

ITEM	3
MANAGER'S REPORT NO.	77
COUNCIL MEETING	1979 11 13

RE: CLAIMS

RECOMMENDATION:

1. THAT the Municipal Manager be authorized to approve the payment of claims that do not exceed \$1,000, subject to the receipt of appropriate releases.

REPORT

The Municipality from time-to-time receives claims from persons who are of the opinion that damages which they have sustained were caused by negligence on the part of the Municipality. Although the nature of claims varies, most are related to flooding conditions that allegedly stem from work that has been done by or on behalf of the Municipality, or some blockage or impediment that interferes with the proper functioning of storm water and sewage systems.

At this time, all claims are reviewed by the Municipal Solicitor whose comments and recommendations are forwarded to the Municipal Manager. The Municipal Manager, in compliance with the authority that he received from Council on 1977 August 29, can approve claims that do not exceed \$400. All claims exceeding \$400 are referred to Council for consideration.

The authority that has been given to the Municipal Manager allows for the majority of claims to be processed in a timely fashion. This authority also obviates the need for Council to concern itself in report form with a number of claims that are fairly routine and not significant in terms of cost.

A review of the claims account suggests that it would be appropriate for Council to consider an amendment to the existing policy. It is suggested, in this regard, that the Municipal Manager be given authority to approve all claims that do not exceed \$1,000. Such a change would be consistent with his existing authority to acquire easements and truncations that cost \$1,000 or less.

Staff processes an average of twenty-three claims a year. The majority that are approved involve payments that do not exceed \$1,000 (the only exception to date in 1979 was a payment for \$1,938.03 for locks that had to be replaced in an apartment building as reported in Item 3, In-Camera Report No. 21 on 1979 March 12).

If Council adopts the recommendation in this report, the Municipal Manager would delegate authority to the Municipal Solicitor to approve payment for all claims up to but not exceeding \$500. The procedure would require the Municipal Manager to review for approval all claims between \$501 and \$1,000, and as noted above, all claims exceeding this amount would be referred to Council.

The 1979 budget contains a provision in the amount of \$6,193 for damage claims.

In summary, Council has given authority to the Municipal Manager to acquire easements and truncations when costs do not exceed \$1,000. Although disbursements for claims are different in that they do not result in the acquisition of a tangible asset, Council may wish to extend this authority to cover these types of transactions as well. Council would then be relieved of the need to deal with claims that are fairly routine and would receive reports only on those that are of significance. Other benefits would include improved efficiency and some reduction in overall administrative cost.

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