LAST CONTRACTOR PLEADS GUILTY IN AIRPORT INVESTIGATION

HONOLULU-Attorney General Mark Bennett announced today that Roy M. Shimotsukasa, 65, of Kaneohe, pled guilty to the charge of Theft in the First Degree before Circuit Court Judge Richard K. Perkins. Shimotsukasa's plea was taken in connection with the investigation of contract fraud at the Honolulu International Airport that is being conducted by the Department of the Attorney General.

His plea is the last of the anticipated plea agreements resulting from the Attorney General's investigation. The investigation will be entering its second phase, in which the Office of the United States' Attorney and other federal agencies will be continuing the investigation with the assistance of personnel from the Department of the Attorney General.

In pleading guilty, Shimotsukasa admitted to being part of a scheme in which he would obtain contracts to do repair work at the Airport by submitting rigged bids, using the cooperation of two other contractors who he was familiar with to ensure that he was the lowest bidder, and, thereby, the winning bidder for the kind of work he submitted bids on. Shimotsukasa was further assured of having projects awarded to him in that he submitted his bids at the solicitation of certain Airport personnel who were involved in the bid selection process.

Shimotsukasa admitted to billing the Airport more for his work than what he would have ordinarily, at the instruction of the same Airport personnel who approved his hiring. Those Airport employees asked for a portion of what Shimotsukasa then billed the State Airport Division. Shimotsukasa estimated that he paid between $4,000.00 and $5,000.00 in kickbacks over the four-year period covered by his plea.

As part of the agreement that was reached with the State in this case, Shimotsukasa has agreed to provide testimony in future proceedings against other individuals involved in the kickback scheme. The sentencing for Shimotsukasa has tentatively been set for July 28, 2004, which may be extended if he has not fully performed under the agreement. The State will not make any recommendations on Shimotsukasa's sentence until it has had an opportunity to assess the extent of his cooperation. Shimotsukasa has agreed to pay $75,000.00 in restitution, which will be paid in installments.

The maximum penalty for the crime of Theft in the First Degree is ten years in prison and/or a fine...
of $25,000.00.

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For more information, contact:
Office of the Attorney General
Phone: (808) 586-1500

For detailed information, contact:
Lawrence A. Goya
Senior Deputy Attorney General
Phone: (808) 586-1160

E-mail: hawaiiag@hawaii.gov