

Protecting Our Water Environment



Metropolitan Water Reclamation District of Greater Chicago

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July 15, 2025

Transmittal Via Email Only

Honorable Kari K. Steele
and Honorable Members of the Metropolitan Water
Reclamation District of Greater Chicago Board of Commissioners
100 East Erie Street
Chicago, Illinois 60601

Re: Interim Inspector General Quarterly Report (2nd Qtr. 2025)

Dear President Steele and Honorable Members of the Board of Commissioners:

On April 3, 2025, the Board of Commissioners of the Metropolitan Water Reclamation District of Greater Chicago (MWRD or District) enacted the Office of the Interim Inspector General Ordinance, O25-010 (April 3, 2025) in accordance with the MWRD Act, 70 ILCS 2605/4. On May 17, 2025, the MWRD Office of Interim Inspector General (Interim IG Office) initiated operations following the expiration of the Intergovernmental Agreement with the Cook County Office of Independent Inspector General. The purpose of the Interim IG Office is to detect, deter and prevent corruption, fraud, waste, mismanagement, unlawful political discrimination, misconduct or other criminal activity in relation to MWRD operations and to assure that no interference or influence external to the Interim IG Office adversely affects the independence and objectivity of the office. This is the first quarterly report issued in accordance with Article VII of the Interim IG Ordinance to apprise you of the activities of this office during the time period of May 17, 2025 through June 30, 2025.¹

Interim IG Office Case Activity

The office received a total of 9 complaints during this reporting period. This number includes those matters resulting from my own initiative (Interim IG Ordinance, art. IV, para. 2).²

¹ In accordance with Article VII of the Interim IG Ordinance, this office will report on a quarterly basis (a) the number of complaints received along with the number and type of investigations initiated, concluded and pending, (b) any recommendations made by the Interim IG during the reporting period and whether such recommendations were adopted by the MWRD and (c) any concluded investigations that require a response from the District. Interim IG Ordinance, O25-010, art. VII, para. A-C. Finally, quarterly reports also reflect miscellaneous activities of the Interim IG Office that may be of interest to MWRD officials, employees, contractors and members of the public.

² Upon the receipt of a complaint, the Interim IG Office will undertake an analysis of each complaint as part of the intake process and determine whether a formal investigation should be initiated or whether the matter should proceed as an "IG Inquiry." This level of review involves a determination of the existence of corroborating evidence before

Three of these matters are proceeding as an IG Inquiry at this time while one matter has been opened as an IG investigation. There have been no IG investigations completed during this reporting period.

Cook County Office of the Independent Inspector General Outstanding Cases

The Cook County Office of the Independent Inspector General (OIIG) Intergovernmental Agreement with the MWRD expired on May 16, 2025. At that time, two OIIG Summary Reports remained outstanding.

IIG24-0338. The OIIG received an anonymous complaint asserting that an MWRD employee used two hours of paid voting time benefit and left work two hours early to participate in the general primary election even though the employee actually voted by mail in advance. The preponderance of the evidence developed in the OIIG investigation supported the claim that the subject employee violated the MWRD Voting Time Policy by using the two-hour benefit time to vote although the employee used early voting and/or vote by mail. Further investigation revealed that the subject employee used voting time on at least 10 occasions although she did not actually vote on election days. MWRDGC Administrative Procedure Manual 10.7.0 – Voting Time Policy states that the maximum of two hours off without penalty for the purpose of voting in any Federal, State, or local election does not apply to participating in the casting of early ballots during any period authorized by election authorities for early voting.

The subject employee was also determined to be in violation of MWRDGC Administrative Procedures Manual 10.27.0, 3e – Intolerable Offenses. The subject employee admitted to misusing the District Voting Time benefit by taking the time off for voting when the employee was not actually voting. Intolerable offenses include engaging in fraud, deceit or intentionally providing false information or making misrepresentations with respect to official District records. Records obtained during the course of this investigation demonstrate that the subject employee requested and received at least 20 hours of paid leave in which the subject employee was not entitled to receive.

Based on its findings and conclusions, the OIIG recommended that the subject employee be terminated. The MWRD adopted the OIIG’s recommendation.

IIG24-0474. The Cook County OIIG conducted a review for secondary employment compliance of MWRD employees who applied for federal Small Business Administration (SBA) Paycheck Protection Program loans (PPP loans) to determine whether information submitted by such employees for the PPP loans was consistent with MWRD records and/or a violation of MWRD Personnel Rules. Based on this review, the OIIG discovered that

proceeding with a formal investigation. When an IG Inquiry reveals the existence of corroborating evidence, the matter will be upgraded to a formal investigation. Should additional information be developed negating the viability of the complaint, the matter will be closed without further inquiry.

the subject employee sought a federal PPP loan totaling \$20,833 as a “Sole Proprietor” of a business.

The preponderance of the evidence developed by the OIIG supports the conclusion that the subject employee violated MWRD Ethics Ordinance, O22-004, art, II, sec. (C)(5) – Secondary Employment. The employee signed the MWRD secondary employment form attesting to no outside employment although she had stated she was employed part time. The preponderance of the evidence developed by the OIIG also indicated a violation of MWRD Ethics Ordinance, O22-004, art. I, sec. (b)(1) – Public Servant Code of Conduct and MWRD Administrative Procedures Manual, 10.27.0, 2(j) – Violating the District’s Ethics Ordinance. The OIIG determined that the subject employee engaged in fraud against the federal government by participating in the certification and submission of documents containing false information which were submitted to the SBA for the purpose of securing a PPP loan. When interviewed, the subject employee stated that the information contained on the application was false although she denied personally preparing the PPP loan documentation and stated that the necessary information was given to a third party who prepared the loan documentation on her behalf. The employee received a total of \$20,833 in loan funds which were deposited into the employee’s personal bank account. The OIIG recommended that the MWRD employee be terminated. The MWRD has adopted the OIIG’s recommendation.

Conclusion

Thank you for your time and consideration with these issues. Should you have any questions or wish to discuss this report further, please do not hesitate to contact me. Thank you.

Very truly yours,

/s/ Patrick M. Blanchard

Patrick M. Blanchard
Interim Inspector General
312.751.6590

cc: John P. Murray, Interim Executive Director
Susan T. Morakalis, General Counsel
John T. Joiner, Administrative Aid to the President