

Grantees Sentenced for Mail Fraud and Theft

On September 6, 2006, Russell John Mullins, Pasquale Benenati, Jr., James Dale Cole, Jr., and the firm R.J. Mullins and Associates were sentenced in U.S. District Court for the Central District of California on various charges including mail fraud and theft from programs receiving Federal funds. Mullins, a professional land surveyor and owner of R.J. Mullins and Associates, was sentenced to 9 months of home detention, 24 months of probation, and 500 hours of community service. In addition, he was ordered to pay a fine of \$40,000 and a \$200 special assessment. R.J. Mullins and Associates was sentenced to 36 months probation and was ordered to pay a \$150,000 fine and an \$800 special assessment. Benenati, the owner of an aerial surveying company, was sentenced to 12 months of probation and was ordered to pay a \$5,000 fine and a \$100 special assessment. Cole, Jr., an employee of Mullins between 1983 and 1993, and subsequently the owner of J.D. Cole and Associates, was sentenced to 24 months of probation and 500 hours of community service, and was ordered to pay a \$10,000 fine and a \$100 special assessment.

From 1993 through 2002, Mullins was employed by the Mohave Water Agency (MWA), a public entity located in Apple Valley, California, responsible for a number of public works projects including the EPA-financed Mojave River Pipeline. As an employee of MWA, he was precluded from obtaining MWA contracts. Mullins devised a scheme to secretly obtain surveying contracts with the MWA despite his employment with that government agency. Mullins used his position at the MWA to assist Cole, Jr., and J.D. Cole and Associates in obtaining surveying jobs with the MWA, first by recommending to his supervisors that work be granted and later personally granting work to J.D. Cole and Associates. In exchange for the work, Cole, Jr., paid an amount of the money earned to R.J. Mullins and Associates. Mullins also entered into an agreement with Benenati whereby his company, Aero Tech, would be awarded contracts by MWA. R.J. Mullins and Associates and J.D. Cole and Associates secretly performed the ground control survey work. Aero Tech concealed the other companies' participation on the contracts.

Mullins concealed the income he received on MWA projects from the MWA and the EPA by filing false Statements of Economic Interest with the County Clerk in spite of his duty as a government employee to provide full disclosure. R.J. Mullins and Associates received over \$1,100,000 in gross receipts from MWA.

This case was worked jointly with the Federal Bureau of Investigation and the San Bernardino Sheriff's Office. (Case Cost: \$34,693)