



Department of Justice

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BUSINESS OWNER AND COMPANY PLEAD GUILTY TO ASBESTOS VIOLATIONS

COLUMBUS – A. David Sugar, 62, of New Middletown, and his construction company, Honey Creek Contracting Company, pleaded guilty in United States District Court to one count of conspiracy and four counts of violating the Clean Air Act rules related to the proper removal and handling of asbestos.

Carter M. Stewart, United States Attorney for the Southern District of Ohio, Ohio Attorney General Mike DeWine, Randall K. Ashe, Special Agent in Charge of the U.S. Environmental Protection Agency, and Scott J. Nally, Director of the Ohio Environmental Protection Agency, announced the pleas entered today before U.S. District Court Judge Gregory L. Frost.

Sugar owned and operated Honey Creek, a construction company located in Petersburg, Ohio. In 2004 Sugar purchased the former Weirton Steel Plant (“WSP”), in Steubenville, Ohio, for the purpose of renovating the facility. Prior to the renovation, the WSP contained approximately 30,000 linear feet of asbestos pipe insulation, and in one room commonly referred to as the Green Room, there were 5,992 linear feet of asbestos pipe insulation.

Sugar and Honey Creek pleaded guilty to one count of conspiracy to violate the asbestos requirements established under the Clean Air Act (“asbestos NESHAPs”). In particular, the conspiracy was accomplished by failing to remove the asbestos in the Green Room before renovation activities began, and failure to follow the work practice standards specified in the asbestos NESHAP.

Sugar and Honey Creek also pleaded guilty to violating the asbestos NESHAP by failing to notify the proper authorities prior to the start of the renovation. Sugar also admitted to directing the renovation of the Green Room before the asbestos was removed, which resulted in the breaking up, dislodging, and disturbing friable asbestos. Sugar also pleaded guilty to directing several employees to violate the work practice provisions of the asbestos NESHAP (i.e., failure to carefully lower and failure to maintain the asbestos wet until collected for disposal).

The plea agreement contains a recommended sentence of a \$30,000 fine against the company and a requirement that the company pay for baseline X-rays for employees involved. The company would also serve three years on probation.

The plea agreement calls for Sugar to serve a sentence of 36 months of probation which will include spending the first 15 weekends in jail followed by 21 weeks of home confinement with electronic monitoring. Judge Frost will set a date for sentencing and determine whether or not to accept the terms of the plea agreement following a pre-sentence investigation by the court.

“Exposure to asbestos can be fatal and the government will not tolerate illegal activity which puts the public at risk,” said Randall K. Ashe, Special Agent in Charge of EPA’s criminal enforcement program in Ohio. “The defendants admitted to illegally handling and storing materials containing asbestos. It is fitting that, as part of the sentence, they will pay for medical tests for workers who were exposed to asbestos as a result of their crimes. The message in this case is clear. Those who endanger human health and the environment will be vigorously prosecuted.”

Asbestos is designated by the CAA as a hazardous air pollutant. Studies have shown that exposure to asbestos can cause life-threatening diseases, including asbestosis, cancer, and mesothelioma.

Stewart commended the cooperative investigation by federal and state law enforcement agencies who investigated the case, and Assistant United States Attorney J. Michael Marous, and Special Assistant U.S. Attorney Brad J. Beeson with the United States Environmental Protection Agency who prosecuted the case.

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