Daily Open Source Infrastructure Report
22 December 2016

Top Stories

• The U.S. President declared December 20 that hundreds of millions of acres of Federally-owned land in the Arctic Ocean and canyons in the Atlantic Ocean were withdrawn from offshore oil and gas drilling. – Washington Post (See item 1)

• Volkswagen Group announced December 20 that it will pay $225 million in environmental remediation after it was found that the company fitted several makes of its vehicles with software used to cheat U.S. emissions standards. – USA Today (See item 2)

• The former owner and president of Staten Island, New York-based Premier Links, Inc. were arrested December 20 for allegedly stealing $9.3 million from more than 300 investors in roughly 40 States through their unregistered broker-dealer business. – U.S. Attorney’s Office, Eastern District of New York (See item 3)

• The former owner and operator of a Rockingham, North Carolina-based tax preparation business pleaded guilty December 19 after he caused the U.S. Internal Revenue Service (IRS) over $10 million in losses. – U.S. Department of Justice (See item 4)

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Energy Sector

1. December 20, Washington Post – (International) **President bans oil drilling in large areas of Atlantic and Arctic oceans.** The U.S. President declared December 20, in coordination with the Canadian Prime Minister, that hundreds of millions of acres of Federally-owned land in the Arctic Ocean and canyons in the Atlantic Ocean were withdrawn from offshore oil and gas drilling in an effort to protect the regions from future offshore oil and gas activity risks. The declaration will protect areas of Atlantic Ocean canyons that stretch from Massachusetts to Virginia, and large portions of the Chukchi and Beaufort seas north of Alaska.

For another story, see item 13

Chemical Industry Sector

Nothing to report

Nuclear Reactors, Materials, and Waste Sector

Nothing to report

Critical Manufacturing Sector

2. December 20, USA Today – (National) **Volkswagen will buy back 20K more polluting diesel cars.** The U.S. Environmental Protection Agency, U.S. Department of Justice, and California State regulators announced December 20 that the Volkswagen Group agreed to pay $225 million in environmental remediation, fix around 63,000 of its vehicles, and buy back another 20,000 vehicles equipped with 3-liter, 6-cylinder diesel engines in the U.S. after it was found that the company fitted several makes of its vehicles with software used to cheat U.S. emissions standards.
   Source: [http://www.usatoday.com/story/money/cars/2016/12/20/volkswagen-3-liter-diesel-settlement/95661794/](http://www.usatoday.com/story/money/cars/2016/12/20/volkswagen-3-liter-diesel-settlement/95661794/)

Defense Industrial Base Sector

Nothing to report

Financial Services Sector

3. December 20, U.S. Attorney’s Office, Eastern District of New York – (National) **Former owner and president of unregistered broker-dealer indicted in a $9 million securities fraud scheme.** The former owner and president of Staten Island, New York-based Premier Links, Inc. were arrested December 20 for allegedly stealing $9.3 million from more than 300 investors in roughly 40 States from approximately 2005 – 2012 through their unregistered broker-dealer business by persuading investors
to purchase shares of worthless businesses with the promise of large returns. The charges allege that the executives operated Premier Links as a “boiler room,” using cold callers and other means to compel victims to invest their money in securities, and converted investors’ money upon receipt into cash through more than 900 ATM and teller withdrawals, among other fraudulent actions. 

4. December 19, U.S. Department of Justice – (North Carolina) North Carolina owner of tax preparation business pleads guilty to conspiracy to defraud the IRS. The former owner and operator of a Rockingham, North Carolina-based tax preparation business, Herb’s Helping Hands, pleaded guilty December 19 after he caused the U.S. Internal Revenue Service (IRS) over $10 million in losses by preparing and filing fraudulent electronic Federal income tax returns that claimed fictitious refunds for clients, and reporting fake or inflated income and dependency exemptions to produce false or inflated Earned Income Tax Credits, fake business income and deficits, and fraudulent deductions, among other fraudulent actions. The owner and his co-conspirators bought or stole the personal identifying information of minors and other individuals, falsely listing them as dependents on returns to generate larger fraudulent client refunds, and directed some of the clients’ refunds into his own bank account or an account he controlled.

Transportation Systems Sector

5. December 21, KCEN 6 Temple – (Texas) Bus and truck collision on I-35 leaves 13 injured. Thirteen people were injured following a 3-vehicle crash on Interstate 35 near Milford, Texas, December 20 after a bus collided with a semi-truck and another bus, prompting the closure of the highway for several hours December 20 – December 21.

6. December 21, WJXT 4 Jacksonville – (Florida) Family mourns Jacksonville teen killed in violent I-10 crash. Eastbound lanes of Interstate 10 in Baldwin, Florida, were closed for nearly 5 hours December 20 – December 21 after a vehicle traveling westbound crossed the center median and struck an on-coming vehicle, knocking her car into the path of an on-coming semi-truck. One person was killed and another was transported to an area hospital with injuries.
Source: http://www.news4jax.com/traffic/crash-shuts-down-eastbound-lanes-of-i-10-at-us-301

7. December 21, KTNV 13 Las Vegas – (Nevada) Pedestrian dies in crash near Boulder Highway, Desert Inn. Southbound Nevada State Route 582 near the intersection with East Desert Inn Road in Las Vegas was closed for several hours December 20 after a pedestrian was struck and killed by an on-coming vehicle. The incident remains under investigation.


### Food and Agriculture Sector

11. **December 20, U.S. Food and Drug Administration** – (National) **Altijira Murray Products, LLC recalls selected ice cream products because of possible health risk.** Altijira Murray Products LLC issued a voluntary recall December 20 for 6 flavors of its Foxy’s Thoughtful Ice Cream products sold in 16-ounce packages after Federal personnel discovered samples that tested positive for Listeria monocytogenes in the contract manufacturer, Dr. Bob’s of Upland, LLC’s facility and in finished product of another firm’s brand. No illnesses have been reported and the products were distributed through retail outlets in California, Pennsylvania, and the Northeast, as well as via the Internet. Source: [http://www.fda.gov/Safety/Recalls/ucm534036.htm](http://www.fda.gov/Safety/Recalls/ucm534036.htm)

### Water and Wastewater Systems Sector

12. **December 20, Oskaloosa Herald** – (Iowa) **City’s south water tower develops leak.** The Oskaloosa, Iowa Municipal Water Department reported December 20 that a plug in the bottom of the city’s south water tower is leaking up to 30 gallons per minute. Officials reported that the city’s water is safe to drink and officials will continue to operate off of the north water tower for water system pressure. Source: [http://www.oskaloosa.com/news/city-s-south-water-tower-develops-leak/article_20def40e-c708-11e6-99aa-b306d6cc2486.html](http://www.oskaloosa.com/news/city-s-south-water-tower-develops-leak/article_20def40e-c708-11e6-99aa-b306d6cc2486.html)
13. **December 20, Addison County Independent** – (Vermont) **Boil order stays in effect in Tri-Town Water District.** Tri-Town Water District officials in Vermont advised customers in Addison, Bridport, and Shoreham December 19 to boil their drinking and cooking water as a precaution following 2 water main breaks and a power outage at the Tri-Town Water District plant the week of December 12. Vermont officials were expected to test Tri-Town water December 20 – 21, and the boil water order could be lifted as early as December 22 depending on the test results.


14. **December 20, Geneseo.Net** – (Illinois) **Atkinson water tower springs a leak.** Village of Atkinson, Illinois officials announced December 19 that a leak was discovered at the base of the village’s water tower during its annual inspection, and reported that the backup generator at the water tower’s lagoon is malfunctioning. The village’s mayor reported there is no danger to the local water supply.


For additional stories, see items 16 and 17

**Healthcare and Public Health Sector**

15. **December 20, Associated Press** – (Pennsylvania) **Pennsylvania health officials warn dental practice patients.** Pennsylvania Department of Health officials announced December 20 it is advising about 1,000 former patients of the Center for Family and Specialty Dentistry in Bern Township to get tested for hepatitis and HIV after the department found that the practice was not properly sterilizing its devices between December 2015 and October 2016. Health officials shut down the clinic and suspended the licenses of three dentists at the practice.


For another story, see item 18

**Government Facilities Sector**

16. **December 20, WPIX 11 New York** – (New York) **Brooklyn school closed after water main break cuts off heat, hot water.** An 8-inch water main break left the SEEALL Academy in Brooklyn, New York, without hot water or heat December 20, prompting officials to close the school and send about 1,200 students to alternative schools in the area. New York City Department of Environmental Protection crews were working to repair the main.


17. **December 20, WDSU 6 New Orleans** – (Louisiana) **Ellender Middle School closed day before start of winter break.** Ellender Middle School in Marrero, Louisiana, was
closed December 21 after a water main broke outside of the school. 

18. December 20, KDVR 31 Denver – (Colorado) Norovirus outbreak closes 3 Denver schools. Classes at 3 Denver Public Schools were canceled December 20 – December 21 after a norovirus outbreak that sickened up to 30 students. The schools’ facilities team was working to clean and disinfect the campus. 
Source: http://kdvr.com/2016/12/20/norovirus-outbreak-closes-3-denver-schools/

Emergency Services Sector

19. December 20, KTRK 13 Houston – (Texas) Inmate escapes while still in handcuffs outside Harris County Jail. Authorities are searching December 20 for an inmate who escaped while a police officer was transporting the man to the processing center at the Harris County Jail in Houston. 

Information Technology Sector

20. December 21, SecurityWeek – (International) VMware patches VDP, ESXi vulnerabilities. VMware released patches addressing a flaw in vSphere Data Protection (VDP) which could be exploited to log into the affected appliance with root privileges, as well as a cross-site scripting (XSS) vulnerability in the ESXi hypervisor where an attacker with permission to manage virtual machines (VM) via the ESXi Host Client can import a maliciously crafted VM to trigger the flaw, or can trick a vSphere administrator into importing the specially crafted VM. 
Source: http://www.securityweek.com/vmware-patches-vdp-esxi-vulnerabilities

For another story, see item 21

Internet Alert Dashboard

To report cyber infrastructure incidents or to request information, please contact US-CERT at soc@us-cert.gov or visit their Web site: http://www.us-cert.gov

Information on IT information sharing and analysis can be found at the IT ISAC (Information Sharing and Analysis Center) Web site: http://www.it-isac.org

Communications Sector

21. December 20, SecurityWeek – (International) Cybercriminals make millions with ad fraud bot farm. White Ops researchers reported that cybercriminals can earn up to $5 million per day through a massive ad fraud operation, dubbed Methbot, which is powered by a bot farm that uses up to 1,200 servers housed by data centers in Dallas and other cities, and more than 570,000 Internet Protocol version 4 (IPv4) addresses to make it appear as though they belong to residential Internet service providers (ISPs) in
the U.S. The bot farm generates a fake Webpage with only the elements needed to support an ad, and then requests an ad from a network using a spoofed Uniform Resource Locator (URL) matching that of a premium publisher, which is subsequently loaded in the simulated browser while Methbot’s various human-mimicking mechanisms are enabled to convince anti-fraud systems the activity is generated by real users.
Source: [http://www.securityweek.com/cybercriminals-make-million-ad-fraud-bot-farm](http://www.securityweek.com/cybercriminals-make-million-ad-fraud-bot-farm)

**Commercial Facilities Sector**

22. **December 21, Daytona Beach News-Journal** – (Florida) **Storage units destroyed by fire and smoke, New Smyrna Beach fire officials say.** A 4-alarm fire at the StorQuest Self Storage facility in New Smyrna Beach, Florida, destroyed 30 of the facility’s 80 storage units December 20. No injuries were reported and the cause of the fire remains under investigation.

23. **December 21, WKBW 7 Buffalo** – (New York) **One injured in fire at Marina Vista apartments in Buffalo.** An estimated $150,000 in damages were caused by a 2-alarm fire at the Marina Vista apartments in Buffalo, New York, that injured 1 person and displaced 15 others December 20. The cause of the fire remains under investigation.

24. **December 21, WUSA 9 Washington, D.C.** – (Maryland) **Dozens displaced after Greenbelt apartment fire.** A 2-alarm apartment fire in Greenbelt, Maryland, displaced 31 people and damaged several units December 21. No injuries were reported and the cause of the fire remains under investigation.

25. **December 20, Fresno Bee** – (California) **Fire strikes Livingstone’s in Tower; owners plan quick reopening.** Authorities are investigating a fire that caused up to $500,000 in damages to Livingstone’s Restaurant & Pub in Fresno, California, December 20. No injuries were reported and the restaurant was closed until further notice.

Dams Sector

Nothing to report

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