

2025

ANNUAL REPORT

Procurement and Materials Management Department



**Metropolitan Water
Reclamation District
of Greater Chicago**

DARLENE A. LOCASCIO, DIRECTOR OF PROCUREMENT AND MATERIALS MANAGEMENT

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 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 2025.

Mission

The mission of the Department of Procurement and Materials Management (P&MM) 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 2025, this included more than \$294 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.

Contracts valued at \$60,000 and over are publicly opened, in the form of competitive sealed bids, on a weekly basis after formal advertisement. Requests for Proposals valued at \$60,000 and over are formally advertised but are not publicly opened. Bids for goods and services valued at less than \$60,000 are not formally advertised and are not publicly opened. [Note: On March 6, 2025 the competitive bid threshold was set at \$60,000. Prior to that, the threshold was \$25,000 for goods and \$10,000 for services.]

The P&MM 2025 staff total was 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. The three divisions 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 (2) Administrative support personnel. The Director supervises the administration of all functions of the 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 department budget totaling \$11,707,000 for 2025, 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 requirements whenever practical. The division is separated into three (3) sections: Administrative, Buying, and Clerical.

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



Storekeeper Michael Chester pulls steel plate with a vacuum lifter.

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.

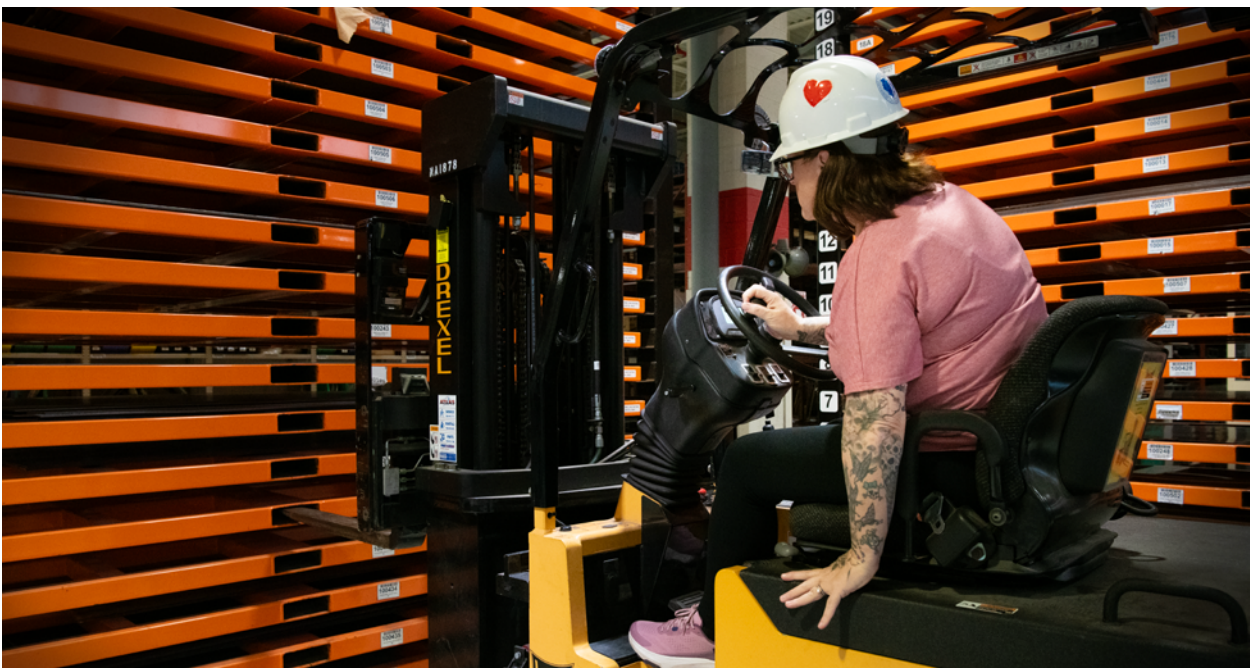
The Buying Section is supervised by a procurement manager and two supervising buyers, with a staff consisting of six senior buyers and four buyers. The senior buyers concentrate on contracts, RFPs, and purchase orders with a dollar value of \$60,000 or more. The buyers concentrate on purchase orders for goods and services with a dollar value less than \$60,000. 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 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



Storekeeper Danielle Floersch pulling steel out of vertical steel storage racks with a Drexel forklift



Storekeeper Tanya Huertas inspecting and labeling material for storage.

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.

ACTIVITIES AND SIGNIFICANT ACCOMPLISHMENTS UNDER THE MWRD STRATEGIC PLAN, 2021-25

Activities and significant accomplishments during 2025 include:



STRATEGIC GOAL 4

Community Engagement

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

- **Revamped the online pre-bid conference format** to establish a common basis of understanding for what is required for a project and include more visual aids and relevant materials. These improvements will assist prospective bidders in gaining a better understanding of project scope, requirements, and complexities to allow for more accurate and competitive bids while reducing the risk of misunderstandings, non-responsive bids, and bid protests. To ensure that all prospective bidders have access to the same detailed information, the online pre-bid conference is recorded and posted on the portal and in Euna (Bonfire);
- **Incorporated electronic spreadsheets in the contract documents.** This will digitize the collection of bid pricing to eliminate mathematical errors and streamline auditing after the bid opening;
- **Implemented the increased competitive bid threshold.** On March 6, 2025, the mandatory competitive bid threshold was set at a minimum of \$60,000;
- **Implemented an electronic process for long-form contract review and signature.** This is to reduce the timeframe from contract award to final notice of award and provide the contractor and District staff a complete set of contract documents electronically;
- **Enhanced the P&MM Annual Report.** P&MM developed a brochure showcasing the workings of the department. The brochure includes matrices of the different types of bidding, what the District buys, and activities of storeroom operations;
- **Received the 2025 National Institute of Governmental Purchasing Quality Public Procurement Department Award/accreditation.** This recognizes the demonstration of operational excellence and adherence to best practices in public procurement.



Storekeeper Jeff Frank uses a Combi lift to pull PVC pipe at the SWRP fertilizer building.



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

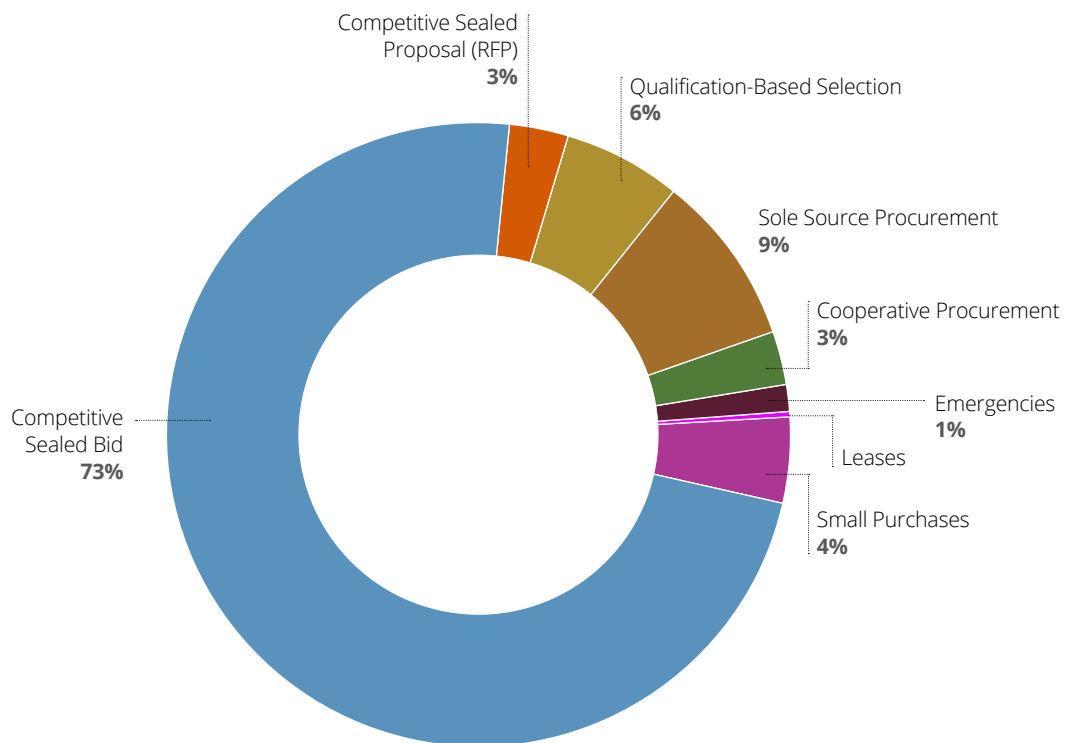
Purchases less than \$60,000. Prior to March 6, 2025, the threshold was \$10,000 for services, and \$25,000 for goods.



2025 Awards by Bidding Process

Process	# Contracts/POs	\$ Value
Competitive Sealed Bid	66	\$215,942,027
Competitive Sealed Proposal (RFP)	13	\$8,395,649
Qualification-Based Selection	4	\$18,339,808
Sole Source Procurement	48	\$26,304,478
Cooperative Procurement	28	\$8,041,966
Emergencies	10	\$3,888,755
Leases*	3	\$517,084
Small Purchases	3,047	\$13,031,823
Total	3,219	\$294,461,590

*includes one sale in 2025

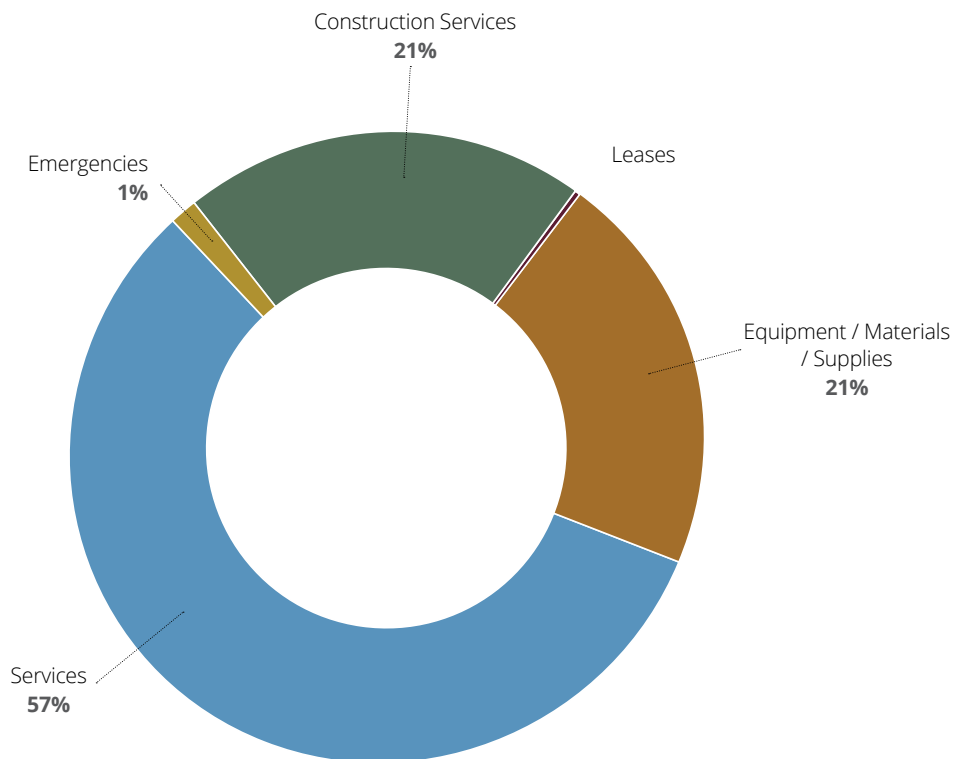


LEFT: The MWRD's Robbins Heritage Park and Midlothian Creek project will protect nearly 100 homes and business and remove approximately 140 acres from the floodplain through the addition of new 18-acre flood-control pond in central Robbins that allows for a naturalized wetland detention area along with channel improvements to resemble a park-like setting in central Robbins.

2025 Awards By Category

Category	# Contracts / Pos	\$ Value
Construction Services	11	\$61,188,113
Leases*	3	\$517,084
Equipment / Materials / Supplies	2,828	\$61,928,198
Services	367	\$166,939,439
Emergencies	10	\$3,888,755
Total	3,219	\$294,461,590

*includes one sale in 2025



RIGHT: As part of the MWRD's Robbins Heritage Park and Midlothian Creek Restoration Project, crews stabilize 1,990 linear feet of streambank along Midlothian Creek, controlling erosion by cutting back both banks and providing a stable slope that features native plants appropriate to the moisture and soil conditions. The creek then connects to a naturalized detention flood-control pond.

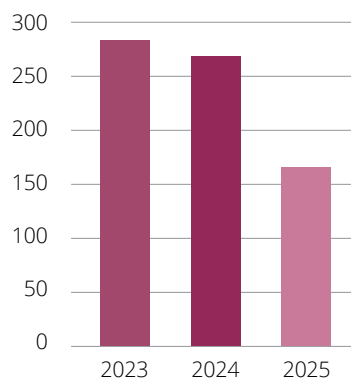
Competitive Sealed Bid & Proposals (advertised Contracts)

Year	Contracts Advertised	# Bidders	Bidders Per Advertised Contract	# Advertised Contracts Awarded	Dollar Amount of Advertised Contracts Awarded
2023	131	330	2.52	256	\$385,391,753
2024	132	401	3.04	260	\$412,515,776
2025	105	391	3.72	162	\$277,541,012

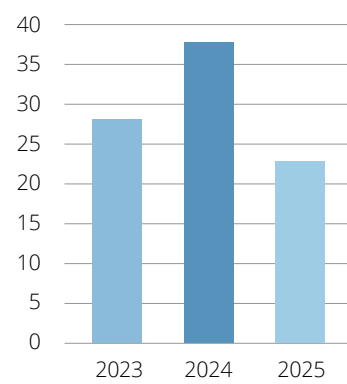
Bidders Per Advertised Contract



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
2023	131	94	37	194	288	2.20	28.2%
2024	132	82	50	191	273	2.07	37.9%
2025	105	81	24	85	169	1.61	22.9%



Small Purchases

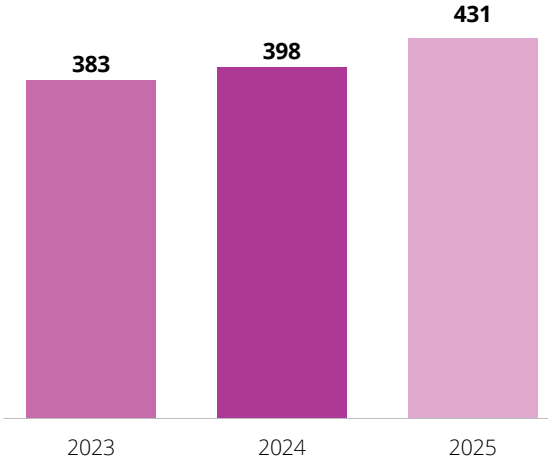
	2025	2024	2023
Requisitions from RFQ	3,386	3,325	3,200
Total Inquiries Sent to Vendor	23,893	23,324	22,235
Quotes Received	7,339	7,615	6,925
Purchase Orders Issued from RFQ	3,047	2,754	2,937

Vendor Outreach

Year	New Vendors Added	New Vendors Issued PO*	\$ Value POs to New Vendors*
2023	383	138	\$19,735,384
2024	398	113	\$20,208,378
2025	431	102	\$5,225,758

* Through 12/31/2025

New Vendors Added

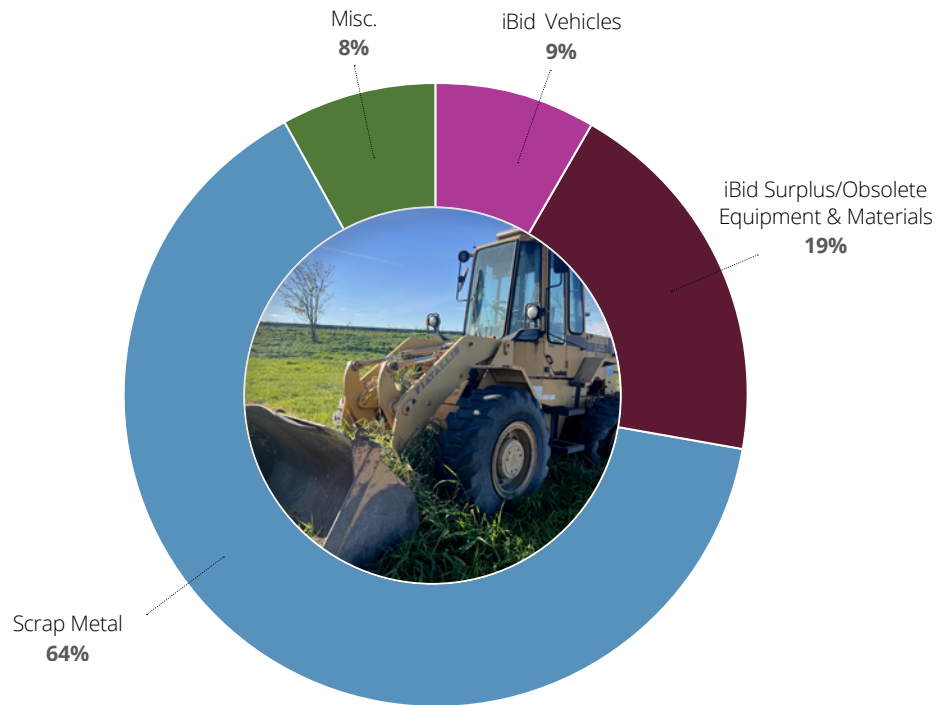


Stores Operation and Issues

	2025	2024	2023
Number of Items - Regular Inventory (HIBE)	37,732	37,508	37,173
Number of Items - Engineering Spare Parts (ZEN)	36,467	36,167	35,713
Dollar Value - Regular Inventory (HIBE)	\$2,618,700	\$2,586,758	\$2,610,534
Dollar Value - (ZEN) Engineering Spare Parts	\$36,395,470	\$35,666,236	\$34,821,608
Inventory Issue Slips Processed	16,770	17,067	17,248
Contract Requisitions Prepared	5,046	5,209	4,961
Non-Contract Requisitions Prepared	1,398	1,301	1,201
Transport Requisitions Prepared	6,561	4,640	4,241

2025 P&MM Sales of Surplus and Scrap

iBid Vehicles	\$17,874
iBid Surplus / Obsolete Equipment and Materials	\$40,161
Scrap Metal	\$133,898
Misc. (Used Batteries, Oil, Copiers)	\$16,190
Total	\$208,123



LEFT: Stores Specialist Donna Darcy prepares old computer equipment for sale on iBid.

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**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.



Crews break ground on the MWRD's first ever suburban green schoolyard, transforming an asphalt lot and impervious play area into a permeable surface area that gives students at south suburban Burnham Elementary School a new place to play and learn. The MWRD's Suburban Green Schoolyard Pilot Program mitigates area flooding for the community and teaches students about the importance of green infrastructure.