

## Slave Lake victims frustrated with insurance delays

Medican Construction development manager John Crisp was impressed with the level of co-operation in the burnt-out town of Slave Lake.

“It was evident,” says Crisp, “that everyone in the town was helping out victims of the fire. Months after the fire, people are still living with friends and relatives.”

Crisp, who was in Slave Lake this past weekend attending a builder’s fair, said the devastation is hard to describe.

“When you drive into the town,” he says, “the extent of the fire is not immediately apparent as Main Street was untouched. However, houses in the direct path of the fire were burnt to the ground, some exploding spontaneously from the intense heat alone. Other houses, a few businesses and City Hall burnt down due to fiery debris blown about randomly by the strong winds.”

Medican was one of a number of builders invited by the Canadian Home Builders Association (CHBA) to the fair, which was designed to bring homeowners, town and provincial officials, and builders together.

“I was impressed with the town officials,” says Crisp. “They’ve managed to compress the development approval process down to a week or two.”

“The quick approval process, however, is not much help for homeowners,” says Crisp, “if the insurance companies do not settle.”

“Homeowners said they were incredibly frustrated by the delays,” says Crisp. “They don’t understand why the insurance companies are dragging their feet.”

Crisp explained that the delays seem to stem from the cost of rebuilding in remote areas. Accommodation for example will be at least \$150.00 per person per day, in addition to hauling all materials in.”

“The insurance companies are willing to pay, for example, \$230 per sq. ft. to rebuild, but the builders are saying the costs are going to be \$30 to \$40 a sq. ft. higher.”

Crisp says the town and province have done a great job clearing away the rubble and debris.

“There are trucks working seven days a week getting rid of the old concrete, burnt trees, car bodies and debris,” he says. “The town has cleared over 200 lots where construction can start.”

“Medican,” says Crisp, “has advised the town and CHBA that it is prepared to build both single-family and multi-family homes and has received assurances town officials will be in contact with property owners.”

Medican is in the process of emerging from the protection of the Companies Creditors Arrangement Act (CCAA) which it secured in May of last year.

“What CCAA protection allowed us to do,” says Chief Restructuring Officer Ty Schneider, “is restructure the company and ensure that all stakeholders were fairly treated.”

“Today,” says Schneider, “Medican is emerging as an employee-owned company that will be able to undertake large projects. It is thanks to the court system that Medican survived. Now, we are in a position to help with the rebuilding effort in places like Slave Lake.”

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*Photos courtesy of John Crisp*

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