
ENVIRONMENTAL CRIMES SECTION



MONTHLY BULLETIN

September 2010

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: <http://www.regionalassociations.org>.

AT A GLANCE:

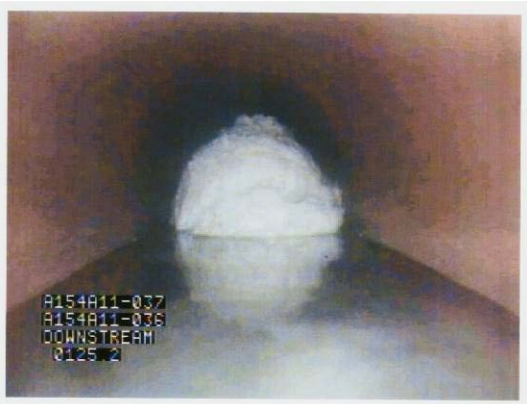
DISTRICTS	ACTIVE CASES	CASE TYPE/STATUTES
S.D. Ala.	<u>United States v. DHS, Inc. (d/b/a Roto Rooter)</u>	<i>Oil and Grease Disposal History/ CWA, Misdemeanor, Conspiracy, Mail Fraud</i>
C.D. Calif.	<u>United States v. Charles Yi et al.</u> <u>United States v. Jim Nguyen et al.</u> <u>United States v. Rogelio Lowe</u>	<i>Asbestos Abatement/ CAA, Conspiracy</i> <i>Asian arowana/ Smuggling, ESA</i>
N.D. Calif.	<u>United States v. Transmar Shipping et al.</u>	<i>Asbestos Certificates/ Mail Fraud</i> <i>Vessel/ APPS, False Statement</i>
D. Colo.	<u>United States v. Dennis Eugene Rodebaugh et al.</u>	<i>Big Game Outfitter/ Lacey Act, Conspiracy</i>
M.D. Fla.	<u>United States v. Kevin Montgomery</u> <u>United States v. Gunduz Avaz et al.</u>	<i>Trash Dumping/ Degradation of Forest Service Land</i> <i>Vessel/ APPS</i>
S.D. Fla.	<u>United States v. Pescanova Inc.</u>	<i>Seafood Importer/ Lacey Act</i>
D. Idaho	<u>United States v. Sidney Davis</u> <u>United States v. Paul McConnell et al.</u> <u>United States v. Barton Wilkinson</u>	<i>Big Game Outfitter/ Lacey Act, Fraud, Conspiracy</i> <i>Fish Habitat Destruction/ CWA Misdemeanor, ESA</i> <i>Fish Habitat Destruction/ CWA Misdemeanor, ESA</i>
E.D. La.	<u>United States v. Michael Murphy</u> <u>United States v. Offshore Vessels, LLC</u>	<i>Vessel/ False Statement, APPS</i>
D. Mass.	<u>United States v. David Place</u>	<i>Scrimshaw/ Lacey Act, Conspiracy</i>
E.D. Mich.	<u>United States v. Peter DeFilippo et al.</u>	<i>Asbestos Abatement/ CAA, Conspiracy, False Statement</i>
W.D. Mo.	<u>United States v. Richard Sparks et al.</u>	<i>Mayor and Municipal Employee/ False Statement, Misprision</i>
E.D. N. C.	<u>United States v. Vaja Sikharulidze</u>	<i>Vessel/ APPS</i>
D. Nev.	<u>United States v. Louis Demeo et al.</u>	<i>Vehicle Emissions Testing/ CAA</i>
E.D. Tex.	<u>United States v. Lance Clawson</u>	<i>Deer Breeder/ Lacey Act, Conspiracy</i>
D. Utah	<u>United States v. Andrew Costa</u>	<i>Hazardous Waste Storage/ RCRA</i>
S.D.W.V.	<u>United States v. Rodney Hoffman et al.</u>	<i>Electroplating Business/ RCRA</i>

Additional Quick Links:

- ◇ [Trials](#) pp. 3 - 4
- ◇ [Informations and Indictments](#) pp. 4 - 7
- ◇ [Plea Agreements](#) pp. 7 - 12
- ◇ [Sentencings](#) pp. 12 - 14

Trials

United States v. DHS, Inc., d/b/a Roto Rooter, et al., No. 1:09-CR-00242 (S.D. Ala.), ECS Senior Trial Attorney Jeremy Korzenik [REDACTED], AUSA Michael Anderson [REDACTED] and ECS Paralegal Lisa Brooks [REDACTED]



Grease in sewer pipe

On August 10, 2010, the jury returned guilty verdicts against DHS, Inc., doing business as Roto Rooter, its president, Donald Gregory Smith, and manager William Wilmoth, Sr. The company was found guilty 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. All defendants are scheduled for sentencing on January 7, 2011.

The defendants were charged in a 43-count indictment with numerous violations of the Clean Water Act, mail fraud, and conspiracy for dumping 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. The indictment described a decade-long period during which 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 Mobile Area Water and Sewer System 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.

Roto Rooter employee Michael L. Edington previously pleaded guilty to conspiracy to violate the CWA, to commit mail fraud, and to make false statements for dumping 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.

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

[Back to Top](#)

Informations and Indictments

United States v. Dennis Eugene Rodebaugh et al., No. 1:10-CR-00444 (D. Colo.), ECS Senior Trial Attorney Robert Anderson [REDACTED], ECS Trial Attorney Mark Romley [REDACTED] and AUSA Linda McMahan [REDACTED]

On August 26, 2010, big game hunting outfitter Dennis Eugene Rodebaugh and hunting guide Brian Douglas Kunz were charged in a 10-count indictment with conspiracy and Lacey Act violations.

According to the indictment, Rodebaugh has operated a Colorado big game outfitting business called AD&S Guide and Outfitters since 1988, offering multi-day elk and deer hunts to scores of non-resident clients in the White River National Forest for between \$1,200 and \$1,600. Kunz worked as a seasonal guide for Rodebaugh since 1997. Each summer between 2002 and 2007, the defendants allegedly guided and outfitted numerous clients on hunts in which deer and elk were shot from tree stands near which Rodebaugh had placed hundreds of pounds of salt as bait. The placement and use of bait to hunt big game is unlawful in Colorado and is a violation of the Lacey Act.

The indictment also includes a forfeiture claim against vehicles and equipment used in the commission of the Lacey Act violations.

This case was investigated by the Fish and Wildlife Service and the Colorado Division of Wildlife.

[Back to Top](#)

United States v. Sidney Davis, No. 4:10-CR-00211 (D. Idaho), ECS Senior Trial Attorney Ron Sutcliffe [REDACTED] and ECS Trial Attorney Jim Nelson [REDACTED]

On August 24, 2010, a grand jury returned a 12-count indictment charging Sidney Davis with Lacey Act, fraud, and conspiracy violations.

Davis has operated the Trail Creek Lodge, a hunting lodge located near Soda Springs, Idaho, since approximately 1992. The area around the lodge contains world-class trophy elk and abundant deer. In 1996, Davis lost his outfitter's license and the ability to hire guides as the result of an agreement with the Idaho Outfitters and Guide Board. This was the result of his being issued approximately 22 citations by state authorities between 1993, when he was first licensed, and 1996. An agreement was subsequently reached whereby the defendant voluntarily forfeited his license for life in exchange for not facing criminal prosecution on those citations.

After losing his license Davis employed several guides to assist him in performing illegal outfitting and guiding services for his clients. During that time, the defendant also has faced both state and federal charges for wildlife crimes, including a Lacey Act conviction from 1998. After violating probation for attending a Salt Lake City sporting goods show and advertising himself as an outfitter, Davis' probation was revoked and he spent several days in jail.

Davis no longer refers to Trail Creek Lodge as a hunting lodge, but now calls it a "hunting club" or a "bed and breakfast." Despite the various descriptions, Davis continued to run an outfitting business without the appropriate licensing. The pending indictment alleges that Davis defrauded both his clients and the federal government by selling hunts which he failed to deliver and by engaging in a scheme to hide assets from a bankruptcy proceeding.

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

[Back to Top](#)

United States v. David Place, No. 1:09-CR-10152 (D. Mass.), ECS Trial Attorneys Jim Nelson [REDACTED] and Gary Donner [REDACTED].

On August 24, 2010, a nine-count superseding indictment was filed against David Place adding two additional smuggling charges. Place previously was charged with a dual conspiracy and Lacey Act violations for buying and illegally importing sperm whale teeth into the United States, as well as for selling the teeth after their illegal importation.

From 2001 to 2004, Place is alleged to have knowingly purchased and imported sperm whale teeth into the United States without the required documentation and without declaring this merchandise to customs and wildlife inspectors. Sperm whales are classified as "endangered" under the Endangered Species Act, and they are listed on CITES Appendix I. The indictment further alleges that Place conspired with others located in the Ukraine to illegally import the protected whale teeth for re-sale in the United States. The defendant is the owner of Manor House Antiques Cooperative in Nantucket. Sperm whale teeth are commonly used for scrimshaw, which is often sold for large sums of money to collectors and tourists.

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.

[Back to Top](#)

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

On August 19, 2010, Michael Murphy, a former chief engineer employed by Offshore Vessels, LLC ("OSV"), was charged in a one-count information with submitting a false statement, in violation of 18 U.S.C. § 1001.

Murphy had served aboard the *R/V Laurence M. (L.M.) Gould* ("*R/V 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 research voyages to and from Antarctica.



R/V Gould

The information alleges that on or about September 27, 2005, Murphy knowingly and willfully presented an oil record book containing false entries to the Coast Guard personnel during an inspection.

On July 29, 2010, OSV pleaded guilty to a one-count information charging a knowing violation of the Act to Prevent Pollutant from Ships (APPS). OSV admitted that on or about September 8, 2005, crew members knowingly discharged oily wastewater on the high seas directly overboard from the bilge tank of the *R/V Gould* in violation of APPS. (*see U.S. v. OSV below for more details.*)

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

[Back to Top](#)

United States v. Charles Yi et al., No. 2:10-CR-00793 (C.D. Calif.), ECS Senior Trial Attorney David Kehoe [REDACTED] and AUSA Bayron Gilchrist [REDACTED].

On August 18, 2010, Charles Yi and John Bostick were arrested after recently being charged with conspiracy and Clean Air Act asbestos work practice standards violations committed during the renovation of a 204-unit apartment building from January through February of 2006.

Yi and Bostick are upper-level officers of three companies that purchased the property and oversaw its renovation and conversion for sale as condominiums. The indictment alleges that, despite having knowledge of asbestos contained in the acoustical or “popcorn” ceilings of the apartment units, the defendants hired a company that was not licensed or trained in asbestos abatement to scrape the ceilings without informing the company’s workers about the asbestos or providing them with adequate protective gear. Joseph Yoon, the project manager of the condominium conversion, previously pleaded guilty to a one-count information charging him with a CAA conspiracy violation.

This case was investigated by the Environmental Protection Agency Criminal Investigation Division and the California South Coast Air Quality Management District.

[Back to Top](#)

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

On July 20, 2010, Peter DeFilippo, David Olsen, Joseph Terranova, and Excel Demo, Inc., were charged with conspiracy to violate the Clean Air Act and to make false statements, as well as substantive CAA and false statement violations. The charges stem from the defendants’ involvement in the illegal removal of asbestos in June 2008.

One of the buildings at the Harbour Club apartments had been destroyed by fire in January 2008 and was slated for demolition in June 2008. According to an asbestos survey conducted in May 2008, more than 30,000 square feet of asbestos-containing materials were present in the building. As alleged in the indictment, DeFilippo, as the owner of Excel Demo, Inc., a general contracting firm in New York, instructed Olsen to remove the asbestos, in order to avoid paying for the asbestos to be properly abated. Olsen used temporary laborers to remove the asbestos, without the presence of a certified professional and without following work practice standards. Terranova supervised projects for GFI Management Services, Inc., the property management company for Harbour Club. According to the indictment, he also was aware of the asbestos-containing materials in the building and the fact that DeFilippo and Olsen planned to illegally remove the materials.

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

[Back to Top](#)

Plea Agreements

United States v. Kevin Montgomery, No. 5:10-CR-00027 (M.D. Fla.), ECS Trial Attorney Lana Pettus [REDACTED] and AUSA Cherie Krigsman [REDACTED]



Excavation pit

On August 30, 2010, a one-count information and plea agreement were filed in this case involving the destruction and degradation of Forest Service land. According to the plea agreement, between 2004 and 2007 Kevin Montgomery lived on property adjacent to Ocala National Forest. He also was the owner of an excavation business. During this three-year period the defendant, among other things, buried refuse and car parts, including car batteries and the frame of an Econoline van, in large holes he dug on Forest Service property using heavy equipment that he employed in his landscaping and excavating business. On several occasions, Montgomery conducted his digging and burying operations at night. After an investigation was initiated in 2007, state investigators took soil samples from the impacted area and found high concentrations of petroleum in the soil on Forest Service land.

In November 2008, the Forest Service conducted an excavation of an area behind the defendant's property, where it was believed large items had been buried. The pit that was excavated measured approximately 82 feet long, 15 feet wide and six to eight feet deep. During the nine-hour excavation, investigators removed a total of over 5,000 pounds of refuse from the pit dug on Forest Service land, which also yielded the discovery of the van.

This case was investigated by the United States Forest Service.

[Back to Top](#)

United States v. Pescanova Inc., No. 1:10-CR-20526 (S.D. Fla.), AUSA Tom Watts FitzGerald [REDACTED]

On August 24, 2010, Pescanova, Inc., a seafood importer, pleaded guilty to a Lacey Act violation for the attempted sale of illegally caught Patagonian toothfish, also known as Chilean seabass, a slow growing deep sea species of fish. The Antarctic Marine Living Resources Convention Act protects the toothfish by requiring specific documentation when harvesting the fish. The company was charged with illegally importing the fish and then attempting to sell it in December 2009. Sentencing has been scheduled for November 17, 2010.

This case was investigated by the National Oceanic and Atmospheric Administration, Immigration and Customs Enforcement, and Customs and Border Protection.

[Back to Top](#)

United States v. Louis Demeo et al., Nos. 2:10-CR-00005 - 0006 (D. Nev.), ECS Senior Trial Attorney Ron Sutcliffe [REDACTED] ECS Trial Attorney Sue Park [REDACTED], and AUSA Roger Yang [REDACTED]

On August 23, 2010, Louis Demeo pleaded guilty to a single Clean Air Act false statement count charged in the indictment. On August 18th Eduardo Franco entered a similar guilty plea.

Demeo and Franco were two of 10 individuals indicted in January of 2010 for engaging in a practice known as “clean scanning” vehicles. The scheme involved using vehicles the testers knew would pass emissions tests for the actual test, but entered into the computerized system the vehicle identification number (“VIN”) for a vehicle that would not pass. The testers did not realize that the computer generated an electronic VIN from the car actually tested which was easily compared with the real vehicle’s VIN that was entered in the report. The falsifications were performed in exchange for varying amounts of money over and above the usual emissions testing fee. Demeo is scheduled to be sentenced on November 15, 2010 and Franco is scheduled for December 3, 2010.

These cases were investigated by the Environmental Protection Agency Criminal Investigation Division and the Nevada Division of Motor Vehicles Compliance Enforcement Division.

[Back to Top](#)

United States v. Andrew Costa, No. 2:09-CR-00744 (D. Utah), AUSA Jared Bennett [REDACTED]

On August 17, 2010, Andrew Costa pleaded guilty to a RCRA violation for storing approximately 67 drums containing hazardous waste. Sentencing has been scheduled for December 16, 2010.

In May 2005, Costa purchased two semi-truck trailers that contained drums of hazardous waste. At the time of purchase, the two trailers were located in a salvage yard. In or about April or May 2006, the defendant moved them out of the salvage yard and onto the street in front of the yard.

In June 2006, a Salt Lake City Parking Enforcement Officer observed a liquid leaking from one of the trailers onto the public street. Hazmat units responded to the scene and confirmed that some of the drums contained hazardous waste. When Costa was notified by authorities he refused to claim the drums.

The United States Environmental Protection Agency spent more than \$70,000 performing removal and cleanup of the hazardous waste found in the two trailers.

[Back to Top](#)



Semi-truck trailers

United States v. Paul McConnell et al., No. 3:10-CR-00205 (D. Idaho), ECS Senior Trial Attorney Ron Sutcliffe [REDACTED] and AUSA Nancy Cook [REDACTED]



Dredging

On August 17, 2010, Paul McConnell, Donna McConnell, and James Renshaw pleaded guilty to a two-count information charging them with a negligent Clean Water Act violation and an Endangered Species Act violation stemming from their involvement in the damage of habitat critical to the survival of Snake River Steelhead [REDACTED]

[REDACTED] own property abutting Clear Creek in Kooskia, Idaho, which is approximately 1.5 miles upstream from the Kooskia National Fish Hatchery. The Hatchery raises Chinook salmon to

replace stocks in the Clear Creek and Clearwater River drainage basin. Clear Creek above and below the hatchery is habitat for threatened steelhead trout, and the adjacent property was subject to springtime flooding.

The McConnells decided to channelize Clear Creek adjacent to the Clear Creek Property in an effort to prevent flooding during spring runoff. Renshaw performed stream channelization work with a bulldozer in August 2007 for the McConnells and a neighbor, Barton Wilkinson, who previously pleaded guilty (*see U.S. v. Wilkinson below for more details*).

Renshaw dredged rock and soil from the creek over an area of approximately 400 yards and re-deposited material into the creek as well as on the banks of Clear Creek below and above the ordinary high water mark, affecting approximately .25 acres. The channelization significantly modified fish habitat in the river and produced large amounts of siltation downstream from the site work. The defendants did not have a permit from the Army Corps of Engineers to perform the work in Clear Creek and caused damage to critical salmonid habitat.

This case was investigated by the Environmental Protection Agency Criminal Investigation Division and the National Oceanic and Atmospheric Administration.

[Back to Top](#)

United States v. Richard Sparks et al., No. 2:10-CR-04021 (W.D. Mo.), AUSA Larry Miller [REDACTED]

On August 16, 2010, Richard Sparks pleaded guilty to a false statement violation. Sparks, the superintendent of the Stover, Missouri, Department of Public Works, was charged in a 29-count indictment with false statement violations for falsifying information about the city's water supply that was then submitted to the Missouri Department of Natural Resources (MDNR).

Sparks had been charged with a total of 28 false statement violations, 26 of which were for submitting records to the MDNR that contained false sampling locations. The records indicate collection points for water samples taken between September 2006 and December 2007 at certain addresses; however, Sparks knew that the samples had not been taken there. The other two false statement counts related to bacteriological water analysis samples that Sparks allegedly submitted to

the state knowing that the water had been mixed with chlorine bleach to prevent an accurate laboratory analysis of the samples.

Scott Beckmann, the mayor of Stover, was charged with misprision of a felony for concealing these crimes from authorities. Beckmann allegedly knew that Sparks had submitted false information to the MDNR, but denied any knowledge when questioned by an EPA agent. Beckmann remains scheduled for trial to begin on February 14, 2011.

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

[Back to Top](#)

United States v. Jim Nguyen et al., Nos. 2:10-CR-00470 - 475 (C.D. Calif.), AUSAs Christine Ewell [REDACTED] and Joseph Johns [REDACTED]

On August 6, 2010, Jim Nguyen pleaded guilty to a single smuggling violation for his involvement in the illegal importation of Asian arowana or “lucky fish” into the United States. Nguyen, Andree Gunawan, Tom Ku, Sam Lam, Everette Villota, Thy Tran, and Tien Le were charged in May of this year with smuggling and Endangered Species Act violations.

The case evolved out of a 2005 undercover sting operation in which a Fish and Wildlife agent acted as a middleman working for an exporter in Bogor, Indonesia. Many Southeast Asian cultures believe the Asian arowana, or dragon fish, brings luck and protects their owners from evil spirits. The juvenile fish sell for approximately \$1,000 each while the more colorful adults, which grow to up to two-feet long, can sell for upwards of \$20,000.

This case was investigated by the Fish and Wildlife Service and the California Department of Fish and Game.

[Back to Top](#)

United States v. Gunduz Avaz et al., Nos. 8:10-CR-00264, 00286 (M.D. Fla.), ECS Trial Attorney Ken Nelson [REDACTED] and AUSA Jay Hoffer [REDACTED]

On August 3 and July 22, 2010, Turkish nationals Gunduz Avaz and Yavuz Molgultay each pleaded guilty to a single APPS violation for failing to accurately maintain an oil record book (ORB). Avaz was the chief engineer and Molgultay was the second engineer on board the *M/V Avenue Star* when the vessel made a port call in Tampa, Florida, in October 2009. As chief engineer Avaz admitted he knew that bilge wastes were being dumped from the ship at sea, and Molgultay admitted to participating in the dumping. During the vessel’s transit to Tampa from Honduras, Molgultay pumped oily bilge waste into the aft port peak ballast tank, a tank that is designed to hold certain amounts of sea water depending on the stability needs of the vessel. Thereafter, during the transit, Molgultay dumped a large quantity of the oily waste from the ballast tank into the sea. Avaz knew that this was taking place, and neither defendant accurately recorded these activities in the ORB. Avaz presented the ORB with the false entries to Coast Guard personnel during the port call in Tampa.

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

[Back to Top](#)

United States v Rogelio Lowe, No. 3:09-CR-01013 (N.D. Calif.), AUSA Stacey Geis

On August 1, 2010, Rogelio Lowe pleaded guilty to two counts of mail fraud stemming from his operation of E&D Environmental Safety Training, Inc., a company that offered occupational training for asbestos workers.

According to the plea agreement, starting in 2007 and continuing into 2009, Lowe devised a scheme wherein he charged students for asbestos training, but did not train them for the required amount of time and in several instances provided little or no training. By law, any person seeking accreditation as an asbestos worker must complete a 32-hour training program over the course of four days. The course must include lectures, demonstrations, and at least 14 hours of hands-on training, culminating in a closed-book examination.

According to the plea agreement, the classes Lowe provided were no longer than 30 minutes in length. Further, he provided answers to the closed-book examinations and forged tests for students who did not attend the test day. Lowe then issued certificates to students and charged their employers accordingly. The defendant submitted class rosters to the California Division of Industrial Relations, Division of Occupational Safety and Health, (Cal/OSHA) which falsely reflected that these students had successfully completed the training and passed the examination. Cal/OSHA used and relied on these rosters to add the names of students to its list of state-qualified asbestos workers.

This case was investigated by the Federal Bureau of Investigation and the Environmental Protection Agency Criminal Investigative Division, with assistance provided by Cal/OSHA.

[Back to Top](#)

United States v. Transmar Shipping, et al., No. 4:10-CR-00552 (N.D. Calif.), ECS Trial Attorney Lana Pettus and AUSA Chinhayi Cadet

On July 30, 2010, chief engineer Dimitrios Dimitrakis and second engineer Volodomyr Dombrovsky pleaded guilty to an APPS violation. Ship operator Transmar Shipping pleaded guilty to an APPS and a false statement violation.

This case involves the illegal discharges of oil from the Marshall Islands-flagged cargo ship *M/V New Fortune*, which arrived at port in Oakland, California, in February 2010. During a routine inspection by the Coast Guard, a crew member on the ship notified Coast Guard inspectors that the ship had been dumping oily wastes at sea by using a flexible bypass hose at the direction of the chief and second engineers. Multiple crew members provided the Coast Guard with photographs of the bypass hose in use while the ship was at sea. Further investigation revealed problems with the ship's oil water separator ("OWS") and incinerator. The oil record book falsely reported that the OWS and incinerator were being used routinely to process and dispose of the ship's oily wastes.



M/V New Fortune

Transmar was sentenced to pay a \$750,000 fine and a \$100,000 community service payment. It also will complete a three-year term of probation and implement an environmental compliance plan. Dombrovsky was sentenced to pay a \$500 fine and will serve a two-year term of probation. Dimitrakis has not yet been sentenced.

This case was investigated by the Coast Guard.

[Back to Top](#)

United States v. Offshore Vessels, LLC, No. 2:10-CR-00183 (E.D. La.), ECS Senior Trial Attorney Dan Doohar [REDACTED] and AUSA Dee Taylor [REDACTED]

On July 29, 2010, Offshore Vessels, LLC (OSV), pleaded guilty to a one-count information charging an APPS violation.

OSV owned and operated the *R/V Laurence M. (L.M.) Gould* (“*R/V Gould*”). The *R/V Gould* was a 2,966 gross ton American-flagged ship that served as an ice-breaking research vessel for the National Science Foundation on research voyages to and from Antarctica. On or about September 8, 2005, crew members knowingly discharged oily wastewater on the high seas directly overboard from the bilge tank of the *R/V Gould* in violation of APPS. (*see U.S. v. Murphy above for more details.*)

Sentencing is scheduled for November 4, 2010. This case was investigated by the Coast Guard Criminal Investigative Services.

[Back to Top](#)

Sentencings

United States v. Rodney Hoffman et al., Nos. 5:09-CR-00215 - 216 (S.D.W.V.), SAUSA Perry McDaniel [REDACTED] and AUSA Eric Goes [REDACTED]



Electroplating waste

On August 25, 2010, Rodney Hoffman, a co-owner of an electroplating business, was sentenced to serve 30 months' incarceration and was ordered to pay \$133,819 in restitution to the U.S. Environmental Protection Agency for cleanup costs.

Hoffman and co-owner Christopher Mills previously pleaded guilty to a RCRA storage violation, admitting to storing hazardous wastes, including solvents, heavy metals, and sulfuric and chromic acids, at the facility without a permit from October 2006 to February 21, 2007. The hazardous waste, which was discovered by state

investigators in open containers and vats, had been abandoned after plant operations were moved to a different location. As a result, the EPA has undertaken a Superfund cleanup of the site.

Hoffman has a conviction from 1999 for a Clean Water Act violation for improperly discharging waste from a prior electroplating business into a drain leading to a local municipal wastewater treatment system. He served an 11-month term of incarceration. Mills remains scheduled for sentencing on September 22, 2010.

This case was investigated by the United States Environmental Protection Agency Criminal Investigation Division and the West Virginia Department of Environmental Protection, with assistance

from the Environmental Protection Agency National Enforcement Investigations Center and the Federal Bureau of Investigation.

[Back to Top](#)

United States v. Barton Wilkinson, No. 3:09-CR-00203 (D. Idaho), ECS Senior Trial Attorney Ron Sutcliffe [REDACTED] and AUSA Nancy Cook [REDACTED]

On August 23, 2010, Barton Wilkinson was sentenced to pay a \$2,000 fine and will complete a two-year term of probation. He previously pleaded guilty to an Endangered Species Act violation for his involvement in damaging habitat critical to the survival of Snake River steelhead trout.

The defendant owns property abutting Clear Creek in Kooskia, Idaho, which is approximately 1.5 miles upstream from the Kooskia National Fish Hatchery. The Hatchery raises Chinook salmon to replace stocks in the Clear Creek and Clearwater River drainage basin. Clear Creek above and below the hatchery is habitat for threatened steelhead trout, and the adjacent property was subject to springtime flooding.

Wilkinson was approached by neighbors regarding channelization of Clear Creek next to his Clear Creek property in an effort to prevent flooding during spring runoff. A contractor was then hired to perform stream reconfiguration work with a bulldozer. The contractor dredged rock and soil material from the creek over an area of approximately 400 yards and re-deposited material into the creek as well as on the banks of Clear Creek below and above the ordinary high water mark affecting approximately a quarter-acre area.

Wilkinson did not obtain a permit from the Army Corps of Engineers to perform this work in Clear Creek, which produced large amounts of siltation downstream and caused significant damage to an endangered species habitat. As part of his sentence, Wilkinson will be held jointly and severally liable for restitution to be used to restore the creek. Co-defendants Paul McConnell, Donna McConnell and James Renshaw recently pleaded guilty for their involvement (*See U.S. v. Paul McConnell et al. above*).

This case was investigated by the Environmental Protection Agency Criminal Investigation Division and the National Oceanic and Atmospheric Administration.

[Back to Top](#)

United States v. Lance Clawson, No. 6:09-CR-00130 (E.D. Tex.), AUSA Jim Noble [REDACTED]

On August 18, 2010, Lance Clawson, a licensed deer breeder from west Texas, was sentenced to pay a \$15,000 fine, complete a three-year term of probation, and make a \$7,250 community service payment to the Texas Parks and Wildlife Foundation. Clawson previously pleaded guilty to a Lacey Act violation for the unlawful transportation of wildlife in interstate commerce. Clawson admitted to transporting whitetail deer from Oklahoma into Texas in violation of state and federal laws. Texas state law prohibits any importation of whitetail deer due to the threat of Chronic Wasting Disease.

Clawson owns and operates Regency Ranch, which is a hunting ranch and deer-breeding facility located near Goldthwaite, Texas. On October 15, 2008, the defendant traveled from Texas to Muskogee, Oklahoma, to purchase whitetail fawns from an Oklahoma deer breeder. On the return trip to Texas, he was stopped by Texas Parks and Wildlife Game Wardens with eight fawns in his vehicle. Clawson was aware that Texas law prohibits the possession of deer from an out-of-state source.

This case was investigated by the Texas Parks and Wildlife Department and the Fish and Wildlife Service.

[Back to Top](#)

United States v. Vaja Sikharulidze et al., No. 4:10-CR-00032 (E.D.N.C.), ECS Trial Attorney Shennie Patel [REDACTED] and AUSA Banu Rangarajan [REDACTED]



Bypass pipe

On August 17, 2010, Vaja Sikharulidze, the chief engineer for the *M/T Chem Faros*, was sentenced to complete a one-year term of probation to include seven days of home detention. The defendant's sentence was reduced based upon his substantial cooperation in this investigation. Sikharulidze previously pleaded guilty to an APPS violation for his involvement in illegal overboard discharges of oily bilge waste via a bypass pipe system. The *Chem Faros* is a chemical cargo ship operated by Cooperative Success Maritime SA, a company incorporated in Panama and headquartered in Athens, Greece.

On March 29, 2010, a Coast Guard port state control inspection team boarded the ship in Morehead City, North Carolina. While conducting the inspection, a crewmember approached Coast Guard

inspectors and handed them a note stating that the ship had illegally discharged oil-contaminated waste overboard through the use of a "magic pipe." Other crew members, including the chief and second engineers, corroborated the allegations of improper waste discharges. Cooperative Success Maritime was previously sentenced to pay a \$700,000 fine, make a \$150,000 community service payment, complete a five-year term of probation, and implement an environmental compliance plan. The company pleaded guilty to an APPS violation and to making material false statements.

This case was investigated by the Coast Guard.

[Back to Top](#)

United States v. Lester Brothers, No. 9:10-CR-00008 (D. Mont.), ECS Senior Trial Attorney Robert Anderson [REDACTED]

On August 3, 2010, Lester Brothers was sentenced to complete a two-year term of unsupervised probation and will perform 50 hours of community service. A fine was not assessed.

Brothers previously pleaded guilty to a single violation of the Endangered Species Act in connection with his transportation and possession of an unlawfully taken wolf near Libby, Montana, in November 2008-February 2009.

This case was investigated by the Fish and Wildlife Service.

[Back to Top](#)