

FILED
U.S. DISTRICT COURT
EASTERN DISTRICT OF LA.
2021 APR 16 P 2:51
CAROL L. MICHEL
CLERK

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

SEALED

INDICTMENT FOR CONSPIRACY TO
USE AN INTERSTATE FACILITY WITH
INTENT TO CARRY ON UNLAWFUL ACTIVITY

FELONY

UNITED STATES OF AMERICA

* CRIMINAL NO.

21-53

v.

* SECTION:

SECT. 1 MAG. 5

JAMES MOHAMAD
BRIAN MEDUS

* VIOLATIONS:

18 U.S.C. § 371
18 U.S.C. § 1952(a)(3)

* * *

The Grand Jury charges that:

COUNT 1

A. AT ALL TIMES MATERIAL HEREIN:

1. The defendant, **JAMES MOHAMAD**, was the Director of the Department of Inspection and Code Enforcement for the City of Kenner. His duties included issuing permits and conducting inspections and to ensure the work completed was in compliance with city and state building codes.

2. **JAMES MOHAMAD** was a third-party inspector for a local company. As of October 30, 2019, **MOHAMAD** was prohibited from conducting third-party inspections in the City of New Orleans.

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3. **JAMES MOHAMAD** owned J&J Sales, a heating, ventilation and air conditioning (HVAC) business. **MOHAMAD** did not have a license required to obtain permits from and perform HVAC work in the City of New Orleans.

4. The defendant, **BRIAN MEDUS**, was the Assistant Chief Mechanical Inspector for the City of New Orleans, Safety and Permits Department. His duties included inspecting mechanical equipment and systems and to ensure that the work completed was in compliance with city and state building codes.

B. THE CONSPIRACY:

From a date unknown, but prior to 2011, and continuing until on or about March 11, 2020, in the Eastern District of Louisiana and elsewhere, the defendants, **JAMES MOHAMAD and BRIAN MEDUS**, did knowingly and willfully combine, conspire, confederate and agree with each other and others known and unknown to use facilities in interstate commerce, namely the internet and cellphones, with the intent to promote, manage, establish, carry on and facilitate the promotion, management, establishment and carrying on of an unlawful activity, that is, bribery, in violation of Louisiana Revised Statute 14:118, and thereafter performed and attempted to perform an act to promote, manage, establish and carry on, and to facilitate the promotion, management, establishment and carrying on of such unlawful activity, in that **MEDUS** solicited and accepted bribe money from **MOHAMAD** to obtain fraudulent permits and favorable inspection reports.

In violation of Title 18, United States Code, Section 1952(a)(3).

C. MANNER AND MEANS:

The manner and means used to accomplish the objectives of the conspiracy included, among others, the following:

1. **MOHAMAD** paid licensed HVAC contractors in New Orleans to use their licenses to obtain fraudulent permits from the New Orleans Safety and Permits Department for **MOHAMAD**'s HVAC jobs.

2. **MOHAMAD** paid cash bribes to **MEDUS**, a mechanical inspector for the City of New Orleans Safety and Permits Department, to process and provide fraudulent permits for **MOHAMAD**'s HVAC jobs.

3. In violation of Louisiana state statutes, **MEDUS** inspected and approved **MOHAMAD**'s HVAC work, knowing that the work was conducted by **MOHAMAD**, a contractor not licensed in New Orleans. In some instances, **MEDUS** allowed **MOHAMAD** to inspect his own work as a third-party inspector, also a violation of state law.

D. OVERT ACTS:

In furtherance of the conspiracy and to effect the objects of the conspiracy, the defendants, committed the following overt acts, among others, in the Eastern District of Louisiana and elsewhere:

1. On or about January 24, 2019, **MEDUS** utilized the City of New Orleans' internet-based LAMA system to submit material information that resulted in **MOHAMAD** receiving four fraudulent permits.

2. On or about June 4, 2019, **MEDUS** utilized the City of New Orleans' internet-based LAMA system to submit material information that resulted in **MOHAMAD** receiving two fraudulent permits.

3. Throughout the course of the conspiracy, **MOHAMAD** paid **MEDUS** and licensed contractors approximately \$93,000.00 to further the bribery scheme.

All in violation of Title 18, United States Code, Section 371.

NOTICE OF FORFEITURE

1. The allegations of Count 1 of this Indictment are incorporated by reference as though set forth fully herein for the purpose of alleging forfeiture to the United States.

2. As a result of the offenses alleged in Count 1, the defendants, **JAMES MOHAMAD and BRIAN MEDUS**, shall forfeit to the United States pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c), any property real or personal which constitutes or is derived from proceeds traceable to said offenses.

3. If any of the property subject to forfeiture, as a result of any act or omission of the defendants:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third person;
- c. has been placed beyond the jurisdiction of the Court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be subdivided without difficulty;

the United States shall seek a money judgment and, pursuant to Title 21, United States Code, Section 853(p), forfeiture of any other property of the defendant up to the value of said property.

A TRUE BILL:



MICHAEL M. SIMPSON
Attorney for the United States
Acting under the Authority Conferred
by 28 U.S.C. § 515

A handwritten signature in black ink, appearing to read 'Tracey N. Knight', written over a horizontal line.

TRACEY N. KNIGHT
Assistant United States Attorney
Louisiana Bar Roll Number 23165

New Orleans, Louisiana
April 16, 2021