

Department of Water Management 2014 Budget Hearing

Good morning Chairman Austin, members of the Committee on Budget and Government Operations and members of the City Council. I would like to thank you for the opportunity to present to you with the Department of Water Management's 2014 Budget.

In 2011, I committed to positioning the Department in a way that gets us back on track with: replacing infrastructure at the original pace of water and sewer main installation; conserving water for future growth; upgrading and maintaining our facilities; and creating more jobs. I am proud to state that this year, in year two of the Department's 10 Year Capital Program, the Department is on pace to install 75 miles of water main, replace 17 miles of sewer main, line 49 miles of sewers, line 14,000 sewer structures, replace the 10 acre roof at the Jardine Water Purification Plant and convert the Springfield Avenue Pumping Station from steam to electric power. In addition, the Department will install more than 12,000 free water meters as part of the MeterSave Program. I could not be prouder of the women and men that work for the Department that helped to put our plans into reality.

We strive daily to meet the mission of our Department: to protect the public health in the most environmentally and fiscally responsible manner by delivering a sufficient supply of exceptional, high-quality water and efficiently managing waste and storm-water. We are committed to providing the highest level of professional services to meet our customers' needs now and for future generations.

The Department of Water Management, through our operations at the Jardine and South Water Purification Plants, purifies on average about 800 million gallons of water a day. In addition to purifying water at the two largest conventional treatment plants in the world, the department also operates 12 pumping stations that distribute water through more than 4,400 miles of water mains. On the sewer side, the department is responsible for transmission of waste water through more than 4,600 miles of sewer mains to the Metropolitan Water Reclamation District.

We provide water service to 2.7 million customers in Chicago and 2.67 million customers in 125 surrounding suburbs. Every day, 5.37 million customers – 42 percent of the state of Illinois – depend on our infrastructure for clean, safe drinking water.

When you have that many people depending on you for something as vital as water service, it is essential to make sure that everything is timely replaced, well maintained and properly operating. That means anticipating and addressing issues before they become problems. In other words, the Department is being more proactive and less reactive, with a goal to be a completely proactive department. To do this we must continue our aggressive infrastructure renewal and capital improvements while maintaining and improving daily operations and repairs. We must stay current with the latest technologies and best business practices while being mindful of the current economy and environment.

Having been given a clear mandate from the Mayor and City Council to rebuild our aging infrastructure, we are two years into our 10 year plan. We worked to make sure everything was in place to be able to conduct topographic studies and engineering designs. We continue to coordinate with other departments, your ward offices, utilities and agencies to identify opportunities for collaboration. We are utilizing best practices and technology to deliver high-quality construction in an efficient and safe manner.

Department of Water Management 2014 Budget Hearing

Our goal remains the same, to reform where we can; cut, or amend our approach where we must; and invest where it matters; providing greater opportunities and better services. All of our investments depend on protecting our communities and ensuring a well-run system that continues to provide quality drinking water as well as be able to transmit the waste and stormwater to the MWRDGC.

Working with Labor Relations, the Budget Office and the Department of Human Resources, we met with the Unions to find ways to get our residents back to work. We created seasonal titles for plumbers, laborers, machinists and bricklayers. In this way, we are better able to manage our workforce needs and stay competitive with construction companies. I am pleased to say that this year we hired or promoted 180 residents of the City, including 41 laborer apprentices.

We have been working with DPS in an effort to support, promote, and invest in local small business participation. The Department finalized term agreement water main contracts for the 2013, 2014, and 2015 water main construction seasons – that's 250 miles of water main replacement over the next three years.

We completed a Facility Condition Assessment of our plants and pumping station and we updated our security assessments so that we can reprioritize our facility needs. Now, a holistic approach is advanced with each new project.

On the sewer side, we are addressing our aging sewer system with the goal of flood reduction in our neighborhoods. We are replacing 17 miles of sewers and lining 49 miles of structures and sewer mains. Lining sewers and their structures extends the life of the equipment by approximately 50 years. Sewer lining is less disruptive to traffic, businesses, bicyclists and pedestrians. Ultimately, the goal is to ensure that waste and stormwater enter the sewers and not our businesses and homes.

We have taken a bottom to top approach to construction planning. We are breaking down silos that impede us or slow the process down and we are taking a more unified approach to delivering on our Program. We continue to better coordinate with the Chicago Department of Transportation, the Department of Aviation, your offices, CTA, Parks, CPS, Peoples Energy, ComEd, IDOT, CTA, Cook County Highway, PBC and other sister agencies to re-engineer planning, scheduling and coordination for the department's capital program. We have utilized GIS technology to map locations, identify conflicts and traffic re-routes to minimize disruption to our customers and your constituents.

Improving processes, using technology and applying commonsense to change the way we do business has resulted in completing more work this year, including water and sewer main replacement, than in any other year the history of the Department. Monthly coordination meetings have contributed to an accelerated program.

Operationally, open work orders are completed and closed in shorter times resulting in a decreased backlog. We believe in part this is due to the hard work put forth by the men and women out in the field and due to the amount of capital work that is being completed. Holding crews accountable and doing the work efficiently while maintaining a safe workforce are the keys to our improved productivity.

Department of Water Management
2014 Budget Hearing

You are our ambassadors to the MeterSave program, touting the benefits of having a meter installed in single-family and two-flat non-metered homes. This year, we exceeded our goal to install 12,000 meters. Word of mouth is our best marketing tool and we truly appreciate you and your staff's assistance in this effort as the Department continues to promote installation of water meters for all properties. Customers interested in obtaining more information and signing up for MeterSave can do so in 3 ways: a) Call 3-1-1; b) visit our website at www.metersave.org where you can get information, sign-up and schedule the installation; or c) call our customer service number at 312-744-4H20.

The MeterSave Program has proven to save water and at the same time save our customers money. The only way to know how much water someone is using is to measure or meter it. We must be good stewards of this great natural resource.

As Commissioner of the Department of Water Management, I pledge to continue to work with all of you to look at your water and sewer related needs in your wards so that we can make the improvements necessary to maintain our excellent quality of life. I am committed as ever to be accessible and to improve communications between our department and you and your staff.

The people of Chicago deserve nothing less. Thank you.

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MBE/WBE Data

Period: Oct 1, 2012-Sept 30, 2013

Total Purchases: \$ 570,033,175

	MBE	WBE	Total MBE/WBE Purchases
WBE only	n/a	\$63,316,008 (11%)	\$63,316,008 (11%)
Asian	\$ 101,202,168 (17.8%)		\$ 101,202,168 (17.8%)
African-American	\$ 25,449,950 (4.5%)		\$ 25,449,950 (4.5%)
Hispanic	\$ 49,360,988 (8.7%)		\$ 49,360,988 (8.7%)
Total MBE/WBE Spending	\$172,274,166 (30%)	\$63,316,008 (11%)	\$239,329,113(41%)

Staffing Data

Department Ethnicity and Gender				
	Male	Female	Total	%
Asian	38	11	49	3 %
African Amer.	408	149	557	30 %
Hispanic	233	33	266	14 %
White	736	49	785	42 %
Native Am.	1	0	1	0 %
Other/unknown	184	15	199	11 %
Total	1600	257	1857	
	86 %	14 %		

New Hires Ethnicity and Gender				
	Male	Female	Total	%
Asian	0	0	0	0
African Amer.	38	19	57	32 %
Hispanic	30	4	34	19 %
White	84	3	87	48 %
Other/unknown	2	0	2	1 %
Total	154	26	180	
	86 %	14 %		

Department Managers Ethnicity and Gender				
	Male	Female	Total	%
Asian	0	1	1	3 %
African Amer.	5	2	7	18 %
Hispanic	2	1	3	8 %
White	20	6	26	68 %
Other	1	0	1	3 %
Total	28	10	38	
	74 %	26 %		

Interns

School	Gender	Race
<u>Western Illinois Univ.</u>	<u>Male</u>	<u>African American</u>
<u>Chicago Excel Academy</u>	<u>(2) Males</u>	<u>(2) African American</u>
<u>De LaSalle Institute</u>	<u>Male</u>	<u>Hispanic</u>
<u>DuSable Leadership Academy</u>	<u>Male</u>	<u>African American</u>

