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*New Orleans City Council*

September 6, 2023

Honorable LaToya Cantrell  
Mayor, City of New Orleans  
1300 Perdido Street  
New Orleans, Louisiana 70112

Re: Summary of Findings, R-23-85

Dear Mayor Cantrell:

Pursuant to the authority granted to the City Council under the Home Rule Charter, the Council adopted Resolution No. R-23-85, which opened an investigation into regarding a mailer commissioned by the Mayor's Office of Communications and sent out to likely voters earlier this year.

Based on the evidence and the testimony received pursuant to the Council's investigation, it is my belief that Mr. Gregory Joseph engaged in several serious violations of state law and City policy. Mr. Joseph intentionally subverted the City's procurement rules to secure a no-bid vendor for the development of a political mailer intended to bolster your administration's effort to defeat a recall campaign. Not only did this mailer violate state laws prohibiting the use of public resources for political advocacy, the work was undertaken without the existence of a signed written contract and with no provision for DBE participation—each a separate violation of City policy. Mr. Joseph then intentionally misled the Council regarding his actions and the purpose of the mailer during his sworn testimony before the Council Governmental Affairs Committee on August 31. His actions, independently and collectively, constitute grounds for removal under Section 3-125 of the Home Rule Charter. Accordingly, I intend to call a special meeting of the City Council on September 12, 2023 to consider charges and to begin the process of removing him from his unclassified position.

The Council submitted 5 subpoenas duces tucum for all documents related to the mailer campaign. Mercury Public Affairs, MPress Printing, Gregory Joseph, Leslie Thomas, and Breayana Bradley all responded to the subpoenas, providing thousands of pages of documents. The Council reviewed these documents in detail. Mr. Joseph and Director of Procurement Julien Meyer provided context and explanation for the information uncovered in the subpoenas under oath at the August 31, 2023 Governmental Affairs Committee meeting.

It is my opinion that Mr. Joseph, as the Director of the Mayor's Office of Communications:

- (1) Intentionally, knowingly, and willfully acted to subvert the City's procurement rules.

- a. Specifically, Mr. Joseph attempted to route a contract for \$30,000 to Mercury Public Affairs for communications work. CAO Policy No. 8(R) requires a competitive selection process for any professional services agreements exceeding \$15,000. Mr. Joseph personally solicited Mercury for the communications contract without any competitive selection process.
  - b. When Mr. Joseph was unable to push the entire contract amount through the procurement process, he broke the contract up into two agreements, back dating the first agreement to ensure his preferred third-party contractor received as much compensation as allowed under non-competitive procurement limits.
  - c. The overwhelming majority of the work performed by Mercury Public Affairs occurred in 2023, not 2022. Furthermore, both the 2022 and 2023 contracts contemplated the same scope of work; both contracts contained nearly identical proposals from Mercury, the same compensation structure, and the written justifications contained the exact same language. Breaking the contract up into separate years, when almost no work was performed in the first year, demonstrates an intentional subversion on Mr. Joseph's behalf to circumvent the City's procurement rules.
  - d. Chief Deputy City Attorney Tracy Tyler opined that "separating the two agreements . . . appear to be merely a mechanism to circumvent the City's procurement rules." Despite Ms. Tyler's concerns, Mr. Joseph continued his efforts to have the bifurcated contracts approved by the City.
- (2) Intentionally, knowingly, and willfully caused public funds to be expended for a partisan political purpose.
- a. CAO Policy 111 prohibits the use of City time or equipment to engage in political activities. City contracts prohibit the use of City funds, materials, property, or services for any partisan political activity. State law prohibits the use of public funds for political purposes. *See* La. Const. Art. XI § 4; La. R.S. 43:111.1; and La R.S. 18:1465.
  - b. The mailer campaign expressed a clear, partisan political message.
    - i. The mailer included key, bolded, large font messages of "Strong Leadership for a Resilient City" and "Mayor Cantrell Has Led the Way in Progress for our City".
    - ii. Each of the three bullet point lists in the mailer began with the same words "Mayor Cantrell".
    - iii. The timeframe of the mailer directly coincided with the recall effort. Mr. Joseph's first Written Justification for the Mercury Contract provided a term of contract for "12/09/2022 to 02/22/2023". The termination date of the Mercury Contract is also the final date for the recall effort.
    - iv. Mercury's proposal specifically states that "Mercury will work with Mayor Cantrell's team . . . to promote the current administration's successes" and

that the direct mail campaign will “establish[] the Mayor as a credible leader who is dedicated to the city and its future successes.”<sup>1</sup>

- v. The mailer was only sent to likely voters. There are multiple email conversations between the Office of Communications and Mercury regarding target audiences for the mailer campaign. One of the earliest occurred in late December when Mercury emailed Mr. Joseph stating: “Hello Gregory ... We are working on pulling updated target universes based on our conversations.”

(3) Intentionally, knowingly, and willfully authorized the work to be performed without a valid written contract.

(4) Intentionally, knowingly, and willfully provided false testimony under oath on August 31, 2023 regarding the purpose and intent behind the mailer, as well as certain details regarding the procurement of the mailer.

(i) Mr. Joseph asserted that the individuals who received the mailer “weren’t targeted, they weren’t screened.”<sup>2</sup> However, Mr. Joseph, in justifying the contract with Mercury, specifically put in writing that Mercury will “deliver highly targeted direct mail.”<sup>3</sup>

(ii) <sup>4</sup> testified that the mailer “has nothing to do with the recall campaign.”<sup>5</sup> In contrast, Mr. Meyer testified that he met with Mr. Joseph and Mr. Norman White, Chief Financial Officer, in December to discuss “how to procure, again, a marketing consultant and purchase a mailer”<sup>6</sup> Mr. Meyer testified that he was told the purpose of the consultant was “in the context of the recall.”<sup>7</sup>

There are other factual inconsistencies in Mr. Joseph’s testimony that undermine his credibility. For instance, Mr. Joseph testified that he sought out Mercury for the mailer campaign because of the group’s work in Albany. Mr. Joseph stated that Mercury “won a Pollie award for their work on Albany.” However, a search of Pollie winners from 2019 to 2023 provided only two examples of awards to Mercury, both in 2023, for Mercury’s direct mail campaign on a ballot initiative, the Environmental Defense Fund Bond Act. The need to mislead the Council and the public on something as simple as an award from the American Association of Political Consultants only further underscores the fundamental issues present in Mr. Joseph’s testimony.

My review of the evidence indicates that Mr. Joseph was the driving force behind the mailer. Nothing I have reviewed has indicated that either you or Gilbert Montañó, Chief Administrative Officer, were aware of the extent of Mr. Joseph’s activities. Neither you nor CAO Montañó were aware that Mr. Joseph acted to subvert procurement rules or to expend public funds on partisan political activities.

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<sup>1</sup> Mercury Direct Mail Services Proposal, 12/9/2022.

<sup>2</sup> Transcript of 8/31/2023 Governmental Affairs Committee meeting, page 5, at 11:15.

<sup>3</sup> Written Justification to CAO, From Gregory Joseph, 1/18/2022.

<sup>4</sup> Transcript of 8/31/2023 Governmental Affairs Committee meeting, page 49, at 1:13:40.

<sup>5</sup> Transcript, page 49, at 2:01:31.

<sup>7</sup> Transcript, page 49, at 2:03:07.

Mr. Joseph did not seek the opinion of the City Attorney before engaging Mercury. Mr. Joseph did not provide the City Attorney with an opportunity to review the mailer ahead of time. In fact, the only individuals it appears Mr. Joseph consulted prior to engaging Mercury is Mr. Julien Meyer and Mr. Norman White.

The conduct at issue here—particularly Mr. Joseph's hostile and disingenuous responses under oath to a valid Council investigation—represents a brazen disregard of government oversight and basic principles of transparency. . To this end, I urge you to take appropriate remedial action so that the Council does not have to undertake the unfortunate and regrettable steps necessary to compel his removal.

Sincerely,

A handwritten signature in blue ink, appearing to read "JP Morrell", with a stylized flourish extending from the end.

JP Morrell  
New Orleans City Council President  
Chair, Governmental Affairs Committee