



CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY
Department of Toxic Substances Control

News Release

T – 2 – 18

Barbara A. Lee, Director

FOR IMMEDIATE RELEASE

February 22, 2018

Contact: Russ Edmondson

(916) 323-3372

Russ.Edmondson@dtsc.ca.gov

State Investigation into Illegal Hazardous Waste Disposal Leads to Arrests

SACRAMENTO – A year-long Department of Toxic Substances Control (DTSC) investigation has led to the arrest of three former employees and one current employee of the Panoche Water District (PWD), located in Firebaugh. A fourth former employee is expected to surrender Friday. The five individuals were charged in a felony complaint that included unlawful disposal and transportation of hazardous waste, embezzlement and conspiracy to misappropriate public funds.

DTSC found 86 drums of hazardous waste, varying in size from 35 to 55 gallons, illegally buried on the water district's property. The drums contained chlorine, caustic soda, iron chloride and a mixture of used antifreeze, used solvents, and used oil.

Following that discovery, DTSC's Office of Criminal Investigations (OCI) also investigated the water district for possible financial crimes, first identified by the State Controller's Office. These activities included illegal employee loans and the use of district credit cards for sporting events, slot machine purchases, concerts, kitchen remodeling, residential landscaping and other purchases.

"These arrests send the strong message that violations of the state's hazardous waste laws are taken seriously and will be pursued and prosecuted to the maximum extent possible in order to protect public health, the environment and public resources," said DTSC Director Barbara A. Lee.

In a felony complaint filed yesterday by California Attorney General Xavier Becerra, former PWD general manager Dennis Falaschi, former office manager Julie Cascia, former employees Dubby West and Jack Hurley, and one PWD current employee, Atomic Falaschi, were charged in a complaint that included unlawful disposal and transportation of hazardous waste, embezzlement and conspiracy to misappropriate more than \$100,000 in public funds.

During removal of the drums from the property, DTSC discovered that the liquid hazardous waste was leaking into the ground. The contamination is being remediated. According to the criminal complaint, other hazardous waste was sent to businesses not permitted to receive the waste, resulting in the felony charge of illegally transporting hazardous waste.

DTSC referred the criminal case to the office of California Attorney General Xavier Becerra in

September 2017.

“In California, those in public posts who abuse the public's trust for personal gain will be held accountable,” Becerra said. “The California Department of Justice will investigate and prosecute those who embezzle and misuse public funds. We will work with our law enforcement partners to get the job done.”

PWD is a public agency that distributes water for irrigation, domestic, and industrial uses, serving an area of about 38,000 acres in western Merced and Fresno counties. The district is overseen by a five-member board of directors.

OCI is a special investigation unit within DTSC, comprising of peace officers, scientists, and a computer forensic specialist who investigate criminal misconduct and other serious violations of hazardous waste laws.

View documents related to the case [here](#).

#

FOR GENERAL INQUIRIES: Contact the Department of Toxic Substances Control by phone at (800) 728-6942 or visit www.dtsc.ca.gov. To report illegal handling, discharge, or disposal of hazardous waste, call the Waste Alert Hotline at (800) 698-6942.

The Mission of DTSC is to protect California's people and environment from harmful effects of toxic substances by restoring contaminated properties, identifying and promoting safer ingredients in consumer products, and ensuring stewardship through enforcement, regulation and pollution prevention.