



water



land



government

May 2000

Waterways for Our Future

Executive Summary

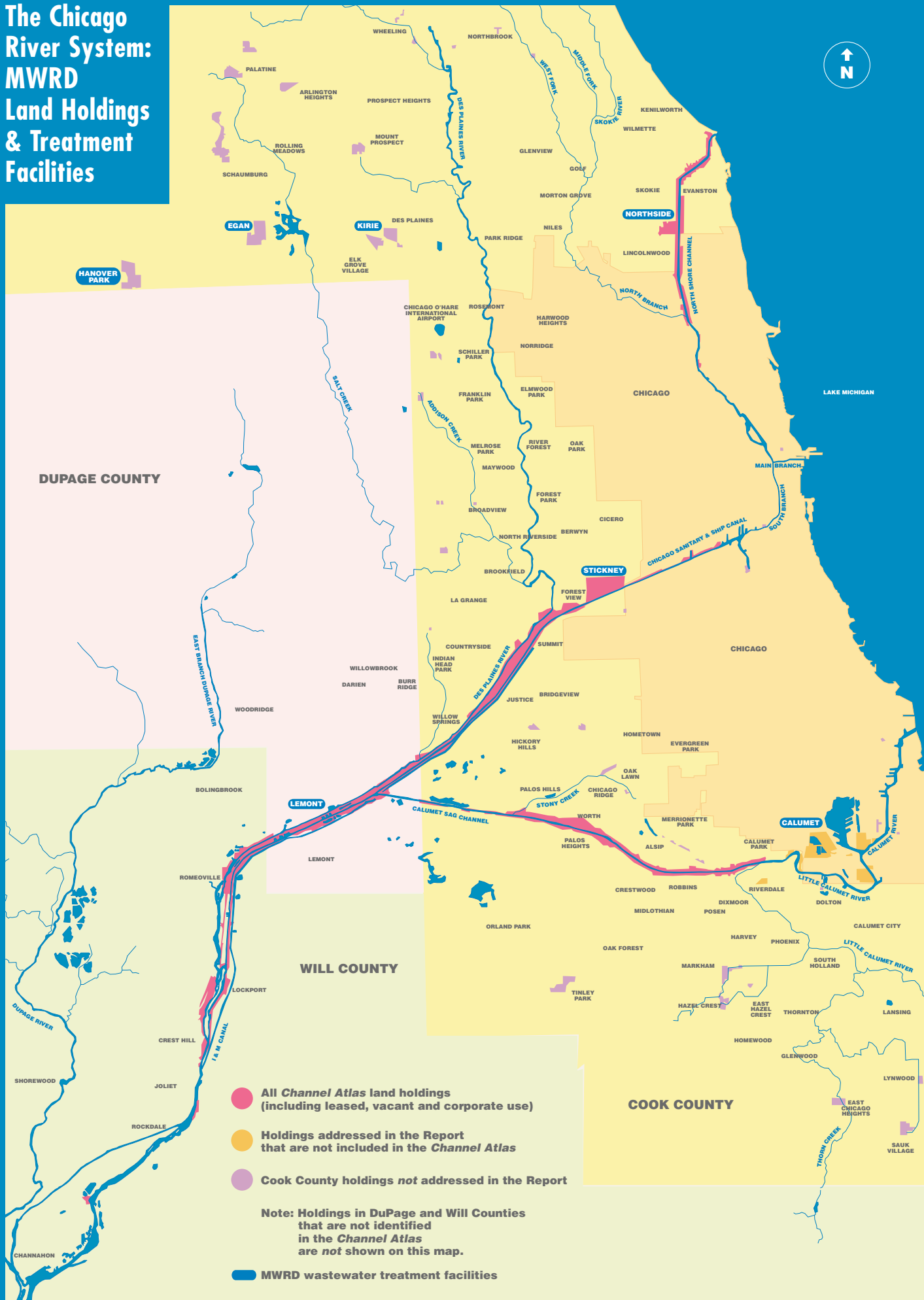
A collaborative study of the water, land, and governance/organizational structure of the Metropolitan Water Reclamation District and their impact on Chicago River waterways

Friends of the Chicago River



The Civic Federation

The Chicago River System: MWRD Land Holdings & Treatment Facilities



- All Channel Atlas land holdings (including leased, vacant and corporate use)
- Holdings addressed in the Report that are not included in the Channel Atlas
- Cook County holdings not addressed in the Report

Note: Holdings in DuPage and Will Counties that are not identified in the Channel Atlas are not shown on this map.

● MWRD wastewater treatment facilities

Introduction

The Chicago River and its related waterways are important to the infrastructure, economy, and environmental fabric of Chicago and the region. The Chicago River system serves as a wildlife corridor, transportation route, economic development hub, recreation center, and floodwater conveyance resource. It is an integral component of the region's development. As the City of Chicago and the region continue to change, so too does the Chicago River. A renewed interest in the Chicago River presents an opportunity to discuss public policies that will have an impact on its future.

Many of the changes taking place are positive ones. The efforts put forth by local government, in particular the Metropolitan Water Reclamation District (MWRD), business, and citizens groups are succeeding in improving the quality of the water. For example, fish are returning to the once beleaguered waterways that for so long served as open sewers for Chicago and the region. People are returning to their waterways to stroll along their banks, canoe, fish, and visit riverside restaurants.

However, the continuation of these improvements is not guaranteed. Numerous economic and demographic forces are now exerting a pressure that could change the future of the Chicago River waterways. For example, many long-term land leases to private entities will expire over the next few years. Decisions regarding currently leased land will impact the Chicago River system for years to come.

Acknowledgments

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Research Overview

As the local sanitary district, the MWRD has primary responsibility for the Chicago River and its connecting waterways. In order to provide an objective analysis of how the agency manages the Chicago River and other waterways, Friends of the Chicago River, Openlands Project, and The Civic Federation studied its water, land policies, and governance/ organizational structure during a one-year period. Although the MWRD officially declined to participate in the study, the study's researchers were able to obtain documents and records from the MWRD through Freedom of Information Act requests, interviews with all MWRD commissioners, and questionnaires submitted to the General Superintendent.

This report summarizes the findings of each of the three studies as prepared by the above respective research organizations. The full text of each of the three reports is available through the three participating research organizations.

■ Water Study

The Water Study includes a review of the wastewater treatment permits held by the MWRD. These permits regulate the quality of the treated domestic and industrial wastewater that MWRD discharges into the Chicago River waterways. The MWRD's permits are contrasted to permits for other similar wastewater agencies around the country. The study also includes results from a survey of programs and processes typically used by wastewater treatment agencies. The survey results were analyzed to develop a list of "best practices and benchmarks" that provide a basis for evaluating how MWRD compares to its peers in important areas.

■ Land Study

The Land Study explores the role that MWRD's land holdings could play in making up the region's open space deficit. The purpose of the study is to review the practices and policies used by the MWRD in managing and disposing of its real estate; identify the character and location of its holdings; and evaluate their suitability for meeting the future recreational and conservation goals of the region. The study includes a list of parcels identified by open space agencies as being of particular interest because of their natural resource value or because they are a component in one of the region's open space plans.

■ Governance/ Organizational Study

The Governance/Organizational Study is an analysis of the MWRD's decisionmaking process, governing and management structures, and organizational processes. In terms of governance, an analysis was done as to the Commissioners' role in determining policies for the District and its future direction. Included in this analysis of governance is a discussion of how the MWRD's structure compares to those of other local governments. In addition, an analysis was done as to the MWRD's budgetary process and long-term financial health.

Findings

For 108 years, the MWRD has worked to protect the quality of the area’s waterways and local water supply. Governed by an elected Board of Commissioners, it is a municipal corporation with taxing and bonding powers. As the local area government with chief responsibility for managing the local waterways, the MWRD operates sewage treatment facilities and provides regular maintenance services. It collects, treats, and disposes of wastewater from an area encompassing over 800 square miles that includes almost all of Cook County. In addition, the MWRD is a primary landowner of the banks of the Chicago River and its surrounding environs.

In general, the three studies indicate that the MWRD, as a public agency, needs to improve upon its governance structure, public communication mechanisms, and public involvement. Improvements in these areas will trigger the kinds of change recommended in the land and water portions of the study.

The following sections detail a number of the more general findings and recommendations of each of the three reports.

■ Water

- MWRD achieves almost 100% compliance with existing permits. Permit limits, however, are weak, especially for some toxics and bacteria. MWRD meets its permit limits for toxic pollutants such as mercury, cadmium and cyanide; however, these are the weakest limits for toxics found in any study group permit. MWRD has no limits for bacteria or phosphorus in its permits. Every other permit in the study group has bacteria limits. More than one-third of the permits studied have phosphorus limits.
- Waterways downstream of MWRD discharges fail to meet water quality standards. Uses of waterways receiving MWRD effluent discharges are not fully protected.
- MWRD discharge permits are extraordinarily out of date and are joined in this regard by only a tiny minority of all sewage treatment plants operating in the region.
- For many parameters, the MWRD effluent and the Chicago River waterways meet the more stringent standards applied to most other Illinois water bodies.
- MWRD is the only agency in the study group that does not disinfect its effluent or otherwise meet bacterial contamination standards or limits.
- Both chronic and acute Whole Effluent Toxicity (WET) testing are conducted by most agencies; MWRD does only acute testing at its three largest facilities.
- The “Nine Minimum Controls,” federal guidance for control of combined sewer overflows, have never been incorporated into MWRD permits; whether or not these controls are being fully implemented is debatable.
- MWRD has developed partnerships to implement a pollution prevention program with significant innovative features.
- Most agencies do monitoring of stream conditions during wet weather when pollution is likely to be highest, as well as monitoring of the quality of sewage overflows. MWRD does not do stream quality monitoring during wet weather; its sewage overflow monitoring program is limited.

■ **Land**

- State statutes regulate administration of real estate owned by the MWRD, but the Board has the authority to establish policies, rules and regulations.
- At least since the 1960's, the general policy of the MWRD has been that property along waterways should not be sold but only leased. The MWRD formally approved this policy in 1998 in relation to property along waterways in Cook County.
- Land that is not in Cook County and isolated parcels of land that are not along waterways may be sold upon a finding that the property is surplus.
- The MWRD does not have a uniform system to identify its land holdings.
- The diverse methods used by the MWRD to identify its properties make it difficult for the public to locate parcels under discussion by the Board of Commissioners.
- It is the informal practice of the MWRD to give first priority to leases relating to government and/or recreational uses.
- The MWRD universally favored governmental/recreational leasing requests until a few years ago, but recently the Board and Administration have indicated that substantial commercial interests may be given priority over recreational uses because of tax cap legislation and the search for non-tax revenues.
- The MWRD requires all leases to maintain, to the greatest extent possible, a 60-foot waterway edge or "green-way" easement and requires the lessee to retain the existing vegetative cover where possible.
- Leases with tax-based governmental entities generally contain nominal rental fees.
- Of the 1216 vacant acres of land along the waterways, approximately 655 acres are of interest to open space agencies.

■ **Governance/
Organizational
Study**

Governance

- Neither the MWRD Board of Commissioners' committee structure nor support services lend themselves to a process whereby commissioners can function as an independent legislative body for the MWRD.
- The Board of Commissioners fails to function as a true legislative and policy-making institution in this government.
- Most Board of Commissioners' decisions are based on recommendations forwarded to them by the General Superintendent.
- Nearly all Board of Commissioners' roll call votes are decided 9-0.
- Public participation in Board of Commissioners meetings is rare.

Organizational Structure

- The MWRD's budget is subject to wide variances in both revenues and expenditures from year to year.
- The MWRD's financial condition is good and has benefited from good economic conditions.
- The MWRD's fund balance ratios continue to increase.
- Tax levies may be too high for present needs or inappropriately set for funds that do not incur large liabilities.
- The quality of annual reports from MWRD departments varies widely, from extensive reports to brief memos.
- MWRD pay scales for some common positions are consistently higher than those in governments performing similar services.
- The MWRD's communication policies are limiting both in terms of the public's access to advance notification of upcoming MWRD actions and current MWRD policies.

Recommendations

■ Water

The study findings indicate that in some areas of wastewater treatment the MWRD excels. It has a superior record of compliance with its pollution discharge permits, and it does significantly better than is required for many parameters. This performance has contributed to the improvement of the Chicago River waterways. However, by other measures, the MWRD's performance is significantly less protective than that provided by other similar agencies. At the heart of this disparity is the regulatory framework within which the MWRD operates: it is only required to meet the low water quality standards set by the state for the Chicago River waterways. The Illinois standards for the Chicago River define the context for MWRD performance. As a result, many of the following recommendations should also be directed to state and federal agencies responsible for regulating MWRD operations.

- MWRD wastewater treatment plant permits should be promptly issued and should reflect the latest US and IL EPA requirements for other similar agencies.
- MWRD should evaluate its wastewater treatment practices, in particular those related to effluent disinfection and toxic substances, in relation to evolving regional goals and uses for water resources; such an evaluation should be done in conjunction with other agencies and should address the water quality standards applied to the Chicago River waterways.
- The MWRD's new permits should be revised to include the "Nine Minimum Controls."
- MWRD should conduct both chronic and acute wet testing at its three largest facilities.
- MWRD should evaluate the full range of potential pollution prevention strategies; include strategies for expanded household hazardous waste reduction and collection.
- MWRD should add wet weather monitoring of sewer overflows and stream conditions to its monitoring program.

■ Land

In addition to the acreage on which the MWRD's facilities are located, the MWRD owns significant vacant acreage that is either surplus or supports its facilities by providing access or buffer. A substantial portion of these lands is along the region's waterways. Historically, the MWRD has recognized the recreational value of these corridors and has leased substantial acreage at a nominal cost to open space agencies for recreational uses. However, additional opportunities exist to use MWRD lands to address the region's open space deficit. The study found that the MWRD's policy framework for facilitating these uses is already in place. Currently, however, the MWRD claims that tax caps are causing it to retreat from its established practice of giving first priority to open space entities. In addition, the study found that open space agencies are unfamiliar with the MWRD's lands, have difficulty identifying properties, and lack knowledge about the process. The following recommendations build on the MWRD's policy framework that is already in place.

- MWRD should adopt a uniform system for identifying its land holdings that is non-technical and accessible to the public.
- MWRD should give the right of first refusal to those open space agencies that have expressed an interest in particular parcels of land as indicated in this study.
- MWRD tax revenue limitations should not alter the practice of giving first priority to recreation and open space entities over commercial interests.

■ **Governance/
Organizational
Study**

- MWRD should work with local governments to implement the plans cited in the Land Study.
- MWRD's leases to non-open space entities should reserve the right for local units of government to install a trail on or adjacent to the greenway easement.
- MWRD should incorporate the recommendations of the *Northeastern Illinois Regional Greenways Plan*, the *Northeastern Illinois Water Trails Plan*, the *Chicago River Corridor Plan* and the *Bicycle Development Facilities Plan* into its own land use plans, wherever possible.

Overall, the members of the Board of Commissioners need to be more directly involved in the policy activities of the MWRD. In addition, the MWRD needs to refine its budget process to decrease the fluctuation in overall appropriations. Finally, the MWRD needs to improve upon the public's access to information and how that information is communicated.

Governance

- The Board of Commissioners should have dedicated staff to provide them with analyses of pending policy issues.
- The committee structure and committee procedures need to be restructured to enhance the relevance of the Board of Commissioners as a decisionmaking body.
- Notification of pending policy matters needs to be communicated to the public and the members of the Board of Commissioners well in advance of the current routine.
- Additional opportunities should be created during Board meetings enabling the public to respond to matters before the Board.

Organizational Structure

- MWRD needs to develop a long term funding and expenditure strategy that avoids significant fluctuations in its annual appropriations.
- Annual reports from the MWRD's departments need to be more consistent and report comparable information.
- MWRD's fund balance ratios suggest the need to reexamine alternative uses, including investments and debt retirement.
- MWRD should closely examine any future benefit increases to its employee pension fund.

Conclusion & Future Steps

The MWRD is to be congratulated for the significant positive steps that it has taken over the years to improve the quality of the Chicago River system and for its willingness to make its surplus lands available for recreation and open space uses. The MWRD is now at a critical juncture. Increasing pressure for development of its lands, evolving water quality standards, public interest in trails and water-based recreational activities, and taxation limitations present new challenges to an agency that has been a leader in its field. The MWRD continues to exercise leadership in many areas and to take on new responsibilities that complement its basic mission. The success with which the MWRD meets these challenges will depend to a great extent upon its ability to communicate with the public and encourage public dialogue.

This summary and the three related reports are intended as a starting point for public discussion. It is the view of the three organizations that conducted this study that future dialogue with the public can only serve to improve the quality of the Chicago River system. It is through open communication and the sharing of ideas that improvements to the Chicago River and its waterways can be made.

Study Participants

Friends of the Chicago River

Friends of the Chicago River is exclusively dedicated to improving the Chicago River, one of the region's most important natural, economic, recreational, and cultural resources. Friends' priorities are to provide public access to the Chicago River and to show that the Chicago River can be both ecologically healthy and a catalyst for community revitalization. Since its founding in 1979 and incorporation in 1988 Friends has grown to over 1,400 members and thousands more volunteers. Friends' strategies include on-the-ground projects, hands-on volunteer activities, cooperative planning, and public outreach and education that will result in long-term improvements to the Chicago River. It has co-authored guidelines for redevelopment of the river downtown, formed a Chicago River Schools Network, restored wetlands, and issued studies of the river in conjunction with local and federal agencies. Friends has earned a reputation as a leader of collaborative efforts that improve the River and has won numerous awards for its work.

Openlands Project

Openlands is a 37-year old non-profit organization that works throughout northeastern Illinois to increase and enhance public open space. Openlands co-authored the *Northeastern Illinois Regional Greenways Plan* with the Northeastern Illinois Planning Commission (NIPC) and played a key role in the development of *CitySpace*, the open space plan for the City of Chicago. Along with NIPC and the Illinois Paddling Council, Openlands co-authored the *Northeastern Illinois Water Trail Plan* released in 1999 and through its affiliate CorLands developed land preservation plans for other governmental agencies.

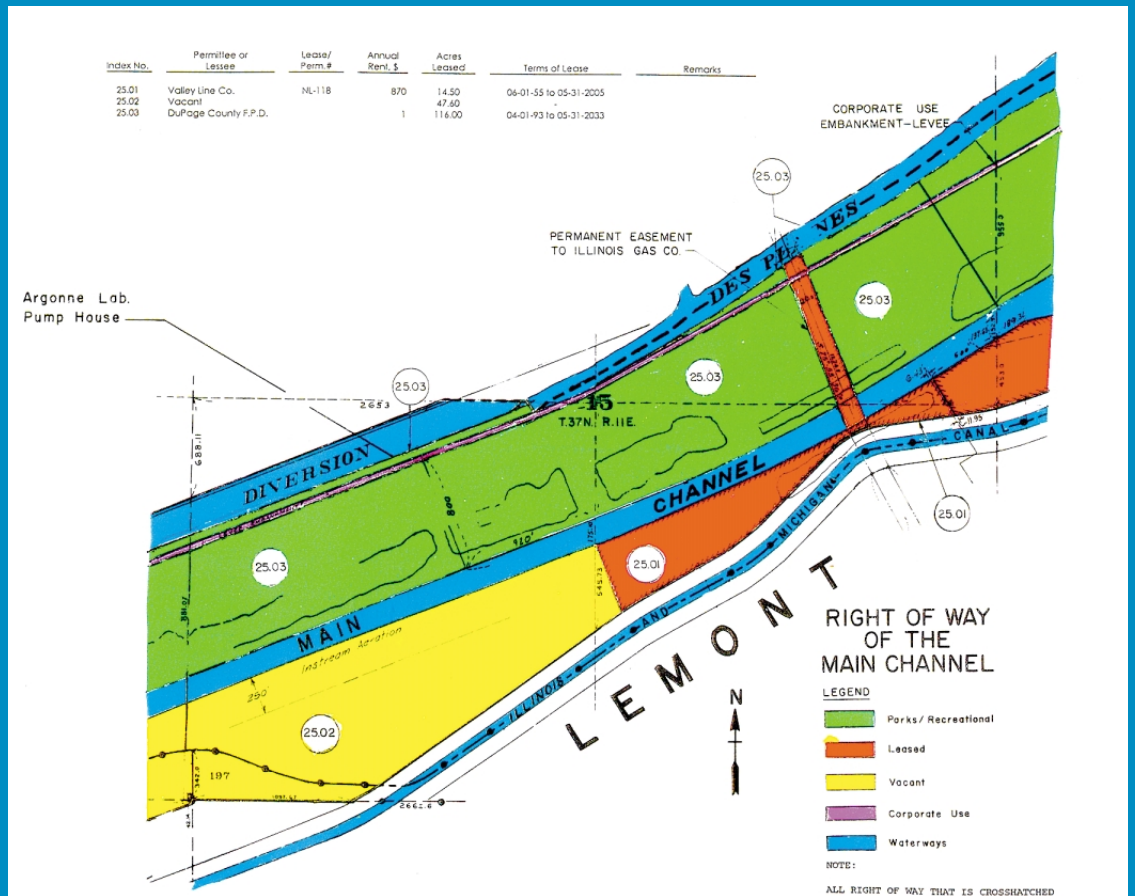
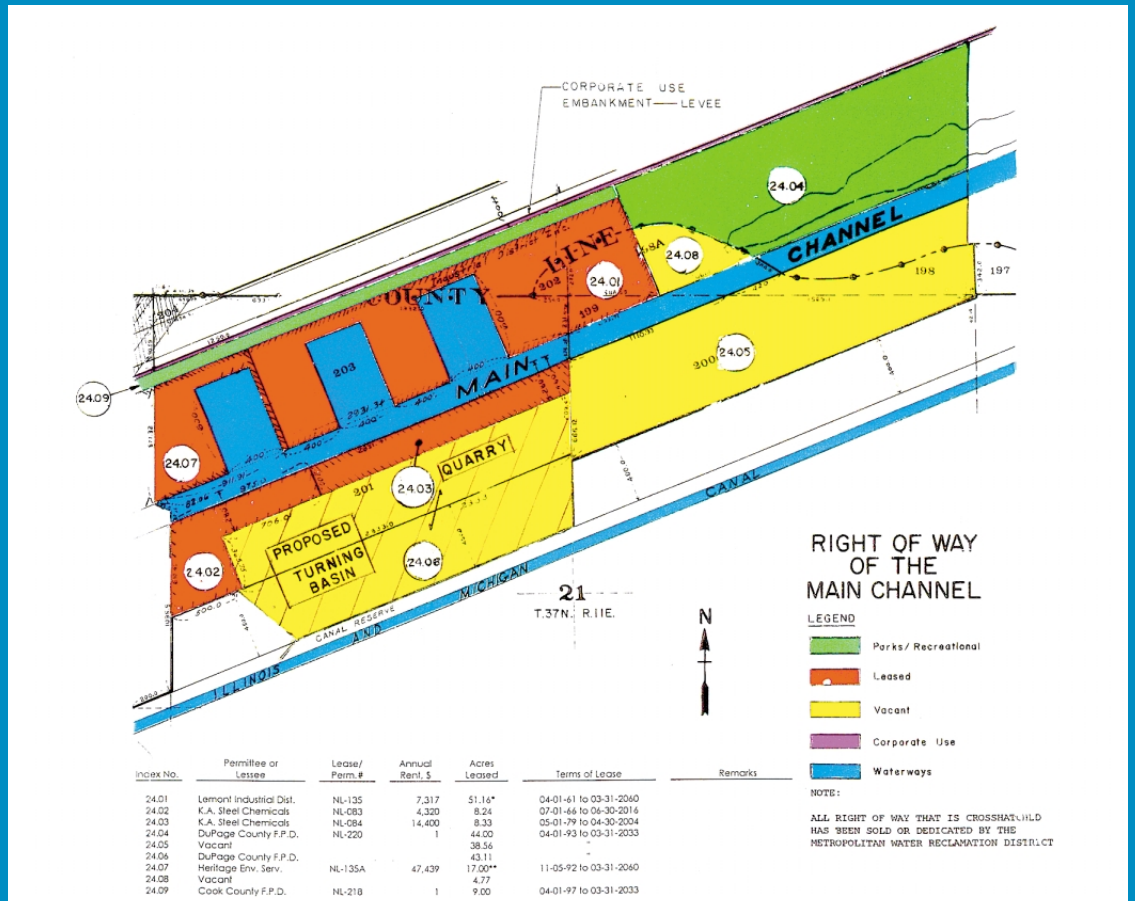
The Civic Federation

For the past 106 years, the Civic Federation, a non-profit corporation, has closely monitored the expenditures and the services delivered by local area governments. One area of interest to the organization is the means by which local area governments tax and allocate financial resources to manage the area's natural resources. For the past several years, The Civic Federation has reviewed the operating and capital budgets of the MWRD. For example, The Civic Federation has testified in public hearings regarding the MWRD's property tax levy, debt service levels, and capital plans. Past statements made by The Civic Federation regarding the MWRD have included specific changes to the organization's personnel system and opposing an increase in the number of commissioners on its Board from 9 to 15 members.

Two samples from the Channel Atlas

Openlands Project's report on the MWRD's land holdings contains descriptions based on the review of aerial photographs of every parcel of land identified in the *Channel Atlas*. The report also identifies the specific parcels that have open space value and which open space agencies have expressed an interest in them.

For example, the report indicates that the Forest Preserve District of Cook County, the Forest Preserve District of DuPage County, and the Village of Lemont in conjunction with the Lemont Park District have all expressed interest in seeing that parcels 24.05 and 25.02 along the Chicago Sanitary and Ship Canal remain available as public recreational open space.



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