



CITY OF BALTIMORE
MAYOR BRANDON M. SCOTT

TO	The Honorable President and Members of the Baltimore City Council
FROM	Bob Cename, Deputy Finance Director <i>BaltAC</i>
DATE	June 5 th , 2026
SUBJECT	26-0202 Charter Amendment – Department of Water and Wastewater

The Honorable President and
Members of the City Council
City Hall, Room 400

Position: Supports

The Department of Finance is herein reporting on City Council Bill 26-0202, Charter Amendment – Department of Water and Wastewater, the purpose of which is to create a new Department of Water and Wastewater (DWW) as a separate executive department and transfers responsibility for the City’s water supply, sewer systems, and wastewater facilities from the Department of Public Works (DPW) to the new department. The DWW would oversee water and wastewater infrastructure, operations, maintenance, utility billing, and enforcement of water and wastewater charges that is currently overseen by DPW. If approved by Baltimore voters, the amendment would take effect on January 1, 2029.

Background

Historically, the Department of Public Works (DPW) included functions that are now administered by other agencies, such as the Departments of Housing and Community Development (DHCD), Transportation (DOT), and General Services (DGS). These functions were established as separate departments through Charter amendments in 1968, 2004, and 2008, respectively. The proposed creation of a standalone Department of Water and Wastewater (DWW) is consistent with prior City efforts to separate major service functions into dedicated agencies with the intent of improving operational focus and service delivery.

Baltimore City currently owns and operates water and wastewater infrastructure that serves approximately 1.8 million residents in Baltimore City, Baltimore County, and surrounding jurisdictions under a regional agreement dating back to 1972. In response to regional population growth and increasing system complexity, City and County officials initiated a comprehensive review of the shared utility systems in 2021. The Baltimore Regional Water Governance Task Force was established by State law in April 2023, to evaluate and recommend improvements to the governance of the region’s water and wastewater systems. In January 2024, the Task Force issued several recommendations to modernize the operations and oversight of the City’s water and wastewater utilities.

One of the Task Force's initial recommendations was for Baltimore City to study the potential separation of the Water and Wastewater Bureaus from the DPW and establish them as independent departments. This restructuring would enable more focused management of utility operations, which require specialized labor and distinct technical expertise. It would also streamline leadership structures, allowing for faster decision-

making across both utility and solid waste services, ultimately improving service delivery and operational efficiency.

Fiscal Impact

The Department of Finance anticipates a fiscal impact from growth in administrative expenses due to separating the responsibilities of Water and Wastewater from DPW but cannot provide an exact estimate at this time.

Fiscal Analysis

While some administrative functions currently exist within Service 670: Administration – Water/Wastewater, the creation of a standalone department may result in an increase in administrative and overhead costs associated with establishing independent executive, financial, human resources, legal, legislative and policy, and administrative functions that are centralized in Service 676: Administration - DPW. As a result, Finance anticipates an increase in administrative expenditures, though the magnitude of any increase would depend on the final organizational structure adopted during implementation. The City will consider these requirements with an eye to limiting additional costs, while ensuring effective and efficient operations and management of the new agencies.

Conclusion

The proposed Charter amendment would establish a standalone Department of Water and Wastewater and is consistent with prior City efforts to separate major operational functions into dedicated agencies. While the Department of Finance anticipates an increase in administrative and overhead costs associated with creating a new agency, the Water and Wastewater Bureaus maintain many enterprise-specific operations that will facilitate the transition.

The proposal aligns with recommendations of the Baltimore Regional Water Governance Task Force and reflects governance structures commonly used by large regional water utilities throughout the country. A standalone agency would provide greater operational focus, financial transparency, workforce flexibility, and regional coordination. Although the long-term operational and financial benefits cannot be quantified at this time, the Department of Finance expects the immediate fiscal impact to an increase in administrative expenses.

For the reasons stated above, the Department of Finance supports City Council Bill 26-0202.

cc: Michael Mocksten
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