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Ethics & Accountability

Daley Machine Cogs Still Spin In Chicago Heights

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In three years, Chicago Heights Mayor David Gonzalez's financial firm adds 22 municipal contracts totaling \$2.1 million

Aaron Del Valle, a former Chicago police officer and aldermanic candidate, was convicted of perjury in 2011 and sent to federal prison in a hiring scandal that consumed the Hispanic Democratic Organization, a patronage army tied to longtime Chicago Mayor Richard M. Daley.

Released a year later, Del Valle's ex-con status has hardly hobbled his career.

He is now the \$72,000 commissioner of streets and public property for Chicago Heights Mayor David Gonzalez.

HDO may be defunct but its cross winds still appear to run through the

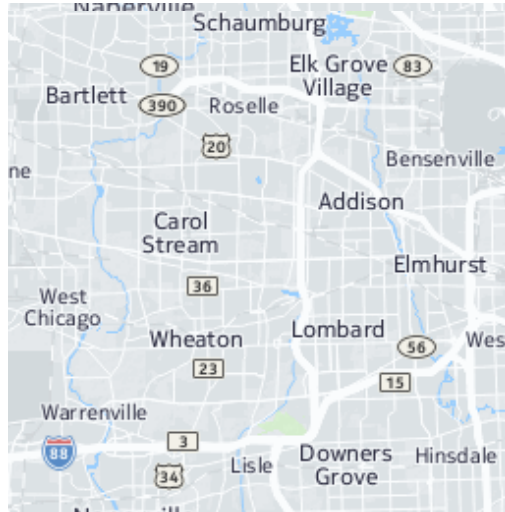
budding political and business fortunes of Gonzalez, who in addition to his mayor's post is the campaign treasurer for HDO co-founder State Sen. Antonio Muñoz (D-Chicago).

Above, from left to right: Aaron Del Valle, State Sen. Antonio Muñoz (D-Chicago), and Chicago Heights Mayor David Gonzalez pose for photo at a Chicago Cubs game.

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Gonzalez also runs an accounting and auditing firm that has rapidly added contracts with public bodies in the five years since he was first elected to run the 30,000 resident suburb south of Chicago. Some of those deals are with south and west suburban communities where HDO alums hold political sway.

In the past three years alone, Gonzalez's GW and Associates has added 22 new municipal accounting and auditing contracts that have paid it a total of \$2.1 million. One high school district covering Chicago Heights had agreed to hire a competing accounting firm and then rescinded the offer so it could hire Gonzalez's company instead, board minutes show.



Map created by  [Jared Rutecki](#)

“You talk about the little CPA firm that is causing a little bit of havoc here by getting into a market that they are not supposed to get into because maybe I just want a little taste of that American dream myself,” said Gonzalez, whose part-time mayor’s salary doubled to \$40,000 this year.

Following his election in 2011, Gonzalez also was appointed by then Gov. Pat Quinn to a seat on the Illinois Tollway Board, an influential panel with oversight over the state’s 292-mile tollway system and its \$1 billion annual budget. Gonzalez, who is paid \$31,426 annually for his role on the board, is currently chairman of that panel’s audit committee.

For most of the more than two decades he’s been in the accounting business,

Gonzalez's practice has involved preparing personal and corporate tax returns, though he also had a small number of contracts to manage the finances of local governments, mostly in the south suburbs.

The municipal side of Gonzalez's business picked up significantly after he became mayor, a Better Government Association analysis of public records shows. The firm added new contracts in not just the south suburbs close to his home base but also in and around western suburbs such as Berwyn and Cicero, where Gonzalez has ties with influential state lawmakers.

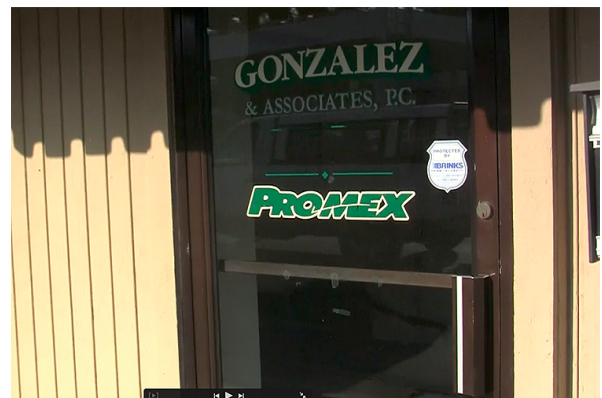
In addition to his work for Muñoz, the state senator, Gonzalez was the former campaign treasurer for HDO-allied State Sen. Martin Sandoval (D-Cicero). Sandoval is a paid consultant for Cicero and Melrose Park, public bodies that also employ GW and Associates, according to Sandoval's most recent statement of economic interest.

And, State Rep. Elizabeth Hernandez (D-Cicero), whose husband, Charles, is the Cicero Township Democratic Committeeman, currently uses Gonzalez as her campaign treasurer. Both lawmakers told the BGA they haven't helped Gonzalez find work.

GW and Associates first cracked the Cicero area government market in 2008, three years before Gonzalez became Chicago Heights mayor, when it was hired as a financial consultant for Morton College, a Cicero community college. Since then, Morton has paid GW more than \$720,000 in professional fees, Gonzalez says.

Over the last two years, GW has also landed auditing contracts with the Town of Cicero as well as the Clyde Park District, which operates in Cicero.

Public records show that since 2013 the firm was also paid five and six-figure fees by



Berwyn, Bridgeview, Lyons, Melrose Park, Orland Hills, Proviso Township, Proviso Mental Health Commission, and Riverdale, which paid GW \$417,750, among other contracts.

The exterior of GW and Associates (Photo by Casey Toner / BGA)

Gonzalez's election in Chicago Heights was aided by former HDO players, including law firms where HDO co-founder Victor Reyes, once the patronage chief in Chicago for Daley, was a partner.

Another lobbying firm owned by Reyes and Bloom Township Trustee Mike Noonan, a one-time political operative for Illinois House Speaker Michael Madigan, was a Gonzalez donor and a paid Gonzalez campaign consultant.

In addition, Matt Sanchez, son of HDO organizer Al Sanchez, was a paid Gonzalez staffer in his 2011 mayoral election. Al Sanchez, former Chicago commissioner of streets and sanitation, was convicted along with Del Valle in the HDO corruption scandal involving the rigged hiring of political workers.

After his election, Gonzalez hired Matt Sanchez to administer a single housing grant for Chicago Heights, a part-time municipal post he held from 2012 to 2015. Matt Sanchez is now the director of Reyes' law firm, Reyes Kurson. Reyes and Sanchez did not respond to multiple messages seeking comment. A spokesman for Muñoz declined comment.

Gonzalez acknowledged his professional relationship with Al Sanchez and said he hired Del Valle because he "wanted someone with knowledge, expertise and ability to get the job done."

In his years on the Chicago city payroll, Del Valle bounced back and forth between working as a police officer and working for the Streets and Sanitation Department as a top deputy under Sanchez. Shortly before Del Valle's indictment, he once again left

Streets and Sanitation to return to police work.

In the criminal case against Sanchez and Del Valle, investigators found a digital spreadsheet on Del Valle's city computer that contained requested HDO patronage hires, court records show. But Del Valle told a federal grand jury he had no involvement in patronage hiring, false testimony that eventually led to his indictment and conviction for perjury in 2011.



Aaron Del Valle

Del Valle went to work for Chicago Heights after Gonzalez was re-elected to his second term as mayor in 2015.

Within months of his re-election, Gonzalez picked up new public contracts for his accounting firm with school districts that cover Chicago Heights -- Bloom Township High School District 206 and Chicago Heights Elementary School District 170, records show. Those deals came on top of longstanding contracts GW held with Bloom Township and the Chicago Heights Park District which have earned the firm more than \$600,000, records show.

To hire GW, District 206 had to first rescind an agreement it had reached with a different accounting firm to audit its books, public records show. Two of the District 206 board members who voted to make the switch to Gonzalez's firm had collectively made \$2,190 in political donations to Gonzalez-connected political committees, campaign records show.

Theresa Palombi, a third board member who approved the contract for GW, later was hired as an executive assistant at Gonzalez's Chicago Heights Fire Department.

"It's none of your business," Palombi said, when asked about her vote.

On the District 170 board, two members who voted to hire Gonzalez's firm, Sam Costello and James Cordes, have contributed a combined \$4,790 to Gonzalez connected political committees, according to campaign records. Another vote to hire GW came from board member Kelli Merrick, at the time a Chicago Heights city employee who since has been hired to work inside Gonzalez's mayoral office.

District 170 Supt. Thomas Amadio, who records show donated \$5,590 to Gonzalez-connected political committees from 2008 to 2016, did not respond to several messages seeking comment.

Gonzalez's firm signed another contract in July 2015 with the Chicago Heights-based Bloom Township Trustees of Schools, which oversees the finances for 18 school districts including District 206 and District 170.

Of the three board members who voted to give Gonzalez's firm a contract, Alice Peterson donated \$475 to Gonzalez from 2012 to 2016; Luciano Panici Jr. collects a small salary as the Chicago Heights Board of Fire and Police Commissioners secretary; and, Cicely Barber worked for two years as a community relations coordinator in the Gonzalez administration prior to the vote. And, Bloom Township



David Gonzalez

Trustees of Schools Treasurer Robert Grossi, the head of the agency, donated \$6,830 to Gonzalez-connected political committees from 2009 to 2016, records show.

Gonzalez said he did not call in favors to land the contracts.

"We don't operate that way," he said.

This story was written and reported by the Better Government Association's Casey Toner, who can be reached at (312) 386-9201 or ctoner@bettergov.org.



SUB-TOPICS: COOK COUNTY, COLLAR COUNTIES, POLITICAL APPOINTMENTS, RICHARD M. DALEY, CONVICTIONS
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