United States Attorney's Office
Eastern District of Michigan

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PRESS RELEASE

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PRESIDENT OF CHEM-SERVE CORPORATION INDICTED FOR HAZARDOUS WASTE STORAGE AND DISPOSAL

The owner of a Detroit chemical soaps and dyes business was arraigned in U.S. District Court today on charges of illegally storing and disposing of hazardous waste, U.S. Attorney Barbara L. McQuade announced today.

Aramais Moloian, 75, President and owner of Chem-Serve Corporation, was charged with violating the Resource Conservation and Recovery Act (RCRA).

Joining McQuade in the announcement was Randall Ashe, the Special Agent-in-Charge of the Environmental Protection Agency's criminal enforcement program in Chicago.

The indictment charges that the illegal storage and disposal of hazardous waste occurred starting in at least November 2005, and continued until March 2008. Moloian was the subject of numerous inspections and letters of warnings by the Michigan Department of Environmental Quality (now the Michigan Department of Natural Resources and Environment), from October 2005 through March 2008, when the MDEQ issued a cease and desist order. Numerous inspections revealed that some of the warehouses on the approximately five-acre site on Copland Street in Detroit were severely deteriorated with caved-in roofs and missing walls. Many of these drums at Chem-Serve were in deteriorating condition, some were rusted and leaking, some were stored in the partially roofless warehouse that was exposed to the outdoors, some drums were unlabeled, some labels were unreadable, and some drums were unsealed and open to the elements. Some of the deteriorating drums were stored three-high in areas of the facility where they remained for multiple years. EPA sampling of the property in January 2008 revealed that many drums tested positive for corrosivity.

"The improper storage of hazardous chemicals can create a risk of explosion and fire and threaten groundwater supplies," said Randall Ashe, Special Agent in Charge of EPA's Office of Criminal Enforcement for the Michigan area. "Despite repeated warnings by state and federal inspectors, Mr. Moloian has refused to cooperate. We believe his refusal has placed his workers, the public and the environment at risk and we will work with our state and federal colleagues to prosecute him."

"Michigan's environment is its greatest asset, and we need to protect it to ensure that Michigan remains an attractive place for people to live and do business," McQuade said.

The case is being prosecuted by the U.S. Attorney's Office in the Eastern District of Michigan by Assistant U.S. Attorney Jennifer Blackwell and Special Assistant United States Attorney Crissy Pellegrin, with the EPA Office of Regional Counsel in Chicago. The case is being investigated by agents with EPA and the Michigan DNRE.

An indictment is only a charge and is not evidence of guilt. It will be the government's burden to prove guilt beyond a reasonable doubt.