

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA**

UNITED STATES OF AMERICA	:	CRIMINAL NO. _____
	:	
v.	:	DATE FILED: _____
	:	
RONEN BAKSHI	:	VIOLATIONS:
	:	
	:	18 U.S.C. § 1519 (falsification
	:	of records – 1 count)
	:	18 U.S.C. § 1343 (wire fraud – 1 count)
	:	18 U.S.C. § 2 (aiding and abetting)

INDICTMENT

COUNT ONE

**(Falsification of records to obstruct
matter within federal jurisdiction)**

THE GRAND JURY CHARGES THAT:

At all times material to this indictment:

BACKGROUND

1. Defendant RONEN BAKSHI was licensed in the City of Philadelphia as an Air Project Inspector (API) and owned and operated a company engaged in, among other things, conducting building surveys to determine if asbestos-containing material (ACM) was present and monitoring contractors removing ACM, including performing air monitoring.

2. In 2006, Siloam Industries, Inc. (Siloam), a non-profit corporation which delivered services to individuals suffering from HIV/AIDS, purchased a former Roman Catholic Church and associated buildings (the Spring Garden facility) located at 1133 Spring Garden St., Philadelphia, Pa. Siloam planned to demolish the actual Church and use other buildings to offer AIDS services. The Church building contained ACM of various kinds, including insulation covering a boiler and piping in the basement, which had to be removed prior to demolition.

3. Siloam hired defendant RONEN BAKSHI in 2009 to serve as the Air Project Inspector (API) to monitor the work of an asbestos abatement contractor, charged elsewhere, which asbestos abatement contractor was hired by Siloam's demolition company.

4. City of Philadelphia asbestos regulations require building owners to hire APIs to, among other things, observe removal of ACM by contractors and perform air monitoring to determine if asbestos fibers are being released into the air during the removal of ACM. The API is supposed to act independently of the asbestos abatement contractor.

5. As API, defendant RONEN BAKSHI's tasks at the Spring Garden facility included keeping a log book detailing when and where asbestos abatement was occurring and taking air samples prior to, during and after removal of ACM. Defendant BAKSHI's contract with Siloam also required him to prepare a report after completion of the asbestos abatement contractor's work. Siloam had to submit the report to the City in order to obtain a permit to demolish the Church.

The Clean Air Act and Asbestos

6. Congress enacted the Clean Air Act to protect and enhance the quality of the Nation's resources to promote the public health and welfare. 42 U.S.C. §§ 7401 et seq.

7. The Clean Air Act authorizes the United States Environmental Protection Agency (EPA) to identify hazardous air pollutants and to establish standards to prevent or limit the emission of hazardous air pollutants into the atmosphere. Those standards established by EPA are known as National Emission Standards for Hazardous Air Pollutants (NESHAP). 42 U.S.C. § 7412.

8. Where it is not feasible to prescribe and enforce emission standards for a hazardous air pollutant, as is the case with asbestos, EPA may publish work practice standards

requiring that certain procedures be followed when dealing with those substances. 42 U.S.C. § 7412(h).

9. Pursuant to the Clean Air Act, asbestos has been designated as a hazardous air pollutant since 1971. 42 U.S.C. §§ 7412(a)(6) and (b), 40 C.F.R. § 61.01(a).

10. EPA regulates the removal and disposal of "regulated asbestos containing material" (RACM) above certain threshold quantities from commercial, industrial, public, institutional, and certain multi-unit residential facilities. EPA has authorized the City of Philadelphia's Air Management Services (AMS) Asbestos Control Unit to regulate and enforce the federal CAA asbestos regulations within the city limits. In addition to enforcing the federal regulations, AMS also enforces independent municipal asbestos control regulations, such as requiring that only licensed contractors are used for asbestos removal and that owners of buildings undergoing asbestos abatement hire APIs to monitor asbestos contractors' work and determine if asbestos fibers are being released during the work.

11. EPA requires that the owner or operator of a regulated site ensure the removal of asbestos in accordance with work practice standards that are set out in federal regulations. 40 C.F.R., Subpart M, § 61.140, et seq. Among other things, the federal work practice standards require an owner and operator of a site where asbestos is being removed to notify the EPA (or AMS in the City of Philadelphia) at least 10 working days before beginning the removal project, and update the notice if the amount of asbestos affected changes by at least 20%. The federal work practice standards also require that no visible emissions of asbestos fibers be released into the air during removal of ACM prior to demolition.

12. Between April 6, 2009 and April 27, 2009, defendant RONEN BAKSHI created false log book entries describing work he supposedly witnessed being performed by the

asbestos abatement contractor in the Church's basement during various days in April, 2009, and air sampling data obtained during those days. The false information covered days on which the asbestos contractor had removed ACM without defendant BAKSHI being present.

13. On or about April 23, 2009, defendant RONEN BAKSHI e-mailed Siloam, his client, a bill for services that included charges for days as to which defendant had made up false log book entries and air sampling data to make it appear he had worked on those days when he had not.

14. On or about April 27, 2009, defendant RONEN BAKSHI contacted the City of Philadelphia's Air Management Services (AMS) to obtain information that he needed in order to file a report that would enable his client, Siloam, to obtain a demolition permit for the Church. Defendant BAKSHI learned that AMS had no knowledge that asbestos removal work that had been done at the Church because, according to AMS, neither the owner of the property nor the asbestos contractor had filed the required Clean Air Act notification with AMS. This notification, required to be filed at least 10 days prior to commencement of asbestos removal, would have told the City the location of the project, the property owner and contractors involved, the quantities and types of ACM present, the disposal location for asbestos waste removed from the building, and given AMS an opportunity to inspect the building prior to work beginning and as work proceeded.

15. On or about April 27, 2009, AMS personnel went to the Church site and discovered evidence that ACM had been improperly removed in the Church's basement in violation of the CAA NESHAP regulations.

16. The City AMS asked defendant RONEN BAKSHI to come to AMS's office on April 28, 2009, to discuss what AMS inspectors had discovered on April 27, 2009.

17. On or about April 28, 2009 and on another subsequent occasion, defendant RONEN BAKSHI presented the fake log book and air sampling information to AMS, insisted that he had been present during the asbestos abatement work in the basement earlier in the month on days when he had not been present, and stated that asbestos abatement had been done properly.

18. On or about May 4, 2009, defendant RONEN BAKSHI admitted to AMS that he had made up the log book entries and air sampling data to cover up the fact that asbestos abatement work had been done while he was not present to observe the work and perform air monitoring.

19. On or about April 28, 2009, in Philadelphia, in the Eastern District of Pennsylvania, and elsewhere, defendant

RONEN BAKSHI

knowingly altered, mutilated, concealed, covered up, falsified and made false entries in a log book and air sampling documents, with the intent to impede, obstruct and influence the investigation and proper administration of the removal of regulated asbestos-containing material from a building to be demolished, a matter within the jurisdiction of the U.S. Environmental Protection Agency, an agency of the United States, and in relation to and contemplation of such matter, that is, defendant BAKSHI provided to the City of Philadelphia Air Management Services, a falsified log book and falsified air sampling data for specific days in April, 2009.

In violation of Title 18, United States Code, Sections 1519 and 2.

COUNT TWO

(Wire Fraud)

THE GRAND JURY FURTHER CHARGES THAT:

At all times material to this indictment:

1. Paragraphs 1 through 18 of Count One of this Indictment are incorporated here.
2. From on or about April 6, 2009 until on or about April 23, 2009, defendant RONEN BAKSHI devised and intended to devise a scheme to defraud Siloam Industries, Inc., and to obtain money and property by means of false and fraudulent pretenses, representations, and promises.
3. It was the object of the scheme for defendant RONEN BAKSHI to receive payment from his client, Siloam Industries, Inc. (Siloam), for services he had not performed and for services which had to be performed due to defendant BAKSHI's own failure to report the asbestos abatement contractor's poor work to his client, or AMS or EPA.

MANNER AND MEANS

4. It was part of the scheme that defendant RONEN BAKSHI performed the manner and means charged in paragraphs 12 and 13 of Count One of this Indictment.
5. On or about April 23, 2009, defendant RONEN BAKSHI submitted a bill to his client, Siloam, via e-mail covering his charges for March 9 through April 23, 2009. The bill totaled \$34,910, and included charges for time that defendant BAKSHI claimed that he or his employees had performed asbestos project inspector duties at the Church, including taking air samples.
6. The April 23, 2009, bill included charges for days for which defendant RONEN BAKSHI made up log book entries and sampling data, making it appear that defendant

BAKSHI had worked at the Church on those days monitoring the work of the asbestos abatement contractor, when defendant BAKSHI well knew that neither he nor his employees had been present. Siloam paid the entire bill.

7. On or about April 23, 2009, in Philadelphia, in the Eastern District of Pennsylvania and elsewhere, defendant

RONEN BAKSHI,

for the purpose of executing the scheme, and aiding and abetting its execution, caused to be transmitted by means of a wire communication in interstate commerce, an e-mail, sending a bill in the amount of \$34,910 to Siloam Industries, Inc.

In violation of Title 18, United States Code, Section 1343.

A TRUE BILL:

GRAND JURY FOREPERSON

**ZANE DAVID MEMEGER
UNITED STATES ATTORNEY**