



CITY OF DANVILLE

DEPARTMENT OF COMMUNITY DEVELOPMENT

RECEIVED APR 01 2019

A handwritten signature in black ink, appearing to be "JW", is written over the "RECEIVED" stamp.

April 1, 2019

TO: Chris Milliken

Dear Chris;

On October 31, 2018 (Wednesday) I received an email from the Comptroller stating that we needed to stop spending in fund 710, the IDHA BRP grant you obtained, because we had exceeded the budget and there had not been reimbursements. Previous emails between you and the Comptroller and discussions between myself and you had you stating that reimbursements would be forthcoming after all documentation of expenses had been collected.

I asked you on Wednesday and Thursday morning to provide me with the grant documents. After not receiving them, I found them on the server and upon review, discovered that the deadline for reimbursements under the original grant had been extended from April 30, 2018 to July 31, 2018. The grant stated that all documentation for reimbursement must be submitted no later than June 30, 2018. When questioned you stated that the grant had been extended an additional 3 months. I asked to see the documentation to which you said there was none. I asked for any and all emails to IHDA requesting additional time and instructed you to send IHDA another email requesting additional time.

I then scheduled a group meeting for Monday November 5 with all parties to discuss the status of the demolitions and documentation needs. At that meeting, it was clarified that no one had been told that there was a deadline. Public works advised that they had been instructed to demolish burn out structures ahead of the BRP structures and had been doing so. At that meeting, you contradicted your earlier statement and said you were unsure that another extension of time had been granted. It was decided that you were to contact the grant administrator and request the extension of time in writing.

Subsequently, you provided me with emails from you to IHDA. The first involved the documented request for extension of time on May 21, 2018. The second was dated November 1, 2018; the day I directed that you make a request prior to our November 5 meeting.

The Mayor signed and sent out the request for extension of time you prepared on November 20.

When I asked you during our meeting on February 20, 2019 what you felt your level of responsibility of this was, you stated it was a shared responsibility between yourself and public works in that public works did not perform the demolitions in a timely manner. You also stated that IHDA was responsible in part because they did

not contact you in regards to upcoming deadlines. You further stated that you were busy with other work items and the grant deadlines slipped your mind.

Some of the demolitions were completed within the grant term, yet you submitted no request for reimbursements.

You as the grant administrator were responsible for conformance with the grant requirements. You were aware of the grant requirements and coordinated their execution, such as, surveys, title searches, environmental clearances, transfer of deeds, and request for extension of time. At no time did you communicate to me or others that a deadline was approaching that could result in loss of funds. At no time did you communicate to me that you needed assistance with administering the grant including help with reimbursements. The failure to request reimbursements and the failure to communicate the grant deadlines to your supervisor or others involved in the project led to an out of pocket expense liability to the City in excess of \$195,000.

On March 4, 2019 I notified the Mayor that we would be receiving a noncompliance letter from HUD regarding our violation of timely expenditure requirements. The Mayor demanded an action plan to become compliant which has not yet been created.

On Wednesday March 27, 2019 you and I participated in a conference call with our HUD representative regarding the City's noncompliance with timely expenditure requirements. During that conversation the HUD representative (Amy) specifically asked for a detailed accounting of planned expenditures from all categories in the City's annual action plans. You stated you would be able to provide those. She also asked for detail regarding the lack of spending in the East Main project and the planned spending for the Jackson Street Shared Use Path project which I said I could provide. Amy asked for all of this information to be delivered to her by noon the next day. You stated that you would meet that deadline. I asked you twice if you needed my help in developing the information to which you said no. You did not copy me on the submittal to HUD.

On Friday I received an email from Amy requesting the information you told her would be provided during the conference call. I requested what you sent her and found the only information you provided HUD was the information I gave you regarding East Main and Jackson.

These are acts of gross negligence and dereliction of your duties.

For all of the aforementioned reasons, you are being terminated.

Director: *R. David Schulte*

Mayor: *Rickey Williams, Jr.*