To: My Fellow Madisonville Residents

VOTE SATURDAY, MARCH 23, 2024

From: Wayne C. Morlier, 107 Covington Street, 985-789-0800,

Former Town of Madisonville in-house CPA, Town Clerk, Chief of Staff and confident to the Mayor Mayor Pelloat's Co-campaign Chair and Treasurer for his 2016 and 2020 mayoral campaigns

Did you know you must complete a service order to have your complaint counted. I have tried my best to stay out of the mayoral and council election. I have prayed on it and find that I no longer can do so due to the number of flyers and letters received with incomplete information and in some cases misinformation. I feel it is an injustice to you, my fellow residents, for me to stay silent while I have intimate knowledge of the present administration's claims as well as operations, philosophy, and vision. You have a right to know so you can decide for yourself the direction of our dear Town. It is not easy for me to send out this letter as I fear that I will be disparaged.

I have and can provide documentation to support all of the below facts. You can inform yourself by reading the Town minutes on its website, accessing Candidate's Campaign Reports on the LA Ethics Administration website, https://www.ethics.la.gov/CampaignFinanceSearch/ViewScannedFiler.aspx?FilerID=112869, the Town's Annual Audit Reports located on the Louisiana Legislative Auditor's website at www.lla.la.gov and accessing John Brewster's and Mayor Pelloat's video's. There is a clear difference between the two Mayoral candidates' philosophy, policy and vision for the Town. Your vote for Mayor and Council ARE critical to the future of our Town. Please note that you do NOT have to vote for all five council positions. You can vote for as many as you desire.

I realize there is a lot here for you to read and digest; however, I feel it is important for you to be informed before casting your valuable vote. I have provided some highlights with claims, facts, truth and questions.

Claim and Facts:

- 1. Mayor Pelloat says the Ethics Board approved the process for the purchase of the new Town Hall from the Town Attorney, Bruce Danner and that the process is not questionable. This is NOT ACCURATE.
- 2. The Ethics Board did not approve the process. The Ethics Board only looked at Bruce Danner's ownership status as of January 31, 2020, the date the Town purchased Danner's building at 209 Hwy22, to determine if there was an ethics violation on the date of sale. Danner did sell his 50% interest (dispossessed) in the 209 Hwy 22 building as of January 14, 2020 or 18 days before the sale to the Town. The Ethics Board did not consider the six months of documents and discussions with and between the Mayor, Council, and Bruce Danner prior to January 31, 2020.
- 3. As a former IRS agent, upon audit, I would have a number of questions {many more than I can detail here) about the transaction based on a review of the Town minutes on its website from June 2019 through February 2020 and other documents received based on the Freedom of Information Act (FOIA). Below are notable questions regarding the building appraisals and offer to sell. Also, Danner would not be entitled to a \$200,000 charitable donation since he did not own the property on the date of sale though he stated he was willing to sell his building to the Town at a discounted price. You deserve answers to these questions and the truth!

Questions:

1. If Danner had an appraisal resulting in a \$835,000 value as of July 10, 2019, why was it necessary for the Town to request and pay for an appraisal as of October 9, 2019? Why did Danner state as of July

- 24, 2019 that he received an appraisal for \$850,000? More importantly, how did that appraisal match exactly the Town's October 17, 2019 appraisal of \$850,000?
- 2. Why did Danner's July 10, 2019 letter sound like a sales pitch for his building and also sounded as though he was advising the Mayor and Council of all the advantages of buying his building?
- 3. Why did Danner request on August 22, 2019 an Ethics Board opinion on the sale of his building to the Town and then withdraw his request on September 30, 2019?
- 4. Why did Danner on October 23, 2019 withdraw his offer to sell his building to the Town? At the November 7, 2019 meeting, why did the Council continue to pursue the Danner property despite Danner having withdrawn his request? Why did the Mayor and Council feel it was necessary to push approval of the purchase of the Danner property within 75 days after Danner withdrew his offer?
- 5. No matter whether the actions by the Administration and Danner were actually Ethics violations or conflict of interest, they certainly appear to be Ethics violations or conflict of interest.
- 6. The most important question is whether this is how you expect your Mayor, Council, and Town Attorney to act and to communicate Town business to its residents?

Claim:

Police are adequately compensated

Questions:

- 1. Aren't the other Town employees offered the same health and retirement benefits as the police? If not, what is the financial variance?
- 2. Isn't it true that the 2022 approved budget included a \$20 per hour pay for a new equipment operator?
- 3. Why do we perform studies of other municipalities to determine police pay? Don't we have enough surplus to pay them whatever it takes to attract and retain good officers?
- 4. Isn't it true that we paid a self-employed electrician \$90 an hour? Isn't it true that we pay a self-employed handyman \$40 plus an hour to install the new street signs and to perform other small jobs around town? How does this compare to police pay?

Facts and Questions on Mayor and Council Pay Increases

- At Mayor Pelloat's urging, the Town Council passed an ordinance in September 2023 increasing both the Mayor's and Council's pay.
- This was their second attempt in increasing Council pay as in October 2019 Mayor Pelloat requested the Council approve a pay increase for the Council. However, the vote failed.
- The pay increase for the Council is 63% with the explanation being cost of living and comparison with other municipalities in the area.
- 4. The vote was unanimous with a new councilman, who replaced Councilman Hitzman, voting for the increase despite having been on the council for only one month. (It is notable that the new councilman was hand-picked by the Mayor and Council within one month of Councilman Hitzman resigning. See Town minutes from June 2023 through September 2023)
- 5. Do we really need to compete with other municipalities?
- 6. Cost of living increases for a part-time public servant?
- 7. Do you think Councilman Bounds had it right in 2019 when he stated they perform the council duties out of love for the Town? What changed?

im:

he Mayor and Council are responsible for a \$9 million surplus

Questions:

- 1. How was this computed? Where is the documentation? Where is the money? Do grants account for some of the surplus? If so, how much?
- 2. Within 18 months of his first term Mayor Pelloat sanctioned a study of the Town's gas charges. The study resulted in a 25% increase in the flat rate from \$12 to \$15 and a per unit rate that has a built in annual inflation (cost of living), revenue stabilization, and "loss and unaccounted" rate increases.
- 3. Do you know that per the published audit reports the gas system has profited \$6 million. This would be two-thirds of the \$9 million.
- 4. Should the surplus be spent on beautification and "nice to have's" or should it be spent on aging water and sewer pipes?
- 5. Why does Councilman Bounds think we should spend millions on the riverfront because we "can't lose the riverfront"? What does that mean?
- 6. Should we spend \$6 million on a new water tower and well? Are we sure this will resolve our brown water issues or is the brown water issue within the pipes and delivery system?

Facts and Questions on Gas Bonds Issued in 2019

On June 12, 2019 gas bonds were approved in the amount of \$2 million to upgrade the regulator station
On December 9, 2020 a resolution was passed to pay off \$204,000 of 2006 outstanding bonds with monies
from a \$960,000 refund from Gulf South due to an over estimation of the cost of the new regulator. Gulf
South had previously been paid \$1,495,710 for the new regulator. The remaining \$756,000 was to be used
for capital improvements. Bonds from 2015 in the amount of \$880,000 were still outstanding.
Was the \$756,000 to be used for the new Town Hall renovations as they were estimated at \$800,000 by the
architect, Alan Antoine, in September 2019. On October 14, 2020 Mayor Pelloat reported that the contract for
the new Town Hall renovations was awarded at a price of \$746,800.

Facts and Questions on Campaign Contributions

On March 26, 2019 the owners of Riverfront Village (Tchefuncte and Anchor Restaurants) and two Dixie RV Superstores contributed \$3.000 to Mayor Pelloat's 2020 Mayoral campaign. The 2020 mayoral race had not yet begun. These contributions were accepted by the Mayor although there had been a number of concessions to the owners of Riverfront Village in regards to parking variances and the use of the bottom floor of the Riverfront Village complex. On February 13, 2019 the Council approved a request from Dixie RV (Riverfront Village) for a conditional use for parking at 406 Main Street. There is no record of this having gone through the Planning and Zoning Commission and no indication of who was there representing Dixie.

For this 2024 mayoral race, Mayor Pelloat has received campaign contributions of \$5,000 from companies connected to the owners of Riverfront Village. In addition, the Mayor has received over \$7,500 from other companies and individuals that do business with the Town. Although not apparently illegal, one must ask why these companies and individuals would contribute to Mayor Pelloat's campaign and what benefit it is to the companies and individuals for Mayor Pelloat to continue as Mayor. For example, is the benefit to Riverfront Village a one-way Water Street with more parking for its customers? (The Mayor and Council want to spend millions of dollars to improve the riverfront; a four block area surrounding the riverfront.) By making campaign contributions to the Mayor, do the other businesses and individuals expect special consideration?