

Feb. 20, 2010

LRA Withheld Names of RH Subcontractors from State Legislators Too

State Legislators Turned Their Backs on Disaster Victims Victimized by Defective Levees and then by Broken Promises of Help

1. Timeline of Attempts to Get the State To Release Names of Road Home Subcontractors

Legislative Attempts to Get Names of RH Subcontractors: July 8, 2008. A state law, Act 829, went into effect requiring monthly reports by the Office of Community Development (OCD, state agency with immediate oversight of the Road Home Program (RH) contractor, ICF International. Explicitly required was the release of the **names of RH subcontractors**. Importantly, monthly reports to the Legislative Audit Advisory Council were mandated by this law. The report shall contain information relating to subcontractors, inclusive of subcontractors of subcontractors, payments made to any contractor or subcontractor, the value of the contract, **contractor performance**...

That a law was passed demanding disclosure of the names of ICF's subcontractors is extraordinary. Such information should have been released to the public whenever requested, according to the Louisiana Public Records Law.

Private Citizen's Attempt to Get Names of RH Subcontractors: Oct. 20, 2008. In a formal public records request to Paul Rainwater, then Executive Director of LRA, Melanie Ehrlich, Co-chairman of Citizens' Road Home Action Team (CHAT) asked for the names of any and all RH subcontractor(s) who were conducting appeals.

Private Citizen's Attempt to Get Names of RH Subcontractors: March 2, 2009. The answer finally given to Ehrlich from Mr. Dan Rees, in-house attorney for the Louisiana Recovery Authority (LRA) on behalf of Paul Rainwater, was "I am awaiting receipt of this data."

This delay in releasing information that should be public was in defiance of the public records law. Public records requests are supposed to be addressed within 3 days of receipt and filled promptly thereafter, according to this law.

Legislative Attempts to Get Names of RH Subcontractors: March 17, 2009. Seven months late, OCD finally gave its first required **monthly** report to the Legislative Audit Advisory Council and the names of subcontractors to the legislators on this committee as required by Act 829. At the meeting of the council finally held on March 17, 2009, Mr. Paul Rainwater made more empty promises and the council did nothing in the way of oversight that their law (Act

829) empowered them to do to correct well publicized RH abuses. One of the two CHAT members at this meeting who testified to major problems in the RH was valiant core CHAT member Homer Branch, recently deceased. At that meeting, he was promised help for the mistakes in his damage estimate that resulted in a grant at one time set by RH at \$150,000 and later reduced to zero. However, Homer's subsequent trip to Baton Rouge produced nothing but more anguish. Homer told me repeatedly that ICF officials, with whom he interacted after public testimony about his grant problems at LRA meetings and on TV, were waiting for him to die before he could get his grant mistakes corrected.

Private Citizen's Attempt to Get Names of RH Subcontractors: May 27, 2009 an outside attorney, T. Allen Usry, hired at public taxpayer expense finally gave to Ehrlich the names of the ICF subcontractors who were conducting appeals from applicants about mistakes in grant calculation by ICF and its subcontractors. The expense to the public for this lawyer and other outside attorney, E. Wade Shows, hired to deal with Ehrlich's request for a court hearing about violation of the public records law was over \$20,000.

The names of the contractors conducting appeals for RH that were finally handed over on May 27, 2009 are Quadel, Providence, and Franklin Industries.

These are the same subcontractors who supposedly helped applicants with disputed issues during the compulsory pre-appeals review were paid to administer the subsequent appeals! Therefore, if an applicant did not get a fair pre-appeal from one ICF subcontractor, they could be treated to the same subcontractor for their appeal. Double-dipping!

2. Act 829

HB910 - 2008 Regular Session (Act 829)

Author: TUCKER	Status: SIGNED BY THE GOVERNOR ACT 829
Summary: ROAD HOME: Requires ICF Emergency Management Services to disclose all of its subcontractors to the Legislative Audit Advisory Council	<i>Updated: 7/8/2008</i>

Date	Chamber	Page	Action
07/08/2008	H		Effective date: July 8, 2008.

Regular Session, 2008 **ACT No. 829**

HOUSE BILL NO. 910

BY REPRESENTATIVES TUCKER, ABRAMSON, ANDERS, ARMES, ARNOLD, AUBERT, AUSTIN BADON, BOBBY BADON, BALDONE, BARROW, BILLIOT, BURFORD, HENRY BURNS, TIM BURNS, BURRELL, CARMODY, CARTER, CHAMPAGNE, CHANEY, CONNICK, CORTEZ, CROMER, DANAHAY, DIXON, DOWNS, ELLINGTON, FANNIN, GALLOT, GEYMANN, GISCLAIR, GREENE, ELBERT GUILLORY, MICKEY GUILLORY, GUINN, HARRISON, HAZEL, HENRY, HOFFMANN, HONEY, HOWARD, HUTTER, GIROD JACKSON, JOHNSON, ROSALIND JONES, SAM JONES, KATZ, KLECKLEY, LABRUZZO, LAMBERT, LEBAS, LEGER, LIGI, LOPINTO, LORUSSO, MCVEA, MONICA, MORRELL, MORRIS, NOWLIN, PEARSON, PERRY, PETERSON, PONTI, POPE, PUGH, RICHARD, RICHARDSON, RICHMOND, RITCHIE, SIMON, SMILEY, GARY SMITH, JANE SMITH, PATRICIA SMITH, ST. GERMAIN, TALBOT, TEMPLET, WADDELL, WHITE, WILLIAMS, WILLMOTT, AND WOOTON

1 AN ACT

2 To enact R.S. 39:1517.1, relative to state contracts; to require the reporting of certain
3 information relating to the contract between the division of administration, office of
4 community development, and ICF Emergency Management Services for
5 management of The Road Home Program; to require oversight by the Legislative
6 Audit Advisory Council; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 39:1517.1 is hereby enacted to read as follows:

9 §1517.1. The Road Home Program; reporting on certain contract payments,
10 subcontractors, and performance

11 Notwithstanding any other provision of law to the contrary, the division of
12 administration, office of community development, shall report monthly to the
13 Legislative Audit Advisory Council with respect to the contract between the office
14 of community development and ICF Emergency Management Services dated June
15 30, 2006, as amended. **The report shall contain information relating to**
16 **subcontractors, inclusive of subcontractors of subcontractors, payments made to any**
17 **contractor or subcontractor, the value of the contract, contractor performance in the**

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1 **achievement of goals and objectives of the contract, and any penalties which have**
2 **been assessed for insufficient performance. The information shall be compiled by**
3 **the office of community development and delivered to the Legislative Audit**
4 **Advisory Council on a monthly basis, on a date to be established by the chairman of**
5 **the council.** The commissioner of administration shall consult with the chairman of
6 the Legislative Audit Advisory Council to develop the format in which the
7 information will be presented to the council.

8 Section 2. This Act shall become effective upon signature by the governor or, if not
9 signed by the governor, upon expiration of the time for bills to become law without signature
10 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
11 vetoed by the governor and subsequently approved by the legislature, this Act shall become
12 effective on the day following such approval.

Date:

Dept. /Agy. :

Fiscal Note On: HB 910 HLS 08RS 992

Author: TUCKER

Subject:

Executive/DOA

Road Home

July 17, 2008 12:13 PM

Bill Text Version: ENROLLED

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

Analyst: Evan Brasseaux

ACT 829

The proposed legislation requires the division of administration, office of community development, to report monthly to the Legislative Audit Advisory Council with respect to the contract between the office of community development and ICF Emergency Management Services dated June 30, 2006, as amended. The report shall contain information relating to subcontractors, inclusive of subcontractors of subcontractors, payments made to any contractor or subcontractor, the value of the contract, contractor performance in the achievement of goals and objectives of the contract, and any penalties which have been assessed for insufficient performance.

3. Legislative Audit Advisory Council

*c/o Steve Theriot (on Jan. 13, 2010 appointed Interim President of Jefferson Parish in closed session, in violation of open-meeting ordinances), Post Office Box 94397
Baton Rouge, LA 70804-9397; (225) 339-3839*

Composed of ten members. Five members to be appointed by the speaker of the House of Representatives from the membership of the house and five members to be appointed by the president of the Senate from the membership of the Senate. Appointments shall be made within 90 days after the members of the legislature take office, and the members appointed shall serve until the expiration of their term of office in the legislature.

(created by R.S. 24:551)

Abramson, Neil C. (Rep)	365 Canal Street New Orleans, LA 70130	(504)275-8051
Ellington , Noble E. (Rep)	4272 Front St. Winnsboro, LA 71295	(318) 435-7313
Gautreaux, Nick (Sen)	P. O. Box 94183 Baton Rouge, LA 70804-9183	(225) 342-0682
Kleckley, Chuck (Rep)	130 Jamestown Road Lake Charles, LA 70605	(337)475-3016
Ligi, Anthony V.(Rep)	4425 Clearview Parkway, Ste. B Metairie, LA 70006	(504) 456-3173
Mount, Willie (Sen)	205 Shell Beach Drive Lake Charles, LA 70601	(337) 491-1388
Murray, Edwin R. (Sen)	1540 North Broad Street New Orleans, LA 70119	(504) 945-0042
Nevers, Ben W. (Sen)	61596 Little Southern Village Bogalusa, LA 70427	(985) 732-6863
Richmond, Cedric (Rep)	5437 Crowder Boulevard, Suite 2000 New Orleans, LA 70127	
Smith, John R. (Sen)	611-B S. 5th Street Leesville, LA 71446	(337)238-2709

<http://www.la.state.la.us>

Many CHAT members wrote to the members of the Louisiana Legislative Audit Advisory Council as follows in March 2009, when a meeting of the council was finally scheduled with a report on ICF and its RH subcontractors.

ellingtn@legis.state.la.us; murraye@legis.state.la.us; larep101@legis.state.la.us;
lasen27@legis.state.la.us; websen@legis.state.la.us; gautreauxn@legis.state.la.us;
smithmi@legis.state.la.us; abramson@legis.state.la.us; larep036@legis.state.la.us; ligit@legis.state.la.us

Dear Council Member,

This Council has the authority and the power to hold LRA and OCD to account for not following Act 829 with monthly reports to this committee on ICF performance measures.

Even more importantly, they have the authority and power to insist that LRA and OCD fix mistakes that are still leading to such misery, as we keep hearing, for unlucky Road Home applicants.

Please ask the Council members at Tuesday's meeting when Act 829 is finally on the agenda of this Council to really reform and open up appeals to fix mistakes made over and over again by the Program and not corrected. The Louisiana Legislative Auditor reports some of these inexcusable mistakes that ICF resists fixing.

The Louisiana Legislative Auditor only make reports, detailing some of the irregular workings of the RH.

But the Council can demand action.

Don't let our LA legislators on the Council be part of the problem.

Please be part of the solution and use your authority.

Please vote on Tuesday to insist that LRA open up really fair Road Home appeals to all applicants who tried to appeal or dispute their grant amount.

4. The Report by OCD about ICF to the Legislative Audit Advisory Council: seven months late

**NOTICE OF MEETING
March 17, 2009
2:00 p.m.
House Committee Room 2
State Capitol Building, Baton Rouge, Louisiana**

AGENDA

1. Call to Order – 2:00 p.m.
2. Approval of Minutes – Meeting of January 26, 2009
3. Executive Session - Louisiana Department of Insurance Litigation
4. HB 1 and HB 2 Extension Requests
5. Act 36 Extension Requests
6. Shreveport Home Mortgage Authority
7. **Act 829 Update**
8. Katrina Cottages Audit
9. Energy Efficiency Contracts
10. North St. Antoine Services, Inc.
11. Other Business

5. Rep. Ellington, Chairman of the LA Legislative Audit Advisory Council, Deleted Unread Emails from Citizens about Major Problems with the Road Home and Violation of Act 829 by OCD

What response did I and other CHAT members receive from Rep. Noble Ellington, Chairman of the LA Legislative Audit Advisory Council? No response. Not one. He did not even open our emails! Other members of the Council, with the exception of Sen. Murray, did not respond either.

Rep. Ellington deleting citizens emails to him? FW: Not read: LA Legis. Audit Council and Act 829

Wednesday, March 18, 2009 4:31 PM

From:

[This sender is DomainKeys verified](#)
"Melanie Ehrlich" <mehrlch8@yahoo.com>
[View contact details](#)

ellingtn@legis.state.la.us

To:

"Melanie Ehrlich" <mehrlich8@yahoo.com>

Cc:

Rep. Ellington,

Please comment on the following.

Melanie Ehrlich
Co-Chairman, Citizens' Road Home Action Team (CHAT)

--- On **Wed, 3/18/09, Regina Cronin** <regina.cronin@gmail.com> wrote:

From: Regina Cronin <>
Subject: FW: Not read: LA Legis. Audit Council and Act 829
To: mehrlich8@yahoo.com
Cc: chatlra@yahoo.com
Date: Wednesday, March 18, 2009, 3:41 PM

Hi Melanie –

I wanted to notify you that I put a read receipt on all of the emails I sent on behalf of Act 829 and have received no notification that anyone of the recipients opened the email – which does not necessarily mean that no one has opened/read the email (because that functionality can be disabled); however, please note below that Rep. Ellington deleted the email without opening it. I find this alarming that a public servant would delete emails without opening them that are sent to a public email box. This is very disappointing and counter to what public service is all about.

Best regards,

Regina

From: Ellington, Rep. (District Office) [<mailto:ellingtn@legis.state.la.us>]
Sent: Wednesday, March 18, 2009 2:59 PM
To: Regina Cronin
Subject: Not read: LA Legis. Audit Council and Act 829

Your message was deleted without being read on Wednesday, March 18, 2009 1:58:48 PM (GMT-06:00) Central Time (US & Canada).

There was also no response from Rep. Ellington to the email below.

RE: Rep. Ellington deleting citizens emails to him? FW: Not read: LA Legis. Audit Council and Act 829

Monday, March 23, 2009 12:38 PM

"Melanie Ehrlich" <mehrllich8@yahoo.com>
[View contact details](#)

From:

" Rep. (District Office)Ellington" <ellington@legis.state.la.us>

To:

"Melanie Ehrlich" <mehrllich8@yahoo.com>

Cc:

Sen. Ellington,

When I spoke to you on the phone before the LLAC meeting last week, you told me that you would try to help with effective follow-up to problems with the Road Home Program, as documented by the Legislative Auditors, if you saw that there were still general unaddressed problems. I think you could see from the more than 300 emails (many of which were not just form letters but described personal, ongoing Road Home problems) that there are indeed unaddressed problems that are within the charge of your Council to address.

I have heard discouraging reports from the two CHAT members who attended that meeting. Please note that many more would go if the meeting were at a time and place that were accessible to them.

Please tell me what your Council will do as the action arm of the Louisiana Legislative auditor to correct the problems with the Road Home Program for Homeowners that have been cited in the Legislative Auditor reports. The actions taken by LRA and OCD in response to our requests have been mostly very inadequate. We are grass-roots citizens' group but your council is an action arm of the legislation.

According to the last LRA Housing meeting, there is as much as \$300 million that is not obligated.

The LA Legislative Auditor has described some of the many kinds of improper procedures used by ICF that shortchanged applicants.

The lack of reports on ICF's performance to your Council from August, 2008 through Feb., 2009 from OCD according to Act 829 is consistent with the need to cover-up deficiencies widely known to the public and reported in the media numerous times (see chatushome.com).

We asked that the Council take the authority it has to demand independent appeals, with written guidelines for the standards for deciding appeals to correct the kind of mistakes described by the LA Legis. Auditor and other frequent mistakes.

LRA has recently posted at its website that appeals can be re-opened but has not sent notices to applicants who tried to dispute their grants unsuccessfully and the Road Home website still says that applicants can't appeal after the 90 day deadline. Here is the page about re-opened appeals at the LRA website (which almost no applicant know about):

<http://lra.louisiana.gov/index.cfm?md=pagebuilder&tmp=home&pid=106>

Mr. Rainwater told your council that appeals have been re-opened but the opposite is still stated at the Road Home website

[http://road2la.org/Docs/policies/Appeals fact sheet 061808.pdf](http://road2la.org/Docs/policies/Appeals%20fact%20sheet%20061808.pdf)

Moreover, applicants who had dispute resolutions that were left unresolved by ICF have received no written notification from ICF or LRA/OCD. How meaningful is re-opening of appeals when applicants don't know about it and when the rules for deciding appeals have never been written down by Road Home?

LRA and OCD need to meaningfully reform appeals before this program closes.

The Council needs to show that Louisiana can clean its own house and let all shortchanged disaster victims repair their houses.

Melanie Ehrlich

Co-Chairman, Citizens' Road Home Action Team (CHAT)

Member, LRA Housing Task Force

6. Summary: There was illegal secrecy by Gov. Jindal's administration about the Road Home Program and a lack of any meaningful action by the Louisiana legislators to protect citizens' rights to consistency and fairness in administration of federal disaster funds.

Our state governmental agencies, LRA and OCD, covered up their unfair treatment of disaster victims who were applicants to the state-run, federally funded Road Home Program by keeping secret for many months names of subcontractors to the program. Our state legislators failed Louisiana citizens in distress because of failures of the historic federal levees and hurricanes in 2005.

At issue is still about \$300 million of US taxpayer money that LRA and OCD call "surplus" RH funds. We cannot get any answers to questions about whether that money will be used to fix at least some of the systematic shortchanging mistakes of the Road Home Program.