

University of Hawaii Procurement Officer Involved in 1982 Voter Fraud Scandal

By [Malia Zimmerman](#) - March 21, 2013



Construction contractor details controversy over project at University of Hawaii at Hilo

BY MALIA ZIMMERMAN – HONOLULU — Allegations of corruption surrounding the University of Hawaii’s billion-dollar construction and procurement program have settled on Brian Minaai, a university administrator one contractor called “a nightmare” guilty at least of “blatant mismanagement.”

School officials say they’ve asked the state attorney general to investigate the charges, including claims that Minaai directed contracts to personal and political friends.

The allegations have brought back memories for some investigators of a 1982 Democrat election fraud scandal in which Minaai was convicted with 26 others, including several of his fellow students at the University of Hawaii.

How Minaai ended up years later with authority over scandal-plagued budgets at the University of Hawaii — and how his compatriots in the 1980s vote-fraud scandal may now be in position to judge him — is a story that reveals how politics really work in Hawaii.



Construction contractor details controversy over project at University of Hawaii at Hilo

Way Back Machine: In 1982, fraud allegations surface



University of Hawaii
Associate Vice President for
Capital Improvements Brian
K. Minaai

The Honolulu prosecutor's 1982 case against Minaai and others concluded that 27 participated in a scheme to illegally register Honolulu voters. Their goal: to boost Democrat candidate Ross Segawa, a student in the University law school, into the District 19 state House seat that encompassed Manoa, where the university's main campus is located.

The students, including some working in the Legislature or attending the university's law school, were caught when Segawa's opponent noticed something odd about Segawa's youthful supporters: on voter-registration forms, they claimed to live at the Arcadia Retirement Residence.

"They recruited people from outside the 19th district – a total of 32 known names – and used false addresses to register them on the 19th district rolls," George

Cooper and Gavan Daws wrote in *Land and Power in Hawaii: The Democratic Years*. "In doing this, they drew on the cooperation of friends and acquaintances, several of whom served as volunteer voter registrars, others then working in political patronage jobs in the legislature or in the office of the state attorney general, plus one person in the sheriff's office, others again who were in law school with Segawa, and family members, up to and including Sen. (Clifford) Uwaine's father, wife, sister, and brother-in-law. The conspiracy was discovered and made public between the primary election and general. Segawa's political career was over before it began; Uwaine's was ended at the next election."

Speaking on the condition of anonymity, law enforcement officials involved in the 1982 case said powerful Democrat politicians tried to kill the investigation. But in the end, court records show, Segawa was convicted on 10 counts of election fraud, criminal solicitation and evidence tampering. According to the *Land and Power* book, Segawa served a year in prison and was expelled from the law school. The Star Bulletin reports State Sen. Clifford Uwaine was convicted of conspiring to illegally register voters and served three months in jail; and Debra Kawaoka, an aide to Uwaine who also played a part in the false registration, served numerous weekends in prison.

Minaai and the other students each pleaded guilty to a misdemeanor, with the stipulation that their criminal records would be wiped clean within a year, sources told Hawaii Reporter.

Minaai gathered diplomas. After graduating from the University of Hawaii with a BA and MA in economics and a certificate in urban planning, he earned an MBA at the University of Hawaii and then Minaai attended the University of Chicago School of Business. He also worked for private developers Haseko Hawaii and [West Beach Estates at Ko Olina Resort](#), according to his self-published biography on the social networking site, LinkedIn.



University of Hawaii-Manoa Campus

Fifteen years after the vote-fraud scandal, Gov. Ben Cayetano, a Democrat, named Minaai director of the Department of Transportation in 1997, the state agency overseeing Hawaii's state roads, highways, harbors and airports. Three years later, in 2000, Cayetano, reaching back into history, pardoned Segawa for his role in the 1982 voter fraud case.

Minaai's resurrection was complete. But it wasn't extraordinary. Several other students involved in the 1982 voter fraud scandal went on to find high-ranking government jobs, including some who, according to law enforcement sources, now work in the attorney general and city prosecutor's offices.



Former Gov. Ben Cayetano

For example, Patrick Pascual, who provided the initial statements to the Honolulu prosecutor in 1982 in exchange for immunity, is now a deputy attorney general. Edsel Yamada, who was chairman of Segawa's campaign, worked for the attorney general according to news reports, and has subsequently gone into private practice as a partner at Ishida & Yamada LLP, LinkedIn shows.

Former Republican Gov. Linda Lingle's election in 2002 brought Minaai's stint in government to a temporary end. Minaai went to work for the construction company [Kobayashi Group](#) and then for [Marriott Vacation Club International](#).

In 2008, the University of Hawaii hired Minaai as its associate vice president for Capital Improvements. Complaints about his management and favoritism have plagued the university since.

Contractors allege favoritism, backroom deals under Minaai

In 2010, for example, the University of Hawaii agreed to pay \$2.5 million to settle a complaint brought by Townsend Capital. The Maryland-based firm alleged that, in 2005, the university's Board of Regents had selected Townsend to develop the school's \$120 million Cancer Research Center of Hawaii in Kakaako. But, the lawsuit alleged, when Minaai joined the university in 2008, the school changed direction, handing the lucrative deal to Kobayashi Group, a company, the lawsuit alleged, with "close personal ties to university administrators and regents."



Townsend claimed that the contract switch was accomplished through a "secret political process." Significantly, Townsend pointed out that the development contract was canceled after the university hired Minaai in 2008, a former Kobayashi employee.

Minaai refuted the claims, asserting that Townsend had never received an "enforceable contract," court records show. In 2010, he told Hawaii Reporter that he retained no financial or personal ties to Kobayashi Group or its principal and that his previous work at Kobayashi Group posed no conflict of interest with his official duties at the university.

"The university has approved each of the processes along the way," Minaai said at the time.

More allegations of fraud and favoritism surface

Like Townsend, Dennis Mitsunaga, a local engineer and contract manager who has worked for virtually every government agency on construction jobs, said he's considering a lawsuit against the university. In a Feb. 14 letter to the state Senate, Mitsunaga charged that Minaai used his position to marginalize Mitsunaga's bids in favor of competitors with ties to Minaai.

When Mitsunaga succeeded in winning a University of Hawaii-Hilo construction project, Mitsunaga said Minaai told him not to question design, prices, materials and schedules. The result: The new contractor was "constantly making changes to increase the profit margin," Mitsunaga said, and there was no independent check to ensure the contractor's prices were reasonable. Hiring Kobayashi, which in turn hired two subcontractors to do all the work, added another 12 percent to 15 percent to the project's cost, Mitsunaga said.



Several Hawaii contractors were fined for giving illegal campaign contributions to then Mayor Jeremy Harris

In another case, Mitsunaga said, Minaai directed him to replace his own civil engineering company with Minaai's pick, Wesley Segawa, even though Mitsunaga's company already had been selected as the civil engineer of record. Wesley Segawa, a former chairman of the state public housing authority (and no relation to the 1982 candidate, Ross Segawa) pleaded no contest in 2004 to money laundering and using false names to hide donations to former Honolulu Mayor Jeremy Harris and other high-ranking Democratic politicians.

Like dozens of other architects, engineers and other business owners who made similar illegal donations to Harris, Wesley Segawa had his record wiped clean through a deferred acceptance plea arranged by Judge Richard Perkins, court records show. Wesley Segawa's company also was fined \$53,000 by the state Campaign Spending Commission for those illegal contributions, which was a fraction of the \$1.3 million the commission issued in fines to local contractors reportedly involved in the scheme to generate millions of dollars for Harris' gubernatorial run in 2000.

"Working with the UH Office of Capital Improvement and its director Brian Minaai has been a nightmare for members of our firm working on the UH student Housing Phase 1," Mitsunaga wrote in his Feb. 14 letter. "In the process of giving us a difficult time, Brian gave away millions of dollars on this project alone and should be investigated for blatant mismanagement."

According to Mitsunaga, Wesley Segawa charged the university another \$293,260 for the civil engineering work and Mitsunaga and Associates said the additional work — a 10 percent coordination fee of \$29,326 plus general excise tax — boosted their own costs, all passed along to the university. Mitsunaga said Minaai directed Mitsunaga and Associates to replace Kimura International on the university's Hilo project as the environmental assessment consultant with Wilson Okamoto and Associates. Okamoto is another of the consultant firms nailed in the investigation of illegal contributions going to Harris. Campaign Spending Commission records show that in October 2003, the company was fined \$44,500 for making about \$80,000 in illegal donations to Harris as well as former Gov. Ben Cayetano, former Lt. Gov. Mazie Hirono, former Maui Mayor James "Kimo" Apana and former City Councilman Arnold Morgado.

Similarly, Mitsunaga said Minaai directed Mitsunaga and Associates to use Palekana Permitting and Planning, a company co-founded by Dennis Enomoto, to handle the permit and processing, adding an additional \$23,000 to the cost of the project. Enomoto is a politically connected businessman and real estate consultant who has contributed to thousands of dollars to Hawaii's leading politicians, according to news reports and campaign spending records. Harris appointed him to chair the Liquor Commission for the City & County of Honolulu.

On another job for the University of Hawaii Cancer Research Center in Kakaako, Mitsunaga alleged that Palekana Permitting and Planning charged \$120,000 to process permits even though the Kakaako district is exempt from such permitting.

The problem, Mitsunaga suggests, is a "highly suspect" process that is obscured by "no-bid contracts" in which Minaai "selects only friends from a pool of hundreds of qualified architects and engineers in Honolulu."

Mitsunaga predicted that "an investigation will show that the consultants he (Minaai) selected were very small and not the best qualified for the projects he gave them."

Senators debate university procurement changes

Mitsunaga said he spoke publicly about problems at the university in hopes that Minaai would be replaced and his department abolished so that student tuition money is not wasted.

His detailed allegations of corruption added support to a Senate bill that would transfer authority for procurement to the state department that managed those projects until 1999. Introduced by Senate President Donna Mercado Kim and five others, that bill would curb the university president's power, a broad-array response to the Senate's charge that the university has wasted millions of dollars on salaries and perks for administration officials while tuition costs jumped 141 percent over 11 years. Meanwhile, the University of Hawaii, which opposes losing the autonomy it gained in 1999, has placed Minaai on paid administrative leave and asked the attorney general to look into Mitsunaga's allegations.



Senate President Donna Mercado Kim

But that attorney general's office is staffed with at least one of the very people involved in the 1982 voter fraud scandal.

Minaai could not be reached for comment through calls to the school or emails to his university account or an email to his personal secretary. A university spokeswoman would not say how to reach Minaai or whether a private attorney is representing him during the probe.

University officials who supervised Minaai have remained silent on the allegations, confirming only that they requested the investigation and that upon its completion will report its findings to the Board of Regents.

"Until the investigation is complete we anticipate having no further comments," the university told Hawaii Reporter.

Contact Malia Zimmerman at malia@hawaiireporter.com

Advertisements

Like this:

Loading...

Comments

0 comments