, the plant's centrifuge stopped operating. As a result, it failed to adequately remove settleable solids from the wastewater. Between December 2014 and June 2015, while the centrifuge remained inoperative, Hallinan neglected to use other means to process and remove the solids, and failed to alert local environmental officials about the issue.

The U.S. Environmental Protection Agency Criminal Investigation Division and the New York State Department of Environmental Conservation conducted the investigation.



## Announcements

### **\*\*ILLEGAL EXPORTATION ALERT \*\***

#### Cacti and Succulents

The U.S. Fish and Wildlife Service has asked ECS to alert the law enforcement community to the thriving cactus black market. Please read this [article](#) and review the attached documents [REDACTED] for more information.

We redesigned [The Environmental Crimes Website](#). We arranged information by subject matter, added additional images, and generally streamlined the site. The brief bank update is ongoing. For those who have access, we welcome your feedback.

When submitting a press release for posting with the Executive Office of U.S. Attorneys <https://www.justice.gov/usao/pressreleases>, please be sure it is tagged for the "Environment/Wildlife" topic. This will help ensure that your case is not overlooked for reporting in the Bulletin.

News from state, local, and Canadian cases is posted on the Regional Environmental Enforcement Associations [website](#).

Please send [REDACTED] any pleadings you believe would be useful for posting in the [Brief Bank](#).

If you are in need of sentencing data for your wildlife or pollution cases, please contact [REDACTED] with your search requests.

Please notify ECS of any appeals taken in your cases, as per [Section 5-11.118](#) of the U.S. Attorneys' Manual.

A public version of the [Bulletin](#) is available for non-law enforcement readers.

Position	Name	Phone
Chief	Deborah Harris	████████
Deputy Chief	Joseph Poux	████████
Assistant Chief	Thomas Ballantine	████████
Assistant Chief	Wayne Hettenbach	████████
Assistant Chief	Lana Pettus	████████
Assistant Chief	Jennifer Whitfield	████████
Senior Litigation Counsel	Howard P. Stewart	████████
Senior Litigation Counsel	Richard Udell	████████
Senior Counsel for Wildlife	Elinor Colbourn	████████
Senior Counsel	Kris Dighe	████████
Senior Trial Attorney	Jennifer Blackwell	████████
Senior Trial Attorney	Christopher Costantini	████████
Senior Trial Attorney	Daniel Dooher	████████
Senior Trial Attorney	Todd Gleason	████████
Senior Trial Attorney	David Kehoe	████████
Senior Trial Attorney	Jeremy Korzenik	████████
Senior Trial Attorney	Ken Nelson	████████
Trial Attorney	Cassandra Barnum	████████
Trial Attorney	Mary Dee Carraway	████████
Trial Attorney	Ryan Connors	████████
Trial Attorney	Adam Cullman	████████
Trial Attorney	Stephen DaPonte	████████
Trial Attorney	Gary Donner	████████
Trial Attorney	Patrick Duggan	████████
Trial Attorney	Ethan Eddy	████████
Trial Attorney	Matthew Evans	████████
Trial Attorney	Stephen Foster	████████
Trial Attorney	Christopher Hale	████████
Trial Attorney	Joel LaBissonniere	████████
Trial Attorney	Samuel (Charlie) Lord	████████
Trial Attorney	Shennie Patel	████████
Trial Attorney	Erica Pencak	████████
Trial Attorney	Richard Powers	████████
Trial Attorney	Lauren Steele	████████