
ENVIRONMENTAL CRIMES SECTION



MONTHLY BULLETIN

April 2011

EDITOR'S NOTE:

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



Wood Turtle purchased by defendant from undercover wildlife officer. See [U.S. v. Roach](#) inside for more details.

AT A GLANCE:

DISTRICTS	ACTIVE CASES	CASE TYPE/ STATUTES
C.D. Calif.	<u>United States v. Charles Yi, et al.</u>	<i>Apartment Renovation/ CAA, Conspiracy</i>
N.D. Calif.	<u>United States v. Dhiren Patel</u> <u>United States v. James Saunders</u>	<i>Bottling Plant/ CWA</i> <i>Sperm Whale Teeth Sales/ Lacey Act, ESA</i>
D.D.C.	<u>United States v. Koo's Shipping Company S.A.</u>	<i>Vessel/ APPS Discharge, False Statement, APPS ORB</i>
S.D. Fla.	<u>United States v. Rufino Blanco, et al.</u> <u>United States v. Kenneth C. Coleman</u> <u>United States v. Northern Fisheries, Ltd., et al.</u>	<i>Pigeon Egg Imports/ Lacey Act, False Statement, Smuggling</i> <i>Turtle Egg Possession/ ESA</i> <i>Seafood Mislabeling/ Conspiracy, Lacey Act</i>
N.D. Ga.	<u>United States v. A-440 Pianos, Inc., et al.</u>	<i>Elephant Ivory Shipments/ Lacey Act, Smuggling</i>
D. Idaho	<u>United States v. Mike Vierstra</u> <u>United States v. Peter Balestracci</u>	<i>Dairy Wastewater/ CWA Misdemeanor</i> <i>Illegally Tagged Deer/ Lacey Act</i>
C.D. Ill.	<u>United States v. Leroy Hill</u>	<i>John Deere Plant/ CWA</i>
S.D. Ill.	<u>United States v. Honeywell International, Inc.</u>	<i>Chemical Plant/ RCRA Storage</i>
S.D. Iowa	<u>United States v. Robert Joe Knapp, et al.</u>	<i>Building Renovation/ CAA, Conspiracy</i>
D. Kansas	<u>United States v. James Bobby Butler, Jr., et al.</u>	<i>Guided Deer Hunts/ Lacey Act, Conspiracy, Obstruction</i>
E.D. La.	<u>United States v. Stanships, Inc. (Marshall Islands), et al.</u>	<i>Vessel/ Obstruction, APPS, PWSA</i>
D. Mass.	<u>United States v. David Place, et al.</u>	<i>Sperm Whale Teeth and Narwhale Tusk Imports/ Lacey Act, Conspiracy, Smuggling</i>
E. D. Mich.	<u>United States v. Peter DeFilippo, et al.</u>	<i>Asbestos Abatement/ CAA, Conspiracy, False Statement</i>
W.D. Mo.	<u>United States v. Scott Beckmann, et al.</u>	<i>Mayor and Municipal Employee/ False Statement, Misprision</i>

DISTRICTS	ACTIVE CASES	CASE TYPE/ STATUTES
D. Nev.	<u>United States v. Gary Smith</u> <u>United States v. David Eugene Nelson</u> <u>United States v. Joseph Dematteo</u>	<i>Vehicle Emissions Scam/ CAA</i>
D.N.J.	<u>United States v. Albert Roach</u>	<i>Turtle Sales/ Lacey Act</i>
E.D.N.Y.	<u>United States v. Kemo Sylla, et al.</u>	<i>Elephant Ivory Sales/ Lacey Act</i>
S.D.N.Y.	<u>United States v. Peter Ward</u>	<i>Asbestos Inspector/ Probation Violation</i>
W.D.N.Y.	<u>United States v. Daniel Black</u>	<i>Asbestos Abatement/ CAA, False Tax Return</i>
S.D. Ohio	<u>United States v. Steve T. Kinder, et al.</u>	<i>Caviar Trafficking/ Lacey Act</i>
	<u>United States v. Donald Meadows</u>	<i>Coal Company Discharges/ CWA Misdemeanor</i>
	<u>United States v. Honey Creek Contracting Company, et al.</u>	<i>Building Renovation/ CAA, Conspiracy</i>
M.D. Pa.	<u>United States v. Matthew R. Lentz</u>	<i>Electroplating Wastes/ CWA Misdemeanor</i>
██████	████████████████████ ██████	████████████████████
E.D. Texas	<u>United States v. Clinton Promise</u>	<i>Hazardous Waste Transporter/ RCRA Disposal</i>
	<u>United States v. David Overdorf</u>	

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Trials

United States v. Charles Yi, 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]



Solid waste dumpster used for RACM disposal

On March 29, 2011, after two weeks of trial, the jury returned guilty verdicts on five of the six counts charged. Yi was convicted of conspiracy to violate the Clean Air Act and five substantive CAA violations for his role in the illegal removal of asbestos during the renovation of a 200-plus-unit apartment building in January and February of 2006.

Yi was the owner of the now-defunct Millennium Pacific Icon Group, which owned the Forest Glen apartment complex that was to be converted into condominiums. Despite knowing that there was asbestos within the acoustical or “popcorn” ceilings of the apartment units, Yi and his co-conspirators hired a company that was not licensed or trained in asbestos abatement to scrape the ceilings without informing the company’s workers about the asbestos or providing them with adequate protective gear. The illegal scraping resulted in the repeated release of asbestos-containing material throughout the complex and the surrounding area due to high winds. After local officials halted the project, the asbestos was properly removed at a cost of approximately \$1.2 million.

Co-defendant John Bostick and project manager Joseph Yoon previously pleaded guilty to a CAA conspiracy violation. All three defendants are scheduled to be sentenced on June 6, 2011.

This case was investigated by the Environmental Protection Agency Criminal Investigation Division, the California South Coast Air Quality Management District, and the California Department of Toxic Substances Control.

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United States v. Mike Vierstra, No. 10-CR-00204 (D. Idaho), AUSA George Breitsameter (██████████) and RCEC Dean Ingemansen (██████████)

On March 23, 2011, a jury returned a verdict of guilty against Mike Vierstra, the owner and operator of Vierstra Dairy. Vierstra was convicted of negligently discharging processed wastewater from pipes and ditches at his dairy operations into the Low Line Canal, a water of the United States, without a permit.



On June 1, 2009, a dairy inspector responded to a complaint of an unauthorized discharge into the Low Line Canal. The inspector observed the discharge in the canal and traced it back to the Vierstra Dairy. After the defendant was advised of the discharge, he closed off a valve that had been left open by one of his employees, thereby causing this negligent discharge.

Wastewater discharging from valve

Sentencing is scheduled for June 6, 2011. This case was investigated by the United States Protection Agency Criminal Investigation Division.

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United States v. Scott Beckmann, et al., No. 2:10-CR-04021 (W.D. Mo.), AUSAs Daniel M. Nelson (██████████) and Jane Pansing Brown (██████████)

On March 2, 2011, Scott Allen Beckmann, the mayor of Stover, Missouri, was convicted of charges related to the falsification of information about the city's water supply that was then submitted to the Missouri Department of Natural Resources (MDNR). A jury found Beckmann guilty of misprision of a felony and of making a false statement to a federal agent.

Co-defendant Richard R. Sparks, the superintendent of the city's public works department, previously pleaded guilty to making a false statement. Sparks admitted that he submitted a public water supply chain of custody record to the MDNR that contained a false sampling location.

Sparks had primary responsibility for the collection and submission for analysis of water samples taken on behalf of the city. Federal law requires the city to submit monthly water samples to be analyzed for bacteriological contaminants such as fecal coliform and to conduct lead and copper sampling once every three years. Beckmann knew that Sparks had submitted false information to the MDNR, but denied any knowledge when questioned by an EPA agent.

Evidence at trial further confirmed that Beckmann also lied to a federal agent when asked whether he knew that Sparks was adding chlorine to the city drinking water samples being submitted to the MDNR. Beckmann falsely denied any knowledge of the activity, although he had previously admitted at a Board of Aldermen meeting that he knew Sparks was adding chlorine to the city's drinking water samples because the city water could not pass inspection.

This case was investigated by the United States Environmental Protection Agency Criminal Investigation Division and the Missouri Department of Natural Resources.

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Informations and Indictments

United States v. Stanships, Inc. (Marshall Islands), et al., No. 11-CR-00057 (E.D. La.), ECS Senior Trial Attorney Richard Udell (██████████) and AUSAs Emily Greenfield (██████████) and Dorothy (Dee) Taylor (██████████)

On March 23, 2011, an eight-count information was filed charging Stanships, Inc. (Marshall Islands), Stanships, Inc. (New York), Standard Shipping, Inc. (Liberia), and Calmore Shipping (British Virgin Islands) with obstruction, APPS oil record book (ORB) violations, and Ports and Waterways Safety Act violations for failing to notify the Coast Guard of a hazardous condition on the *M/V Americana*, a Panamanian-registered cargo vessel operated by Stanships, Inc. (Marshall Islands).

An investigation was initiated after a crew member made allegations of illegal overboard discharges of oily waste and sludge and provided the Coast Guard with cell phone photos showing the use of a bypass pipe. The ship's oil record book was falsified to conceal the discharges. Additionally, on November 25, 2011, the *Americana's* last port call in New Orleans, the ship arrived in port with various unreported hazardous conditions, including an inoperable and unreliable generator and a hole between a fuel tank and a ballast tank. Prior to arriving in New Orleans, the ship had been adrift for approximately three to four days without engine power.

Stanships, Inc. (Marshall Islands) is a repeat offender, having been sentenced in September 2010 in the Eastern District of Louisiana to pay a \$700,000 fine, make a \$175,000 community service payment, complete a three-year term of probation, and implement an environmental compliance plan. In that case, the company pleaded guilty to an APPS ORB charge and a Clean Water Act violation for a knowing discharge of oil in the Gulf of Mexico from the *M/V Doric Glory*.

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

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United States v. Steve T. Kinder, et al., No. 1:11-CR-00035 (S.D. Ohio), ECS Trial Attorney Jim Nelson (██████████) AUSA Laura Clemmens (██████████) and ECS Paralegal Rachel Van Wert (██████████)

On March 14, 2011, Steve T. Kinder, Cornelia J. Kinder, Kinder Caviar, Inc., and Black Star Caviar Company were charged in a four-count indictment with violations stemming from the trafficking in and false labeling of illegally harvested paddlefish. Paddlefish, whose eggs are marketed as caviar, are protected by both federal and Ohio law. It is illegal to harvest paddlefish in Ohio waters, but they can be harvested legally in Kentucky waters.

Steve T. Kinder along with his wife Cornelia owned and operated Kinder Caviar, Inc. At some point in April 2010, the Kinders formed the Black Star Caviar Company after they became aware of the investigation against them. They then ceased to do business through Kinder Caviar.

The indictment charges Steve T. Kinder with illegally harvesting paddlefish from Ohio waters and falsely reporting to the Kentucky Department of Fish and Wildlife Resources that he caught the fish in Kentucky. Cornelia J. Kinder was charged with providing false information about the paddlefish eggs to federal wildlife agents in order to obtain permits to export the eggs to foreign customers, including the amount of eggs to be exported, the names of the fishermen who harvested the paddlefish, and the location where the paddlefish were harvested. The alleged violations occurred between March 2006 and December 2010.

This case was investigated by the United States Fish and Wildlife Service Office of Law Enforcement, the Ohio Department of Natural Resources Division of Wildlife, and the Kentucky Department of Fish and Wildlife Resources.

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United States v. Clinton Promise, No. 9:11-CR-00017 (E.D. Tex.), AUSA Jim Noble ([REDACTED])

On March 2, 2011, Clinton Promise was charged with conspiracy and three RCRA violations for unlawfully disposing of hazardous wastes.

Clinton Promise was an employee at Qualawash, a truck washing and cleaning business. The indictment states that in 2005 and 2006, the defendant was responsible for disposing of approximately 180,000 pounds of hazardous wastewater that came from H.O.T. Transport, a chemical transportation company. Promise additionally is alleged to have persuaded a former co-worker to accept four deliveries of approximately 6,000 gallons of wastewater that came from H.O.T. Transport. Qualawash was not permitted to dispose of hazardous wastes and was unaware of the unauthorized disposals which occurred after normal business hours. The company terminated the employee who accepted the wastes.

This case was investigated by the United States Environmental Protection Agency Criminal Investigation Division, the Texas Commission on Environmental Quality, and the Texas Environmental Enforcement Task Force.

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Plea Agreements

United States v. Peter DeFilippo, et al., No. 2:10-CR-20013 (E.D. Mich.), AUSA Jennifer Blackwell ([REDACTED]) and SAUSA Crissy Pellegrin ([REDACTED])

On March 24, 2011, Peter DeFilippo pleaded guilty to a Clean Air Act violation for his role in the illegal removal of asbestos in June 2008.

According to the plea agreement, DeFilippo contracted through his company, Excel Demo, Inc., to supervise the demolition of a fire-damaged building at Harbour Club Apartments. The defendant was made aware that the building contained regulated asbestos-containing materials (RACM), and he also knew that he was required to have the RACM properly removed during the demolition. Despite this knowledge, DeFilippo instructed others to remove the RACM without the presence of a certified professional and without complying with work practice standards.

Joseph Terranova, the supervisor of capital projects for GFI Management Services, Inc. (the property management company for Harbour Club), and David Olsen, a firefighter who also worked for DeFilippo, remain charged in a four-count indictment with conspiracy to violate the CAA and to make false statements, as well as substantive CAA and false statement violations. They are scheduled for trial to begin on May 16, 2011.

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

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United States v. Gary Smith, No. 2:10-CR-00010 (D. Nev.), ECS Senior Trial Attorney Ron Sutcliffe (██████████) ECS Trial Attorney Sue Park (██████████) and AUSA Roger Yang (██████████)

On March 23, 2010, Gary Smith pleaded guilty to a single Clean Air Act count for falsifying vehicle emissions tests. Smith is one of ten people indicted in this case stemming from a scheme known as “clean scanning” vehicles.

The scheme involved using vehicles the testers knew would pass emissions tests for the actual test, but entering into the computerized system the vehicle identification number (VIN) for a vehicle that would not pass. The testers did not realize that the computer generated an electronic VIN from the car actually tested which was easily compared with the real vehicle's VIN that was entered in the report. The falsifications were performed in exchange for varying amounts of money over and above the usual emissions testing fee.

This case was investigated by the Environmental Protection Agency Criminal Investigation Division and the Nevada Division of Motor Vehicles Compliance Enforcement Division.

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United States v. David Overdorf, No. 9:11-CR-00018 (E.D. Tex.), AUSA Jim Noble (██████████)



H.O.T. trailer-mounted tank

On March 18, 2011, David Overdorf pleaded guilty to a RCRA violation for disposing of hazardous wastes without a permit.

Overdorf was the former owner and president of H.O.T. Transport, Inc. (H.O.T.), a chemical transportation company in the business of commercial transportation of industrial liquids such as caustics, ethanol, methanol, hot wax, cresol, and formaldehyde. Overdorf routinely directed company employees to wash out the interiors of trailer-mounted tanks at their place of business knowing that the tanks contained hazardous wastes. Overdorf also directed H.O.T. employees to pump the wash wastewater

containing hazardous wastes from a catch basin into a trailer-mounted tank labeled "wastewater" located on site.

On March 10, 2006, Overdorf directed an employee to transport approximately 45,000 tons of tank wash wastewater containing hazardous wastes from the business to Qualawash in Houston for

disposal. Qualawash was not permitted to dispose of hazardous wastes and was unaware of the unauthorized disposals, which occurred after normal business hours. H.O.T. is no longer in business.

Thos case was investigated by the United States Environmental Protection Agency Criminal Investigation Division and the Texas Commission on Environmental Quality.

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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]

On March 18, 2011, Robert Joe Knapp pleaded guilty to one count of conspiracy to violate the Clean Air Act and to one count of failing to remove all regulated asbestos-containing material (RACM) from the Equitable Building before commencement of the renovation project that occurred at the building from 2005 until 2008.

According to the plea agreement, from 2006 through February 2008, Knapp oversaw the renovation of the Equitable Building in Des Moines, Iowa. The renovation involved the disturbance of asbestos-containing pipe insulation and tile as workers gutted several floors of the building while converting the floors into luxury residential condominium units and additional commercial space.



RACM from a wall in the Equitable Bldg.

Knapp, the owner of the building, admitted to conspiring with his construction manager Russell Coco 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 was subsequently illegally disposed of in an uncovered dumpster. None of the workers involved in the project were properly trained to perform asbestos abatement work. Coco previously pleaded guilty to the same crimes and is scheduled to be sentenced on May 20, 2011. Knapp is scheduled for June 10, 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. James Bobby Butler, Jr., et al., No. 6:10-CR-10089 (D. Kansas), ECS Trial Attorney Colin Black [REDACTED] and AUSA Matt Treaster [REDACTED]



Mounted Deer stored at FWS evidence room

On March 16, 2011, James Bobby Butler, Jr., and Marlin Jackson Butler pleaded guilty to charges stemming from the illegal sale of guided deer hunts. James Butler pleaded guilty to one count of conspiracy to violate the Lacey Act, one substantive Lacey Act count, and one count of obstruction of justice. His brother, Marlin, pleaded guilty to one count of conspiracy to violate the Lacey Act and one Lacey Act count.

The brothers operated a guiding service

and hunting camp near Coldwater, Kansas, at which they sold guiding services to out-of-state hunters for the purpose of illegally hunting and killing white-tailed and mule deer. Hunters guided by the Butler brothers killed deer in excess of annual bag limits, hunted deer without permits or with permits for the wrong deer management unit, killed deer using illegal equipment and hunted using prohibited methods, such as spotlighting.

The guided hunts were sold for between \$2,500 and \$5,500, and in several instances resulted in the killing of trophy-sized buck deer. The Butlers admitted to knowingly selling guided hunts for the illegal taking of the 25 buck deer identified in the indictment, for which hunters paid them a total of \$77,500 in guiding fees plus tips. In addition to selling guiding services, the brothers also arranged for transport of the deer, in particular the antlers and capes, from Kansas to Texas and Louisiana. James Butler further admitted to instructing another person to conceal or destroy evidence during the investigation.

This case was investigated by the United States Fish and Wildlife Service, the Kansas Department of Wildlife and Parks, and the Texas Parks and Wildlife Department.

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United States v. Dhiren Patel, No. 3:10-CR-00724 (N.D. Calif.), AUSA Stacey Geis [REDACTED]

On March 14, 2011, Dhiren Patel pleaded guilty to one Clean Water Act violation for the dilution of required effluent samples submitted in discharge monitoring reports (DMRs) to city officials.

According to the plea agreement, Patel was the Environmental Affairs Manager for AMCAN Beverages bottling plant, a subsidiary of Coca-Cola Company. In 2007, the plant produced approximately 18 million bottles and cans of various beverage products and generated 150,000 gallons of wastewater. Patel was responsible for the operation of the facility's WWTP, which processed this wastewater.

From January 2006 until August 2007, Patel diluted and ordered others to dilute samples of the effluent with up to 50 percent water. These results were then submitted on DMRs to local City officials, in accordance with company's NPDES permit. Investigation revealed that the plant was frequently and significantly violating both total suspended solids and biological oxygen demand parameters for the permit.

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

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United States v. Honeywell International, Inc., No. 11-CR-04006 (S.D. Ill.), ECS Senior Trial Attorney Jennifer A. Whitfield (██████████) ECS Trial Attorney Susan L. Park (██████████) AUSAs Michael Quinley (██████████) and Liam Coonan (██████████), and ECS Paralegal Lisa Brooks (██████████)

On March 11, 2011, Honeywell International, Inc., pleaded guilty to a RCRA violation for the storage of hazardous waste without a permit.

Honeywell owns and operates a uranium hexafluoride (UF₆) conversion facility near the City of Metropolis. Air emissions from the UF₆ conversion process are scrubbed with potassium hydroxide (KOH) prior to discharge. As a result of this process, KOH scrubbers and associated



Corroded drum of "KOH mud" with warning label

equipment accumulate uranium compounds that settle out of the liquid and are pumped as a slurry into 55-gallon drums. The drummed material, called "KOH mud," which consists of uranium and KOH, has a pH greater than or equal to 12.5 and is classified as a D002 corrosive hazardous waste under RCRA.

Honeywell shut down part of the wet reclamation process it used to reclaim the uranium from the KOH mud in approximately November 2002, knowing that previously accumulated drums of this material and any additional drums generated thereafter would have to be stored onsite until such time as the wet reclamation process was restarted. Honeywell thus was required to have a RCRA permit to store these drums for longer than 90 days; however, it did not obtain one.

Under the terms of the plea agreement, the company has agreed to pay a \$11.8 million fine and to serve a five-year term of probation. As a condition of probation, Honeywell must comply with the terms of an interim consent order it entered into with the Illinois Attorney General's Office and the Illinois Environmental Protection Agency in April of 2010. As a further condition of probation, Honeywell will implement a community service project in the community surrounding the Metropolis facility, whereby Honeywell will develop, fund, and implement a household hazardous waste collection program and arrange for proper treatment, transportation, and disposal of this waste collected during at least eight collection events over a two-year period, at a cost of approximately \$200,000.

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

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United States v. Donald Meadows, No. 2:11-CR-00018 (S.D. Ohio), AUSA Mike Marous (██████████) RCEC Dave Mucha (██████████) and SAUSA Robert Cheugh.

On March 8, 2011, Donald Meadows pleaded guilty to a one-count information charging him with a negligent Clean Water Act violation.

Meadows was a manager for the Ohio Valley Coal Company (OVCC). The process of removing coal from underground produces wastewater that is collected in an impoundment, allowing solids to settle and the wastewater to be discharged via a decant pipe.

In May 2000, the company was issued an NPDES permit for discharges from several outfalls, with 001 going into Captina Creek, a water of the U.S. The permit required this outfall to utilize a 24-hour automatic sampling station to obtain composite and representative samples.

In 2007, outfall number 001 was moved to a different location in the impoundment. The change was permitted with the requirements that the old outfall be sealed and that automatic sampling had to resume at the new outfall, with results to be submitted monthly to regulatory officials.

From January 2008 through February 2008, Meadows ordered employees to discharge waste water from the impoundment through new outfall 001 to Captina Creek without monitoring or sampling required by the permit. Meadows ordered employees to install a pump that ran continuously from the impoundment through the outfall into Perkins Run, which discharges to Captina Creek, for 21 days without any sampling. This discharge turned the creek black, prompting a call from a concerned citizen to authorities.

This case was investigated by the United States Environmental Protection Agency Criminal Investigative Division, Ohio Environmental Protection Agency, and Ohio Bureau of Criminal Identification and Investigation.

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United States v. Peter Ward, No.11-CR-00196 (S.D.N.Y.), AUSAs Anne Ryan [REDACTED] and Janis Echenberg [REDACTED]

On March 8, 2011, Peter Ward, formerly a licensed asbestos investigator, pleaded guilty to violating the conditions of his supervised release imposed following his 2006 conviction for asbestos-related violations of the Clean Air Act. Ward specifically pleaded guilty to a 17-count information charging him with filing 17 false reports with the Probation Office regarding his employment.

From the early 1990s until July 2005, Ward held a New York City Asbestos Investigator's license. In July 2005, his license was revoked, after which he held no licenses to perform asbestos-related work. Ward operated two companies, TUC Environmental Group, Inc., and Oak Drive Enterprises, Inc. Since April 2002 neither company has been licensed to perform asbestos-related work.

In June 2006, Ward was sentenced to serve 27 months' incarceration, followed by three years' supervised release, for improperly removing asbestos from a police precinct building in Queens and an apartment building in Brooklyn. In June 2005, Ward pleaded guilty to one CAA charge, admitting that in 2001 he improperly removed the asbestos from the apartment building, further stating that he attempted to conceal his actions by not notifying the EPA.

While under supervision, Ward was prohibited from engaging in any employment that involved asbestos material. He was further required to submit truthful and complete monthly reports to his probation officer concerning, among other things, his employment and sources of income.

Ward completed his term of incarceration in February 2008, and by the spring of 2008 through July 2010, he was back working in the asbestos industry through his two companies. During this time, he submitted monthly reports to the probation office that mischaracterized his employment and omitted earnings documentation that would have signaled that he was still working in the asbestos industry.

Sentencing is scheduled for May 11, 2011. This case was investigated by the United States Environmental Protection Agency Criminal Investigation Division.

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United States v. Peter Balestracci, No. 4:11-CR-00002 (D. Idaho), ECS Senior Trial Attorney Ron Sutcliffe (██████████) and ECS Trial Attorney Jim Nelson (██████████)

On March 7, 2011, Peter Balestracci pleaded guilty plea to a misdemeanor Lacey Act violation for possessing an illegally tagged mule deer in 2008.

In October 2008, Balestracci participated in a deer hunt based at the Trail Creek Lodge. After he shot a deer, he tagged it with a tag issued to his son, rather than his own. He then transported the deer to a meat processor in Wyoming, who then sent the meat to the defendant's home in Nevada. Balestracci transported the trophy parts of the deer to Nevada.

The defendant was a frequent guest at Trail Creek lodge located near Soda Springs, Idaho, which has been owned by Sidney Davis since approximately 1992. The area around the lodge contains world-class trophy elk and abundant deer. Davis is charged in a 12-count indictment with Lacey Act, fraud, and conspiracy violations, with trial set to begin on May 9, 2011. Balestracci is scheduled to be sentenced on May 31, 2011.

This case was investigated by the Idaho Department of Fish and Game, and the United States Fish and Wildlife Service.

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United States v. Honey Creek Contracting Company, et al., No. 2:11-CR-0050 (S.D. Ohio), AUSA Mike Marous (██████████) and RCEC Brad Beeson (██████████)

On March 4, 2011, Honey Creek Contracting Company and company owner David Sugar pleaded guilty to a five-count information charging them with violations stemming from an illegal renovation of the Weirton Steel Plant (WSP). Sugar and Honey Creek pleaded guilty to conspiracy to violate the Clean Air Act and four CAA NESHAP violations.

In July 2004, Sugar purchased the steel plant on behalf of Honey Creek Contracting for purposes of renovating the building. Prior to the defendants' purchase of the facility, an environmental consultant determined that there was approximately 30,000 linear feet of asbestos piping throughout the entire plant. Almost 6,000 linear feet of pipe was located in a single area (known as the "Green Room") where the majority of the insulation was intact. The consultant was not retained, however, to remove the asbestos from the plant.

Beginning in approximately August 2004, Sugar participated in and oversaw the renovation activities. As the crew began to remove pipe from the Green Room, they dropped the dry asbestos-covered pipes to the ground floor. After an inspection of the facility by state environmental officials in 2005, a licensed asbestos removal contractor was brought in to properly finish the job.

This case was investigated by the United States Environmental Protection Agency Criminal Investigation Division, the Ohio Bureau of Criminal Identification and Investigation, and the Ohio Environmental Protection Agency.

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United States v. Daniel Black, No. 1:10-CR-00303 (W.D.N.Y.), AUSA Aaron Mango ([REDACTED])



Friable asbestos from 4th floor of the building

On March 1, 2011, Daniel Black was sentenced to serve 12 months and one day of incarceration, followed by two years' supervised release. He was further ordered to pay a \$30,000 fine. Black previously pleaded guilty to a two-count information charging a Clean Air Act violation for failure to conduct an inspection before starting an asbestos abatement and to a tax violation for filing a false tax return.

In July 2008, Black, the president of Blackstone Business Enterprises, Inc. (BBEI), authorized the cleanup of a four-story building in Jamestown, New York. Using an employment agency, Black hired four temporary workers to complete the project. The work included the removal

of steam pipes later confirmed by inspectors to contain asbestos insulation from three floors.

The income tax offense involved Black's failing to report a total of \$536,196 over a three-year period in reportable income that he received from BBEL, which resulted in a total tax loss of \$191,669.

As part of the plea agreement, Black has paid a penalty of \$205,000 to OSHA, to resolve citations issued during the agency's inspection of the project, and \$25,000 to the New York State Department of Labor Asbestos Control Bureau, to resolve the notice of violations issued during its inspection. He also has paid the \$191,669 in back taxes plus penalties and interest owed to the IRS.

This case was investigated by the Environmental Protection Agency Criminal Investigation Division and the Internal Revenue Service Criminal Investigation Division.

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United States v. Matthew R. Lentz, No. 1:11-CR-00066 (M.D. Pa.), AUSA Bruce Brandler ([REDACTED])

On February 28, 2011, Matthew R. Lentz pleaded guilty to a one-count information charging him with a misdemeanor Clean Water Act violation for wastewater discharges made to the City of Lebanon's POTW.

Between 1996 and 2009, Lentz was the president and co-owner of Lebanon Finished Products, an electroplating company. During this period the company was repeatedly non-compliant with its permit requirements, primarily by exceeding its zinc effluent limitations. After the issuance of numerous notices of violation by the local sewer authority, the company was placed under a consent order and in May 2005 Lentz agreed to upgrade the pretreatment system in accordance with a compliance agreement. After assuring local authorities that new equipment had been installed, the company remained in significant non-compliance with its permitted zinc levels from September 2005 through November 2009.

In 2008, EPA received additional information that employees were tampering with a monitoring device in an attempt to conceal permit violations by placing the intake hose into a clean bucket of water

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

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United States v. Albert Roach, No. 3:11-mj-04511 (D.N.J.), ECS Trial Attorney Jeremy Peterson

On February 28, 2011, Albert Roach pleaded guilty to a two-count information charging Lacey Act violations for the unlawful purchase of wildlife in interstate commerce.

Albert Roach is a resident of New Jersey and was the owner/operator of an online reptile website called “reptastic.com.” The website allowed other individuals to buy, sell, and trade in turtles. In May 2008, Roach was contacted via email by an undercover wildlife officer in Pennsylvania. In June 2008, after several email exchanges, Roach agreed to purchase a North American Wood Turtle from the agent in exchange for two Spotted Turtles. This was *after* Roach contacted a federal fish and wildlife service agent and was told that it was illegal to buy or sell wild-caught turtles in Pennsylvania. In October 2008, the defendant purchased three more North American Wood Turtles from the undercover agent for \$375.

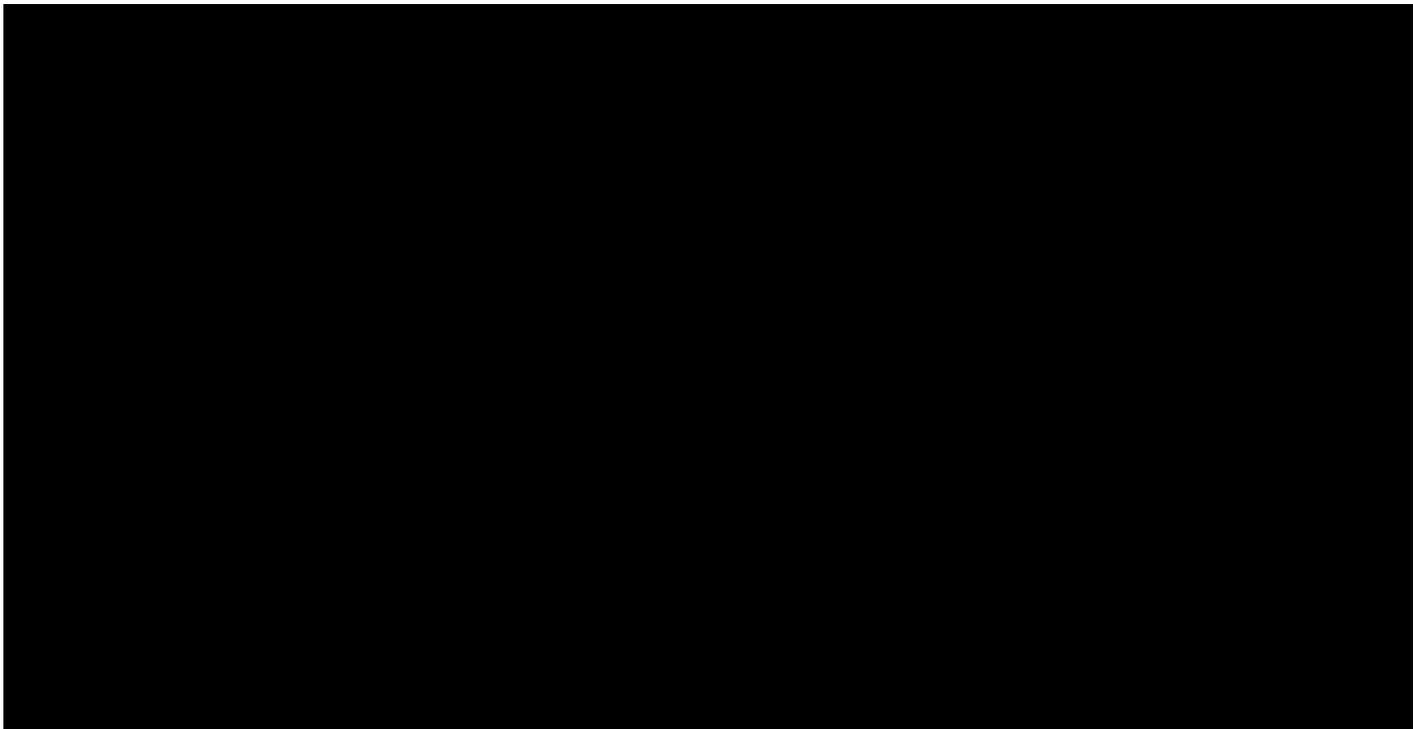


Northern Diamondback Terrapin hatchlings

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

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Sentencings



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United States v. Koo's Shipping Company S.A., No. 1:11-CR-00034 (D.D.C.), ECS Trial Attorney Ken Nelson [REDACTED] and AUSA Frederick Yette [REDACTED]

On March 31, 2011, Koo's Shipping Company S.A. (Koo's Shipping), a Taiwanese Corporation, pleaded guilty to a three-count information charging the company with making false statements, knowingly failing to accurately maintain an oil record book, and knowingly discharging oily bilge waste into Pago Pago Harbor, American Samoa, without using proper pollution prevention equipment.

The company was sentenced to pay a \$750,000 fine and will pay an additional \$250,000 towards community service projects in American Samoa. The community service payment will be split equally between the National Marine Sanctuary Foundation and the National Fish and Wildlife Foundation for environmental restoration and protection projects in American Samoa. In addition, Koo's Shipping will complete a two-year term of probation and implement a comprehensive environmental compliance plan.

Koo's Shipping owned and operated the *M/V Syota Maru*, a 4,491 gross ton commercial ocean-going ship that transported frozen fish and fish products primarily in the Pacific Ocean and to American Samoa. On August 18, 2010, the United States Coast Guard boarded the ship while docked in port in American Samoa. During the week-long inspection, the Coast Guard learned, from inspecting the engine room and interviewing crewmembers, that the crew had been discharging oily bilge waste directly into the ocean without using the required pollution prevention equipment. Additionally, inspectors actually witnessed the crew continuing to dump bilge waste directly overboard, despite their presence on the ship.

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

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United States v. Northern Fisheries, Ltd., et al., No. 1:10-CR-20678 (S.D. Fla.), AUSA Norman O. Hemming III [REDACTED]

On March 28, 2011, Shifco, Inc., company president Mark Platt, and Northern Fisheries, Ltd., were sentenced after previously pleading guilty to Lacey Act conspiracy and substantive Lacey Act violations for the mislabeling of seafood. Platt was sentenced to complete a three-year term of probation, with a special condition of six months' home confinement, and he will be restricted from working in the seafood industry. Platt also will be required to complete 100 hours of community service, to include writing an article describing his conduct in this case and assisting in teaching the seafood industry about Country of Origin Labeling regulations and Lacey Act requirements. Northern Fisheries was sentenced to pay a \$3,500 fine and must complete a two-year term of probation. Shifco was sentenced to complete a one-year term of probation.

Between January and February 2010, Northern Fisheries, Ltd., Shifco, and Platt engaged in a scheme wherein Platt oversaw the false and fraudulent repackaging and labeling of 1,500 pounds of frozen chum salmon fillets. The salmon, which had been purchased from a Chinese company, was subsequently relabeled as a "Product of Russia." In addition, Platt and Shifco admitted to their involvement in the relabeling of more than a million pounds of less marketable shrimp from Thailand and Indonesia as being from Panama, Ecuador, and Honduras. The shrimp had an estimated retail value of between \$250,000 and \$1,000,000.

This case was investigated by the National Oceanic and Atmospheric Administration, the United States Customs and Border Protection New York Laboratory, and the Florida Department of Agriculture and Consumer Services.

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United States v. David Eugene Nelson, No. 2:10-CR-00009 (D. Nev.), ECS Senior Trial Attorney Ron Sutcliffe [REDACTED] ECS Trial Attorney Sue Park [REDACTED], and AUSA Roger Yang [REDACTED]

On March 23, 2011, David Eugene Nelson was sentenced to serve six months' home confinement as a condition of three years' probation. Nelson previously pleaded guilty to a Clean Air Act violation for falsifying vehicle emissions data, and is one of ten people indicted as a result of this investigation. [See [U.S. v. Smith](#), above, for more details].

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United States v. A-440 Pianos, Inc., et al., No. 1:10-CR-00425 (N.D. Ga.), AUSA Mary Roemer [REDACTED]

On March 9, 2011, A-440 Pianos, Inc., and its chief executive officer, Pascal Vieillard, were sentenced for illegally shipping internationally protected elephant ivory into the United States. Both defendants were ordered to pay \$17,500 fines and will complete three-year terms of probation. They also will forfeit 855 elephant ivory key tops, totaling 1,710 pieces of ivory. A-440 Pianos previously pleaded guilty to a smuggling violation and Vieillard pleaded guilty to a Lacey Act misdemeanor charge.

A-440 Pianos imports, exports, and sells pianos to domestic and international customers. In September 2009, Fish and Wildlife Agents received information from the Convention on International Trade in Endangered Species

(CITES) Secretariat's office in Geneva, Switzerland, that a representative of A-440 Pianos had inquired about CITES documentation requirements. Within a few weeks, Wildlife and Customs agents inspected a piano shipment imported by the company. The invoice accompanying the entry packet declared ten of the eleven pianos in the shipment as having "no ivory keys." Two pianos had the entire keyboard removed and five pianos had individual keys removed. Investigators noted that two piano keyboards were located in the bottom of a crate under furniture and personal effects. The individual keys were located in a crate under a tray of marking pens. The keyboards and individual keys were positively identified to be covered with elephant ivory, which requires a permit to be imported or exported. No CITES permits or Fish and Wildlife Service declarations accompanied this shipment.

This case was investigated by the United States Fish and Wildlife Service, the United States Immigration and Customs Enforcement Service, and United States Customs and Border Protection agriculture specialists and officers.

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Seized elephant ivory covered piano keys

United States v. Rufino Blanco, et al., No. 2:10-CR-20782 (S.D. Fla.), AUSA Tom Watts-FitzGerald ([REDACTED]



Concealed Pigeon Eggs

On March 7, 2011, Rufino Blanco and Claribel Blanco Cuellar each were sentenced to complete three-year terms of probation. Fines were not assessed. The two previously pleaded guilty to smuggling, false statement, and Lacey Act violations for attempting to import into the United States 72 undeclared pigeon eggs from Cuba.

In June 2010, Cuellar returned to Miami from Cuba with the eggs hidden in her luggage. When customs inspectors located the contraband, she

claimed they were for her father Rufino Blanco and were to be used in Santaeria ceremonies. In fact, Blanco's intention was to hatch the viable eggs and market them through his pet store, El Morrillero, and over the Internet to devotees of the homing/racing pigeon community.

The package Cuellar was carrying was color-coded, with the eggs divided into six sets, each secured inside a cotton-padded plastic Easter egg shell. Information regarding the eggs was written on the plastic shells, documenting the source and parentage of the eggs. Blanco offered Cuban-origin pigeons for sale through an on-line chat room, referring potential buyers to his pet store. Agents who visited the store found it catered exclusively to the sale of racing and homing pigeons.

Federal law prohibits the importation of fish or wildlife into the United States without providing proper documentation to both customs and wildlife officials, including a valid import/export license, which the defendants did not possess. Additionally, USDA regulations specifically prohibit the importation of viable pigeon eggs unless accompanied by a certificate from a veterinary officer of the country of origin, certifying the eggs derive from a flock found free of communicable diseases. Several such diseases, notably Newcastle disease and European fowl pest (fowl plague), are of particular concern and carry mandatory quarantine requirements preceding any importation to avoid the risk of spreading diseases to domestic poultry stocks and wild birds.

This case was investigated by the United States Department of Agriculture, the United States Fish and Wildlife Service, and the United States Customs and Border Protection.

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**United States v. Leroy Hill, No. 4:09-CR-40045 (C.D. Ill.), AUSA Matt Cannon ([REDACTED]
and RCEC Crissy Pellegrin ([REDACTED]**

On March 4, 2011, Leroy Hill, the former wastewater treatment operator of a John Deere facility in Moline, Illinois, was sentenced to serve 30 days in a community corrections facility, followed by one year of supervised release. Hill also will pay a \$5,000 fine. The defendant previously pleaded guilty to three felony Clean Water Act violations stemming from violations of the facility's discharge permit.

This case was initiated after John Deere self-disclosed that Hill failed to report more than 100 violations of the company's discharge permit from 2000 through January 2005. The company has since made changes to its monitoring procedure, including the addition of new updated equipment as well as a notification system to detect any future violations. If a discharge occurs at the facility that does not

meet the permitted parameters, an e-mail notification is sent to multiple recipients, including several people at corporate headquarters.

Hill was initially charged in a 26-count indictment with 24 counts of failure to report permit discharge violations and two CWA false statements for discharge monthly reports submitted to the City of Moline. The defendant pleaded guilty to two counts charging him with failure to report and with one false statement violation.

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

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United States v. Kemo Sylla, et al., No. 1:08-CR-00906 (E.D. N.Y.), AUSAs Patrick Sinclair [REDACTED] and Vamshi Reddy ([REDACTED])

On March 4, 2011, Kemo Sylla was sentenced to serve ten months' incarceration with credit for time served, followed by three years' supervised release, and will complete 180 hours of community service. Sylla is the sixth defendant to be sentenced in this case involving the illegal sale of elephant ivory.

In December 2008, an indictment was unsealed charging the defendants with illegally importing ivory over a two-year period through JFK Airport disguised as African handicrafts and wooden instruments. The six defendants pleaded guilty to Lacey Act violations and received sentences ranging from one year of probation to 14 months' incarceration. A number of the defendants also were ordered to pay fines to the Lacey Act Reward Fund (*details below*).

Importation of ivory into the United States has been criminalized since 1975 when the United States became a party to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), an international treaty regulating trade in endangered species. The African elephant is listed as a threatened species under the U.S. Endangered Species Act, which implements CITES in the United States. The global demand for elephant ivory led to devastating declines in the number of these giant animals, particularly in the 1970s and 1980s. Despite international efforts to control the ivory trade and stop the decline of elephant populations, prices and demand remain high causing continued elephant poaching and illegal ivory finding its way into international and domestic markets.

Defendant Drissa Diane was sentenced on February 14, 2010, to serve 30 days' incarceration with credit for time served, followed by three months' home confinement, and two years of supervised release. Diane was ordered to pay a \$1,200 fine to be paid into the Lacey Act Reward Fund, and also will perform 120 hours of community service. Mamadi Doumbouya was sentenced on February 14, 2010, to serve 14 months' incarceration with credit for time served, followed by three years of supervised release. Doumbouya also will perform 180 hours of community service. Mamadou Kone was sentenced on August 3, 2010, to complete a one-year term or probation, pay a \$1,200 fine into the Lacey Act Reward Fund, and perform 40 hours of community service. Bandjan Sidime was sentenced on July 30, 2010, to serve 30 days' incarceration, followed by five months' home confinement, and two years of supervised release. Sidime also will perform 120 hours of community service. Seidou Mfomboutmoun was sentenced on November 3, 2009, to time served followed by three years' supervised release. The defendant will complete 300 hours of community service. All defendants were subject to a forfeiture order.

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

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United States v. David Place, et al., Nos. 1:08-CR-10090, 10098, and 1:09-CR-10152 (D. Mass.), ECS Trial Attorneys Gary Donner (██████████) and Jim Nelson (██████████) and ECS Paralegal Ben Laste (██████████).

On March 1, 2011, David Place was sentenced to serve 33 months' incarceration followed by three years' supervised release. A fine was not assessed. Place previously was convicted by a jury on seven felony counts related to the illegal importation and trafficking of sperm whale teeth and narwhal tusks. Place was found guilty of conspiracy, Lacey Act, and smuggling violations for buying and importing sperm whale teeth and narwhal tusks into the United States, as well as for selling the teeth after their illegal importation. He was acquitted on one Lacey Act misdemeanor violation. Evidence at trial proved that, from 2001 to 2006, Place knowingly purchased and imported sperm whale teeth and narwhal tusks into the United States in violation of federal law. He conspired with others located in Ukraine to import the protected whale teeth for resale in the United States.



Scrimshaw

Place owns Manor House Antiques Cooperative in Nantucket.

Sperm whale teeth are commonly used for scrimshaw and can fetch large sums of money from collectors and tourists. Scrimshaw is an art form which involves the substantial etching or engraving of designs upon, or the substantial carving of figures, patterns, or designs from, any bone or tooth of any whale, dolphin or porpoise.

The market value of the teeth and tusks illegally imported and sold by Place was determined to be between \$200,000 and \$400,000. Ukrainian native Andrei Mikhalyov pleaded guilty on related charges. Mikhalyov served a nine-month prison sentence and was deported back to Ukraine. A third co-defendant, Charles Manghis, previously was convicted after a four-day bench trial of similar violations and has not yet been sentenced.

This case was investigated by the National Oceanic and Atmospheric Administration and the United States Fish and Wildlife Service, with assistance from the United States Immigration and Customs Enforcement Service.

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United States v. Joseph Dematteo, No. 2:10-CR-0004 (D. Nev.), ECS Senior Trial Attorney Ron Sutcliffe (██████████) ECS Trial Attorney Sue Park (██████████), and AUSA Roger Yang (██████████)

On February 28, 2011, Joseph Dematteo was sentenced to complete a three-year term of probation, with a special condition of five months' home detention. He previously served four months in a halfway house, and a fine was not assessed.

Dematteo previously pleaded guilty to a Clean Air Act violation for falsifying vehicle emissions data. [See [U.S. v. Smith](#), above, for more details].

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United States v. Kenneth C. Coleman, No. 9:10-CR-80124 (S.D. Fla.), AUSA Lauren Jorgensen
██████████

On February 24, 2011, Kenneth C. Coleman was sentenced to serve 30 months' incarceration followed by three years' supervised release stemming from his possession of eggs from green sea turtles, a violation of the Endangered Species Act.

In August 2010, Coleman was stopped around 3:00 A.M. by a Juno Beach police officer after he saw the defendant riding his bike with no lights and going the wrong way down Ocean Drive. After the police officer identified himself and asked Coleman to stop, Coleman sped away on his bicycle. After he subsequently was apprehended, Coleman was observed to be wet and lightly dusted with sand, with beach sand in his pockets.

Approximately five hours later, an officer with the Florida Fish and Wildlife Conservation Commission located a red tote bag that contained 123 sand-covered green sea turtle eggs. The bag was found roughly 50 yards from where Coleman initially had been spotted.

Although an exact market value for the eggs is difficult to determine because they are illegal contraband, it is estimated that the value of 123 sea turtle eggs was more than \$350 on the black market.

This case was investigated by the Fish and Wildlife Service, the Juno Beach Police Department, and the Florida Fish and Wildlife Conservation Commission.

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United States v. James Saunders, No. 3:08-CR-00724 (N.D. Calif.), AUSA Stacey Geis (██████████ - ██████████)

On February 3, 2011, James Saunders, was sentenced to complete an 18-month term of probation with a special condition of six months home confinement. Saunders will perform 50 hours of community service and a fine was not assessed.

The defendant previously pleaded guilty to three Lacey Act and three Endangered Species Act violations for selling Sperm Whale teeth without a valid permit. The teeth then were used for scrimshaw, which is the art of the engraving or carving figures on ivory pieces. From 2002 to 2006, Saunders, along with a supplier from Ukraine, arranged for the importation of large quantities of Sperm Whale teeth into the United States. Once the teeth were imported, Saunders then helped to get them sold to merchants who specialized in scrimshaw. On three specific dates between August 2003 and February 2004, Saunders admitted to participating in the importation of well over 600 Sperm Whale teeth from Ukraine. The defendant was involved in sales valued at more than \$200,000.

This case was investigated by the National Oceanic and Atmospheric Administration.

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