



JOHN A. OLSZEWSKI, JR.  
*County Executive*

STACY L. RODGERS  
*County Administrative Officer*

December 14, 2020

Ms. Kelly Madigan  
Baltimore County Inspector General  
400 Washington Street  
Towson, MD 21204

Dear Ms. Madigan:

County Executive Olszewski requested that I respond to your December 8, 2020 joint letter with Inspector General Isabel Mercedes Cumming regarding the investigation of aspects of the City's water billing system resulting from a complaint of billing inaccuracies (County OIG Case #20-018 report).

We thank you for your report. We are aware of a number of the issues you have raised and are working aggressively to develop viable strategies that will begin to address these long-standing systemic issues of our unique shared water and sewer system.

Like you and Inspector General Cumming, we fully recognize that close communication and cooperation are essential to the City's and County's efforts. Know that we take this issue seriously, and recognize that it is a significant undertaking – which we are committed to. You requested that we provide detail of the actions we have taken or that we intend to take regarding this matter. Summarized below are actions the County, working in close cooperation with the City, has already undertaken since May 2019 to address issues regarding the water and sewer operation.

**Actions Taken to Date:**

In May 2019, the County initiated an internal review of the rate development and billing business process associated with County's water distribution and sewer service charges for the annual property tax preparation. As a result, the County and City discussed the need to work closely together to resolve a number of issues that were identified.

On June 10, 2019, the County and City convened its first joint water workgroup. The purpose of the workgroup was to begin to address longstanding systemic issues, many of which are outlined in your findings. Since June 2019, the City/County Water Workgroup meetings have been held on a regular basis to discuss problems and initiate joint actions to mitigate issues.

On November 13, 2019, County Executive Olszewski and former Mayor Young met to discuss concerns and recommendations outlined by the workgroup. The recommendations included the need for a comprehensive "end to end" business process analysis of the water and sewer operation. This effort would include a review of both City and County operations.

The City/County Water Workgroup jointly developed the Request for Proposals and selected the successful contractor. In March 2020, the contract was awarded to New Gen Strategies and Solutions (New Gen) to conduct the review (this contract is reflected on page 13 of the OIG Report).

December 14, 2020, Kelly Madigan, Inspector General

The New Gen study began in April 2020, and will be completed December 31, 2020. The study will provide a detailed analysis on all aspects of the water and sewer utility, including the meter and billing operation, a review of the current water and sewer agreements and observations on the governance structure.

In the interim, the City/County Water Workgroup has continued to meet and address immediate operational issues, some resulting from the COVID-19 pandemic. In August 2020, the City advised the County that they would not be able to complete the water meter readings needed to issue water bills to customers in the County. This was the result of delays associated with the pandemic. Through the joint agreement of the City/County Water Workgroup, the County executed an emergency water meter reading contract with Itron (noted on page 13 of the OIG report).

The emergency contract enabled the City to receive the necessary meter readings to issue County water bills for County residents. This effort is an example of an improving working relationship and ongoing communication that currently exists between the City and County operations.

**Intended Actions Moving Forward:**

The New Gen study will be used to inform Baltimore County and City leadership on a broad range of operational issues and guide our joint efforts to reform our water and sewer system. The draft report is scheduled for submission to the City/County Water Workgroup by December 31, 2020. An executive briefing will be scheduled for Mayor Scott and County Executive Olszewski in early January.

It is the County's intent to continue its joint work with the City, using the findings of the New Gen analysis as well as the findings of your report to guide our work. The City/County Water Workgroup will continue to meet on a regular basis to address current operational issues and jointly address the various issues cited in the IG report.

The City now has a City Administrator, Mr. Christopher Shorter, who will officially join the Mayor's staff in mid-January. I have provided Mr. Shorter with background on the work of the City/County Water Workgroup and a copy of the IG report.

It is our full intent to continue to work aggressively to address and resolve long-standing issues and continue to reform the water and sewer system. Likewise, we look forward to providing you with further updates on the direction of our reform efforts once we have had the opportunity to review the New Gen report and make informed decisions.

In closing, County Executive Olszewski looks forward to joining you for the joint press conference when it is scheduled. Again, thank you for the report. We look forward to working with you closely going forward. If you have questions or need further information please feel free to contact me.

Sincerely,

  
Stacy L. Rodgers, MPA  
County Administrative Officer

- cc: John A. Olszewski, Jr. County Executive  
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