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REPORT OF INSPECTOR GENERAL'S INVESTIGATION

To: Lori E. Lightfoot
Mayor

Allison Arwady, M.D.
Commissioner
Department of Public Health

Matthew Beudet
Commissioner
Department of Buildings

From: Joseph M. Ferguson 
Inspector General

RE: OIG Case # 20-0486

Date: September 27, 2021

Subject: Name: Marlene Hopkins
Employee #: 17428
Title: First Deputy Commissioner

Name: Jorge Herrera
Employee #: 55818
Title: Chief Building/Construction Inspector

Name: David Graham
Employee #: 28519
Title: Assistant Commissioner

On April 11, 2020, a botched implosion of an industrial smokestack at the former Crawford coal-fired Generating Power Plant (Crawford) located at 3501 S. Pulaski Road caused a large particulate dust cloud to engulf and settle on large area of Chicago's Little Village community during the Covid-19 pandemic. The planning and permitting process for the demolition involved a number of city departments and senior officials within those departments, foremost of which were the Department of Buildings (DOB) and the Chicago Department of Public Health (CDPH). DOB is the regulatory anchor point for demolition actions, including, particularly, demolitions involving

the use of explosives, as occurred here. CDPH had significant responsibilities because of its primary responsibility for public health. The demolition, led by Hilco Redevelopment Partners (Hilco), to make way for the development of a warehouse and distribution center for a national retailer, and the resultant particulate dust cloud occurred despite warnings, 213 days before, that “[t]he dust from an event like this is almost cataclysmic,” despite knowledge, documented 51 days before, that dust would be “an unpreventable byproduct” of the operation, and despite predictions by senior staff in the Chicago Department of Public Health (CDPH) that toppling of the smokestack would be a “disaster.”¹ In the face of those clear forewarnings of manifest risks from experts, senior officials approached their regulatory roles and responsibilities in siloed, technical, reductionist, “not-my-job” fashion rather than taking proactive, affirmative measures to meet the manifest public health and safety risks at the core of their respective department missions and competencies posed by the demolition, to the ultimate detriment of a community, like many in the City, who live adjacent to and suffer the collateral consequences of large industrial sites and enterprises.

OIG’s investigation established that although there was no dedicated City procedure specific to an implosion form of structural demolition leading up to the Crawford site smokestack implosion, the City of Chicago Department of Buildings (DOB) failed to follow its own Department regulations for demolitions involving explosives, Chapter 14A-4-407 of the Administrative Provisions of the Chicago Construction Codes, which directly and indirectly contributed to a breakdown of City regulatory oversight. More specifically, senior DOB officials Chief Building Inspector Jorge Herrera and First Deputy Commissioner Marlene Hopkins² oversaw the regulatory implosion process for the Crawford demolition without adequately following DOB regulations that required the demolition permit application to detail the techniques and processes of demolition to be used, including whether explosives will be used, and the experience and expertise of the contractors and subcontractors that would perform the work. The original permit process disclosed a planned demolition that would not proceed by way of implosion through explosives. When those plans changed Hopkins and Herrera failed to institute a formalized separate permit review of the planned smokestack demolition. Their decision to elide their regulatory responsibilities in the face of information that an implosion posed a high risk of environmental harm to the neighboring Little Village community constituted poor public administration and a negligent dereliction of regulatory responsibility and duty in violation of Personnel Rule XVIII, Section 1, subsections 29 (Failing to take action as needed to... perform a task safely), 36 (Failing to comply, in carrying out any acts in the scope of employment, with laws or departmental rules governing health, safety, and sanitary conditions), 39 (Incompetence or inefficiency in the performance of the duties of the position), and 48 (Violating any departmental regulations, rules or procedures), as well as Chapter 14A-4-407 of the Administrative Provisions of the Chicago Construction Codes. Accordingly, OIG recommends that DOB impose discipline against Herrera and Hopkins, commensurate with the gravity of their violations, which should factor the magnitude of the public health, welfare and safety threat to innocent, unwitting community members, as well as their past work and disciplinary record, and any other relevant considerations.

OIG’s investigation additionally established that Chicago Department of Public Health (CDPH) Assistant Commissioner David Graham was on notice and therefore knew or should have known

¹ See, *infra*, respectively, CDPH Director of Environmental Inspections John Kryl comments on the Crawford Generating Plant Stack Reduction Submission – September 11, 2019; CDI Preliminary Plan & Procedure– dated February 20, 2020; and March 30, 2021 OIG interview of Kryl.

² Hopkins was a DOB managing deputy commissioner leading up to the April 11, 2020 smokestack implosion. She was promoted to first deputy commissioner in November 2020.

that MCM Management Corp. (MCM), Hilco's demolition contractor, had outlined manifestly inferior dust mitigation measures prior to the implosion that significantly radically diverged from the plan of its contract predecessor, Marine Technology Solutions, LLC (MTS), that CDPH had formally reviewed and evaluated. Specifically, Graham affirmatively received information that MCM had significantly downscaled the dust mitigation equipment that it would employ. Graham further failed to obtain written assurances from MCM that it would follow the MTS dust mitigation plan on which CDPH had provided substantive comment relating most particularly to dust-suppressing water coverage. Moreover, Graham failed to elevate concerns about the potential environmental implications of the planned implosion articulated by his own CDPH colleagues and manifest in the information otherwise provided to him and in his possession to the CDPH Commissioner who had the discretionary authority to issue an emergency cessation order under MCC 11-4-025 for situations involving imminent and substantial risk to the public health. Graham's abdication of responsibility and willful bureaucratic negligence allowed MCM to proceed unchecked with minimal dust mitigation measures including a failure to adequately soak the ground prior to the implosion. Graham's collective actions and inactions constitute violation of Personnel Rule XVIII, Section 1, subsections 29 (Failing to take action as needed to... perform a task safely), and 39 (Incompetence or inefficiency in the performance of the duties of the position). Accordingly, OIG recommends that CDPH impose discipline up to and including discharge against Graham, commensurate with the gravity of his violations, which should factor the magnitude of the public health, welfare and safety threat to innocent, unwitting community members, past work and disciplinary record, and any other relevant considerations.

A summary of the evidence and an explanation of our recommendation are set forth in the attached Summary Report of Investigation (SRI). We also enclose relevant evidence from our investigative file. We strongly encourage that you consult the Law Department before sharing these materials with any parties other than those listed as recipients of this memo.

Pursuant to § 2-56-065 of the Municipal Code, department heads have 30 days to respond to these recommendations by sending the Inspector General a written response either (1) describing any action(s) taken or (2) requesting an extension of up to 30 days.

The Department's response is therefore due **October 27, 2021**. Requests for extensions of time should be made at least 48 hours before expiration of the 30-day response period, and they should state specific reason(s) why the department was unable to complete its review and take action within 30 days as well as a justification for the additional response time specifically sought. OIG will determine whether to approve any extension request based on the specific reasons and justifications offered by the department.

Municipal Code § 2-56-065 specifies that if the department takes a different action than that recommended by OIG, the department response must describe and explain the reasons for the different action. OIG therefore requests that the Department complete and return the enclosed response form, as appropriate, and provide confirmation and documentation of any action taken as detailed in the enclosed confirmation of implementation form. All department responses or requests for extension of time should be e-mailed to Donna O'Brien, Staff Assistant, do'brien@igchicago.org. She can also be reached at 773-478-8107.

Our contact person for this investigation is Alexandra Brewer, Assistant Inspector General. Please contact her at 773-478-8476 or at abrewer@igchicago.org if you would like to discuss the investigation, the SRI, or the recommendation.

cc: Celia Meza, Corporation Counsel
Eileen Geary, Chief Assistant Corporation Counsel, Labor Division
Christopher K. Owen, Commissioner, Department of Human Resources

SUMMARY REPORT OF INVESTIGATION
City of Chicago Office of Inspector General Case # 20-0486
September 27, 2021

This report consists of a summary of the evidence set out in the attached investigative materials and the Office of Inspector General's (OIG's) analysis of that evidence. An index of the investigative materials is attached.

I. INTRODUCTION

On April 11, 2020, a botched implosion of an industrial smokestack at the former Crawford coal-fired Generating Power Plant (Crawford) located at 3501 S. Pulaski Road caused a large particulate dust cloud to engulf and settle on large area of Chicago's Little Village community during the Covid-19 pandemic. The planning and permitting process for the demolition involved a number of city departments and senior officials within those departments, foremost of which were the Department of Buildings (DOB) and the Chicago Department of Public Health (CDPH). DOB is the regulatory anchor point for demolition actions, including, particularly, demolitions involving the use of explosives, as occurred here. CDPH had significant responsibilities because of its primary responsibility for public health. The demolition, led by Hilco Redevelopment Partners (Hilco),¹ to make way for the development of a warehouse and distribution center for a national retailer, and the resultant particulate dust cloud occurred despite warnings, 213 days before, that "[t]he dust from an event like this is almost cataclysmic," despite knowledge, documented 51 days before, that dust would be "an unpreventable byproduct" of the operation, and despite predictions by senior staff in the Chicago Department of Public Health (CDPH) that toppling of the smokestack would be a "disaster."² In the face of those clear forewarnings of manifest risks from experts, senior officials approached their regulatory roles and responsibilities in siloed, technical, reductionist, "not-my-job" fashion rather than taking proactive, affirmative measures to meet the manifest public health and safety risks at the core of their respective department missions and competencies posed by the demolition, to the ultimate detriment of a community, like many in the City, who live adjacent to and suffer the collateral consequences of large industrial sites and enterprises.

OIG's investigation established that although there was no dedicated City procedure specific to an implosion form of structural demolition leading up to the Crawford site smokestack implosion, the City of Chicago Department of Buildings (DOB) failed to follow its own Department regulations for demolitions involving explosives, Chapter 14A-4-407 of the Administrative Provisions of the Chicago Construction Codes, which directly and indirectly contributed to a breakdown of City regulatory oversight. More specifically, senior DOB officials Chief Building Inspector Jorge

¹ Hilco Redevelopment Partners and two contractors agreed to pay \$370,000 to settle a lawsuit brought by the state over air pollution violations. *People of the State of Illinois, ex rel. Kwame Raoul, Attorney General of the State of Illinois v. Hilco Redevelopment, LLC, et al.*

² *See, infra*, respectively, CDPH Director of Environmental Inspections John Kryl comments on the Crawford Generating Plant Stack Reduction Submission – September 11, 2019; CDI Preliminary Plan & Procedure– dated February 20, 2020; and March 30, 2021 OIG interview of Kryl.

Herrera and First Deputy Commissioner Marlene Hopkins³ oversaw the regulatory implosion process for the Crawford demolition without adequately following DOB regulations that required the demolition permit application to detail the techniques and processes of demolition to be used, including whether explosives will be used, and the experience and expertise of the contractors and subcontractors that would perform the work. The original permit process disclosed a planned demolition that would not proceed by way of implosion through explosives. When those plans changed Hopkins and Herrera failed to institute a formalized separate permit review of the planned smokestack demolition. Their decision to elide their regulatory responsibilities in the face of information that an implosion posed a high risk of environmental harm to the neighboring Little Village community constituted poor public administration and a negligent dereliction of regulatory responsibility and duty in violation of Personnel Rule XVIII, Section 1, subsections 29 (Failing to take action as needed to... perform a task safely), 36 (Failing to comply, in carrying out any acts in the scope of employment, with laws or departmental rules governing health, safety, and sanitary conditions), 39 (Incompetence or inefficiency in the performance of the duties of the position), and 48 (Violating any departmental regulations, rules or procedures), as well as Chapter 14A-4-407 of the Administrative Provisions of the Chicago Construction Codes. Accordingly, OIG recommends that DOB impose discipline against Herrera and Hopkins, commensurate with the gravity of their violations, which should factor the magnitude of the public health, welfare and safety threat to innocent, unwitting community members, as well as their past work and disciplinary record, and any other relevant considerations.

OIG's investigation established that Chicago Department of Public Health (CDPH) Assistant Commissioner David Graham was on notice and therefore knew or should have known that MCM Management Corp. (MCM), Hilco's demolition contractor, had outlined manifestly inferior dust mitigation measures prior to the implosion that significantly radically diverged from the plan of its contract predecessor, Marine Technology Solutions, LLC (MTS), that CDPH had formally reviewed and evaluated. Specifically, Graham affirmatively received information that MCM had significantly downscaled the dust mitigation equipment that it would employ. Graham further failed to obtain written assurances from MCM that it would follow the MTS dust mitigation plan on which CDPH had provided substantive comment relating most particularly to dust-suppressing water coverage. Moreover, Graham failed to elevate concerns about the potential environmental implications of the planned implosion articulated by his own CDPH colleagues and manifest in the information otherwise provided to him and in his possession to the CDPH Commissioner who had the discretionary authority to issue an emergency cessation order under MCC 11-4-025 for situations involving imminent and substantial risk to the public health. Graham's abdication of responsibility and willful bureaucratic negligence allowed MCM to proceed unchecked with minimal dust mitigation measures including a failure to adequately soak the ground prior to the implosion. Graham's collective actions and inactions constitute violations of Personnel Rule XVIII, Section 1, subsections 29 (Failing to take action as needed to... perform a task safely), and 39 (Incompetence or inefficiency in the performance of the duties of the position). Accordingly, OIG recommends that CDPH impose discipline up to and including discharge against Graham, commensurate with the gravity of his violations, which should factor the magnitude of the public health, welfare and safety threat to innocent, unwitting community members, past work and disciplinary record, and any other relevant considerations.

³ Hopkins was a DOB managing deputy commissioner leading up to the April 11, 2020 smokestack implosion. She was promoted to first deputy commissioner in November 2020.

OIG's investigation additionally established that Hilco gave the City repeated assurances that MCM would appropriately mitigate dust at the site, despite MCM's radical downscaling of dust mitigation measures relative to the plans that had previously been submitted to, reviewed, evaluated and commented on by CDPH. Specifically, MTS, on behalf of MCM, submitted a thorough dust mitigation plan for CDPH commentary and evaluation. MCM ultimately failed to follow this plan, which led to the generation and propulsion of the massive particulate dust cloud over part of immediately neighboring Little Village. Though Hilco attempted to distance itself from MCM's actions, Hilco representatives retained control over and closely oversaw MCM's implosion permitting process within the City. City personnel could not identify a regular MCM point of contact for the implosion and referenced Hilco Vice President of Development Nicholas Pullara as their point person throughout the implosion process. The City issued 16 citations against Hilco and the involved subcontractors, MCM and Controlled Demolition Incorporated (CDI), for up to \$68,000 for violations of CDPH's ordinance. Despite the egregious repercussions of Hilco's conduct, OIG will not be recommending any further action against Hilco due to the legally preclusive effect of the City settling with Hilco the regulatory citations for the same conduct.⁴ On June 17, 2020 Hilco agreed to pay the City \$19,500 in full satisfaction and resolution of the Hilco citations and denied and did not admit any guilt, wrongdoing or liability regarding the subject of their citations.⁵

II. APPLICABLE RULES, REGULATIONS, LAW

A. **City of Chicago Personnel Rules XVIII, Section 1**

Subsection 29: Failing to take action as needed to complete an assignment or perform a task safely.

Subsection 36: Failing to comply, in carrying out any acts in the scope of employment, with laws or departmental rules governing health, safety, and sanitary conditions

Subsection 39: Incompetence or inefficiency in the performance of the duties of the position. This means performance of the duties of the position at a level lower than that ordinarily expected of other employees in similar positions, due either to lack of ability, knowledge or fitness, lack of effort or motivation, carelessness or neglect.

Subsection 48: Violating any departmental regulations, rules or procedures.

Subsection 50: Conduct unbecoming an officer or public employee.

B. **Chapter 14A-4-407 Demolition, Administrative Provisions of the Chicago Construction Codes⁶**

14A-4-407.1, Scope, provides:

⁴ The City also issued citations against CDI and MCM. The administrative proceedings involving MCM and CDI have not yet concluded.

⁵ On April 17, 2020 the City issued two Administrative Notices of Violation to Hilco Redevelopment Partners, LLC (Citation Nos. E000035804 13 and E000035805 14) and two Administrative Notices of Violation to HRP Exchange 55, LLC (Citation Nos. E000035806 15 and E000035807 16). On May 8, 2020, the City issued an additional Administrative Notice of Violation to HRP Exchange 55, LLC (Citation No. E000035538 17).

⁶ Beginning July 1, 2019, this Title 14A applies to all administrative, procedural, and enforcement matters within the jurisdiction of the *building official* related to applications for *permit*, building inspections, and construction,

Any owner who intends to demolish an entire building or entire structure ... or to cause such work to be performed must first apply to the building official and obtain a demolition permit in accordance with Section 14A-4-407. Permitted demolition work must be performed in accordance with Section 3303 of the Chicago Building Code and is subject to the supervision of the building official...

Section 3303.1 Procedure of the Chicago Building Code provides:

Demolition of any building or structure shall begin at the top thereof, and each story shall be completely razed or demolished and the material therefrom completely removed before demolition work begins on the next lower story, unless an alternative procedure is approved by the building official.

14A-4-407.2.2, Techniques and processes, provides:

The permit application must describe the techniques and processes of demolition to be used, including whether explosives will be used, and the experience and expertise of the contractors and subcontractors who will perform the work. The building official will review the application and the nature of nearby buildings, structures and improvements. Where the building official⁷ determines that the contractors and subcontractors have sufficient experience and expertise in application of the requested techniques and processes to allow the work to be done safely and efficiently, the permit may issue.

The former version of this chapter, titled “13-124-080 Demolition – Procedure.” provided:

Work for the wrecking, demolishing or razing of the structural elements of any building or structure shall begin at the top thereof, and each story shall be completely razed or demolished and the material therefrom completely removed before beginning work on the next lower story, unless the applicant for the required permit receives permission from the building commissioner to do otherwise. An applicant for such permission, which shall be required for any demolition involving the use of explosives, shall describe the techniques and processes to be used, and the experience and expertise of the contractors and subcontractors who will perform the work. The building commissioner shall review the application and the nature of nearby buildings, structures and improvements. If the building commissioner determines that the contractors and subcontractors have sufficient experience and expertise in application of the requested techniques and processes to allow the work to be done safely and efficiently, the building commissioner shall grant the permission. The building commissioner may issue regulations defining the minimum levels of expertise to allow demolition work to be done other than from the top story.

demolition, excavation, and *rehabilitation* work. On and after that date, this title supersedes conflicting provisions of the *Municipal Code* regarding these subjects.

⁷ As used in the Chicago Construction Codes, the term “building official” means the Commissioner of Buildings or the commissioner’s authorized representative.

14A-4-407.4, Wrecking bond, provides that the person performing demolition work must file a wrecking bond with the City clerk before a demolition permit may issue. The section provides the following regarding the coverage of the bond:

Such bond in each case must extend to and cover all such wrecking operations carried on through *permits* obtained thereunder by such *person* during any year beginning January 1st and ending December 31st, and a *permit* may not be issued for any wrecking work, except as otherwise provided, during such year until such bond is filed.

The purpose of the bond is to:

indemnify, keep and save harmless the *City* against any loss, cost, damage, expense, judgment, or liability of any kind whatsoever which the *City* may suffer, or which may accrue against, be charged to, or be recovered from the *City*, or any of its officials from or by reason or on account of accidents to persons or property during any such wrecking operations, and from or by reason or on account of anything done under or by virtue of any *permit* granted for any such wrecking operations.

C. Environmental Protection and Control Ordinance, Chapter 11-4

The provisions of this chapter shall be enforced by the CDPH commissioner. Section 11-4-025, Public nuisance cessation and abatement, provides that the commissioner is authorized to issue:

... an emergency cessation order to any person who the commissioner concludes is (i) causing, creating or contributing to any activity or condition that poses an imminent and substantial risk to the public health or safety or to the environment...⁸

Imminent and substantial risk to the public health or safety or to the environment includes “a threat to human health or safety or to the environment that is expected to occur within a reasonably short time, or that is present now, although the impact of the threat may not be felt until later.”

III. BACKGROUND

A. DOB Demolition Permit Process

A city-licensed general contractor with a wrecking bond filed with the City of Chicago must apply for a demolition (wrecking) permit when conducting any demolition of an entire building or structure. After the contractor obtains required sign offs from involved City departments,

⁸ MCC Chapter 11-4 provides that “person” means “any individual natural person, trustee, court-appointed representative, syndicate, association, partnership, firm, club, company, corporation, business trust, institution, agency, government corporation, municipal corporation, city, county, municipality, district or other political subdivision, department, bureau, agency or instrumentality of federal, state or local government, contractor, supplier, vendor, installer, operator, user or owner, or any officers, agents, employees, factors, or any kind of representatives of any thereof, in any capacity, acting either for himself, or for any other person, under either personal appointment or pursuant to law, or other entity recognized by law as the subject of rights and duties...”

specifically Department of Water Management (DWM), Chicago Department of Transportation (CDOT), Department of Streets & Sanitation (DSS), and CDPH, DOB issues the permit.⁹

B. CDOT Implosion Permit Process

CDOT provides a seven-step list of implosion permitting procedures on their City of Chicago website. Steps one through three involve the CDOT Office of the Underground (OUC) review in which the Demolition Requestor submits a plot plan and electronic drawing showing the structure to be imploded in relation to surrounding public way elements. Utility owners review the documents to determine whether there is any impact to utilities. In step four, after a 30-day review period, the OUC notifies the requestor of the utility responses. Step five requires the requestor to meet with any affected utility owners to address their concerns and to arrange for any necessary work to affected utilities. The requestor must obtain a letter from the utility owners detailing the type of work needed and whether it has been completed or given to the requestor to perform. In step six, the requestor submits a plot plan showing nearby public way elements and the utility owner letters to CDOT's Division of Infrastructure Management (DIM), who will determine a plan to monitor the public way. In step 7, DIM coordinates with the Office of Emergency Management and Communications (OEMC) and the Traffic Management Authority that they can release any required permits "whenever they are satisfied that all requirements for release have been met."

C. Subjects

1. Jorge Herrera

DOB Chief Building/Construction Inspector Jorge Herrera has been with the City since 1997 and has been in his current role since March 2004. Herrera is the DOB chief demolition inspector.

2. Marlene Hopkins

DOB First Deputy Commissioner has been in her current position since November 2020. During the relevant period of OIG's investigation, including on April 11, 2020, Hopkins was a managing deputy commissioner.

3. David Graham

CDPH Assistant Commissioner David Graham has been with the City since 1999 and has been in his current position since December 2013.

D. Additional Relevant Parties

1. Hilco Redevelopment Partners (Hilco)

- Hilco is a unit of Northbrook, Illinois based Hilco Global and specializes in completing large industrial redevelopment projects. Hilco is a limited liability company incorporated in Delaware. Hilco purchased the Crawford site in 2017 to develop a logistics facility called "Exchange 55." They hold BACP limited business license #2797069 for an administrative commercial office.

⁹ The process sometimes involves the Department of Planning and Development in the case of a historical landmark.

2. Relevant Contractors

- MCM Management Corp. (MCM) is based in Michigan. Hilco hired MCM as a demolition contractor to perform a large portion of the demolition work, including the smokestack implosion, on the Crawford site.
- Controlled Demolition Incorporated (CDI) is a controlled demolition firm headquartered in Phoenix, Maryland. MCM subcontracted CDI as the explosives demolition expert for the smokestack implosion.
- Jenkins Environmental, Inc. (JEI) is a consulting firm based in Maryland that provides industrial hygiene and environmental compliance services. Mike Cirri is JEI's president. MCM subcontracted JEI's services for the Crawford project.
- Marine Technology Solutions, LLC (MTS) is based in Pennsylvania and provided construction management consulting services and environmental safety and health consulting. Clarence LaMora was the owner and president of MTS. JEI subcontracted MTS for the Crawford project. MTS's scope of work evolved throughout the project, which included drafting dust mitigation plans in conjunction with JEI on behalf of MCM. LaMora coordinated with CDPH personnel, specifically Graham and former Director of Environmental Inspections John Kryl, in the drafting and evaluation of these plans. MTS filed for bankruptcy in March 2021.
- Heneghan Wrecking Co., Inc. (Heneghan) is based in Chicago. Rita Heneghan is the vice president. Hilco hired Heneghan as a demolition contractor to perform a portion of the work on the Crawford Site. Heneghan took over MCM's remaining demolition work when the City removed MCM from the Crawford site.

3. Relevant City Personnel

- Former DOB Commissioner Judith Frydland had been with the City since 1989 and retired from DOB on June 30, 2020.
- Former CDPH Director of Environmental Inspections John Kryl had been with the City since 1996 and retired from CDPH on June 30, 2020.
- DOB Coordinator of Special Projects Marko Mihajlovich has been in his current position since November 2008. He oversees the DOB permit issuance process.

IV. SUMMARY OF INVESTIGATION

A. Complaint

OIG initiated this investigation on April 12, 2020, after reviewing multiple media reports and accompanying videos regarding the April 11, 2020 Hilco-led demolition of a smokestack at approximately 8:00 a.m. at the former Crawford site located at 3501 S. Pulaski Road. According to media reports, Mayor Lori Lightfoot ordered DOB to issue a stop work order on any non-emergency demolitions at the Crawford site due to COVID-19 concerns.¹⁰

¹⁰ On April 13, 2020, Ald. Daniel LaSpata (1st Ward), Ald. Jeanette Taylor, (20th Ward), Ald. Byron Sigcho-Lopez (25th Ward), Ald. Rossana Rodriguez-Sanchez (3rd Ward), Ald. Carlos Ramirez-Rosa (35th Ward), Ald. Andre Vasquez (40th Ward), and Ald. Matt Martin (47th Ward) requested that OIG conduct an investigation into the City's internal approval process leading up to the smokestack implosion, the City's oversight of the implosion, and the City's communication to nearby residents prior to the implosion.

B. Documents

1. MCM Demolition Permit – Application Number 100753139

MCM applied for a DOB demolition permit on March 22, 2018 and DOB issued the permit on July 6, 2018 for 3501 S. Pulaski Road. The permit lists HRE Crawford LLC as the owner. The building information in MCM’s application listed the number of stories as 4, the width as 75, and the length as 100. MCM’s demolition permit received departmental sign offs from the Department of Sewers, the Department of Streets & Sanitation Bureau of Rodent Control, DWM, CDPH, and CDOT.

(a) MCM DOB Licenses

Hansen records reflect that DOB issued MCM a wrecking license on October 31, 2017, which became inactive on November 1, 2018.¹¹ The license reflects that MCM had a wrecker’s bond that was effective from November 1, 2018 through its expiration on December 31, 2018. DOB issued MCM a general contractor’s license on January 24, 2018, which became inactive on July 7, 2021. The general contractor’s license shows that MCM obtained updated insurance but does not reflect an updated wrecker’s bond. The Department of Law confirmed that they had only reviewed a wrecker’s bond for MCM in 2018.

2. Heneghan March 30, 2020 DOB Demolition Permit – Application Number 100867183

A note was entered onto Heneghan’s DOB Demolition permit, providing the following:

Amended 4/13/2020 to expand permit scope beyond wreck and removal of 11 western bays of the turbine hall and implosion of a chimney stack. Amended scope includes wreck and removal of remaining 5 story building to included removal of metal stack on top story of the building. All work as of 4/13/2020 to be completed by Heneghan Wrecking. Permit #100753139 voided as MCM removed from job.

The Hansen log reflects that Mihajlovich added a general note on April 9, 2020 at 11:31 a.m., providing that “Heneghan not responsible for implosion.” Mihajlovich added another general note on April 9, 2020, providing that “Chimney stack added per Marlene Hopkins and Jorge Herrera conference call with owner.”

3. CDPH Comments on the Crawford Generating Plant Stack Reduction Submission

On August 2, 2019, MTS’s LaMora sent JEI’s Singler and John Cirri, as well as and Brandon Bonanno of MCM a copy of the JEI/MTS preliminary stack reduction submission, writing that he had “prepared this report in preparation for the removal of stack from Crawford Generating Plant.” That afternoon, Singler forwarded the document to Graham and Kryl, informing them that the demolition contracted had asked them to review the stack reduction submission and to make comments. Singler additionally wrote, “As soon as CDPH review is completed, plans will be formulated to bring the 388’ stack down.”

¹¹ Hansen is DOB’s internal database system for tracking permits, trade licenses, and inspections.

On September 11, 2019, Kryl provided the following comments to LaMora's stack submission:

1. Document weather data including wind direction and speed, and prepare to postpone the drop if the event will direct a large amount of dust toward the river or any heavily populated area.
 2. Notify the residents of the area well in advance so they're not caught unaware. They may want to be somewhere else when the drop occurs.
 3. Make sure you have plenty of water available, and saturating the area prior to the actual drop.
 4. No matter how much water you think you need, it probably won't be enough. The dust from an event like this is almost cataclysmic. Be prepared.
 5. Have people standing by in the nearby residential areas to respond to damage complaints from residents. This will ensure that any damage is rectified quickly, and will also help the contractor avoid spurious claims. This could include representatives from the Building Department and even the contractor's insurance agency.
 6. What plans, if any are there to address a large cloud of demolition dust entering a populated area, or the river?
4. Crawford Generating Plant "Final" Exhaust Stack Reduction Submission – dated September 29, 2019

MCM requested that JEI and MTS draft this plan to present an evaluation of different methodology options for dismantling/demolishing the smokestack that weighs the pros and cons of each approach, including potential impacts on the environment and the community.¹² LaMora incorporated and addressed Kryl's September 11, 2019 comments from Kryl's review of a draft of the stack reduction submission in the final stack reduction submission. The report provided that both explosive whole reduction and deconstruction had been "unilaterally excluded" due to "overwhelming single issues." In the case of explosive whole reduction, the report stated that explosive whole reduction was precluded as a "viable" method because of the "inability to secure the permitting in a timely manner." Though the report noted that "many of the components of evaluation would recommend this approach", it ultimately ruled out deconstruction, or demolishing the smokestack "slowly from the top down", due to significant personnel safety concerns and time and cost factors. The report also warned of personnel safety and structural integrity concerns related to segmental reduction, which is "reducing the stack in vertical segments, smaller than the whole" over a period of time from the top down. Ultimately, the report recommended the whole structure mechanical approach, consisting of "reducing the stack in one piece, at one time", but without the use of explosives. The report stated this approach "contains a variety of higher risk and potentially significant impacts but each of these can be reduced or minimized through adequate preparation and planning."

In Section 3.10.2 of the report, titled "Dust," JEI/MTS recommended timing the demolition "immediately after a large precipitation event (preferably in excess of 1")", which would have sufficiently saturated the soil to "result in the lowest level of dust" or during winter, when the ground is frozen or covered in snow. The report also provided that wind direction must be taken

¹² Both JEI and MTS performed consulting services for MCM.

into account for the timing of the demolition. The report stated that the most “important component” of the whole structure mechanical method was “sufficient wetting.” It further provided that CDPH “warned, in a response to the evaluation of this plan, ‘that no matter how much water is believed to be needed, we need more than that’. JEI/MTS has duly considered this element and contained in Section 5.0 are the amplified responses to the CDPH warning.”

Section 5.0, titled “Post Demolition Dust Control,” the report discussed the positioning of “post demolition dust control units,” described as “Engine Pump Truck with water cannons,” noting that the “highest density of postings will be to protect residential areas.” To achieve this, the report provided the following:

JEI/MTS has arranged collaborative agreements with five Chicago Fire Department (CFD) Battalions to support this demolition effort with up to twenty-four (24) total engines, trucks and water tankers to assist in limited what may be an extremely purvasive [*sic*] dust event. However the primary rationale for mechanical demolition (which allows more acute timing control) is to prepare the reduction during fair weather and then to demolish the stack during a heavy rain event, allowing nature to assist with the dust control.

Section 7.0, titled “Population Notification”, provided that public notification for the area would occur “by as much time as possible.”¹³ The report noted that any limitations on notification would be contingent on the weather forecast, described as “one of the primary limiting factors as it will determine the impact of dust generation, direction and density.”

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¹³ On April 9, 2020, Hilco emailed notice of the April 11, 2020 smokestack demolition to community leaders. On April 10, 2020, Hilco canvassed door to door in a specified area of Little Village to provide notices of the April 11, 2020 demolition to residents.

Table 1 below depicts the different methodologies and corresponding evaluation of the different factors. In the evaluation of explosive whole reduction, the table notes the cost as “second costly” and mechanical as “least costly.” Dust was considered “high impact” in both approaches.

Component	Deconstruction	Segmental	Whole Structure	
			Mechanical	Explosive
Permitting	No known restrictions	Possible restrictions	Possible restrictions	Known restrictions
Timing	Restricted by temperature and precipitation	Restricted by precipitation	No restrictions	Restricted by Precipitation
Duration	Months	Multiple Weeks	1-2 Weeks	1 Week
Cost	Extensive (most costly)	Multiple Events (third costly)	Single Event (least costly)	Single Event (second costly)
Demolition Impact	None known	Varying dependent upon size of segments	Potentially Large	Potentially Large
Safety	High Risk	High Risk	Low Risk	Moderat Risk
Security	Low Risk	Moderate Risk	High Risk	Very High Risk
Structural	High Risk	High Risk	Low Risk	Low Risk
Condition	Somewhat Degraded (high impact)	Somewhat Degraded (some impact)	No Impact	No Impact
Environmental	Noise	No Impact	Moderate Impact	High Impact
	Dust	No Impact	Moderate Impact	High Impact
	Debris	No Impact	Moderate Impact	Moderate Impact
Timing	No Impact	Moderate Impact	High Impact	High Impact
Residual	Traffic	No Impact	Limited Impact	High Impact
	Populace	No Impact	Limited Impact	High Impact
	Public	No Impact	Limited Impact	High Impact

5. CDI Preliminary Plan & Procedure, prepared at the request of MCM – dated February 20, 2020¹⁴

In Section X, titled “Conditions Following the Implosion,” CDI’s plan states that dust will be “an unpreventable byproduct of any type of demolition operation” and “will last in the general vicinity for five (5) to ten (10) minutes following the implosion.” It further states that “the duration of the airborne dust will be a direct function of the wind direction and velocity at the time of the implosion.”¹⁵

¹⁴ OIG showed the December 19, 2019 version of this plan in several interviews, which contains the same language in Section X.

¹⁵ This paragraph regarding dust was also included on CDI’s “Sequent of Events” for the smokestack implosion, which was provided to involved City departments at the April 1, 2020 interdepartmental conference call.

6. Crawford Generating Plant (CGP) Fugitive Dust Control Plan¹⁶

This undated document, generated by JEI and MTS, provides that JEI and MTS would act as the “site safety officer” and listed Clarence LaMora as an emergency contact in the case of a “fugitive dust event.”¹⁷

7. HRP Exchange 55, LLC c/o Hilco Redevelopment Partners 3501 S. Pulaski Road Implosion Meeting Agenda – dating April 1, 2020

The agenda lists the following attendees from Hilco: Jeremy Grey, Brian Sheehan, Nick Pullara, and Cori Rosales. Eve Rodriguez, a Hilco subcontractor, with Rodriguez Media Communications is also listed. The agenda lists the following City personnel: former Chicago Fire Department (CFD) Charles Roy¹⁸, OEMC Manager of Emergency Management Services Christopher Pettineo, Department of Streets and Sanitation Deputy Commissioner Colle Stallard, Dave Graham, Chicago Police Department Lieutenant Gregory Sloyan, Jorge Herrera, Marlene Hopkins, former CDOT Deputy Commissioner Michael Simon¹⁹, and former DOB Executive Assistant Mildred Burton²⁰.

Discussion items listed on the agenda include “Safety - Exclusion Zone” and “Dust Mitigation.”

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¹⁶ This document was provided on the City of Chicago website detailing the City’s response to the implosion: <https://www.chicago.gov/city/en/sites/hilco/home/city-documents.html>.

¹⁷ The emergency contact was not updated, despite LaMora’s involvement with the project terminating prior to the smokestack implosion.

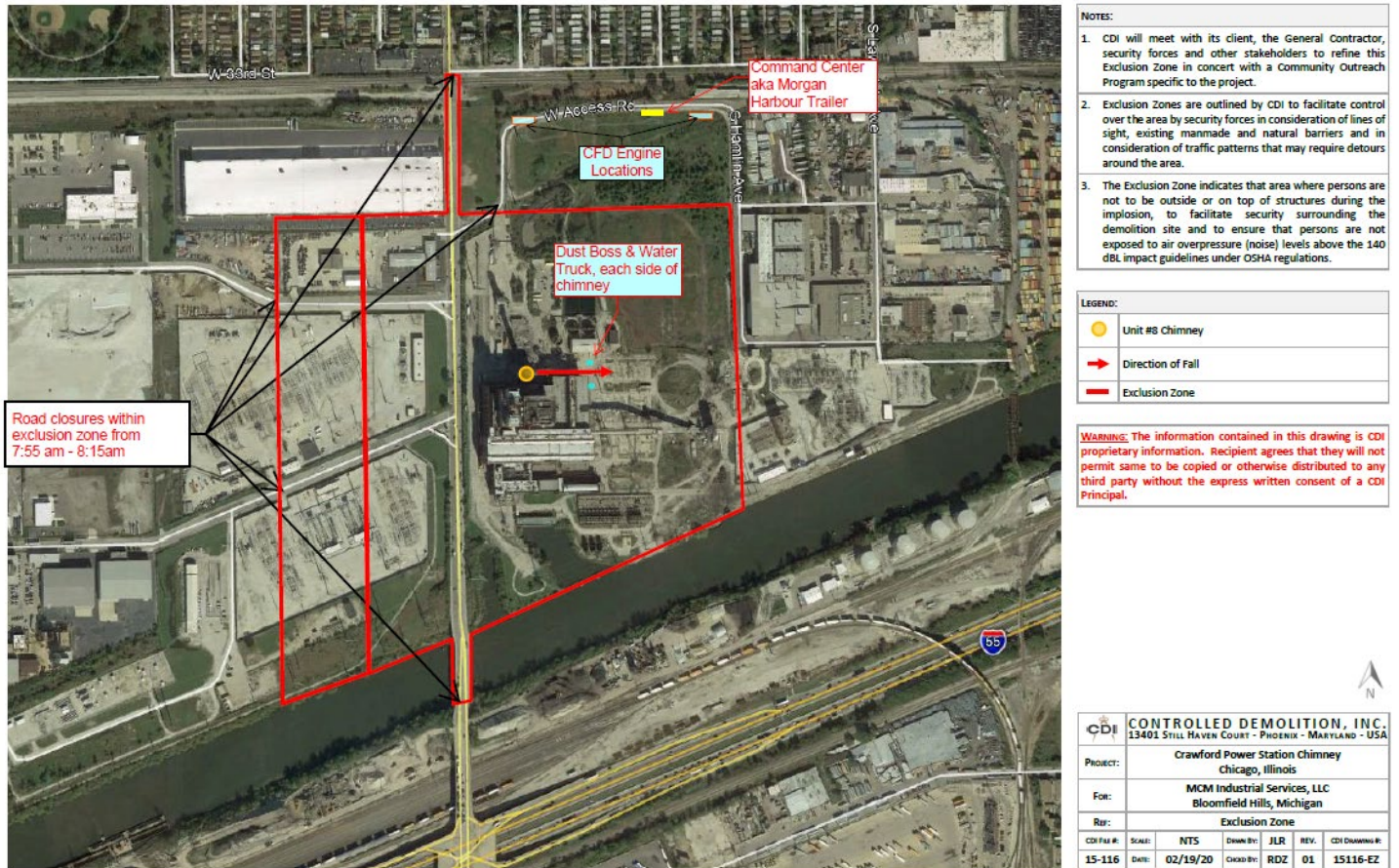
¹⁸ The City discharged Roy on November 1, 2020.

¹⁹ Simon retired from the City on July 31, 2021.

²⁰ Burton’s retired from the City on June 30, 2021.

8. CDI Exclusion Zone Exhibit

The below map of the Crawford site shows the planned locations for stationing CFD engines, two dust bosses – industrial misting cannons -- and two water trucks during the implosion. Hilco provided this document to the attendees of the April 1, 2020 teleconference call.



9. April 9, 2020 “Exchange 55 – Demolition Alert” Message

On April 9, 2020, two days before the demolition, Hilco CEO, Roberto Perez, emailed a message regarding the smokestack demolition to community leaders, including Little Village Environmental Justice Organization (LVEJO) Executive Director Kim Wasserman, providing, in relevant part, “The smoke stack demolition will be completed in close coordination with City and State authorities and will include significant onsite safety and dust suppression measures provided by demolition experts and the Chicago Fire Department.”

10. Hilco “Important Community Notice Demolition Alert”

On April 9, 2020, two days before the demolition Hilco provided notice to the public on their website, in both English and Spanish, for the April 11, 2020 implosion, which stated, in relevant part:

As with all demolition activity, the health and safety of the workers and local community is a top priority. There will be oversight management and extensive

dust control and mitigation efforts, including a variety of watering techniques such as water trucks, water cannons and direct-drive misting systems. In addition to these measures, the Chicago Fire Department will provide CFD engines for additional safety and dust suppression support.

11. April 10, 2020 CDOT Traffic Alert – Pulaski Rd. Closed Saturday Morning for Construction-related Demolition Activity

On April 10, 2020 CDOT issued a traffic alert for the April 11, 2020 implosion on the Crawford site. CDOT’s alert used similar language to the Hilco “Important Community Notice Demolition Alert.”

12. April 10, 2020 Eve Rodriguez Text

On April 10, 2020 at 2:51 p.m., Eve Rodriguez sent the following text to Alderman Michael Rodriguez, “Canvass has started. Mailers, canvassing, website, emails, eblast.”²¹ On April 10, 2020 at 4:20 p.m., Rodriguez texted the alderman, “Ald Canvass was completed at 4pm.”

13. CDPH Permitting and Enforcement Narrative Evaluation of the Crawford Stack Demo Hilco – dated April 11, 2020

CDPH Inspector Francisco Flores Silva summarized the events of the smokestack implosion generation conducted at 3501 S. Pulaski Rd. Silva wrote that based on the CDI “Exclusion Zone” document, “two water trucks and two dust suppressions cannons were supposed to be stationed along the north and south area of the planned drop zone. Due to his vantage point, Silva was unable to ascertain whether they were present. Along the northern perimeter of the site, were “two rented water trucks on standby” and CFD. The detonation occurred at approximately 8:00 a.m. and the structure fell east as planned and generated a dust cloud upon impact. Silva wrote that the wind blew from south to north and dispersed the dust cloud through the site to the north. The two rented water trucks along the norther perimeter “were hosing the area to prevent the dust cloud from exiting the site.” Silva was unable to observe what CFD was doing. Silva wrote that the dust cloud was not “adequately suppressed” and traveled “off-site towards the residential area north of the site.” The dust cloud dispersed slowly and decreased in mass as it traveled northbound. Silva drove to the residential area to observe whether any “residual dust from the cloud had settled.” Silva saw dust on several cars and trees.

Silva wrote that Hilco, MCM, and HRP Exchange 55 LLC:

... failed to take reasonable precautions to minimize wind borne particulates from the demolition of the smoke stack... failed to adequately wet the smoke stack demolition area to prevent the emission or dispersion of the dust... failed to adequately wet the site in order to prevent the off site dispersion of the dust and therefore also caused a nuisance... did not have adequate dust control measures in place which allowed the demolition of the smoke stack to generate and disperse dust to the adjacent residential area... by allowing the dust to migrate off site...

²¹ Eve Rodriguez is the President & CEO of Rodriguez Media Communications Inc. Hilco subcontracted Rodriguez to manage press and public relations for the Hilco project.

generated conditions detrimental to the health of the nearby residents, and therefore also created a nuisance.²²

14. April 16, 2020 Hilco Response to April 13, 2020 DOB Request for Information related to the implosion

Hilco’s attorney provided a description of the events on April 11, 2020. The description provided that during the planning for the implosion, MCM informed Hilco that MCM and its subcontractors drafted a dust mitigation plan, which included the use of two water trucks, two dust bosses, and two CFD fire trucks to assist with dust suppression. MCM indicated that on April 11, 2020, between 7:15 a.m. and 8:30 a.m., the two dust machines misted water on the area where the stack was supposed to fall. Immediately after the implosion, the two fire trucks and two water trucks began “dust suppression operations.” The water trucks operated until their tanks were empty. Ultimately, the dust mitigation efforts failed to prevent the dust from leaving the site.

In the response, Hilco provided CDI’s February 19, 2020 Preliminary Plan & Procedure for Unit #8 – 375’ Chimney as the dust mitigation plan used in the April 11, 2020 implosion.

15. Relevant Emails

The following is a sample of relevant emails from April 19, 2019 through April 14, 2020, obtained through document requests to DOB, CDPH, and a search of City email accounts.

(a) April 29, 2019 Email – Subject: 3501 south Pulaski ave

On April 29, 2019 at 2:26 p.m., Herrera sent the following email to DOB Coordinator of Special Projects Marko Mihajlovich:

The wrecker MCM who is demolishing the Crawford Plant wants to implode the building not by explosives but but [*sic*] taking the bottom out and letting the building fall they want to know who they have to contact before they can do this, I said I believe the following people should be notified,

*Underground

*Health

*Buildings

Besides the usual process, is this correct? Please let me know is there anyone else that may need to be notified

On April 30, 2019 at 8:50 a.m., Mihajlovich responded, “I think this is correct, however I would also require them to get 1 hydrant permit (Water Dept.) to suppress all the dust. Also, I think it would be a good idea to have them supply a Structural Engineer’s letter stating the feasibility of imploding the building and how they are going to do that.” Later that day, he suggested that Herrera contact DOB Civil Engineer V Avikam Hameiri with the Office of the Underground.

²² Silva issued citations to Hilco for violations of MCC 11-4-2170(b)(1) Demolitions and renovations: control and disposal of dust and debris; 11-4-760(a) Handling and storage of material susceptible to becoming windborne; 13-32-125(2)(a) Construction site cleanliness; and 7-28-080 Nuisance in connection with business under citation numbers E000035804 and E000035805.

(b) *April 30, 2019 Email – Subject: Question about implosion – MCM Demolition (re. former Crawford Coal Plant)*

On April 30, 2019 at 3:57 p.m., CDPH Environmental Permitting & Inspections attorney Jennifer Hesse emailed Hopkins, copying Graham and Kryl, and wrote the following:

Just a heads-up that MCM Demolition – James Tiltges – is trying to reach you regarding the definition of “implosion” in Chicago and any requirements or restrictions regarding pulling buildings down in various ways (that may or may not involve explosives). This is beyond CDPH’s area, so we referred him to you.

(c) *May 2, 2019 Email – Subject: 3501 south Pulaski Rd*

On May 2, 2019 at 2:58 p.m., Herrera sent an email to Hameiri and Kryl, copying DOB Supervising Building/Construction Inspector Donald Mitchell and Hopkins, and wrote the following:

Hello to both of you if you can answer a couple of questions for me I would appreciate it, at 3501 south Pulaski Rd the old Comed Crawford plant is in stages of being demolished at the site are two smoke stacks that are going to be taken down by a method called tripping, which is removing the leg supports of the structure so it crumbles and then the debris is cleaned up,

Avi, is there anything that we should be concerned with on the underground that can get damaged from the pressure and vibration for that area at 3501 south Pulaski Rd the stack are about 350 feet all am told,

John, I know that there should be some form of dust suppression are water hoses sufficient? Also should we be concerned with anything on the inside that the smoke stacks may be lined with such as asbestos? Any input is appreciated thank you [*sic throughout*]

(1) *May 7, 2019 Response Email*

On May 7, 2019 at 1:19 p.m., Kryl responded to Herrera’s email, additionally copying Graham. Kryl wrote the following:

Jorge, from video’s [*sic*] that I’ve seen, and from what individuals in our office who have witnessed an implosion fist hand have seen, when the building collapses, you would swear that the hoses aren’t even there from all the dust that’s created. This facility is next to the river which is federally regulated, and the expressway, which may have to be shut down while this is occurring... I would think that at a minimum, two or three water cannon’s [*sic*] or 4 hoses. Again, that would be a minimum. If you haven’t already, I would suggest that you view some implosions on You Tube.

(d) May 9, 2019 Email – Subject: Re: [External] Crawford Demolishment Question

On May 7, 2019 at 2:39 p.m., in response to a question about the Crawford site from State of Illinois Environmental Manager Rob Robeen, Graham responded that he had spoken to the site foreman, James Tiltges, about the smokestack demolition and that once the work began Graham suspected they would be receiving media coverage and phone calls.

(e) May 15, 2019 Mihajlovich Emails – Subject: 3501 s pulaski demo

On May 15, 2019 at 11:21 a.m., Mihajlovich emailed Herrera and Donald Mitchell, copying onetimeexpinc@aol.com, MCM’s expeditor, referencing permit 100753139 issued in July 2018. Mihajlovich inquired whether they needed to reissue the permit since MCM was still engaging in demolition work.

At 2:15 p.m., Herrera responded to the email with the following:

I know that they are going to take a 300’ Smoke stack down which is not on that permit, I feel that a permit is warranted as well as a Structural Engineers report detailing their method of the take down with it’s cause and effects once it hits the ground also an Environmental report for the Testing and remediation of the the Smoke stack or containment of the dust once it hits the ground. There’s plenty to be concerned about when this is going to happen. [*sic throughout*]

At 2:40 p.m., Mihajlovich replied, “Jorge, Please shut them down as their Wrecker’s license is expired. Lisa, Let them know they must pull another permit for the smoke stack.”²³

(f) May 23, 2019 Emails – Subject: 3501 s pulaski demo 100753139

On May 23, 2019 at 3:56 p.m., Mihajlovich emailed Herrera the following, “What’s going on at this site? I see that we keep going out to inspect construction equipment. 10 times!!!! Has any of the building come down? If not, I would like to void this permit and make them get another...”

On May 23, 2019 at 4:02 p.m., Herrera responded to Mihajlovich, copying then-DOB Chief Construction Equipment Inspector Catherine Harris, informing him that the demolition had begun and that the work was active.²⁴ Herrera asked Harris for updates on the demolition and informed her that he was aware that they were working on details on how to demolish a 300-foot smokestack. He asked Harris if her inspectors had identified any concerns onsite.

On May 24, 2019 at 7:45 a.m., Harris responded to Herrera and Mihajlovich, informing them that Inspector Jasinki did not see any issues and that the company superintendent had informed Jasinki that they were still “debating” how to take down the chimney.

²³ Though MCM’s wrecking license expired on December 31, 2018, MCM obtained a DOB general contractor license, effective January 24, 2018 with an expiration date of January 24, 2022. The general contractor license became inactive on January 7, 2021. A wrecking license is not required to obtain a demolition permit, which is required to perform demolition work in the City. However, a wrecking bond is required to perform demolition work in the City, which must cover all of the work performed under that permit. MCM provided DOB with a wrecking bond when they applied for the July 2018 demolition permit, however it expired on December 31, 2018.

²⁴ Harris was terminated from City employment on June 30, 2020.

On May 24, 2019 at 1:50 p.m., Mihajlovich responded, “They will need another permit to remove the chimney. It isn’t on the permit.”

(g) May 24, 2019 Email – Subject: 100753137 – Wrecking permit still active

On May 24, 2019 at 1:54 p.m., in response to an email inquiry from an expediter service regarding whether MCM’s permit was still active, Mihajlovich responded, in relevant part, “... they are thinking about taking down the chimney. It is not on the Wrecking permit, so they will have to obtain another permit for that.”

(h) June 4, 2019 Email – Subject: Crawford Project

On June 4, 2019 at 9:52 a.m., James Tiltges with MCM emailed Mihajlovich asking him what permits they needed to complete the 3501 S. Pulaski project, writing, “When We spoke before I needed one for the smokestack...”

At 3:20 p.m., Mihajlovich responded, “You only have a permit to remove one building that is 5-12 stories tall. If you are wrecking anything else, then you need a permit. Hence the need for a Wrecking permit to take down the Chimney.”

(i) July 12, 2019 Emails – Subject: Crawford Plant Demolition

On July 12, 2019, CDPH Senior Environmental Inspector John Singler sent an email to Clarence LaMora, copying Kryl and Dave Graham, with the following:

As you and I discussed on Wednesday afternoon, CDHP [*sic*] Director of Inspections Kryl (CC’d on this message) would like a copy of the stack report sent to him electronically. CDPH is planning on being involved in the demolition of the stack and Mr. Kryl will be your contact for technical questions pertaining to CDPH regarding dust control, water use, and site safety.

(j) August 9, 2019 Email – Subject: Hilco

On August 9, 2019 at 11:05 p.m., Graham emailed Singler, CDPH Senior Environmental Inspector Nicole Gschwind²⁵, CDPH Senior Environmental Inspector Felipe Garcia, copying CDPH Environmental Engineer III Terry Sheahan and Kryl, the following, in relevant part, “We need to keep an eye on this project as far as dust and construction site cleanliness. They should be in fairly decent shape, but the community and alderman have expressed major concerns. If they are doing well, we need to know; if they are not doing well we also need to know.”

(k) October 14, 2019 Email – Subject: Final Stack Reduction Plan

On October 14, 2019 at 1:42 p.m., LaMora emailed Singler and Cirri the Crawford Generating Plant Final Stack Reduction Plan, with an attachment identifying where in the plan LaMora addressed Kryl’s comments and recommendations. On October 15, 2019 at 1:18 p.m., Singler forwarded these documents to Kryl and Graham.

²⁵ Gschwind was terminated from City employment in November 2019.

(l) February 2020 Emails – Subject: 3501 S. Pulaski Rd

On February 5, 2020 at 9:17 a.m., Pullara sent Jorge Herrera an email, copying Eve Rodriguez and Ken McNeeley with Burnam Nationwide, stating, “It was great speaking with you a week or so ago. As discussed I have attached the preliminary implosion plan drafted by CDI on behalf of the Demolition Contractor (MCM Management Corp.). Please let me know if you have any questions or comments.”

On February 18, 2020 at 1:07 p.m., Herrera forwarded Pullara’s email to Commissioner Frydland, copying, Ullrich, Hameiri, Hutchinson, and Hopkins, and included CDI’s preliminary implosion plan attachment. Herrera wrote the following, in relevant part:

What is to be removed is a 375’ foot Chimney Stack,
 What I do ask is that can we have all personnel who may be required to view the plan from DOB if they have any concerns... for them to bring them up,
 It seems that permits for this type of demolition falls mostly on Transportation according to our Website DOB is just the permit, correct me if am wrong the concern is more the implosion damaging other structures and after effects of the dust and debris that may linger or may possibly cause harm if not contained or cleaned up properly... I only informed them that if the City required any type of testing that the contractor would have to cover cost and their Plan from their Engineers and experts is what they City will allow... I do not know the date of the event... [sic throughout]

On February 19, 2020 at 10:50 a.m., Pullara sent Herrera an email stating, “I hope all is well. It has been a few weeks since we spoke and I wanted to know if there was anything else needed from my team or CDI as to the implosion plan for the Crawford Generation Station. Would you have sometime [sic] this afternoon to talk about next steps?”

On February 18, 2020 at 3:17 p.m., Herrera responded, in relevant part:

When is the projected date for this to take place

I did inform the Commissioner she is reviewing and she is consulting with Departments [sic] heads on the Building side the extent of our role will play here,

Normal practice is to follow the Structural Engineers thought out Plan, there is no problem with the Start of the application, please research the website which points you in the direction of the Department Transportation their Engineers will review and guide you for the next steps

https://www.chicago.gov/city/en/depts/cdot/supp_info/implosion_permittingprocedures.html

On February 20, 2020 at 1:55 p.m., Pullara responded, in relevant part, “... We are currently having Burnham submit the implosion plans to OUC. Pending the review of OUC, we believe the day would be in the next 30 days. We appreciate the guidance.”

On February 20, 2020 at 8:11 p.m., Herrera responded, “Let me try to set up a meeting with all parties involved so we are on the same page, Will that work for you???”

(m) March 24, 2020 Emails – Subject: Implosion.

On March 24, 2020 at 1:06 p.m., CFD Director of News Affairs Lawrence Langford emailed Roy asking him about the progress on the smokestack implosion. At 2:33 p.m., Roy responded that John Mullins was handling the implosion and that the Fire Prevention Bureau was not involved, informing Langford to email Mullins.²⁶ At 3:23 p.m., Roy asked Langford whether he got the answer he was looking for.

(l) March 25, 2020 Response Emails – Subject: Re: Implosion.

On March 25, 2020 at 11:23 a.m., Langford emailed Roy, copying CFD Battalion Chief Timothy Sampey and then CFD Commissioner Richard C. Ford III, writing, “Yes since this is not something we do everyday there was confusion over who is the lead, who must agree and sign off and then lastly who provides onsite support. We have hooked the contractor up to Marlene Hopkins at buildings and they will work it out. We will support as required.”

On March 25, 2020 at 12:23 p.m., Roy emailed Langford, providing, “Larry just to update you the person running the implosion is NIC POLLARD.²⁷ He was waiting on c-dot to give its permission to OEMC for the permit. He hopes this will be able to be done on this Sunday at 8:00 a.m.”

(n) March 25, 2020 Emails – Subject: Exchange 55 – Stack Implosion

On March 25, 2020 at 8:22 a.m., Pullara emailed Rodriguez the following:

As you know, HRP Exchange 55, LLC is pursuing a [sic] implosion permit with the City of Chicago to demolish the concrete chimney at the old Crawford Power Station. To date, HRP Exchange 55 has met with and has been coordinating closely with several key stakeholders with the City of Chicago execute [sic] on the implosion permit.

Specifically, we began conversations with City of Chicago Chief Building Inspector Jorge Herrera in early January. Jorge received a copy of the implosion plan on February 5, 2020 for review and directed HRP Exchange 55 to start the OUC review per the following website. https://www.chicago.gov/city/en/depts/cdot/supp_info/implosion_permittingprocedures.html

Also on January 29th, 2020 at a meeting with Building Commissioner Judy Frydland and Deputy Building Commissioner Grant Ullrich the implosion permit submittal was discussed.

The final party met with was John Javorka Chief Fire Prevention Engineer for the City of Chicago and Chicago Fire Department Commander Jack Mullen to discuss

²⁶ OIG identified “John Mullins” as CFD Commander John Mullen.

²⁷ OIG identified “Nic Pollard” as Nicholas Pullara.

several topics for the Exchange 55 project including the implosion permit. John Javorka has reached out for further information in regards to the stack implosion for further CFD internal coordination.

On February 26th, 2020, in coordination with our permit expediter Burnham Nationwide, the stack implosion was submitted to CDOT – OUC for review. Currently, all OUC reviewing parties have approved the review and we are awaiting the OUC project manager to approve the review.

On March 11, 2020 HRP Exchange 55 discussed the stack implosion and provided a demolition progress update to Alderman Rodriguez of the 22nd ward.

On March 20, 2020, in coordination with our permit expediter Burnham Nationwide, a CDOT road closure permit was submitted and is currently under review. Pulaski Rd. will need to be closed to roughly 20 minutes to safely demolish the stack.

Per the City of Chicago implosion permitting procedures, HRP Exchange 55 is currently on Step 5 of 7 and is looking to bring this process to a close this week, but the webpage and procedures does not indicate whom will issue the final permit for implosion. Further guidance from the City would be greatly appreciated to make sure all necessary stakeholders are consulted with so we may execute on the plan to safely implode the stack at Exchange 55.

(1) *March 25, 2020 Rodriguez Email – Subject: Fwd: Exchange 55 – Stack Implosion*

On March 25, 2020 at 9:19 a.m., Rodriguez forwarded Pullara’s email to Hopkins and wrote the following, in relevant part:

I am reaching out to provide you with a status on a client that is working on an implosion permit for 3501 S. Pulaski Road. Below you will find a summary of their work so far. I asked Larry Langford to check on this for me and he suggested I reach out to you. Let me know if you have any questions and I can get a call together at your convenience.

(o) *March 25, 2020 Emails – Subject: Exchange 55 – Chimney Implosion – EFP-102157*

On March 25, 2020 at 12:25 p.m., Hilco’s expediter, Adam Hall with Burnham Nationwide, emailed Pullara and other Hilco employees, writing, “This OUC review is now approved. Please see attached for the final approved conditions. We are just waiting for the final Permit Issuance Authorization Letter.

At 12:42 p.m., Pullara asked Rodriguez to share Hall’s update about the OUC review. At 1:12 p.m., Rodriguez forwarded Hopkins the preceding email chain. At 1:44 p.m., Hopkins responded to Rodriguez’s email, copying Herrera, writing, in relevant part, “Please advise when you

anticipate coming to apply for the demolition permit.” At 7:42 p.m., Herrera emailed Rodriguez, requesting that she call him.

(p) *March 26, 2020 Email – Subject: 35th and Pulaski ave Implosion*

On March 26, 2020 at 2:27 p.m., Herrera emailed Hopkins, copying Frydland, the following:

Here is a list of people I feel we should have on a conference call for the Crawford Implosion being set up by Hilco Development the Planning for the Implosion is to push it for this Sunday realistically, That is not going to happen until we have this conference call

Once we have completed the names I would like to set the conference call for Wednesday of next week if possible, If you feel that someone should be added to the list please do so

Attendees:

Fire Dept. Charles Roy

OEMC Chris Pettino

CDOT/OUC Mike Simon

Streets and San Cole Stallard

Police Need Lt. Sloyan

Buildings Marlene Hopkins & Jorge Herrera

Nick Pullara Hilco Development

Eve Rodriguez Media Communications consultant for Hilco Development [*sic throughout*]

At 2:44 p.m., Hopkins responded with the following in relevant part:

Can you contact Hilco and let them know that there needs to be a conference call with the City to ensure they have secured all of the required approvals and permits from the various departments. That way the conference call will be regarding logistics and coordination between all the departments.

At 2:51 p.m., Frydland asked, “Do they need any type of permits from us for this or is it all cdot and health/environment?” At 3:09 p.m., Herrera responded, “Website doesn’t exactly say it, but it appears that all sign offs from the departments and Buildings issues the permit, Structure/Wrecking Permits.”

(q) *April 1, 2020 through April 7, 2020 Rodriguez Emails – Subject: Re: Agenda for our call this afternoon*

On April 1, 2020 at 3:24 p.m. Rodriguez emailed Hopkins, writing, “Thank you for getting us all together on this call. I look forward to reviewing the examples of previous public notifications. Appreciate your assistance with this project.” On April 2, 2020 at 4:02 p.m., Rodriguez emailed Hopkins asking if Hopkins could send the notification example that she had seen.²⁸

²⁸ In an email timeline that Hopkins created and provided to OIG, Hopkins wrote that she had discussed sample notifications with Rodriguez, but never followed up. This timeline is contained in the investigative file.

On April 6, 2020 at 1:47 p.m., Rodriguez emailed Hopkins and Herrera the following:

We've put together a community notice that will be mailed out to the businesses and residents today. We will also update the website and work with CDOT on the media advisory. HRP would like me to check back on a confirmation from DOB that there are no further requirements past the current wrecking permit due to the stack being located at the same address. Jorge, I believe Nick called you on this and we just want to confirm when you have a moment.

On April 6, 2020 at 2:23 p.m., Herrera responded to Rodriguez with the following:

The understanding is that the Chimney will be added to the existing permit, so we will be good with all sign offs,

Also on you notifications to the residents the wrecker is to send them notices two weeks in advance to the neighboring property's, whatever time is left should be good,

But you are Good to go the residents will just need some time line as to when is the start and finish and safe for them to exit their homes, And of course what time the explosion will take place so they are not take off guard [*sic throughout*]

On April 6, 2020 at 2:51 p.m., Rodriguez asked Herrera to relay the information he provided to CDOT permitting. At 3:49 p.m., Herrera responded, "Once all sign offs are complete just email both of us and will push it through."

On April 7, 2020 at 1:41 p.m., Rodriguez informed Herrera and Hopkins via email that all City signs offs were complete and attached the permit. On April 7, 2020 at 1:57 p.m., Herrera emailed Hopkins, writing, "Can I send it to Marko and have him add it to the existing permit to indicated [*sic*] the implosion?" Herrera attached "DOT1229700.pdf" to the email. At 2:04 p.m., Hopkins replied, "Done..."

(r) *April 1, 2020 Email – Subject: FW: 35th Pulaski Implosion*

On April 1, 2020 at 1:31 p.m., Graham sent an invite to Singler and Kryl for an inter-departmental conference call regarding the implosion, scheduled from 2:00 p.m. to 3:00 p.m., requesting that they join the call due to Graham having to take an unrelated call at 2:30 p.m.

At 1:37 p.m., Kryl wrote to Graham, "Dave, is [*sic*] looks like they're planning on dropping the chimney on April 20th. We're still on lock down up to the end of the month as per the governor." At an unspecified time, Kryl later wrote, "My point being ... Should they wait until May before the big ka-BOOM!"²⁹

²⁹ OIG did not find evidence that Graham replied to Kryl's email.

(s) *April 7, 2020 Emails – Crawford Plant Stack implosion*

On April 7, 2020 at 3:16 p.m., Graham emailed then Office of the Mayor Assistant Deputy Chief of Staff Elise Zelechowski, copying Mayor’s Office Senior Project Manager Rachel Leven, CDPH Managing Deputy Commissioner Megan Cunningham, CDPH Policy Analyst Alfonso Martel, Department of Planning and Development First Deputy Commissioner Eleanor Gorski, and Hopkins, inquiring whether Hilco planned to demolish the smokestack on April 11, 2020, even though they had initially intended to take down the stack on April 20, 2020. Graham wrote that there had been a call on this topic the previous Wednesday but had heard nothing since. At 3:20 p.m., Hopkins informed him that the implosion was scheduled for April 11, 2020 at 8:00 a.m. At 3:33 p.m., Graham suggested that Zelechowski inform Intergovernmental Affairs (IGA) of the Mayor’s Office of the implosion.

On April 8, 2020 at 11:48 a.m., Martel added Office of the Mayor Assistant Director Jerel Dawson with IGA to the email. At 11:51 a.m., Zelechowski inquired whether Hilco was moving forward with the demolition “even though their plan might not be approved.” At 12:07 p.m., Gorski responded, “I thought Hilco had DOB permit approval to demolish everything on the site. Are you saying that they need a further environmental approval from CDPH?” At 12:11 p.m., Graham replied, “CDPH is not waiting on anything. I do not know if Hilco is waiting on anything, I do not believe there [*sic*] are and are clear to go.”

(t) *April 2, 2020 Emails – Subject: Exchange 55 – Chimney Implosion*

On April 2, 2020 at 9:57 a.m., Pullara sent the following email to Roy, copying Eve Rodriguez and other Hilco employees:

Thank you for taking the time yesterday to speak with the entire team about the Chimney Implosion at the former Crawford Power Generation Station on Pulaski Rd. We greatly appreciate CFD working with the HRP Exchange 55 Team to coordinate this event. Per your request, we have modified the exclusion zone and extended the area further West to meet City of Chicago ordinance requirements. We have also noted the potential locations of the CFD engines who will be providing additional dust mitigation. If you are in concurrence with the attached and no further information is needed, please respond with an approval email per CDOT’s request at your earliest convenience.

On April 3, 2020 at 5:38 a.m., Roy responded with the following, in relevant part, “... I thought some of the important questions that you may of [*sic*] wanted the fire department to ask & request clarified so that there were not duplicate questions I’m [*sic*] the same issues.

On April 3, 2020 at 6:51 a.m., Pullara replied, in relevant part, “... We appreciate you and the Chicago Fire Department taking the time to plan and assist us on the day of the event. Please let me know if anything else is needed for the HRP Exchange 55 Team. If not, we will be reaching out early next week for further coordination.”

(u) *April 9, 2020 Emails – Subject: Demo Permit revision to include implosion: 3501 S. Pulaski*

On April 9, 2020 at 11:07 a.m., Rita Heneghan with Heneghan Wrecking Company, Inc. sent Mihajlovich an email, copying Herrera, notifying Mihajlovich that MCM’s smokestack implosion work had been added to Heneghan’s DOB demolition permit in error. At 11:17 a.m., Mihajlovich replied, in relevant part, “I never entered any info about imploding a smoke stack! ... I kept telling them they needed a separate permit to remove that smoke stack. Someone edited my description!!!!” At 11:21 a.m., Rita emailed with the response, “Can that be added to the MCM permit?”

At 11:28 a.m., Herrera responded, “MCM permit has what CDOT is considering a Helicopter lift permit I believe it falls under the same category description, So that is in place so far as MCM being and have a permit. [*sic throughout*]”

(v) *April 10, 2020 Email – Subject: MEDIA INQUIRY: CRAWFORD COAL PLANT SMOKESTACK DEMO*

On April 10, 2020 at 11:40 a.m., Mauricio Peña with Block Club Chicago emailed CDPH Director of Public Affairs Andrew Buchanan the following, in relevant part:

... I saw that Heneghan Wreck and Exchange 55, or Hilco Redevelopment Partners, was issued a demolition permit on March 30 to wreck and remove 11 western bays of the turbine hall for 3501 S. Pulaski Road. I hear the company has been preparing the past few days to use explosives to demolish the smokestack tomorrow morning. I have a few questions:

- Does the CDPH continue to monitor the worksite weekly? Why or why not?
- Has CDPH received any report from an independent agency confirming the smokestack and the site has been remediated and no longer poses a threat to the neighboring community?
- Given the history of the site being linked to deaths and hundreds of hospitalization [*sic*] in the neighborhood, and the current global pandemic, what precautions are being taken when it comes to demolition work at the site to ensure the health and wellbeing of neighbors?

On April 10, 2020 at 11:58 a.m., Buchanan forwarded the Block Club Chicago inquiry to Graham, Zelechowski, and Leven. Buchanan wrote, in relevant part, “See below about this weekend ... Dave can you start to work up a response. Elise, are mayor’s comms people aware of this?” At 1:33 p.m., Graham responded, “The insulation material inside the stack was tested for asbestos containing material and confirmed it was not present.” At 1:26 p.m., Leven asked, “Is this more involvement than the City is accustomed to having) re number of inspectors and fire truck, etc.) or about the same?”

At 1:40 p.m., Graham responded with the following:

From what I can recall over the last 6 years in this position, this is above and beyond. The stack is ~400 ft high, so this is a big deal. The folks doing the demo

have experience with this exact issue, so we anticipate the demo will go as planned. One thing to mention, the immediate drop of the stack will overall reduce potential emissions of the demolition. Initially there will be a lot of dust, but if it were slowly deconstructed there would be the appearance of less dust during activities but it would take weeks to complete and would require ongoing dust control mitigation that may have the same potential of impacting the neighborhood. The implosion will have dust and the water can be concentrated to manage the issue.

At 5:11 p.m., Graham wrote the following to Buchanan, Zelechowski, and Leven:

I just spoke with Hilco, they are moving forward set to start at 8AM. I am pulling details regarding the City oversight involved but there will be a lot of City staff onsite including CFD who will also have 2 trucks on site to assist in watering. Hilco did do a public notice. All news to me, but I had to drop off that we had. My only concern was the public notice but apparently there was something.

(w) April 10, 2020 Email – Subject: 35th Pulaski Implosion

On April 10, 2020 at 12:02 p.m., Graham sent an email to the individuals involved in the City inter-departmental conference call regarding the implosion and to various individuals associated with Hilco, including Pullara, asking, “Is the implosion happening tomorrow. CDPH must be onsite during the knockdown. Please advise.” On April 10, 2020 at 12:21 p.m., Pullara responded, “As discussed, we are all set to implode the chimney tomorrow at 8:00 a.m. Attached is the Community Notice, Exclusion Zone and Sequence of Event [sic] Let me know if anything further is needed.”

(x) April 10, 2020 Email – Subject: Hilco Stack Demolition Tomorrow and EJ Letter

On April 10, 2020, Zelechowski emailed Mayor Lori Lightfoot and informed her that Hilco planned to demolish the smokestack the next day in Alderman Rodriguez’s Ward. She wrote, in relevant part, “Advocates have been reaching out to me with concerns and we’ve also gotten some media inquiries about it. I’m working with comms on a statement. Representatives from CDPH, DOB, CDOT, CFD, and CPD will be on-site tomorrow to monitor and CDPH will enforce any dust issues.”

(y) April 11, 2020 Email – Subject: [External] Re: Urgent – Demolition of Crawford Plant Stack

On April 11, 2020 at 2:37 p.m., Graham emailed Zelechowski and Director of the Illinois Environmental Protection Agency (ILEPA) John Kim, copying another ILEPA employee, writing, “I can provide pictures, a report is pending, but this is basically visible emissions leaving a property fence line after an implosion for several minutes and coating vehicles in the vicinity.”

At 2:41 p.m., Kim responded, in relevant part, “Do you believe that the implosion and all related measures by the contractor were properly done?” At 2:57 p.m., Graham responded, “I think they did what required. The stack dropped as planned and water activities we [sic] made. Obviously not enough”

(z) *April 11, 2020 Email – Subject: RE: Hilco Stack Demolition Tomorrow and EJ Letter*

On April 11, 2020 at 7:41 p.m., Graham emailed Hopkins, “They provided a plan, but it was not clear how much water would be used. Based on 2 dust bosses and fire trucks it appeared or was represented it would be sufficient.”

(aa) *April 14, 2020 Email – Subject: Last Version of the Stack Demolition Process*

On April 14, 2020 at 5:51 a.m., Clarence LaMora emailed Singler, copying Mike Cirri with Jenkins International, and wrote, in relevant part, “Attached is the last version of the Stack Demolition Plan that I formulated and sent to you. This was in response to your (and Commissioner Graham) comments, which are also attached. Commissioner Graham asked me to resend these to him last night...”

C. April 11, 2020 Event: Crawford Stack Implosion and Demolition

On April 11, 2020 at approximately 8:00 a.m., the Crawford site smokestack implosion occurred at 3501 S Pulaski Road as undertaken by CDI and MCM under the supervision of Hilco. Also present during the implosion were representatives from the following City departments: CDPH, DOB, CFD, and CPD. Photographs taken in the aftermath of the implosion reflect significant, airborne dust both at the site of the event and in the surrounding, residential community. CDPH Inspector Francisco Silva took the below pictures following the implosion on April 11, 2020 and included them in the CDPH Permitting and Enforcement Narrative Evaluation of the Crawford Stack Demo Hilco report.



COMMENTS: Photo C- 3501 S. Pulaski Rd., Photo of dust cloud generated by smokestack upon impact with ground.



COMMENTS: Photo D- 3501 S. Pulaski Rd., Photo of dust cloud moving north from impact drop area.



COMMENTS: Photo E- 3501 S. Pulaski Rd., Photo of dust cloud continuing to move north from impact drop area. Thick cloud of particulates can be seen.



COMMENTS: Photo F- 3501 S. Pulaski Rd., Photo of dust cloud can be seen moving north onto residential area. Water truck can be seen hosing water.



COMMENTS: Photo J- 3501 S. Pulaski Rd., Photo of car located in residential area north of site. Dust can be seen on car.

D. Interviews

1. Alderman Byron Sigcho-Lopez

On April 17, 2020, OIG interviewed City of Chicago 25th Ward Alderman Byron Sigcho-Lopez. In summary, Sigcho-Lopez provided the following information.

Sigcho-Lopez was shocked and upset that the City would approve a permit for this kind of demolition during a worldwide pandemic. Since the demolition did not occur in his ward, Sigcho-

Lopez received no advance notice.³⁰ Sigcho-Lopez later spoke to a resident of Little Village named Irma Morales, with whom he is friends, who told him that she made multiple calls to the City prior to the demolition to express concern for the safety of the residents in the surrounding area. Sigcho-Lopez also spoke to Wasserman, who told him that she and members of her organization had contacted the City several times attempting to halt the demolition. Sigcho-Lopez thought that residents affected by the smokestack demolition were not given proper notice of the event prior to the demolition. He had read and heard that residents received flyers on their doors the day before the demolition. Sigcho-Lopez found this problematic since there was little time for the public to raise concerns or to try to block the demolition. Sigcho-Lopez's understanding is that aldermen are notified ten days before a demolition occurs in their ward and then it is up to the alderman and/or the company to notify ward residents.

2. Kim Wasserman

On April 20, 2020, OIG interviewed LVEJO Executive Director Kim Wasserman. In summary, Wasserman stated the following.

LVEJO's mission is to fight for environmental justice and for residents' rights to clean air and water within the 22nd Ward. LVEJO initially fought for the shutdown of the Crawford coal plant, which closed in 2012, and shifted their focus to Hilco's redevelopment of the site. Wasserman attended a press conference the morning of this interview with the Chicago Environmental Justice Network, comprised of six organizations, including LVEJO. The Chicago Environmental Justice Network press conference addressed the systematic problems within City departments, specifically CDPH and DOB, related to the permitting and zoning of industrial actors. During the press conference, the group accused Mayor Lightfoot of failing to consider the City's problematic process and called for reform, stating that the Hilco incident was only the latest example of a flawed system.

Wasserman first found out about Hilco's planned smokestack demolition on Thursday, April 9, 2020, at 11:00 p.m. via a standard form email sent by Hilco CEO Roberto Perez to community leaders. Wasserman stated that this was the first Hilco demolition notice she had ever received. She forwarded the email to LVEJO staff, who began working on notifying Little Village residents. The next day, Friday, April 10, 2020, local Little Village businesses and the Little Village Chamber of Commerce began posting Hilco flyers displaying a map of the demolition. LVEJO posted information about the demolition on their social media page, initiated a phone tree for LVEJO members, and began calling any residents for whom they had telephone numbers on file. The social media content and phone calls encouraged Little Village residents to call Alderman Mike Rodriguez, the Mayor's Office, Governor Pritzker, and CDPH to oppose the demolition.

On April 10, 2020, Wasserman called Alderman Rodriguez about her concerns regarding the Hilco demolition. Alderman Rodriguez told Wasserman that he had learned about the demolition on the morning of April 9, 2020 and had demanded that Hilco pass out flyers to the community. He additionally told Wasserman that while he appreciated her attempting to stop it, that the demolition would proceed. That same day, Wasserman also called Zelechowski, who was LVEJO's main City

³⁰ Sigcho-Lopez estimated that the closest boundary of the 25th Ward is approximately 1-2 miles from the Crawford Coal Plant site.

contact for environmental issues. Zelechowski had only been in her role for approximately twelve weeks at the time. Zelechowski told Wasserman that she had also just found out about the Hilco demolition and was attempting to obtain more details and determine whether it could be halted. Zelechowski contacted Wasserman on April 10, 2020, around 7:00 p.m. and apologized, explaining that the demolition would proceed as planned and that there was no way to stop it.

Wasserman was not at the demolition. Afterwards, Wasserman and LVEJO received a high-volume of Little Village resident concerns about the resulting dust and asking for safety guidance. Wasserman had never faced the level of emotional turmoil caused by the demolition during her twenty-one years with LVEJO and described residents as “pissed.” LVEJO demanded that CDPH provide guidance about dust entering residents’ homes. LVEJO told residents to close their vents and windows to minimize the dust, that they should not touch the dust, and to await guidance from CDPH.

Wasserman later heard that Alderman Rodriguez had been notified by Hilco of the implosion ten days prior to April 11, 2020, and not the morning of April 9, 2020, like he had told Wasserman. She found this egregious, particularly because he did not properly notify the community. Wasserman also reached out to Zelechowski on April 11th, sending her pictures of the dust plume. Wasserman was in contact with Zelechowski throughout the day since Zelechowski was “hustling” to distribute the CDPH information sheets.

Wasserman had reached out to Alderman Rodriguez before regarding Hilco issues and the necessity for air quality monitoring. She stated that he was aware that Hilco had failed to keep the public informed. Alderman Rodriguez had reached out to Hilco in the past to address LVEJO’s concerns, but oftentimes failed to follow up on what, if any, action Hilco had taken.

Wasserman voiced concerns about dust samples referenced by Mayor Lightfoot, stating that it was unknown who took the samples, what the protocol was, what the lag time was between the sample collection and the implosion, whether the staff who collected the samples were properly trained, and which lab tested the samples. She stated that the City had not provided any of this information to the public and that she does not know how she is expected to trust the entities that allowed the demolition to happen. Wasserman has experience in remediation efforts and has seen the City make mistakes, including when Dr. Allison Arwady described the City as using SUMMA canisters to test the air quality following the demolition. Wasserman explained that these canisters do not test for particulate matter. LVEJO has partners who perform air quality work at the University of Illinois in Chicago (UIC) and Wasserman did not know if the City performed the correct air monitoring in response to the incident.

Wasserman stated that the public typically does not receive any notice for a demolition and that there is no City requirement that she knows of that the public be notified of this type of activity. She did not know why no official requirement exists for public notice of implosions or demolitions at industrial facilities when there are notice requirements for residential zoning. Wasserman stated that there is only one city block between Little Village and the Hilco site.

The Hilco redevelopment project began approximately two years ago and LVEJO often relayed its concerns regarding lack of public notice to both CDPH and the Illinois Environmental Protection

Agency (IEPA). LVEJO held a community meeting in August 2019 requesting that CDPH, IEPA, and Hilco provide information about the Hilco redevelopment project. LVEJO consistently made three key demands on CDPH and the IEPA regarding any demolitions for the Hilco project: (1) that information be provided on how Little Village residents can protect themselves; (2) a demolition time schedule, including anticipated start and ends times; and (3) an onsite Hilco emergency contact should any issues arise. CDPH attended LVEJO's August 2019 meeting and told residents that during a demolition they should close their windows and doors and stay inside. CDPH Assistant Commissioner Dave Graham was also present at the meeting and expressed that demolition remediation efforts would be like cleaning up an "old gas station," which caused Wasserman to worry that current permitting requirements do not contemplate demolitions of the scale required at the Hilco site. Wasserman pointed out that the smokestack demolition was the first demolition of its size within City limits since the Robert Taylor Homes were leveled approximately 15 years ago. Hilco had attended several LVEJO community meetings but had never presented any information. As of the date of this interview, CDPH and IEPA had failed to provide LVEJO with information related to the three aforementioned demands. CDPH previously provided LVEJO with several demolition permits at the Hilco site, but they contained conflicting demolition times, often displaying two or three different approved timetables in which the demolition would occur.

Wasserman stated that the City had not adequately contended with both Hilco's and its contractors' track record and background, particularly MCM. Wasserman thought that the City should consider a company's history of negligence and OSHA violations as part of the permitting process for redevelopment and demolitions. Three former Hilco employees contacted LVEJO and provided them with photos and videos showing no dust remediation during other demolitions at the Hilco site. LVEJO sent this information to IEPA and CDPH.

3. Alderman Michael Rodriguez

On April 23, 2020, OIG interviewed City of Chicago 22nd Ward Alderman Michael Rodriguez. Also present was Rodriguez's counsel, solo practitioner Ed Mullen. In summary, Rodriguez provided the following information.

Rodriguez first became aware of the demolition Hilco and Heneghan Wrecking Co. notified him that they had submitted a DOB demolition permit application on March 11, 2020. On April 1, 2020, Hilco informed Rodriguez that they had received the demolition permit, which was issued on or around March 30, 2020. Graham, who Rodriguez referred to as the "quarterback" in this matter, was Rodriguez's main City contact for the Hilco demolition. Rodriguez reached out to Graham after learning of Hilco's application to discuss whether Hilco was meeting its City requirements. At some point, Graham provided Rodriguez with Hilco's permits.

Rodriguez had previously submitted a dust complaint against Hilco to CDPH and met with Graham several times. Rodriguez and Graham discussed the upcoming Hilco demolition on March 27, 2020. Since this meeting occurred prior to Hilco's receipt of the permit, there was no set demolition date. Also present at the March 27th meeting was Rodriguez's chief of staff, Abdul Aziz Hassan, and two Hilco representatives, Eve Rodriguez and Nick Pullara. At this meeting, Ald. Rodriguez expressed major concerns about dust leaving the site as a result of the demolition. Graham

informed him that Hilco was required to have a dust mitigation plan, which they had already submitted as part of their application.

Rodriguez also had a meeting with Hilco representatives, Rodriguez and Pullara, via telephone on April 2, 2020. Rodriguez specified his concerns regarding dust leaving the site and questioned them multiple times about Hilco's dust mitigation efforts. Hilco assured him that there were mitigation efforts planned, such as the use of "water bosses" to water down the ground at length both before and during the demolition. Fire trucks with hoses would also be stationed onsite. Hilco provided him with the dust mitigation plan. Rodriguez thought that the process at the time seemed standard. Hilco also assured him that they would mail demolition notices to Little Village residents who resided within specified boundaries near the Hilco site. Hilco told Rodriguez that the notices were scheduled to arrive by April 7, 2020. Hilco had hired a vendor who procured the addresses of the residents and sent Rodriguez a mockup of the notice.

On the morning of April 10, 2020, Rodriguez called approximately fifteen Little Village residents within the boundaries to ask whether they had received Hilco's demolition notices and learned that they had not. He then called Hilco and directed them to hand deliver the notices that day. Hilco told Rodriguez that they organized a group of door to door canvassers to provide notices to the selected Little Village residents. Rodriguez's Hilco points of contact remained Rodriguez and Pullara throughout his communications with Hilco. When asked why he did not notify the community of the demolition, Rodriguez explained that he relied on Hilco's commitment to send the notices.

On April 10, 2020, Rodriguez also contacted Manny Perez with the Mayor's Office about how the promised Hilco notices had not arrived. Rodriguez was upset and asked if the Hilco demolition could be canceled. LVEJO, Little Village residents, and various other City of Chicago residents had also notified Rodriguez of their concerns about the upcoming demolition. Rodriguez passed along these concerns to Perez, who informed Rodriguez that Hilco had gone through the proper channels to receive its permit and that there was no way to stop the demolition.

Rodriguez and two members of his staff were present at the demolition. Rodriguez could not ascertain whether the ground was wet prior to the demolition. The planned siren went off and after the demolition, a huge plume of smoke headed about a half block east of the assembled group. As the dust came towards them, Graham stated, "They're going to get tickets." From his vantage point, Rodriguez could not see whether the water cannons operated as planned, or if the cannons were even present onsite. One firetruck was not in a position to provide any assistance. The other truck sprayed water, but it was of little to no use.

Rodriguez knew that the demolition did not go as planned due to the dust plume. Immediately following the demolition, Hilco canvassed the surrounding neighborhood, which indicated to Rodriguez that Hilco was aware that something went wrong. Hilco had been very apologetic in the conversations Rodriguez had with them following the smokestack demolition and relayed that they would pay to send extra street sweepers and that they planned to send individuals into the community to assess cleanup needs.

Rodriguez thought that there should have been City oversight on the day of demolition, such as ensuring that the water cannons were on and hitting the site. He also expressed concern that Hilco had received several citations and tickets for the Crawford site and wondered at what point that should that disqualify them from future permits.

4. Judy Frydland

On May 1, 2020, OIG interviewed former DOB Commissioner Judy Frydland via telephone. Frydland stated the following, in summary.

The demolition of the smokestack required a general demolition permit. DOB does not offer specific permits for implosions, as implosions are merely a demolition methodology. The only requirement for something to be considered an implosion is the use of dynamite or explosives in the demolition of the structure. The last implosion in the City occurred in 2005 and the one prior to that was in the 1990's when an old hospital was demolished.³¹

MCM's general demolition permit to demolish five buildings and other structures on the Crawford site included the smokestack and did not require a separate permit. MCM received the demolition permit to demolish structures in the north part of the plant in July 2018 and Heneghan received a second permit to demolish the rest of the structures and wind turbines on the south end of the property in March 2020. Both permits required the contractors to obtain multiple department sign offs. DOB mainly collected those signatures and acted in a ministerial capacity. Frydland explained that DOB must "rely on the approval of other departments."

CDPH ensures that proper measures have been taken against asbestos and demolition dust to account for environmental and safety concerns. Graham, who handles environmental regulations, was CDPH's primary contact in the demolition. CDPH handles ticketing for dust or environmental violations. DOB may check for excessive dust on a site evaluation and instruct the contractors to water down the site, but DOB generally refers ticketing for those violations to CDPH. The general contractor must draft, review, and evaluate dust mitigation plans with CDPH prior to the demolition. When CDPH approves these plans, the general contractor receives CDPH's approval stamp on the demolition permit.

CFD does not have any approval requirements on demolition permits, but they were notified about the smokestack demolition to provide safety support onsite. Hopkins sent an email to former CFD Commissioner Richard C. Ford II to inform him about the implosion so that Ford could ensure firetrucks were present. Several departments that are not typically involved in DOB's demolition permitting approval process were notified of the smokestack implosion due to the use of explosives. DOB primarily handled the notification to CFD to request their presence at the implosion. DSS signs off on the permit for arranging rodent control and rat abatement before and after demolition. DWM signs off on the permit for any required water shut offs.

The Mayor's Office is not involved in the approval of demolition permits in an official capacity, but they field citizen complaints about proposed and ongoing demolitions. Zelechowski called

³¹ The totality of the demolition work covered under the two permits at the Crawford plant will be referred to as "the demolition", while the specific demolition of the chimney or smokestack will be referred to as "the implosion".

Frydland the Friday before the demolition seeking information on the implosion and to ensure that it was proceeding as planned. Frydland thought that Zelechowski passed on some citizen complaints about the implosion. Street closures were already in place at the time of the phone call and Zelechowski did not indicate that the implosion should be halted. Frydland reviewed the DOB permits and informed Zelechowski that everything appeared to be in order.

Aldermen do not weigh in on the permit process or affect it in any way. When a contractor applies for a demolition permit in an alderman's ward, DOB must wait 10 days to issue the permit due to a notice provision, unless the alderman waives the 10-day requirement. Because the Hilco demolition permit reviews took a long time, the 10-day wait did not matter. Aldermen cannot force departments to either approve or deny a permit that is on private property.

CDOT provides a seal of approval and sign offs on DOB demolition permits. CDOT is also the only department that possesses specific, separate permits for implosions. Deputy Commissioner Michael Simon is the primary point of contact for CDOT implosion permits, which can be accessed on the CDOT website. CDOT's primary purpose in demolitions is to coordinate street closures, notify state police of the event, notify any transit systems in or around the affected area, and to arrange the notification to immediate neighbors of the demolition site.

After MCM received the final signature from CDOT and obtained their DOB demolition permit, they informed DOB that part of their demolition activities included an implosion of the smokestack. Because an implosion does not require a separate DOB process or permit and was already approved under MCM's original DOB demolition permit, DOB Managing Deputy Commissioner Marlene Hopkins and DOB Chief Building/Construction Inspector and demolition supervisor Jorge Herrera worked together to organize a process to review the implosion plans. The process was very similar to DOB's typical demolition process but involved more people and more planning and review than an ordinary demolition. This was not a formalized DOB process. DOB contacted CDOT about the separate implosion permit, which was not covered under CDOT's initial stamp of approval on MCM's original DOB demolition permit.

On April 9, 2020, Hopkins and Herrera organized a telephone call meeting that included CFD personnel, the general contractors, and Graham to discuss the implosion specifics. The process had been vetted beforehand, but the involved City department had to confirm that they were prepared to move forward. After the meeting, Hopkins added a note onto MCM's demolition permit to memorialize that the implosion had been reviewed thoroughly and was proceeding. Hopkins did not have to specify the smokestack implosion on MCM's demolition permit because the smokestack was attached to one of the buildings and therefore already covered under MCM's 2018 permit, but Hopkins thought it should be noted, nonetheless. However, Hopkins made a clerical error when she mistakenly added the note about the smokestack implosion to Heneghan's 2020 demolition permit. Heneghan did not have any involvement in the smokestack implosion. On April 13, 2020, two days after the implosion, the error was discovered and Hopkins added a note to Heneghan's permit that they were not, in fact, involved in the implosion. The original note had been intended for MCM's 2018 demolition permit.

DOB Coordinator of Special Projects Marko Mihajlovich typically enters notes in the Hansen system for DOB permits. Mihajlovich is responsible for collecting required permit approvals and

issuing the permit once all the requirements have been met. Mihajlovich entered the April 9, 2020 correction on Heneghan's permit that they were not participating in the smokestack implosion.

Frydland recalled being copied on emails that included dialogue between departments and contractors about the implosion. Frydland recalled many emails between her staff, mainly Herrera, about the structural part of the implosion. Herrera informed Hilco that they needed to obtain a CDOT implosion permit. Frydland did not receive any inquiries or concerns from community residents before the implosion. On April 10, 2020 Frydland received a press inquiry from Block Club Chicago inquiring if the implosion was moving forward. Frydland knew that several environmental groups were against any redevelopment of the area and had been telling the press and aldermen that they wanted the redevelopment stopped. DOB does not have much discretion in refusing to issue permits. If the contractor obtains the proper approvals and follows the process, DOB must issue the permit or risk the contractor filing a mandamus action, alleging that DOB is being unreasonable in its refusal to issue the permit.

CDOT is responsible for making notifications regarding street closures prior to a demolition. DOB only requires that contractors notify their immediate next-door neighbors about a scheduled demolition, but because the Crawford site is located in a large industrial area, Hilco did not have any immediate neighbors requiring notification. However, during a phone call with DOB, Eve Rodriguez stated that she had coordinated a team of Hilco representatives to deliver fliers to nearby residents the Friday morning before the implosion. Hilco had notified the ward alderman of the implosion and they had come to that agreement.

The MCM demolition permitting process took approximately four months, which Frydland considered an average amount of time. Frydland did not experience nor was she informed of any unusual pressure to rush MCM's permit. The implosion was originally scheduled to take place in winter 2020 but was delayed after a death on the site, which resulted in an OSHA investigation.

No one raised the COVID-19 pandemic as a concern to DOB in approving and moving forward with the implosion. Frydland stated that there was less air pollution during this time and explained that a Saturday morning when people were home from work and required to stay indoors was a good time for the implosion. Traffic control was also easier since people were already safely indoors.

On April 11, 2020, multiple DOB personnel arrived near the Crawford site to watch the demolition from a distance. Frydland did not attend. No one from DOB was there in an official capacity. At approximately 11:30 a.m., Frydland started receiving calls from the Mayor's Office about the rampant dust issue. Frydland was responsive to the dust issue because DOB issued the demolition permit but stated that ticketing and the follow-up investigation were the primary jurisdiction of CDPH and Graham.

On Monday, April 13, 2020, Hopkins and several DOB inspectors went to the Crawford site to inspect the property. Besides the failure to follow the dust mitigation plan, Hopkins saw several other unsafe practices and removed MCM from the site. DOB has the authority to remove a contractor from a site if they determine that they acted outside of the scope of their permit or failed to do something that they were supposed to do. At the time of the interview, MCM's license for

demolition work was still active, but Frydland expressed that the easiest option would be to allow MCM's license expire. Neither Hilco nor MCM objected to MCM's removal, even though it likely cost Hilco a great deal of money to transfer the remaining work on MCM's permit to Heneghan. Hilco had been, overall, responsive to DOB's demands and requests for documentation and information. However, because Hilco engaged their lawyers quickly after the implosion, they were careful not to explicitly claim responsibility for what went wrong or to explain the actions they failed to take regarding dust mitigation.

MCM is an international company that had not done any other work in the City and possesses no other City permits. Hilco had done work with MCM in other cities in the past. MCM's permit also listed CDI as a consultant since they helped design the implosion procedure. Because CDI is not a general contractor, they had no license for DOB to revoke. After the fact, CDPH told Frydland that MCM had clearly failed to follow the dust mitigation plan because the CDPH-approved plan would not have resulted in such a high volume of dust. It was clear to CDPH that MCM did not properly soak the ground for the required hour and fifteen minutes before the implosion. The ground wetting should have created a muddy lake. CDPH issued 16 tickets for the failure to mitigate dust. DOB had no authority over the violation of dust mitigation plans and therefore did not issue any citations.

Ultimately, Frydland thought MCM was at fault for not following the agreed upon dust mitigation plan. The actual implosion went as planned, but MCM must have neglected to provide enough water coverage before, during, and after the demolition. Frydland stated that once DOB approves a demolition plan, they do not tend to ensure that contractors follow the plans. When DOB issues permits, DOB expects general contractors to do what they promised. New processes for large scale demolition permits will likely reevaluate the lack of moderators on site in the future. As it stood, DOB was not at the smokestack demolition in any other capacity than observation. Because DOB was not present in an official capacity, DOB personnel did not write any reports following the implosion demolition.

Frydland anticipated that the DOB processes for implosion permit approval would be updated within the six-month moratorium that the City had put on demolitions. DOB reviewed the best practices of 50-60 other cities with implosion regulations. Going forward, EPA and US EPA will also likely play a larger role in designing and enforcing dust mitigation plans. Frydland anticipated that wind direction and speed will be taken into consideration in the new process. DOB had been working with aldermen and multiple City departments on the new permit process, as well as obtaining stakeholder input. Notifications to a wider radius of residents in the affected area of implosion demolitions will also likely go into effect. Frydland did not know whether the new process would solely be regulatory or if it would be memorialized in a new ordinance.

(a) May 20, 2021

On May 20, 2021, OIG interviewed former Department of Buildings Commissioner Judith Frydland, under oath. A certified court reporter transcribed the interview. Frydland stated the following in summary.

Frydland was the DOB commissioner in April 2020. She left City employment on June 30, 2020. Frydland had no involvement in reviewing MCM's general demolition permit for the Crawford

site. DOB Managing Deputy Commissioner Grant Ullrich and DOB Deputy Commissioner Harold “Hal” Hutchinson at City Hall oversee all DOB permits. Frydland stated that DOB’s permit issuance is solely ministerial, explaining, “So once certain conditions are met, we are obligated by law, by mandamus of law, too that we have to issue a permit.” Tr. 7: 11-13. A permit is not a guarantee that nothing will go wrong but ensures that the owner is held responsible if something does go wrong. When issuing a permit, DOB asks for information regarding the owner, their contractors, and ensures that they are licensed and insured to provide notice of the responsible party, describing the permit as an “insurance policy” in case something goes wrong. Tr. 9: 2-3. She stated that DOB cannot guarantee that a contractor is using the correct methodology.

Frydland kept apprised of the implosion through her subordinates. From a DOB perspective, Frydland would be most concerned about whether the implosion had been executed correctly from a structural standpoint. For example, if the explosives had not worked correctly and now the contractor must figure out how to safely take down the rest of the structure. CDPH is responsible for any environmental issues related to the implosion. CDOT is responsible for ensuring that there are no traffic concerns. Frydland explained that each involved department had a specific responsibility. Frydland did not recall when she had been first informed that explosives were involved in the demolition since she was not involved in the daily oversight. However, she acknowledged that DOB kept an eye on bigger demolitions and that DOB sent inspectors to the site. No one from DOB had brought any issues to her attention about the Crawford site, but she was aware that a worker had died on site and that OSHA had shut down operations for a time. The resulting OSHA investigation also pushed back the original implosion timeline, which had been scheduled to occur in the winter when there was snow on the ground. This would have prevented the dust issues. Hilco did not wait until the following winter to demolish the smokestack because the structure posed a safety concern. Frydland’s biggest concern when she found out that Hilco wanted to demolish the smokestack was the safety of the workers. Frydland supported the implosion as long as it was done correctly because she did not want workers to dismantle the smokestack from a great height.

Frydland stated that a contractor does not receive a permit for methodology from DOB, but a permit for demolition. The original demolition methodology may change between application and the demolition. The contractor does not have to change the demolition permit or get a separate permit, but DOB may make a note on the permit if the methodology changes. The demolition permit is to ensure that the proper steps are taken on the City’s side, such as ensuring that contractors are licensed and bonded, that DWM shuts the water off, that DSS checks for rodent issues, that CDOT handles street closures, and that CDPH reviews environmental concerns. Frydland did not think that the contractor had to disclose subcontractors to DOB. Other City departments who sign off on the DOB demolition permit can request that DOB not issue the permit if they think that the contractor failed to meet their department-specific requirements. For example, CDPH can refuse to sign off if they do not agree with the contractor’s dust mitigation plan. DOB will not issue the demolition permit until all involved departments are satisfied.

Frydland did not recall reviewing the Crawford Generating Plant Final Exhaust Stack Reduction Submission dated September 19, 2019 or the CDI Preliminary Plan & Procedure prior to the implosion. She did not recall reviewing any specific documents before the implosion, explaining that she relied on her staff to conduct such reviews since she is not an expert and expects them to

communicate any issues to her. Frydland had been included on emails about the implosion, but she did not recall any DOB staff bringing specific issues to her. Frydland did not participate in any meetings related to the implosion and did not attend the April 1, 2020 interdepartmental conference call. She did not recall discussing the implosion with anyone at CDPH. Hopkins supervised demolition activities during the relevant timeframe and worked with Herrera. Frydland thought that Ullrich and Hutchinson were also involved and stated that the staff would decide how to delegate the review. DOB does not investigate vendor responsibility during the demolition permit application process and would only do so when revoking a contractor's license. Frydland referenced the Bad Actors' Ordinance, in which DOB may elect to revoke a contractor's license after the contractor has engaged in the same misconduct two or three times and has resulted in DOB issuing stop work orders at the site. She noted that under this ordinance, DOB may consider misconduct that the contractor engaged in in different cities when deciding whether to revoke their license. She noted that Hilco had been passing their DOB demolition inspections. Frydland stated that it was ultimately the owner's responsibility to follow their dust mitigation plan.

Zelechowski called Frydland the day before the implosion and Frydland told her that "everything was in order" on DOB's end, but that she could not speak for the other involved departments. Tr. 31: 10-14. Zelechowski determined that the implosion could proceed after speaking with Frydland. Since CDPH had signed off on MCM's DOB demolition permit, Frydland assumed that they had reviewed the dust mitigation plan.

OIG showed Frydland a February 19, 2020 email between Herrera and Pullara, in which Herrera wrote that he had informed the commissioner about the demolition and that she was reviewing and consulting with DOB about the extent of DOB's role. Frydland explained that Herrera was generically referencing the Commissioner's office, but that Frydland had relied on Hopkins to manage this situation. Frydland was not involved in discussions about DOB's role in the implosion but stated that DOB did not have to issue a specific permit and that it was CDOT's responsibility to issue the implosion permit. DOB coordinated the April 1, 2020 conference call to ensure that all of the involved departments understood their responsibilities for the implosion. Frydland stated that DOB had been "proactive" in attempting to ensure that there were no problems. Tr. 41: 1-4. OIG asked whether there had been any contemplation of the contractor applying for a separate DOB permit solely for the smokestack. Frydland stated that the contractor had to submit a structural engineer's plan for the implosion to DOB's structural engineer, which Frydland described as "our part." Tr. 42: 22-23. She explained that DOB could issue a demolition permit and later request a structural engineer's report afterwards to ensure that the structure could withstand the work being performed. A DOB request to review the structural engineer's report would not require a new demolition permit. Frydland explained that requiring a separate DOB permit would not have changed anything because the departments had already signed off on their department-specific concerns in the original permit. She stated that a separate DOB demolition permit would not have prevented the dust. Even if the contractor had the best dust mitigation plan, it would not have mattered if they had failed to follow the plan. Frydland stated, "... ultimately, there is nothing that we could have changed or done that the owner didn't have it under control, you know. It's their responsibility." Tr. 46: 8-10. Frydland thought that DOB went "above and beyond what was expected" by including departments that do not have a responsibility to sign off on a typical DOB demolition permit on the April 1, 2020 coordination call, such as OEMC, CPD, and CFD. Tr. 47: 7-9.

OIG asked whether explosives use in a demolition triggers a separate DOB review process. Frydland thought that CFD would have to review explosives use. OIG showed Frydland Chapter 14A-4-407.2.2 of the Chicago Construction Codes, relating to demolition techniques and processes, in which it states that the “Where building official determines whether the contractors and subcontractors have sufficient experience and expertise in application of the requested techniques and processes to allow the work to be done safely and efficiently, the permit may issue,” in reference to the permit application describing the techniques the processes of demolition to be used, including whether explosives will be used. Frydland did not think that she had read this particular provision before. In this case, the DOB structural engineer reviewed the implosion plans, specifically ensuring that the explosives were placed in the right spots so that the structure came done correctly, and that it depended whether this review would be documented. The DOB structural engineer would follow up if he had a question or problem after reviewing the structural plans. Frydland stated in the smokestack implosion the “structural part of the explosion went without a hitch because it fell perfectly in one piece.” Tr. 49: 7-9. What the contractor provided DOB to review was executed correctly and that the issue had been the dust generated and not the structural aspect of the implosion.

Frydland did not know that MTS, who did a significant amount of planning for the implosion, had been removed from the site by MCM. Frydland thought MCM should have informed DOB of MTS’s removal and replacement. She thought that Herrera should have been informed of the replacement, but did not consider it a legal obligation, but instead a professional courtesy. DOB officials were present at the implosion, but not necessarily to supervise the implosion. However, if something had structurally gone wrong with the implosion, DOB officials would have worked with the contractors to ensure that the smokestack could be brought down safely.

Frydland was not involved in the decision to add the smokestack to MCM’s original demolition permit. Frydland considered MCM to be at fault in the implosion and not Hilco since Hilco did not fail any other inspections before or after the implosion. DOB could have potentially held Hilco accountable under the Bad Actor’s Ordinance if Hilco’s subcontractors had “repeatedly” caused issues on the site. Frydland stated that it is possible to hold a developer and owner responsible under the ordinance. Tr. 56: 22-23. Frydland had not been involved in discussions about the feasibility of conducting the implosion during the pandemic, noting that construction work was allowed to continue during that time.

OIG asked Frydland whether any City actors or departments did not adequately perform their roles in the implosion oversight. She stated that she only had knowledge of DOB but thought that her team had taken the implosion “seriously” and had coordinated with other departments to address any questions or concerns related to the implosion. Tr. 58: 3-4. Frydland wanted to suspend MCM’s license in the aftermath of the implosion. She thought that MCM ultimately relinquished their DOB license because it was going to expire soon and MCM believed that they would no longer be allowed to perform any work in the City.

Frydland did not recall dispensing any advice or suggestions related to the implosion to any Hilco or MCM representatives, stating that she did not think that she ever communicated with anyone from MCM. Frydland held MCM responsible for the resulting dust cloud. She noted that the owner is responsible for the actions of their contractors, but that MCM had been Hilco’s only problematic

contractor. She stated that MCM was not from Chicago and did not understand the City or how to act respectfully towards the community.

5. Michael Simon

On June 25, 2020, OIG interviewed CDOT Deputy Commissioner Michael Simon. Also present for the interview was DOL Deputy Corporation Counsel John Hendricks. Simon stated the following, in summary.

As deputy commissioner, Simon oversees all operations for the Division of Infrastructure Management, including the Office of Underground Coordination (OUC), which fields contractor plan submittals to conduct work for review of the affected utility infrastructure in the area. Simon also oversees the CDOT public right of way permitting office. CDOT must sign off on all DOB demolition permit applications conducted within the City. Contractors seeking to obtain a DOB demolition permit must bring the application to CDOT for CDOT's review of impact to the public right of way and utility infrastructure.

Each demolition is unique, but generally has the capacity to affect both public right of way and utility disconnections such as water, gas, or electricity. CDOT reviews applications to determine how the public right of way will be affected, how pedestrians accessing the right of way will be affected, and how to keep the public right of way protected and safe. If CDOT does not find any effect on utility infrastructure or public right of way, they must still sign off on all permit applications as "not involved," to show that it is not related to the right of way. The demolition permit application review at CDOT is still a paper process, as CDOT's Hansen interface does not merge with DOB's Hansen system. Contractors must come to the CDOT permitting office and bring their paper applications and pictures of the demolition site.

The Crawford site demolition permits would have come through CDOT's permitting office, but Simon did not personally review them, nor did he have any real knowledge of the demolition prior to Hilco's implosion permit application on February 26, 2020. On February 26, 2020, the OUC received an application from Hilco to implode a chimney stack attached to one of the structures. Simon was not involved in OUC's review of the application.

OUC is a 29-member group of City departments and private utility companies operating within the City who review demolition permit applications to determine the effect on their company or department's utility infrastructure in and around the site of the demolition. Contractors submit their plot plan and electronic drawings showing plot plan and infrastructure in the area. OUC members have 30 days to review the plans and research their utilities in the area. The review process occurs in an online portal where each utility and department representative either enters a red flag for their portion of review if they have concerns about the demolition, or a green flag if they do not have concerns. It is the responsibility of the contractor to work with the utility service to mitigate their concerns prior to the demolition. Once all OUC members are satisfied, CDOT releases the permit to the applicant. The OUC implosion permit process reviews the potential infrastructure impact and is not a review of the implosion methodology. OUC completed their process and released the implosion permit on March 25, 2020.

In addition to the OUC infrastructure review, the contractor also had to obtain CDOT public right of way permits for the proposed date of the implosion. Simon participated in the public right of way review for the April 11, 2020 implosion. Simon involved CPD, CFD, CDOT, and Illinois State Police. Since implosions are rare in the City, there is no specific permit for implosion traffic closures. Instead, Simon based the street closure permits on the language for a helicopter landing permit since traffic closure for an implosion closely mirrors the short window of time helicopter landings.

While reviewing the permit application, Simon had an internal checklist of concerns. Simon was concerned about the OUC approval of the planned demolition and its impact on utility infrastructure, which was approved. He was also concerned about the impact on the IDOT right of way due to the proximity of the site to the I-55 Pulaski ramp. Then, Simon involved CPD to assist with closing Pulaski on the day of the implosion. Finally, Simon alerted Chicago Transit Authority (CTA) of the impending closure to reroute buses. CDOT tries to do road closures during times when traffic flow will be least impacted. Weekend mornings are ideal for closures. Due to COVID quarantine, the implosion was scheduled when there was little traffic and reduced CTA ridership.

Before releasing a permit for the day of the implosion, Simon thought that all involved departments and contractors should meet. On March 29, 2020, Simon reached out to DOB to schedule a conference call to address concerns about the planned implosion, which was scheduled for April 1, 2020, at 2:00 p.m. Implosions in the past have required general conference calls between all affected City services. Simon's concerns focused on public right of way access and road closures. Hilco representatives, led by Nick Pullara, adequately addressed Simon's concerns during the conference call. Simon believed there were discussions about dust and water suppression, but he could not recall specifics as it was not his area of concern.

Simon did not recall asking DOB to add language to the demolition permit specific to the smokestack implosion. If he did, he speculated that it was to merge CDOT and DOB's processes since there is no electronic link between the two permits. After the conference call, Simon released the implosion day permits to Hilco. Simon stated that the application followed a standard timeline from CDOT's perspective. Simon also worked on a media alert with Hilco concerning the implosion street closures. Simon did not attend the implosion, nor did any CDOT employees. The implosion street closures were completed without issue and there was no CDOT enforcement action required from CDOT.

6. Charles Roy

On August 12, 2020, OIG interviewed Chicago Fire Department (CFD) Deputy Commissioner Charles Roy. Also present for the interview was Department of Law (DOL) Assistant Corporation Counsel Supervisor Andrew Mine. Roy stated the following, in summary.

Roy had been the deputy commissioner of the Fire Prevention Bureau for approximately one year. The Fire Prevention Bureau enforces the fire code and overlaps and shares duties with DOB inspections. CFD is not involved in the permitting process for demolition permits and does not typically participate in demolitions. In rare instances of large-scale demolition operations, such as the smokestack implosion, CFD may provide standby support in case of medical or fire emergency.

When contractors approach CFD about large operation demolitions, it is typically only to notify CFD what they are planning on site. In these instances, CFD does not provide any assistance in the demolitions aside from emergency standby support. In these instances, CFD would likely place a battalion chief station, an ambulance, and an ALS (Advanced Life Services) engine onsite. An ALS engine company is equipped with a hose but also carries a paramedic and EMT. Roy had only been to manual demolitions prior to the smokestack implosion and had never been involved in a demolition using explosives. Roy did not have experience with explosives and CFD does not have an explosives expert for demolitions because CFD does not field regulatory concerns about use of explosives within the City. If CFD visits a demolition site prior to a large, planned demolition activity, CFD observes potential safety hazards that might occur with the demolition activity. Life safety and general knowledge are the primary goals of checking a demolition site.

In approximately March or April of 2020, Roy received a call from Hilco representative Nick Pullara on his office phone. Pullara informed Roy that Hilco contractors were planning on imploding a smokestack on the Crawford site on the upcoming Saturday. Hilco's contractors had not yet obtained all required permits and permissions from DOB, but they were hoping to have them in time to move forward with the demolition that Saturday. Pullara did not ask Roy for CFD support or resources. Pullara appeared to have contacted Roy to keep him apprised of the upcoming implosion.

The Friday after the telephone conversation, one day before Pullara had planned do the implosion, Roy realized he had still not heard from Pullara about whether the implosion was proceeding. Roy called Pullara, who told him that it would not proceed that Saturday because Hilco had not yet secured the proper permissions. Approximately two to three weeks later, Pullara called Roy and informed him that they planned to implode the chimney on April 11, 2020. Like the initial call, Pullara did not request anything of Roy or CFD for the implosion and merely told him that it was going forward. Afterwards, Roy received an email from Pullara with an itinerary of the implosion day activities and times as well as plans and an aerial map of the site.

Subsequently, DOB Commissioner Frydland invited Roy to a conference call hosted by Hilco with multiple City department representatives on April 1, 2020. Roy did not recall asking any questions or voicing any concerns about the implosion. Roy did not recall if dust mitigation plans were discussed, though he was not paying close attention. CFD does not have the capacity to assist with dust mitigation, nor would they offer assistance if asked because CFD does not have the proper equipment to provide this type of assistance.

Prior to the implosion, Roy did not think that CFD was notified of the type of explosives, number of explosives, storage of explosives, or precautionary measures taken with the explosives used by Hilco's contractor. CFD does not typically handle explosives regulation and Roy was not aware of any CFD rules related to the use of explosives. Roy emailed CFD Deputy Fire Commissioner Timothy Sampey to inform him of the implosion. Roy requested that Sampey station CFD personnel at the implosion, per standard processes, specifically a battalion chief, two engines, and an ambulance. CFD was never asked to provide water or dust mitigation at the Crawford site.

Roy observed the implosion and was not there in an official CFD capacity. Battalion Chief Patrick Maloney was in charge of CFD's assets on the site and Roy did not interfere with his command.

Roy could not see water cannons, water coverage of the site, or whether the ground was wet from his viewpoint. Roy could not see where the CFD rigs, ambulances, or personnel were stationed and was not made aware of their location because he was not in charge. Maloney was already on scene when Roy arrived and would have made those decisions. When the explosives were set off and the smokestack fell to the ground, Roy knew almost immediately that there was going to be a problem with the dust cloud. Roy had done research on implosions prior to April 11, 2020 and had watched numerous videos depicting implosions. Roy knew that if they had prepared for the collapse appropriately, there should not have been such a large dust cloud. There were nine miles per hour winds blowing from the south and as the dust cloud came over the hill toward him, Roy told those present to get in their cars, turn them sideways and shut them off so contaminants would not enter the vehicles' ventilation systems.

CFD engine hoses would not have been able to help disperse or flatten the dust cloud. CFD engine hoses are designed to provide a penetrating stream of water and dust clouds can only be dampened with a wide fan spray of droplets, which bonds with dust and makes it heavy enough to drop from the air. Roy did not know if CFD rigs attempted to spray the dust cloud, but even if they did, it would not have helped.

7. Patrick Maloney

On October 2, 2020, OIG interviewed CFD Battalion Chief Patrick Maloney. Also present for the interview was Department of Law (DOL) Senior Counsel Andrew Mine. Maloney stated the following, in summary.

CFD does not actively participate in demolition projects within the City. When demolitions with safety hazards are planned, CFD might do walkthroughs of dangerous sites to create pre-safety plans. CFD's involvement in any demolition is limited to safety risk assessment and standing by to provide emergency rescue. Prior to the smokestack implosion, Maloney had never been involved in an implosion. Maloney is not aware of any requirement to report use of explosives within the City to CFD for clearance.

On April 10, 2020, the Friday evening before the implosion, Maloney received a call from Chief Sullivan while Maloney was off shift. Sullivan advised that Maloney was to report to the Crawford site on Saturday April 11, 2020, at 7:00 a.m. with one engine and one ambulance. Sullivan told Maloney to assess the safety of the contractors, the site, and the explosion, to determine if there were flammable hazardous materials present, and to standby for emergency support. Sullivan did not mention any dust that could result from the implosion or CFD dust suppression efforts. Sullivan did not tell Maloney to prepare to use hoses at all. Sullivan forwarded several emails with information about the implosion to Maloney that evening. The implosion had been planned for a previous date that did not come to fruition, though Maloney was not notified of the previous date.

On April 11, 2020, Maloney arrived onsite at 7:00 a.m. and checked in with the explosives expert and general foreman. Maloney asked which direction the smokestack should drop and if there was any chance of it dropping a different way. The foreman assured him there was no way it would drop a different direction and of the safety of the operation.

Maloney did not notice if the ground was wet or not. Maloney's sole focus was assessing the structure and surrounding roadways for safety hazards in case the smokestack fell the wrong way. Maloney surveyed the general area from near the command post, which was a distance from the smokestack. Maloney noted that there were two heavy-tankard water trucks belonging to the contractors stationed on the north service road. Neither truck was actively spraying water when Maloney arrived.

The general foreman told Maloney that he had been informed that CFD would station a few engines onsite and Maloney confirmed that he had one engine and one ambulance. Maloney decided to call a second engine, Engine 39, so he could station one engine on Pulaski Road with the ambulance at approximately 33rd Street. Maloney stationed Engine 99 at the command post. The purpose of having two engines was to cover more area in the event of a secondary fire.

The general foreman asked Maloney if the CFD engines could spray water up in the air if dust was generated from the implosion. Maloney told him that dust suppression was not the purpose of CFD's presence. Additionally, Maloney explained that CFD's equipment would not be helpful in suppressing airborne dust since their engines are equipped with smooth bore nozzles on their guns, which spray solid streams of water. Solid streams would do nothing to suppress dust clouds. The engines only carry 500 gallons of water and if they sprayed a solid stream from their guns at the rate of 350 gallons per minute, the stream would only last for a little over a minute, which would be useless against a dust cloud. The general foreman accepted Maloney's explanation without additional comment.

When CFD Deputy Chief Roy arrived on scene, Maloney asked if he wanted to handle the site instead because Roy outranked Maloney. Roy declined to take over the scene, stating that he was just on standby. Roy explained that he oversaw arranging CFD's participation that day. Other individuals onsite spoke with Roy and it appeared that he had previous interaction with many of them. The general foreman also spoke with Roy. Chief Sullivan was also present, but Maloney did not see him.

The smokestack fell in the anticipated direction as planned, but the fall immediately generated a large dust cloud. The general foreman asked Maloney if his engines could spray what water they had into the air. Maloney knew it would not make an impact, but regardless he instructed both engines to empty their tanks into the air as the dust cloud approached. Maloney stated that even if all 11 Companies were present onsite, they could not have stopped the dust cloud with their equipment. CFD is not equipped to prevent dust clouds and it is not part of their job. The contractor's two tankard trucks on site did not start spraying water until the dust cloud was already coming towards the observers.

The engines had emptied their tanks as the dust cloud drew nearer and Maloney instructed those present to get in their vehicles and wait for the cloud to pass. It was not particularly windy as the cloud traveled towards and onsite observers and passed towards the north. When it had passed, Maloney asked if the explosion went well and the foreman confirmed that it had. Before dispersing the companies and leaving the site, Maloney indicated the dust cloud and told the foreman, "Good luck with that. You'll probably get a few phone calls." Maloney had never witnessed an implosion

prior to April 11, 2020, but he had watched implosion videos that did not result in the generation of massive dust clouds and knew immediately that it had not been handled correctly.

8. John Javorka

On June 10, 2021, OIG interviewed CFD Deputy Commissioner John Javorka. Javorka stated the following, in summary. Javorka met with Hilco representatives, including his point of contact Nick Pullara, to discuss the construction of the Exchange 55 fulfillment center on the Crawford site. These conversations were only related to the new building and not about any demolition activities. Javorka directed Hilco to Roy when Hilco mentioned that they planned to implode a structure on the site. Javorka's understanding was that Roy handled the implosion. Roy has since retired.

9. Marko Mihajlovich

On February 23, 2021, OIG interviewed DOB Coordinator of Special Projects Marko Mihajlovich. Also present for this interview was Department of Law (DOL) Assistant Corporation Counsel Bradley Wilson. Mihajlovich stated the following, in summary.

Mihajlovich reviewed permit applications submitted by contractors working on demolishing the Crawford Site. The permit issuance process begins and ends with Mihajlovich. First, the contractor sends a wrecking application with proof of insurance, pictures of what they plan to demolish, and a zoning map of the demolition site. Once the contractor obtains all required departmental approvals, they send notifications of demolition activities to adjacent neighbors and aldermen with information on when the demolition will occur. The contractor includes the certified mail receipts for these notifications in the final package submitted to Mihajlovich. The contractor also submits the wrecking permit addendum which includes the contract, which but typically includes a description of the property and a description of the planned work. The description should include the methodology and the dimensions of the structure. If Mihajlovich determines that all signoffs and application materials are in order, he issues the demolition permit to the contractor.

Mihajlovich approved MCM's demolition permit. MCM only served as a demolition contractor for this specific site for approximately one year and had pulled only one or two permits in the City. During the permit process, Mihajlovich characterized MCM as inexperienced, "in over their heads", and unfamiliar with how to complete the process. They repeatedly asked for guidance on various stages of the application and did not appear to be competent contractors. Mihajlovich never issued a DOB permit to any contractor to implode the smokestack on the Crawford site and this work was not included in the scope of the permits he had previously issued.

The Friday before the April 11, 2020 smokestack implosion, Mihajlovich received an email from Heneghan President Rita Heneghan. Heneghan was upset and confused because someone at DOB had edited Heneghan's wrecking permit to expand their scope of work to include the smokestack implosion. The smokestack was not part of the demolition work that Heneghan had been hired and permitted to complete. Mihajlovich had never seen a permit's scope edited after issuance before and was confused about how it had happened. To Mihajlovich's knowledge, only himself and other DOB deputies have editing capabilities in Hansen.

Mihajlovich reached out to DOB's IT employee to figure out who had edited Heneghan's permit. Mihajlovich was told, based on an electronic audit, that Hopkins had edited the permit's

description of work. Mihajlovich never spoke with Hopkins about why the permit had been edited. Prior to the implosion, Herrera had reached out to Mihajlovich and explained that he and Hopkins had a conversation with Hilco about the implosion and that they were not going to issue another permit for the smokestack. Mihajlovich did not receive any additional explanation on why a separate permit was not issued for the smokestack or why Hopkins had edited the permit.

Rita Heneghan's email was the first time Mihajlovich became aware that contractors were planning to implode the smokestack. No one consulted Mihajlovich about methodology for the implosion or that MCM would be demolishing a structure not previously included in the demolition permit he issued. Contractors do not typically reach out to DOB for demolition methodology questions. Mihajlovich never received a wrecking permit application for the smokestack.

Mihajlovich stated that he previously had a conversation with MCM stressing the need for a separate permit for the smokestack. Because the site is so big, Mihajlovich stressed that it was necessary to be specific about what structures were being demolished. When Mihajlovich enters data into the DOB permit application, he must enter the length, width, and height of a structure; what the structure is made of; and the class of the structure. Any time he issues a permit, the description of work must match the data. The smokestack had dimensions not covered by the permits that Mihajlovich previously issued to MCM. The fact that the smokestack did not have its own address would not be a limitation to issuing a separate permit for the implosion. Mihajlovich stated that it was unusual that MCM's permit had been edited rather than DOB issuing a new permit.

Mihajlovich stated that MCM was required to resubmit insurance and bond every year to DOB to remain a licensed wrecking contractor but did not resubmit after their first licensed year in the City. He was not certain whether MCM's license lapsed before or after the implosion. DOB has no notification system when a license lapses, but typically discovers expired licenses when the contractor applies for a new permit since Mihajlovich checks the status of their license during the process. Because the permits were technically altered prior to the implosion, Mihajlovich cannot specifically say that the smokestack implosion proceeded without a DOB permit, but it was done without following DOB's standard process and without Mihajlovich's review. The risk of skipping the standard process is the potential for the demolition being done incorrectly. Mihajlovich stated that the site already had high risk factors. First, it is on a floodplain leading directly to the river. An implosion requires heavy hosing of the site, which would run directly toward the river with any contaminants. Additionally, the site had been "belching coal for 40 years."

DOB does not have an official process in place to review implosions since they are done so rarely. However, by law, DOB has some control over how and what a contractor does in any demolition to protect the City. The whole point of obtaining a permit from DOB is to review these specifics with various departments, including CDPH. The exact same DOB permitting process would have been followed if a separate permit for the smokestack had been submitted with the same departmental sign offs and would have taken anywhere from 20 to 60 days to issue.

Mihajlovich was not invited to any meetings involving DOB staff in the planning of the implosion. Mihajlovich would have likely denied a permit application request to implode the smokestack because it is a high-risk methodology. Mihajlovich stated that the site has caused significant pain

in the Little Village neighborhood, which already has higher incidents of health issues. If contractors had sought advice from Mihajlovich, he would have asked that they take the smokestack down piece by piece instead. Mihajlovich did not believe manual demolition would have been any more dangerous to construction personnel than the implosion. Mihajlovich stated that DOB will not issue a permit if the methodology seems incorrect and that in such a case, he would escalate the issue to a managing deputy or the commissioner. However, wrecking contractors that work in the City are typically competent and know what is required of them. Mihajlovich had never encountered this issue before.

The only additional action Mihajlovich took regarding the site's permits was to add a supplementary tab on Heneghan's permit noting that they were not responsible for the implosion. Due to the dangerous nature of the site and several environmental issues, which were well known at DOB, Mihajlovich did not believe DOB took appropriate supervision of the smokestack demolition.

10. Grant Ullrich

On February 24, 2021, OIG interviewed DOB Managing Deputy Commissioner Grant Ullrich. Ullrich stated the following, in summary.

Ullrich's responsibilities are focused on the permit issuing side of DOB. Ullrich is not involved in the issuance of DOB wrecking or demolition permits and therefore was not involved in issuing the wrecking permits for the Crawford site. Ullrich was not aware of any demolition activities, including the planned implosion of a smokestack on the site scheduled for April 11, 2020, until the Friday before the implosion. On April 10, 2021, Ullrich received a call from Zelechowski. Zelechowski inquired about the scheduled implosion and asked what power the City had to stop it and for information on the site's existing permits.

DOB's role in the permitting process for wrecks is "ministerial." Ullrich compared DOB's role to the "conductor of an orchestra," explaining that DOB merely collects signatures and signoffs from other departments with more substantive review and approval processes like CDPH and DWM, related to dust management, water control, and environmental health.

At the time of the interview, Ullrich was working with City Council on code revisions relevant to demolition and implosion processes, including a multi-departmental regulation ordinance. Some language in the code was in the process of being redrafted or changed after the demolition permits were issued, but prior to the implosion event. Explosives use in the city is processed through the Business Affairs and Consumer Protection (BACP) intake office and referred to CFD. DOB did not participate in the review of explosives use.

Ullrich's impression of DOB's involvement in planning the implosion was that the necessary steps and departmental oversight cooperation and approvals were followed, but in an informal capacity. Hopkins arranged for and ensured that all departments who are typically involved and sign off on demolition applications were informed and approved of the planned implosion. However, the approvals were not sought within the constraints of a formalized application process, such as that for a new wrecking permit application. Ideally, a formal DOB permitting process would have been used to formalize department signoffs rather than the informal approach that was used in the

smokestack permit. The original wrecking permit did not include the use of explosives and the application process should restart at the beginning when explosives are proposed.

Ullrich stated that it is routine in a non-explosive demolition involving larger structures for a contractor to start work and discover a structural issue that requires changes to their DOB permit for their proposed demolition methodology. The inspections staff then makes a note in the approved DOB permit to reflect the change in scope or the conversations with the contractor about the change in the demolition process. In new construction, permits can be edited for typos or minor changes, but notable changes may require a return to various departments for new signoffs. Additionally, after DOB issues a permit, the contractor may discover another water service or need to change the asbestos approach, necessitating amendments with DWM or CDPH, who may not notify DOB that the permit is being re-reviewed. A current limitation of City permits is that each department has permitting systems that do not integrate or “speak the same language”, making inter-departmental communication difficult. In construction permitting, revision permits are typically issued for any change that is not a typo or minor edit since permit changes are accompanied by additional fees. DOB must also ensure that any permit change is consistent with the building code.

Ullrich does not work specifically with wrecking permits but stated that there is a field in the permitting system for DOB inspectors to add notes or changes to the description or scope of work based on conversations between the DOB inspections staff and the demolition contractor. If there is no change in fees, even if there is a change in scope, there is no need to reapply for and reissue a new permit. Sometimes the comments clarify the scope of work. Going forward, DOB is trying to ensure that the wrecking permit application and edit system more closely mirrors the DOB new construction permit application process. This would require that changes to permits undergo more rigorous examination by sending them back to the beginning of the application process so it can effectively be routed to departmental partners in oversight.

11. Elise Zelechowski

On February 19, 2021, OIG interviewed former Office of the Mayor Assistant Deputy Chief of Staff Elise Zelechowski. Zelechowski was accompanied by counsel Michael Persoon with Despres, Schwartz & Geoghegan. Also present on behalf of the Office of the Mayor was City of Chicago Senior Adviser to the Mayor and Legal Counsel Michael Frisch. A certified court reporter transcribed the interview. Zelechowski stated the following in summary.

In April 2020, Zelechowski was the first deputy director of policy in the Mayor’s Office and began forming the Environmental Equity Working Group while she was with the City. She was employed with the City from January 2020 through August 2020. At the time, the working group had identified Little Village policy efforts related to air quality, but Zelechowski’s team did not have any initiatives related to the redevelopment site. Kim Wasserman, of LVEJO, had brought the Hilco redevelopment project in Little Village to Zelechowski’s attention, specifically regarding “traffic congestion and air quality impact.” Tr. 29: 4-8. The day before the implosion, Block Club Chicago contacted Zelechowski about the implosion. Andrew Buchanan with CDPH assisted Zelechowski on internal responses with the Mayor’s Office communications team. Buchanan offered information on CDPH’s role in the implosion. When Zelechowski learned about the implosion, she contacted DOB Commissioner Judy Frydland, asking whether the appropriate

permitting processes had been followed. Frydland informed her that the “permits had been finalized” and that the contractor had provided the required sign offs. Tr. 23: 19-21. Zelechowski had no role in the planning or approvals for the implosion and did not think that the Mayor’s Office had been consulted in this process. Zelechowski did not field any concerns about the implosion from Frydland or any other City departments and had not been aware of any discussions to halt the implosion.

Zelechowski sent an email to Mayor Lightfoot in the afternoon prior to the implosion to apprise her of the matter and to inform her that Zelechowski had been contacted by “concerned residents” about the short notification timing. Tr. 26: 6-10. Mayor Lightfoot did not respond to Zelechowski’s email and they did not have any in person or phone conversations about the implosion before it occurred. Wasserman also texted Zelechowski about her concerns related to the implosion the evening before it was scheduled. Zelechowski was not aware of anyone in the Mayor’s Office raising concerns about imploding the smokestack during the pandemic or air pollutants exacerbating COVID-19 risks specific to the implosion. Zelechowski did not think that anyone from the Mayor’s Office had been present at the implosion. Zelechowski’s “understanding is that there were the required representatives from the different departments there to ensure that the permit process, permit protocols were followed.” Tr. 42: 12-15. Zelechowski did not consider one City department to be in charge of the process, but described it as a “critical partnership,” in which each department played a role. Tr. 43: 7-9.

OIG showed Zelechowski an attachment that Zelechowski sent to Mayor’s Office Deputy Chief of Staff Dan Lurie on April 7, 2020, titled “Updated EJ Memo,” addressed to Mayor Lightfoot, the purpose of which was “to provide you an updated on our recommendations of how to proceed with a response around Environmental Justice concerns related to air quality and industrial businesses.” Tr. 56: 3-8. Lurie did not contribute to the memo.³² Zelechowski obtained her research from various sources, including CDPH employees Graham, Jennifer Hesse, and Senior Policy Analyst Melissa Buenger, who had been engaged in “health equity research” around that time. Tr. 55: 12-15. Zelechowski did not have any conversations specific to the Hilco site with regards to this memo, explaining that she told Mayor Lightfoot generally about the air quality concerns Zelechowski had highlighted in the memo. She did not recall any discussions about this memo outside of the email and she did not think that she had shared this memo with CDPH. Zelechowski could not recall any instances during her employment with the City prior to the implosion in which the Mayor’s Office had interfered or attempted to delay any other demolition activity in the City.

12. John Kryl

On March 30, 2021, OIG interviewed former CDPH Director of Environmental Inspections John Kryl. A certified court reporter transcribed the interview. Kryl stated the following, in summary.

Kryl was the CDPH Direction of Environmental Inspections for approximately seven years before his retirement on June 30, 2020. Contractors applying for demolition permits in the City required a CDPH signoff. The contractor provides a form to CDPH signed by the other required

³² OIG also interviewed Dan Lurie and Deputy Mayor Samir Mayekar with the Mayor’s Office, but they did not have any personal involvement in the implosion outside of what they wrote in emails attributed to them. They both stated that they did not discuss the implosion with Mayor Lightfoot prior to the implosion on April 11, 2020.

departments, DOB issues the permit, and then it becomes CDPH's responsibility to oversee the site until the demolition is over. After the CDPH engineer at City Hall approved the application, Kryl reviewed the permit and assigned the demolition site to a CDPH inspector. Kryl stated that he did not trust contractors, explaining, "I never met a contractor yet who wasn't trying to save money and would cut corners if possible." Tr. 15:1-3. CDPH's duty related to a DOB demolition permit is to ensure that the demolition did not generate dust offsite and that the contractor used a large amount of water. Kryl assigned John Singler, an asbestos inspector to the Crawford site, who informed Kryl that the general contractor had been fined hundreds of thousands of dollars for negligent work in a different state. Kryl flagged the Crawford site as requiring more CDPH oversight since it involved a massive amount of asbestos abatement work, stating that they went to the site "constantly" due to the high volume of complaints, mostly from a disgruntled worker. Tr. 20: 12. Kryl stated that Dave Graham "knew this was going to be a hot potato, so everything had to go through him." Tr. 19: 7-8. Graham often sent inspectors to the site.

Kryl stated that things proceeded normally on site with the demolition work until Kryl found out about the implosion. Kryl told Graham that the implosion would be a "disaster." Tr. 23:7-10. Graham informed Kryl that Graham would tell DOB because they had to approve the implosion, specifically a DOB architect had to approve the implosion plans. Kryl and Singler then visited the Crawford site and spoke with LaMora with MTS, who walked them around the site and discussed the implosion. Kryl trusted LaMora and found him competent. LaMora sent DOB the implosion plans and Kryl reviewed the methodology plans and listed ten items that MTS had to address to ensure that the implosion would go smoothly. Kryl made suggestions that enough water be used on site, that Pulaski Road be shut down, and that residents in the area were notified. Kryl sent these additions to LaMora, who then answered Kryl's concerns. Kryl's main concern was dust mitigation and referenced a 1990's implosion, the Robert Taylor Homes, that had generated so much dust that the Dan Ryan Expressway had to be closed. Kryl had concerns regarding the location of the Crawford site due to residences to north of the site, Pulaski and a main highway to the west, and the federally regulated river and another highway to the south. Kryl stated, "So all I could picture was there is no way on earth that they can stop the dust from getting offsite." Tr. 26: 17-19. LaMora insisted that they planned to saturate the ground extensively before the implosion, but LaMora's company was fired two weeks before the implosion. Kryl did not recall the name of the company that replaced MTS but stated that CDPH had issues with this company performing "shoddy work." Tr. 26:23-27:1: 1. Kryl had been shocked when LaMora was fired from the project. Kryl stated that this new company did not follow any of the items that he made on the plans and that the area surrounding the implosion had not been flooded. Kryl thought that the implosion should have been delayed if a new contractor had replaced MTS so soon before the implosion. Kryl would have wanted to discuss what procedures the new contractor had in place prior to the implosion due to issues in the past with this contractor.

Kryl stated that Heneghan had informed CDPH that the dust was not "from the chimney per se; it was from the thousands of tons of masonry hitting the ground, and the ground ejected the dust because it wasn't saturated enough." Tr. 27: 10-13. Heneghan told Kryl that the ground should have been saturated for a period of days prior to the implosion.

Kryl stated that when he had gone to the site visit regarding the implosion, he had suggested that the smokestack be deconstructed piece by piece from the top down. He was told that this option

was too costly, and that the implosion had been chosen as the most cost-effective method. Singler and Kryl had informed Graham multiple times that the implosion would pose a problem. Graham told them, “‘It’s not our permit,’ but he promised to pass it on to Marlene Hopkins.” Tr. 28: 6-8. Kryl did not know who at DOB reviewed and approved the permit but knew that ultimately the implosion had been approved. Kryl was not surprised by the dust that was generated by the implosion and did not attend the implosion because he knew “what would happen.” Tr. 28: 14-15. When asked if DOB was made aware by CDPH that this would be the expected result, Kryl stated that Graham was aware that there were issues with the Crawford site and expected him to inform Hopkins. Kryl stated that he would have expected at least eight water cannons on site but learned that there had been significantly less equipment during the implosion.

OIG referenced MCM’s stack reduction submission, which Kryl had reviewed, in which the contractor referenced “collaborative agreements with five Chicago Fire Department battalions to support the demolition effort with up to 24 total engines, trucks, and water tankers to assist and limit what may be an extremely pervasive dust presence.” Tr. 30: 18-23. Kryl had been informed that CFD had been present at the implosion but that they had not provided water. Kryl did not know that CFD was to provide dust suppression during the implosion and had not spoken with anyone at CFD.

Kryl did not think that he knew that the implosion had been planned to occur on April 11, 2020, a Saturday, until the Thursday or Friday beforehand. Singler and Graham were onsite for the implosion, but Kryl thought that they did not check whether the ground had been saturated because the charges had already been set for the explosives and no one was allowed near the smokestack. He additionally stated that no one from CPDH had the expertise to check pre-implosion conditions, such as wind direction and ground saturation, explaining that this had been the first implosion in the City in over twenty years. Kryl thought that DOB would have had to sign off on the implosion.

OIG asked whether CDPH had a mechanism to halt the implosion. Kryl stated the commissioner could have issued a cease and desist but reiterated that DOB had been responsible for the implosion and that CDPH is “responsive in nature.” Tr. 47: 5-7. Kryl did not remember being involved in any conversations about postponing the implosion due to the pandemic. OIG asked whether there had been any conversations about Little Village air quality issues. Kryl stated that Little Village residents were vigilant about calling in complaints about dust releases on the site to CDPH and Kryl thought that Hilco had been fined on several occasions. Kryl thought that these citations had little effect on Hilco because they appealed the tickets to administrative hearings, and the hearing officer often consolidated the violations and did not issue deterring fines.

Kryl thought that dust would have not left the site if the smokestack had been deconstructed piece by piece and did not give credence to the argument that the implosion reduced overall dust emissions. Kryl thought that he had been involved in a meeting with Hilco representatives who had suggested that implosion was the most attractive method for the smokestack since the quicker they could take down the smokestack, the quicker Hilco could finish constructing the site, which would result in a high number of jobs for the community. Hilco did not focus much on the implosion during this meeting and highlighted the potential for jobs once the site was finished.

Kryl stressed that CDPH had not been responsible for approving the implosion but noted that CDPH often went to the site to keep things in line. Singler and Kryl were confident that MTS could handle the implosion if they followed the plan that CDPH had reviewed. CDPH did not have notification requirements to the community for the implosion and Kryl thought that was DOB's purview. Kryl did not recall seeing any specific DOB permits for the implosion, stating "It was all word of mouth, as far as when it got to me." Tr. 58: 22-24.

Kryl stated that DOB had been running point on the implosion and that CDPH had assisted. Kryl did not think that the dust cloud was completely preventable and that some dust would have gone offsite, but that more water on site could have minimized it. Kryl stated that the main issue was the methodology and that the smokestack should not have been imploded. Kryl thought DOB was responsible because they should not have issued the permit, stating that saving money was not a reasonable basis for imploding the smokestack.

13. John Singler

On May 10, 2021, OIG interviewed CDPH Senior Environmental Inspector John Singler. Singler stated the following, in summary.

Singler conducts field inspections at demolition sites and inspections resulting from complaints. Environmental inspections at a demolition site typically involve checking for asbestos and ensuring dust is not being generated. Violations of air regulations carry the steepest fines for contractors. Before demolition activities occur, law dictates that contractors provide a 10-Day notice to CDPH. Typically, contractors provide the notice further in advance than the mandatory 10 days. CDPH then attempts to assign an inspector to conduct an inspection at the property, but the volume of demolitions in the City makes it impossible for CDPH to inspect every demolition. Emergency demolitions ordered by the City are typically prioritized, which are coordinated through DOB, most frequently by calling Hopkins. In private demolitions, DOB does not coordinate with CDPH on inspections.

Singler and other CDPH inspectors inspected the Crawford site numerous times. Kryl was proactive about monitoring the site and became familiar with the contractors working on the site. Primarily, Singler and Kryl communicated with MTS President Clarence LaMora. MTS was initially hired to seal underground water pipes with specialized diving teams, but ultimately took on a much larger role in the site demolition. LaMora regularly communicated with Singler and Kryl about the site and environmental precautions.

Approximately six months prior to the smokestack implosion, LaMora told Singler that he wanted to drop the entire smokestack in one piece instead of taking it down segmentally. Singler put LaMora in contact with Kryl so that Kryl could weigh in as a senior inspector. Shortly thereafter, Singler and Kryl visited the smokestack to visually inspect the chimney for asbestos. Ultimately, Singler and Kryl found that there was no asbestos in the chimney.

Kryl requested that LaMora draft and provide a detailed plan for the smokestack demolition, including written precautions to prevent the potential for massive amounts of dust. Current CDPH processes do not typically require that contractors draft a detailed plan for mitigating dust during a demolition, but Kryl requested the document due to the nature of the site and the magnitude of

the proposed smokestack demolition. OIG showed Singler a copy of the CGP Stack Reduction Submission, Final Exhaust Stack Reduction Submission Crawford Generating Plant, dated September 29, 2019, and Singler confirmed that he saw this document prior to the implosion. Kryl provided feedback to LaMora during the drafting phase of this document and advised that no matter how much water the contractors thought they would need to suppress dust during the toppling of the smokestack, it would not be enough.

At one point, LaMora told Singler that he had gone to five CFD firehouses in a week, bought them pizza, and explained the proposed toppling of the smokestack. LaMora asked CFD battalions for assistance in saturating the ground with CFD hoses. Singler did not know if CFD agreed to provide this assistance, but LaMora's description implied that the meetings had positive results. Singler did not believe MTS had the licenses and capacity to solely perform an implosion at the site and stated that MTS would likely have hired a company to conduct the implosion. Singler did not know who LaMora planned to hire for the implosion. Approximately two weeks prior to the demolition, Singler was at the Crawford site and noticed that LaMora's truck was not there. Hilco representative Nick Pullara informed him that "MTS is no longer involved." When pressed, Pullara would not elaborate.

Shortly before the implosion, Graham asked Singler to attend a Zoom meeting with Pullara and various City personnel from DOB, CFD, and the Illinois State Police. Graham was extremely busy and could not devote his full attention to the meeting, which primarily focused on road closures and logistics for the day of the implosion. Singler did not recall any discussion of dust suppression or mitigation on the site. During the meeting, Singler was confused that MTS had not been mentioned in any capacity. At the end, Pullara opened the meeting to questions and Singler again inquired about MTS's participation in the smokestack implosion. Pullara reiterated that MTS was no longer involved. Upon hearing this, Singler felt unsettled and suspected that the contractors were not acting in good faith, but he did not elevate these concerns to Graham. After the meeting, Singler asked Graham if he needed to attend the implosion on April 11, 2021. Singler was relieved when Graham told him that his presence was not required because Singler suspected that the contractor would not do a good job.

Singler did not have any conversations with anyone at DOB about the implosion before it occurred. Singler did not recall having any conversations with Graham or Kryl about potentially requesting a cease and desist prior to the implosion. CDPH does not typically issue cease and desist orders, but if Singler believes a demolition site presents a grievous health or environmental hazard, he can escalate the issue to Graham. Singler did not recall having any conversations with Graham or Kryl about the smokestack implosion potentially impacting air quality and the health of residents in Little Village, or about the implosion occurring during the COVID-19 pandemic.

LaMora called Singler the Monday after the implosion and laughed about what had occurred without his assistance on site since MTS had been fired. Singler thought that Hilco purposefully ignored the potential environmental impacts of dropping the smokestack, with the knowledge that whatever fines they received would ultimately be cheaper than planning and executing preventive measures. Both MCM and Hilco have repeatedly performed poor work on the site and had engaged in similar corner-cutting behavior in other states.

Singler did not believe that anyone at CDPH had anticipated the amount of dust generated by the implosion. Singler thought that MCM and Hilco were solely responsible and that the existing mechanisms for oversight and intervention by the City were inadequate for the magnitude and scope of the implosion. Hopkins and Graham technically oversaw the implosion for the City, but the rules in place at the time did not adequately capture the demolition. These mechanisms have since been examined and updated to better equip the City for events like the smokestack implosion in the future, including proactive CDPH monitoring of onsite ground saturation, wind speed, and air quality before large demolition events.

14. Clarence LaMora

On May 20, 2021, OIG interviewed former Marine Technology Solutions (MTS) President Clarence LaMora. LaMora stated the following, in summary.

LaMora specialized in environmental remediation projects and companies routinely asked him to provide consultation for environmental violations and to create plans to mitigate these harms. LaMora formed MTS as an LLC on February 1, 2017. At the peak of the Crawford job, MTS had 148 employees. Subsequently, at the termination of MTS's relationship with MCM on the Crawford site, LaMora was forced to dissolve MTS and file for bankruptcy as he was unable to withstand a constant, ever-growing wave of civil lawsuits related to the implosion and MCM.

In 2017, MCM hired JEI as an environmental consultant subcontractor on the Crawford site. LaMora had a good business relationship with JEI owner, Mike Siri. JEI recruited MTS to assist on the Crawford site and on an additional MCM project that MCM had subcontracted JEI for at the Penwood Power Station at the defunct Sparrows Point steel plant in Maryland.³³

MTS did not have a contract with MCM and was JEI's subcontractor. The scope of work MTS was meant to perform was as JEI's consultant providing health and safety support, in addition to supporting the disposal of asbestos. Initially, MTS was not going to be part of the demolition work at all. The insurance bond MTS had obtained was only for consulting service support to JEI. Due to issues involving union labor, the original asbestos abatement contractor withdrew, and, due to pressure from MCM, MTS agreed to take over. MTS additionally took over demolition activities in approximately October or November of 2018. In return for performing the work, LaMora told MCM that they had to relinquish control to MTS because MTS had far greater experience in demolition. Disagreements about who had control of the site perpetuated negative relationships between MCM staff and LaMora. MTS took over the abatement of the site on February 23, 2019, though they never formally assumed control of abatement because MTS did not have the licensure to perform abatement. MTS operated under MCM's license, which is not strictly legal. MCM Asbestos Supervisor Juan Raya provided notifications and updates to the City.

LaMora characterized the first MCM site manager, Danny Gabryzski, as "out of his element." MCM ultimately terminated Gabryzski and removed him from the site after an incident with LaMora. The second MCM site manager, Leroy Stults, was similarly underqualified and ineffective. Only one of the many MCM site managers, Mark Hutcherson, was decent, but he was

³³ LaMora later found out that MCM had been responsible for a building collapse at Sparrows Point. If LaMora had known, he would not have associated with MCM.

only onsite for approximately three months. James Tiltges was MCM's "barely competent assistant." MCM's Vice President Aaron Fitch was the son of one of MCM's founders, but had a background in art history, which made him unqualified to run the Crawford site. While working on the site, LaMora realized that MCM had no understanding of Occupational Safety and Health Administration (OSHA) regulations and requirements or why they exist.

Ultimately, LaMora drafted hundreds of pages of safety and environmental plans for the site, but he was not allowed to implement a large portion of the plans. LaMora referenced a MCM dust plan, which he considered sparse and inadequate. MCM asked LaMora to create a smokestack demolition plan for submission to CDPH for evaluation. LaMora stated that MCM did not have the knowledge or capability to draft these plans. LaMora drafted several plans for the smokestack, which Cirri reviewed, followed by Singler and Graham. CDPH responded to LaMora with cautions about dust generation from dropping the entire structure and LaMora took these suggestions into consideration when he edited the drafts. LaMora's final draft included plans to install monitoring stations and sampling points around the site to take baseline measurements of air quality before, after, and during the demolition event. Pullara demanded that LaMora remove this portion of the plan because it could shut down the demolition if the monitors detected anything harmful. LaMora found this disturbing, explaining that the best environmental protection was measuring baseline air quality prior to the largescale demolition event. LaMora also wanted to take baseline background levels of dust and vibration data after a freight train passed since this was the largest regular disruptive event onsite. LaMora told Pullara that this data was necessary because it would be impossible to know whether they had exceeded baseline measurements and cautioned Pullara that without it they would not be able to defend themselves against OSHA and CDPH regulations.

LaMora's demolition plan included 24 watering stations to soak the ground and enlisting the assistance from four CFD battalions. LaMora had brought pizza to several fire stations and bought two new ovens for two of the firehouses after he connected with a retired CFD Chief who was working onsite. LaMora did not know what occurred after he left the site, but learned that the CFD chief he had spoken with was "livid" about what had occurred and that Hilco and MCM did not consider CFD's aid as necessary on the day of the implosion.

LaMora did not know what documents MCM ultimately submitted to the City, but LaMora viewed MCM's self-made draft plan for the smokestack and noted it was only two pages compared to LaMora's 29-page plan. LaMora's stack reduction plan included considerations for several methodologies including segmental reduction and whole structure reduction via mechanical methods and using explosives. LaMora asserted that the correct way to demolish the smokestack would have been segmental, top-down deconstruction. Economically, segmental reduction would have cost approximately \$3 million more than dropping the entire structure. When LaMora suggested this method, MCM and Hilco unilaterally denied it. MCM informed LaMora that they would circle back on the chosen methodology. LaMora stated that the way the smokestack was dropped as an entire structure directly to the ground was a violation of OSHA regulation 1926.850(a)-(k).³⁴ LaMora considered dropping the entire structure a voluntary act of destruction and a violation of public safety.

³⁴ 1926.850(j) states, "Except for the cutting of holes in floors for chutes, holes through which to drop materials, preparation of storage space, and similar necessary preparatory work, the demolition of exterior walls and floor construction shall begin at the top of the structure and proceed downward. Each story of exterior wall and floor

On January 24, 2020, Aaron Fitch met with LaMora and informed him that LaMora and MTS were removed from the site and that MCM was taking the remainder of the work from MTS. LaMora did not receive any further explanation for MCM's termination of their relationship. In February 2020, LaMora stated that MCM had an obligation to present their demolition plan to OSHA for review and critique. LaMora did not know whether MCM submitted the plan to OSHA.

LaMora had no knowledge of CDI or when MCM hired them to assist in the smokestack implosion. LaMora did not know that explosives were being used to drop the entire structure. Cirri had participated in a telephone call with MCM and CDI in the planning stages, but the use of explosives was called "farfetched" on an email exchange. CDI expressed that they had tried to use explosives in a demolition 10 years prior but had dropped debris on the highway. CDI thought it was unlikely that they would obtain a permit to use explosives. MCM submitted LaMora's plan to the City as the one they intended to follow, but CDI clearly did not follow it. LaMora stated that the City cited LaMora's plan as the one that was used after the implosion. LaMora found a clear disconnect between his plan and what had happened.

Approximately a week before the implosion, LaMora received a call from someone on the site who stated that "these people are insane" and that they were planning to drop the smokestack on the upcoming Saturday. LaMora could not fathom that they were planning to move forward with dropping a structure of that magnitude on a day when the wind was blowing the wrong direction and when there had been no major precipitation event. An individual named Angelo Ramiro had called LaMora after the implosion and told him that the wind had been blowing in the direction of the neighboring houses.

The only negative commentary LaMora had about City actors is how CDI managed to obtain a City permit to implode the smokestack. The use of explosives had been ruled out as a possibility when LaMora was still involved in planning the smokestack removal because neither Hilco nor MCM believed they could obtain the appropriate permits. LaMora thought that MCM's work often involved cutting corners and forcing smaller companies to perform work that was out of scope from the initial contract.

15. Paula Donato

On September 13, 2021, OIG interviewed Department of Law (DOL) Senior Assistant Corporation Counsel Paula Donato. DOL Deputy Corporation Counsel John Hendricks was also present on behalf of the City. Donato stated the following, in summary.

Donato stated that the City's ordinance requires that a company submits a wrecker's bond in conjunction with insurance for the purpose of obtaining a DOB demolition permit. DOL reviews wrecker's bonds that companies submit to DOB for the purpose of determining whether the bond is binding on the surety. The wrecker's bond is a non-negotiated fixed form. Donato explained that the City requires wrecker's bonds so that if the City suffers a loss as a consequence of injuries arising from wrecking operations, the City would be able to seek indemnity from the surety through the bond. Wrecker's bonds expire after one year.

construction shall be removed and dropped into the storage space before commencing the removal of exterior walls and floors in the story next below it."

16. Jorge Herrera

On May 8, 2020, OIG interviewed DOB Chief Inspector Jorge Herrera. Herrera stated the following, in summary.

Herrera works under the supervision of DOB Managing Deputy Commissioner Marlene Hopkins. Herrera's responsibilities include overseeing the day to day operations of the demolition bureau. Herrera was not involved in the permitting process for the private demolition of the Crawford Coal Plant. He is strictly involved in code enforcement for private wrecks.

On April 30, 2019, Herrera received an email from DOB Coordinator of Special Projects Marko Mihajlovich in the DOB permit department stating that an individual had asked him about a demolition permit to implode a large chimney stack. Herrera received a call from an MCM employee named James Tiltges. Tiltges asked if Herrera could look at the smokestack on the Crawford site to give pointers or advice on bringing it down. DOB employees are not supposed to provide instruction on methodology for private wrecks because if something goes awry, the contractor is likely to blame DOB and hold the City liable. Herrera told Tiltges that he could not strictly advise him as a City employee but offered to come to the site so that DOB was aware of what MCM was doing. Herrera talked through MCM's plans with Tiltges's assistance.

Tiltges indicated that he did not know what methodology MCM planned to use to demolish the smokestack but thought they might try using explosives. Herrera and Tiltges discussed two possible methodologies: fish hooking or imploding. Tiltges first brought up fish hooking, which is the process of placing an apparatus on the bottom of the chimney and pulling the bottom out from under it so the smokestack falls. Tiltges then mentioned another method, implosion, which involved placing explosives around the base of the chimney.

Tiltges was the first individual to suggest implosion, but it was clear to Herrera that Tiltges had no knowledge or expertise in such demolitions and had no idea how to conduct an implosion. Tiltges admitted to Herrera that the smokestack would be his first implosion. Herrera told Tiltges, "You better find all the right people you need to make sure what you're doing is correct." He informed Tiltges that MCM needed to hire structural engineers to advise them since DOB could not. Structural engineers would evaluate what impact the smokestack implosion would have on underground utilities and infrastructure. Herrera also stated that dust control would be pertinent when dropping such a tall structure. The communications with Tiltges left Herrera concerned that MCM was in over their head or may do something improper when demolishing the smokestack. Herrera asked MCM to give DOB the demolition plan. Herrera noted that DOB was not in charge of the plan nor could they implement any changes, but that MCM was required to follow any plans provided to DOB.

Herrera and Tiltges communicated back and forth for approximately one month. Tiltges asked Herrera several times to come to the site to look at their plans for the smokestack. Herrera knew that he could not help them and declined. Instead, Herrera told Tiltges to check in with other City departments to make sure MCM was not violating any other ordinances or City requirements. Herrera did not know why MCM decided not to use the fishhook method. The last time Herrera spoke with or emailed Tiltges was on May 30, 2019. Herrera was informed that Tiltges had left

MCM. The lapse in communication led Herrera to believe that MCM would not move forward with the implosion.

In approximately February 2020, Herrera received an email from Hilco representative Nick Pullara. Pullara told Herrera that MCM planned to go forward with imploding the smokestack and inquired if DOB needed anything from them. Herrera told Pullara that he needed to determine whether DOB had any involvement in the implosion and that Herrera's primary responsibility was to protect the City. Hopkins later advised Herrera that DOB had no further requirements or responsibility for the implosion. The implosion was covered by MCM's general demolition permit and that DOB would not participate in a private demolition. Herrera again advised that MCM obtain structural engineer report on the potential impact on underground utilities and infrastructure. Around this time, Mihajlovich notified Herrera via email that MCM's general contractor license, or "wrecking license," had expired. Herrera stated that this happens to a lot of wreckers and that MCM corrected its expired license. A contractor must have an active general contractor license and the required insurance prior to applying for a demolition permit.

Herrera was not in regular contact with MCM from February 2020 through April 2020. Hilco hired Burnham Permitting to assist in the permitting process, but Herrera only ever dealt with Hilco representatives Pullara and Eve Rodriguez. Between February and April of 2020, both Pullara and Rodriguez were very motivated and in frequent contact to move forward with the implosion.

Herrera continued receiving emails from Pullara and Rodriguez about what was required to move forward with the implosion because nobody was assisting them or returning their inquiries in other departments. Herrera emailed Hopkins and former DOB Commissioner Frydland about the communications with Pullara and Rodriguez. DOB had no duty to assist, but Hopkins and Herrera agreed that it was important that DOB ensure that they were fulfilling their duties and covering any responsibility to make sure the implosion was granted the appropriate approvals. Additionally, Herrera was "forced to help" because it would not look good if the implosion went awry and Herrera had declined to help Hilco in any capacity. Herrera did his own research on implosion requirements within the City and found that CDOT had implosion permit application and procedures on their website. DOB structural engineer Aviaan Haneiri confirmed to Herrera that this needed to be handled through CDOT's underground department. Herrera told Pullara that he had to obtain a CDOT permit to implode the smokestack.

Herrera had already been in contact with Graham, the primary CDPH environmental contact during the permitting process. Herrera kept Graham updated to make sure CDPH was aware of the implosion. CDPH was already aware of the demolition because they had been involved in MCM's initial demolition permitting process. CDPH's primary concern was the generation of dust during demolition work. CDOT, and not DOB, was primarily in charge of reviewing the implosion plan and approving the processes. CDOT inquired about the plans for the implosion, the resulting debris, and mitigating potential dangers during the implosion.

Pullara requested to set up a conference call between all involved City departments to ensure that the implosion moved ahead with all required departments' approvals. In April of 2020, Hilco hosted the call and explained the implosion plans, including what measures were in place to mitigate and control dust. MCM planned to control dust through water cannons and spray trucks

stationed on site before, during, and after the implosion. During the conference call, some individuals raised concerns about proceeding with the implosion during the pandemic. Herrera thought that either Pullara or Graham stated that it was a good time to do the implosion since everyone would be in their homes on lockdown. Herrera thought this made sense “in theory” because typically an implosion would draw a crowd.

In the months leading up to the implosion, Herrera did not recall seeing any alderman or 311 citizen complaints. Prior to a private demolition job, it is typically the contractor or owner’s job to notify neighbors via certified letters. The general notification requirements only apply to neighboring structures within a specified radius. Rodriguez oversaw community notification and relations. Herrera does not know how notifications were made to neighbors, but he thought that they received fliers. Herrera did not know if DOB issues citations for failure to notify neighbors of impending demolitions. Mihajlovich typically handles permit requirements and contractors must provide him with proof of certified mail to neighbors. Herrera noted that the Crawford site is somewhat removed from nearby residences and notification may have not been required at all.

Herrera did not attend the April 11, 2020 implosion. DOB did not issue any citations after the implosion. As a seasoned chief of the demolition bureau, Herrera opined that if the smokestack implosion had been a City-ordered and managed demolition, it would have been handled much differently. Because Hilco is a private company, they were most concerned about cost. The City’s foremost concern would have been controlling and mitigating any potential dangers.

Herrera stated that using explosives made sense to save time because demolishing by hand would have taken approximately four to six months. Considering Hilco had an onsite death of a worker falling from scaffolding, it made sense to avoid a dangerous manual wreck due to the smokestack’s height and the wind factor. Herrera stated that the typical goal of an implosion is that the structure collapses on itself, however a chimney stack is too narrow to collapse inward on its core. An implosion is a method of demolition, which Herrera described as a “controlled method of explosion.” An implosion was the fastest method of eliminating the smokestack.

Herrera suspected that MCM’s approach to the implosion lacked in preparation. Herrera stated that ground saturation both the day before and the day of is the key to preventing dust. He noted that the biggest issue was not so much the dust from the ground, but the dust created when the concrete broke apart because concrete is dust before it is mixed with water. Herrera stated that it is difficult to anticipate how much dust will result from the concrete breaking apart. According to weather predictions, the wind was supposed to blow southeast April 11, 2020, but the wind direction shifted northeast. MCM should have anticipated potential changes in wind direction and the possibility of the dust cloud going towards residences instead of the river like they intended. Herrera stated that the dust was the only apparent problem with the implosion because the smokestack fell as planned.

(a) February 25, 2021

On February 25, 2021, OIG interviewed Herrera, under oath, after informing him orally and in writing of his administrative advisements, which he acknowledged verbally. A certified court reporter transcribed the interview. Herrera stated the following in summary.

Herrera does not weigh in on private demolitions. Since Crawford was a private demolition, Herrera could not give advice and only advised that they hire and follow the recommendations of

“proper personnel,” such as architects and structural engineers.” Tr. 11:18-23. The City must attempt to remain “neutral.” Tr. 11: 23-24. However, DOB must still approve the demolition methodology in private demolitions. An individual associated with the smokestack demolition contacted Herrera in February or March 2019 and informed him that they planned to demolish the smokestack through a “trip demolition,” in which the bottom of the structure is taken out. Tr. 12: 9-14. Herrera researched DOB’s role in permitting an implosion and determined that CDOT and not DOB issued this type of permit. Herrera directed the individual to CDOT’s website but did not hear from him again. Herrera stated, “We [DOB] handle regular residential and maybe commercial, but we don’t handle implosions.” Tr. 14: 2-3. Herrera explained that there were several DOB demolition permits already issued for the Crawford site and that Hopkins included the smokestack on an existing DOB permit as a “courtesy” to CDOT’s Mike Simon, who requested the addition during a multi-department coordination call. 14: 20-23.

Pullara also reached out to Herrera via phone calls and emails asking how to proceed with the implosion. Herrera directed Pullara to the CDOT website and informed him that he would need to coordinate with CPD, CFD, CDOT, CDPH, and CTA to close streets and redirect traffic. Herrera stated that in this instance he gave Pullara “direction,” explaining that other departments kept directing Pullara back to Herrera because he is DOB’s chief demolition inspector. Herrera told Pullara to hire a structural engineer to devise a dust containment plan, warning him that dust is a concern in either an implosion with explosives or by tripping the structure. Herrera explained that tripping with a cable wire or through use of explosives are both types of implosions because the entire structure is falling at once. He considered implosion through use of explosives as the safer option for personnel. Herrera explained that once dust is generated, the issue is out DOB’s purview and is now in CDPH’s realm, which is why demolitions require a CDPH signoff. Herrera stated that it was possible to remove the smokestack manually or mechanically, which could take approximately six months, but that an implosion is the quickest, most cost-effective method.

Herrera did not give Pullara any methodology advice, in order to avoid any blame being placed on him or on DOB. However, DOB had to ensure that what Hilco was doing was “approved and correct” and that Pullara followed through on what he was “supposed to do,” even though DOB was not required to sign off on the implosion application. Tr. 25: 23-24 – 26: 1 – 27: 2-3. Herrera thought that Pullara was clueless even though DOB had guided Pullara in the right direction. He explained, “But at the same token we knew that it was always going to come back to us. And we were just trying to protect ourselves and say, hey, it is not us.” Tr. 25: 11-14. Herrera considered Hopkins adding the smokestack language to MCM’s existing demolition permit a mistake since it should have been added to a CDOT permit. Mike Simon had informed Herrera that CDOT’s implosion permit was a helicopter permit. Herrera stated that DOB has no involvement in and does not issue any sort of demolition permit or sign off in the event of an implosion. CDOT issues the final implosion permit after the required department signs offs are acquired. DOB is not involved in private wrecks that involve explosives.

In April 2019, Herrera informed Commissioner Frydland, Hopkins, and Hutchinson of the deliberation into the proper implosion permitting process, explaining that CDOT issued the permit and sought their input on whether he was correct that DOB was not involved. OIG showed Herrera a May 2019 email that he sent to Avikam Hameiri and Kryl, in which he wrote that a smokestack was going to be demolished at the Crawford site by tripping and asked Hameiri, “is there anything

we should be concerned with on the underground that can get damaged from the pressure and vibration for that area at 3501 South Pulaski Road.” Herrera explained that he had consulted Hameiri, a DOB Department of Underground structural engineer, due to the smokestack’s proximity to the river and Herrera’s concern regarding whether the impact of the smokestack hitting the ground could damage any underground infrastructure in the area. At that time, Herrera did not know if there was a formal Underground review and asked for their informal input. Herrera explained that his involvement in the implosion was due to “the City has concern that if something is going to happen here and we give them permission to go do this and we didn’t research it, we didn’t follow through and look at it, we didn’t want to get caught there.” Tr. 38: 23-24 – 39: 1-92.

In the May 2019 email, Kryl informed Herrera that the implosion would create a lot of dust and that it would likely require a minimum of two or three water cannons or four hoses. Though these issues were outside of DOB’s purview, Herrera told Pullara what involved departments would request from Hilco based on the advice Herrera received from others. OIG asked why Herrera had coordinated with CDPH employees but did not include any CDOT employees on the email if CDOT was responsible for issuing the implosion permit. Herrera explained that CDOT is responsible for shutting down roads and redirecting traffic, which did not involve him. He stated, “My concern was the impact that the chimney was going to have once it hit the land and the dust it was going to create.” Tr. 43: 5-7. Herrera stated that Hilco had to submit an implosion plan to CDOT when applying for the implosion permit. Herrera had researched the implosion process because he expected Hilco to continue to ask him questions and deemed it necessary to know the steps so that he could direct Hilco to the relevant department. Herrera did not provide Hilco with a specific CDOT contact to direct questions to about the implosion permit.

Herrera informed Pullara that the implosion required “some form of water” to contain the dust. Tr. 45: 10-12. Sometime prior to the implosion, Kryl sent Herrera the “Crawford Generating Plant – Preliminary Exhaust Stack Reduction Plan” as a courtesy. Herrera explained that CDPH must review and approve this plan, which was created after the structural engineer evaluated the smokestack. Herrera did not review the stack reduction plan because he was not required to provide input, explaining that whatever plan Hilco submitted to CDOT would go through the proper CDOT review process. Herrera directed Pullara to CDOT any time Pullara asked him questions about the implosion.

DOB did not specifically request any dust containment plans or any other documentation of the planned implosion from Hilco and only received the plans as a courtesy. Herrera attended April 1, 2020 conference call but did not have any role. He stated that he listened to see if DOB had any expected involvement, of which there was none since the permit process went through CDOT. He described the call as a learning experience should DOB be involved in the implosion process in the future. Commissioner Frydland did not attend this call because Herrera and Hopkins handled anything implosion related for DOB. When asked why DOB coordinated the conference call even though CDOT issued the implosion permit, Herrera responded, “All we wanted was to make sure is that whatever they were doing, because of the wrecking permits there already that that site was to be demolished, we were covering or protecting ourselves in a sense that – this is all CDOT.” Tr. 70: 4-10. Herrera thought that the only DOB “fault” was Hopkins including the smokestack language on the existing demolition permit. Tr. 70: 10-14.

OIG showed Herrera an April 2020 email thread between Herrera and Pullara, in which Herrera informed Pullara that Commissioner Frydland was reviewing and consulting with DOB heads on the extent of DOB's role in the implosion. Herrera explained that Commissioner Frydland would have directed a DOB structural engineer or architect to review Hilco's submission. Herrera did not participate in any type of review. Herrera did not receive a response from DOB about the review and assumed DOB had no role. The extent of DOB's involvement in the implosion was Hopkins's coordination of the April 1, 2020 conference call. Herrera stated, "I'm looking at the fact that how are you going to have an implosion and you don't notify all the other departments? Of course you have some kind of coordinating effect and some type of communication." Tr. 65: 17-21. He described this call as the "least" DOB could do to ensure everyone discussed the implosion to "make sure it goes right." Tr. 65: 23-24 – 66: 1. Herrera identified Mike Simon as the primary person involved from CDOT. Herrera did not communicate with Simon about the implosion aside from the April 1, 2020 conference call.

Herrera had informed Commissioner Frydland that dust would be a problem in one of his initial communications to her about the implosion. However, when he learned that CDOT issued the implosion permit, he stated, "Let CDOT deal with it. There is nothing from us. We weren't going to sign off on it. We weren't going to do anything with it. We weren't going to review anything with it." Tr. 66: 13-16.

DOB did not impose any notification requirements on Hilco or have any input because they were not part of the implosion permitting process. CDOT informed Hilco of the notification requirements. DOB did not request a proof of notification from Hilco because it was not their permit. He stated that DOB was "just trying to coordinate something to make sure it turn [sic] out well." Tr. 71: 18-20.

OIG showed Herrera a March 22, 2020 email between Hopkins and Eve Rodriguez, in which Herrera is copied. In the email, Hopkins asks Rodriguez when she anticipates coming to apply for the demolition permit. Herrera stated that at this point DOB knew that CDOT handled the implosion permit. He thought that Hopkins had been referring to the smokestack generally and was not implying that Hilco required a DOB permit. Herrera thought that Hopkins was asking Rodriguez when she planned to obtain her demolition permit from CDOT. There was never a conversation within DOB on whether Hilco needed a DOB demolition permit for the smokestack in addition to CDOT's implosion permit. However, DOB wanted to "make sure as a group because we are trying to coordinate it, so it goes well." Tr. 77: 10-12.

OIG showed Herrera a May 7, 2020 email in which Frydland asked Hopkins and Herrera if Hilco needed a DOB permit. In the email, Herrera informed Frydland and Hopkins, "Website doesn't exactly say it,, [sic] but it appears that all sign offs from the departments and Buildings issues the permit,, [sic] Structure Wrecking Permits." OIG asked Herrera what permit DOB issued for the implosion. Herrera explained that the only place to obtain any permit in the City is through Mihajlovich with DOB, who prints permits for all departments, including CDOT. Herrera stated that he was referencing CDOT's website in the email.

OIG showed Herrera an April 6, 2020 email from Herrera to Rodriguez, in which he informed her that the chimney would be added to the existing permits and referenced the two-weeks' notice

timeline to residents. Herrera explained that in a normal demolition, the contractor is required to send a registered notification to nearby residents. Herrera's understanding had been that Hilco was in communication with the Alderman about the implosion. Herrera explained DOB's typical notification process to Rodriguez as a "basic guideline," but DOB was not involved in the notification coordination. Tr. 83: 7-9. OIG asked why Herrera told Rodriguez that "whatever time is left should be good" in the email, when it was clear from the email that the notification timing would fall short of the two-week requirement. Herrera explained that he did not think Hilco had their implosion permit yet and that they could not notify residents until they had obtained the permit. In the email, he was reminding Rodriguez of the general two weeks notification practice but noted that the requirement is for residents within 75 feet and pointed out that the nearest house was past that boundary.

Herrera did not think that the implosion timeline had been rushed, explaining that DOB had no personal interest in pushing the timeline. DOB guided Hilco to ensure that the implosion was performed correctly since no one else was giving them direction and because DOB is involved in demolitions, but that ultimately DOB did so to "protect" themselves. Tr. 87:10-11. Herrera thought it was "unfair" that DOB was shouldering the blame due to the edits and additions Hopkins made to the existing permit about the smokestack, reiterating that CDOT was responsible for the implosion permit and that CDPH was responsible for the dust. Herrera acknowledged that the dust control measures failed and again pointed out that DOB did not handle dust mitigation. He stated that Hilco likely did not "do what they were supposed to do." Tr. 87: 19-20. Herrera did not know who was responsible for what went wrong in the implosion but thought that the blame rested with Hilco since it was their project and they did not follow their plan.

OIG showed Herrera Chapter 14-A-4-407.2.2 of the Chicago Construction Code, which is related to demolition permitting techniques and processes within the permit application. Herrera did not think this provision applied to private wrecks, explaining that the contractor is responsible for following the building code and that DOB cannot advise on private wrecks.

17. Marlene Hopkins

On May 7, 2020, OIG interviewed DOB Managing Deputy Commissioner Marlene Hopkins. Hopkins stated the following, in summary.

During the issuance of a demolition permit for a privately owned structure, DOB acts primarily as a logging point for the permit. The process is manual in that DOB waits for the general contractor to collect signatures from every department requiring signoffs on the permit application. DOB does not typically see the respective departments' specific, required documents. Since the process is manual, there is no mainframe in which to upload permitting documents. DOB typically has little involvement in private developer's wrecking decisions. The Crawford site was not a City-ordered demolition and therefore had little DOB oversight. The implosion required a CDOT implosion permit. DOB does not usually view CDOT permits, but in the implosion, CDOT provided a copy of MCM's implosion permit to DOB Chief Herrera on April 7, 2020.

To Hopkins's knowledge, the Mayor's Office was not heavily involved in the implosion. Hopkins was included on an email exchange between Graham and a representative from the Mayor's Office environmental office, Zelechowski. In the email exchange, Graham and Zelechowski went back

and forth about whether the implosion was going to occur as scheduled on April 11, 2020. Graham wrote that Hilco initially intended to demolish the smokestack on April 20, but she did not know why the demolition was rescheduled.

During the permitting process, Herrera became Hilco's main DOB point of contact for implosion questions. Because DOB had already issued MCM's demolition permit when MCM was planning the smokestack, DOB had little involvement with Hilco until they reached out. Hilco requested a conference call between involved departments so Herrera asked Hopkins if she could arrange a conference call with CFD, CPD, CDOT, DOB, OEMC, and Hilco in planning the implosion. Hopkins agreed and emailed Frydland's assistant to schedule a conference call for April 1, 2020, at 2:00 p.m.

Before the demolition occurred, Hilco gave DOB a document detailing the implosion agenda. Hilco provided this document one day before the conference call hosted between Hilco and multiple City departments to discuss final logistics of the planned smokestack implosion. Hopkins stated it was provided to DOB for "transparency," but that Hilco was not required to do so and that it was not tied to any DOB code provision requirements. The document detailed the preparation and type of explosives to be used, as well as the quantity and placement of the explosives on the structure. It also detailed the loading, handling, transportation, firing, and misfiring procedures for the explosives. Hilco also provided a sequence of events. Hilco did not give DOB the dust mitigation plan at this time, except for a small excerpt in the document that stated that dust would occur as an unpreventable byproduct of the implosion and would last five to ten minutes following the implosion, depending largely on wind direction and velocity.

During the conference call on April 1, 2020, Hilco followed a prepared agenda. The call agenda started with project updates with plans and procedures for safety during the implosion, including details of the exclusion zone and dust mitigation plan. Additionally, there was a day of the implosion event schedule, discussion of the chimney implosion permit with CDOT, and an open invitation for DOB to make any requests or ask any questions. Community notification was also discussed. Hopkins did not contribute much to the conversation. Hopkins tuned in to any DOB related discussions and explained during the call that the permit issued in July 2018 encompassed the entire structure, including the smokestack, and that DOB did not require any additional permits for the implosion. CFD agreed to commit resources on the day of the implosion, but Hopkins could not recall what types of resources.

After the conference call, Simon asked Hopkins to add the smokestack implosion to the existing 2018 MCM demolition permit just to be safe. Hopkins told Simon that adding the smokestack to the permit for the structure was unnecessary since it was attached to a building that was already covered by the permit. Hopkins did not know why CDOT wanted this language added, but Hopkins agreed to add a note to MCM's permit to in order to be a team player and accommodate CDOT. On April 7, 2020, Hopkins emailed Herrera stating that she had added the note to the Hansen system. However, Hopkins later discovered that she had accidentally added the note to Heneghan's 2020 demolition permit. On or about April 13, 2020, Hopkins corrected the mistake in Hansen and added a note that Heneghan was not involved in the smokestack implosion. To Hopkins's knowledge, there are no specifically enumerated procedures or regulations for implosions in the building code.

Leading up to the demolition, Hopkins did not field any concerns or complaints from any aldermen's offices, concerned citizen groups, or concerned residents. Aside from Hilco and MCM, Hopkins did not deal with any of the other consultants or subcontractors involved in the smokestack implosion. When discussing the dust mitigation plan after the implosion, Singler and Kryl mentioned that MTS had prepared the plan and that CDPH had been monitoring the Hilco site for the past couple of years. Hopkins did not receive a copy of the MTS dust mitigation plan until after the implosion, which contained CDPH edits and comments. There was no reason for DOB to review the dust mitigation plan beforehand since DOB has no authority to write tickets for violations of environmental dust. The MTS plan that Hopkins saw after the implosion was much more detailed than the small dust mitigation description provided to DOB prior to the conference call. The MTS plan was not mentioned on the conference call.

Hopkins did not know what Hilco's requirements were for notifying residents about the implosion. Generally, pursuant to the DOB code, when a demolition permit is issued, the contractor is required to send notifications via certified mail to neighboring residents within a specified radius. Hopkins knew from various emails she had been copied on that Hilco had engaged the services of a media company to do community outreach and notifications, specifically Eve Rodriguez with Rodriguez Media Communications.

Hopkins was present at the April 11, 2020 implosion. All DOB employees present, including Hopkins, were there purely as spectators and not in an official DOB capacity. DOB inspectors would only be present in an official capacity for City-ordered demolitions or emergency demolitions. Hopkins did not observe any water spraying in the area prior to the implosion, though she was far from the site of the implosion. Hopkins would not have looked to see whether the ground was wet because this was not DOB's responsibility.

The smokestack appeared to fall correctly when they detonated the explosives. Hopkins observed a CFD truck and water truck behind where she had parked. Hopkins noted that there was a "huge haze" of dust, but she was not aware that it was significant. The CFD truck was spraying water near her car. As she was leaving, Hopkins saw Graham, who "gave her a look" like something had gone wrong. Graham told her that CDPH would ticket Hilco for the dust generated by the implosion. She did not follow up on his statement because it did not involve her.

On Monday, April 13, 2020, Hopkins and DOB Inspectors Mario Fico and Ken Beuhring visited the Crawford site to meet with Hilco about the implosion. DOB had issued a stop work order at the site on the evening of the implosion. Present during the inspection was Nick Pullara and additional MCM representatives. Hopkins and the DOB inspectors went to the structure on the north end of the property where the smokestack had been located. Hopkins's observations of the general demolition work in progress "terrified" her. It was evident through MCM's responses to CDPH that they had "no clue" how to "properly" do that type of demolition work.

After walking through the site, Hopkins called Commissioner Frydland and informed her that DOB could not allow MCM to continue work at the site in any capacity, ever. At the end of the inspection, Hopkins told Hilco that MCM could no longer perform demolition work on the site. Hilco did not push back against her decision and told her that Heneghan would likely take over MCM's remaining work. Hopkins agreed to this because Heneghan is a qualified, reputable

demolition contractor that the City uses on City-ordered demolitions. Hopkins noticed a marked difference in the quality of Heneghan's work on the southern part of the site.

On Tuesday, April 21, 2020, Hopkins went to the Crawford site one additional time to go over plans for future demolitions on the site. Hopkins assigned DOB inspectors to remain on the site for the remainder of the demolition to monitor and ensure that it was being properly watered and maintained. DOB required Hilco to provide daily activity reports going forward. Hopkins stated that this was the first time DOB had gotten involved in a private demolition to this level.

DOB did not issue any citations for the implosion because CDPH is responsible for issuing dust violations citations. Hilco's only statement to Hopkins about what went wrong during the implosion was that their contractor did not do what they said they were going to do. Hilco's attorney provided an incident report to DOB via email on April 16, 2020, detailing the day of the implosion, per DOB's request. Hilco also provided a detailed description of the events, their remediation plan for the demolition going forward, and their remediation plan for dust mitigation onsite and through the community. In the email, Hilco wrote that MCM's plan should have had dust bosses, hundreds of gallons of water, and CFD water support.

DOB banned MCM from City demolition work indefinitely. Because MCM is an out-of-state contractor, they do not have any further presence in the City. Further action regarding MCM's license was handled by DOB Deputy Commissioner John Scott, who oversees license revocations and suspensions.

(a) April 28, 2021

On April 28, 2021, 2020, OIG interviewed DOB First Deputy Commissioner Marlene Hopkins, under oath, after informing her orally and in writing of her administrative advisements, which she acknowledged verbally. Hopkins was accompanied by Christopher Grohman, Yohana Mihreteab, Anne Yonover, and Peter Deegan of Taft Stettinius & Hollister. John Hendricks with DOL also appeared on behalf of the City. A certified court reporter transcribed the interview. Hopkins stated the following, in summary.

In April 2020, then-DOB Commissioner Frydland supervised Hopkins. Hopkins became involved in the Hilco demolition at the Crawford Coal site sometime in February or March 2020. Hilco first reached out to Herrera for guidance in navigating the implosion approval process. Hopkins did not provide any guidance to Hilco or any of Hilco's contractors regarding methodology to bring down the smokestack, nor was she involved in any methodology discussions. Hopkins did not recall DOB denying a contractor's proposed methodology on a demolition in the past. She stated that the demolition application does not require specificity on the methodology of demolition, including whether explosives use is planned. Hilco provided a CDI drafted document to Commissioner Frydland for her review regarding the use of explosives in the implosion, which was required under Title 14 of the building code. Hopkins did not know whether Commissioner Frydland reviewed this document.

Hopkins did not have the expertise to speak to whether Hilco used the proper methodology in bringing down the smokestack, explaining that this was not a typical structure that DOB encountered in normal business. Hopkins was not involved in any DOB or CDPH conversations

regarding whether anyone disagreed with the implosion methodology. Hopkins did not receive any stack reduction plans prior to the implosion, explaining that this document and dust suppression fell under CDPH's purview. Hopkins stated that the stack reduction plan should have been provided to DOB at some point prior to the implosion, but that initial conversations regarding this plan did not involve DOB. DOB did not have a "sit-down meeting" with the developer and when asked which department should have engaged in such a meeting, she responded, "Truthfully, it is just not something that I feel comfortable with, you know, trying to even think through what should have happened." Tr. 31: 4-9.

OIG asked whether the contractors asked DOB which departments should be involved in the process and she stated that in February 2020 Hilco reached out to Herrera, who "shepherded this entire thing through" since he is the City's demolition inspector. Tr. 31: 18-21. OIG asked whether Hopkins knew if any department took on a larger role in the implosion coordination. Hopkins knew that Herrera had done research on whether DOB was involved in issuing an implosion permit and determined that the relevant information was on CDOT's website. Hopkins did not think that one single department was supposed to oversee the implosion, explaining that they all had a part to play based on their expertise. Specifically, DOB had previously issued a 2018 wrecking permit on the site, CDPH was responsible for dust control, CDOT was responsible for the implosion permit, and CFD was involved due to explosives use. Hopkins did not significantly coordinate with CDPH or Graham prior to the implosion regarding dust suppression. Hopkins thought it was possible that she reviewed the CDOT implosion permit prior to the implosion but did not know what CDOT's implosion permit process entailed.

Hopkins reviewed Hansen to determine whether MCM required a demolition permit for the implosion to ensure that the proposed work was tied to a DOB demolition permit. Hopkins determined that an additional DOB permit was unnecessary since the smokestack was attached to the "building structure for the 5- to 12-story portion of the building," covered under MCM's original demolition permit. Tr. 38:22-39:4. Additionally, the implosion did not require a separate DOB permit because DOB does not issue implosion permits. CDI submitted the required paperwork to Commissioner Frydland, but she and Frydland never discussed the implosion. Hopkins did not recall contractors listing subcontractors on the demolition permit and did not think DOB recorded this information anywhere. Hopkins did not know that there was a change in the subcontractor conducting the implosion shortly before the event and did not take issue with MCM replacing the original subcontractor, explaining that she has no input on who is subcontracted work.

OIG asked Hopkins whether she knew that the dust would be unpreventable or inevitable. Hopkins stated that demolitions usually involve some dust, but that she had never seen an implosion before and did not know it would create more dust. Hopkins did not request any documents from the contractors prior to the implosion but stated that the plan CDI sent to Herrera to be reviewed by the Commissioner satisfied the building code requirement. OIG asked Hopkins whether she had any concerns that the City did not have enough information about the implosion. Hopkins explained that her concerns were based on her superiors' concerns and that they did not raise any issues with her. She stated, "... what's unknown, you can't be concerned about. You can only be concerned about what you know." Tr. 52: 8-10. Specifically, Commissioner Frydland did not raise any concerns about what was contained in the CDI document, though Hopkins did not know if she

reviewed the document. Herrera also never expressed any concerns about the implosion to Hopkins or whether he thought the contractor was capable of the executing the implosion. Most of the conversations about the implosion occurred between Frydland and Herrera and did not involve Hopkins.

OIG showed Hopkins a March 25, 2020 email from Lawrence Langford to Charles Roy, both with CFD, in which Langford wrote that they had hooked up the contractor to Hopkins to work out various logistics. Hopkins denied having a coordinating role in the implosion and did not know what Langford meant, stating, "I definitely would not characterize my role as he referenced it here..." Tr. 54: 14-15. MCM did not need anything further from DOB at that point because they already had an existing demolition permit. When asked what DOB's role was in the implosion, Hopkins responded, "We played little to none. We were there. The stack fell as it was documented it should fall ... it fell the way it was designed to fall." Tr. 62: 7-13. Hopkins characterized her personal role in the implosion planning as "minimal." On the day of the implosion, she explained her role as an "emergency responder" in case something went wrong. Tr. 62: 16-20. Hopkins's DOB duties include facilitating emergency duty responders and she explained that she was onsite in that capacity on April 11, 2020. She described Herrera's role as performing his job as the City's chief demolition inspector, which included sending the plan to Commissioner Frydland and directing Hilco to CDOT based on what he found on CDOT's website about implosions. Herrera answers any demolition related questions directed to DOB, regardless of whether it is a City or private demolition. Hopkins stated, "if there's a question, our job is to try to answer it." Tr. 64: 5-8.

OIG showed Hopkins a March 25, 2020 email that Hopkins sent to Eve Rodriguez, in which Hopkins wrote, "Please advise when you anticipate coming to apply for the demolition permit." Hopkins explained that she sent this email before she reviewed Hansen and saw that MCM already had an existing demolition permit. DOB would not issue two demolition permits for the same address. OIG inquired whether the smokestack's height, which was above 12 stories, would have affected whether DOB should have issued a separate permit. Hopkins stated that all "components" of a building fall under one building permit, regardless of specifications like height, size, and dimension. Tr. 66: 1-10. The smokestack was a component of the building because it was connected to it, like a "furnace" or "hot water heater." Tr. 81: 2-5. The contractor did not need to designate on the permit application that the building height was to the height of the smokestack. Had the smokestack required a new DOB demolition permit, Hopkins thought it was unlikely that the permit could be reviewed and issued in the time between March 25, 2020 and the implosion on April 11, 2020. She estimated that, on average, a demolition permit would take approximately 30 days to issue. DOB never discussed a second permit for the smokestack. Hopkins explained that Mike Simon with CDOT asked Hopkins to include the language about the smokestack on the existing DOB demolition permit and Hopkins added the additional text as a courtesy. Simon did not elaborate why he wanted this language added to the existing permit and Hopkins did not question him, noting that the addition did not change anything. Hopkins did not regularly add language to permits as part of her duties, but she has done so before to clarify the permit's description. Hopkins did not have any conversations with Mihajlovich, who handles DOB's permitting, about adding language to the existing permit.

Hopkins is not involved in the resident notification process for a demolition and did not know the specific requirements, explaining that Herrera was responsible for notifications. Hopkins was not involved in any shortening of the notification timeline. She did not think that DOB had any independent notification requirements for the implosion.

Hopkins, at Herrera's request, coordinated an April 1, 2020 conference call with Hilco and City departments involved in the implosion. Commissioner Frydland weighed in on the attendees but did not attend the call. There was no one City department who was in charge during the call and Hopkins did not recall anyone raising concerns during the call. She remembered CFD telling her that they were providing water coverage for the implosion, either on the conference call or on a separate occasion. Neither Hilco, MCM, nor any of the companies involved in the implosion asked DOB for a specific point of contact or City liaison for the implosion.

DOB inspectors were present in the capacity of "event" inspectors, in case something happened when the smokestack fell. Tr. 89: 14-17. Both Commissioner Frydland and the CDPH commissioner had the authority to halt the implosion at their discretion. On the day of the implosion, no one from DOB walked the site prior to the implosion because they were stationed far from the smokestack. Hopkins did not see anyone from CDPH walking the site beforehand. Hopkins did not see the ground conditions or any water cannons or water trucks. She did not have any conversations with the demolition crew about the implosion or safety conditions. No one mentioned postponing or halting the implosion. No one from DOB checked wind speeds prior to the implosion. After the implosion, Graham commented, "They're going to get ticketed." Tr. 94: 13-18. Hopkins did not see any apparent violation of the building code.

Hopkins thought that the only thing DOB could have done differently was to prepare for the implosion like the City does for special events, which involves more "centralized communication" and "preplanning." Tr. 95: 19-24. Hopkins thought that there could have been more inter-department communication since no one wants to "overstep" their area of expertise but stated that every department had the "best intention." Tr. 96: 17-21 – 97: 11-14. She stated, "We're all part of the same game, so if one of us fails, we all fail, is kind of how I see it." Tr. 97: 14-16. Hopkins thought that DOB followed the building code "to the best of our ability." Tr. 97: 2-23. She stated that Herrera spearheaded outreach to other departments to keep Hilco on track and informed. Hopkins thought that Herrera's actions kept DOB protected. Since Hilco conducted the implosion, it was their responsibility to coordinate with the involved City departments.

18. David Graham

On June 2, 2020, OIG interviewed CDPH Assistant Commissioner David Graham. Also present was Department of Law Deputy Corporation Counsel John Hendricks. Graham stated the following, in summary.

CDPH promoted Graham to Assistant Commissioner in December 2013. Graham oversees environmental permitting and inspections for CDPH in the areas of air and asbestos. Graham's unit reviews and issues permits for a variety of environmental concerns and conducts inspections on permitted facilities.

When a contractor seeks a permit from DOB to demolish a privately owned structure, the permit application requires a stamp of approval from CDPH. There is one embedded CDPH engineer at DOB who reviews the CDPH portion of all private wreck permit applications. Graham thought that Environmental Engineer III Emmanuel Adesanya was the embedded engineer at DOB during the relevant timeframe. The permit's notice of intent indicates how the contractor plans to control dust. The dust control plan is part of the contractor's permit application and CDPH reviews it prior to signing off on the application. Typically, only the CDPH embedded engineer participates in the approval of private demolition permit applications. If the embedded engineer has a specific concern about a private demolition permit application, the embedded engineer escalates to Graham. Such elevated issues may include particularly large demolitions and significant sites. Graham did not think Adesanya elevated any concerns prior to approving the permit application. CDPH assigns inspectors to the site when DOB approves the demolition permit. Due to a lack of environmental inspector staff, CDPH prioritizes sending inspectors to larger industrial and commercial wrecks. Ideally, CDPH schedules inspections during the demolition work.

Graham recalled reviewing routine inspection reports for the Crawford site. Graham did not recall any notable issues at the site until CDPH inspectors issued a violation in 2019 for not controlling dust. A building that previously existed north of the existing structures was pulled down and minor dust was observed leaving the property line. The contractors received a citation and fine. CDPH went to the Crawford site approximately 30-40 times prior to the smokestack implosion, which Graham considered uncommon. Routine inspections partially contributed to the excessive site visits, but "real or perceived concerns from the community" was another contributing factor. CDPH inspectors did not substantiate any of these complaints. Graham did not recall CDPH receiving many demolition-related complaints at the site, noting that CDPH mostly conducted routine asbestos inspections.

Neither CDPH nor Graham were ever notified that Hilco was going to use explosives to implode the chimney stack. Graham denied CDPH being informed of the intent to use explosives prior to the smokestack hitting the ground. Graham was made aware that the chimney was going to be demolished during an April 1, 2020 conference call, but he did not know they were using explosives.

(a) April 29, 2021

On April 29, 2021, 2020, OIG interviewed CDPH Assistant Commissioner Dave Graham, under oath, after informing him orally and in writing of his administrative advisements, which he acknowledged verbally. Graham was accompanied by Christopher Grohman, Yohana Mihreteab, Anne Yonover, and Peter Deegan of Taft Stettinius & Hollister. John Hendricks with DOL also appeared on behalf of the City. A certified court reporter transcribed the interview. Graham stated the following, in summary.

Graham held the same title and had similar responsibilities in April 2020, which includes overseeing permitting and inspections related to air and asbestos. When a contractor applies for a DOB demolition permit, either the CDPH embedded environmental engineer or the CDPH director of environmental inspections reviews the DOB permit for the CDPH sign off. In April 2020, John Kryl was the CDPH director of environmental inspections. CDPH will not sign off on the DOB demolition permit unless the contractor meets certain CDPH requirements, such as a Notice of

Intent for dust mitigation practices or asbestos removal methods. The current Notice of Intent contained in the demolition application is “limited” and would not contain detailed dust mitigation measures and plans, such as specifying the volume of water or pieces of equipment. Tr. 16: 16-17. CDPH may request additional documents at their discretion before signing off on a DOB demolition permit. After DOB issues the demolition permit, the CDPH director of environmental inspections assigns a CDPH inspector to perform an inspection at the site. CDPH conducts inspections at larger demolition sites and the number of inspections depends on the “size of the building” and the “duration of the project.” Tr. 18: 21-24. The CDPH commissioner has the authority to issue a cease and desist order at the private demolition site.

Graham reviewed MCM’s notice of intent for the Crawford site sometime in 2018. Kryl brought the notice of intent to Graham’s attention due to the large amount of asbestos onsite. CDPH identified the Crawford site as one that required regular inspections and assigned John Singler as the primary CDPH asbestos inspector. CDPH conducted at least 50 inspections between the demolition permit approval in 2018 and April 2020. CDPH received many complaints about the Crawford site but they were unfounded. Clarence LaMora with MTS was CDPH’s primary point of contact at the Crawford site. CDPH did not communicate with anyone from MCM. MTS was MCM’s subcontractor and their role changed throughout the project. Graham thought that MTS was a “reputable” contractor and considered LaMora competent. Tr. 27: 7-11. Prior to April 2020, Graham thought that Pullara was also a competent representative.

In summer 2019, MTS represented to Singler and Kryl that they planned to demolish the smokestack by cutting out the base and tipping the structure. After this discussion, Singler, Kryl and Graham went to the Crawford site to view the smokestack, where they discussed dust mitigation with LaMora. CDPH had several discussions with MTS regarding dust control because CDPH was concerned that the tipping method would generate a large amount of dust. LaMora informed CDPH that MTS planned to reduce the amount of dust through soaking the ground and with other forms of water suppression, such as utilizing approximately 20 firetrucks. LaMora told Graham that he had spoken with CFD about assisting in dust suppression. Based on these discussions, Graham thought that MTS’s methods would “reduce” the amount of dust. Tr. 32: 17-23.

At the time, Graham did not have any experience or expertise in a demolition of this nature, specifically tipping a large structure. CDPH thought that the dust should be minimized with enough water mitigation. Graham explained, “... we framed it as use as much water as you think you need and then use more.” Tr. 34: 17-18. There were some discussions about dismantling the smokestack manually piece by piece, but it was determined that there was no safe way to use this method due to the height of the structure. Depending on the circumstances, CDPH may get involved in demolition methodology conversations related to dust control concerns. Graham supported tipping the structure due to one person already having died at the site and was concerned with sending more workers into an unsafe, windy environment. CDPH did not do any research on how to take down a smokestack safely and Graham had never been involved in a demolition with a structure as tall as the smokestack.

Graham stated that the contractor needed a separate demolition permit to tip the smokestack, which was not covered under MCM’s existing permit. He then stated, “They may have been under the

same permit, but those Notice of Intents expire. And so if there are revisions or changes, so I would have to look at otherwise to confirm.” Tr. 39: 2-5. Graham did not recall if he reviewed a notice of intent specific to the smokestack but confirmed that this would have been generated and should contain descriptions of dust mitigation plans. Graham thought that CDPH received another notice of intent in August 2019 for the smokestack demolition originally planned in the fall of 2019, but it was delayed due to a separate National Homeland Security review related to the waterways. Graham was in contact with Hopkins at DOB during this project and had updated her that CDPH was working with LaMora and MTS on dust mitigation plans. Hopkins did not inform Graham of any DOB actions related to tipping the smokestack because there was already an existing DOB permit. Graham was not involved in any methodology conversations with DOB.

OIG showed Graham a May 7, 2019 email between Herrera and Kryl, copying Graham, in which Herrera reached out to Kryl regarding tipping the smokestack. In the email, Kryl informed Herrera that a massive amount of dust would be generated and suggested that Herrera view implosions on YouTube. Graham did not view implosion videos prior to April 2020, explaining that he relied on Kryl to perform this research. Graham did not know why Kryl referenced the methodology as an implosion in May 2019 but stated that “dust considerations” are the same. Tr. 48: 8-14. CDPH individuals working on the notices of intent were in contact with Herrera. Graham did not know Herrera’s role in the removal of the smokestack but was aware that Herrera handles DOB demolitions in the City. Kryl oversaw reviewing the MTS dust plan. Graham and Kryl had ongoing discussions with MTS throughout 2019 about the dust suppression plans. Kryl identified several issues in MTS’s plan, which MTS addressed in the final September 2019 stack reduction plan.

OIG showed Graham a July 15, 2019 email chain primarily between Singler and LaMora, copying Graham and Kryl, in which Singler writes to LaMora, “CDPH is planning on being involved in the demolition of the stack and Mr. Kryl will be your contact for technical questions pertaining to CDPH regarding dust control, water use and site safety.” Graham thought that the intent of the email was that CDPH would be available to answer questions related to dust mitigation. Leading up to the implosion, Graham thought that MTS would be performing the work, but he learned afterwards that MTS had been removed from their duties on the site. Graham first heard of CDI’s involvement during an April 1, 2020 inter-departmental conference call about the implosion, which did not make sense to him if MTS was involved. Graham stated that, “MTS had provided a thorough evaluation of what the stack reduction would look like and then all of the watering and dust investigation that they had recommended was going to be in place.” Tr. 55: 17-21. Regardless of whether CDI conducted the implosion, Graham’s expectation was that MCM would follow MTS’s guidance and the September 2019 dust plan that CDPH had reviewed. Graham did not speak with CDI prior to the implosion. Graham would have expected MCM to inform CDPH that they had replaced MTS with CDI. Had MCM informed CDPH of this change, Graham would have asked MCM if they were following the plan MTS had drafted. Graham would have also told MCM that they needed to submit something in writing for CDPH to review and that MCM had to tell them who was now responsible for these items leading up to the implosion. CDPH does not approve dust mitigation plans but indicates that they have “no more comment.” Tr. 59: 2-5. Graham explained that CDPH is not a consultant and is not going to be “tied at the hip when they screw something up.” Tr. 59: 5-9.

Graham had informed MTS generally that they would be fined if visible dust left the site, but MTS was confident that the smokestack was a far enough distance from the post line. MTS thought that dust would be generated, but that it would be minimized so that there would be no “offsite impact.” Tr. 60: 8-10. Graham knew that Hilco had been informed of these recommendations through email or direct conversations. He stated, “They [Hilco] cannot say that they did not know. MTS told them what to do and it was completely ignored.” Tr. 61: 1-3.

OIG showed Graham the Final Exhaust Stack Reduction Submission dated September 29, 2019. Graham thought that CDPH, mainly Kryl, reviewed and weighed in on three iterations of this plan. Graham reviewed Kryl’s comments and did not think he had any of his own comments. Graham discussed the drafts with Kryl and made suggestions to clarify the stack reduction plans. Kryl’s edits were mainly related to ensuring there was enough water for dust mitigation. In 2019, CDPH did not require contractors to submit dust plans, but CDPH now requires these submissions. The stack reduction plan could have been attached to a notice of intent, but that level of specificity was not required if CDPH’s concerns were addressed in some fashion.

CDPH’s main concern in the smokestack implosion was dust. Graham stated, “And it was represented to us that Hilco and MCM was going to follow that. We had no reason to believe that what happened on April 11th was going to happen.” Tr. 68: 15-18. Graham stated that MTS understood the dust mitigation issue and had worked with CDPH to address their concerns, which was “communicated to MCM, and was ignored by Hilco.” Tr. 69: 5-7. Graham did not think he heard that explosives were being used to take down the structure until early April 2021 but thought that MTS’s plan would have reduced the dust if it had been followed. OIG directed Graham to a section titled “Post Demolition Dust Control,” in which the Final Exhaust Stack Reduction Submission states that five CFD battalions had agreed to provide 24 engines, truck and water tankers to assist. Graham stated that LaMora had informed him that he had thrown a pizza party for CFD members and had obtained their assistance. Graham did not ask whether LaMora had a written agreement with CFD. The stack reduction plan also indicated that the stack would be demolished during a heavy rain event to assist with the dust control. Graham explained that before the delays, the smokestack demolition had initially been planned for fall or winter 2019 when there would be snow on the ground. The MTS plan called for saturating the site, but LaMora did not provide the timing of the watering. Graham did not observe 24 CFD fire trucks onsite on the day of the implosion. He saw at least two trucks, one of which was CFD. On April 11, 2020, Graham thought that the approximately 24 CFD trucks specified in the MTS plan had watered the site overnight and that the other two trucks had remained onsite to aid during the implosion.

Graham did not know if wind direction and speed were considered on the day of the implosion and did not know if anyone was monitoring wind direction and speed. He did not think anyone from CDPH monitored these factors. CDPH did not walk the site before the implosion because they were not allowed to leave the viewing area. In April 2020, CDPH did not have demolition notice requirements for nearby residents, but these have since been implemented. Due to this incident, the City created new implosion policies, which will fall under OEMC’s purview and will be coordinated like a special event.

OIG showed Graham a document titled “CDI Primary Plan & Procedure,” dated December 19, 2019. Graham thought that Hilco sent him this plan on April 1, 2020. He first learned that

explosives were being used to take down the smokestack while reviewing this plan. Graham then stated that he did not realize that explosives were going to be used until the morning of the implosion. Graham thought he had seen a February 2020 version of CDI's plan. OIG asked Graham if he was aware that the CDI plan stated that dust was an "unpreventable byproduct of any type of demolition operation." Graham responded that the purpose of his conversations with MTS were to mitigate dust. Graham knew that dust would occur and was surprised by how much dust the implosion generated.

OIG showed Graham an April 11, 2020 email from him to Hopkins, in which he wrote, "They provided a plan, but it was not clear how much water would be used. Based on 2 dust bosses and fire trucks it appeared or was represented it would be sufficient." Graham did not recall whose plan he was referencing in the email, stating that at the time he still thought that MTS had been involved in the implosion. When asked if he was referring to CDI or MTS, Graham responded, "The folks. It could be anybody." Tr. 85: 15-17.

On the day of the implosion, Graham was not close enough to the smokestack to see whether the ground was wet. Graham would not have been able to see all the vehicles that MTS had planned to station at the site from his vantage point at the implosion, based on his review of MTS's plan, which specified truck locations. Graham was at the implosion as an observer and did not attempt to find out afterwards how many water trucks were present onsite because "the damage was already done." Tr. 86: 17-18. Graham thought that Hilco had "intentionally dismissed" MTS's plan after learning that Hilco had done the same thing in a different community. Tr. 86: 20-22. Graham placed the blame on Hilco and not on MCM since Hilco paid for and selected their contractors. Graham thought that MTS had been removed from the project sometime in February 2020 because LaMora refused to use explosives and because Hilco had wanted to move forward with the implosion more quickly. Graham attended the implosion because he thought there was the possibility of "some minor dust." Tr. 89: 16-17. He explained that he wanted to "make sure we had eyes on the property during the work so that we could see what was happening." Tr. 113: 13-16. Graham did not think that DOB was present at the implosion for enforcement purposes.

OIG showed Graham an email dated April 10, 2020 between Graham, Leven, and several other recipients regarding a media inquiry from Block Club Chicago. In the email, Block Club Chicago's asked what precautions had been taken for the demolition work at the site to protect the health of the neighbors during a global pandemic. OIG posed the same question to Graham. Graham responded that CDPH oversaw the asbestos removal at the site, responded to complaints, and believed that MTS was going to mitigate the dust during the implosion. Referencing Hilco, Graham stated, "That is the first time I can say – since I have been working for the City since 1999, I cannot think of one time where a business intentionally ... did something that they knew, and had experience in, that they knew would impact the neighborhood." Tr. 92: 3-8. At the time of this email, Graham thought that MTS was conducting the demolition.

OIG asked what Graham had meant in the email when he wrote that the "immediate drop of the stack will overall reduce potential emissions of the demolition." Graham stated that the site would have required the same amount of dust mediation if the smokestack had been taken down piece by piece, explaining that even if the emissions were lower, it would also take much longer to complete the work. Graham thought there would be less dust overall if there had been proper ground

saturation, noting that he was speculating. Graham stated that more City controls would be in place in the future and that CDPH is working on an appropriate fine to deter companies who consider fines “the cost of doing business.” Tr. 95: 21-24. Graham also stated that going forward, the City will require mechanical dismantling as much as possible but must consider worker safety. He stated the City will have “zero tolerance for taking a company’s word and minimal documentation.” Tr. 96: 11-13. When asked why these controls were not in place prior to the implosion, Graham stated that he cannot speak for the City, but that he had never seen a company act “with blatant and wanton disregard for the community.” Tr. 96: 2-4. He noted that two bad actors have forced the City to enact excessive new rules.

Graham participated in part of the April 1, 2020 conference call but did not recall whether he spoke during the meeting. Dust mitigation was not discussed while he was on the call. The implosion had originally been scheduled for April 20, 2020. He found out that the date had been moved to April 11, 2020 several days prior to the implosion but did not know what prompted the change. Graham did not recall if he received the call agenda, which showed that dust mitigation was a discussion item on the call. Graham thought that Singler and Kryl had also been on the call.

Graham thought that community residents had been notified of the implosion the day before and noted that CDPH community notification requirements did not exist in April 2020. CDPH Commissioner Allison Arwady knew of the planned implosion and Graham thought it was likely that he had informed her, possibly at the beginning of the pandemic. Dr. Arwady did not express any concerns to Graham about the smokestack coming down during the pandemic nor did she express any concerns of it coming down in one piece. Graham stated that it would have been “a huge stretch” for CDPH to block the implosion, acknowledging that the implosion could have been halted by a cease and desist order pursuant to the commissioner’s authority if there was a basis. Tr. 106: 5-6. Graham did not recall whether he had any conversations with air quality scientists prior to the implosion or whether any had been conferred with generally. CDPH did not intend to monitor the air for particulate matter before, during, or after the implosion. There were no concerns at CDPH regarding whether the demolition activities at the Crawford site could pose a threat to individuals with breathing issues. Approximately six months prior to the implosion, Graham attended a community meeting about Hilco. When asked whether CDPH ever advised residents to limit outdoor activity during demolition activities at the Crawford site, Graham stated that, at the community meeting, a member of the community had asked him how he could protect himself. Graham advised the community member that if he was concerned, to take off his shoes and shut the doors and windows when he came home. CDPH levied the maximum citations against Hilco for the implosion and Graham thought they were considering issuing citations against MCM and another company.

OIG showed Graham an April 11, 2020 email sent from Graham to several individuals, in which he wrote, “I think they did what was required. The stack dropped as planned and water activities we [sic] made. Obviously not enough.” When Graham wrote this email after the implosion, he was still under the impression that the original MTS plan had been followed and was confused by the aftermath of the implosion. OIG asked whether the City bore any responsibility for the dust generated from the implosion. Graham stated, “I think it was a very unfortunate event that could have generally been prevented. And I think what we’ve learned from this is that there are certain

activities that require the upmost [*sic*] oversight. So looking back, we ultimately could have done something.” Tr. 118: 7-13.

19. Nick Pullara

On July 9, 2021, 2020, OIG interviewed Hilco Redevelopment Partners Vice President of Development Nick Pullara, under oath, after informing him orally and in writing of his administrative advisements, which he acknowledged verbally. Pullara was accompanied by Mark Schneider, Alex Schrader, and Brandan Ryan of Kirkland & Ellis LLP. Also present was General Counsel Anne Garr on behalf of Hilco Redevelopment Partners and DOL Deputy Corporation Counsel John Hendricks and Brad Wilson on behalf of the City. A certified court reporter transcribed the interview. Pullara stated the following, in summary.

Pullara has worked for Hilco for approximately two and a half years and was promoted to his current title sometime in 2019. In relation to the Crawford site, Pullara describe his role as “to assist and oversee with multiple facets of managing that project from the time of hire until today.” Pullara often attended site meetings and visited the site to check in on progress. Hilco Director of Development, Jeremy Gray, also occasionally attended site meetings. Pullara regularly received updates from MCM Director of Operations Aaron Fitch, MCM Managing Foreman Leroy Stults, and another MCM team member named Brandon Banonno.³⁵ MCM had been hired to oversee the deconstruction and asbestos abatement. There had been several different MCM foremen during the project. Hilco also hired a third-party consultant, GSG Consultants, to observe and report “observations” and “progress concerns” to Hilco.” Tr. 15: 19-23. MCM also hired subcontractors, Jenkins Environmental, in which Mike Cirri acted as the point of contact, and MTS, in which Clarence LaMora acted as the point of contact.³⁶ MCM hired Jenkins Environmental to provide “environmental oversight for the deconstruction work,” specifically asbestos abatement. Tr. 1-3. MTS’s role was to perform the deconstruction of the site and the asbestos abatement. LaMora presented deconstruction strategies during site meetings, in conjunction with Jenkins Environmental and MCM. Pullara did not recall LaMora making recommendations related to monitoring the air quality on the site, aside from updating the team about OSHA requirements for air monitoring and sampling during asbestos abatement.

Pullara joined the team in later November 2018 when deconstruction and abatement had already begun. MCM obtained their DOB demolition permit prior to Pullara’s Hilco employment and thus Pullara had no involvement in the permit application or process. Pullara, as the owner’s representative, was involved in obtaining other permits for the site, specifically by providing required documentation to expeditors and meeting with City representatives when necessary.

Pullara had not worked with MCM in the past and stated that in the future he personally “would not choose MCM as a demolition contractor.” Tr. 28: 5-6. Prior to the implosion, though MCM had been working at a fast pace, they had not been meeting milestones. OIG asked whether Pullara had any complaints about MCM’s quality of work prior to the implosion and Pullara explained that he did not have enough experience to judge this because the Crawford site had been his first

³⁵ The transcript spells Fitch’s first name as “Erin,” but it is spelled Aaron.

³⁶ Through an interview of LaMora, OIG learned that Jenkins Environmental hired MTS as their subcontractor for the project.

“major demolition project.” Tr. 29: 4-6. He had been involved in demolition work in his past employment, but nothing to this scale.

OIG asked whether Pullara had heard of any issues or accidents on past MCM projects. Pullara stated, “I’m not aware of any formal accidents or things of that nature. They have done a variety of work, so I don’t know specifically.” Tr. 30: 5-7. He was not aware of MCM having any dust mitigation issues in other cities nor of other agencies fining MCM for dust mitigation issues outside of Chicago, though he acknowledged the worker death onsite. Pullara had never worked on any projects with CDI in the past and did not know at what point during the project MCM contracted them. In December 2019 or January 2020, MCM introduced Pullara to two individuals with CDI as the points of contact on CDI’s work, but Pullara did not know their last names.

OIG asked Pullara what methodology was first considered in bringing down the smokestack. Pullara explained that MCM and their team evaluated and presented various methods in a report, including deconstructing the smokestack “piece by piece” from the top down, pulling the stack over, and imploding it with explosives. Tr. 34: 15-17. MCM did not ask Pullara to weigh in on the methodology, but he had reviewed the report. Pullara stated that methodology was “solely the responsibility of our general contractor.” Tr. 35: 7-9. Hilco had to rely on MCM’s expertise. Pullara’s primary concern for the chosen method was safety, second was “rate of success,” and third was “time and cost.” Tr. 35: 22-24. MCM ultimately recommended implosion, but Hilco and MCM had conversations about how this would be permitted because implosions were rare in the City and no one knew the process. Because of this, MCM designated mechanically demolishing the smokestack as the second option. MCM explained that implosion constituted the lowest risks “from a safety standpoint for workers on site, neighboring property, et cetera, the property itself.” Tr. 38: 14-17. An implosion also had the “highest rate of success” since it was a quick event. Tr. 38: 17-18. Pullara characterized the implosion method as a more “cost effective approach” for MCM but there would have been no additional cost to Hilco either way due to Hilco hiring MCM to deconstruct the entire site. Tr. 39: 2-5. Pullara did not reject mechanical demolition due to cost considerations. He thought that they had first began discussing explosives sometime in 2019 and settled on this method sometime in early 2020 when MCM determined there was a permitting process in place with the City. Hilco had been discussing the permitting process with MCM and then someone had googled City of Chicago implosion permits, which brought them to a website showing seven steps. They had then hired a permit expeditor.

Pullara recalled informing Grant Ullrich and Commissioner Frydland during a meeting about the Crawford site generally that MCM wanted to implode the smokestack and that DOB may soon receive a permit application. MCM informed Pullara that Mihajlovich had been their DOB point of contact for MCM’s July 2018 demolition permit. A Hilco consultant, Eve Rodriguez, asked Mihajlovich who Hilco should contact about the permit and Mihajlovich suggested they reach out to Herrera. Rodriguez set up a conference call for Pullara and Herrera to speak, but Pullara never saw him in person. Pullara did not recall Herrera offering demolition advice for the site. Pullara shared the deconstruction plans, specifically on how the smokestack would be imploded, with Herrera at his request, which Herrera shared with DOB’s structural team. Pullara did not recall either Herrera or the structural team weighing in, commenting on, approving, or signing off on the deconstruction plans. Pullara did not recall anyone from DOB expressing that the smokestack should not be brought down as an entire structure. Pullara did not recall anyone from DOB

suggesting that the smokestack implosion required a separate demolition permit, referencing the City's seven step implosion process as "ambiguous." Tr. 44: 1-4. Pullara stated that the owner of the property received a subsequent DOB demolition permit in March 2020, listing the implosion and identifying Heneghan as the demolition contractor. Pullara clarified that MCM was responsible for demolishing the smokestack.

In early April 2020, Pullara participated in a conversation with various City officials, where it was discussed whether there were outstanding City approvals or requirements. Pullara was told that the smokestack did not require a new DOB demolition permit and that DOB would revise the original demolition permit to add the implosion. Pullara was not surprised that the implosion did not require a separate DOB demolition permit because that had not been listed in the City's seven step implosion permit process. He stated, "... it was good to know during that conversation that there was a path forward to close out any other approvals we needed which is the ambiguous step seven of the implosion permit requirements." Tr. 45: 20-24 – 46: 1-2. CDOT issued the implosion permit. Pullara did not recall anyone from JEI or MTS offering an opinion on the environmental impact of dropping the entire smokestack but JEI and MTS performed an environmental analysis of the smokestack for asbestos abatement prior to the demolition.

OIG asked whether Pullara had any conversations with CDPH while planning the smokestack demolition. Pullara explained that CDPH had conducted inspections on the site during the project and that Graham had requested JEI and MTS's environmental analysis. Pullara did not recall engaging in any specific conversations with anyone from CDPH but Graham and Kryl had been on the April 2020 conference call. During this meeting, Hilco shared an exclusion zone exhibit and deconstruction sheets with the participants. Pullara did not recall anyone from CDPH raising environmental concerns about the methodology of dropping the entire smokestack. He did not think that CDPH had a sign off on CDOT's implosion permit.

In terms of the CDOT implosion permit, Pullara explained that the process required different approvals within CDOT, including the Office of the Underground and the Department of Infrastructure Management. Pullara's role in this process consisted of ensuring that it stayed on track and that "all the boxes were being checked." Tr. 48: 14-21. Pullara ensured that the department received the proper documentation either through the demolition contractor or the expeditor and made sure that the expeditor communicated responses to the demolition contractor. Pullara did not remember having one CDOT point of contact during the application process, explaining that he worked with many CDOT employees. Pullara recalled working with someone from CDOT's public relations division since they had to issue a CDOT public notice. The last step had been obtaining a helicopter permit for the Pulaski Road closure.

MCM expressed that they had previous experience using explosives in a demolition. Pullara did not know whether MCM had originally intended to use MTS to demolish the smokestack but stated that it was MCM's decision who ultimately performed the implosion.

OIG showed Pullara a February 2020 email with the subject line, "Re: 3550 South Pulaski Road," in which Pullara referenced a phone call with Herrera a week prior and sent Herrera the CDI preliminary implosion plan on behalf of MCM. Pullara explained that these were the demolition plans he had referenced earlier as having sent to Herrera. Pullara did not recall many details of the

phone call but assumed they had discussed the implosion. When Herrera told Pullara that he was sharing the implosion plans with the DOB structural engineer, Pullara expected that a DOB team would review it, but noted that other City departments also weighed in throughout the process. In the same email, Herrera wrote that he had informed the commissioner and that she was reviewing and consulting with DOB heads on the extent of DOB's role. Pullara reiterated that, at one point, Hilco had assumed that they would require a DOB demolition permit and that they had spoken to Commissioner Frydland and Grant Ullrich about the application. He did not recall Frydland offering any advice or opinions on the plan.

OIG showed Pullara the Crawford Generating Plant Final Exhaust Stack Reduction Submission dated September 29, 2019, drafted by MTS and JEI. Pullara confirmed that this plan documented different methodologies and had been presented to Hilco. He did not know if this plan had been submitted to the City prior to the implosion. Pullara did not recall MCM informing him that if it did not rain the day before the implosion, they would not move forward. Pullara did not recall contingencies specific to weather in relation to the potential last minute cancellation of the implosion, but noted that certain issues would have necessitated cancellation, such as the roadblock not being in place, the dust mitigation equipment not working, or the firetrucks not being onsite. These specific issues did not arise the night before the implosion. OIG asked Pullara if he was aware, based on a chart in the stack reduction document, that the implosion evaluation listed high potential impact for noise, dust, and debris. Pullara stated that MCM and CDI, Hilco's experts, explained that noise, dust, and debris were issues that would be contained within the exclusion zone. Pullara did not recall any discussions regarding the high residential populace or public impact related to the implosion methodology. He stated that the possibility for high public impact did not concern him at the time because he believed that Hilco's "very reputable demolition contractor," along with CDI, could and had successfully performed this work before on many occasions. Moreover, he felt secure in the fact that many City departments had reviewed the plans and that Hilco had received approval.

Hilco and MCM jointly prepared the community notification. Hilco directed their consultants to coordinate with CDOT's public relations department to provide the necessary information so that CDOT could issue the statement. CDOT also sent out the notices within a 1,000-foot radius from the point of the implosion to the neighboring businesses as well as to an "extended radius north" to residents in Little Village, at the alderman's behest. Tr. 63: 9-18. Pullara did not remember the discussions with the alderman regarding the extended notification radius. Hilco also sent various emails about the implosion to "key stakeholders" within City departments and the neighborhood and sent mailers through USPS the Monday before the implosion. Tr. 64: 5-7. Pullara explained that the mailers did not reach all residents in time and Hilco sent out a team to hand deliver the notifications door-to-door. Hilco advised the recipients of the notifications that the implosion would generate a lot of noise, informed them of the road closure, and listed Hilco's website for outreach. Pullara did not recall whether Hilco notified residents of the possibility of a pervasive dust event and did not recall discussing including this information in the notification. Pullara stated that Hilco had submitted demolition plans and that the involved City departments identified dust as an "inevitable byproduct" for approximately five to ten minutes. Tr. 65: 4-8.

OIG asked why the Crawford Generating Plant Final Exhaust Stack Reduction Submission identified the implosion as having been "unilaterally excluded by overwhelming single issues" due

to the inability to secure necessary permitting in a timely manner. Tr. 65: 12-16. Pullara did not know the reason for this statement but explained that they did not know what the implosion permitting process entailed until early 2020. Pullara did not have enough experience in major demolitions to know whether explosives use was a viable option. He did not recall LaMora expressing any environmental concerns related to an implosion, aside from the initial asbestos abatement. OIG asked whether MCM was aware that dropping the smokestack could generate a large amount of dust. Pullara stated, “I don’t know if they understood the magnitude, but obviously as the deconstruction plan that was prepared by CDI acknowledged that there would be dust. It is an inevitable part of the process.” Tr. 67: 13-16. Pullara acknowledged that he was surprised by the amount of dust and did not expect that amount when contractors told him that dust would be generated. Pullara did not know who created MCM’s dust mitigation plans and did not know what the dust mitigation plan was on the day of the implosion. He explained that he had received MCM’s exclusion zone exhibit sometime in January or February 2020. OIG asked whether any City departments specifically asked Pullara for the dust mitigation plans or an explanation on how dust would be mitigated. Pullara stated that he had explained the exclusion zone exhibit in the April 1, 2020 conference call with involved City departments, which showed “two dust bosses or direct misting systems that would have been hooked up to water trucks as their water source. And then two Chicago Fire fire engines with water cannons would have been identified...” Tr. 68: 1-2 – 69: 1-4. During the conference call, it was explicitly stated that there would be four pieces of dust mitigation equipment during the implosion.

Pullara did not recall whether anyone from the City raised concerns during the April 1, 2020 conference call about there not being enough water or equipment for the implosion. He did not recall if Graham or anyone from CDPH commented on the specific amounts of dust mitigation equipment. During the call, the participants had discussed the dust boss system and how it worked. Hilco asked CFD if they could provide fire engines and Pullara thought that Roy, Commissioner Ford, and John Javorka had been on the conference call. Roy had confirmed that CFD would provide fire trucks and would operate their water cannons. CFD also requested that the exclusion zone be extended several hundred feet to the west, which Hilco did. Pullara engaged in previous discussions with Javorka about the explosives permit. Pullara thought that he may have asked for CFD’s assistance in providing water during prior conversations with Javorka, Ford, or Roy.

Pullara assumed that MTS, at one point, was supposed to demolish the smokestack, stating that they were “lead on the demolition labor piece.” Tr. 74: 17-23. However, he did not know how MCM delegated work to their subcontractors and that it was MCM’s choice. After the onsite death, MCM informed Pullara that both MTS’s and JEI’s roles were changing. OIG asked whether MCM had removed MTS from the site prior to the implosion. Pullara stated, “So I don’t know if removed is the correct way to describe it, but reduction in scope or responsibilities...” Tr. 74: 5-8. Pullara did not ban LaMora from the Crawford site, explaining that MCM made the decisions regarding their subcontractors.

OIG asked Pullara if he had been aware that CDPH had warned “that no matter how much water is believed to be needed, we would need more than that” in their response to drafts of the Crawford Generating Plant Final Exhaust Stack Reduction Submission. The stack reduction submission also recommended taking down the smokestack during winter when the ground was frozen or covered in snow. Pullara did not think he had any discussions with CDPH about this warning aside from

what was contained in the stack reduction report. He stated that it was MCM's responsibility to address any CDPH concerns and to execute the work correctly. OIG asked whether delaying the implosion until winter had been discussed. Pullara acknowledged that the winter recommendation had been in the report and explained that Hilco and MCM had always agreed that the smokestack demolition would be one of the last things done on the site due to its location and its unique qualities. Hilco had hired MCM as their expert and that MCM had been responsible for "timing, means and method." Tr. 76: 20-21. MCM had then hired CDI, who was "nationally renowned." Tr. 77: 21-22. Pullara did not know who would have been responsible for checking onsite precipitation conditions before the implosion but reiterated that it would have been MCM's responsibility to direct someone to check.

OIG asked whether Pullara had knowledge of arrangements with 24 CFD trucks referenced in the stack reduction submission and he responded in the negative. He did not recall reading this section and he was not aware of any collaborative agreements between CFD and MTS. Pullara did not know that MTS had been involved in discussions with CDPH about dust mitigation and did not know that MTS had provided the stack submission to CDPH. Pullara reiterated that MCM was Hilco's contractor and that they were in charge of the implosion work and the dust mitigation. On the day of the implosion, there were five pieces of dust mitigation equipment onsite: two dust bosses, two water trucks with water cannons, and two fire engines, with one spraying water. OIG asked if CFD had expressed to Pullara that their trucks and hose nozzles were not suitable for mitigating dust. Pullara did not recall CFD telling him this, but there had been discussions about the volume of water that the trucks could hold and the duration of the spray. During the April 1, 2020 conference call, CFD said they would not have enough water and would need to hook up to a fire hydrant. Pullara did not know if CFD ended up doing so. Pullara recalled that Hilco requested two fire engines and that they had been expecting two but did not remember what CFD had agreed to provide.

OIG showed Pullara an April 3, 2020 email between Pullara and Roy, in which Pullara confirmed extending the exclusion zone per CFD's request and asked that Roy responded with an approval email per CDOT's request if he was in agreement. Pullara explained that CDOT wanted a concurrence email from Roy due to the department approvals discussed in the April 1, 2020 conference call. CDOT required final sign offs from several departments, including CFD and IDOT. Pullara stated, "... there were time constraint [sic] for a lot of this." Tr. 88: 21. Since Hilco had the required sign offs, DOB decided to add the implosion to MCM's original demolition permit, but there had been discussions over whether DOB would issue a separate demolition permit or whether they would update the existing MCM permit. DOB mistakenly added this language to Heneghan's permit, which DOB characterized as a "clerical error." Tr. 88: 19-21. DOB did not request any additional documentation from Hilco on the conference call. The purpose of the April 1, 2020 conference call was to ensure that the City had everything they needed to approve and proceed with the implosion. If someone from the City had requested anything further prior to the implosion, Hilco would have agreed. Moreover, many City officials and employees, including CDPH officials, had been present on site on the day of the implosion, and no one from the City had requested an inspection prior to the implosion or raised concerns to Pullara or other Hilco team members. Pullara did not know if CDPH inspected the site the day before the implosion. Pullara stated, "So we want to be and we have – it's always been our model to be good stewards of the

site and good corporate citizens of the City of Chicago by continuing to do good work and that was our approach going into this, making sure we were exhausting our efforts.” Tr. 91: 7-12.

CDPH inspectors had warned Hilco about dust generation during previous demolition activities on the site, which is why MCM had created a dust mitigation plan. However, prior to the implosion, Pullara did not fully understand the consequences of dust leaving the site, stating that several citations were issued after the implosion. He did not recall whether Hilco assumed financial responsibility for these fines.

OIG showed Pullara CDI’s “Preliminary Plan & Procedure” for demolition of Units #7 and #8, #8 being the smokestack, dated December 19, 2019. Pullara did not know if Hilco provided this document to the City prior to the implosion, stating that this had been a former draft of the final plan since Hilco had not shared CDI’s plans until February 2020. He did not think there had been significant edits between versions of this plan.

On the day of the implosion, Pullara met Hopkins for the first time, but did not discuss anything substantive. City inspectors on site did not request to do a pre-implosion check or walk-through, nor did Pullara necessarily expect that they would have. He stated they would have accommodated the request if the inspectors had asked, but MCM and CDI would have made the call as to whether to allow anyone into the exclusion zone based on the timing of the request. If someone from the City had raised concerns about the implosion on the day of, Hilco would have halted the event. Pullara’s main focus on April 11, 2020 was ensuring that CPD and CFD were onsite and prepared. He did not observe the ground’s saturation level and did not know whether MCM or CDI had been watering the ground overnight. Sometime around 6:45 a.m. or 7:15 a.m., MCM and CDI began to run the dust bosses and water trucks. Pullara did not think that MCM issued Hilco a change order for additional operational costs related to the implosion. OIG asked if MCM had ruled out segmental deconstruction of the smokestack due to cost. This option had been discussed, but MCM had safety concerns because it would have required a team of eight to ten workers to climb the smokestack daily to dismantle it. MCM also expressed issues with timing due to another demolition they were conducting near the smokestack. Pullara stated that MCM informed Hilco that segmental deconstruction was more expensive than both an implosion or mechanical dismantling.

Pullara did not have any opinion on whether the City could have done more to regulate the implosion because he was unfamiliar with the City’s process. Pullara thought that City departments had been “responsive” in their communications about the process and approvals and Hilco was grateful that City officials had participated in the April 1, 2020 conference call. Tr. 101: 21-24. The pandemic had been raised as a concern during the April 1, 2020 call, but everyone agreed to move forward with the implosion. One of the pros that had been discussed related to the timing had been that Pulaski Road would be less congested due to the pandemic and because it was a Saturday morning. Less activity “helped reduce the risk” to the public safety, particularly if the smokestack fell in the wrong direction. Tr. 102: 23-24 – 103: 1-2. Pullara ultimately held MCM responsible for the dust cloud. He stated that Hilco had hired a “reputable” demolition expert and that MCM had also hired an “implosion expert” for the event and that “as much as our team regrets the anxiety that it caused in the neighborhood and the surrounding area and whatnot” that MCM

was ultimately responsible for conducting the implosion without any issues. Tr. 103: 21-24 – 104: 1-5.

V. ANALYSIS

An OIG investigation has established that during the planning and preparation for the Crawford smokestack demolition of April 11, 2020, the Department of Buildings (DOB) failed to follow established regulations, which contributed to a multi-agency breakdown of City regulatory oversight and constituted a knowing, bureaucratic acquiescence in an environmentally negligent demolition that generated a particulate dust cloud onsite that was predictably propelled into the residential community of Chicago's Little Village neighborhood.

The planning and permitting process for the implosion involved a number of city departments and senior officials within those departments, foremost of which were DOB and CDPH. DOB is the regulatory anchor point for demolition actions, including, particularly, demolitions involving the use of explosives, as occurred here. CDPH had significant responsibilities because of its primary responsibility for public health. The demolition, led by Hilco, to make way for the development of a warehouse and distribution center for a national retailer and the resultant particulate dust cloud occurred despite warnings, 213 days before, that “[t]he dust from an event like this is almost cataclysmic,” despite knowledge, documented 51 days before, that dust would be “an unpreventable byproduct” of the operation, and despite predictions by senior staff in the Chicago Department of Public Health (CDPH) that the toppling of the smokestack would be a “disaster.” In the face of those clear forewarnings of manifest risks from experts, senior officials approached their regulatory roles and responsibilities in siloed, technical, reductionist, “not-my-job” fashion rather than taking proactive, affirmative measures to meet the manifest public health and safety risks at the core of their respective department missions and competencies posed by the demolition, to the ultimate detriment of a community, like many in the City, who live adjacent to and suffer the collateral consequences of large industrial sites and enterprises.

More specifically, senior DOB officials Jorge Herrera and Marlene Hopkins who were responsible for DOB's oversight of the regulatory process for the Crawford smokestack demolition implosion failed to adequately follow and assure the following of their own Department's demolition regulations. When information became available that reasonably should have made them aware of greater risks to the public health, welfare and safety arising from changes in planned demolition methodology that posed increased risk to public health, welfare and safety and was within the Department's broad, (and albeit non-specific) regulatory authority, Hopkins and Herrera failed to institute a formalized separate permit review of the planned smokestack demolition. Their decision to elide their regulatory responsibilities in the face of information that an implosion posed a high risk of environmental harm to the neighboring Little Village community constituted poor public administration and a negligent dereliction of regulatory responsibility and duty in violation of Personnel Rule XVIII, Section 1, subsections 29 (Failing to take action as needed to... perform a task safely), 36 (Failing to comply, in carrying out any acts in the scope of employment, with laws or departmental rules governing health, safety, and sanitary conditions), 39 (Incompetence or inefficiency in the performance of the duties of the position) and Chapter 14A-4-407 of the Administrative Provisions of the Chicago Construction Codes.

Furthermore, OIG's investigation found that CDPH Assistant Commissioner David Graham was on notice and therefore knew or should have known that MCM Management Corp. (MCM), Hilco's demolition contractor, had outlined manifestly inferior dust mitigation measures prior to the implosion that significantly radically diverged from the plan of its contract predecessor, Marine Technology Solutions, LLC (MTS), that CDPH had formally reviewed and evaluated. Specifically, Graham affirmatively received information that MCM had significantly downscaled the dust mitigation equipment that it would employ. Graham further failed to obtain written assurances from MCM that it would follow the MTS dust mitigation plan on which CDPH had provided substantive comment relating most particularly to dust-suppressing water coverage. Moreover, Graham failed to elevate concerns about the potential environmental implications of the planned implosion articulated by his own CDPH colleagues and manifest in the information otherwise provided to him and in his possession to the CDPH Commissioner who had the discretionary authority to issue an emergency cessation order under MCC 11-4-025 for situations involving imminent and substantial risk to the public health. Graham's abdication of responsibility and willful bureaucratic negligence allowed MCM to proceed unchecked with minimal dust mitigation measures including a failure to adequately soak the ground prior to the implosion. Graham's collective actions and inactions. As such, Graham's actions violate Personnel Rule XVIII, Section 1, subsections 29 (Failing to take action as needed to... perform a task safely), and 39 (Incompetence or inefficiency in the performance of the duties of the position).

OIG's investigation additionally established that Hilco gave the City repeated assurances that MCM would appropriately mitigate dust at the site, despite MCM's radical downscaling of dust mitigation measures relative to the plans that had previously been submitted to, reviewed, evaluated and commented on by CDPH. Specifically, MTS, on behalf of MCM, submitted a thorough dust mitigation plan for CDPH commentary and evaluation. MCM ultimately failed to follow this plan, which led to the generation and propulsion of the massive particulate dust cloud over part of immediately neighboring Little Village. Though Hilco attempted to distance itself from MCM's actions, Hilco representatives retained control over and closely oversaw MCM's implosion permitting process within the City. City personnel could not identify a regular MCM point of contact for the implosion and referenced Hilco Vice President of Development Nicholas Pullara as their point person throughout the implosion process. The City issued 16 citations against Hilco, MCM and CDI for up to \$68,000 for violations of CDPH's ordinance. Despite the egregious repercussions of Hilco's conduct, OIG will not be recommending any further action against Hilco due to the legally preclusive effect of the City settling with Hilco the regulatory citations for the same conduct. On June 17, 2020 Hilco agreed to pay the City \$19,500 in full satisfaction and resolution of the Hilco citations and denied and did not admit any guilt, wrongdoing or liability regarding the subject of their citations.

A. Department of Buildings

The failure of City regulatory oversight for the the implosion resulted most critically from an abdication of responsibility by executive leadership of the Department of Buildings. DOB attempted to deflect primary authority to CDOT, the only City department at the time with a published process for obtaining a City implosion permit, but CDOT's authority bore specifically and exclusively on the secondary, albeit important, issue of impact of the demolition on utility infrastructure and the public ways. As senior CDOT official Michael Simon explained, CDOT had no responsibility in reviewing the methodology of an implosion. Nothing in CDOT's enabling

ordinance, regulations or operation would situate it with the expertise or responsibility for assessment of implosion methodology, but rather only secondary consequences of one otherwise approved by DOB. In attempting to shift the burden, DOB elided its regulatory responsibility for its core and more broadly encompassing regulatory authority over demolitions. That authority did not include specific provisions for seldom occurring implosions *per se* but did expressly cover demolitions involving the use of explosives, which are the typical methodology for implosion demolitions.

In their OIG interviews, Hopkins and Herrera continually sought to minimize their role in the implosion process, despite conducting the bulk of coordination with Hilco in planning the City's involvement in the implosion. A disconnect existed in Hopkins and Herrera attempting to place all responsibility for the implosion permit on CDOT while acknowledging that an implosion is a method of demolition, for which DOB has primary and exclusive jurisdiction. Herrera performed the front-end research, (which remarkably involved only exploring a publicly available search engine to ascertain DOB's responsibilities) from which he purports to have concluded that DOB had no further involvement or requirements in the implosion demolition and that the permit rested solely with CDOT. However, DOB emails exchanged throughout the pre-implosion process reflect that Herrera and Marko Mihajlovich discussed requiring that MCM obtain a separate DOB demolition permit for the smokestack since it was not specified in the July 2018 permit. In a May 15, 2019 email thread, Herrera himself acknowledged that MCM's July 2018 permit did not specify the smokestack and that the work likely warranted a separate permit. In the same email thread, Mihajlovich informed MCM's expeditor that DOB required a separate demolition permit for the work. Mihajlovich repeated this multiple times to different parties, including James Tiltges with MCM, MCM's expeditor, and other DOB staff via email. The benefit to undergoing a secondary DOB permitting process in addition to the original issued permit for the surrounding structure, would have forced additional, formal departmental reviews specific to the unique nature of the smokestack which, as a matter of record, did not occur during the original permitting process in 2018.

Chapter 14A-4-407 of the Administrative Provisions of the Chicago Construction Codes specifies that a demolition permit "must describe the techniques and processes of demolition to be used, including whether explosives will be used, and the experience and expertise of the contractors and subcontractors who will perform the work." This chapter specifically encompasses an implosion scenario by requiring that a contractor disclose explosives use when applying for a DOB demolition permit. MCM did not specify explosives use in their July 2018 demolition permit, which should have prompted a new DOB demolition permit application and review process in 2020 when DOB learned that explosives would be utilized in the smokestack implosion. On February 18, 2020, Herrera forwarded CDI and MCM's preliminary implosion plan to Commissioner Frydland and Hopkins, among other DOB personnel, which explicitly detailed the use of explosives to bring down the smokestack. DOB's knowledge of the planned explosives use was a distinguishing, material characteristic from MCM's original July 2018 demolition permit and should have prompted DOB to require that MCM apply for a second, separate demolition permit to bring down the smokestack.

Significantly, as late as April 9, 2020, two days before the implosion, Mihajlovich again expressed in an email that he had informed MCM on multiple occasions that they required a separate DOB

demolition permit for the smokestack implosion. Mihajlovich's email was in response to Heneghan's vice president notifying him that the smokestack implosion had been mistakenly added to Heneghan's demolition permit. Several DOB employees who were not involved in the implosion planning, specifically Grant Ullrich and Mihalovich, asserted that the smokestack implosion should have prompted a separate DOB demolition permit application. Ullrich specifically stated that the demolition permit application process should begin anew when explosives use is planned. Ullrich stated that though the necessary steps and departmental oversight and approvals had been obtained for the smokestack, DOB, specifically Hopkins, had done so in an informal capacity. Kryl did not recall seeing any specific DOB permits for the implosion, stating "It was all word of mouth, as far as when it got to me." Tr. 58: 22-24. In his OIG interview, Mihajlovich cautioned that without the formal DOB review process, mistakes can be made since the purpose of submitting the demolition permit application is to ensure that all necessary departments officially review their areas of expertise.

Several DOB employees, including Herrera, Hopkins, and former Commissioner Frydland, downplayed the significance of a separate DOB permit pursuant to Chapter 14A-4-407 in their OIG interviews, due to an apparent lack of familiarity with the provision. Both Hopkins and Frydland claimed that the DOB demolition permit does not require specification or approval of a methodology, which directly contrasts the language contained in Chapter 14A-4-407, providing that the application must describe the methodology techniques and processes. It further states that the permit may issue if the "building official determines that the contractors and subcontractors have sufficient experience and expertise" in the methodology "to allow the work to be done safely and efficiently." Herrera claimed that this chapter did not apply to private demolitions in the City. Herrera oversees the day to day operations of the DOB demolition bureau and knew or should have known that separate DOB requirements are attached to the demolition permit when explosives are involved. Hopkins repeatedly insisted that MCM's July 2018 permit covered the smokestack implosion and that DOB had followed Chapter 14A-4-407 when Hilco provided a CDI drafted document to Commissioner Frydland for her review regarding the use of explosives in the implosion. Commissioner Frydland did not review this document and had directed a DOB structural engineer to review the plan, but again this review occurred outside of a formalized DOB demolition permit application and did not result in a separate DOB permit for the smokestack. Hopkins's attempted minimization of the issue notwithstanding, she ultimately acknowledged that while her duties do not typically involve permitting and she should have consulted DOB personnel with more knowledge, such as Mihajlovich, when deciding how to proceed.

Nothing prevented DOB from conducting their due diligence and requiring that MCM apply for a separate demolition permit for the smokestack, and in fact, Chapter 14A-4-407 required the identification of explosives use in the application. Based on email and testimonial evidence, both Herrera and Hopkins received an email on April 30, 2019, almost a full year before the implosion, from an MCM representative asking about implosion requirements, possibly with explosives, within the City. Moreover, Herrera, Frydland and Hopkins received affirmative notice of the planned explosives use at least by February 18, 2020, nearly 2 months prior to April 11, 2020. Though both Herrera and Hopkins denied any pressure, either internal or external, in imploding the smokestack, instead of requiring a separate permit application for the smokestack, Hopkins attempted to enter a note into MCM's permit on Hansen amending the scope of the permit to include the smokestack implosion in April 2020. She mistakenly added this note to Heneghan's

demolition permit, which Mihajlovich corrected and attributed the amended scope to Hopkins and Herrera. In his interview, Mihajlovich stated that it was unusual for Hopkins to edit MCM's permit rather than DOB issuing a new permit. Hopkins admitted that she does not typically edit DOB permits in Hansen as part of her duties.

DOB's failure to require MCM to obtain a separate permit for the smokestack also resulted in DOB failing to review MCM's license and accompanying information, which would have uncovered that MCM's wrecking bond had lapsed. MCC 14A-4-407.4 requires that contractors have a wrecking bond on file with the City clerk, which must cover any demolition work conducted under a DOB demolition permit. Wrecking bonds are filed for a calendar year and expire at the end of that year. MCM provided a wrecking bond in their original and only demolition permit in 2018, but this wrecking bond expired on December 31, 2018. DOL confirmed that they had only received a 2018 wrecking bond from MCM. Mihajlovich explained that DOB does not receive notifications when a license lapses, but typically discovers expired licenses when the contractor applies for a new permit since Mihajlovich checks the status of their license during the process. Had DOB required MCM to obtain a separate smokestack for the smokestack, DOB would presumably have been alerted to MCM's lapsed wrecking bond, which is required to perform demolition work in the City.

In another DOB attempt at compartmented responsibility-shifting, Former Commissioner Frydland stated that the separate DOB demolition permit application would not have prevented the actual issue stemming from the implosion, which was not a structural issue under DOB's purview, but the generation of the dust cloud, under CDPH's purview. Frydland explained that requiring a separate DOB permit for the smokestack would not have changed anything because the departments had already signed off on their department-specific concerns in MCM's original July 2018 permit. She concluded that a separate DOB demolition permit would not have prevented the dust. However, had DOB followed Chapter 14A-4-407 and requested a separate DOB demolition permit in 2020, CDPH would have been alerted to MCM's removal of MTS from the site. CDPH, specifically Graham, blamed MCM's failure to inform CDPH of MTS's replacement with CDI as one of the contributing factors that led to the dust cloud, mainly because CDPH did not know to request written confirmation that MCM still planned to follow the original MTS dust mitigation plan CDPH had reviewed and evaluated. A separate DOB permit application and subsequent departmental review and signoff would have ensured that CDPH adequately contended with MCM's replacement of MTS and could have alerted the City to postpone the implosion until MCM satisfactorily addressed any CDPH concerns. Furthermore, DOB would have discovered MCM's lapsed wrecking bond. The utility of undergoing a formal permitting process for the unique structure of the smokestack would have been formalized re-review by all approving Departments with information significantly newer than that provided in MCM's original application in 2018. For the reasons provided above, OIG recommends that DOB impose discipline against Herrera and Hopkins, commensurate with the gravity of their violations, past disciplinary record, and any other relevant considerations.

B. David Graham

OIG's investigation also established that CDPH Assistant Commissioner David Graham knew or should have known that MCM had outlined less robust dust mitigation measures prior to the implosion that significantly diverged from the MTS plan CDPH had reviewed and evaluated.

Graham received affirmative information that MCM had significantly downscaled the plan for the use of dust mitigation equipment. This constituted a clear red flag given CDPH's earlier assessment of the environmental consequences of the demolition as initially planned. Graham failed to inquire into and obtain written assurances from MCM's commitment to the original MTS dust mitigation plan that CDPH had reviewed and commented on relating most specifically to sufficient water coverage. Moreover, Graham failed to elevate concerns articulated by CDPH personnel and signaled by his own knowledge about the implosion to the CDPH Commissioner Alison Arwady who, properly alerted had the authority to issue an emergency cessation order under MCC 11-4-025 in situations of imminent and substantial risk to the public health. Graham's abdication of responsibility allowed MCM to proceed unchecked with downscaled dust mitigation measures resulting in MCM failing to adequately soak the ground prior to the implosion. In total, Graham's bureaucratic negligence constituted performance in violation of Personnel Rule XVIII, Section 1, subsections 29 (Failing to take action as needed to... perform a task safely), 39 (Incompetence or inefficiency in the performance of the duties of the position), and 36 (Acting negligently or willfully in the course of employment so as to damage public or private property or cause injury to any person).

DOB's failure to require a separate demolition permit for the smokestack implosion, which would have triggered a separate CDPH review of MCM's dust mitigation measures before the implosion, does not absolve Graham's misconduct. Graham's claim that he had no notice of MCM's less rigorous dust mitigation measures leading up to the implosion constitutes willful ignorance in its most favorable light, and a deliberate dereliction of responsibility at its worst. Graham, along with Kryl, participated in the review and evaluation of the MTS Crawford Generating Plant Final Exhaust Stack Reduction Submission dated September 29, 2019. Graham offered Kryl suggestions to the comments that Kryl sent LaMora on the dust mitigation measures, specifically on the necessity of high volumes of water. The report directly addressed CDPH's warning "that no matter how much water is believed to be needed, we need more than that" in its dust mitigation measures and planned to bring down the smokestack during a heavy rain event. The report specified collaborative agreements with five CFD Battalions and up to twenty-four (24) total engines, trucks and water tankers to assist in what the report caution could be a pervasive dust event. The dust was similarly predicted to be "cataclysmic." Though Graham acknowledged that CDPH had been anticipating some dust, he considered LaMora to be competent and believed the MTS dust mitigation plan would have helped prevent dust had it been followed.

In his OIG interview, Graham claimed that prior to the implosion, he thought that MTS would be performing the demolition work and did not learn until after the implosion that MTS had been removed from their duties onsite. However, Graham ceded that he had become aware of CDI's involvement in the smokestack implosion during an April 1, 2020 inter-departmental conference call. Graham stated that he only attended half of this call and did not pay attention. However, subsequent emails after the conference call reflect Graham's receipt of the exclusion zone exhibit discussed on the call, which Pullara emailed to Graham on April 10, 2020. The exclusion zone exhibit specifically identified that only two dust bosses and two water trucks would be located onsite to mitigate dust on April 11, 2020. Pullara stated that he explained during the April 1, 2020 call that there would be four pieces of dust mitigation equipment during the implosion. Graham either actively did not pay attention to the April 1, 2020 implosion coordination discussion, or simply did not realize the extent of the imminent damage that would be caused by the reduction of

mitigation equipment. Regardless, each is equally problematic and constitutive of bureaucratic negligence and incompetence. Even crediting Graham's claim of ignorance of the conference call details, subsequent email communications show that Graham had knowledge of MCM's diminished dust control measures. In an April 10, 2020 email related to the Block Club Chicago media inquiry, Graham wrote that he had spoken with Hilco and that CFD would have two trucks onsite to assist with the watering during the implosion. The two CFD trucks Graham referenced in the email show a marked difference from the up to 24 fire trucks LaMora had detailed in the MTS stack reduction submission. Graham displayed incompetence by not following up with CFD during the conference call or at any other time to determine the extent of their assistance and by blindly relying on LaMora's assurances. Though the implosion process had been organized in a piecemeal fashion with City departments, Graham should have ensured that the promised equipment would be present on the day of the implosion and not rely on reactionary enforcement to address discrepancies in dust mitigation measures.³⁷ The same issues CDPH put LaMora on notice for in his lacking accounting for dust control in the preliminary stack reduction plan were summarily ignored by CDPH in subsequent plans provided by MCM in the days leading up to the implosion. Moreover, based on an April 10, 2020 email, the day prior to the implosion, Graham indicated that he was not even aware that the implosion to take place on April 11, 2020.

In his interview, Graham stated that he did not observe 24 CFD trucks onsite on the day of the implosion. He saw at least two trucks on April 11, 2020, one of which was CFD and one of which was private. Graham disingenuously claimed that he thought that the approximately 24 CFD trucks specified in the MTS plan had watered the site overnight and that the other two trucks remained behind to provide assistance during the implosion. In an April 11, 2020 email that Graham sent to Hopkins, he wrote, "They provided a plan, but it was not clear how much water would be used. Based on 2 dust bosses and fire trucks it appeared or was represented it would be sufficient." Graham claimed that he did not recall whose specific plan he was referencing in the email and reiterated his belief that he was under the impression that MTS was still involved on April 11, 2020.

In a further abdication of responsibility, Graham failed to elevate any potential concerns surrounding the implosion to CDPH Commissioner Alison Arwady. Though Graham stated that Commissioner Arwady did not express any concerns to him about the smokestack coming down during the COVID-19 pandemic, Graham had received various concerns from his subordinates on a matter of great consequence that he summarily ignored and failed to bring to Arwady's attention. Moreover, though Arwady had been handling the City's response to COVID-19, the community's dust concerns regarding the smokestack were directly related to the pandemic. Graham knew prior to the pandemic that the implosion would generate dust and was aware of the community's longstanding concerns surrounding the redevelopment, writing in an August 9, 2019 email to

³⁷ The administrative and investigative record evinces wholesale disconnect of the evaluating and permitting departments to adequately coordinate with and confirm operations of CFD related to the implosion. It is therefore unclear whether CFD had in fact fully committed the availability of such a large number of its apparatus, whether that commitment was inquired into by the coordinate departments, and whether it was apprised of the radical downscaling of apparatus being called just prior to the implosion. The then Deputy Commissioner of the Fire Prevention Bureau, although in the communications chain for some aspects of the planning and permitting, was curiously unengaged at the time of the implosion event itself. Like Graham, the CFD Deputy Commissioner attended the implosion to watch the spectacle as just another member of the viewing public, rather than in any official capacity to direct the assurance of the public health and safety of the neighboring residential area through CFD contributions to dust mitigation efforts.

CDPH personnel, including Kryl and Singler, that CDPH had to “keep an eye on this project as far as dust...” and acknowledged that the community and the alderman had “expressed major concerns.” In a May 2019 email, Graham additionally recognized that the smokestack demolition would result in media coverage. On April 1, 2020, Kryl emailed Graham, referencing the COVID-19 lockdown that was set to end at the end of April 2020 and asking if Hilco should delay the implosion until May 2020. OIG found no evidence of Graham responding to Kryl’s email.

Though Graham considered CDPH blocking the implosion “a huge stretch” for CDPH, he acknowledged that it could have been halted by a cease and desist order pursuant to the commissioner’s authority if there was a basis. Graham Tr. 106: 5-6. MCC 11-4-025 would have provided the possibility of such a basis had Graham performed his due diligence as a senior CDPH official and elevated concerns about the implosion to Commissioner Arwady. The CDPH commissioner has authority to issue an emergency cessation order under MCC 11-4-025 due to imminent and substantial risk to the public health, which is defined as “a threat to human health or safety or to the environment that is expected to occur within a reasonably short time...” Significantly, Graham received information that MCM had reduced the number of expected watering equipment for the implosion shortly before April 11, 2020 and failed to inform Commissioner Arwady of this development. Graham knew or should have known that reducing water measures for the implosion would have resulted in more dust based on CDPH’s own admonitions that bringing down the smokestack would produce cataclysmic dust which would have constituted a threat to human health and therefore required a significant amount of water.

Graham’s claims that he staunchly believed that MCM would follow the MTS plan strain credulity. The two dust bosses and fire trucks Graham referenced in the email constituted far less equipment than the machinery detailed in the MTS stack reduction dust mitigation measures. Based on testimonial and email evidence, Graham was made aware in early April 2020, just prior to the implosion, of CDI’s involvement and that MCM’s dust mitigation measures had been radically downscaled from the MTS final stack reduction submission provided nearly six months before the smokestack implosion. Yet Graham neglectfully failed to inquire into and confirm final dust mitigation measures with MCM. Late-developing red flags notwithstanding, Graham opted to passively and negligently rely on assurances received almost half a year prior. Accordingly, OIG recommends that CDPH impose discipline up to and including discharge against Graham, commensurate with the gravity of his violations, past work and disciplinary record, and any other relevant considerations.

C. Hilco

OIG’s investigation further found that Hilco gave the City repeated assurances that MCM would appropriately mitigate dust at the site, despite MCM enacting different, less effective dust mitigation measures on April 11, 2020 than represented and called for by the plans submitted to and commented on by CDPH. Specifically, MTS, on behalf of MCM, submitted a thorough dust mitigation plan for CDPH commentary and evaluation and MCM ultimately failed to follow this plan. Though Hilco attempted to distance itself from MCM’s actions, Hilco representatives retained control over and heavily oversaw MCM’s implosion permitting process within the City. City personnel could not identify a regular MCM point of contact for the implosion and referenced Hilco Vice President of Development Nicholas Pullara as their point person throughout the

implosion process. Pullara's accounting of the sequence of events and his knowledge of them verges on incoherent.

Though Pullara was admittedly closely involved in coordinating the implosion process with the City, he denied knowledge of many aspects of the demolition work, particularly related to LaMora and MTS. Pullara acknowledged that he had reviewed the September 29, 2019 MTS Crawford Generating Plant Final Exhaust Stack Reduction Submission and that he had seen the section detailing CDPH's warning about needing more water than expected to saturate the site. However, he denied reading the section about collaborative agreements with five CFD battalions and up to 24 fire trucks contained in the same section of the plan as the CDPH warning. Pullara stated that he did not know either that the stack reduction submission had been submitted to CDPH and or that LaMora had been coordinating with CDPH in drafting the dust mitigation efforts detailed in this plan. Pullara did recall requesting only two firetrucks from CFD to assist in dust suppression and CFD provided the two firetrucks on April 11, 2020. He asserted that the only dust mitigation plan that he was aware of was the exclusion zone exhibit discussed at the April 1, 2020 teleconference call, which showed the planned locations of the five pieces of dust mitigation equipment for the implosion, specifically the two dust bosses, the two water trucks with water cannons, and the one CFD truck spraying water. In other words, Pullara recalls the fact of and seeing the original plan but denies knowing and reading critical details of it. He recalls that it reflected engagement with CDPH, but effectively denies knowledge of it as operative, thus claiming that dust mitigation was, in essence, an eleventh-hour arrangement in April 2020.

On several occasions, Hilco made assurances to the City that they were utilizing extensive dust control and mitigation efforts through the five pieces of dust mitigation equipment planned to be stationed onsite during the implosion, despite the existence of the more thorough MTS plan that CDPH expected them to use, which called for far more watering equipment to adequately saturate the ground. Arguably, Hilco had knowledge of MCM's downscaling of the dust mitigation methods previously submitted to and reviewed by CDPH. Pullara's explanation that he had reviewed the MTS stack submission plan and had selectively recalled only portions from one specific section while forgetting the portion about utilizing 24 CFD trucks strained credulity. Moreover, according to LaMora, Pullara had not only reviewed the stack submission, but demanded that several sections relating to air monitoring stations and sampling points around the site to take baseline measurements of air quality before, during and after a demolition event be removed due to concerns that the project could be shut down if the monitors detected anything harmful. Graham was also adamant that Hilco had been informed of the MTS dust mitigation recommendations through email or direct conversations. Graham stated, "They [Hilco] cannot say that they did not know. MTS told them what to do and it was completely ignored." Graham Tr. 61: 1-3.

Hilco's reckless conduct endangered the public safety and reflected poorly on its responsibility as a City licensee. Hilco traumatized a community already plagued with fears about air quality and exacerbated these preexisting concerns by negligently allowing MCM to generate a massive dust cloud during a respiratory pandemic. Hilco failed to take any responsibility for its role in the resulting dust and attempted to shift all blame to MCM. However, it is implausible given Hilco's active participation in the implosion process that Hilco had no knowledge of MCM's actions. Moreover, Hilco displayed a callous disregard to the residents of Little Village by failing to notify

them of the implosion in a timely manner and prevented residents from raising concerns about the planned event until the implosion was too late to halt. The City issued 16 citations against Hilco, MCM and CDI for up to \$68,000 for violations of CDPH's ordinance. Despite the egregious repercussions of Hilco's conduct, OIG will not be recommending any further action against Hilco due to the legally preclusive effect of the City settling with Hilco the regulatory citations for the same conduct. On June 17, 2020 Hilco agreed to pay the City \$19,500 in full satisfaction and resolution of the Hilco citations and denied and did not admit any guilt, wrongdoing or liability regarding the subject of their citations.

D. City Oversight

OIG's investigation identified that most issues with the smokestack implosion stemmed from the lack of a formal, centralized City implosion process. These issues do not absolve the subjects from the sustained findings identified above. Many of the issues arose due to the absence of any policies and procedures for an implosion and confusion over which City department was responsible for coordinating the event and cannot be tied to the conduct of a single actor.

Nevertheless, the City's failure to address and alleviate practical and historical concerns within the community, particularly during an unprecedented global pandemic, directly contributed to Little Village residents experiencing what Wasserman characterized as emotional turmoil and anger. In an April 12, 2020 Chicago Tribune article, Alderman Rodriguez stated, "The fear and anxiety that residents feel about COVID-19 have only been exasperated by this situation."³⁸ OIG's investigation did not identify any contributing factors, internal or external, which would necessitate the City to rush the implosion, making the City's resulting passivity towards timely notifying residents of the implosion even more egregious. April 6, 2020, five days before the implosion, Hilco's consultant, Eve Rodriguez, informed Herrera and Hopkins that they planned to mail a community notice to businesses and residents that day to arrive on April 7, 2020. She additionally stated that Hilco had yet to update their website with the implosion information and had not yet coordinated with CDOT on the media advisory. Hilco updated their website with the community notice on April 9, 2020 and CDOT issued the implosion traffic alert on April 10, 2020. Predictably, Hilco's mailed notices failed to reach many of the residents in time and Hilco sent out a team on the afternoon of April 10, 2020 at the urging of Alderman Michael Rodriguez to hand deliver mailers door-to-door.

Despite the absence of an explicit notification timeline, the City should have utilized common sense measures to ensure that residents had been apprised of the pending implosion sooner than the day before. The City's failure to consider the community impact is even more grievous when coupled with the ongoing tension between Little Village residents and the Hilco redevelopment and historical air quality concerns within the 22nd ward.³⁹ CDPH received numerous citizen complaints about the ongoing demolition and construction work during the lifetime of the Crawford site redevelopment, including complaints about dust leaving the site. The lack of notice also contributed to the inability to hold a community meeting addressing residents' specific concerns about the implosion. Furthermore, no City actors appeared to have adequately addressed

³⁸ Chicago Tribune article contained in Exhibit "2020-04-15-6 Documents from Complaint Number 2020-0000886" in the investigative file.

³⁹ See <https://blockclubchicago.org/2021/04/12/a-year-after-botched-hilco-implosion-little-village-neighbors-demand-protections-for-south-and-west-side-neighborhoods-we-just-want-to-breathe/>

concerns about conducting the implosion during the COVID-19 pandemic. In fact, many City personnel OIG interviewed opined that the pandemic constituted an ideal time to implode the smokestack since individuals had been forced indoors and traffic was light, resulting in low risk to the public safety. There seemed to exist a lack of concern in the human element involved, particularly when the City was aware that dust was an unpreventable byproduct from demolition work, even if no one anticipated the extent of the dust generated.

City Council and relevant City departments have already taken steps to address many of the issues leading up to the implosion on April 11, 2020. Following the smokestack implosion, City Council passed measures further regulating demolitions by implosion. The measures added a new Chapter 2-30 entitled “Multiagency Regulation of Implosions,” which requires the commissioners of DOB, BACP, CFD, CDPH, CDPT, DWM, and the Executive Director of OEMC to draft department specific policies related to implosion procedures and to post the finalized versions on their websites. The new Section 15-4-311 providing for additional BACP requirements for an application for a license to use explosives for the demolition of buildings or structures. Section 15-4-311(b) requires applicants to show evidence that they had mailed written notice to owners and occupants of all buildings located within 1,000 feet of the property lines of the site and to the alderman of the ward. The section also requires that applicants provide additional community notifications, “no less than 7 and no more than 30 days prior to the date explosives will be used.” The new requirements also provide that the applicant must host a community meeting “no less than 30 days and no more than 60 days after” the date the application is filed with BACP, allowing members of the public can ask questions about the applicants’ comprehensive plan, which must include sections on air quality and dust mitigation.

VI. VIOLATIONS

A. City of Chicago Personnel Rules XVIII, Section 1

Subsection 29: Failing to take action as needed to complete an assignment or perform a task safely.

Subsection 35: Acting negligently or willfully in the course of employment so as to damage public or private property or cause injury to any person.

Subsection 36: Failing to comply, in carrying out any acts in the scope of employment, with laws or departmental rules governing health, safety, and sanitary conditions.

Subsection 39: Incompetence or inefficiency in the performance of the duties of the position. This means performance of the duties of the position at a level lower than that ordinarily expected of other employees in similar positions, due either to lack of ability, knowledge or fitness, lack of effort or motivation, carelessness or neglect.

Subsection 48: Violating any departmental regulations, rules or procedures.

Subsection 50: Conduct unbecoming an officer or public employee.