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THE CITY OF NEW YORK  
BUSINESS INTEGRITY COMMISSION  
100 CHURCH STREET, 20TH FLOOR  
NEW YORK, NEW YORK 10007

DECISION OF THE BUSINESS INTEGRITY COMMISSION DENYING THE APPLICATION OF K & S SANITATION, INC. FOR AN EXEMPTION FROM LICENSING REQUIREMENTS AND A REGISTRATION TO OPERATE AS A TRADE WASTE BUSINESS

On August 13, 2004, K & S Sanitation, Inc. (the "Applicant" or "K & S") submitted an Application to the New York City Business Integrity Commission ("the Commission") for an Exemption from Licensing Requirements for the Removal of Construction and Demolition Debris ("Registration"). See Title 16-A of the New York City Administrative Code ("Admin. Code"), §16-505(a). Lucretia Kallmeyer ("Lucretia" or "Mrs. Kallmeyer") and Kevin N. Kallmeyer ("Kevin, Jr.") are the disclosed principals of the Applicant, a construction and demolition debris carting company.

K & S has applied to the Commission for a registration enabling it to operate a trade waste business "solely engaged in the removal of waste materials resulting from building demolition, construction, alteration or excavation" – a type of waste commonly known as construction and demolition debris, or "C & D." See Admin. Code §16-505(a). Local Law 42 authorizes the Trade Waste Commission, subsequently renamed the Business Integrity Commission pursuant to Local Law 21 of 2002, to review and determine such applications for registration. See *id.* If, upon review and investigation of the application, the Commission grants the applicant a registration, the applicant becomes "exempt" from the licensing requirement applicable to businesses that remove other types of waste. See *id.*

In determining whether to grant a Registration to operate a construction and demolition debris removal business, the Commission considers the same types of factors that are pertinent to the Commission's determination whether to issue a license to a business seeking to remove other types of waste. See, e.g., Admin Code §16-504(a) (empowering Commission to issue and establish standards for issuance, suspension, and revocation of licenses and registrations); compare Title 17, Rules of the City of New York ("RCNY") §§1-06 & 2-02 (specifying information required to be submitted by license applicant) with *id.* §§1-06 & 2-03(b) (specifying information required to be submitted by registration applicant); see also Admin. Code §16-513(a)(i) (authorizing

suspension or revocation of license or registration for violation of Local Law 42 or any rule promulgated pursuant thereto). Central to the Commission's investigation and determination of a registration application is whether the applicant has business integrity. See 17 RCNY §1-09 (prohibiting numerous types of conduct reflecting lack of business integrity, including violations of law, knowing association with organized crime figures, false or misleading statements to the Commission, and deceptive trade practices); Admin. Code §16-509(a) (authorizing Commission to refuse to issue licenses to applicants lacking "good character, honesty and integrity").

Based upon the record as to the Applicant, the Commission denies the Applicant's Registration Application on the ground that this Applicant lacks good character, honesty, and integrity for the following reasons:

- (i) Kevin G. Kallmeyer is, by operation of law, a principal of Applicant corporation through his familial relationships to Lucretia Kallmeyer and Kevin N. Kallmeyer, the Applicant's disclosed principals and owners of 100% of its shares.
- (ii) Kevin G. Kallmeyer is a convicted racketeer and known associate of the Lucchese crime family, whose lack of good character, honesty and integrity is directly attributable to the Applicant.

## **I. BACKGROUND**

### **A. The New York City Carting Industry**

Virtually all of the more than 200,000 commercial business establishments in New York City contract with private carting companies to remove and dispose of their refuse. Historically, those services have been provided by several hundred companies. For the past four decades, and until only a few years ago, the private carting industry in the City was operated as an organized crime-controlled cartel engaging in a pervasive pattern of racketeering and anticompetitive practices. The United States Court of Appeals for the Second Circuit has described that cartel as "a 'black hole' in New York City's economic life." Sanitation & Recycling Industry, Inc. v. City of New York, 107 F.3d 985, 989 (2d Cir. 1997) ("SRI").

Extensive testimonial and documentary evidence adduced during lengthy City Council hearings addressing the corruption that historically has plagued this industry revealed the nature of the cartel: an entrenched anti-competitive conspiracy carried out through customer-allocation agreements among carters, who sold to one another the exclusive right to service customers, and enforced by organized crime-connected racketeers, who mediated disputes among carters. See generally Peter Reuter, Racketeering in Legitimate Industries: A Study in the Economics of Intimidation (RAND Corp. 1987). After hearing the evidence, the City Council made numerous factual findings concerning organized crime's longstanding and corrupting influence over the

City's carting industry and its effects, including the anticompetitive cartel, exorbitant carting rates, and rampant customer overcharging. More generally, the Council found "that unscrupulous businesses in the industry have taken advantage of the absence of an effective regulatory scheme to engage in fraudulent conduct." Local Law 42 §1.

The City Council's findings of extensive corruption in the commercial carting industry have been validated by the successful prosecution of many of the leading figures and companies in the industry. In 1995 and 1996, the Manhattan District Attorney obtained racketeering indictments against more than sixty individuals and firms connected to the City's waste removal industry, including powerful mob figures such as Genovese organized crime family capo Alphonse Malangone and Gambino soldier Joseph Francolino. Simply put, the industry's entire modus operandi, the cartel, was indicted as a criminal enterprise. Since then, all of the defendants have either pleaded or been found guilty of felonies; many have been sentenced to lengthy prison terms, and many millions of dollars in fines and forfeitures have been imposed.

The Commission's regulatory and law-enforcement investigations have confirmed that organized crime has long infiltrated the construction and demolition debris removal sector of the carting industry as well as the garbage hauling sector that was the focus of the Manhattan District Attorney's prosecution. In light of the close nexus between the C & D sector of the carting industry and the construction industry, mob influence in the former should come as no surprise. The construction industry in New York City has been corrupted by organized crime for decades. See, e.g., James B. Jacobs, Gotham Unbound: How New York City Was Liberated from the Grip of Organized Crime 96-115 (1999) (detailing La Cosa Nostra's influence and criminal activity in the concrete, masonry, drywall, carpentry, painting, trucking, and other sectors of the City's construction industry).

Moreover, the C & D sector of the carting industry has been a subject of significant federal prosecutions over the past decade. In 1990, Anthony Vulpis, an associate of both the Gambino and the Genovese organized crime families, Angelo Paccione, and six waste hauling companies owned or controlled by them were convicted of multiple counts of racketeering and mail fraud in connection with their operation of a massive illegal landfill on Staten Island. See United States v. Paccione, 949 F.2d 1183, 1186-88 (2d Cir. 1991), cert. denied, 505 U.S. 1220 (1992). Many C & D haulers dumped their loads at this illegal landfill, which accumulated 550,000 cubic yards of refuse over a mere four-month period in 1988. During that period, "the City experienced a sharp decline in the tonnage of construction waste deposited" at its Fresh Kills landfill, as well as "a concomitant decline in revenue" from the fees that would have been charged for dumping at a legal landfill. 949 F.2d at 1188. The trial judge described this scheme as "one of the largest and most serious frauds involving environmental crimes ever prosecuted in the United States." United States v. Paccione, 751 F. Supp. 368, 371 (S.D.N.Y. 1990).

Another illegal waste disposal scheme also prominently featured haulers of construction and demolition debris. This scheme involved certain "cover" programs

instituted by the City of New York at Fresh Kills, under which the City obtained materials needed to cover the garbage and other waste dumped at the landfill. Under the “free cover” program, transfer stations and carting companies could dispose of “clean fill” (i.e., soil uncontaminated by debris) at Fresh Kills free of charge. Under the “paid cover” program, the City contracted with and paid carting companies to bring clean fill to Fresh Kills. Numerous transfer stations and carters, however, abetted by corrupt City sanitation workers, dumped non-qualifying materials (including C & D) at Fresh Kills under the guise of clean fill. This was done by “cocktailing” the refuse: Refuse was placed beneath, and hidden by, a layer of dirt on top of a truckload. When the trucks arrived at Fresh Kills, they appeared to contain nothing but clean fill, which could be dumped free of charge.

In 1994, twenty-eight individuals, including numerous owners of transfer stations and carting and trucking companies, were indicted in connection with this scheme, which deprived the City of approximately \$10 million in disposal fees. The indictments charged that from January 1988 through April 1992, the defendants participated in a racketeering conspiracy and engaged in bribery and mail fraud in connection with the operation of the City’s “cover” programs. The various hauling companies, from Brooklyn, Queens, and Staten Island, were charged with paying hundreds of thousands of dollars in bribes to Department of Sanitation employees to allow them to dump non-qualifying materials at Fresh Kills without paying the City’s tipping fees. See United States v. Cafra, et al., No. 94 Cr. 380 (S.D.N.Y.); United States v. Barbieri, et al., No. 94 Cr. 518 (S.D.N.Y.); see also United States v. Caccio, et al., Nos. 94 Cr. 357, 358, 359, 367 (four felony informations). Twenty-seven defendants pleaded guilty in 1994 and 1995, and the remaining defendant was found guilty in 1996 after trial.

In sum, the need to root organized crime and other forms of corruption out of the City’s waste removal industry applies with equal force to the garbage hauling and the C & D sectors of the industry. Local Law 42 recognizes this fact in requiring C & D haulers to obtain registrations from the Commission in order to operate in the City. See Attonito v. Maldonado, 3 A.D.3d 415, 771 N.Y.S.2d 97 (1<sup>st</sup> Dept. 2004).

## **B. Local Law 42**

Upon the enactment of Local Law 42, the Commission assumed regulatory authority from the Department of Consumer Affairs (“DCA”) for the licensing and registration of businesses that remove, collect, or dispose of trade waste. See Admin. Code §16-503. “Trade waste” is broadly defined and specifically includes “construction and demolition debris.” Id. §16-501(f)(1). The carting industry quickly challenged the new law, but the courts have consistently upheld Local Law 42 against repeated facial and as-applied constitutional challenges by New York City carters. See, e.g., Sanitation & Recycling Industry, Inc. v. City of New York, 928 F. Supp. 407 (S.D.N.Y. 1996), aff’d, 107 F.3d 985 (2d Cir. 1997); Universal Sanitation Corp. v. Trade Waste Comm’n, No. 96 Civ. 6581 (S.D.N.Y. Oct. 16, 1996); Vigliotti Bros. Carting Co. v. Trade Waste Comm’n, No. 115993/96 (Sup. Ct. N.Y. Cty. Dec. 4, 1996); Fava v. City of New York,

No. CV-97-0179 (E.D.N.Y. May 12, 1997); Imperial Sanitation Corp. v. City of New York, No. 97 CV 682 (E.D.N.Y. June 23, 1997); PJC Sanitation Services, Inc. v. City of New York, No. 97-CV-364 (E.D.N.Y. July 7, 1997). The United States Court of Appeals has definitively ruled that an applicant for a trade waste removal license under Local Law 42 has no entitlement to and no property interest in a license, and the Commission is vested with broad discretion to grant or deny a license application. SRI, 107 F.3d at 995; see also Daxor Corp. v. New York Dep't of Health, 90 N.Y.2d 89, 98-100, 681 N.E.2d 356, 659 N.Y.S.2d 189 (1997); Attonito, 3 A.D.3d 415.

## II. DISCUSSION

On August 13, 2004, K & S filed an Application with the Commission for a registration to cart construction and demolition debris. The declared principals of the Applicant are Lucretia Kallmeyer and Kevin N. Kallmeyer, who are, jointly, the holders of 100% of the outstanding shares of the Applicant corporation. See Application at 9. The staff has conducted a background investigation of the Applicant and its stated principals, in connection with which the staff interviewed Lucretia by telephone. See Memorandum to K & S File, dated January 18, 2006 ("1/18/06 Memo").

The staff has also conducted a background investigation of Kevin G. Kallmeyer, the husband and father, respectively, of Applicant's principals, a convicted racketeer who has been publicly identified by law enforcement as an associate of the Lucchese crime family. See United States v. Salvatore Avellino, et al, Indictment No. 97 CR 1062 ("Indictment") at 9.

On April 28, 2006, the staff issued a ten-page recommendation that K & S's Application be denied. The Applicant was served with the Commission's recommendation by personal service upon Kevin N. Kallmeyer on April 29, 2006, and had ten business days to submit a response pursuant to Section 2-08(a) of Title 17 of the Rules of the City of New York. The Commission did not receive a factual response to the recommendation from the Applicant, but instead received a request by Lucretia Kallmeyer that the Commission withdraw the K & S Application from consideration. That request was denied.

The Commission has carefully considered the staff's denial recommendation. For the reasons set forth below, the Commission finds that the Applicant lacks good character, honesty, and integrity, and denies its application.

- A. Kevin G. Kallmeyer is, by operation of law, a principal of Applicant corporation through his familial relationships to Lucretia Kallmeyer and Kevin N. Kallmeyer, the Applicant's disclosed principals and holders of 100% of its shares.**

The Commission may consider the spouse, children, grandchildren, or parents of the disclosed stockholder(s) of a corporate applicant to be stockholder(s) of such

corporate applicant. See Admin. Code §16-501(d)(1)(ii). Such family member(s) may then be considered to be principal(s) of a corporate applicant, if the threshold percentage of ownership of the outstanding shares of the corporation is met. See id.

Specifically, §16-501(d) states, *inter alia*, that a “principal” of a corporation shall mean: “. . . . . every officer and director and every stockholder holding ten percent or more of the outstanding shares of the corporation;. . . . .”

It states further:

For the purposes of this chapter (1) an individual shall be considered to hold stock in a corporation where such stock is owned directly or indirectly by or for (i) such individual; (ii) the spouse or domestic partner of such individual (other than a spouse who is legally separated from such individual pursuant to a judicial decree or an agreement cognizable under the laws of the state in which such individual is domiciled); the children, grandchildren and parents of such individual. . . . . See id.

This broad definition of “principal” was adopted by the City Council to be read in conjunction with the legislation’s §16-507 (requiring Applicants for registration to provide the Commission with information sufficient to enable the Commission to identify a business) and §16-508 (setting forth a detailed list of information Applicants for license would have to provide to the Commission). See Report of the Legal and Governmental Affairs Division of the City Council; Hearing on Int. No. 676-A Before the Committee on Consumer Affairs, May 10, 1996 at 11-12.

The Commission’s authority to designate as shareholders the spouse, children, grandchildren or parents of disclosed shareholders of corporate applicants was created in furtherance of the Commission’s powers to establish standards for the issuance of licenses and registrations, to enable the Commission to “pierce the corporate veil,” and to then consider the character, and integrity of such family members, when circumstances would warrant such consideration, in making its determination whether to grant or deny such license or registration. See, e.g. Admin. Code §§16-504(a), 509(b).

The Application submitted by K & S Sanitation, Inc. states that Lucretia Kallmeyer, born in 1958, is its CEO and holds 99% of the outstanding shares of the corporation. It states that Kevin N. Kallmeyer, born in 1979, is the corporation’s Secretary and holds 1% of the corporate shares.<sup>1</sup> The home address stated for Lucretia on the Application is 519 Miller Place Road, Miller Place, NY. See Application at 9.

The staff interviewed Lucretia Kallmeyer by telephone to obtain additional information regarding K & S and to confirm her relationship to Kevin G. and Kevin N. Kallmeyer. She stated that Kevin G. Kallmeyer is her husband and that he resides with her at the Miller Place Road address. She stated that K & S shares its business address, 178 Morris Avenue, Holtsville, NY, with Kallmeyer & Son Truck Tire Service, Inc.

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<sup>1</sup>The Certificate of Incorporation of K & S Sanitation, Inc., on file at the New York State Department of State, indicates that it was filed on 3/23/99, that the corporation has “active” status, and that Lucretia Kallmeyer is its Chief Executive Officer. See [www.dos.state.ny.us/Corporation\\_and\\_Business\\_Database](http://www.dos.state.ny.us/Corporation_and_Business_Database).

("Kallmeyer & Son")<sup>2</sup>, which is owned by her husband, and that Kevin N. Kallmeyer, their only son, never had an ownership interest in that corporation. See 1/18/06 Memo.

The facts adduced from K & S's Application and the conversations the staff had with Lucretia Kallmeyer are sufficient to establish that Kevin G. Kallmeyer may be considered a stockholder of K & S pursuant to Admin. Code §16-501(d). The outstanding shares of K & S owned by his spouse, Lucretia Kallmeyer, with whom he resides, as well as the shares owned by his son, Kevin N. Kallmeyer, are deemed by operation of law to be jointly owned by Kevin G. Kallmeyer. Further, through such joint ownership in 100% of the corporate Applicant's outstanding shares, Kevin G. Kallmeyer's holdings in K & S exceed the ten percent minimum holding for him to be designated as a principal of the corporation. See Admin. Code §§16-501(d), 504(a).

In addition to the evidence that Kevin G. Kallmeyer is a principal of K & S through his close familial relationships to the Applicant's disclosed principals, there is evidence that he once was President of K & S and is currently an undisclosed principal.

Mrs. Kallmeyer stated that K & S is located within the same building as Kallmeyer & Son, at 178 Morris Avenue, Holtsville, NY. She stated that her husband owns the property and that K & S pays no rent for the office space it occupies. She did not remember if she is listed as a joint owner on the deed to this property. See 1/18/06 Memo.

Mrs. Kallmeyer asserted that her husband has nothing to do with the business of K & S; that the business belongs to her and her son; and that her son does the driving and physical labor. When asked if her husband had ever held himself out to be a principal of K & S, she responded that he had, but that it was years ago.<sup>3</sup> She stated further that her husband transferred K & S to her and their son in 2001 before he began serving his prison sentence for the crime of arson [discussed in Section B, *infra*]. See id.

That she is not the true controlling principal of K & S was further evidenced by her lack of knowledge of how many trucks are currently registered to the company. When questioned, she hesitantly responded that K & S owns two trucks, which she identified as "one big and one smaller – both roll-offs." When confronted with the information that the New York State Department of Motor Vehicles database shows that

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<sup>2</sup> Kallmeyer & Son Truck Tire Service, Inc. was publicly identified by law enforcement as a business under the protection and control of the Lucchese Family. See United States v. Salvatore Avellino, et al, Indictment No. 97 CR 1062 at 7. See discussion *infra* in Section B.

<sup>3</sup> A Business Background Report on K&S Sanitation, Inc., obtained on 4/20/06, published by Dun & Bradstreet on 7/25/05, states, "Attempts to contact the management of this business have been unsuccessful. Inside sources confirmed operation and location." The report then identifies Kevin Kallmeyer as President and states, "On June 4, 1999 management confirmed the existence of this corporation." The Report also reprints data reported by the NYS Secretary of State, which indicates that Lucretia Kallmeyer is Chairman of the Board. See [www.lexisnexis.dnb.com/report](http://www.lexisnexis.dnb.com/report).

K & S currently owns six trucks,<sup>4</sup> two of which are 2005 Volvos, she responded that she was not then in the office, but on vacation, and asked if she could call back. See id.

Due to the adoption of the broad definition of "principal" in Local Law 42 of 1996, the Commission can designate Kevin G. Kallmeyer to be a principal of the Applicant by operation of law, through his familial relationships to the Applicant's declared principals, obviating the need to gather additional evidence of his involvement in its business. See, e.g. Admin. Code §§16-501(d); 504(a).

**B. Kevin G. Kallmeyer is a convicted racketeer and known associate of the Lucchese crime family, whose lack of good character, honesty and integrity is directly attributable to the Applicant.**

The Commission may deny the registration application of a construction and demolition debris carting business whose principals have engaged in the commission of a racketeering activity or have had a knowing association with a member or associate of an organized crime group or a person who has been convicted of a racketeering activity. See Admin. Code S.16-509(a)(v), (vi); SRI, 107 F.3d at 998; supra at 3-4.

Kevin G. Kallmeyer has been publicly identified by law enforcement as a member of the Lucchese organized crime family and is a convicted racketeer. On July 14, 1999, he was indicted, along with various members and associates of the Lucchese organized crime family, by the United States Attorney for the Eastern District of New York. See United States v. Salvatore Avellino, et al., Indictment No. 97 CR 1062. The indictment identified Kevin G. Kallmeyer as an associate of the Lucchese Family and charged him with furthering the racketeering enterprise of the Lucchese Family. See id. at 4-5.

The indictment also charged Kallmeyer, together with Michael Avellino and Michael Malena, with two counts of arson:<sup>5</sup> one of a building located at 1785 Lakeland Avenue, Ronkonkoma, New York, and the business, A Tire Service, Inc., located therein; and the other of automobile service vehicles located at 178-A Morris Avenue, used by Quality Fleet. See id. at 27-28 and 32.

On April 3, 2001, Kevin G. Kallmeyer pled guilty to arson of the business and building located at 1785 Lakeland Avenue, Ronkonkoma, New York (Count 10 of the Indictment). See Criminal Docket for Case No. 97 CR 1062, U.S. District Court, Eastern District of New York (Hauppauge). He was sentenced on September 28, 2001 to 24 months in prison, three years supervised release with a maximum expiration date of August 4, 2006, a \$20,000 fine, and \$15,000 in restitution.<sup>6</sup> See id. He is currently on probation.

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<sup>4</sup> See NYS Department of Motor Vehicles Registration Reports for Plates 16251JU, 16252JU, 16335JU, 74292PA, 82759JU and 95185JD.

<sup>5</sup> Title 18, United States Code, §§844(i), 2, and 3551 et seq.

<sup>6</sup> Lucretia Kallmeyer stated that Kevin G. Kallmeyer transferred K&S to her and their son in 2001 when he began serving his prison sentence. See 1/18/06 Memo to K&S File.



The arson to which Kevin G. Kallmeyer pled guilty was committed on the order of Salvatore Avellino, who has long been identified by law enforcement and widely reported in the press to be a captain in the Lucchese crime family, and the boss of the carting industry on Long Island. Kallmeyer's crime, which was also widely reported in the press, was part of and in furtherance of the racketeering enterprise run by Avellino on Long Island, which enterprise committed acts of arson, extortion, threats of violence, and murder. See Steve Wick, Murder and the Mob, Newsday, December 23, 2001 (investigative report, which details Avellino's part in the murders of Robert Kubecka and Donald Barstow, two L.I. carters.) See also Robert E. Kessler and Edward W. Lempinen, Feds Indict Garbage Carting Czar, Newsday, July 15, 1999 at A69; Jerry Capeci, Gangster, Kin Charged in Sanit War, Daily News (New York), July 16, 1999, at S7; and Robert E. Kessler, Organized Crime Figure Sentenced to 5 More Years, Newsday (New York), June 30, 2001 at A14.<sup>7</sup>

Kallmeyer was released from prison on August 5, 2003. See Federal Bureau of Prisons Inmate Locator, [www.bop.gov](http://www.bop.gov). He then returned to his home at 519 Miller Place Road, Miller Place, New York, and to the business of which he was and still is the declared President, Kallmeyer & Son Truck Tire Service, Inc.,<sup>8</sup> the business that was publicly identified by law enforcement as a distributor of truck tires under the protection and control of the Lucchese Family. See United States v. Salvatore Avellino, et al, Indictment No. 97 CR 1062 at 7.

Due to the Applicant's failure to submit a response to the recommendation of the Commission's staff, the findings and conclusions contained in the recommendation have not been rebutted.

The Commission is expressly authorized to deny the registration application of a carting company whose principals are convicted racketeers and known associates of organized crime groups. See Admin. Code §16-509(a)(v), (vi); SRI, 107 F.3d at 998. Kevin G. Kallmeyer, is a principal of Applicant by operation of law. His racketeering conviction and his identification as an associate of the Lucchese crime family is, therefore, attributable to the Applicant and renders the Applicant lacking in good character, honesty and integrity.

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<sup>7</sup>In 1993, Salvatore Avellino was convicted upon a guilty plea of Conspiracy to Commit Murder in the deaths of Robert Kubecka and Donald Barstow. Avellino was serving his 10 ½-year sentence for that crime at the time he was indicted with Kevin G. Kallmeyer. See Robert E. Kessler and Edward W. Lempinen, Feds Indict Garbage Carting Czar, Newsday, July 15, 1999 at A69. As part of a plea bargain entered on March 19, 2001, Avellino admitted that he had continued to run his racketeering enterprise while imprisoned. See Robert E. Kessler, Jailed Mob Boss Admits Extortion; Son also Pleads Guilty in LI Carting Case, Newsday (New York), March 20, 2001 at A7.

<sup>8</sup>The Certificate of Incorporation of Kallmeyer & Sons [sic] Truck Tire Service, Inc. on file at the New York State Department of State, shows that the corporation has "active" status and that Kevin G. Kallmeyer is its Chief Executive Officer. See [www.dos.state.ny.us/Corporation and Business Database](http://www.dos.state.ny.us/Corporation%20and%20Business%20Database). Anywho Online Directory lists this corporation's name as Kallmeyer & Son Truck Tire Service, Inc. See [www.Anywho.com](http://www.Anywho.com). Photos taken at 178 Morris Avenue, Holtsville, NY on 1/25/05 show a truck painted with the name, "Kallmeyer & Son".

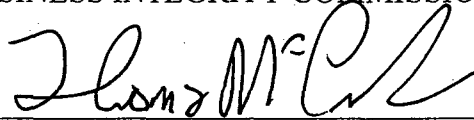
**III. CONCLUSION**

The Commission is vested with broad discretion to refuse to issue a license of registration to any applicant that it determines lacks good character, honesty, and integrity. The evidence recounted above demonstrates convincingly that K & S falls short of that standard. For the reasons discussed above, the Commission hereby denies the registration application of K & S Sanitation, Inc.

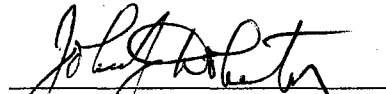
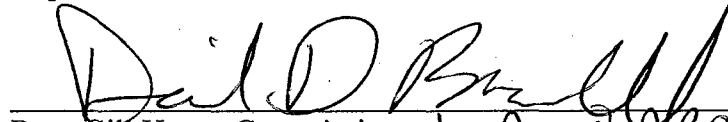
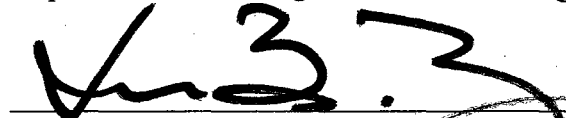
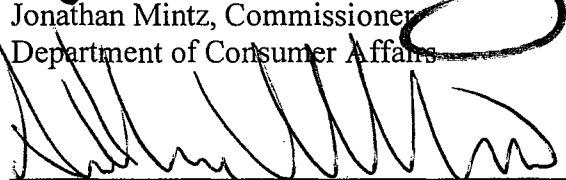

This registration denial decision is effective immediately. The Applicant shall not service any customers, or otherwise operate a trade waste removal business in the City of New York.

Dated: June 20, 2006

BUSINESS INTEGRITY COMMISSION



Thomas McCormack  
Chair

  
John Doherty, Commissioner  
Department of Sanitation  
Rose Gill Hearn, Commissioner by Daniel O'Brownell design  
Department of Investigation Deputy Commissioner  
Jonathan Mintz, Commissioner  
Department of Consumer Affairs  
Anthony Dell'Olio, Deputy General Counsel  
Department of Small Business Services (designee)  
Brian O'Neill, Deputy Inspector  
Police Department (designee)