Date Issued: May 6, 2022

File: SC-2021-001800

Type: Small Claims

Civil Resolution Tribunal

Indexed as: Altman Yacht Works Ltd. v. White, 2022 BCCRT 540

BETWEEN:

ALTMAN YACHT WORKS LTD.

APPLICANT

AND:

MARTIN WHITE

RESPONDENT

REASONS FOR DECISION

Tribunal Member:

Sherelle Goodwin

INTRODUCTION

 This dispute is about payment for electrical work on a sailboat. The respondent, Martin White, asked the applicant, Altman Yacht Works Ltd. (Altman), to install a heating system on his sailboat. Altman says Mr. White has paid only \$500 toward its \$1,972.24 invoice for the completed work. Altman claims \$1,472.24 for the outstanding balance.

- Mr. White says Altman did not wire the system the way he asked, did not complete
 the job, and increased the invoiced amount when Mr. White cancelled the job. I infer
 Mr. White argues he owes Altman noting further.
- 3. Altman is represented by its owner, Colin Altman. Mr. White represents himself.

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.
- 8. As a preliminary matter, both parties provided evidence and argument about their respective settlement offers and negotiations. CRT rule 1.11 prohibits parties from

disclosing settlement discussions that happened during CRT's facilitation process unless all parties consent to their disclosure. I find that is not the case here. So, I have not addressed or considered any of the parties' settlement discussions after September 24, 2021, which is when Altman applied for dispute resolution.

ISSUE

9. The issue in this dispute is how much of Altman's outstanding invoice must Mr. White pay, if any?

EVIDENCE AND ANALYSIS

- 10. In a civil proceeding like this one the applicant Altman must prove its claim on a balance of probabilities (meaning "more likely than not"). I have read all the parties' submissions and weighed their evidence, but only refer to that necessary to explain my decision.
- 11. In approximately October 2019 Mr. White asked Altman to install a Planar heating system on his sailboat. The parties agreed Altman would do the electrical work and Mr. White would do the plumbing work to save on costs. Altman worked on the boat on November 11 and 12, 2019. Altman 'hard wired' the heating system directly to the boat's battery to draw power. On November 17, 2019, Altman emailed Mr. White with instructions on how to complete his portion of the work. Altman did not return to Mr. White's boat to complete the job after November 12, 2019. None of this is disputed.
- 12. Based on the parties' January 2020 emails, I find the parties disagreed on what Mr. White had asked Altman to do. Specifically, Mr. White says he asked Altman to wire the heating system to the boat's electrical panel, so that it could be shut off entirely through the fuse switch. However, Altman said Mr. White asked that the system be hard wired to the boat's battery during a November 11, 2021 telephone conversation, which Mr. White denied in the emails. I further find that, on January 8, 2020 Mr. White said he would complete the job himself, effectively ending his agreement with Altman.

- 13. On November 22, 2019, Altman invoiced Mr. White \$960.31 (Invoice #1051), which Mr. White undisputedly did not pay. Altman says this was a partial invoice which did not include all labour hours, travel time and expenses.
- 14. After Mr. White ended the parties' agreement on January 8, 2020, Altman reduced its invoice to \$936.51 to remove the brief time it says it spent connecting the heating system to the battery. On January 15, 2020 Altman reduced the bill again to \$912.72, to address Mr. White's dissatisfaction. It is undisputed Mr. White did not pay the invoice.
- 15. On January 23, 2020 Altman sent Mr. White Invoice #1054 for \$1,972.24. Altman says this is the "full" invoice for the heating system work, including previously unbilled labour, travel time and travel expenses.
- 16. It is undisputed that Mr. White paid \$500 to Altman on February 12, 2020. Although Mr. White offered to settle the bill for \$500 on January 24, 2020, I find Altman clearly rejected the offer in its email the same day. So, I find Mr. White's later \$500 payment did not fully resolve the outstanding invoice.
- 17. As noted, Mr. White says Altman incorrectly wired the heating system to the battery, rather than the breaker panel, which Altman denies. The parties' November 7 to 8, 2019 text messages show they discussed this issue. Altman said they could wire the system to a breaker on the panel, but Mr. White would have to ensure it was not shut off until the heater was ready, or the heater would be damaged. Altman suggested another option of directly mounting the system on the battery and Mr. White could pull out the battery fuses if he wanted to disconnect power. As noted, Altman says Mr. White agreed to hard wiring the system to the battery in a November 11, 2019 telephone call, which Mr. White denies.
- 18. Altman says that Planar recommends hardwiring the heating system to the battery, and not connecting it to power through a switch, such as an electrical panel with breakers. Whether that is the correct way to wire the system or not, I find the issue is

- whether Mr. White specifically asked Altman to do something different than what was recommended.
- 19. Neither party provided any evidence supporting their version of the telephone call. Both parties believe their understanding is correct and I find both are just as likely to be correct, based on the evidence before me. As noted, Altman bears the burden of proving its version of the parties' agreement is the correct one. I find it has failed to do so, given the evidentiary tie here. So, I find Altman is not entitled to payment for connecting the heating system to the boat's power source, as requested by Mr. White. I will address the value of that work further below.
- 20. Mr. White says all of the wiring Altman did would not work with his heating system, which Altman denies. Mr. White also says that because Altman wired the heater directly to the battery, he would have to remove all the wiring and reinstall the heating system. As Mr. White is alleging that Altman's work was deficient, he bears the burden of proving it (see *Absolute Industries Ltd. v. Harris*, 2014 BCSC 287).
- 21. Mr. White has not explained how Altman's work was deficient, other than hardwiring the heating system to the battery. Neither has he explained why the majority of the electrical work, or installation work including custom made brackets, needed to be removed and reinstalled. Mr. White also argues Altman's November 17, 2019 plumbing plan and diagram were overcomplicated and so he did not use them. However, he provided no evidence showing the plans and instructions were deficient.
- 22. Although Mr. White submitted a February 4, 2022 invoice from Strait Marine Ltd. for installing a hydronic heater, there is nothing in the invoice indicating that Altman's work was incorrect or deficient. Further, Mr. White says he removed all Altman's wiring himself, so I find it unlikely Strait Marine Ltd. would have been able to assess Altman's work for deficiencies. On balance, I find Mr. White failed to prove that Altman's installation work was deficient.
- 23. Based on the labour hours and parts costs breakdown in Invoice #1054, I find the parties did not have a fixed price contract for the heating system installation, but

rather a time and materials contract. So, to the extent Mr. White argues that Altman did not finish the job it agreed to do, I find that does not determine whether Altman is entitled to payment of the invoiced work it says it completed.

- 24. So, how much of the billed \$1,972.40 is Altman entitled to?
- 25. Invoice #1054 shows 10.5 hours of labour. Mr. White says Invoice #1051 showed only 7 hours, which I accept because Altman does not dispute it. There is no copy of invoice #1051 in evidence, only the cover email with the amount owing, so I cannot compare the work description between the 2 invoices.
- 26. Although Altman refers to "unbilled labour' in its submissions, it does not specify what those hours are for. In its January 2020 emails to Mr. White, Altman referred only to unbilled travel hours, which it invoiced separately from labour hours on Invoice #1054. As Mr. White argues, Altman did not return to the boat after November 12, 2019 and the evidence does not show Altman worked on Mr. White's project any further after the November 22, 2019 invoice. So, I find Altman has not proven it is entitled to be paid for the extra 3.5 hours billed on Invoice #1054. Based on Altman's \$85 hourly rate, I find this equals \$297.50.
- 27. As noted above, Altman initially reduced its invoice to remove the time it says it spent connecting the heating system to the battery. It valued that time at \$23.80. Mr. White does not dispute Altman's valuation of the power source wiring. So, I find Altman is not entitled to payment of that \$23.80 as I find it was not what Mr. White requested.
- 28. In Invoice #1054, Altman included travel time and ferry expenses to travel to Mr. White's boat. As noted above, Altman worked on the boat on 2 days, which I find would reasonably include 2 ferry trips and 4 hours of travel time, rather than the 3 trips and 6 hours of travel time Altman billed. Altman provided no explanation for the extra ferry trip and so I find it is not entitled to payment of that \$202.
- 29. In summary, I find Altman is not entitled to payment of \$23.80 for hardwiring the heating system to the battery, \$297.50 for the unexplained extra 3.5 hours billed, or \$202 for 2 hours travel time and 1 ferry expense. This equals \$523.30.

- 30. I find Altman is entitled to payment of the remainder of the outstanding invoice. After deducting \$523.30 and the \$500 Mr. White already paid from the \$1,972.24 invoice, I find Mr. White owes Altman \$948.94.
- 31. Altman claims contractual interest, and says it told Mr. White when it sent his final invoice that 2% per month interest applied to outstanding invoices. Invoice #1054 does not state this and Altman did not provide a copy of any communication notifying Mr. White of any applicable interest rate. In any event, contractual interest cannot be unilaterally imposed in an invoice and must be set out in the parties' agreement (see *N.B.C. Mechanical Inc. v. A.H. Lundberg Equipment Ltd.*, 1999 BCCA 775).
- 32. In the absence of a contractual agreement about interest, the *Court Order Interest Act* applies. As Invoice #1054 says it is due on receipt, I find Altman is entitled to prejudgment interest on the outstanding \$948.94 from the date it emailed the invoice to Mr. White (January 23, 2020) to the date of this decision. This equals \$16.01.
- 33. 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 acknowledge that the parties each made various offers to settle the invoice before this dispute was filed. However, contrary to Mr. White's argument, I do not find Altman's refusal to accept Mr. White's offers means Altman is not entitled to reimbursement of its fees or expenses, even though the parties were undisputedly very close to a settlement. I find both parties equally refused each other's offers and so neither party is to blame for not settling the matter. However, as Altman was only partially successful in this dispute, I find it is entitled to reimbursement of \$62.50, which is half its paid CRT fees. Neither party claimed any dispute-related fees.

ORDERS

34. Within 30 days of the date of this order, I order Mr. White to pay Altman a total of \$1,027.45, broken down as follows:

- a. \$948.94 in debt,
- b. \$16.01 in pre-judgment interest under the Court Order Interest Act, and
- c. \$62.50 in CRT fees.
- 35. Altman is entitled to post-judgment interest, as applicable.
- 36. 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.
- 37. 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.

Sherelle Goodwin, Tribunal Member