

# Administrative Backgrounder

Public Presentation Request

<b>Title</b>	<b>11:00 a.m. Request for Payment Time Extension for Firefighting Invoice – 55227 Range Road 255</b>
<b>Purpose of Report</b>	To provide Council background information on the request by Verhaeghe Law on behalf of Liane and Zachary Menzel for an extension for payment of firefighting costs applied pursuant to section 10.3 of the Fire Services Bylaw.
<b>Proposed Motion</b>	There is no proposed motion for this item. Following the presentation and upon receiving legal advice in closed session, Council will be presented options for consideration.
<b>Previous Council Direction</b>	<u>July, 12, 2022 Regular Council Meeting</u> Motion 292/22: That Council confirm the invoice for firefighting costs for 55227 Range Road 225 in the amount of \$206,087.45 as section 10.1 of Bylaw 1354/15 states that charges and expenses incurred pursuant to that section may be charged to the owner of the land in respect of which action was taken but vary the deadline to pay the invoice to July 12, 2023.
<b>Additional Background Information</b>	<ul style="list-style-type: none"> <li>• On December 15, 2021, Sturgeon County Fire Services were dispatched to a reported drilling rig fire that was threatening a home under construction. Given the complexity of the well fire, a third party, Capstone, was contracted to assist with fire suppression.</li> <li>• Upon completion of fire suppression and investigation, firefighting costs of \$206,087.45 were calculated in accordance with Fire Services Bylaw 1354/15.</li> <li>• The contractor hired to assist with extinguishment of the well fire, Capstone, was paid by the County.</li> <li>• As agreed on scene between Kimberley Homes representatives and Summers Drilling, the invoice was to be directed to the attention of Summers Drilling.</li> <li>• Subsequently, both Summers Drilling and Kimberley Homes denied liability and declined to pay the invoice. As a result, the invoice was forwarded to the property owners (Liane and Zachary Menzel) for payment with a deadline of June 30, 2022.</li> </ul>

- In accordance with section 10.3 of the Fire Service Bylaw, the landowners appealed the firefighting charges to Council.
- Council heard the appeal as part of the July 12, 2022 Regular Council Meeting and confirmed the invoice and requirement for payment. The property owners were provided with an additional year to make payment or otherwise the amount would be placed onto their tax roll (see Attachment 3).
- With the payment deadline approaching, on June 21, 2023, an email was sent to the Menzels' lawyer seeking an update regarding payment of the invoice, which was to be paid in full by July 12, 2023.
- On July 13, 2023, an email was received from Verhaeghe Law indicating their firm had been retained by the Menzels and that they commenced an action against Kimberley Homes and Summers Drilling. A copy of the Statement of Claim dated June 30, 2023, accompanied the email. The email also requested that the County not enforce the invoice until the Menzels' claim is resolved in Court.
- Administration received legal advice that the County should refrain from enforcing the invoice until the property owners, or their representatives, appear before the Council to formally request an extension. Therefore, the invoice payment date has not been enforced.
- Bradley Smith, Verhaeghe Law, will be in attendance at the August 22, 2023 meeting by videoconference on behalf of Zachary and Liane Menzel to make a presentation and answer questions from Council. The presenter has supplied the Statement of Claim against Kimberley Homes, Summers Drilling Inc., and ABC Corporation (see Attachment 2).
- Administration has coordinated for legal counsel to be in attendance at the August 22, 2023 Council Meeting. After hearing the landowners' representatives' presentation, it is recommended that Council move to a closed session pursuant to section 27 (privileged information) of the *Freedom of Information and Protection of Privacy (FOIP) Act* to receive legal advice regarding the extension request. Options and advice will be provided in closed session for Council's consideration.

**Attachment(s)**

1. Attachment 1: Presentation Request Form – Menzel.pdf
2. Attachment 2: Presentation Verhaeghe Law
3. Attachment 3: July 12, 2022 Council Meeting Minutes Excerpt
4. Attachment 4: Fire Services Bylaw 1354

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**Report Reviewed by:** Chris Wells, Director, Community Services

Andrew Hayes, General Manager, Financial Services & Chief  
Financial Officer

Jesse Sopko, General Manager, Corporate Services

Reegan McCullough, County Commissioner – CAO