



Monthly Bulletin

Environmental Crimes Section

May 2017

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Cape Lisburne beach prior to walrus herd slaughter.

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“The U.S. Fish and Wildlife Service commends its law enforcement and conservation partners in aiding with this logistically difficult and after the fact investigation and prosecution. The village of Point Hope has a long tradition of subsistence hunting and fishing and occupies an important and central leadership role in the stewardship of Pacific walrus in Alaska,” said U.S. Fish and Wildlife Service Special Agent in Charge, Ryan Noel. “We are pleased with the sentence developed by the U.S. Attorney's Office and the representatives of Point Hope and are hopeful that it will enhance public awareness of the sensitivity of walrus haul-outs and the taking of walrus in violation of the law.” [From Press Release for sentencing of four [walrus hunters](#). See *U.S. v Lane*, [inside](#), for more details on the case].

District/Circuit	Case Name	Case Type/Statutes
9th Circuit Court of Appeals	United States v. Douglas Vance Crooked Arm	Eagle Feather Sales/MBTA
District of Alaska	United States v. Jacob John Peel Lane et al.	Walrus Killing/MMPA
Central District of California	United States v. Starlite Reclamation Environmental Services, Inc., et al. United States v. David Lee Flury	Waste Disposal/Conspiracy, CWA Wastewater Hauling/CWA
Eastern District of California	United States v. Gibson Wine Co. United States v. Juan Penaloza et al. United States v. Juan Carlos Lopez et al.	Worker Death/CAA, CERCLA Marijuana Grow/Depredation, Drugs
Southern District of California	United States v. Robert Walsh et al.	Asbestos Removal/Wire Fraud
Southern District of Florida	United States v. Princess Cruise Lines	Vessel/APPS, Conspiracy, Obstruction
Southern District of Georgia	United States v. Chen Zong Geng	Pesticide Sales, Recidivist/ False Statement, FIFRA
Central District of Illinois	United States v. Joseph J. Chernis, IV	Asbestos Removal/CAA
Northern District of Iowa	United States v. Donald J. Warnke	Sewage Discharge/CWA
District of Kansas	United States v. Jack Smith United States v. Michael Dusin	Paint Waste/RCRA Eagle Shooting/BGEPA
██████████	██████████	██████████ ██████████
Eastern District of Michigan	United States v. Volkswagen AG et al.	Diesel Engine Emissions Fraud/ Conspiracy, Entry of Goods by Means of False Statements, Obstruction of Justice

District/Circuit	Case Name	Case Type/Statutes
Southern District of Mississippi	<u>United States v. Lonnie M. Ray</u>	Seafood Sales/Conspiracy, Lacey Act
Eastern District of New York	<u>United States v. Robert Burgos et al.</u>	Songbird Imports/Smuggling
Eastern District of North Carolina	<u>United States v. Bryan H. Daniels et al.</u>	Striped Bass Harvesting/Lacey Act
District of North Dakota	<u>United States v. Jason A. Halek</u>	Fracking Waste/SDWA
Northern District of Ohio	<u>United States v. William Jackson, Jr., et al.</u>	Demolition, Fraud/CAA, Conspiracy, Money Laundering, Wire Fraud
Southern District of Ohio	<u>United States v. Dwayne T. Robinson, Jr., et al.</u> <u>United States v. Charles A. Granberry</u> <u>United States v. Malek Jalal et al.</u>	Dogfighting/ Animal Fighting Venture, Conspiracy, Firearms RINs Fraud/Conspiracy, Obstruction
District of Puerto Rico	<u>United States v. Fraticelli Trucking Company, Inc.</u>	Radioactive Waste/HMTA
District of South Dakota	<u>United States v. Troy Fairbanks et al.</u>	Bird Part Sales/BGEPA, Conspiracy, Lacey Act, MBTA
Eastern District of Virginia	<u>United States v. Richard D. Austin</u> <u>United States v. Tommy W. Zhou</u>	Eel Trafficking/Lacey Act
Western District of Washington	<u>United States v. Tim Davis</u>	Ivory Sales/Lacey Act
Western District of Wisconsin	<u>United States v. Tony Toye et al.</u>	Hunting Guides/Lacey Act

Decisions

United States v. Douglas Vance Crooked Arm, 853 F.3d 1065 (9th Cir. 2017).

On April 11, 2017, the Ninth Circuit issued a published opinion affirming the felony convictions of Douglas Vance Crooked Arm and Kenneth G. Shane, who pleaded guilty to conspiring to violate the Migratory Bird Treaty Act. In a consolidated appeal, the defendants argued that the district court could not sentence them as felons under *Apprendi v. New Jersey*, 530 U.S. 466 (2000), because, in their view, they only pleaded guilty to conspiring to sell migratory bird feathers (a misdemeanor under the MBTA). In an earlier appeal, the defendants had raised the same argument, and the Court had rejected it. Applying the law of the case, the Court held that the defendants cannot relitigate the adequacy of their guilty pleas by resurrecting them under the guise of a sentencing claim.

United States v. Gibson Wine Company, No. 1:15-CV-01900 (E.D. Calif.).

On September 11, 2012, Gibson Wind Company's facility in Sanger, California, experienced a 284-pound release of anhydrous ammonia from its refrigeration system. A cloud of ammonia formed and the facility was evacuated, but a contract employee died from ammonia exposure. EPA brought causes of action against Gibson under Sections 112(r)(1) (general duty clause) and 112(r)(7) (Risk Management Plan (RMP)) of the Clean Air Act; Section 103 of CERCLA; and Section 304 of EPCRA. Gibson filed a motion to strike EPA's claims under the CAA as inapplicable, and CERCLA and EPCRA as redundant and immaterial under Federal Rule of Civil Procedure 12(f).

Gibson's first motion was to strike a paragraph from EPA's complaint that explained the statutory and regulatory framework of the CAA. Because the paragraph was not redundant, immaterial, impertinent, or scandalous under Rule 12(f), the court refused to strike that paragraph. In the same motion, Gibson sought to strike two more paragraphs as irrelevant and impertinent to the matter on the basis that EPA relied on a federal regulation, 29 C.F.R. § 1910.119, which Gibson contested was inapplicable in light of a federally-approved state regulatory scheme created pursuant to the Occupational Safety and Health Act. The court held that even though the Secretary of Labor elected not to exercise its discretionary authority to make a final efficacy determination of the state plan, that inaction did not displace the relevant federal regulations, and therefore, they were not inapplicable under Rule 12(f).

The court similarly denied Gibson's second motion, in which it argued to strike EPA's RMP violation claim on the basis that 29 C.F.R. § 1910.119 was inapplicable. Additionally, the court denied Gibson's motion to dismiss the same claim on the basis that EPA provided sufficient evidence of a release. Gibson's third motion to strike directed at EPA's general duty clause violation claims also failed. The court reasoned that the overlap between the general duty clause and RMP is not a sufficient basis to strike any of EPA's allegations under Rule 12(f).

Finally, the court denied Gibson's fourth motion to strike, reasoning that while EPCRA and CERCLA overlap, they do not conflict and that there is nothing about both law's statutory schemes that would require the court to strike allegations of one or the other of them when pled in the same action.

Indictments

***United States v. Robert Burgos et al.*, No. 17-mj-00306 (E.D.N.Y.), AUSA Alicia Washington.**

On April 25, 2017, a complaint was unsealed charging Robert Burgos and Vanessa Burgos with illegally importing a dozen Fischer Lovebirds into the United States in violation of the Endangered Species Act (18 U.S.C. § 545).

Fischer Lovebirds, also known as *Agapornis fischeri*, are protected under the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES). As a result, Fischer Lovebirds may be imported into the United States from a foreign country only if the importer possesses a valid CITES export or re-export permit from the foreign country of origin.

As alleged in the complaint, in late June 2015, a shipment of Fischer Lovebirds arrived at John F. Kennedy International Airport from Madrid, Spain, falsely labelled as Rosy-Faced Lovebirds (or *Agapornis roseicollis*), which are not CITES-protected. The shipment was imported by Aviary La Familia, Inc., a Florida-based company run by the defendants, and was being held at the USDA quarantine center in New York. A forensic ornithologist subsequently confirmed that the lovebirds in quarantine were not Rosy-Faced Lovebirds, but were, in fact, Fischer Lovebirds.

It is further alleged that the defendants traveled to Indonesia to select the Fischer Lovebirds and used Facebook to coordinate their smuggling. The defendants also arranged for the birds to be shipped to Spain prior to entry into the United States in an attempt to evade U.S. restrictions on the import of birds from Indonesia.

This case was investigated by the U.S. Fish and Wildlife Service.

***United States v. Jack Smith*, No. 6:17-CR-10067 (D. Kan.), AUSA Alan Metzger.**

On April 25, 2017, Jack E. Smith was charged with RCRA transportation and disposal violations for unlawfully trying to dispose of hazardous waste by setting it on fire (42 U.S.C. § 6928(d)(1),(d)(2)(A)).

On May 25, 2016, Smith allegedly towed a panel truck containing polymers and paints used in the making of gymnasium floors to property owned by his uncle. Neither he nor his uncle had a permit to transport, store, or dispose of hazardous waste. Smith then attempted to dispose of the waste by allegedly setting fire to the truck.

This case was investigated by the U.S. EPA Criminal Investigation Division; the Kansas Department of Health and Environment; the U.S. EPA Superfund Division; and the Crawford County Kansas Sheriff's Office.

Indictments

United States v. Starlite Reclamation Environmental Services, Inc., et al., No. 2:15-CR-00361 (C.D. Calif.), AUSAs Dennis Mitchell and Erik Silber.

On April 24, 2017, a 12-count superseding indictment was returned charging Starlite Reclamation Environmental Services, Inc., and four individuals with conspiracy and violating the Clean Water Act by regularly engaging in illegal discharges of acidic industrial wastewater into a POTW, as well as tampering with monitoring devices (18 U.S.C. § 371; 33 U.S.C. §§ 1319(c)(2)(A), (c)(4)). Individuals named in the indictment are: company owner/president Christopher Jaramillo, former vice president Robert Conn, and former plant operators Andrew Hucks and Fernando Torres.

Starlite is a waste disposal service company in the business of treating and disposing of industrial wastewater. The indictment alleges that, between November 2014 and June 2015, the defendants repeatedly and routinely discharged acidic wastewater into the POTW operated by the Inland Empire Utilities Agency, which flowed to a POTW operated by the Sanitation Districts of Los Angeles County. Wastewater was allegedly discharged with an average pH of 3, below its permitted pH level of 5. The defendants are further charged with tampering with monitoring devices by, among other things, placing pH probes in buckets of clean water.

This case was investigated by the U.S. EPA Criminal Investigation Division, the Inland Empire Utilities Agency, and the Sanitation Districts of Los Angeles County.

United States v. Troy Fairbanks et al., Nos. 5:17-CR-30050, 51, 52; 50035, 36, 56-57, 60 (D.S.D.), AUSAs Eric Kelderman and Meghan Dilges.

On April 24, 2017, indictments were unsealed charging 15 people with illegally trafficking eagles and other migratory birds for profit after a two-year undercover operation potentially involving hundreds of birds. The defendants are variously charged with conspiracy, and violations of the Migratory Bird Treaty Act, the Bald and Golden Eagle Protection Act, and the Lacey Act (18 U.S.C. § 371; 16 U.S.C. §§ 668(a), 703(a), 707(b), 3372(a)(1), 3373(d)(1)(B)).

One operation was described as basically a “chop-shop for eagles” with eagle feathers stuffed into garbage bags. Evidence suggests that this was a moneymaking operation and that the feathers and eagle parts (such as talons, wings and tails) were treated as merchandise.

The investigation involved confidential informants over a multi-state area and the purchase of regalia items such as ceremonial fans. Some of the defendants used code words to avoid detection by describing the eagle and other bird parts for sale using the names of animals or even car parts.

Three men charged in the case are involved with Buffalo Dreamers, a Native American dance group. Leader of the group, Troy Fairbanks, has been charged with conspiracy to commit wildlife trafficking and violations of the BGEPA, the MBTA, and the Lacey Act. Fairbanks allegedly sold or traded eagle parts including a golden eagle head for \$250, to an informant. He also made a trade of about \$5,400 worth of legal merchandise for eagle

(Continued on page 7)

Indictments

(Continued from page 6)

parts and two sets of eagle wings for \$900. Other individuals charged are: Majestic Fairbanks, Troy Young Fairbanks, Alvin Brown Jr., Michael Primeaux, Juan Mesteth, Aaron David West, Aaron David West Jr., Jorge Pena, Valencia Neck, Benjamin Iron Hawk, Chet Christensen, Ronald Fisher, Gary Fisher, and David Jasper.

These cases were investigated by the U.S. Fish and Wildlife Service.

United States v. Tony Toye et al., Nos. 3:17-mj-00048-00050 (W.D. Wis.), AUSA Daniel Graber.

On April 19, 2017, indictments were returned charging three hunting guides with violations of the Lacey Act (16 U.S.C. §§ 3372(a)(1), 3373(d)(2)). The defendants are: Tony Toye, owner and operator of Big River Guide Service LLC; Jeremy Schreiner, owner and operator of Addicted River Guiding; and Matt Raley, owner and operator of Hideaway Hollow Outfitters. All three are accused of directing clients to continue to kill ducks after their clients had killed their daily bag limit of ducks. In each circumstance, the client was an undercover U.S. Fish and Wildlife agent.

The guided hunts took place between November 2012 and November 2013 on the Upper Mississippi River National Wildlife and Fish Refuge.

These cases were investigated by the U.S. Fish and Wildlife Service Office of Law Enforcement, U.S. Fish and Wildlife Service Refugee Law Enforcement, and Wisconsin Department of Natural Resources.

[REDACTED]

[REDACTED]

Indictments

United States v. Travis Leger et al., Nos. 1:17-CR-00040, 00041 (E.D. Tex.), ECS Senior Trial Attorney David Kehoe and AUSA Joseph Batte.

On April 12 and April 25, 2017, indictments were unsealed charging four men for their involvement in the illegal trafficking of alligator snapping turtles.

Travis Leger, Rickey Simon, and Jason Leckelt are charged with conspiracy and Lacey Act violations (16 U.S.C. §§ 3372 (a)(2)(A), 3373(d)(1)(B); 18 U.S.C. § 371) for illegally taking approximately 66 alligator snapping turtles in Texas and then transporting them back to their property in Louisiana to sell during the spring and summer of 2016. In July 2016, agents executed a search warrant and seized 30 large alligator snapping turtles from ponds located at the defendants' property. The indictment further charges Leger with making a false statement to federal agents, and Simon with destroying evidence during the execution of the warrant (18 U.S.C. §§ 1001(a)(2), 1512 (c)(1)).

In a separate indictment, Montaro Williams is charged with a Lacey Act violation (16 U.S.C. §§ 3372(a)(2)(A),(a)(4), 3373(d)(1)(B)) for illegally taking two alligator snapping turtles in Texas and then attempting to transport them to Louisiana for sale in August 2013.

This case was investigated by the U.S. Fish and Wildlife Service, the Louisiana Department of Wildlife and Fisheries, and the Texas Parks and Wildlife Department.



Defendants with 170 lb. turtle, now being cared for by USFWS

Indictments

United States v. Dwayne T. Robinson, Jr., et al., No. 2:17-CR-00073 (S.D. Ohio), AUSAs Michael Marous and Jessica Knight, and Franklin County Assistant Prosecutor Heather Robinson.

On April 11, 2017, Dwayne T. Robinson, Jr., and Henry Gerard James Hill, Jr., were charged with conspiring to participate in a dog-fighting ring in central Ohio (7 U.S.C. § 2156(b); 18 U.S.C. § 371). Co-defendants Charles A. Granberry and Randall J. Frye, pleaded guilty to similar charges. Granberry also pleaded guilty to illegally possessing a firearm and was recently [sentenced](#) to 72 months' incarceration.

According to the indictment, Robinson and Hill allegedly bred, schooled, trained and conditioned to fight American Pit Bull Terriers. The execution of search warrants in five homes in April 2016 revealed more than 40 dogs (which were rescued) along with cages, treadmills, heavy chains and collars. Agents found canine blood on the floor and walls of the basement of one home indicating that the area was used as a dog-fighting pit. Robinson was allegedly in possession of at least 14 dogs and Hill had more than 20 dogs.

Robinson allegedly subscribed to and kept various underground dog-fighting publications that list dogfight results, advice, and breeding tips. It is also alleged that the co-conspirators treated the animals' medical needs themselves rather than taking them to a veterinarian, for fear of being reported to law enforcement.

In March 2016, Hill and Robinson allegedly sold fighting dogs to undercover officers.

This case was investigated by the USDA-Office of Inspector General, Columbus Police and the Humane Society.

United States v. Michael Dusin et al., No. 6:17-mj-0642 (D. Kan.), AUSA Matthew Treaster.

On April 6, 2017, Michael Dusin, and Elijah J. Kuhlman were charged with violating the Bald and Golden Eagle Protection Act (16 U.S.C. § 668(a)).

According to the information, in December 2016, a local wildlife officer began investigating a report of a dead eagle found in a field with two spent shotgun shells nearby in the road. Sheriff's officers helped to identify a Ford F-150 truck that had been seen in the area, which allegedly belongs to Kuhlman. When questioned, Kuhlman said he and Dusin were out driving and had shot at a large black bird.

This case was investigated by the Kansas Department of Wildlife, Parks, and Tourism; the Wallace County Sheriff's Office, and the U.S. Fish and Wildlife Service.



*Dog rescued during execution of search warrant.
Photo courtesy of nbc4i.com*

Indictments

***United States v. James K. Ward*, No. 6:17-CR-00006 (D. Mont.), AUSA Ryan Weldon and SAUSA Eric Nelson.**

On April 5, 2017, James Kenneth Ward dba JK Services was indicted for a conspiracy to commit wire fraud and one wire fraud substantive count (18 U.S.C. §§ 371, 1343). Ward is currently a [fugitive](#) following his escape from local authorities during a prison transport in 2013 (for state larceny charges).

Saltwater disposal wells are used to dispose of “fracking” wastewater and solids generated in the oil drilling process. The solid wastes must be filtered out, using nets called “filter bags” or “filter socks”. EPA initiated an investigation following a MSNBC news story related to the widespread improper disposal of radioactive filter socks in North Dakota.

Zenith Produced Water, LLC, is a Colorado corporation that owned and operated saltwater disposal wells. Between April 2011 and February 2014, Ward allegedly contracted with Zenith to properly dispose of the filter socks, but instead he left them in a dilapidated gas station in a small town in North Dakota, where they were discovered by investigators in March 2014. Documents indicate that multiple payments were made to Ward by Zenith for the proper disposal of the socks, with funds deposited in a bank in Montana.

This case was investigated by the U.S. EPA Criminal Investigation Division.

Guilty Pleas

United States v. Tim Davis, No.3:17-CR-0131 (W.D. Wash.), AUSA Seth Wilkinson.

On April 21, 2017, Tim Davis pleading guilty to a Lacey Act violation for trafficking in ivory products made from sperm whales, elephants, and walrus (16 U.S.C. §§ 3372(a)(1), 3373(d)(1)(B)).

Davis participated in approximately 74 transactions involving the purchase and sale of whale, elephant and walrus ivory between May 2006 and June 2015.

Davis advertised on internet sites such as Etsy, EBay, and Craigslist, offering to purchase and sell various ivory products. He sold ivory to buyers outside the U.S., particularly in Asia. To conceal his international transactions, Davis fraudulently labeled the ivory packages, stating that they contained “oxbone” products.



Ivory figurines defendant offered for sale

Between 2012 and 2015, Davis participated in a series of ivory transactions with an undercover U.S. Fish and Wildlife Service agent. In May 2015, he sold the agent a collection of sperm whale teeth for \$2,000, and purchased four walrus tusks from the agent in June 2015. Sentencing is scheduled for July 13, 2017.

This case was investigated by the U.S. Fish and Wildlife Service.

United States v. Robert Walsh et al., No. 3:16-CR-02872 (S.D. Calif.), AUSA Melanie Pierson.

On April 20, 2017, a San Diego property manager and his firm pleaded guilty to a wire fraud violation (18 U.S.C. § 1343) in connection with a scheme to defraud a homeowners’ association (HA), including the costs for removing asbestos.

Cornerstone Management Professionals, Inc., and Robert Walsh falsely represented that Cornerstone could properly submit bids to the HA for construction projects. In submitting such bids, the defendants concealed the lower bids to make it appear as if Cornerstone was the low bidder in order to be awarded the projects.

On March 26, 2015, the defendants sent an email seeking a change order from the HA to cover the cost of asbestos removal. On April 28, 2015, they sent an email to the contractor working on the project, falsely stating that no asbestos was present. If they could convince the contractor to not employ an asbestos abatement firm, the defendants would retain the entire value of the change order. Sentencing is scheduled for July 7, 2017.

This case was investigated by the FBI and the U.S. EPA Criminal Investigation Division.

Guilty Pleas

United States v. Lonnie M. Ray, No. 1:16-CR-00094 (S.D. Miss.), AUSA Gaines Cleveland.

On April 20, 2017, Lonnie M. Ray, the president of Cowart Seafood, Inc., pleaded guilty to conspiracy to violate the Lacey Act (18 U.S.C. 371; 16 U.S.C. §§ 3372(a)(2)(A), 3373(d) (1)) and illegal possession of a short-barreled shotgun (26 U.S.C. § 5861 (d)).

Ray admitted to selling fish to Louisiana seafood buyers that was taken illegally. According to Mississippi law, seafood dealers are required to submit information about each seafood purchase from a commercial fisherman on a trip ticket form provided by the Mississippi Department of Marine Resources (DMR). Ray violated this requirement

by failing to report seafood purchases to the DMR and by buying fish from recreational fisherman in violation of state law. Ray also admitted owning a 12-gauge double-barrel shotgun, having a barrel of less than 18 inches in length, which was not properly registered to him. Sentencing is scheduled for July 25, 2017.

This case was investigated by the NOAA Office of Law Enforcement; the U.S. Fish and Wildlife Service; the Mississippi DMR; and the Bureau of Alcohol, Tobacco, Firearms, and Explosives.

United States v. Richard D. Austin, No. 2:17-CR-00019 (E.D. Va.), ECS Trial Attorneys Cassie Barnum and Shane Waller, AUSA Joseph Kosky, and ECS Paralegal Ashley Chandler-Patterson.

On April 14, 2017, Richard D. Austin pleaded guilty to Lacey Act violations (16 U.S.C. §§ 3372(a)(2)(A), 3373(d)(1)(B)) for trafficking in juvenile American eels, aka “elvers” or “glass eels.” Austin was a fisherman from Maine, who travelled to various locations in Virginia, as well as Massachusetts, to illegally harvest elvers. Austin then sold them to dealers from Illinois and New York, who exported them from the United States to buyers in Asia. From 2013 to 2015, Austin trafficked approximately \$189,374 worth of illegally-harvested elvers.

Because of the threat of overfishing, elver harvesting is prohibited in the United States in all but two states: Maine and South Carolina. Maine and South Carolina heavily regulate elver fisheries, requiring that individuals be licensed and report all quantities of harvested eels to state authorities.



NOAA officers stop illegal shipment of fish

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Guilty Pleas

(Continued from page 12)

Sentencing is scheduled for July 19, 2017.

This plea was the result of “Operation Broken Glass,” a multi-jurisdiction U.S. Fish and Wildlife Service investigation into the illegal trafficking of American eels.

United States v. Jason A. Halek et al., No. 1:15-CR-00130 (D.N.D.), ECS Senior Trial Attorney Christopher J. Costantini, ECS Trial Attorney Stephen Foster, AUSA Cameron W. Hayden, and ECS Contract Law Clerk Amanda Backer.

On April 12, 2017, Jason A. Halek pleaded guilty to three Safe Drinking Water Act (SDWA) counts (42 U.S.C. § 300h-2).

Halek was charged in a 13-count indictment with violations stemming from the illegal operation of a saltwater disposal well. The well, named the Halek 5-22, received “produced” and “flowback” water constituting “brine and other wastes” commonly and generically referred to as “saltwater.” “Saltwater” is a generic term used for a variety of waste liquids from oil wells, including waste fracking water as well as brine-laden formation water.

The SDWA violations stem from Halek improperly injecting fluids down the well, and for instructing co-conspirator Nathan Garber to move a safety device called a “packer” out of its proper location, in violation of the well’s permit. Garber previously pleaded guilty to similar violations. Sentencing for both has been scheduled for July 31, 2017.

This case was investigated by the U.S. EPA Criminal Investigation Division, with assistance from the North Dakota Industrial Commission.



Halek well sign

Guilty Pleas

United States v. Joseph J. Chernis, IV, No. 3:16-CR-30033 (C.D. Ill.), AUSA Katherine Boyle and SAUSA James Cha.

On April 6, 2017, Joseph J. Chernis, IV, pleaded guilty to three Clean Air Act violations for his involvement in the illegal removal of asbestos from the former Pillsbury Mills/Cargill facility in Springfield, Illinois (42 U.S.C. §§ 7412, 7413(c)(1)).

On October 2014, Chernis hired an untrained individual to illegally remove dry asbestos pipe insulation from the facility. From October 2014 to August 2015, this insulation was cut and stripped from pipes inside four buildings at the facility, including a structure known as the Dryer building. The asbestos debris was stuffed into approximately 300 garbage bags and two open-topped cardboard boxes, and left inside vacant buildings at the facility.



Illegally removed asbestos pipe insulation

Chernis then had the Dryer building demolished with more than 1,000 linear feet of asbestos pipe insulation remaining inside the structure.

This case was investigated by the U.S. EPA Criminal Investigation Division.

United States v. Tommy W. Zhou, No. 2:17-CR-00009 (E.D. Va.), ECS Trial Attorneys Cassie Barnum and Shane Waller, AUSA Joseph Kosky, and ECS Paralegal Ashley Patterson-Chandler.

On April 5, 2017, Tommy W. Zhou pleaded guilty to trafficking more than \$150,361 worth of juvenile American eels, aka “elvers” or “glass eels,” in violation of the Lacey Act (16 U.S.C. §§ 3372(a)(1), 3373(d)(1)(B)). In 2010, Zhou established a seafood distribution company known as Wilson Group Sea Trading, LLC. The company’s principle place of business was Brooklyn, New York, and its operations included importing seafood for domestic consumption and exporting seafood to international markets. In 2013, the defendant obtained a Maine elver dealer license, authorizing him to purchase and resell elvers harvested in Maine. Thereafter, using his Maine dealer license to cover his illegal activity, the defendant began purchasing and exporting elvers that were actually harvested from Virginia waterways.

Sentencing is scheduled for July 12, 2017.

This plea was the result of “Operation Broken Glass,” a multi-jurisdiction U.S. Fish and Wildlife Service investigation into the illegal trafficking of American eels.

Guilty Pleas

United States v. Fraticelli Trucking Company, Inc., No. 3:17-CR-00222 (D.P.R.), AUSA Seth Erbe.

On April 4, 2017, Fraticelli Trucking Company, Inc., pleaded guilty to violating the Hazardous Materials Transportation Act (49 U.S.C. §§ 5105(d), 5124(a),(c)) for illegally transporting radioactive material.

Between December 2011 and March 2014, on four separate occasions, the company trucked a load of Cobalt 60 (a Class 7 radioactive material) between San Juan and Vega Alta, Puerto Rico, via commercial highway without conducting the required pre-trip inspection for such material. Employee Eduardo Fraticelli Alvarado, acting on behalf of the company, completed, signed, and submitted required paperwork certifying knowledge of the Federal Motor Carrier Safety Regulations and Federal Hazardous Materials Regulations. Despite this knowledge, pre-trip inspections were not conducted prior to trucking the radioactive material. Sentencing is scheduled for July 12, 2017.

This case was investigated by the U.S. DOT Office of Inspector General.

United States v. Juan Carlos Lopez et al., No. 1:16-CR-00145 (E.D. Calif.), AUSA Karen Escobar.

On April 3, 2017, Juan Carlos Lopez, Rafael Torres-Armenta, and Javier Garcia-Castaneda, all Mexican nationals, pleaded guilty to drug violations for cultivating marijuana, and damaging public land and natural resources (21 U.S.C. §§ 841, 846; 18 U.S.C. § 1361). The charges stem from a large-scale marijuana cultivation operation in the Domeland Wilderness area of the Sequoia National Forest. Carlos Piedra-Murillo previously pleaded guilty to a similar violation and is scheduled to be sentenced on June 5, 2017.

Between May and August 2016, the defendants cultivated more than 8,000 marijuana plants within the Domeland Wilderness, a federally designated wilderness area known for its many granite domes and unique geologic formations. The site covered approximately ten acres and was located in an area that had suffered fire damage in 2000. The new vegetation was subsequently cut back to accommodate the grow site, with water diverted from a tributary stream of Trout Creek that supports trout. Fertilizer, pesticides, and large piles of trash were found on site.

This case was investigated by the U.S. Forest Service, the Bureau of Land Management, U.S. Immigration and Customs Enforcement Homeland Security Investigations, and the California Department of Fish and Wildlife.

Guilty Pleas

United States v. Juan Penaloza-Ramirez, aka Juan Penaloza-Herrera, aka Juan Penaloza, et al., No. 15-CR-00264 (E.D. Calif.), AUSA Karen Escobar.

On April 3, 2017, Mexican national Juan Penaloza-Ramirez, aka Juan Penaloza-Herrera, aka Juan Penaloza, pleaded guilty to conspiring to manufacture, distribute and possess with intent to distribute marijuana grown at three separate cultivation sites in the Sequoia National Forest. Co-defendant Russell Lee Riggs is charged in a seven-count indictment with depredation to public lands, firearms and drug violations (21 U.S.C. §§ 841, 846; 18 U.S.C. §§ 922, 1361; 26 U.S.C. § 5841). Riggs is scheduled for trial to begin on September 12, 2017.

The defendants were charged for their involvement in a large-scale marijuana cultivation operation in the Sequoia National Forest, supplying material, equipment, and personnel to sustain more than 3,000 marijuana plants. The operation caused extensive damage to the land and natural resources. Fay Creek sustains a variety of ecosystems and resources, including riparian habitat supporting trout, wildflowers, and willow, alder and cottonwood trees. The creek also serves as the primary drinking water source for much of the wildlife in the area. Springs were dammed and diverted to irrigate the marijuana plants and large amounts of trash were scattered throughout, including in a flowing stream.

Penaloza is scheduled for sentencing on June 19, 2017.

This case was investigated by the U.S. Forest Service; the U.S. Drug Enforcement Administration; the Bureau of Land Management; the U.S. Immigration and Customs Enforcement Homeland Security Investigations; the Bureau of Alcohol, Tobacco, Firearms and Explosives; the Southern Tri-County High Intensity Drug Trafficking Area Task Force; the California Department of Justice's Campaign against Marijuana Planting, and the Kern County Sheriff's Office.

United States v. Bryan H. Daniels, et al., Nos. 4:14-CR-00011, 2:15-CR-00004 (E.D.N.C.), ECS Trial Attorneys Shennie Patel and Shane Waller, AUSA Banu Rangarajan, and ECS Contract Law Clerk John Jones.

On April 3, 2017, Bryan H. Daniels, Stephen Daniels, and James K. Lewis pleaded guilty to Lacey Act violations for the illegal harvest and sale of Atlantic Striped Bass (16 U.S.C. 16 U.S.C. §§ 3372(a) (1), 3373(d)(1)).

In February 2010, NOAA received information that commercial trawlers were illegally fishing for Atlantic Striped Bass in the United States' Exclusive Economic Zone (EEZ) off the coast of North Carolina.

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Guilty Pleas

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Upon receiving the information, NOAA and the Coast Guard began an investigation. As a result, 17 commercial trawlers were intercepted in the EEZ.

Between January 27, 2009, and February 2, 2010, Bryan H. Daniels, then Captain of the commercial trawler *Joyce D*, harvested approximately 8,625 pounds of Atlantic Striped Bass from the EEZ, which he sold to a fish dealer in Engelhard, North Carolina. The estimated fair market retail value of the illegally harvested fish exceeds \$68,000. He also falsified documents claiming he had caught the fish in state waters.

Between January 27, 2010, and February 9, 2010, Stephen Daniels, then Captain of the commercial trawler *Bailey Boy*, harvested approximately 11,843 pounds of Atlantic Striped Bass from the EEZ, which he sold to a fish dealer in Wanchese, North Carolina. The estimated fair market retail value of the illegally harvested fish exceeds \$94,000. To further conceal his illegal activities, on at least two occasions, Stephen Daniels off-loaded 100 fish, then captained his vessel into inland waters, before returning a few hours later to off-load the remainder of the catch.

Between January 19, 2009, and January 27, 2009, Lewis, then Captain of the fishing vessel *Wonder Woman*, harvested approximately 3,368 pounds of Atlantic Striped Bass from the EEZ, which he later sold to a seafood dealer in Engelhard, North Carolina. The investigation further revealed that between January 27, 2010, and February 9, 2010, Lewis, then Captain of the fishing vessel *Gulf Stream III*, harvested an additional 5,025 pounds of Atlantic Striped Bass from the EEZ, which he later sold to a seafood dealer in Wanchese, North Carolina. On at least one occasion, Lewis also off-loaded 100 fish, then captained his vessel into inland waters, before returning a few hours later to off-load the remainder of the catch. The estimated fair market retail value of the illegally harvested fish exceeds \$67,000.

During the 2010 winter Atlantic Striped Bass ocean trawl season, it is estimated that more than 90,000 pounds of North Carolina's 160,160 ocean trawl quota were taken illegally from the EEZ. Eight other commercial fishermen have entered guilty pleas for conduct uncovered by the same investigation.

These cases were investigated by the NOAA Office of Law Enforcement, with assistance from the U.S. Coast Guard, the North Carolina Marine Patrol, and the Virginia Marine Police.

Guilty Pleas

United States v. William Jackson, Jr., et al., No. 14-CR-00353 (N.D. Ohio), AUSA Brad Beeson.

On March 29, 2017, William Jackson, Jr., pleaded guilty to two counts of violating the Clean Air Act for his involvement in an illegal demolition project (42 U.S.C. § 7413 (c)(1)). Christopher Gattarello, the owner of several garbage-hauling companies, pleaded guilty in 2015. Robert Shaw, who helped Gattarello defraud a Louisiana company of \$1.2 million, pleaded guilty to conspiracy to commit wire fraud in 2016 (18 U.S.C. § 1343). All three will be sentenced on July 7, 2017.



Accumulated garbage

In June 2011, on behalf of All Points Rubbish Disposal, Gattarello leased a 570,000 square-foot facility, representing to the lessor that paper and cardboard waste would be recycled at the facility. When Gattarello was told it cost \$1.5 million to remove 24,000 linear feet of asbestos-containing pipe insulation from the facility. He decided to leave it in the building.

Around August 2011, Gattarello had paper and cardboard waste, as well as municipal garbage, delivered to the facility for recycling. Over the next several months, more garbage, paper and cardboard were delivered than could be handled, and waste began to accumulate outside the facility. By April 2012, most of the building was filled with garbage.

In May 2012, on behalf of Reach Out Disposal, Gattarello entered into a contract to purchase the building, for the purpose of demolishing the facility and selling the scrap metal. In July 2012, Jackson submitted a notice of demolition with the Cleveland Division of Air Quality, stating that there was no asbestos in this facility. About ten days later, the CDAQ rejected Jackson's notice because it was incomplete and stated demolition "may not begin" until a proper notice was submitted and approved. Gattarello ordered Jackson to begin the project anyway, causing asbestos fibers to be released into the environment. By the time the demolition was halted in August 2012, approximately 40 percent of the warehouse portion of the facility had been leveled.

Shaw was the chief financial officer for several of Gattarello's garbage hauling companies. The two of them defrauded AIM Business Capital, LLC, (a company in the business of purchasing accounts receivable) of approximately \$1.2 million in 2012.

Gattarello previously pleaded guilty to Clean Air Act, money laundering, wire fraud, and conspiracy to commit wire fraud violations (18 U.S.C. §§ 1349, 1957; 42 U.S.C. § 7413 (c)(1)).

This case was investigated by the U.S. EPA Criminal Investigation Division, the Ohio Bureau of Criminal Identification and Investigation, the Ohio Environmental Protection Agency, the Federal Bureau of Investigation, and the Internal Revenue Service.

Sentencings

***United States v. Charles A. Granberry*, No. 2:16-CR-00208 (S.D. Ohio), AUSA Jessica Knight, SAUSA Heather Robinson, and AUSA Mike Marous.**

On April 28, 2017, Charles A. Granberry was sentenced to 72 months' incarceration, followed by two years' supervised release, for conspiring to participate in a dog-fighting ring, illegally possessing a firearm, and violating the terms of his supervised release (18 U.S.C. §§ 371, 922(g)(1); 7 U.S.C. § 2156(b)).

Between December 2014 and April 2016, Granberry and others bred, trained, and conditioned pit bull-type dogs to fight. In March 2016, the defendant and a co-conspirator sold two dogs to an undercover officer with the understanding that the animals would be used to fight for money and would be taken out of state to do so. Upon the execution of a search warrant in April 2016, Granberry was found to be in possession of 20 pit bull-type dogs, as well as equipment associated with dog-fighting ventures. Granberry is a convicted felon from a previous cocaine charge, and was in possession of a semi-automatic pistol at the time of the search.

A large number of the rescued dogs had a canine disease called Babesia Gibsoni, which results in anemia and ultimately death. The prevalence of the disease is unusually high in "bully breeds" used in dog-fighting operations through exposure to infected dogs' blood and during non-sterile procedures such as tail docking, ear cropping, and vaccinations of multiple animals with single needles.

Of the 46 dogs seized, specialists determined that 15 were eligible for placement in a shelter for adoption, and the remaining 31 dogs were euthanized for behavioral concerns or medical issues. Dwayne T. Robinson, Jr., and Henry Gerard James Hill, Jr., were recently [charged](#) for their alleged involvement in this dog-fighting ring.

This case was investigated by the U.S. Department of Agriculture Office of Inspector General, the Columbus Police, and the Humane Society.

Sentencings

***United States v. Volkswagen AG*, No. 16-CR-20394 (E.D. Mich.), ECS Senior Trial Attorney Jennifer Blackwell, Fraud Attorney David Fuhr, AUSA Mark Chutkow, ECS Paralegal Diana Greenberg, and ECS Contract Law Clerks: Ellen Czajkowski, Jon DeCarlo, and Lisa Villacis.**

On April 21, 2017, Volkswagen AG was sentenced to pay a \$2.8 billion fine, complete a three-year term of probation, and implement an environmental compliance plan. Larry D. Thompson, a former Deputy U.S. Attorney General, was selected as the independent corporate compliance monitor who will oversee the company during its term of probation.

VW previously pleaded guilty to conspiracy to defraud the United States, engage in wire fraud, and violate the Clean Air Act; obstruction of justice; and importation of merchandise by means of false statements (18 U.S.C. §§ 371, 542, 1512(c)). The plea comes as a result of the company's long-running scheme to sell close to 600,000 diesel vehicles in the U.S. by using a defeat device to cheat on emissions tests mandated by the U.S. EPA and the California Air Resources Board, lying, and obstructing justice. The agreement requires the company's full cooperation in the ongoing investigation and prosecution of individuals responsible for these crimes.

In separate civil resolutions of environmental, customs, and financial claims, VW has agreed to pay \$1.5 billion. This includes EPA's claim for civil penalties against VW in connection with the importation and sale of cars with the defeat device, as well as U.S. Customs and Border Protection claims for customs fraud. In addition, the EPA agreement requires injunctive relief to prevent future violations. The agreements also resolve alleged violations of the Financial Institutions Reform, Recovery, and Enforcement Act.

VW admitted to participating in a conspiracy to defraud the United States and VW's U.S. customers and to violating the CAA by lying and misleading the EPA and U.S. customers about whether certain VW, Audi, and Porsche-branded diesel vehicles complied with U.S. emissions standards, using cheating software to circumvent the U.S. testing process, and concealing material facts about its deception from regulators. The company obstructed justice by destroying documents related to the scheme, and by importing these vehicles into the U.S. by means of false statements about the vehicles' compliance with emissions limits.

At present, six VW executives and employees, all German nationals, have been charged for their roles in the nearly decade-long conspiracy: Heinz-Jakob Neusser, Jens Hadler, Richard Dorenkamp, Bernd Gottweis, Oliver Schmidt, and Jürgen Peter are charged with one count of conspiracy to defraud the United States, defraud VW's U.S. customers, and violate the CAA by making false representations to regulators and the public about the ability of VW's "clean diesel" vehicles to comply with U.S. emissions requirements. The indictment also charges Dorenkamp, Neusser, Schmidt, and Peter with CAA violations and charges Neusser, Gottweis, Schmidt and Peter with wire fraud (18 U.S.C. §§ 371, 1343; 42 U.S.C. § 7413(c)(2)(A)).

Schmidt was ordered to be detained pending trial, which is now scheduled to

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Sentencings

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begin on January 16, 2018. James Liang, who pleaded guilty in September 2016, for his role in the defeat device scheme, is currently scheduled to be sentenced on July 26, 2017.

This case was investigated by the FBI and the U.S. EPA Criminal Investigation Division.

United States v. Princess Cruise Lines, Ltd., No. 1:16-CR-20897 (S.D. Fla.), ECS Senior Litigation Counsel Richard Udell, AUSA Tom Watts-FitzGerald and ECS Contract Law Clerk Christopher Kopf.

On April 19, 2017, Princess Cruise Lines, Ltd., was sentenced to pay a \$30 million fine, make a \$10 million community service payment, and complete a five-year term of probation. The company previously pleaded guilty to conspiracy, obstruction, and APPS violations related to deliberate vessel pollution and intentional falsification of ship logs in multiple districts (18 U.S.C. §§ 371, 1505; 33 U.S.C. §1908(a)). This penalty of \$40 million is the largest-ever criminal penalty involving deliberate vessel pollution.



Oily by-pass pipe

Princess is an operating line of Carnival Corporation, the largest cruise line company in the world. The investigation was initiated as the result of a request for assistance by the UK's Maritime and Coastguard Agency, after an engineer reported a discharge of approximately 4,000 gallons of oil-contaminated waste off the coast of England in August 2013 from the *Caribbean Princess*. That ship, which also visited U.S. ports, had been illegally discharging oily waste since 2005 through a "magic pipe." While some discharges occurred outside of U.S. waters, the engineers concealed the pollution by falsifying the ship's oil record book.

The investigation also determined that the *Caribbean Princess* and four other sister ships had been engaged in other types of illegal discharges. The plea agreement includes a waiver of further prosecution for criminal violations known to the government that cover 25 districts. Under the agreement, Carnival has agreed that all of its operating lines and all ships trading in the United States will be subject to the special conditions of probation, including the implementation of an environmental compliance plan (ECP). The ECP requires ship audits by an outside auditor and review by a court appointed monitor, as well as various fleet-wide remedial measures. The \$10 million dollar community service payment includes \$1 million for projects benefiting the maritime environment of England.

This case was investigated by the U.S. Coast Guard.

Sentencings

United States v. Willie Henderson, No. 7:14-CR-00051 (M.D. Ga.), AUSA Julia Bowen.

On April 18, 2017, Willie Henderson was resentenced to serve 93 months' incarceration, followed by three years' supervised release, and ordered to pay \$68,760 in restitution to the Humane Society for the cost of caring for 24 dogs seized from his property. Henderson appealed his sentence, and the 11th Circuit remanded for resentencing in January 2017. He was resentenced to the same terms originally ordered in September 2015.



Dogs rescued from Clyattville Kennels

Henderson and Raymond Lee Hendrix pleaded guilty to conspiracy to travel in interstate commerce in aid of unlawful

activities, and to sponsor and exhibit a dog in an animal fighting venture. Henderson also pleaded guilty to possession of a firearm by a convicted felon (18 U.S.C. §§ 371, 1952; 7 U.S.C. § 2156).

Between January 2008 and August 2013, the defendants operated Clyattville Kennels, maintaining and training American Pit Bull Terriers for other dog fighters in exchange for a "tipping fee", as well as participating in dog fight gambling events throughout the Southeast. Henderson admitted to possessing a rifle and shotgun, after having been convicted of a felony. Hendrix was sentenced to 16 months' incarceration, followed by three years' supervised release. He was further ordered to pay \$31,515 in restitution to the Humane Society for the care and keeping of 11 dogs.

This case was investigated by the Human Society; Tift County Animal Welfare; U.S. Alcohol, Tobacco, Firearms and Explosives; and the Echols County Sheriff's Office.

Sentencings

United States v. Chen Zong Geng, Nos. 1:16-CR-00090, 1:14-CR-00047 (S.D. Ga.), AUSAs C. Troy Clark and Brian Rafferty.

April 17, 2017, Chen Zong Geng was sentenced to six months' incarceration and will pay a \$1,500 fine. Geng was under a previous term of supervised release at the time he committed new offenses. As a result, the court sentenced him to an additional six months' incarceration to be served consecutively for the revocation of supervised release.

Geng was sentenced in September 2014, to five months' incarceration, and five months' home confinement, followed by three years' supervised release, for illegally repackaging pesticides to distribute to restaurants across the country and for making a false statement to federal agents (18 U.S.C. § 1001; 7 U.S.C. §§ 136j(a)(1)(A), 136l(b)(1)(A)). He also was ordered to pay a \$3,000 fine and was subject to a night-time curfew during the term of supervised release.

In 2012, investigators were notified that a repackaged pesticide product distributed by Chen and his company, Chen and Friends Pest Solutions (later renamed C&Z Pest Solutions) had been discovered inside a Missouri restaurant. He subsequently entered into a consent order with EPA in December, 2012, agreeing to pay a \$9,433 fine and to cease repackaging any pesticides.

In late 2013, however, investigators suspected that Chen had continued to repackage and distribute insecticide, some of which was recovered in restaurants in Indiana and Missouri. A warning had been included on the labelling of one package to not show the pesticide to the "health department." Investigators proceeded to conduct a covert conversation with the defendant posing as prospective customers. Chen told them that he was allowed to sell pesticides. When later questioned by agents (who were identified as such) Chen stated that he was still complying with the consent order and was not repackaging pesticides.

Just two days prior to the September 2014 sentencing, investigators discovered that Chen purchased \$96,000 worth of pesticides over the previous six months. After Chen was released from prison, he continued to violate FIFRA, as well as the conditions of his supervised release. In December 2016, he pleaded guilty to three additional FIFRA violations.

This case was investigated by the U.S. EPA Criminal Investigation Division.

Sentencings

United States v. Jacob John Peel Lane, No 4:16-CR-00017(D. Alaska), AUSA Stephen Cooper.

On April 14, 2017, Jacob John Peel Lane was the last defendant sentenced in this case for killing walrus, taking the ivory tusks, and leaving the meat to rot.

Adam Sage, Michael Tuzroyluk Jr., Guy Tuzroyluk, and Lane, all from the Native Village of Point Hope, were each sentenced to pay \$1,000 in restitution, and complete three-year terms of probation with the following special conditions:

perform 500 hours of community service, make a public apology to the Village Council and the local whaling captains, be restricted from hunting walrus for a year, hunt only for the subsistence needs of village elders, and make public presentations explaining the laws that prohibit waste and require full salvage of any marine mammals and other wildlife taken.

The slaughter occurred in September 2015 at Cape Lisburne. As the men shot at the walrus, they caused a stampede that killed numerous additional animals. Photographs confirmed 30 dead, half of which were calves. All four pleaded guilty to violating the Marine Mammal Protection Act (16 U.S.C. §§ 1372(a)(2)(A), 1362, 1371(b)(3), 1375(b)). Alaskan Natives living in coastal Alaska are permitted to hunt walrus for subsistence needs and only “if such taking is not accomplished in a wasteful manner.”

This case was investigated by the U. S. Fish and Wildlife Service Office of Law Enforcement, with assistance from the North Slope Borough Police Department, the Department of Interior Office of Inspector General Digital Forensic Lab, the North Slope Borough Wildlife Department, and the Alaska Sea Life Center in Seward, Alaska.



Walrus herd prior to slaughter at Cape Lisburne

Sentencings

***United States v. David Lee Flury*, No. 14-CR-00095 (C.D. Calif.), AUSA Joe Johns.**

On April 10, 2017, David Lee Flury was sentenced to complete a five-year term of probation. Flury previously pleaded guilty to violating the Clean Water Act (33 U.S.C. §§ 1311(a), 1319(c)(2)(A)) for dumping 11,000 gallons of wastewater and soap into Los Coyotes Creek, a tributary of the San Gabriel River.

Flury is the owner and operator of Flury Industries, Inc., a waste-hauling company. He represented to his customers that he would pick-up their various waste products and transport them to a proper disposal facility. In October 2008 and February 2009, Flury discharged approximately 5,000 and 6,000 gallons, respectively, into the creek. The City of Santa Fe Springs spent nearly \$750,000 for clean up costs. The San Gabriel River is a vital waterway in Southern California.

This case was investigated by the City of Santa Fe Springs Fire Department, the City of Santa Fe Springs Police Department, the L.A. Department of Public Works, the California Department of Toxic Substances Control, and the U.S. EPA Criminal Investigation Division.

***United States v. Malek Jalal et al.*, Nos. 2:16-CR-00207, 00180 (S.D. Ohio), ECS Trial Attorney Adam Cullman, ECS Senior Trial Attorney Jeremy Korzenik, AUSA Mike Marous, and former ECS Paralegal Casey Rybak.**

On April 7, 2017, Malek Jalal was sentenced for his role in a RINs fraud scheme and his attempts to obstruct a grand jury investigation (18 U.S.C. §§ 371, 1519). Jalal was sentenced to 60 months' incarceration, followed by three years' supervised release. He also will pay a \$12,500 fine and \$1,017,087 in restitution to be divided among Pasadena Refining, Hess Corporation, and the IRS. Jalal previously pleaded guilty to conspiracy and obstruction for tampering with records and participating in a "rounding" scheme designed to illegally claim RINs and tax credits multiple times on the same material.

Jalal formerly served as a managing partner and co-owner of Unity Fuels. Unity's primary business was to collect and process used cooking oil, selling it as "recycled vegetable oil" to biodiesel producers. In 2011, Jalal conspired with others to purchase a fuel called "biomass" that was not processed and was kept in separate tanks at Unity. They then agreed that this material would be sold back to "Company A" as purported

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Wastewater and soap discharged to the Los Coyotes Creek

Sentencings

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“recycled vegetable oil.” This arrangement allowed multiple RIN credits and tax credits to be generated.

In June 2014, Jalal was served a subpoena *duces tecum*. Following the receipt of the subpoena, he ordered that a number of records related to Unity’s purchase of biomass be altered or falsified for purposes of obstructing the grand jury. Co-defendant William Letona previously pleaded guilty to conspiracy for his role in destroying documents following his employer’s receipt of the subpoena.

This case was investigated by the IRS Criminal Investigation and U.S. EPA Criminal Investigation Division.

United States v. Donald J. Warnke, No. 6:16-CR-02054 (N.D. Iowa), AUSAs Timothy Vavricek and Matt Cole.

On March 31, 2017, Donald Warnke was sentenced to pay a \$5,000 fine and complete a five-year term of probation. Warnke previously pleaded guilty to violating the Clean Water Act (33 U.S.C. §§ 1345(e), 1319(c)(2)(A)) for unlawfully disposing of sewage sludge from a POTW. On June 19, 2015, Warnke dumped domestic sewage from the City of New Hampton Wastewater Treatment Plant in a field.

This case was investigated by the U.S. EPA Criminal Investigation Division.

Announcements

As a reminder, ECS now tracks worker safety and animal welfare crimes, in addition to our pollution and wildlife docket [see [section 5-11.101](#) of the U.S. Attorneys' Manual.] Please send us pleadings and other relevant information about your worker safety and animal welfare cases so that we can maintain a database for these cases and provide an accurate and complete description of case issues and strategies, developments in case law, and useful pleading examples.

Please send [REDACTED] any pleadings you believe would be useful for posting in the [Brief Bank](#). Older materials are still available on the [Document Bank Archives](#) page.

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

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

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

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