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Springfield City Council Ethics Committee
Municipal Center West
300 S. 7th Street, Room 305
Springfield, IL 62701

RE: Office of Inspector General Files

Pursuant to the request of Mayor Langfelder and Corporation Counsel Zerkle, I have been serving as a consultant to them as the City deals with the Office of Inspector General files recently received from Hillard-Heintze. I have been provided with 7 files and a list of 9 additional contacts made to Hillard-Heintze after their contract expired, which is nothing more than a list of the name of the Complainant (if known) and contact information, if available.

As to the first seven files, one contained a single sheet with a 10-line email from a Complainant while the others contained up to 12 pages of notes compiled by Hillard-Heintze. None of the files provided indicated that Hillard-Heintze made any referral or reached any conclusion with regard to any matter which they investigated.

Additionally, I have reviewed the Springfield Ordinance establishing the Office of Inspector General and have reviewed the manner in which the City of Chicago Inspector General submits reports. Those reports do not disclose the name of the Complainant nor do they disclose the names of those investigated, but are a summary of the allegations, research conducted and disposition of the case.

I will address the pending cases using the file numbers assigned to them by Hillard-Heintze.

1. SPI-OIG 2015-001. I have declined to provide a consultation on this case as it contains names of clients of the law firm where I am Of Counsel and I do not wish to create any appearance of conflict of interest. Mr. Zerkle indicated that he would follow up with the Hillard-Heintze investigation reports.

2. SPI-OIG 2015-002. This case was labeled by Hillard-Heintze as, "Aldermen Abuse of Power," and was opened January 15, 2015. The Complainant alleged that an alderman was unduly influenced by a local trade union when two non-union low bidder contracts were up for consideration by the City Council. The



Ordinances awarding the contracts in question to the non-union low bidder were both passed and the contracts were, in fact, awarded to the non-union low bidders. Therefore, if any statements made by the alderman were representative of a union bias against non-union bidders, such arguments were not persuasive to the City Council and the contracts were approved.

It is my recommendation that this matter be closed without referral. It is my further recommendation that the City Council Coordinator distribute a copy of the City Purchasing Code to all aldermen for their review.

3. SPI-OIG 2015-003. This case was labeled by Hillard-Heintze as, "Minority Hiring Issues/CWLP" and was opened January 22, 2015. This file contained but a single brief email from the Complainant to the Inspector General requesting a meeting concerning allegations that the City was not following federal government guidelines as it relates to employment and doing business with the City. I personally contacted the Complainant by email and promptly received a response from the Complainant that at this time, he did not have any complaints against the current Mayor and his staff and he observed, "thus far, they are doing a great job turning things around for minority participation within our City."

Inasmuch as the Complainant states that he has no current issues, it is recommended that this file be closed without referral.

4. SPI-OIG 2015-004. This file was labeled by Hillard-Heintze as, "Executive Director Abuse of Power/Land Purchase" and opened January 15, 2015. The Complainant raised an issue regarding the advisability of a City land purchase and raised a sub-issue as to whether or not an alderman received a real estate commission relating to that purchase. Hillard-Heintze interviewed the original Complainant. I reviewed extensive Minutes from City Council meetings and City Council Sub-Committee meetings. While the vote to approve the real estate purchase was not unanimous, it did pass by majority vote of the City Council after lengthy discussion and the questioning of several witnesses as to the advisability of the land purchase. There was clarity as to the parties to the Purchase Agreement and the history of the seller's ownership.

A 3½% real estate commission was revealed in the prior Inspector General's Report. I contacted the alderman in question directly and received verbal assurance that no commission was received by the alderman relating to this sale and the alderman had stated that on the record at the time of the transaction. The alderman has volunteered to have the listing broker write a letter to me confirming that the alderman received no commission whatsoever from this transaction. To date, no such letter has been received.

Based both upon the fact that a majority of the City Council voted to make the purchase in question after extensive discussion at the meeting and based upon the assurance that the alderman in question received no commission, it is my

recommendation that this matter be closed without referral upon written confirmation from the broker regarding the commission issue. Until then, this remains an open investigation.

5. SPI-OIG 2015-005. Hillard-Heintze opened this file on February 3, 2015 under the heading, "Affirmative Action Abuse." The Complainant alleged a failure by the City to appropriately update its Affirmative Action Plan and alleged that not all departments were following the plan. The City first adopted an Affirmative Action Plan April 16, 2013 and on April 22, 2013, then Mayor Houston published the Plan to all employees via the City intranet and the City website. The original Affirmative Action Plan mandates bi-annual updates, May 31 and November 30 of each year with an annual audit conducted each April. I have reviewed the City's website and find that there are updates of April 30, 2014, an audit of April 1, 2015, an update of November 30, 2015, and an Affirmative Action Plan Summary of January, 2016. Since at least April 1, 2015, the City appears to be in compliance with the annual audit and bi-annual update requirements. The City website is accessible by all and contains the November 30, 2015 update under the tab, "Affirmative Action Plan." The updated Plan contains current statistical updates for the required job classifications and, thus, the City is in compliance with its Affirmative Action Plan publication requirements at this time.

The additional concern raised by the Complainant was whether or not all departments were uniformly applying the Affirmative Action Plan. When interviewed, the Complainant advised the prior investigator that he felt the City is implementing the policies outlined in the Affirmative Action Plan, but he is not certain they are being implemented in all departments.

Inasmuch as the City is current with audits and updates required under the Affirmative Action Plan and that those audits and updates are clearly posted on the City website and without any specific allegation regarding what departments are not following the plan or specific allegations of any particular incident showing non-compliance with the Affirmative Action Plan, it is my recommendation that this matter be closed without referral with the further recommendation that the Human Resources Department continue to meet the annual audit deadline and the bi-annual update deadlines, that all Affirmative Action materials continue to be displayed on the City website and that the Human Resources Department ensure that all City departments are uniformly applying the Affirmative Action Plan and that hiring decisions are uniformly made in compliance with the plan.

6. SPI-OIG 2015-006. On February 3, 2015, Hillard-Heintze opened the file titled, "Minority Hiring" as the result of a complaint that a vendor with a significant contract with the City of Springfield was not in compliance with minority hiring minimums established by City Ordinance. It was alleged that this contract in excess of \$1 million has resulted in no African-Americans being employed by the contractor.

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I have reviewed the contract in question and both the bid documents and the contract require the contractor to be in compliance with Springfield City Codes on equal employment opportunities. The City has the right under these documents to request written evidence of compliance. The vendor has been the only bidder on the contract in question.

In response to the City's Human Resources Department request, the contractor, who is a national corporation based in Ohio, provided Equal Employment Opportunity information reports for 2013, 2014 and 2015. On a corporate level, minority hiring for 2013 was 17.1% of the work force for the positions of craft workers, operatives, laborers & helpers and service workers. For 2014, minority employment in those same categories increased to 21% and in 2015, increased to 25.4%.

Crews working in Springfield come from the corporation's site in Frankfort, Illinois and in 2015 those crews contained 10.2% minority employees.

On a corporate level, this vendor has demonstrated a commitment to adequate minority representation in its work force and showed significant gains to a high of 25.4% minority workers in 2015. It is recommended that the Human Resources Department contact the vendor to urge greater utilization of our area's minority workforce.

7. SPI-OIG 2015-007. This case was opened February 4, 2015 and labeled by Hillard-Heintze "Blackballing of Qualified Candidates," on the basis of a complaint received. The Complainant was interviewed and alleged that he was passed over for two CWLP positions for which he felt he met the job requirements. The Director of Human Resources was also interviewed in February 2015 and she provided the Investigator with documents outlining the City hiring process and specifically the interview process. The Director confirmed that all departments use the same interview procedure and questions and that the questions must be approved by the Human Resources office. The Complainant stated that he applied for a posted job that was open until December 10, 2013 and a second posted job that had an application deadline of November 25, 2014. He received an interview for the first position, but was sent a rejection email for the second position without being interviewed.

There is no indication that the Complainant filed any action with the State Human Rights Commission or the Federal Equal Employment Opportunity Commission and based upon the job posting dates, the time for filing a Complaint with either Commission has long since passed. Additionally, this Complainant is the same as in SPI-OIG 2015-003 and in response to my contact; the Complainant sent an email that he was pleased with the current administration and its response to minority hiring issues.

THE CALL LOG

After the Hillard-Heintze contract expired at the end of February 2015, they continued to log in an additional 9 complaints which were assigned a case number and labeled as to subject, but no files have been produced and there is no indication that any investigations were conducted.

8. SPI-OIG 2015-008. This was a complaint received March 9, 2015 and given the title, "Abuse of Power by Mayor." The Complainant used what may appear to be a fictitious name and did not provide an address or telephone number, but there was an email address attached to the call log. I sent an email to the address provided on January 18, 2016 and invited the recipient to respond to me by email or telephone if the recipient still wished to raise a complaint to be investigated by the Inspector General's Office. To date, I have had no response to my email and it is my recommendation that the matter be closed without referral.

9. SPI-OIG 2015-009. This was a complaint logged in March 17, 2015 and titled, "Minority Hiring Issue/CWLP", a name and email address were provided by the Complainant who is the same complainant in SPI-OIG 2015-003 and SPI-OIG 2015-007. I emailed the Complainant asking if there was a desire to pursue the complaint and as stated in the prior referenced cases received a response that he had no present complaint and was pleased with the current Mayor's response to minority hiring issues. It is my recommendation that this matter be closed with no further action.

10. SPI-OIG 2015-010, -011 & -012. These cases were all logged in April 2, 2015 by anonymous caller but the call log did contain a telephone number. The calls were logged in under the titles, "Equipment Purchase, Employee Doing Personal Work on City Time, and Hiring Practices – CWLP." On January 18, 2016, I called the number in question and identified myself as consulting with the Mayor and Corporation Counsel on unresolved Inspector General issues. The caller asked several questions to verify my authenticity and upon verification indicated that the Complainant had concerns but did not wish to pursue them at this time, but may pursue them in the future. I provided my email address and telephone number and assured the caller that if contacted, the matters would be investigated. I did not ask for nor did the Complainant volunteer a name during our telephone conversation.

On February 29, 2016, the Complainant sent me an email identifying the caller's name and email address and indicated that Complainant would like to speak to me in further detail. I responded on February 29, 2016 and invited Complainant to set up an appointment to meet. We met in my office on March 8, 2016 for over an hour. The Complainant spoke at length about claims of hostile work environment and retaliation by her direct supervisor at CWLP.

Complainant indicated that she would provide me with copies of her daily journal to document her claims. On March 14, 2016, she left a message that she had documents to deliver to me but we, so far, have missed the other's phone calls.

I have initiated a request for any Human Resources files relating to this claim.

Based upon the initial interview, it is my recommendation that this claim warrants further investigation.

As to the claims of a CWLP worker conducting private work on City time, Complainant stated that the subject employee retired.

As to the claim of misuse of CWLP equipment, Complainant stated the same supervisor gave incorrect instructions to workers regarding mixing gas and oil for Stihl gasoline powered tools and that \$8,000 in CWLP equipment was ruined due to these improper instructions. This claim also warrants additional investigation.

11. SPI-OIG 2015-013. This is a complaint logged in April 13, 2015 and titled, "Abuse of Power by Inspector." I have had telephone contact with the Complainant and the Complainant has provided me with extensive written communications and a video of the subject property. The property in question is the Complainant's ancestral home which has been vacant for the past 20 years and which has been vacant in excess of 3 years from the City's adoption of the Ordinance requiring that vacant structures either be brought up to Code and be issued a certificate of occupancy or be demolished if they have been registered as vacant for a period in excess of 3 years. The Complainant admits that the structure was neither demolished nor issued a certificate of occupancy within 3 years from its first registration.

The nature of the Complaint is the Complainant's opinion that he had been singled out by a particular building inspector on this and another piece of property which he owns. He complains that other nearby structures were not treated in the same fashion though he does admit that the City recently demolished a structure on an adjacent piece of land.

In response to the Complainant's contact with Building and Zoning, the Complainant indicates that a different inspector was assigned to the subject property. Since the filing of an Ordinance violation complaint in Springfield Administrative Court, Complainant has made very significant progress on renovations to the structure and, in fact, has just recently been issued a temporary certificate of occupancy which should result in the City dismissing its Ordinance violation complaint.

I have viewed photographs and a DVD video presentation prepared by Complainant showing the renovations on the exterior and interior of the structure. While it has been, at times, a tumultuous relationship, the ultimate cooperation of the Complainant and the City has resulted in saving a truly magnificent structure. It is

attractive on the outside and the interior is adorned with intricate original carved woodwork along with modern ADA compliant accessible restrooms. The net result is that the Complainant owns a beautifully renovated structure and the City has helped move the structure from the demolition list to a functional structure which is an asset to the City.

Complainant additionally raised issues that the 3 year limitation on registration of vacant buildings should not apply to historic buildings nor should it apply to structures in the Mid-Illinois Medical District. Since these exceptions do not currently exist in the Ordinance. I have recommended that the Complainant seek out members of the City Council suggesting these changes as that would be the proper avenue for consideration by the City Council.

While there were alleged personality clashes between the original inspector and the Complainant, I did not find any allegations which rose to a level requiring discipline of the inspector in question and I recommend that the case be closed with no referral being made.

12. SPI-OIG 2015-014. This is a complaint logged in July 5, 2015 and titled, "Abuse of Power – Alderman Eligibility." I have personally met at length with the Complainant in my office and have reviewed extensive written materials provided by him. The Complaint arises out of the last City election cycle in which an aldermanic candidate who owned a business with a City liquor license was elected to office. The City Council thereafter amended Chapter 90, Section 90.1(a)(18) of the 1988 City Code and stated that the purpose was to bring the City Code in compliance with recent amendments to the Illinois Liquor Control Code which now permits an alderman to have an interest in a business which sells alcoholic liquor so long as the alderman does not participate in any meetings, hearings or decisions on matters impacting the manufacture, sale or distribution of alcoholic liquor. In addition to adopting the recent changes in the Illinois Liquor Control Code, the amended City Ordinance also allows an alderman to have a direct interest in a business with a gaming license with the same prohibitions against participating in meetings, hearings or decisions on matters impacting gaming licenses. The Ordinance was placed on file and voted upon without resort to emergency passage. Ordinance 168-05-15 was brought before the former City Council and passed 9-0 and ultimately was signed by the former Mayor.

Complainant's objections are two-fold. First, he questions the timing of the passage of the amendment which occurred only after an aldermanic candidate was elected and who would have been disqualified from serving without the amendment. Second, according to petitions gathered by Complainant, a large number of voters in his ward object that their ward does not receive full representation on the City Council since their alderman cannot vote on any liquor or gaming licenses being considered for any part of the City.

It should be noted that in this most recent election cycle, at least two aldermanic candidates had a direct interest in a business possessing a liquor license and candidates in prior election cycles had an interest in a business with a liquor license. The alderman who is the subject of this Complaint is the first candidate to have won election while owning a direct interest in a business with a liquor license and, in this particular case, also a gaming license.

Following complaints from this Complainant and others, the current Mayor set up a meeting with residents of the ward in question and in response to their complaints, a procedure was established that appointed the aldermanic coordinator to hear concerns from that ward's residents and to serve as a conduit to express those concerns to other members of the City Council.

As to the issue of the timing of the passage of the amendment to the Ordinance, it is my opinion that any appearance of favoritism could have been avoided by passing the new Ordinance prior to the opening of the last election cycle. I disagree with Complainant's suggestion that the Ordinance could have been passed during the campaign phase of the election cycle because I feel that with two candidates running who would be directly affected by the amendment, any change in the Ordinance could have been viewed as an endorsement of those two candidates. Given the circumstances it was far better to address the issue once the election process was complete and the members of the former City Council could have voted to reject the amendment but, instead voted 9 to 0 for its approval.

As to the issue of the alderman in question's ward being unrepresented in liquor and gaming license issues brought before the City Council, the availability of the City Council coordinator to transmit any citizen's concern is the best option for currently dealing with the issue. This is an issue which should take the forefront in future election campaigns as it is possible that some future City Council could have 5 or more members who have a direct interest in a business with a liquor or gaming license and, therefore, there would never be a quorum to vote on any such licensing issue. The Complainant has voiced his concern through all forms of local media and it is my hope that the issue will receive adequate attention from the voters such that they realize that electing a candidate with a liquor or gaming license could deprive them of direct representation on the City Council and electing multiple alderman with licenses could create a stalemate on the City Council. That said, however, the Springfield Ordinance as amended is now in compliance with the Illinois Liquor Control Code.

Finally, the Complainant, who is a frequent observer at City Council meetings, alleges that on occasion the alderman in question has voted upon liquor or gaming license issues. The Complainant could only point to one specific occurrence when a license issue was part of a consent agenda and the alderman in question voted on that consent agenda without specifically withholding a vote on the license issue.

It is my recommendation, based upon the appropriate amendment of the Ordinance in question by the prior City Council and prior Mayor that no referral be made. It is my further recommendation that any alderman, now or in the future, who is disqualified from voting on liquor and/or gaming license issues exercise the utmost caution to avoid participating in any meeting, conducting discussions at said meeting or voting upon any such issues.

13. SPI-OIG 2015-015. A complaint was logged in August 13, 2015 titled, "Potential Criminal Activity – Fireman." The Mayor and Corporation Counsel indicated that they were familiar with the alleged incident prior to the receipt of the Hillard-Heintze files. The City employee in question was previously referred to the Human Resources Department and consented to attending anger management classes.

I have reviewed extensive court dockets on a number of filings relating to the City employee's divorce. The Complainant is the new husband of the City employee's ex-wife. The docket sheets in both the City employee's divorce and in a separate case in which the Complainant attempts to obtain Orders of Protection are indicative of the rancorous family situation which exists. It is significant that attorneys for both sides sought to withdraw and were granted leave to withdraw from representing the parties and new attorneys were hired by each.

The Complainant alleged that while the City employee was on duty, the City employee slashed his own tires and accused the Complainant of being the perpetrator. I would have recommended referring this matter to the Sangamon County States Attorney but Complainant already did so. The Complainant sought the filing of criminal charges against the City employee arising out of this incident by contacting the States Attorney of Sangamon County. I have personally spoken with the States Attorney and he has declined to prosecute the City employee based upon insufficient evidence. In 2015, the Complainant filed a Petition for an Anti-Stalking/No Contact Order against the City employee. The matter went to trial in the Circuit Court of Sangamon County and in January, 2016, a Sangamon County Judge vacated the Emergency Order of Protection, denied Complainant a long term Order on the basis on insufficient evidence and struck and closed the case.

Despite having an agreed Judgment of Dissolution entered, the City employee and his ex-wife continue to litigate child custody and visitation issues as recently as January, 2016.

Only the tire slashing incident is alleged to have occurred during the employee's working hours. Because the States Attorney has reviewed the Complainant's claims regarding criminal activity and declined to prosecute on the basis of insufficient evidence and because a Sangamon County Judge has denied Complainant an Anti Stalking/No Contact Order against the City employee again based on insufficient evidence, it is my recommendation that this matter be closed without further referral. It is my further recommendation that the Human Resources

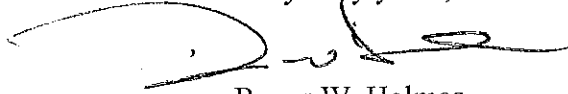
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Department remain in contact with the City employee to confirm compliance with the anger management classes which he agreed to take.

14. SPI-OIG 2015-016. There is a complaint logged in November 16, 2015 titled, "Potential Ghost Payroll." The Hillard-Heintze log indicates that it was by anonymous letter. An email has just been forwarded to me which appears to be the "anonymous letter" and further investigation is warranted.

The foregoing reflects the current status of the matters I have been asked to review.

Very truly yours,



Roger W. Holmes

cc: Mayor James Langfelder
Corporation Counsel James Zerkle

RWH:cam