
ENVIRONMENTAL CRIMES SECTION



MONTHLY BULLETIN

March 2011

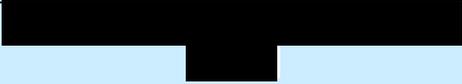
EDITOR'S NOTE:

If you have other significant updates and/or interesting photographs from a case, you may email these to Elizabeth Janes: [REDACTED]. If you have information concerning state or local cases, please send it directly to the Regional Environmental Enforcement Associations' website: www.regionallassociations.org.



Burmese Star Tortoise rescued from defendant's luggage. See [U.S. v. Uetsuki](#) inside for more details.

AT A GLANCE:

DISTRICTS	ACTIVE CASES	CASE TYPE/ STATUTES
D. Alaska	<u>United States v. David Skrzynski</u>	<i>Halibut Sales/ Lacey Act</i>
C.D. Calif.	<u>United States v. John Bostick et al.</u>	<i>Building Renovation/ CAA</i>
D. Colo.	 <u>United States v. James Robert Soyars, Jr.</u>	 <i>Asbestos Abatement/ CAA</i>
M.D. Fla.	<u>United States v. James Roger Edwards et al.</u> <u>United States v. Joseph Miata, Jr.</u>	<i>Asbestos Abatement/ CAA</i> <i>Manatee Death/ ESA</i>
S.D. Fla.	<u>United States v. Harp USA Inc.</u> <u>United States v. Pescanova Inc.</u>	<i>Refrigerant Gas Supplier/ Smuggling</i> <i>Seafood Importer/ Lacey Act</i>
D. Hawaii	<u>United States v. Hiroki Uetsuki</u>	<i>Turtle Imports/ Smuggling</i>
S.D. Iowa	<u>United States v. Robert Joe Knapp et al.</u>	<i>Building Renovation/ CAA, Conspiracy</i>
W.D. La.	<u>United States v. John Tuma et al.</u>	<i>Wastewater Treatment/ CWA, Pretreatment, Conspiracy, Obstruction</i>
D. Md.	<u>United States v. Cardiff Marine, Inc. et al.</u>	<i>Vessel/ Obstruction, APPS</i>
E.D. Mich.	<u>United States v. Donald M. Patterson</u>	<i>Lead Inspector/ Bribery, Wire Fraud, False Statements</i>
D. Nev.	<u>United States v. William Joseph McCown et al.</u>	<i>Vehicle Emissions/ CAA</i>
D.N.H.	<u>United States v. American Refrigeration Company, Inc.</u>	<i>Refrigeration System Repair/ CWA</i>
E.D.N.Y.	<u>United States v. Dov Shellef et al.</u>	<i>Ozone Depleting Substances/ CAA, Conspiracy, Money Laundering, Tax Evasion, Wire Fraud</i>

DISTRICTS	ACTIVE CASES	CASE TYPE/ STATUTES
D.N.D.	<u>United States v. Charles Meechance et al.</u>	<i>Deer Rack Sales/ Lacey Act, Smuggling</i>
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
D.P.R.	<u>United States v. EPPS Shipping Company</u>	<i>Vessel/ APPS, False Statement</i>
E.D. Texas	<u>United States v. Cole Brothers Circus et al.</u>	<i>Asian Elephant Sales/ ESA</i>
D. Utah	<u>United States v. Bugman Pest and Lawn et al.</u>	<i>Child Deaths/ FIFRA</i>
D. Vt.	<u>United States v. Mace Security International, Inc.</u>	<i>Tear Gas Manufacturer/ RCRA</i>

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- ◇ [Plea Agreements](#) pp. 5- 9
- ◇ [Sentencings](#) pp. 10 – 15

Informations and Indictments

United States v. John Tuma et al., No. 5:11-CR-00211 (W.D. of La.), ECS Trial Attorney Leslie Lehnert [REDACTED] and AUSA Mignonne Griffing [REDACTED]

On February 24, 2011, a five-count indictment was returned charging John and Cody Tuma with violations of the Clean Water Act, conspiracy, and obstruction of justice related to illegal wastewater discharges from the Arkla Disposal Services, Inc., facility located in Shreveport. The Arkla facility received off-site hazardous and non-hazardous wastewater from industrial processes and from oilfield exploration and production facilities for treatment at the facility.

The indictment alleges that, from July 2006 and continuing until at least October 2007, John Tuma (the wastewater treatment general manager) and Cody Tuma (a shift supervisor) conspired to discharge and in fact caused discharges to the local POTW in violation of their facility's industrial user permit. They are further alleged to have discharged untreated wastewater directly into the Red River without a permit, all in violation of the Clean Water Act. In addition, the defendants are charged with obstructing an EPA inspection by intentionally operating certain equipment improperly.

This case was investigated by the Environmental Protection Agency Criminal Investigation Division.

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United States v. Bugman Pest and Lawn et al., No. 1:11-CR-00017 (D. Utah), AUSA Jared Bennett [REDACTED]

On February 3, 2011, Bugman Pest and Lawn and employee Coleman Nocks were charged with three FIFRA violations for allegedly applying a pesticide inconsistent with its labeling leading to the deaths of two girls last year.

Rebecca Toone, 4, and her 15-month-old sister, Rachel, died in February 2010, a few days after a rodenticide called Fumitoxin had been used around their home. Investigators allege that Nocks used

too much Fumitoxin and placed it too close to the residence. Additional charges are pending regarding the inappropriate residential application of Fumitoxin near other homes in May and September 2009.

As a result of the deaths, the Environmental Protection Agency no longer permits the use of Fumitoxin in residential areas.

This case was investigated by the Environmental Protection Agency Criminal Investigation Division and the Layton City Police Department.

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United States v. Charles Meechance et al., No. 2:11-CR-00007 (D.N.D.), AUSA Cameron Hayden [REDACTED] and ECS Trial Attorney Richard Powers [REDACTED]

On January 11, 2011, a grand jury returned a six-count indictment charging Charles and Neal Meechance with Lacey Act and smuggling violations. This case involves allegations that the defendants falsely labeled and smuggled white tail deer racks from Canada to the U.S. Charles Meechance is also alleged to have sold white tail deer racks, each having a retail value in excess of \$350. The defendants are Native Americans from Canada. Arrest warrants have been issued.

This case was investigated by the Fish and Wildlife Service.

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Plea Agreements

United States v. John Bostick et al., No. 2:10-CR-00793 (C.D. Calif.), ECS Senior Trial Attorney David Kehoe ([REDACTED]) AUSA Bayron Gilchrist ([REDACTED]), and ECS Paralegal Kathryn Loomis ([REDACTED])

On February 23, 2011, John Bostick pleaded guilty to conspiracy to violate the Clean Air Act's asbestos work practice standards during the renovation of a 204-unit apartment building in January and February of 2006.

According to the plea agreement, in January 2006, Bostick knew that asbestos was present in the ceilings of the units of the apartment building known as Forest Glen. Despite this knowledge, the defendant and his co-conspirators hired a group of workers who were not certified to conduct asbestos abatements to scrape the ceilings of the apartment units without telling the workers about the asbestos in the ceilings. The illegal scraping resulted in the repeated release of asbestos-containing material throughout the apartment complex and the surrounding area and also caused the unlicensed workers to potentially be exposed to asbestos. After the illegal work was halted the asbestos was cleaned up at a cost of about \$1.2 million.

A six-count indictment charging conspiracy and multiple CAA violations is pending against Charles Yi, the owner of the apartment complex. Yi is scheduled for trial beginning on March 15, 2011. Project manager Joseph Yoon previously pleaded guilty to a one-count information charging him with a CAA conspiracy violation. Yoon is scheduled to be sentenced on April 25, 2011.

This case was investigated by the Environmental Protection Agency Criminal Investigation Division and the California South Coast Air Quality Management District.

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United States v. Robert Joe Knapp et al., No. 4:10-CR-00025 (S.D. Iowa), ECS Trial Attorneys Gary Donner [REDACTED] and Mark Romley [REDACTED] AUSA Debra Scorpiniti [REDACTED] SAUSA Kristina Gonzales [REDACTED] and ECS Paralegal Lisa Brooks [REDACTED]



Pipe with crumbling insulation

On February 23, 2011, the eve of trial, Robert Joe Knapp agreed to plead guilty to a Clean Air Act conspiracy and to a substantive Clean Air Act violation. Knapp, the owner of Equitable, L.P., had been charged in an 11-count indictment with committing violations of the Clean Air Act while overseeing the demolition and renovation of The Equitable Building. Co-defendant and construction supervisor Russell Coco pleaded guilty on February 15th to a CAA conspiracy and to a CAA violation for failure to remove all regulated asbestos-containing material (RACM) from the building.

From 2006 through February 2008, Coco oversaw the renovation, which involved converting several floors of the building into luxury residential condominium units and renovating other floors to attract additional commercial tenants. Coco reported directly to Knapp, the building owner, and both admitted to conspiring to illegally remove more than 260 feet of RACM from steam pipes and more than 160 square feet of floor tile containing RACM from the building, which subsequently was disposed of illegally in an uncovered dumpster. None of the workers involved in the project were properly trained to perform asbestos abatement work.

Coco is scheduled to be sentenced on May 20, 2011. This case was investigated by the Environmental Protection Agency Criminal Investigation Division and the Iowa Department of Natural Resources.

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United States v. EPPS Shipping Company, No. 3:11-CR-00058 (D.P.R.), ECS Trial Attorney Ken Nelson [REDACTED] and AUSA Marshal Morgan [REDACTED]

On February 15, 2011, EPPS Shipping Company pleaded guilty to a two-count information charging an APPS violation and a false statement violation stemming from the unlawful discharges of oily waste at sea.

The *M/V Carib Vision* was a 5,070 ton ocean-going ship owned and controlled by EPPS. The ship was registered in St. Kitts and Nevis and was engaged in international trade. During a port call made in November 2010 in Puerto Rico, inspectors uncovered evidence that the crew used the emergency bilge discharge system to pump oily waste directly into the ocean. The crew further failed to record these illegal discharges in the vessel's ORB, as required. The company is scheduled to be sentenced on June 17, 2011.

This case was investigated by the Coast Guard.

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United States v. William Joseph McCown et al., Nos. 2:10-CR-00007 and 00011 (D. Nev.), ECS Senior Trial Attorney Ron Sutcliffe [REDACTED], ECS Trial Attorney Sue Park [REDACTED] and AUSA Roger Yang [REDACTED].

On February 3, 2011, William Joseph McCown pleaded guilty to the single Clean Air Act count charged. To date, eight of the ten defendants charged in this "clean scanning" investigation have pleaded guilty to Clean Air Act violations for causing false test results to be transmitted to the Nevada Department of Motor Vehicles (DMV). Typically the testers would use a vehicle they knew would pass the emissions test to produce a false result for a vehicle that could not otherwise pass the test.

The cases came to the attention of Nevada authorities in 2008 when the DMV hired a contractor to create a vehicle identification database to uncover possible emissions testing fraud. As a result, in 2008 alone there were more than 4,000 false vehicle emissions certificates issued in Las Vegas. The database allows investigators to check the vehicle identification number that the emissions tester enters against the vehicle actually tested. Las Vegas and the surrounding Clark County are required by the EPA to conduct air emissions testing due to significant concentrations of carbon monoxide and ozone measured in the area. The trial of Wadji Waked has been continued until March 1, 2011.

These cases were investigated by the Environmental Protection Agency and the Nevada Department of Motor Vehicles.

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United States v. Mace Security International, Inc., No. 5:10-CR-00147 (D. Vt.), AUSA Joseph Perrella [REDACTED]

On February 9, 2011, Mace Security International, Inc. (Mace), a pepper spray and tear gas manufacturer, pleaded guilty to a RCRA charge without a permit for storing hazardous waste at its Bennington facility. The indictment, filed in November 2010 against the company and its president, Jon Goodrich, charged them with illegally storing hazardous waste from 1998 to 2008.

The indictment states that containers labeled “toxic” were located behind the facility close to the Walloomsac River. In July 2006, Federal Emergency Management Agency officials voiced concerns with the Town of Bennington that the shipping containers were located too close to the river and might be in the flood plain. In April 2007, Bennington issued a zoning violation to Goodrich and ordered the containers to be removed. In January 2008, Goodrich hired a contractor to move the drums of waste from the shipping containers to mill buildings on the property.

During a January 2008 inspection, Environmental Protection Agency and Vermont Department of Environmental Conservation officials allegedly found more than 80 drums of unlabeled chemicals in factory mill buildings. There were no signs posted indicating the storage of hazardous waste. Inspectors ultimately identified more than 2,200 pounds of hazardous waste in the buildings, which included spent solvents, 2-chlorobenzalmalonitrile or chloroacetophenone, and oleoresin capsicum.

The company said that it has already spent more than \$ 785,000 to clean up the facility. Sentencing is scheduled for May 26, 2011.

This case was investigated by the Environment Protection Agency Criminal Investigation Division.

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United States v. American Refrigeration Company, Inc., No. 10-CR-00178 (D.N.H.), AUSA Bill Morse [REDACTED].

On January 19, 2011, American Refrigeration Company, Inc. (ARC) pleaded guilty to one Clean Water Act felony violation for causing the local POTW to discharge wastewater into the Merrimack River in violation of its NPDES permit.

ARC is in the business of servicing industrial refrigeration systems. On January 24, 2008, an ammonia technician employed by the company began servicing an industrial refrigeration system at a customer’s facility. The service job required the technician to remove all of the ammonia from the holding tank. After transferring most, but not all, of the ammonia to other parts of the refrigeration system, the technician drained the remaining ammonia to a floor drain, which he knew led to the POTW.



Pipe leading to drain

On the following day, pH levels at the POTW were elevated, causing it to violate its NPDES permit. In addition, the ammonia killed much of the organic biomass relied upon for the treatment of sewage. Significantly undertreated and untreated wastewater was discharged to the river.

The company is scheduled to be sentenced on April 18, 2011. This case was investigated by the Environmental Protection Agency Criminal Investigation Division.

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Sentencings

United States v. Cardiff Marine Inc., No. 1:11-CR-00058 (D. Md.), ECS Counsel Tom Ballantine [REDACTED] AUSA Justin Herring [REDACTED], and ECS Paralegal Jessica Egler [REDACTED]

On February 23, 2011, Cardiff Marine Inc., a Liberian-registered shipping company, was sentenced after pleading guilty to an APPS violation and obstruction. The company admitted to falsifying records of illegal discharges of oily waste from the *M/V Capitola*, making false statements to the Coast Guard, and other acts of concealment. The company was sentenced to pay a \$2.4 million fine, complete a three-year term of probation, and will be subject to an environmental compliance plan.

Cardiff was a Liberian corporation and the operator of the *M/V Capitola*, a 40,437 gross ton vessel. The *Capitola* carried a range of dry bulk cargo to and from ports throughout the world. According to court documents, the investigation began on May 3, 2010, at the Port of Baltimore, after a crew member informed a clergyman, who was on board the ship for a pastoral visit, that a bypass pipe had been used to illegally dump waste oil overboard. The crew member asked the minister to alert the Coast Guard and to pass on a flash drive containing a video taken in the ship's engine room. The video showed a black hose tied in several places to overhead piping, which connected one of the vessel's waste oil tanks to a valve that opened directly to the ocean.

During its inspection, the Coast Guard interviewed members of the ship's engine room crew, including the whistleblower. Three of these crew members had served on the *Capitola* for more than six months and during that time had witnessed multiple occasions when a hose was used to discharge the waste oil, sludge, and water overboard, as directed by a senior engineering officer. None of these illegal discharges were recorded in the oil record book. Additionally, when Coast Guard officials asked to see the daily sounding record, they were told by crew members that the vessel did not have one, which was untrue.

Chief Engineer Dimitrios Grifakis remains charged in an eight-count indictment with APPS, obstruction, false statement and witness tampering violations. Trial is scheduled for May 2, 2011.

This case was investigated by the Coast Guard Investigative Service and the Environmental Protection Agency Criminal Investigation Division.

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United States v James Roger Edwards et al., No. 8:10-CR-00013, 00059 (M.D. Fla.), ECS Trial Attorney Lana Pettus [REDACTED] AUSA Cherie Krigsman [REDACTED], and ECS Paralegal Rachel Van Wert [REDACTED]



Exposed asbestos

On February 15, 2010, James Roger Edwards was sentenced to complete a one-year term of probation but a fine was not assessed. Edwards previously pleaded guilty to being an accessory-after-the-fact for his failure to notify or report an improper removal of asbestos during an apartment-to-condominium conversion project, which took place between November 2004 and September 2005.

Co-defendants Stephen J. Spencer, Guy Gannaway, and Keith McConnell recently were found guilty by a jury of conspiracy to violate the Clean Air Act and various Clean Air Act

charges related to the mishandling of asbestos. Gannaway also was convicted of making a false statement.

Edwards was an employee of Gannaway Builders, Inc., which was the general contractor on the renovation and conversion project. Edwards learned after the fact that the materials removed from the apartment/condominium complex in the form of “popcorn” ceiling coating were asbestos-containing materials and that the local regulators were unaware of the removal. In an effort to assist his employer, he submitted written materials to regulators that continued to omit information concerning the improper removal.

This case was investigated by the Environmental Protection Agency Criminal Investigation Division, with assistance from the Florida Department of Law Enforcement.

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United States v. Harp USA Inc., No. 1:11-CR-20092 (S.D. Fla.), SAUSA Jodi Mazer [REDACTED]

On February 11, 2011, Harp, USA Inc. (Harp), pleaded guilty and was sentenced for false statements made on documents required for the lawful importation of ozone depleting substances

(ODS). The company admitted to illegally bringing into the U.S. approximately 1,874 cylinders of the refrigerant gas hydrochlorofluorocarbon-22 (HCFC-22) using false invoices and statements. HCFC-22 is a widely-used refrigerant for residential heat pump and air-conditioning systems.

Harp was sentenced to pay a \$206,140 criminal fine, and will make a \$25,000 community service payment to the Southern Environmental Enforcement Network Training Fund. As a special condition of a three-year term of probation, the company will implement an environmental compliance plan and will reimburse the government \$3,465 for costs associated with the storage and handling of the merchandise. Finally, Harp was ordered to forfeit to the United States \$206,140, which represents the sum of money equal in value to proceeds received as a result of the crime.

According to court records, Harp is a wholly-owned subsidiary of Harp Overseas Limited, a United Kingdom Private Limited Company, which is a wholly owned subsidiary of Harp International Limited. Harp International Limited is a market leader in the supply of refrigerant gas throughout the United Kingdom and overseas markets. In July 2010, Harp submitted a petition to the EPA in a bid to import approximately 25,497 kilograms of HCFC-22, claiming that the entire amount came from a single source. The EPA will not approve any petitions with refrigerants from multi-use or multi-source facilities because of the inability to verify whether the product is new or used.

This case was investigated by the Environmental Protection Agency Criminal Investigation Division, the Immigration and Customs Enforcement, the Florida Department of Environmental Protection Criminal Investigation Bureau, and the Miami-Dade Police Department Environmental Investigation Unit.

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United States v. Pescanova Inc., No. 1:10-CR-20526 (S.D. Fla.), AUSA Tom Watts FitzGerald
[REDACTED]

On February 9, 2011, Pescanova Inc. was sentenced to pay a \$10,000 fine to be deposited into the Magnuson Stevens Fisheries Conservation and Management Fund.

The seafood importer previously pleaded guilty to a Lacey Act violation for the attempted sale of illegally caught Patagonian toothfish, also known as Chilean seabass, a slow growing deep sea species of fish. The Antarctic Marine Living Resources Convention Act protects the toothfish by requiring specific documentation when harvesting the fish. The company was charged with illegally importing the fish and then attempting to sell it in December 2009.

This case was investigated by the National Oceanic and Atmospheric Administration, Immigration and Customs Enforcement, and Customs and Border Protection.

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United States v. Donald M. Patterson, No. 2:10-CR-20247 (E.D. Mich.), AUSAs Jennifer Blackwell [REDACTED] and Lynn Helland [REDACTED]

On February 8, 2011, Donald M. Patterson, a former City of Detroit Health Department lead inspector, was sentenced to serve 46 months' incarceration followed by two years' supervised release stemming from his actions that caused a child to be harmed from lead poisoning. Patterson previously pleaded guilty to a wire fraud violation after being charged in a four-count indictment that included charges of soliciting bribes, making false statements concerning lead inspections, and wire fraud.

According to the plea agreement, during the summer of 2009, Patterson was employed as a lead inspector for the City of Detroit. In that capacity, he was responsible for ensuring that houses with an unacceptably high lead level were treated appropriately to make them safe for human habitation. Due

to his experience, Patterson was aware that proper lead abatement required specialized procedures by trained personnel and that lead exposure is particularly dangerous to children.

In the course of his duties, the defendant was assigned to perform a lead inspection at a home in which a lead-poisoned child resided. Rather than perform a proper inspection and ensure that proper lead abatement took place, Patterson instructed the home renter to give him \$200 for worthless lead abatement training and then took the money. The defendant further instructed the landlord for this property to pay him an additional \$200 for the same training.

On July 24, 2009, in response to his request, the landlord wired \$200 from Tampa, Florida, to Patterson in Detroit, Michigan. Patterson was aware, at the time he requested this money, that the training he would provide would not appropriately abate the lead problem at this residence and, in fact, would aggravate it by introducing additional lead into the home environment. The defendant was further aware that since the lead problem would not be appropriately controlled, this sick child would be placed back into an environment which would expose him to an even more aggravated lead level.

This case was investigated by the Environmental Protection Agency Criminal Investigation Division and the Federal Bureau of Investigation.

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United States v. James Robert Soyars, Jr., No. 10-CR-00090 (D. Colo.), AUSA Linda Kaufman and SAUSA Linda Kato

On February 8, 2011, James Robert Soyars, Jr., was sentenced to complete six months' incarceration followed by six months' home confinement. Soyars also will pay \$437,437 in restitution to a public storage facility for its cleanup costs, and he will complete a three-year term of probation. Soyars previously pleaded guilty to two Clean Air Act violations for failing to properly dispose of regulated asbestos-containing material (RACM).

Soyars was the owner and operator of Talon Environmental, an asbestos abatement company located in Colorado. He also was a certified asbestos abatement supervisor. In February 2005, after the company began having financial difficulties, Talon instructed employees to store RACM in storage units that had been rented from a public storage company.

In September 2005, Talon removed RACM from a bowling alley, most of which ultimately ended up in a public storage unit, after Soyars assured state inspectors that the material was going to be properly disposed of. In August 2006, the defendant engaged in similar illegal storage activities during the abatement of an office building by directing employees to place approximately 100 bags of RACM inside another public storage unit.

After inspectors were tipped off to this activity, they found some of the units to be so full that the doors were bulging outward, with a significant amount of loose dry powder spread around inside the units. After the execution of a search warrant in 2006, a cleanup was undertaken at the public storage facility.



Bags of RACM in storage unit

This case was investigated by the Environmental Protection Agency Criminal Investigation Division and the National Enforcement Investigations Center, with assistance from the Colorado Department of Public Health and the Environment.

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United States v. Joseph Miata, Jr., No. 6:10-CR-00271 (M.D. Fla.), AUSA Daniel Irick [REDACTED]

On February 2, 2011, Joseph Miata, Jr., was sentenced to pay a \$600 fine and will complete a one-year term of probation for killing a manatee with his boat while speeding within a manatee refuge. After previously pleading guilty to two Endangered Species Act violations, Miata also is required to forfeit his 1987 Mach 1, the boat that struck and killed a manatee that was nursing a calf.

On July 11, 2011, Miata was speeding through the Sykes Creek Manatee Refuge, located in Brevard County, Florida. His boat hit the manatee with so much force that the boat jumped out of the water; he then sped away, leaving the manatee to bleed to death. A fisherman who witnessed the event recognized his neighbor as the driver of the boat and notified authorities. Miata is only the second person in nearly 40 years to be successfully prosecuted for killing a manatee.

When investigators told the defendant he had killed the animal, he said he had not realized what he had hit before he sped away. A passenger in Miata's boat, however, stated that the defendant was fully aware of what he had hit.

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

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United States v. Dov Shellef et al., No. 03-CR-00723 (E.D.N.Y.), ECS Trial Attorney James Nelson [REDACTED] **and DOJ Tax Division Attorney Mark Kotila** [REDACTED]

On January 31, 2011, Dov Shellef was sentenced to serve 60 months' incarceration, followed by three years' supervised release, and to forfeit \$1,102,540, which was derived from the value of the funds that he laundered.

A jury convicted Shellef in a retrial in January 2010 on 86 counts, which included conspiracy to defeat the excise taxes on ozone-depleting chemicals, money laundering, wire fraud, and a variety of tax violations. In August 2010, the court granted a partial judgment of acquittal, finding that the jury had properly convicted on 53 of the 86 counts charged in the indictment. It concluded, however, that the evidence was insufficient to support the convictions on money laundering charged in 33 counts, stating that the counts were duplicative of the several wire fraud counts. It further found that the evidence was insufficient to show that those transactions involved the proceeds of unlawful activity.

Shellef and William Rubenstein, operating as Dunbar Sales, Inc., and Steven Industries, Inc., originally were convicted by a jury in July 2005 on 130 counts, stemming from their failure to pay approximately \$1.9 million in taxes due on domestic sales of trichlorotrifluoroethane, an ozone-depleting chemical commonly referred to as CFC-113. Once widely used as an industrial solvent and as a refrigerant in centrifugal chillers for large buildings, CFC-113 now has a limited domestic market and is used in relatively small quantities for laboratory and analytical purposes. The original convictions, however, were reversed on misjoinder grounds in March 2008, and a superseding indictment was filed. The case was retried in a five-week trial that began in December 2009.

The defendants represented to manufacturers that they were purchasing CFC-113 for export, causing the manufacturers to sell it to them tax-free. They then sold the product in the domestic market without notifying the manufacturers or paying the excise tax. In addition to conspiracy to

defeat the excise tax, Shellef also was convicted of personal income tax evasion, subscribing to false corporate tax returns, wire fraud and money laundering. Rubenstein previously pleaded guilty to the conspiracy violation but has not yet been scheduled for sentencing.

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**United States v. Hiroki Uetsuki, No. 1:10-CR-00660 (D. Hawaii), AUSA Tom Brady [REDACTED]
[REDACTED] with assistance from ECS Assistant Chief Elinor Colbourn [REDACTED].**



Burmese Star Tortoise

On January 27, 2011, Hiroki Uetsuki, a Japanese citizen, was sentenced to time served followed by three years' supervised release. Uetsuki previously pleaded guilty to a smuggling charge for concealing exotic turtles in his suitcase after arriving in this country on a flight from Japan. On August 30, 2010, the defendant attempted to import three CITES-protected species, specifically 20 Fly River Turtles, 20 Burmese Star Tortoises, and two White-Fronted Box Turtles, without acknowledging that he possessed this wildlife.

The White-Fronted Box turtle has been restricted for private and commercial import to Hawaii and must be cleared with the state. All turtles or tortoises also must be approved by the state's Department of Agriculture before

they can be brought into the islands.

This case was investigated by the Fish and Wildlife Service and Customs and Border Protection.

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United States v. David Skrzynski et al., No. 1:09-CR-00002 (D. Alaska), AUSA Bryan Schroder [REDACTED]

On October 28, 2010, David Skrzynski was sentenced to serve 12 months and a day of incarceration, followed by three years' supervised release. Co-defendant Jason Maroney will complete ten months' incarceration followed by one year of supervised release. Fines were not assessed. The two previously pleaded guilty to Lacey Act violations stemming from their involvement in illegally selling and shipping halibut caught under the halibut subsistence program.

In December of 2007, an employee of Doc Waters Pub (now out of business) approached fisheries agents with information about possible illegal sales and purchases of halibut. The employee reported that the proprietor, Jason Maroney, purchased unprocessed halibut from individual fishermen, often at unusual hours. The employee, along with others, then was asked to process the halibut.

Investigators subsequently identified the primary seller as David Skrzynski. Skrzynski is a commercial fisherman with permits to catch salmon, but not halibut. He was in possession, however, of a Subsistence Halibut Registration Certificate (otherwise known as a "SHARC card"), which allows him to catch halibut for subsistence purposes only. Persons catching halibut under a SHARC card are prohibited from selling that halibut commercially.

In March 2008, NOAA agents executed a search warrant at the restaurant and seized a number of documents, including notes, ledger sheets, and checks indicating purchases of halibut from Skrzynski.

This case was investigated by the National Oceanic and Atmospheric Administration's National Marine Fisheries Service.

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