

Council Agenda Report

Agenda Item No. 20
Date 11-14-2016

Date: November 14, 2016

Prepared and Submitted by: Jane Dorman, Water Resource Administrator 

SUBJECT: Appropriation to MUC Budget from Reserves

Recommendation:

That Council authorize the MUC to move \$90,000 from Reserves to the operating budget for unanticipated main repairs to cover expenses associated with the leak on main near Harbor Haven.

Discussion:

On October 8th, 2016, the MUC was called out for a main break. After inspection by Asst. Superintendent, we immediately called an independent contractor, Retallack & Sons to handle the repair. The MUC crew is not equipped to handle the depth of this type of leak. All customers were restored service (11 residents) before the end of the day. The Municipal Utilities Commission approved the appropriation to the budget at their October 27th, 2016 meeting, pending approval by City Council to move \$90,000 from their Emergency and Contingency Fund to cover expenses associated with leak near Harbor Haven. The MUC has adequate funds in their emergency reserve to handle this transaction.

Fiscal Impact:

The cost of the repairs is anticipated to be approximately \$90,000. The reserve appropriation will fund these expenses. Their goal however is to rebuild the account for future unexpected events like this.

Approved by: 