



Civil Resolution Tribunal

Date Issued: August 31, 2021

File: SC-2021-000316

Type: Small Claims

Civil Resolution Tribunal

Indexed as: *JR Interiors Ltd. v. Coates*, 2021 BCCRT 954

B E T W E E N :

JR INTERIORS LTD.

APPLICANT

A N D :

BETTY COATES

RESPONDENT

REASONS FOR DECISION

Tribunal Member:

Leah Volkers

INTRODUCTION

1. This dispute is about an unpaid flooring invoice. The applicant, JR Interiors Ltd. (JR Interiors), says the respondent, Betty Coates, has refused to pay its invoice for floor preparation work completed prior to installing vinyl plank flooring. JR Interiors claims \$1,186.50 for its unpaid invoice.

2. Ms. Coates does not dispute that the floor preparation work was completed, but says that JR Interiors overcharged for the materials used. Ms. Coates also says she never agreed to pay for the floor preparation work in excess of the \$2,500 paid by her insurer. Ms. Coates' insurer is not a party to this dispute.
3. JR Interiors is represented by its president, Derek O'Shea. Ms. Coates is self-represented.

JURISDICTION AND PROCEDURE

4. These are the formal written reasons of the Civil Resolution Tribunal (CRT). The CRT has jurisdiction over small claims brought under section 118 of the *Civil Resolution Tribunal Act* (CRTA). Section 2 of the CRTA states that the CRT's mandate is to provide dispute resolution services accessibly, quickly, economically, informally, and flexibly. In resolving disputes, the CRT must apply principles of law and fairness, and recognize any relationships between the dispute's parties that will likely continue after the CRT process has ended.
5. Section 39 of the CRTA says the CRT has discretion to decide the format of the hearing, including by writing, telephone, videoconferencing, email, or a combination of these. Here, I find that I am properly able to assess and weigh the documentary evidence and submissions before me. Further, bearing in mind the CRT's mandate that includes proportionality and a speedy resolution of disputes, I find that an oral hearing is not necessary in the interests of justice.
6. Section 42 of the CRTA says the CRT may accept as evidence information that it considers relevant, necessary and appropriate, whether or not the information would be admissible in a court of law. The CRT may also ask questions of the parties and witnesses and inform itself in any other way it considers appropriate.
7. Where permitted by section 118 of the CRTA, in resolving this dispute the CRT may order a party to do or stop doing something, pay money or make an order that includes any terms or conditions the CRT considers appropriate.

ISSUE

8. The issue in this dispute is to what extent, if any, JR Interiors is entitled to payment of its \$1,186.50 invoice.

EVIDENCE AND ANALYSIS

9. In a civil proceeding like this one, as the applicant JR Interiors must prove its claims on a balance of probabilities. I have read all the parties' submissions but refer only to the evidence and argument that I find relevant to provide context for my decision.
10. It is undisputed that JR Interiors installed new flooring in Ms. Coates's home as part of a water damage insurance claim. At the same time, Ms. Coates also had JR Interiors replace additional flooring that was not part of the insurance claim.
11. An October 29, 2020 estimate in evidence listed the cost of the additional flooring at \$4,985.78. The estimate also noted that "floor prep is not included in this estimate – If required additional costs will be presented at time of install". The estimate was signed by Ms. Coates on November 6, 2020. Ms. Coates does not dispute signing the estimate but does dispute being advised in writing that floor preparation costs would be provided to her on the date of installation. I find the estimate in evidence, signed by Ms. Coates, shows that she had written notice that flooring preparation costs would be provided at the time of installation.
12. It is undisputed that JR Interiors advised Ms. Coates of the floor preparation costs on the day of installation, totalling \$3,630. It is also undisputed that Ms. Coates's insurer paid \$2,500 for the water damage portion of these costs.
13. As noted, Ms. Coates says she never agree to pay for any floor preparation costs in excess of the \$2,500 paid by her insurer. JR Interiors says she did. JR Interiors says it normally asks for payment of the floor preparation invoice at the time of installation, but Ms. Coates indicated she was unable to pay until January. JR Interiors says its employee, MS, agreed with Ms. Coates to extend the payment deadline. This is supported by December 2, 2020 text messages between MS and Ms. Coates in

evidence, where Ms. Coates indicated she cannot pay until after January 4, and MS indicated that JR Interiors would give her until January 8, 2021. This is also supported by the December 2, 2020 floor preparation invoice for \$1,186.50 in evidence, which I find clearly noted that JR Interiors agreed to have the invoice “paid in full by Betty Coates by January 8, 2021”. While the December 2, 2020 floor preparation invoice is unsigned, I find that Ms. Coates agreed to the floor preparation work. Parties can form a contract through their correspondence and their conduct if they show that they agreed to the contract’s terms (see *Crosse Estate (Re)*, 2012 BCSC 26, at paragraph 30). Ms. Coates does not dispute being informed of the floor preparation costs, receiving the December 2, 2020 invoice, or allowing JR Interiors to proceed with the floor preparation work. I find all of these actions indicate that she agreed to pay the floor preparation costs not covered by her insurer. On balance, I find JR Interiors has proven that Ms. Coates agreed to pay for the floor preparation costs.

14. As noted above, Ms. Coates also says that JR Interiors overcharged for the floor preparation work. On the December 2, 2020 invoice, JR Interiors charged Ms. Coates \$110 per bag for 33 bags of floor levelling material. Ms. Coates says she was initially told that it would cost \$100 per bag and 38 bags were required. She says she attended at her home during the floor preparation work, and only counted 18 bags. She submitted photos of some bags in her home. I find these photos are not helpful in determining how many bags JR Interiors used during floor preparation. Finally, Ms. Coates also says the bags should only cost \$80 each. JR Interiors disputes this and says 33 bags were required and submitted its subcontractor’s invoice listing 35 bags. JR Interiors says it cannot explain the discrepancy between the 35 bags invoiced by its subcontractor, and the 33 bags listed on the December 2, 2020 invoice. However, as JR Interiors invoiced for less bags (33) than its subcontractor (35), I find nothing turns on this discrepancy. JR Interiors says the photos submitted by Ms. Coates only show some of the bags on site, not all of the bags used to level the floor. JR Interiors also says the \$110 per bag charge includes the installation cost. Finally, JR Interiors says Ms. Coates did not raise any concerns with the invoiced 33 bags until JR Interiors followed up for payment on January 13, 2021. I find that the photographs of some bags in Ms. Coates’s home is not sufficient to show that JR Interiors used 18

bags instead of 33 bags of levelling material. On balance, and considering both JR Interiors December 2, 2020 invoice and its subcontractor's invoice, I find JR Interiors used 33 bags of floor levelling material during the floor preparation work and invoiced Ms. Coates for the bags used. So, I find Ms. Coates must pay JR Interiors \$1,186.50 for its floor preparation invoice.

Interest and CRT fees

15. Although JR Interiors' December 2, 2020 invoice provides for annual interest of 24%, contractual interest cannot unilaterally be imposed on an invoice. JR Interiors did not claim contractual interest in any event, and I award none. However, The *Court Order Interest Act* (COIA) applies to the CRT where there is no contractual interest agreement. I find JR Interiors is entitled to pre-judgment interest on \$1,186.50 from the January 8, 2021 due date to the date of this decision. This equals \$3.44.
16. Under section 49 of the CRTA and CRT rules, the CRT will generally order an unsuccessful party to reimburse a successful party for CRT fees and reasonable dispute-related expenses. I see no reason in this case not to follow that general rule. I find JR Interiors is entitled to reimbursement of \$125 in CRT fees. JR Interiors did not claim any dispute-related expenses, and so I award none.

ORDERS

17. Within 30 days of the date of this order, I order Ms. Coates to pay JR Interiors a total of \$1,314.94, broken down as follows:
 - a. \$1,186.50 for its unpaid invoice,
 - b. \$3.44 in pre-judgment interest under the *Court Order Interest Act*, and
 - c. \$125 in CRT fees.
18. JR Interiors is entitled to post-judgment interest, as applicable.

19. Under section 48 of the CRTA, the CRT will not provide the parties with the Order giving final effect to this decision until the time for making a notice of objection under section 56.1(2) has expired and no notice of objection has been made. The time for filing a notice of objection is 28 days after the party receives notice of the CRT's final decision. The Province of British Columbia has enacted a provision under the *COVID-19 Related Measures Act* which says that statutory decision makers, like the CRT, may waive, extend or suspend mandatory time periods. This provision is in effect until 90 days after June 30, 2021, which is the date of the end of the state of emergency declared on March 18, 2020, but the Province may shorten or extend the 90-day timeline at any time. A party should contact the CRT as soon as possible if they want to ask the CRT to consider waiving, suspending or extending the mandatory time to file a Notice of Objection to a small claims dispute.
20. Under section 58.1 of the CRTA, a validated copy of the CRT's order can be enforced through the Provincial Court of British Columbia. A CRT order can only be enforced if it is an approved consent resolution order, or, if no objection has been made and the time for filing a notice of objection has passed. Once filed, a CRT order has the same force and effect as an order of the Provincial Court of British Columbia.

Leah Volkers, Tribunal Member