

2024

ANNUAL REPORT

Procurement and Materials Management Department



**Metropolitan Water
Reclamation District
of Greater Chicago**



DARLENE A. LOCASCIO, DIRECTOR OF PROCUREMENT AND MATERIALS MANAGEMENT

PROCUREMENT AND MATERIALS MANAGEMENT DEPARTMENT

The Department of Procurement & Materials Management (P&MM) plays an integral role for the Metropolitan Water Reclamation District of Greater Chicago (MWRD) by procuring all construction, goods, and services for its operations and mission, and supplying nearly 2,000 employees with the tools, equipment and materials at one of the world's largest water utilities. P&MM works across various departments to prepare staff with the ability to treat more than 2 billion gallons of wastewater and transform it into clean water in a matter of hours, while managing unpredictable stormwater, protecting area waterways and the source of the region's drinking water in Lake Michigan. This annual report submitted to the MWRD Board of Commissioners summarizes the activities of P&MM activities for 2024.

Mission

The mission of the Department of Procurement and Materials Management is to procure the goods and services required for MWRD operations; to enforce specifications of the highest quality standards for materials, supplies, and equipment; to control, maintain, and distribute inventories of commonly used materials, supplies, and equipment; and to determine the disposition of obsolete, surplus, or unusable materials, supplies, and equipment; all in accordance with the Purchasing Act, as mandated by Illinois State Statute, 70 ILCS 2605 Sections 11.1 through 11.24.

Responsibilities

P&MM is charged with procuring all construction work, materials and services that are used by the MWRD. In 2024, this included more than \$428 million in goods and services. The Purchasing Act delineates both the authority and operating regulations. This Act outlines the duties and responsibilities of the director of P&MM in the various areas of purchasing supplies and services, requesting and receiving bids, determining control and operation of the storerooms, disposing of obsolete, surplus and unusable material, and verifying quality and testing of materials.

A stormwater diversion channel connecting Midlothian Creek in Robbins to the Cal-Sag Channel to mitigate flooding, was completed in 2024.



Formal contracts and purchase orders for commodities (supplies, material, or equipment) over \$25,000 and for services over \$10,000 are opened in public, in the form of sealed bids on a weekly basis after formal advertisement. Request for Proposals over \$10,000 are advertised but not opened in public. Informal bids are opened on a daily basis for commodities \$25,000 and under and for services \$10,000 and under.

The P&MM 2024 staff totals 56 positions with which to fulfill the duties and responsibilities of the Purchasing Act. The department is composed of an Executive Section, with four positions, and three divisions: General and Inventory Control, composed of four positions; Acquisition, composed of 21 positions; and Stores and Inventory, composed of 27 positions.

We have three divisions that work together closely, as each is dependent on information supplied by the others.

Executive Section

The Executive Section is composed of the director of P&MM, the assistant director of P&MM, and two administrative support personnel. The director supervises the administration of all functions of the Procurement Department: buying, inventory control, and stores. The director serves as the chair of the Board of Standardization that meets on a quarterly basis. The Executive Section has the responsibility for the coordination, preparation and management of the departmental budget that totaled \$11,381,400 in 2024, and collection of revenues from the sale of obsolete, used and surplus materials.

Acquisition Division

The Acquisition Division, managed by the assistant director of P&MM, is responsible for the processing of all requests for goods and services required by the various departments of the MWRD in an economical and expeditious manner. Both formal and informal proposals are solicited for these



Senior Buyer Clement Cherian (standing, far right) and Senior Administrative Specialist GiGi Vasquez (seated) answer questions at Diverse Business Summit 2024.

requirements whenever practical. The division is separated into three (3) sections: Administrative, Buying and Clerical.



National Institute of Governmental Purchasing's Quality Public Procurement Department (QPPD) award / accreditation. P&MM has been continuously accredited since 2003.

The Administrative Section is comprised of one budget and management analyst, one senior administrative specialist, and three administrative specialists. This section has the overall responsibility for this division as well as assignment, control and revision of the vendor bidding lists (or product classification groups); and identification of affirmative action applications for minority business enterprises (MBEs), women-owned business enterprises (WBEs), and veteran-owned business enterprises (VBEs). The confirmation of MBE, WBE, and VBE firms is done by the Diversity Section in General Administration.

The Buying Section is supervised by a procurement manager and two supervising buyers, with a staff consisting of six senior buyers and four buyers. The senior buyers concentrate on contracts, RFPs and purchase orders with a dollar value greater than \$25,000 for commodities and \$10,000 for services. The buyers concentrate on purchase orders for commodities that are \$25,000 or less and for services which are \$10,000 or less. Buyers are responsible for inventory contracts that replenish stock items in the MWRD's storerooms.

The Clerical Section, consisting of two administrative specialists and one administrative clerk, is supervised by the procurement manager, and is responsible for data entry, filing, record



Storekeeper Wendell Jackson aligns a forklift into an aisle using a floor-guided system.



(From L to R): Storekeepers Jeff Frank and Tanya Huertas discuss issuing material to the trades floor with MWRD carpenters Luis Ojeda and Struma Cartman.

keeping, quotation receipts, and the contract document and purchase order file room.

Stores and Inventory Division

The Stores and Inventory Division is managed by the stores and inventory manager. This division is responsible for maintaining and controlling optimum inventory levels to support the administrative, operating and maintenance requirements of the MWRD in the most effective and economic manner, effectively balancing supply and demand requirements. The division is separated into two sections: Administrative and Stores.

The Administrative Section consists of the stores and inventory manager and one senior stores specialist, and has the overall responsibility for this division and is responsible for developing budgets for materials and preparing a variety of monthly inventory reports. The Administrative Section is also responsible for system contract administration.

The Stores Section, consisting of 25 positions, is managed by a supervising stores specialist and is composed of five units as follows: the Administrative Unit, consisting of one supervising stores specialist, and four plant storerooms. This section orders, receives, moves, stores, issues, handles stock transfer material requirements, and provides feedback to central planning. The staff also plans, monitors, and analyzes inventory activities to assure a continuing optimum and economic inventory investment and user support level.

The largest storeroom is located at the Stickney Water Reclamation Plant (WRP) and is staffed by 13 employees. The remaining storerooms are

located and staffed as follows: Calumet WRP, four employees; O'Brien WRP, three employees; and Egan WRP, four employees.

General and Inventory Control Division

The General and Inventory Control Division is managed by a supervising stores specialist. This division is responsible for the accuracy and accountability of the physical material under its control, including identifying, cataloging and maintaining commodity standards, ensuring inventory data integrity, and offering improvements in systems applications and physical workflow. The supervising stores specialist acts as chairman of the Inventory Review Board.

The Inventory Control Section is managed by a supervising stores specialist, with a staff consisting of three stores specialists. They are supported by an on-line computerized inventory database system providing instant access to all pertinent inventory data.

Inventory Control personnel are responsible for physical count verification using a daily cycle counting technique to reconcile differences between inventory records and physical counts at all storerooms. Personnel also update consumption values, stock locations, material master numbers and material descriptions, iBid, and investigate inventory inaccuracies with all staff and departments at the MWRD.

RIGHT: The MWRD is constructing a stormwater pond with a holding capacity of over 9 million gallons, surrounded by natural green space, as part of the Robbins Heritage Park and Midlothian Creek Restoration Project. This estimated \$30 million investment from the MWRD will protect Robbins residents from flooding and improve water quality in Midlothian Creek.

ACTIVITIES AND SIGNIFICANT ACCOMPLISHMENTS UNDER THE MWRD STRATEGIC PLAN, 2021-2025

Activities and significant accomplishments during 2024 include:



STRATEGIC GOAL 1

Resource Management

Manage MWRD assets to maintain optimal performance and long-term sustainability.

Developed a work plan to identify engineering spare parts within the Dr. Cecil Lue-Hing Research and Development Complex at the Stickney WRP and link them to assets within that building.



STRATEGIC GOAL 3

Workforce Excellence

Continue to offer all staff a baseline training allocation.

Completed individualized training curricula with the National Institute of Governmental Purchasing, designed to prepare buyers and senior buyers to apply for certification as Certified Procurement Professionals, a nationally recognized certification for public procurement professionals.



STRATEGIC GOAL 4

Community Engagement

Enhance the experience of vendors who do business with the MWRD.

- Enhanced the MWRD website to allow for easier use for bidders, based on web consultant input;
- Increased transparency by adding search functionality to the MWRD's website to show a contract's original award amount, current contract amount with change orders, and payments made;
- Revised procedures so that plan holders are emailed reminders to sign documents, and added a folder to the MWRD's eProcurement software with reminders to make sure all required documents have been signed.



PROCUREMENT ACTIVITY

Types of Bidding Processes

Competitive Sealed Bid

Scope of work is defined; awarded to the lowest responsible bidder based on cost.

Competitive Sealed Proposal (RFP)

When the competitive sealed bid is either not practicable or advantageous for the MWRD, P&MM turns to a competitive sealed proposal. Experience, past performance, resources and other criteria stated in the RFP are considered when assessing the contract document that is typically used to procure services. The methods or means to achieve the required results are not clearly defined in the RFP. The bidder provides the solution. Cost is a factor but is not the overriding basis for award as in the competitive sealed bid process.

Qualification-Based Selection

Process for the competitive selection of legal and engineering services under which the most appropriate professional or firm is selected based on qualifications such as knowledge, skill, experience, and other project-specific factors, rather than on fees. Fair and reasonable fees are negotiated with the top-ranked firm for an agreed-upon scope of services.

Sole Source Procurement

Contracts, which by their nature are not adapted to award by competitive bidding because they can only be procured from one source.

Cooperative Procurement

One government agency or jurisdiction performs the solicitation and award process for several agencies or jurisdictions to use, but separate contracts or purchase orders are executed between each participating agency and the vendor; the agency contracting for the prices bears no contractual responsibility to the vendor.

Small Purchases

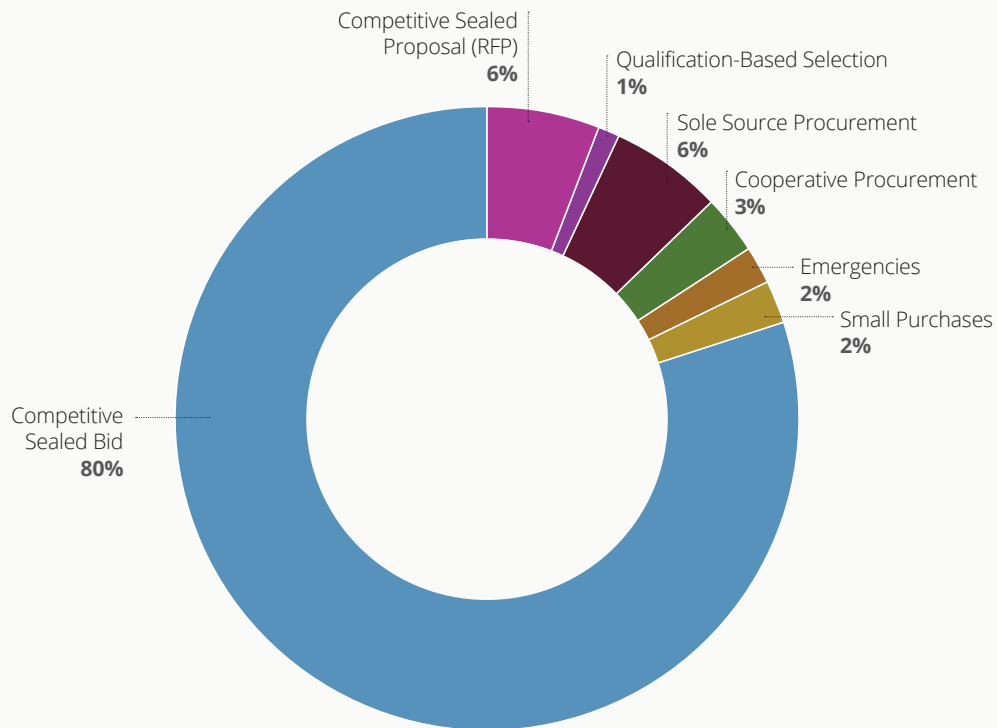
Purchases made that are under \$10,000 for services and under \$25,000 for goods.



Work is carried out on the \$28.9 million Phase III of the Service Tunnel Rehabilitation at the Stickney Water Reclamation Plant.

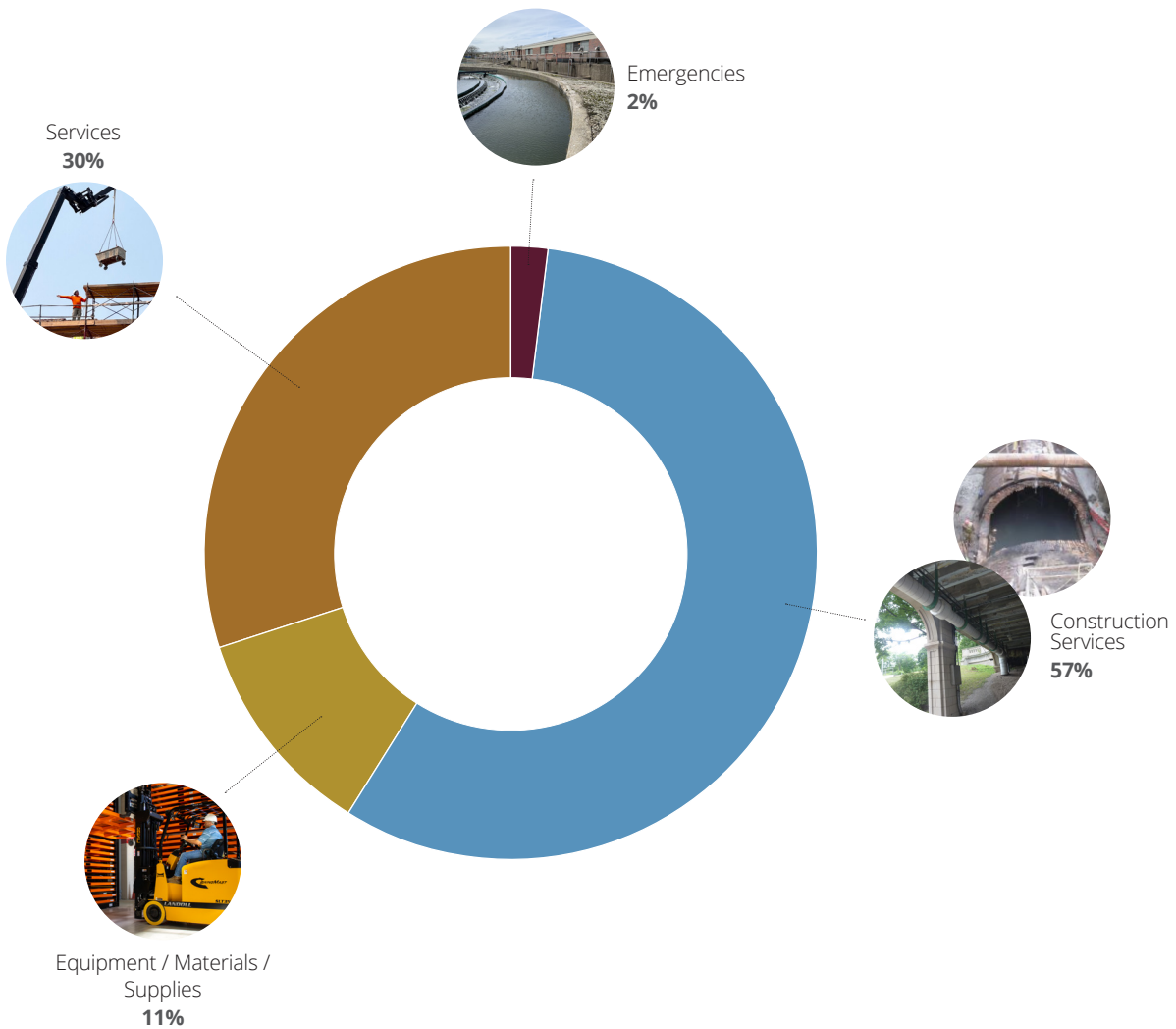
2024 Awards by Bidding Process

Process	# Contracts/POs	\$ Value
Competitive Sealed Bid	102	\$343,236,155
Competitive Sealed Proposal (RFP)	19	\$25,496,590
Qualification-Based Selection	8	\$4,779,000
Sole Source Procurement	75	\$23,783,002
Cooperative Procurement	55	\$14,423,529
Emergencies	9	\$9,118,371
Leases	1	\$797,500
Small Purchases	2,754	\$6,408,455
Total	3,023	\$428,042,602



2024 Awards By Category

Category	# Contracts / Pos	\$ Value
Construction Services	16	\$241,180,179
Leases	1	\$797,500
Equipment / Materials / Supplies	2,591	\$46,851,894
Services	406	\$130,094,658
Emergencies	9	\$9,118,371
Total	3,023	\$428,042,602

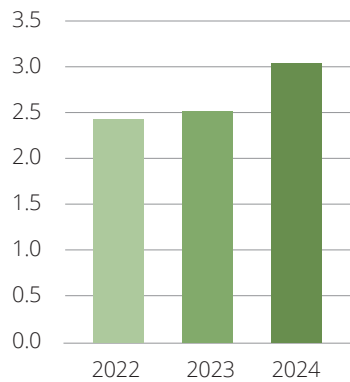


RIGHT: Storekeeper Joshua Akwaboah uses a forklift with a barrel puller attachment to relocate 55-gallon barrels of oil.

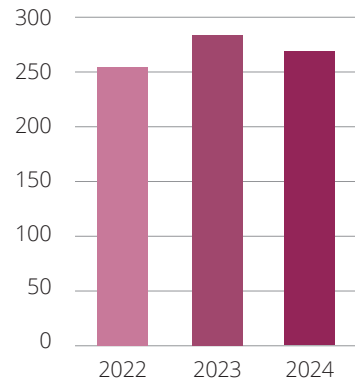
Competitive Sealed Bid & Proposals (advertised Contracts)

Year	Contracts Advertised	# Bidders	Bidders Per Advertised Contract	# Advertised Contracts Awarded	Dollar Amount of Advertised Contracts Awarded
2022	140	340	2.43	232	\$304,070,049
2023	131	330	2.52	256	\$385,391,753
2024	132	401	3.04	260	\$412,515,776

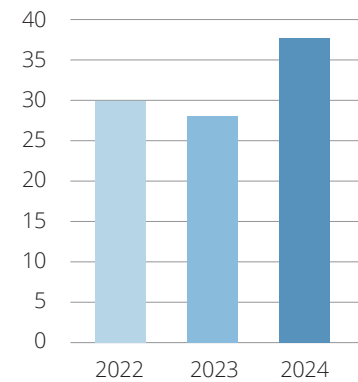
Bidders Per Advertised Contract



Total Contract Opportunities

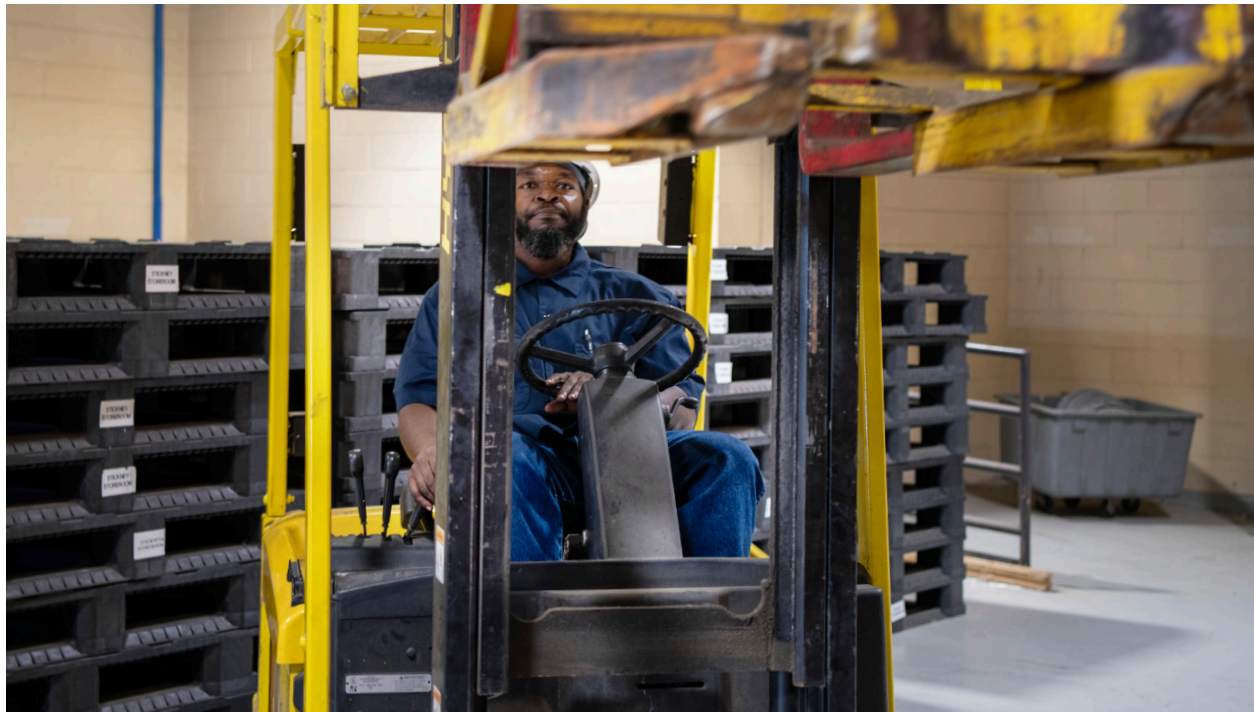


% Contracts with Groups



Contract Opportunities

Year	Contracts Advertised	One Award	Contracts with Groups	# of Groups	Total Contract Opportunities	Opp Per Contract	% Contracts with Groups
2022	140	98	42	161	259	1.85	30.0%
2023	131	94	37	194	288	2.20	28.2%
2024	132	82	50	191	273	2.07	37.9%



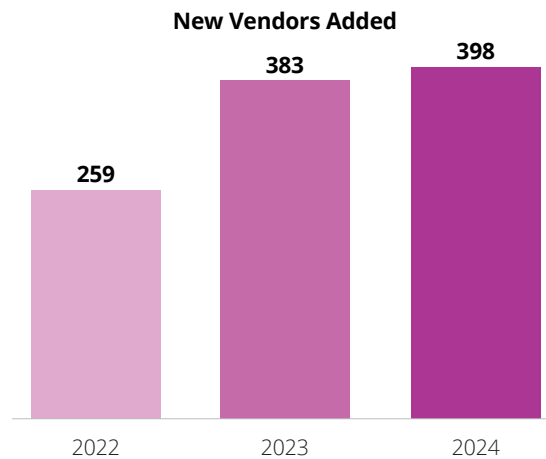
Small Purchases

	2024	2023	2022
Requisitions from RFQ	3,325	3,200	3,227
Total Inquiries Sent to Vendor	23,324	22,325	23,684
Quotes Received	7,615	6,925	6,445
Purchase Orders Issued from RFQ	2,754	2,937	2,681

Vendor Outreach

Year	New Vendors Added	New Vendors Issued PO*	\$ Value POs to New Vendors*
2022	259	102	\$11,320,988
2023	383	134	\$18,790,654
2024	398	99	\$15,854,473

* Through 12/31/2024



Supervising Stores Specialist Jeff Holdman inspects railroad track under the Central Ave. Bridge.

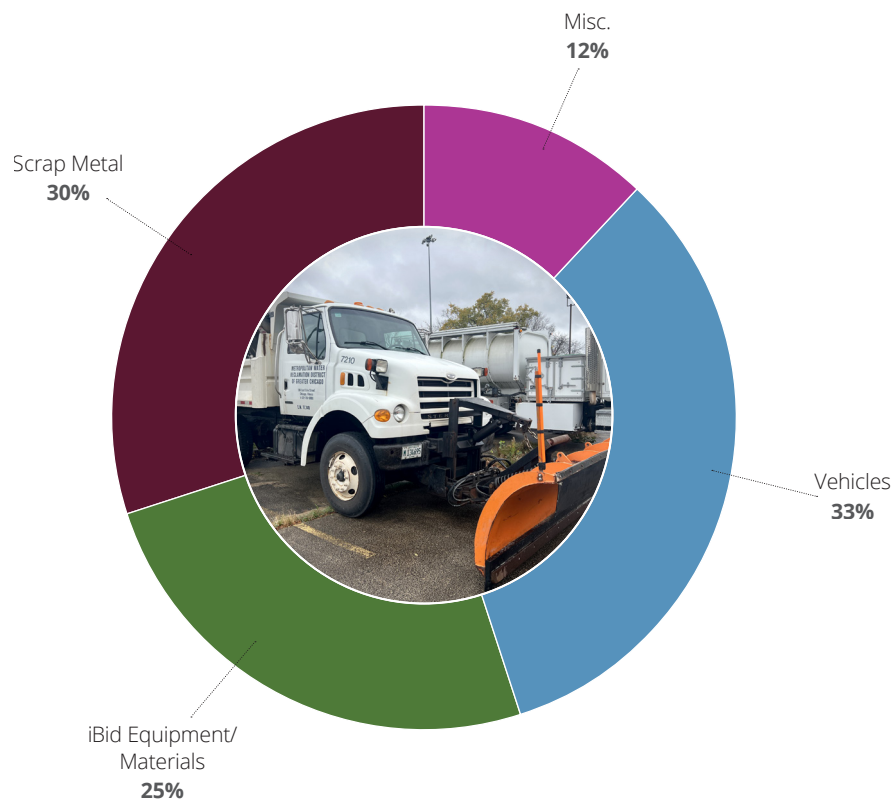


Stores Operation and Issues

	2024	2023	2022
Number of Items - Regular Inventory (HIBE)	37,508	37,173	36,929
Number of Items - Engineering Spare Parts (ZEN)	36,167	35,713	35,289
Dollar Value - Regular Inventory (HIBE)	\$2,586,758	\$2,610,534	\$2,423,487
Dollar Value - (ZEN) Engineering Spare Parts	\$35,666,236	\$34,821,608	\$33,842,863
Inventory Issue Slips Processed	17,067	17,248	18,383
Contract Requisitions Prepared	5,209	4,961	4,633
Non-Contract Requisitions Prepared	1,301	1,201	1,347
Transport Requisitions Prepared	4,640	4,241	4,247

2024 P&MM Sales of Surplus and Scrap

iBid Vehicles	\$57,271
iBid Surplus / Obsolete Equipment and Materials	\$43,851
Scrap Metal	\$52,664
Misc. (Used Batteries, Oil, Copiers)	\$20,091
Total	\$173,877



FRONT COVER: *Principal Storekeeper Garrett Stone hoisting a rotating assembly in the Equipment Storage Building at the Stickney Water Reclamation Plant.*

BOARD OF COMMISSIONERS

Kari K. Steele
President

Patricia Theresa Flynn
Vice President

Marcelino Garcia
Chairman of Finance

Precious Brady-Davis

Yumeka Brown

Cameron Davis

Beth McElroy Kirkwood

Eira L. Corral Sepúlveda

Sharon Waller

mwrld.org 312.751.6633



**Metropolitan Water
Reclamation District
of Greater Chicago**

100 East Erie Street • Chicago, Illinois 60611-3154

Established in 1889, the MWRD is an award-winning, special purpose government agency responsible for wastewater treatment and stormwater management in Cook County, Illinois.



Storekeeper William Bishop moves 6-inch cast iron tubing, broadly used throughout the facility for the high-pressure steam network, the digested gas recovery and distribution system, and various processed sludge systems.