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April 2, 1992

Thomas Jorling, Commissioner
Dept. of Environmental Conservation
Executive Office
50 Wolf Road
Albany, NY 12233

Dear Commissioner Jorling:

I am writing to you to request that you authorize a review of the background of an applicant for a proposed 400 acre solid waste landfill in the rural upstate town of Farmersville. Within the area of the proposed facility there is an abundance of blue heron and their rookeries. There also have been sightings of Bald eagles. Citizens have expressed their concern over the lack of protection that would be afforded the aquifer system serving municipal well heads in Franklin and Olean if the proposed project was to be approved. Residents are worried about the impact on wetlands at the site and a flood protection dam downstream.

The intent of your Bad Actors Enforcement Directive is to ensure that persons who are unsuitable to carry out responsibilities under department permits are not authorized to do so. The permit review procedures are to incorporate this consideration at the earliest possible stage in the review process. It is in the spirit of this policy that I am forwarding the following information about the applicant as it has been provided to me by potentially impacted citizens and environmental activists.

The applicant in question is IWS - Southern Tier Sanitary Facility. The Bad Actor Enforcement Directive states that the following information should be considered a basis for exercising the department's discretion in denying a permit in order to protect the environment and preserve the natural resources of the state:

"Whether a permittee or civil applicant has been determined in administrative, civil or criminal proceeding to have violated any provision of the ECL, any related order or determination of the Commissioner, any regulation of the Department, any condition or

term of any permit issued by the Department, or any similar statute, regulation, order or permit condition of the federal or other state government, or agency, on one or more occasions and in the opinion of the department, the violation that was the basis for the action posed a significant potential threat to the environment or human health, or is a pattern of non-compliance."

With respect to the directive, James H. "Harry" Williams, Chairman of the Board and Chief Executive Officer of Integrated Waste Services, (IWS), and his brother Francis, with 26 years of experience in the waste industry, and their various companies have been investigated, raided, indicted, and fined.

Early on they owned Newco Chemical Waste Systems Inc., which was charged with supplying PCB-laced solvent to a road crew that used some of it unknowingly to oil a road. The Newco president, Louis Wagner, was previously head of Chem-Trol Pollution Services, when in 1972, according to media reports, a fire resulted in exploding chemical drums and fireman vomiting a green substance. Only months earlier fire inspectors had been denied entry to conduct a fire inspection and after the fire began Chem-Trol workers refused to allow firemen to enter the property until they threatened to break down the gates to the site with their firetrucks.

Newco renamed CECOS International, became a prime contractor for the Love Canal clean-up. It was in that context that Harry Williams faces a \$15 million racketeering suit for the bribery of a Niagara Falls city manager in order to obtain the Love Canal remedial contract. The official was offered cash, a mortgage guarantee, and a job offer with a subsidiary in Florida. The New York State Organized Crime Task Force charged that Williams inflated costs by as much as \$5 million by double-billing, renting equipment from subsidiaries at excessive prices, and by adding 20 percent charges for overhead and profit on improper bills. The suit is still pending.

The brothers and their partners sold CECOS to Browning Ferris (BFI) for \$83 million in 1983. BFI later sued the Williams brothers for expenses incurred to remediate environmental contamination and the release of radioactive slag. The suit charged that the Williams' had contaminated the ground water and surface water at the Niagara Falls facility, which "was improperly constructed by defendants, as evidenced by their failure to comply with construction specifications and certifications made to the New York State Department of Environmental Conservation." The suit also charged they had dumped chemical drums in an unlined landfill in Ohio and sprayed roadways at one site with PCB-contaminated waste oil. The suit was settled when payment to BFI was agreed upon.

According to testimony from 1988 congressional hearings, a company named Enviroasure Management began with a \$1 million loan to Norman Doblesz from Harry Williams in exchange for a trust held for Harry's daughter of 17 million shares in Enviroasure stock. Within the year the value of this stock had increased to \$885,000. Williams denies this. He admits to being a "consultant" to Enviroasure. Williams was not

contract or health code infractions.

Congressional hearings into the matter were held. GAO testimony before Rep. Mike Synar's House Government Operations Subcommittee on the Environment revealed allegations that:

Persons associated with Envirosure were linked both personally and through business with members of the organized crime families in Buffalo and Kansas City.

An officer of PCB Inc. was the sales manager of a meat company identified as a front for organized crime.

Officers of PCB Inc. and C.B. Oil were suspected of involvement in narcotics, prostitution, pornography, illegal gambling, insurance and bank fraud, extortion, arson, and loan sharking.

A summary in the congressional report states that:

"The activities of Envirosure, PCB, Inc., C.B. Oil and Rose Chemicals raise concern about operating patterns. The corporate structures and the financial relationships are complex. The companies rely heavily on contracting among affiliated entities. They all exhibited operational histories of repeated regulatory violations and, in particular, a failure to maintain adequate disposal records and/or evidence of records falsification. Law enforcement intelligence records indicate that individuals associated with the companies are suspected of involvement in criminal activity and/or association with organized crime."

Envirosure and its subsidiaries were raided by the FBI and New York State authorities and is currently under indictment for filing false disposal records. The warrant claims the government has probable cause that Frontier Chemical Waste Process, Inc., a subsidiary of Envirosure Management, intentionally coded wastes prohibited from landfills as disposable wastes to circumvent EPA restrictions. Among the solvent wastes the warrant said Frontier may have illegally miscoded were ink, alcohol, petroleum solvent waste and trichloroethane.

In 1987 the same trust that began Envirosure Management lent \$3 million to another fledgling upstate New York trash hauler, Integrated Waste Services. Soon after the noncompete clause agreement with BFI expired, in 1989 Harry Williams took over Integrated Waste Services as its chief executive. During 1991 Integrated has been cited three times by Ohio officials for dumping contaminated soil and other prohibited materials at one of its landfills. The Ohio Attorney General is investigating.

supposed to have anything to do with the waste industry at this time as part of the agreement with BFI regarding the sale of CECOS, included a non-compete clause. Norman Dobiesz, chairman of Enviro sure, and a partner had been previously indicted for mail fraud and witness tampering.

Robert Bennett, a vice president of Enviro sure from 1985 to 1987 was also a vice president of Kimmins Environmental from 1987 to 1989 and is now president of IWS and a brother-in-law of the Williams'. After the noncompete agreement expired, brother Francis began building Kimmins Environmental Service Corp. In 1989 it was cited by EPA for allegedly improper removal of asbestos from a U.S. Agri-Chemical facility. In the same year Diversified Industries, Inc., a St. Louis metals and reclamation firm, filed suit against Kimmins claiming that Kimmins buried on-site instead of removing 1,327 tons of scrap metal, 1,350 cubic yards of trash including lumber and about 60 metal drums, many of which contained hazardous waste. A former Kimmins employee claims that a truck was also buried on the site and later reported by its owner to the local police as stolen.

In February of 1990 Manville Corp. tossed Kimmins off an \$11 million contract to remove asbestos from 16 former manufacturing buildings. Manville's suit charges Kimmins with repeated safety violations beginning almost from day one. The engineer hired to oversee the job from the firm of Conestoga-Revers & Associates said that in his 15 years of supervising hazardous waste clean-ups this was the first job in which the contractor had ever been terminated.

In August of 1990 Kimmins narrowly escaped being shut down in Florida for mixing dirt and C&D and using it as fill for construction and accepting refuse without a permit. Three times city zoning inspectors found unrecyclable debris from Kimmins dumped as fill in unlicensed pits across the city.

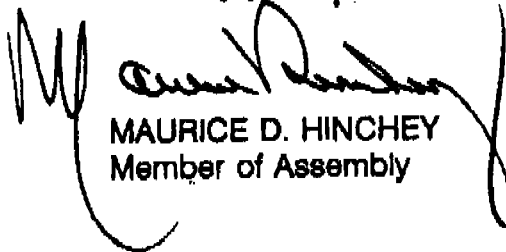
The names of both James and Francis Williams appear on bonding documents in which obligate their personal guarantees through a \$15.5 million performance bond and a \$2.5 million penalty bond which played a key role in the newly organized Kimmins Thermal Corp.'s winning approval for the cleanup of the Federal Superfund site Wide Beach. The name Kimmins was derived from Kimmins Construction Company which was acquired in 1973 by Land Reclamation Inc., whose president was James Williams.

Enviro sure Management obtained \$6 million in contracts to clean-up PCB's in Kansas City, Mo. It entered into a sales marketing agreement with two Kansas City firms, PCB Inc. and C.B. Oil to do the work. In 1986 and 1987, Enviro sure purchased several companies affiliated with PCB, Inc. Williams told GAO that he had at one time loaned \$10,000 to \$20,000 to Michael Cannova, an official of C.B. Oil and PCB, Inc. Cannova had been convicted of mail fraud and income tax evasion as the result of an investigation by the Kansas City Organized Crime Strike Force. According to EPA inspectors, instead of properly handling the materials, PCB Inc. sold PCB contaminated scrap metal and illegally landfilled the PCB capacitors. These companies had been repeatedly cited for

This year Integrated Waste Services has been fined \$50,000 for violating the conditions of its C&D landfill permit in Western New York for the illegal shredding and disposal of paper wastes. It will also have to set-up a DEC account to pay for a full-time monitor. The cost is estimated as approaching \$100,000.

I am bringing your attention to the history of performance of this applicant and its related associates so that you will seriously consider the lack of advisability in permitting the IWS proposed facility in Farmersville. In order to attain and maintain public confidence in government's ability to regulate this industry, it is necessary that a continued system of regulation preclude the participation of individuals with criminal associations and persons known to be deficient in reliability, expertise and competence. I am hopeful that IWS - Southern Tier Sanitary Facility's permit application will be denied.

Sincerely yours,



MAURICE D. HINCHEY
Member of Assembly