

---

# ENVIRONMENTAL CRIMES SECTION



## MONTHLY BULLETIN

*February 2011*

---

*EDITOR'S NOTE:*

If you have other significant updates and/or interesting photographs from a case, you may email these to Elizabeth Janes: [REDACTED] If you have information to submit on state-level cases, please send this directly to the Regional Environmental Enforcement Associations' website: [www.regionalassociations.org](http://www.regionalassociations.org).



Tarantula Making an Escape - See [U.S. v. Koppler](#) inside for more details.

## AT A GLANCE:

DISTRICTS	ACTIVE CASES	CASE TYPE/STATUTES
S.D. Ala.	<u><a href="#">United States v. Karen Blyth et al.</a></u> <u><a href="#">United States v. DHS, Inc., d/b/a Roto Rooter Plumbing Service</a></u>	<i>Seafood Mislabeling/ Conspiracy, Lacey Act, Smuggling</i> <i>Oil and Grease Disposal/ CWA, CWA Misdemeanor, Conspiracy, Mail Fraud</i>
D. Ariz.	<u><a href="#">United States v. Clinton Dean Pavelich</a></u>	<i>Saguaro Cacti Theft/ Lacey Act</i>
C.D. Calif.	<u><a href="#">United States v. Atsushi Yamagami et al.</a></u> <u><a href="#">United States v. Koppler</a></u>	<i>Reptile Imports/ Conspiracy, Endangered Species Act, Smuggling</i> <i>Tarantula Imports/ Smuggling</i>
M.D. Fla.	<u><a href="#">United States v. Stephen J. Spencer et al.</a></u>	<i>Asbestos Abatement/ CAA, Conspiracy</i>
S.D. Fla.	<u><a href="#">United States v. Northern Fisheries Ltd., et al.</a></u> <u><a href="#">United States v. Miami Air International, Inc.</a></u> <u><a href="#">United States v. MKG Provisions, Inc.</a></u>	<i>Seafood Mislabeling/ Conspiracy, Lacey Act</i> <i>Charter Airline/ RCRA</i> <i>Seafood Mislabeling/ Lacey Act</i>
S.D. Iowa	<u><a href="#">United States v. G&amp;K Services, Inc.</a></u>	<i>Laundry Facility/ Misdemeanor CWA</i>
E.D. La.	<u><a href="#">United States v. DRD Towing Company, LLC, et al.</a></u> <u><a href="#">United States v. Michael Murphy et al.</a></u>	<i>Tugboat Owner/ PWSA, Misdemeanor CWA, Obstruction</i> <i>Vessel/ False Statement</i>
W.D. La.	<u><a href="#">United States v. J. Jeffrey Pruett et al.</a></u>	<i>Wastewater Treatment/ CWA</i>
D. Mass.	<u><a href="#">United States v. Andriy Mikhalyov et al.</a></u>	<i>Sperm Whale Teeth Imports/ Smuggling, Conspiracy, False Statement</i>
D. Md.	<u><a href="#">United States v. Dimitrios Grifiakis</a></u>	<i>Vessel/ Obstruction, APPS, False Statement, Witness Tampering</i>
N.D. Ohio	<u><a href="#">United States v. Stricker Refinishing Company</a></u>	<i>Metal Plater/ CWA Pretreatment</i>

DISTRICTS	ACTIVE CASES	CASE TYPE/STATUTES
D. P. R.	[REDACTED]	[REDACTED]
	<a href="#">United States v. Carlos Diaz-Rivera et al.</a> <a href="#">United States v. Jorge Ortega-Rodriguez</a>	Sea Turtle Parts/ ESA Sea Turtle Parts/ ESA, Lacey Act
W.D. Wash.	<a href="#">United States v. Wolfgang "Tito" Roempke et al.</a>	Asbestos Abatement/ CAA, Conspiracy
	<a href="#">United States v. Philip A. Smith</a>	Wetlands Destruction/ CWA

*Additional Quick Links:*

- ◇ [Trials](#) pp. 3 - 5
- ◇ [Informations and Indictments](#) pp. 5 - 6
- ◇ [Plea Agreements](#) pp. 6- 9
- ◇ [Sentencings](#) pp. 9 – 14

***Trials***

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



Demolition debris

On January 28, 2011, Stephen J. Spencer, Guy Gannaway, and Keith McConnell were found guilty by a jury of conspiracy to violate the Clean Air Act and various Clean Air Act charges related to the mishandling of asbestos. Gannaway also was convicted of making a false statement. The jury acquitted John Loder on five counts and could not reach a verdict on two remaining counts.

According to evidence presented during the eleven-day trial, from approximately

November 2004 through September 2005, the defendants were involved in the purchase and renovation of apartment complexes for the purpose of converting them to condominiums. Gannaway was the owner of Gannaway Builders, Inc., the general contractor on the project. McConnell was the Gannaway Builders superintendent for renovation operations. Spencer was a partner in Sun Vista Indian Pass, LLC, the developer of the project and was also the architect for the project.

The evidence showed that asbestos-containing materials located throughout the property were mishandled by the defendants, despite repeated warnings from the Pinellas County Air Quality Division and various asbestos consultants and contractors. In at least two of the complexes slated for renovation and conversion, the ceilings within the buildings were coated with a “popcorn” ceiling mixture that contained significant amounts of asbestos. During the course of the renovations, the defendants disturbed and caused others to disturb large quantities of the popcorn ceiling material without notifying regulators and without following the work practice standards for asbestos.

Photographs admitted during trial showed wide-ranging disturbances of asbestos-containing material as well as improper disposal of those materials in general construction debris dumpsters. Photographs also showed Gannaway employees dry sweeping debris, resulting in clouds of dust in the areas where asbestos disturbances were found.

Co-defendant James Roger Edwards previously pleaded guilty to being an accessory-after-the-fact for his failure to notify or report an improper removal of asbestos.

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

[Back to Top](#)

**United States v. J. Jeffrey Pruett et al., No. 09-CR-00112 (W.D. La.), AUSA Earl Campbell ( [REDACTED] ) and SAUSA Tom Walsh ( [REDACTED] ).**

On January 25, 2011, a jury returned guilty verdicts against Jeffrey Pruett and his companies, Louisiana Land & Water Co., (LLWC) and LWC Management Co. (LWC), after a two-week trial.

Pruett and his public water and wastewater treatment businesses were charged with multiple CWA violations for improperly operating and maintaining the treatment facilities and for failing to submit discharge monitoring reports. The wastewater treatment facilities served seven residential subdivisions in Ouachita Parish from approximately 2004 through 2008.

Pruett is the president of LLWC and the chief executive of LWC. The businesses operated more than 30 water and wastewater treatment systems in northeastern Louisiana. The defendants allowed the wastewater treatment facilities to overflow in several residential subdivisions, discharging effluent on the ground without proper treatment; allowed suspended solids and fecal coliform to exceed effluent limitations in state discharge permits; and discharged raw sewage into several residential neighborhoods.

The jury found Pruett and LLWC guilty of six felony CWA violations for failure to maintain and provide records pertaining to all of the impacted subdivisions. Pruett and LLWC also were convicted of one felony count for effluent violations at one specific subdivision. Pruett additionally was found guilty of a misdemeanor CWA violation for failure to properly operate and maintain one of



**Crumbling Aeration Basin**

the facilities, and LWC was found guilty of one count of failure to provide records. Sentencing is scheduled for May 9, 2011.

This case was investigated by the Environmental Protection Agency Criminal Investigation Division, the Louisiana Department of Environmental Quality, and the Louisiana Department of Health and Hospitals.

[Back to Top](#)



[Back to Top](#)

### *Informations and Indictments*

#### **United States v. Atsushi Yamagami et al., No. 2:11-CR-00082 (C.D. Calif.), AUSA Dennis Mitchell**



**Concealed turtles and tortoises**

Indian Star tortoises, Chinese Big Headed turtles, and Malayan Snail-eating turtles, all of which are CITES-protected species.

On January 28, 2011, Japanese nationals Atsushi Yamagami and Norihide Ushirozako were charged in a three-count indictment with conspiracy, smuggling, and Endangered Species Act violations for allegedly smuggling more than 50 live turtles and tortoises into the United States.

The indictment states that the turtles and tortoises were hidden in snack food boxes found in a suitcase. At the time of their arrests, one of the defendants allegedly stated he had been involved in eight prior trips from Japan to the U.S. where live turtles and tortoises were concealed in luggage. Several return trips were made taking native turtles and tortoises from the U.S. back to Japan. Among the species found were Fly River turtles,



This case is part of an undercover investigation conducted by the Fish and Wildlife Service into reptile smuggling.

[Back to Top](#)

**United States v. Dimitrios Grifakis, No. 1:11-CR-00011 (D. Md.), ECS Counsel Tom Ballantine and AUSA Justin Herring**

On January 11, 2011, a grand jury returned an eight-count indictment charging Dimitrios Grifakis, a former chief engineer for the *M/V Capitola*, on charges of obstructing an agency proceeding, maintaining a false oil record book, making false statements, and tampering with witnesses.

Beginning March 2009, and ending May 3, 2010, Grifakis allegedly ordered his subordinates on several occasions to illegally pump oil-contaminated bilge waste directly into the ocean without processing it through the required pollution prevention equipment, using a bypass hose and other means. Crew members from the *Capitola* provided the Coast Guard with video of this bypass hose. The defendant is further charged with falsifying documents for the purpose of concealing these discharges from port inspectors.

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

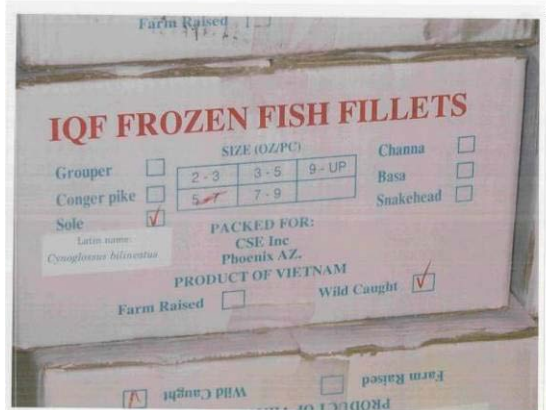
[Back to Top](#)

## *Plea Agreements*

**United States v. Karen Blyth et al., No. 1:10-CR-00011 (S.D. Ala.), ECS Senior Trial Attorney Wayne Hettenbach, ECS Trial Attorney Susan Park, AUSA Deborah Griffin, and ECS Paralegal Kathryn Loomis**

On January 24, 2011, on the eve of trial, Karen Blyth and David H.M. Phelps pleaded guilty to 13 felony offenses for their roles in the mislabeling of seafood. The two had been charged in a 28-count indictment with conspiracy, as well as Lacey Act, smuggling, and misbranding violations. They pleaded guilty to the conspiracy, nine violations of the Lacey Act, two counts of receiving smuggled goods, and one misbranding count.

Blyth and Phelps owned a seafood supply company in Arizona and also were co-owners with co-defendant John L. Popa and others of a seafood wholesaler in Pensacola, Florida, which sold seafood to customers in Alabama and the Florida Panhandle. From approximately October 2004 through November 2006, the defendants conspired to sell falsely labeled and unlawfully imported fish. Specifically, they bought imported catfish from Vietnam that had been falsely labeled and imported without paying the applicable duties, and then they sold that catfish as grouper. The defendants also routinely substituted cheaper fish for more expensive fish by selling



**Falsified Label**

Lake Victoria perch as grouper, selling imported catfish as grouper, and selling grouper as snapper. Moreover, they sold live oysters for which the harvest date had been altered to a more recent date.

Co-defendant Popa previously pleaded guilty to 15 counts, which included smuggling and Lacey Act misbranding violations. Popa is scheduled to be sentenced on February 22, 2011, and Blyth and Phelps are scheduled to be sentenced on May 4, 2011. Blyth has agreed to serve a 33-month term of incarceration and Phelps has agreed to serve a 24-month term of incarceration.

This case was investigated by the National Oceanic and Atmospheric Administration Office of Law Enforcement, the Department of Homeland Security Immigration and Customs Enforcement, the Air Force Office of Special Investigations, and the Department of Defense Criminal Investigative Service.

[Back to Top](#)

### **United States v. Sven Koppler, No. 2:10-CR-01338 (C.D. Calif.), AUSA Mark Williams**



**Tarantula**

On January 18, 2011, Sven Koppler, a German national pleaded guilty to a smuggling violation for using the U.S. Mail to illegally import hundreds of tarantulas, some of which are protected under CITES. Koppler was arrested last month soon after arriving in Los Angeles to meet with an associate.

According to the plea agreement, in March 2010, the defendant knowingly sold approximately 247 tarantulas to a confidential informant in Los Angeles, California. To complete the sale, Koppler packaged and shipped the tarantulas from Germany to the informant in Los Angeles using the United States Postal Service. At the time the defendant sold and

shipped the tarantulas, he did not possess the required permits and documentation to legally make these

shipments. Knowing his actions violated United States law, the defendant took steps to conceal the illegal importation by mislabeling some of the containers. In a separate shipment, he sold to the informant approximately 22 Mexican red-kneed tarantulas (*Brachypelma smithi*), a CITES-protected species. From January 2009 through November 2010, Koppler sold and shipped approximately \$69,000 in tarantulas to the informant and to undercover agents in the United States.

Sentencing is scheduled for April 11, 2011. "Operation Spiderman" was conducted by the Fish and Wildlife Service, with assistance from the Postal Inspection Service, Immigration and Customs Enforcement, and the National Oceanic and Atmospheric Administration.

[Back to Top](#)

**United States v. Andriy Mikhalyov et al., No. 1:08-CR-10090 (D. Mass.), AUSA Nadine Pellegrini**

On January 11, 2011, Andriy Mikhalyov pleaded guilty to a conspiracy violation, was sentenced to time served, and the court ordered that he be deported back to Ukraine. Co-defendant Charles Manghis was convicted a year ago after a four-day bench trial of multiple felony counts for his participation in an international conspiracy to smuggle wildlife parts, specifically sperm whale teeth and elephant ivory, into the United States. Manghis was found guilty of one count of conspiracy to smuggle wildlife, six substantive counts of smuggling wildlife, and two counts of making false statements to federal agents. He was acquitted of a smuggling and a false statement violation. Motions for acquittal and new trial remain pending and are currently scheduled for hearing on February 4, 2011.



**Sperm Whale Teeth Found in Drawer**

For 40 years, Manghis worked as a commercial scrimshaw artist in Nantucket. His merchandise was offered for sale at a well known antique shop in Nantucket and also was displayed on his website. Evidence showed that the defendant bought ivory from persons outside the United States using Ebay and that he conspired with Mikhalyov (a Ukrainian national) and others to smuggle large amounts of sperm whale ivory into the United States. In June of 2005, agents seized a large quantity of ivory pieces, many with Russian writing and pictures, from Manghis' home and shop. A computer that was seized from the defendant's home provided emails between he and Mikhalyov and other evidence of multiple purchases of sperm whale ivory. During the trial, forensic scientists confirmed that the items located in the defendant's home were, in fact, sperm whale teeth.

During the course of the investigation, Manghis lied to federal agents by claiming that he purchased the sperm whale ivory from a person in California and not from anyone located outside the United States. When federal agents questioned him about having Russian-origin teeth in his home, he simply denied that he possessed any. Manghis and Mikhalyov were charged in a sealed indictment in April 2008, but Mikhalyov was not arrested until April 2010.

This case was investigated by the National Oceanic and Atmospheric Administration Office of Law Enforcement, the Fish and Wildlife Service Office of Law Enforcement, and Immigration and Customs Enforcement. Assistance also was provided by the Nantucket Police Department and the Massachusetts Environmental Police.

[Back to Top](#)

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

On January 12, 2011, Shifco, Inc. and company president Mark Platt pleaded guilty to a four-count superseding information, charging them with conspiracy and Lacey Act violations.

A total of four defendants previously were indicted in this case involving the mislabeling of seafood. According to the indictment, between January and February 2010, Northern Fisheries, Ltd., its president Brian D. Eliason, 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, Malaysia, and Indonesia as being from Panama, Ecuador, and Honduras. The shrimp had an estimated retail value of between \$250,000 and \$1,000,000.

Sentencing for both Platt and Shifco is scheduled for March 11, 2011. Northern previously pleaded guilty to the salmon mislabeling offense and has been scheduled for sentencing on February 24, 2011. Charges against Eliason have been dismissed.

This case was investigated by the National Oceanic and Atmospheric Administration and the Florida Department of Agriculture and Consumer Services.

[Back to Top](#)

**United States v. Stricker Refinishing Company et al., No. 1:10-CR-00505 (N.D. Ohio), SAUSA Brad Beeson**

On January 6, 2011, Stricker Refinishing Company (SRC), Thomas Stricker, and Gregory Stricker pleaded guilty to a one-count information charging them with a Clean Water Act pretreatment violation for illegally discharging wastewater into the City of Cleveland’s sewer system in 2007.

SRC, Thomas Stricker, and Gregory Stricker were the owner/operators of this metal plating company located in Cleveland, Ohio. During the plating process, rinse waters from the processing of copper, nickel, silver, zinc, and cyanide were generated. The facility’s permit required that this rinse water be pretreated prior to its discharge into the sewer system.

On numerous occasions between March and August 2007, the defendants bypassed or directed SRC employees to bypass the facility’s pretreatment system. Some of the rinse waters were pH treated while others were discharged directly to the sewer system without treatment.

This case was investigated by members of the Northeast Ohio Environmental Crimes Task Force, which includes the Northeast Ohio Regional Sewer District, the Ohio Bureau of Criminal Identification and Investigation, the Ohio Environmental Protection Agency, the Department of Defense Criminal Investigative Service, and the Environmental Protection Agency Criminal Investigation Division.

[Back to Top](#)

## *Sentencings*

**United States v. Carlos Diaz Rivera et al., No. 3:10-CR-00297 (D.P.R.) SAUSA Silvia Carreño-Coll**



Green Turtle Parts

On January 31, 2011, two men were sentenced after pleading guilty to Endangered Species Act violations for possessing meat from a green sea turtle, an endangered species. Alfredo Velez Camaño will complete a one-year term probation with a special condition of four months’ home confinement. Carlos Diaz Rivera will complete a one-year term of probation. A fine was not assessed; however, both men will complete a two-hour environmental awareness course offered by the USFWS.

On February 13, 2010, Diaz Rivera was pulled over by police and arrested for driving while under the influence. Passenger Camaño had a bag containing the sea turtle meat on his lap. Rivera admitted to trying to get rid of the bag by throwing it outside the vehicle at the time of their arrest. The bag was subsequently turned over to Fish and Wildlife Service agents who verified forensically that the bag contained parts from two green turtles, an endangered species.

This case was investigated by the Fish and Wildlife Service, the National Oceanic and Atmospheric Association, the Special Services Unit of the Puerto Rico Department of Natural and Environmental Resources, and the Puerto Rico Police Department.

[Back to Top](#)

**United States v. Jorge Ortega-Rodriguez, No. 3:10-CR-00300 (D. P. R.), SAUSA Silvia Carreño-Coll** [REDACTED]

On January 19, 2011, Jorge Ortega-Rodriguez was sentenced to complete a one-year term of probation after previously pleading guilty to a Lacey Act and an Endangered Species Act violation for illegally selling turtle meat from his residence. The defendant admitted that on several occasions between October 2006 and November 2007, he offered to sell and possessed Hawksbill Sea Turtles, an endangered species, without a permit.

An undercover operation began in October 2006 when investigators were informed that Ortega-Rodriguez was selling sea turtle meat from his house. Wildlife investigators assumed the roles of computer technicians and cable installers in order to gain access to the defendant's home. While within the house agents observed several carapaces of protected sea turtles.

This case was investigated by Fish and Wildlife Service, the Special Services Unit of the Puerto Rico Department of Natural and Environmental Resources, and the National Oceanic and Atmospheric Association.

[Back to Top](#)

**United States v. DRD Towing Company, LLC, et al., Nos. 2:10-DR-00190 and 191 (E.D. La.), AUSA Dorothy Taylor** [REDACTED]

On January 19, 2011, Randall Dantin was sentenced to serve 21 months' incarceration followed by two years' supervised release, and he will pay a \$50,000 fine. His company, DRD Towing Company LLC, was sentenced to pay a \$200,000 fine and will complete a two-year term of probation.

Maritime company DRD Towing previously pleaded guilty to a felony violation of the Ports and Waterways Safety Act and a misdemeanor violation of the Clean Water Act. Co-owner Dantin pleaded guilty to obstruction of justice.

DRD owned and managed tugboats that pushed barges for other companies. On July 23, 2008, the DRD-owned *M/V Mel Oliver*, which was pushing a tanker barge full of fuel oil, crossed paths with the *M/T Tintomara*, a 600-foot Liberian-flagged tanker ship, causing a collision that resulted in the negligent discharge of approximately 282,686 gallons of fuel oil from the barge into the Mississippi River.



**Oil Spill after Collision**

DRD admitted that it had created a hazardous condition by assigning employees without proper Coast Guard licenses to operate certain vessels and by paying licensed captains to operate a vessel for 24 hours a day without a relief captain. Dantin admitted that he obstructed justice by causing the deletion of electronic payroll records from a DRD laptop computer. These documents were material to a Coast Guard hearing that had been convened to investigate the collision.

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

[Back to Top](#)

**United States v. Miami Air International, Inc., No. 1:10-CR-20901 (S. D. Fla.), AUSA Tom Watts-FitzGerald [REDACTED] and SAUSA Jodi Mazer [REDACTED].**

On January 18, 2001, Miami Air International, Inc. (MAI), pleaded guilty to a RCRA violation and was sentenced for the illegal storage and disposal of hazardous oxygen generators and protective breathing equipment (PBEs) that had been illegally removed from commercial aircraft operated by MAI. The company will pay a \$125,000 fine, complete a three-year term of probation, and be required to implement a comprehensive environmental compliance plan.

MAI is a charter airline with a fleet of approximately nine aircraft that transported public and private-sector clients around the world. As part of its business activities, the defendant used various pieces of equipment on



**Protective Breathing Equipment**

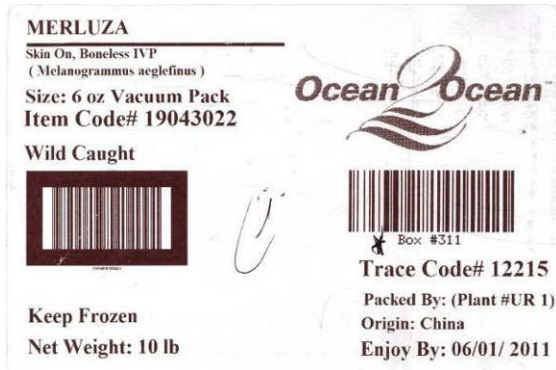
its aircraft, including chemical oxygen generators and chemical oxygen PBEs, which when removed from service constituted hazardous waste under RCRA due to their characteristics of ignitability and reactivity.

In April 2008, an employee of a waste disposal company heard an explosion while compacting a load in his truck. Upon returning to his employer's facility, and while fueling his truck, the driver observed smoke coming from the truck. He stopped fueling while another employee began spraying water over the truck body. At that time, a second low-level explosion was heard. The truck was moved from the fueling area to an open parking lot where the entire load was dumped on the ground and an active fire was discovered. Several unmarked, burned canisters were found. It was determined that they were oxygen generators that belonged to MAI and had been discarded into a dumpster at its facility at Miami International Airport, and subsequently collected by a trash disposal company.

The Miami-Dade Police Department Bomb Squad took possession of six canisters and subsequently detonated them. Later that month thirteen aircrew smoke hood type PBEs were found at a waste disposal facility. An employee recalled those oxygen generators had also been collected from the dumpster located at the MAI facility at the airport. Investigation revealed that when the planes were temporarily taken down for service, the PBEs were permanently removed from the aircraft and then unlawfully stored and disposed of. New ones were placed on the aircraft when the planes were placed back into charter service.

This case was investigated by the Environmental Protection Agency Criminal Investigation Division, the Department of Transportation Office of Inspector General, the Florida Department of Environmental Protection Criminal Investigation Bureau, the Federal Aviation Administration, the Florida Department of Environmental Protection Criminal Investigations Bureau, and the Miami-Dade Police Bomb Squad.

[Back to Top](#)

**United States v. MKG Provisions, Inc., No. 1:10-CR-20902 (S.D. Fla.), AUSA Tom Watts-FitzGerald****Original and Falsified Labels**

additional 20 cases of haddock were located in the customer's place of business, also falsely labeled to conceal the product's Chinese origins.

This case was investigated by the National Oceanic and Atmospheric Administration and the Florida Department of Agriculture and Consumer Services.

[Back to Top](#)

**United States v. Michael Murphy et al., No. 2:10-CR-00235 (E.D. La.), ECS Senior Trial Attorney Dan Doohar, AUSA Dee Taylor, and ECS Paralegal Jessica Egler**

On January 12, 2011, Michael Murphy, a former chief engineer employed by Offshore Vessels, LLC (OSV), was sentenced to pay a \$5,000 fine and will complete a two-year term of probation. Murphy previously pleaded guilty to a one-count information charging him with submitting a false statement, in violation of 18 U.S.C. §1001.

Murphy served aboard the *R/V Laurence M. (L.M.) Gould*, a 2,966 gross ton American-flagged ship owned by OSV that served as an ice-breaking research vessel for the National Science Foundation on voyages to and from Antarctica. On or about September 27, 2005, Murphy knowingly and willfully presented an oil record book containing false entries to Coast Guard personnel during an inspection.

The company previously pleaded guilty to an APPS violation, admitting that on or about September 8<sup>th</sup>, 2005, crew members knowingly discharged oily wastewater on the high seas directly overboard from the ship's bilge tank. OSV was sentenced to pay a \$1,750,000 fine, to make a

On January 20, 2011, MKG Provisions, Inc. (MKG), pleaded guilty to and was sentenced for violating the Lacey Act by mislabeling imported haddock. The company was sentenced to pay a \$20,000 fine to be paid into the Magnuson-Stevens Fishery Conservation and Management Act Fund. The court further ordered the implementation of a compliance plan as a condition of a one-year term of probation, along with the forfeiture of 74 cases of falsely labeled haddock.

In approximately June 2010, MKG purchased 10,600 pounds of haddock from a Boston-area supplier that had imported the fish from China. An inspection conducted in mid-September revealed that employees at MKG were falsely re-boxing and relabeling some of the fish as "Product of USA," and selling it to a South Florida customer. Inspectors issued a warning to the company, which then claimed through its employees that the relabeling was a clerical error. The employees were advised that the haddock must be properly labeled as the product of China.

The following day, at one of MKG's customer's businesses, inspectors found the same 54 ten-pound cases still bearing the false "Product of the USA" labels. An



\$350,000 community service payment, and to complete a three-year term of probation, while operating under an environmental compliance plan.

This case was investigated by the Coast Guard Criminal Investigative Service.

[Back to Top](#)

**United States v. G & K Services, Inc., No. 4:10-CR-00106 (S.D. Iowa), AUSA John Beamer** [REDACTED]

On January 7, 2011, G & K Services, Inc., was sentenced to pay a \$450,000 fine and ordered to comply with the requirements of its permits. The company previously pleaded guilty to a Clean Water Act violation for negligently discharging wastewater from its facility.

G&K operated an industrial laundry facility. Between October 2005 and August 2008, on at least 18 different occasions, the business violated its pretreatment permit by exceeding allowable oil and grease levels in its discharged wastewater. The company also failed to disclose these permit violations to the proper authorities.

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

[Back to Top](#)

**United States v. Wolfgang "Tito" Roempke et al., No. 2:10-CR-00062 (W.D. Wash.), AUSA Jim Oesterle** [REDACTED].

On January 7, 2011, Wolfgang "Tito" Roempke was sentenced to serve 30 days' incarceration followed by three years' supervised release. He also was ordered to pay a \$50,000 fine and to make an additional \$50,000 community service payment to the National Environmental Education Foundation. Michael Neureiter will serve 12 months and one day of incarceration followed by three years' supervised release. A fine was not imposed against Neureiter.

Roempke was the owner of a vacant building that was demolished in late August and early September of 2008. The four-count indictment charged Roempke and two contractors, Neureiter (working with A&D Company Northwest, Inc.) and James Thoreen (working with JT Environmental, Inc.) with conspiring to conceal the fact that regulated asbestos containing material (RACM) was present in the building by submitting falsified documentation to appropriate authorities, thereby preventing them from monitoring the demolition and asbestos disposal.

After Roempke received a survey of the building that confirmed the presence of RACM, he obtained quotes from two asbestos abatement companies for the proper removal of the material. Having been told it would cost approximately \$20,000, he contacted co-defendants Thoreen and Neureiter for the purpose of conducting a new survey. Neureiter told Thoreen to complete the survey in such a way as to not find any RACM in the building. Thoreen proceeded to take samples from parts of the building where asbestos was unlikely to be found and informed Roempke that it would cost \$8,000 to remove the material. When Thoreen gave the samples to a lab for analysis, he instructed that they use a particular methodology ensuring that the test results would not trigger any asbestos work practice standards. Notification containing this falsified information was then transmitted to the Puget Sound Clean Air Act Agency stating that no asbestos would be removed as part of the demolition project.

Roempke pleaded guilty to a Clean Air Act violation and Neureiter and Thoreen each pleaded guilty to a CAA conspiracy charge. Thoreen was previously sentenced to complete a two-year term of probation and was ordered to pay a \$4,000 fine.

This case was investigated by the Environmental Protection Agency Criminal Investigation Division and the Puget Sound Clean Air Agency.

[Back to Top](#)

**United States v. Philip A. Smith, No. 3:09-CR-05590 (W.D. Wash.), AUSA Jim Oesterle**

On January 10, 2011, Phillip Smith was sentenced to a three-year term of probation, including 120 days' home confinement. He must perform 100 hours of community service, and he also must pay \$20,000 in restitution.

Smith previously pleaded guilty to one Clean Water Act violation for his involvement in dumping fill materials into wetlands he had owned between August 2005 and February 2008. A system of wetlands and water bodies covered approximately 65 percent of the 190 acres Smith owned. Included in this system are



**Wetland Destruction**

tributaries that drain into Lacamas Creek. The creek flows into the Cowlitz River and ultimately empties into the Columbia River. Neither Smith nor anyone associated with the property ever applied for the required permits.

This case was investigated by the Army Corps of Engineers, the Washington State Department of Ecology, and the Environmental Protection Agency Criminal Investigation Division.

[Back to Top](#)

**United States v. DHS, Inc., d/b/a Roto Rooter Plumbing Service, et al., Nos. 1:09-CR-00216 and 00242 (S.D. Ala.), ECS Senior Trial Attorney Jeremy Korzenik, AUSA Michael Anderson and ECS Paralegal Lisa Brooks**



**Roto Rooter Truck**

On January 7, 2010, DHS, Inc., doing business as Roto Rooter Plumbing Service, was sentenced to pay a \$238,000 fine plus \$5,975 in restitution, and it will complete a three-year term of probation. Company president Donald Gregory Smith will pay a \$150,000 fine, and was held jointly and severally liable for the restitution, which is to be paid to the Mobile Area Water and Sewer Service (MAWSS). Smith also will complete a one-year term of probation. Manager William Wilmoth, Sr., will serve 30 days of incarceration, followed by 60 days' home confinement.

Wilmoth also will perform 200 hours of community service.

The defendants were convicted by a jury in August 2010 on 35 of the 40 counts charged, which included conspiracy, mail fraud, and felony Clean Water Act violations. Wilmoth and Smith each were found guilty of 27 negligent CWA violations (as lesser-included offenses) with Wilmoth also convicted on the conspiracy charge.

The defendants were involved in the dumping of thousands of gallons of waste grease and oil into the Mobile, Alabama, sewer system (and those of neighboring municipalities) that they had been hired to dispose of legally. Over a ten-year period the City of Mobile's sewage system experienced overflows including almost 900 incidents between 1995 and 1998. Most of these overflows were caused by the blockage of sewer lines and treatment works with solidified grease.

In response to lawsuits under the CWA, the MAWSS entered into a consent decree with EPA in 2002 under which it implemented a grease control program requiring restaurants and other food service establishments to install grease traps to prevent cooking oils from entering the sewer system. Roto Rooter and its employees subsequently were hired to appropriately dispose of this waste grease, but they instead discharged it into the public sewer system, causing the violations and creating the harm that their customers had paid them to prevent.

Employee Michael Edington previously pleaded guilty to conspiracy to violate the CWA, to commit mail fraud, and to make false statements for his role in the dumping of numerous loads of grease into area sewer systems between 2004 and 2006, and for falsifying grease tracking manifests to make it appear that the waste had been properly disposed of. Edington was sentenced on January 19<sup>th</sup> to complete a one-year term of probation and was held jointly and severally liable for the restitution.

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

[Back to Top](#)

**United States v. Clinton Dean Pavelich, No. 2:10-CR-00841 (D. Ariz.), AUSA Jennifer Levinson**

On January 4, 2011, Clinton Dean Pavelich was sentenced to complete a three-year term of probation and will pay \$1,245 in restitution to the Bureau of Land Management.

Pavelich previously pleaded guilty to a Lacey Act violation for his involvement in the theft of Saguaro Cacti from public lands. The defendant had been charged in a four-count indictment with two Lacey Act violations and two counts of theft of government property for his role in stealing six Saguaro Cacti from public lands managed by the Department of the Interior with the intent to sell the Saguaros.

This case was investigated by the Bureau of Land Management.

[Back to Top](#)