

FROM	NAME & TITLE	Laura Larsen, Budget Director	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Bureau of the Budget and Management Research Room 469, City Hall		
	SUBJECT	City Council Bill 22-0103R – Investigational Hearing-Sewage Backup-Expedited Reimbursement and Direct Assistance Program Feasibility Study		

DATE:

TO

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

October 7, 2022

The Department of Finance is herein reporting on City Council Bill 22-0103R, Investigational Hearing-Sewage Backup-Expedited Reimbursement and Direct Assistance Program Feasibility Study, the purpose of which is to have the Department of Public Works discuss the findings from the feasibility study completed as required by Ordinance 21-044.

The Department of Public Works (DPW) offers two expedited reimbursement and direct assistance programs. As part of the 2017 Modified Consent Decree, DPW administers the Expedited Reimbursement Program for sewage backups caused by wet weather. The program offers up to \$5,000 per residence, per event for reasonable, documented clean-up, disinfection, and disposal costs. In addition, DPW launched the Sewage Onsite Support (SOS) program in Fiscal 2021, which provides cleaning and disinfection services by a third-party vendor at no costs to homeowners or tenants impacted by sewage damage caused by wet weather capacity-related events. These programs are run exclusively by DPW and funded by utility funds.

Ordinance 21-044, enacted in October 2021, required DPW to study the costs of expanding these two programs to cover both wet and dry weather events, as well as conditions in the public and private systems. The report notes that expansion of the programs beyond the current reimbursed cases where there was or should have been notice of capacity deficiencies, would expand the basis for reimbursement beyond City’s legal obligations to maintain the utility in good condition. Based on DPW’s analysis, this expansion would prohibit the program from being funded by utility funds, therefore requiring General Fund support. DPW estimates that expansion to dry and wet weather events in the public and private systems would be \$1,354,612 for the Expedited Reimbursement Program and \$2,494,341 for the SOS Program. Funding expansion with General Funds would need to be reviewed and determined through the annual budget process.

The Department of Finance will attend the hearing for this Resolution and respond to any inquiries.

cc: Michael Moiseyev
 Natasha Mehu
 Nina Themelis