

IN THE UNITED STATES DISTRICT COURT FOR THE
NORTHERN DISTRICT OF FLORIDA
PANAMA CITY DIVISION

UNITED STATES OF AMERICA

v.

MARGO DEAL ANDERSON
JOSEPH ADAM ALBRITTON
ANTONIUS GENZARRA BARNES
and
JAMES DAVID FINCH

SEALED
SUPERSEDING
INDICTMENT
Case No.: 5:20cr28-MW

THE GRAND JURY CHARGES:

COUNT ONE

A. INTRODUCTION

At all times material to this Indictment:

1. The City of Lynn Haven was a municipality incorporated under the laws of the State of Florida. The City of Lynn Haven's Charter provided for a City Commission, consisting of a "Mayor-Commissioner," described throughout as the "Mayor," and four Commissioners. The Charter required, among other things, that the Mayor preside at all meetings of the Commission, that the Mayor was the official head of the City in certain circumstances, and the Mayor may take

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Jessica J. Lyublanovits
By: *Angela Mauer*
Deputy Clerk

command of the police and fire departments and govern the city by proclamation during the times of grave public danger or emergency and shall be the judge of what constitutes such danger or emergency. The administrative head of the city government was a City Manager, appointed by the Commission, and subject to its direction and supervision.

2. **MARGO DEAL ANDERSON** was elected as Mayor of Lynn Haven on April 21, 2015. **ANDERSON** was re-elected as Mayor of Lynn Haven on April 16, 2019. As Mayor of Lynn Haven, **ANDERSON** acted as the de facto head of the municipal government and sometimes directed the activities of the City Manager, who was responsible for the day-to-day operations and administrative functions of Lynn Haven. **ANDERSON**, as Mayor, presided over and participated in Lynn Haven Commission meetings, contributed to the agenda for all Commission meetings, and possessed one vote on the City Commission equal to each Commissioner. As the Mayor of Lynn Haven, **MARGO DEAL ANDERSON** was an agent of the City of Lynn Haven, and had a fiduciary duty to act in the best interests of Lynn Haven and its citizens.

3. **JOSEPH ADAM ALBRITTON** entered into a contract with Lynn Haven to be the City Attorney for Lynn Haven on or about October 22, 2018, effective October 15, 2018, for one year. The contract retained **ALBRITTON** to provide professional legal services and perform other related duties to the

Governing Body of the City and its employees as specified in the agreement.

ALBRITTON executed an addendum to the professional services contract to be City Attorney on or about October 31, 2019, for an additional period of two years. As the City Attorney for Lynn Haven, **JOSEPH ADAM ALBRITTON** was an agent of the City of Lynn Haven, and had a fiduciary duty to act in the best interests of Lynn Haven and its citizens.

4. **JAMES DAVID FINCH** was the owner of Phoenix Construction Services, Inc. (“Phoenix”) and JDF Properties, LLC (“JDF Properties”), businesses incorporated in the State of Florida, which sought contracts with the City of Lynn Haven.

5. **ANTONIUS GENZARRA BARNES** was a City Commissioner for the City of Lynn Haven between 1996 and April 2019. **BARNES** was an agent of the City of Lynn Haven, and had a fiduciary duty to act in the best interests of Lynn Haven and its citizens.

6. Between on or about August 22, 2017, and March 26, 2019, Michael Edward White (“M. White”) was the City Manager of Lynn Haven. As City Manager, M. White was responsible for the day-to-day operations and administrative functions of Lynn Haven.

7. Erosion Control Specialists (“ECS”) was incorporated in the State of Florida on May 10, 2011. David Mitchelle White (“D. White”) was listed as a

director of ECS. In a 2018 amended annual report and a 2019 annual report filed with the State of Florida, D. White was listed as a director and Vice President of ECS.

8. On October 10, 2018, Hurricane Michael caused severe damage to public and private property, public utilities, public buildings, public communications systems, public streets and roads, and public drainage systems within the City of Lynn Haven, Florida (“Lynn Haven”).

9. On October 16, 2018, as a result of Hurricane Michael, Lynn Haven adopted a local state of emergency for post disaster relief and planning and approved Hurricane Michael Resolution No. 2018-10-16. In the resolution, Lynn Haven waived the procedures and formalities otherwise required under Florida law to take action to ensure the safety, welfare, and health of the citizens of Lynn Haven, including: entering into contracts; incurring obligations; acquisition and distribution of materials, supplies, and other expenses related to the storm event; appropriation and expenditure of public funds; and the employment of permanent and temporary workers. The resolution delegated emergency powers to the mayor of Lynn Haven, **MARGO DEAL ANDERSON**, or her designee, to discharge the duties and exercise powers for the above described activities until the local emergency declared had expired and the resolution was rescinded. The

Declaration of Emergency was to be automatically renewed every seven days until further action was taken by Lynn Haven.

10. On October 23, 2018, as a result of Hurricane Michael, Lynn Haven again declared and reinstated a local state of emergency for post disaster relief and planning and entered Hurricane Michael Resolution No. 2018-10-23-002. This Declaration of Emergency contained the same provisions as the original declaration of emergency and was effective for seven days. The Declaration of Emergency was required to be renewed or it would automatically expire.

11. On October 30, 2018, Lynn Haven voted to end the local state of emergency and end the designation of the emergency powers to the mayor or her designee.

12. Prior to Hurricane Michael, Lynn Haven contracted with two national disaster relief companies to provide disaster relief services for the city following a hurricane. These companies, referred to as Company C and Company D in this Indictment, provided debris removal services for Lynn Haven after Hurricane Michael, submitted invoices with supporting documentation for their services, and received payment from Lynn Haven, which was reimbursed by the Federal Emergency Management Agency (FEMA) for the expenses.

13. FEMA is an agency of the United States Department of Homeland

Security and is responsible for coordinating the federal government's response to natural and man-made disasters. The primary purpose of FEMA is to coordinate the response to a disaster that has occurred in the United States and that overwhelms the resources of local and state authorities. In addition to on-the-ground support of disaster recovery efforts, FEMA provides state and local governments with experts in specialized fields and the funding for rebuilding efforts for infrastructure. FEMA also provides for the reimbursement of many expenses incurred by local governments in cleaning up and restoration after natural disasters, such as hurricanes.

14. On October 22, 2018, with the knowledge and concurrence of **MARGO DEAL ANDERSON**, M. White, on behalf of Lynn Haven, and D. White, as owner of ECS, signed an agreement for ECS to provide Lynn Haven with "Emergency And/Or Exigent Services, Ancillary Construction Services, or Construction Due To The Effects of Hurricane Michael." The agreement referenced ECS as a "contractor," with the effective date of October 11, 2018. The term of the agreement was for no more than 90 days to perform services for Lynn Haven. As part of the agreement, ECS agreed to provide detailed invoices requesting payment for services accompanied by such documentation or data, including back-up documentation sufficient for reimbursement of expenses by

FEMA for Lynn Haven payments to ECS. **JOSEPH ADAM ALBRITTON** drafted this agreement.

15. On or about October 28, 2018, with the knowledge and concurrence of **MARGO DEAL ANDERSON**, M. White, on behalf of Lynn Haven, and D. White, owner of ECS, signed an amended agreement for ECS to provide Lynn Haven with “Emergency And/Or Exigent Services, Ancillary Construction Services, or Construction Due To The Effects of Hurricane Michael.” Notably, the 90-day term provided for in the original agreement was replaced with no deadline; rather, the agreement provided the duration to be “for such time as necessary to perform the services for the project.” Additionally, the amended agreement included new specific language advising D. White and ECS that FEMA financial assistance would be used to fund the contract with Lynn Haven, and that ECS would comply with all applicable federal regulations and executive orders, as well as all FEMA policies, procedures, and directives. Under the amended agreement, ECS also agreed to provide FEMA with access to its books and records, and was further advised of federal program fraud and false statement prohibitions.

JOSEPH ADAM ALBRITTON drafted this amended agreement.

16. After Hurricane Michael, **MARGO DEAL ANDERSON** requested that the City Manager and D. White have ECS provide debris removal and repairs to her personal residence and the private residences of her mother and another

neighbor. These services were billed by ECS to, and paid by, Lynn Haven in invoices that falsely claimed services were provided for public areas in Lynn Haven.

17. In late October or early November 2018, **JOSEPH ADAM ALBRITTON** discussed with D. White expanding the work that ECS was performing for Lynn Haven, to include the pick-up of residential trash in Lynn Haven. **ALBRITTON** drafted a supplemental agreement between Lynn Haven and ECS authorizing ECS to assist Lynn Haven in the removal of residential trash. The effective date of this “task order” was listed as three weeks earlier – October 15, 2018, and the “task order” authorized payment to ECS at a rate of no more than \$300.00 per hour, per crew, for removal of trash. The task order stated that it would terminate upon notice by Lynn Haven, but was not to exceed 45 days from the effective date (October 15, 2018).

18. On November 8, 2018, M. White and D. White executed an “Exhibit A – Task order 18-001” that ostensibly was an agreement under the Amended Agreement described in paragraph #12 above, authorizing ECS to charge Lynn Haven for residential trash pick-up, including allowing ECS to bill Lynn Haven for residential trash pick-up that had not been performed by ECS during October 2018.

19. In late October 2018, **JOSEPH ADAM ALBRITTON** provided to City Manager M. White a list of companies that he claimed had provided prices

that would be charged to receive reduced vegetative debris or chips.

ALBRITTON advised M. White that a company, referred to as Company A in this Indictment, provided the lowest price at \$4.70 per cubic yard and there was an immediate need to dispose of reduced debris. **ALBRITTON** told M. White that Lynn Haven had asked that the debris removal companies associated with the City use only locations that charged at a rate that the haulers could bill to Lynn Haven that was higher than several of the individuals and companies who attempted to submit bids for the debris dumping. **ALBRITTON** also told the City Manager that the dumping location owned by Company A was the most economic solution and should be selected by debris removal companies associated with Lynn Haven to dispose of vegetative debris or chips. At that time, **ALBRITTON** was also employed by, and provided legal services to, Company A, a fact that was not disclosed by **ALBRITTON**.

20. After Hurricane Michael, **JOSEPH ADAM ALBRITTON** directed D. White to have ECS provide debris removal and repairs to his personal residence and the residence of his girlfriend. These services were billed to Lynn Haven by ECS in invoices that falsely claimed services were provided for public areas in Lynn Haven, which paid ECS. **ALBRITTON** also requested and obtained from ECS an invoice for the debris removal services provided at his residence, which

23. Between on or about August 1, 2015, and on or about February 2,

B. THE CHARGE

of a new municipal building/police station in accordance with his plan. plan for the rebuild of municipal facilities to allow **FINCH** to conduct construction attempted to have the City of Lynn Haven switch from its approved preliminary

22. **JAMES DAVID FINCH and MARGO DEAL ANDERSON**

period were paid by Lynn Haven. items by Company C and Company D at **FINCH**'s site for the next one-year chips at a **FINCH**'s site. Fees totaling more than \$1 million for the disposal of Company C and Company D commenced disposing all of its vegetative debris or owned by **FINCH** to dispose of all vegetative debris or chips. As directed, to conduct post-Hurricane Michael debris removal and clean-up, to utilize a site and Company D, debris removal companies that were contracted with Lynn Haven **ANDERSON** caused City Manager M. White to issue a directive to Company C

21. At the request of **JAMES DAVID FINCH, MARGO DEAL**

paid ECS for debris removal and repairs. invoice **ALBRITTON** submitted to his insurance company falsely claiming he had

2021, in the Northern District of Florida and elsewhere, the defendants,

**MARGO DEAL ANDERSON,
JOSEPH ADAM ALBRITTON,
ANTONIUS GENZARRA BARNES,
and
JAMES DAVID FINCH,**

did knowingly and willfully combine, conspire, confederate, and agree together

and with other persons to:

(a) devise, and intend to devise, a scheme to defraud and for obtaining

money and property by means of material false and fraudulent pretenses,

representations, and promises, and to cause wire communications to be transmitted

in interstate and foreign commerce for the purpose of executing such scheme, in

violation of Title 18, United States Code, Section 1343; and

(b) to devise a scheme to defraud and deprive the City of Lynn Haven and

its citizens of their right to the honest services of **ANDERSON**, the elected Mayor

of Lynn Haven, **ALBRITTON**, the City Attorney for Lynn Haven, and **BARNES**

as Commissioner, through bribery or kickbacks, and to cause wire communications

to be transmitted in interstate and foreign commerce for the purpose of executing

such scheme, in violation of Title 18, United States Code, Sections 1343 and 1346;

C. MANNER AND MEANS

The manner and means by which this conspiracy was committed included

the following:

Public Official Positions

24. The defendants and conspirators used **MARGO DEAL ANDERSON**'s public official position as the Mayor of Lynn Haven, **JOSEPH ADAM ALBRITTON**'s public official position as a City Attorney of Lynn Haven, and **ANTONIUS GENZARRA BARNES**' position as City Commissioner, to offer, give, solicit, receive, agree to accept, and accept things of value from companies and individuals having business interests in Lynn Haven. These things of values were offered to **ANDERSON, ALBRITTON,** and **BARNES** with the intent that they would be influenced in the performance of official acts. **ANDERSON, ALBRITTON,** and **BARNES** demanded, sought, agreed to accept, and received things of value with the intent that they would be influenced in the performance of official acts.

25. **MARGO DEAL ANDERSON** used her position as Mayor of Lynn Haven to take official action favorable to Company A, **JAMES DAVID FINCH** and **FINCH**'s business interests, and other companies, that included voting on measures pending before the Lynn Haven City Commission, signing resolutions, contracts, agreements, and promissory notes, and pressuring and advising City officials to perform specific official acts. Among other things, **ANDERSON** directed City officials to take official action favorable to **JAMES DAVID FINCH** and **FINCH**'s business interests in exchange for financial benefits from **FINCH**.

