

Former refinery workers or their heirs may be eligible for payments

BY JOHN COX
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Decades can pass before cancer from asbestos exposure becomes evident, and by that time, who's to say exactly who or what is to blame?

It almost doesn't matter: Lawyers say that if documentation can be found showing a cancer patient spent enough time working somewhere asbestos was present — and the cancer is consistent with exposure to the carcinogen — then there's a chance that

financial compensation may be available to the person or the person's heir.

Such is the case with the former Mohawk Refinery on Rosedale Highway.

A Birmingham, Ala., law firm is looking for people who either worked at or are related to someone who worked at the refinery before 1980 and later developed cancer.

Lawyer Robert Norris said people who qualify may be entitled to thousands of dollars, maybe tens of thousands,

from any of several trusts set up to disburse money to victims of asbestos exposure.

Though no longer in wide use, asbestos used to be a common material in refineries and other industrial sites. As a result of exposure, workers who inhaled or ingested its microfibers may, over time, develop mesothelioma or lung, esophageal, laryngeal, pharyngeal, stomach, colon or rectal cancer.

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In this file photo, a worker uses a forklift near a hydrocracker area of the refinery complex on Rosedale Highway. The plant is what's left of the former Mohawk Refinery that operated there starting in 1932. CALIFORNIAN FILE PHOTO



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Olive Garden Manager Courtney Son carries prepared lunches for delivery to the the Bakersfield Fire Department's Fire Station No. 1 to serve firefighters working on Labor Day. "We have to protect the community. That's our sworn duty," firefighter Blane Martinez said in response to the gift. "What Olive Garden is doing, it means a lot to me."

Olive Garden treats local firefighters to lunch

BY STEVEN MAYER
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Monday was Labor Day, but not everyone took the day off from their labors.

Olive Garden restaurant Manager Courtney Son and food server Valerie Ballerini went in to work early Monday to perform a labor of love.

And Bakersfield firefighters working the long holiday weekend were the beneficiaries.

"This is the 18th consecutive year," Son said, "that Olive Garden has done this for local first-responders."

Late Monday morning, Bakersfield's Olive Garden provided a special delivery to Bakersfield Fire Department Station No. 1 in the city's downtown urban core. More than a dozen bags, labeled for fire stations all across the city were delivered.

"There's enough to feed 50 firefighters," Son said. "Each station has a bag."

As firefighters worked to clean engines and equipment at the fire station at 21st and H streets Monday, Olive Garden employees prepared, cooked,



ROD THORNBURG / FOR THE CALIFORNIAN

Olive Garden donates lunch to Bakersfield Fire Department firefighters on Labor Day. Lunch is up as soon as they're finished cleaning the ladder truck at Station No. 1 in downtown Bakersfield.

packaged, labeled and delivered spaghetti, garlic bread sticks, meat sauce, sausage, meatballs, and even fettuccine alfredo.

Ballerini normally works nights, but she hit the kitchen running Monday

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Records: Bakersfield Investment Club members could receive less than 25 cents on the dollar

BY JOHN COX
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Hundreds of people who put money into the now-defunct Bakersfield Investment Club may soon get some of it back, though court filings suggest the payments probably won't amount to even 25 cents on the dollar.

In an email sent to investors last week, a receiver appointed to consolidate and

then liquidate assets purchased as part of the alleged Ponzi scheme said he is in the final stages of selling the club's final assets.

When that's finished, whatever recovered sum is available for disbursement is expected to be split up among those who invested in or otherwise have a valid claim against the club, formally known as BIC Real Estate Development Corp.

The email did not state how much

money will be distributed or what share of their money individual claimants might expect to receive.

But in an email sent to investors in December, the office of Solana Beach receiver David P. Stapleton said qualified investors "are unlikely to receive distributions in the amount of more than 25% of their allowed

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Q&A

CSUB's president shares hopes for the new academic year

BY EMA SASIC
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A new school year is well underway at Cal State Bakersfield, and President Lynette Zelezny has one thing to say about it: it's going to be a busy year.

There are plenty of new additions coming this school year to keep things fresh for students, especially since the university will be celebrating its 50th birthday. CSUB will hold its first December graduation in several years due to growing enrollment, and a center for Deferred Action for Childhood Arrivals students will open later this semester.

With much to look forward to this year, Zelezny sat down with The Californian Aug. 27 to share several initiatives that will affect students' futures for years to come.



Zelezny

Q: It's the second day of school. How does this year look, especially since it's your second year as president?

A: It's going to be another high-energy year. We started again with over 11,000 students and we'll look forward to a record graduation year. We know students that are on track to graduate. It's so exciting to look forward to that. We're so successful in moving forward our graduation initiative that we will have a December graduation ceremony so that's something to look forward to.

The other thing that's important to note is we spent the last year putting

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LOCAL

CSUB

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together a very inclusive strategic plan, which is now in its penultimate draft and we have an open forum Wednesday. As I'm looking at the feedback now, it's basically order suggestions. We'll put a stamp of approval as the voice of our community and the voice of CSUB. The one thing that's so important is the student success piece is a driver throughout the five goals. It's helping us launch our first-ever comprehensive capital campaign, which we're in motion with our feasibility study to get our target, but it will again really lift up those five goals.

The exciting thing is we have another large group of faculty that have joined us to bring their energy and vision and academic scholarship. We have some new programs, one in Basque culture we're excited about. Our Student Recreation Center has seen some really big updates ... The support we have at CSUB is very holistic, it's a whole student approach, so we want them to be very healthy and have a balanced life and we provide that.

Q: The university was just recognized by Washington Monthly, and you say this rec-

ognition is the one you look forward to the most. Why is that?

A: It's very easy to get up every morning and feel really energized about the work we do at CSUB. We know every day makes a difference for students, and we really are making great strides. In just a year, we've really moved forward on our four-year and six-year graduation rates, and we have worked really hard to close equity gaps.

Our students that are under-represented and coming to us as Pell recipients, so those students under the poverty line in their family, are still moving forward with great graduation rates.

That really is what we need here in Kern County because that's the workforce development the community is asking for. They want diverse students, they want students that want to change and transform the trajectory of their families.

Q: Let's talk a little bit about the BC SouthWest campus and some of the educational goals you have for the coming year.

A: This year for me is making sure that folks know all of the energy and good work we have done in just one year to make

sure students are successful here at CSUB. One of the things I'm really proud of is we're doing everything we can to reduce barriers for students. The Bakersfield College-CSUB opportunity is just but one of those examples. Two thousand students will have the opportunity to come to Bakersfield College SouthWest campus, which is here at CSUB.

Why that's important is that the students that will come here will be selecting their educational pathways (Associate's Degree Transfers) and they will also know once they finish their two-year degree on our campus, they have the opportunity to continue here for their four-year degree and we'll have a seat ready for them. Why that makes a difference is a student that does not have anyone in their family to ask how do I transition from community college to four-year college, they'll already have us for support. It reduces that transition which is a really big one.

Q: Like how BC has its dual enrollment program and allows high school students to earn an associate's degree by the time they graduate high school, would CSUB consider doing something similar?

A: We're not going to compete with the community college;

that's really their role and we want to really be respectful of their role of the general educational dual enrollment. However, receiving students that may have finished their associate degree while in high school, we're ready to welcome them as juniors as transfer students. That's how we are collaborative.

One of the reasons why our four-year graduation rates have gone up is because we have a large group of students that are graduating every year before four years and that's because of the dual enrollment and collaboration with Bakersfield College.

Q: I hear there will be a center on campus for DACA students. What can you share on this?

A: That came from a group of leaders that serve on our Latino/Latina Advisory Council. The Dreamer Resource Center will be launched this semester. We will have our director in place shortly, and it will include monthly legal services for students and their families. I want to thank the council of community members who helped pushed that forward; it's an important initiative for us.

One of the other things we have our eye on, and this came

from another council — our African American Advisory Council — is moving forward on a lot of investment and focus on young men of color. We're working with the community and high school districts to make sure we're identifying young men of color that we hope will come to CSUB.

We're involving them in leadership and mentorship. We're really making an investment because we want to have a place where social justice and equity is really at the focus and at the heart of giving people equitable opportunities.

The young men of color is inclusive. It's African American, Latinos, Asian Americans, Pacific Islander and Native American. We're proud of the work that we've started, and I want to thank our collaborators at Kern High.

Q: It's the university's 50th year. What celebrations are in store?

A: They'll really kick off in the spring and early fall. There is a committee, its chair is John Nilon, and he was the chair for the investiture, so you can bet it's going to be another good celebration year. We do also have a book that will be part of that celebration.

INVESTMENT

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claims.”

LONG-AWAITED RESOLUTION

The payments will likely close the book on a messy affair that originated with BIC's founding in 2016 by a former staffer at the Kern County Assessor's Office, Daniel Raymond Nase III, a real estate investor in his 30s at the time who was known around town for wearing a light-blue baseball cap emblazoned with the words “Mr. 21%.”

The name referred to his assertion he could produce annual investment returns of between 15 percent and 33 percent.

Investigators with the U.S. Securities and Exchange Commission filed a federal lawsuit against Nase in March of 2016. It alleged he had misled investors about his activities, at times claiming club assets as his own.

The suit prompted a U.S. District Court judge in Fresno to freeze the club's assets in 2016.

Nase told the court he had been completely transparent about his activities and almost always acted with club members' best interests in mind. But he ultimately agreed not to contest the SEC's allegations and was ordered to give up \$12.6 million in ill-gotten gains, even as there is no indication he will ever be able to repay that amount.

Stapleton's court updates show the club was losing tens of thousands of dollars every month and that Nase had tried to bridge the gap by attracting new investors.



COURTESY OF [HTTP://WWW.SITE.BAKERSFIELDINVESTMENTCLUB.COM](http://www.site.bakersfieldinvestmentclub.com)

Investors and promoters of the Bakersfield Investment Club and related entities. Third from left is founder Daniel R. Nase.

LOSSES, RECOVERIES

The SEC has stated in court filings that 549 investors from Hawaii to New York together contributed \$15.9 million between June of 2013 and March of 2016.

Not all of those people remain invested and stand to receive money back. Court filings suggest that more than 200 remaining investors may take losses totaling perhaps \$8 million.

Stapleton, who along with the SEC and Nase has declined to speak publicly about the case, reported to the U.S. District Court in April that he has recovered about \$7 million from the sale of dozens of residential properties purchased by Nase with the club's money.

About half that sum has gone to Bakersfield lender Valley Mortgage Investments Inc.

The sale of BIC's last remaining assets, WM Petroleum and Target Oil & Gas Drilling Inc., is expected to close soon for a total of \$900,000, according to filings by Stapleton. He noted that since June of 2018 the assets have generated about \$237,747, which Stapleton stated has helped pay his own expenses as he tries to recover money on behalf of the club's investors and other claimants.

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REFINERY

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The National Cancer Institute says 10 to 40 years can pass before asbestos-related cancers begin to appear.

Norris said the refinery has been declared a “qualified site.” That means instead of suing for compensation, qualified victims or their heirs need only prove how long the person was employed there — five years may be enough to qualify — and turn over medical records showing the cancer diagnosis.

Liability for paying such claims does not rest with the refinery or its former owners. Instead, payments would come from five asbestos trusts set up to cover injury claims.

The Bakersfield refinery was owned by Mohawk Petroleum Corp. when it first opened in 1932. It changed hands many times over the years, merging along the way with neighboring operations, and is now owned by Delek US. It is closed and has not operated for 12 consecutive months since 2012.

FINDING DOCUMENTATION

In the case of a qualified asbestos site, the process of filing and collecting on a claim does not typically involve a lawsuit. Even so, Norris said the process is not always easy; the difficult part can be collecting pathology reports, doctor's reports and employment records.

“The big challenge is getting the records,” he said. “That's always the biggest challenge.”

He emphasized that filing a claim has no effect on a person's pension or Social Security benefits.

Lawyer James A. Yoro, an equity partner in the Bakersfield law firm Chain | Cohn | Stiles, said a statute of limitations limits the window of opportunity for filing a claim against an asbestos trust. But because the window only opens when a person becomes aware of the cancer diagnosis, he said, the statute doesn't usually become a barrier to payment.

While asbestos claims are not unheard of in Kern, Yoro said, those related to valley fever are more common here.

He and Norris noted that someone making an asbestos claim may have been

ASBESTOS TRUSTS

Dozens of trusts exist to pay out asbestos-related medical claims. In the case of the former Mohawk Refinery along Rosedale Highway, these five trusts have money that can be claimed by people who used to work there and contracted cancer, or whose antecedents did.

The trusts were established to pay out future claims against these companies:

- Babcock & Wilcox (B&W), which used asbestos as insulation in boilers
- Halliburton, manufacturer of asbestos-containing turbines, pumps and compressors
- J.T. Thorpe, which used asbestos to make refractory materials
- Pittsburgh Corning Corp., maker of pipe-insulating products with asbestos in them
- Fibreboard, manufacturer of fiberglass insulation and other materials that contain asbestos

Source: Norris Injury Lawyers, which can be reached at 800-478-9578.

exposed to the carcinogen at different times at various locations. They said this diversity of exposures does not generally affect a person's chances of collecting payment from an asbestos trust.

ANOTHER AVENUE

Yoro also pointed out another option available to people exposed to asbestos while at work in California. It's called the Asbestos Workers' Account and it is part of a fund in the state Treasury.

How long and difficult the process of collecting on an asbestos claim often depends on the documentation a claimant provides, Yoro said. The more records available, he said, the better.

He advised that anyone with a possible claim consider filing one.

“If somebody does have a potential claim, they should definitely try it out,” he said. “There's nothing to lose by trying it.”

John Cox can be reached at 661-395-7404. Follow him on Twitter: @TheThirdGraf.



ROD THORNBURG / FOR THE CALIFORNIAN

Olive Garden Manager Courtney Son gets lunches ready to take to her car for delivery to Bakersfield's downtown fire station. Enough food was prepared to feed 50 firefighters on Labor Day.

LUNCH

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morning. It's all about giving back, about supporting and appreciating those who must work on holidays to protect and serve the community. “This is a way to give back,” Son

said, “and thank them for all the work they do for us.”

City Firefighter Blane Martinez welcomed the women into the dining area at Station No. 1. He said the food would be distributed immediately, including to the nine firefighters working downtown on Monday.

“We have to protect the commu-

nity. That's our sworn duty,” Martinez said. “What Olive Garden is doing, it means a lot to me.

“It means a lot to the Bakersfield Fire Department.”

Steven Mayer can be reached at 661-395-7353. Follow him on Facebook and on Twitter: @semayerTBC.

MORE ONLINE

To see more photos from Olive Garden's lunch donation to Bakersfield firefighters on Labor Day, go to **Bakersfield.com**.

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