

VIA REGISTERED MAIL & E-MAIL

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To the County of Prince Edward:

RE: *Pitts Carillon* – Picton Bay, ON – DOI: 24 March 2017

We have completed our investigation and assessment of the \$581,641.73¹ claim (the “Claim”) submitted by the County of Prince Edward (the “County”) pursuant to section 103 of the *Marine Liability Act*, SC 2001, c 6 (the “MLA”)² as a result of the 24 March 2017 sinking of the spud barge *Pitts Carillon* (the “Barge”). We find the Claim to be established, in part, in the amount of **\$380,714.53**. Accordingly, we hereby make an offer of compensation (the “Offer”) in that amount, plus accrued interest of \$13,396.23, pursuant to sections 105, 106, and 116 *MLA*. The amount of the Offer plus interest comes to \$394,110.76.

The following reasons are provided to explain the disparity between the amount claimed and the amount the Administrator of the Ship-source Oil Pollution Fund (the “Administrator”) finds to be established on the facts, the law, and the evidentiary record before her. For context, a brief summary of the facts surrounding the sinking of the Barge, the subsequent actions of the County and other responders, and the submission of the Claim is provided first, followed by a description of the legal regime under which the Administrator investigates and assesses claims.

¹ This figure represents the principal amount claimed, on which the Administrator of the Ship-source Oil Pollution Fund has based her assessment. The global amount claimed was \$597,396.70, inclusive of interest. See Part II, below, for a detailed explanation of this discrepancy.

² All references to the *MLA* herein refer to it as it was at the time of the sinking of the Barge and the County’s response. The substantive changes made on the coming into force of Bill C-86 thus have no application to the Claim.

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I – The Facts

At approximately 09:00 on 24 March 2017, the Barge sank at or near the Picton Terminals Dock (the “Incident”) in Picton Bay, Lake Ontario, some 1.1 kilometres from the Picton Water Treatment Plant (the “Plant”), which processes water from Picton Bay for roughly 6,000 local residents. The Barge carried a 4,000-litre capacity diesel tank and machinery used to raise and lower its “spuds”, or legs. According to various estimates, 1,300 litres of oils were on board at the time of the Incident, with diesel accounting for the majority and hydraulics at approximately 100 litres.³ It was estimated that fewer than 100 litres were discharged as a result of the sinking.

At the time of the Incident, McKeil Marine Limited (“McKeil”) was operating the Barge as bareboat charterer, while the registered owner was Galcon Marine Ltd.

The response to the Incident involved several parties, including McKeil, the Canadian Coast Guard, Transport Canada, and the Ontario Ministry of Environment and Climate Change (the “MOECC”). Boom was placed around the sunken Barge in several layers. Despite the boom deployment, a small quantity of “fugitive emulsified oil material and sheen” (the “Contamination”) was first observed outside the boomed area on the day of the Incident. This Contamination was deemed unrecoverable, as it dispersed and intermingled with ice pack in Picton Bay. In the afternoon on the day of the Incident, the County activated its Municipal Emergency Control Group (the “MCG”) to monitor the situation.

Warming weather caused the Contamination to drift. By the afternoon of 28 March 2017, it had entered the Plant’s “Intake Protection Zone 1”, potentially putting the local water supply at risk. The Plant remained in operation under contingency plans that entailed manual control and monitoring of raw water intake as well as filling backup reservoirs in anticipation of a total shutdown.

At 19:00 on the evening of 28 March 2017, the Mayor of the County (the “Mayor”) declared a state of emergency. Residents were asked to limit water use. On 29 March, a “fuel-type odour” was detected at the Plant’s raw water sampling line. As the Plant, then equipped with anthracite filters, was not capable of safely removing hydrocarbon contaminants, the County ceased raw water processing from Picton Bay as a precaution. Reserves were tapped and large-scale arrangements were made to shuttle in water from outside sources (the “Haulage Operation”). The same day, the County engaged SGS Canada Inc (“SGS”) to begin testing raw water entering the Plant.

On 31 March 2017, the MOECC ordered McKeil to conduct sampling and analysis of impacted areas of Picton Bay. McKeil engaged Pinchin Ltd (“Pinchin”) to this end, and sampling began on 1 April.

Through this period, the County retained the services of consultants for advice. The decision was ultimately made, on or about 4 April 2017, to change the filtration media in the Plant to granular activated carbon (“GAC”), which would be capable of filtering out hydrocarbon contaminants,

³ We note that Tab A of the Claim, “LOSS NARRATIVE AND THE COUNTY’S RESPONSE”, indicates that the Barge “reportedly contained 12,000 Litres of diesel fuel.” Given the much lower capacity of the Barge’s diesel tank and the preponderance of much lower and relatively uniform estimates, we find that this figure was the result of a typographical error.

rendering contaminated raw water safe for use and consumption. Two of the Plant's four filters were to be changed as soon as possible. The remaining two filters were to be changed on a less urgent basis.

Meanwhile, McKeil had refloated the Barge on 1 April 2017 and towed it from Picton Bay shortly thereafter.

By 5 April 2017, the fuel odour in the raw water sampling line had ceased. Water shuttling ended the following day along with the boil water advisory, and the Plant returned to closely-monitored service. The Mayor lifted the state of emergency on 11 April. As some degree of Contamination remained in Picton Bay at this stage, however, monitoring of the situation continued in earnest until at least 21 April, and to a reduced degree thereafter.

On 8 May 2018, the Administrator received the Claim from the County.

II – The Law

A Claim filed with the Administrator under Part 7 *MLA* must be rooted in a cause of action enumerated in Part 6 of same. In this case, the Administrator finds the Claim to be admissible under Part 7 via section 77 *MLA*, as the Barge is a ship per the applicable definition in Part 6, Division 2 *MLA*. Because the Barge cannot reasonably be considered “seagoing” or “seaborne”, it is likely not subject to Part 6, Division 1 *MLA*.

Under section 77 *MLA*, the owner of a ship is strictly liable for oil pollution damage from the ship and for “measures taken to prevent, repair, remedy or minimize oil pollution damage from the ship” (“preventive measures”). “Oil pollution damage” is defined in section 75 *MLA* as “any loss or damage outside the ship caused by contamination resulting from the discharge of oil from the ship.” The strict liability of the owner of a ship also extends to any loss or damage caused by such preventive measures, as well as to environmental reinstatement measures.

Preventive measures are subject to the test of reasonableness before they can be deemed “established” under paragraph 105(1)(b) *MLA* and ultimately compensated by the Administrator. The reasonableness test consists of two parts, each with a subjective and an objective component, meaning both what was known and what ought to have been known by the claimant are relevant. First, the Administrator considers whether a given preventive measure was reasonable in light of the demonstrated pollution threat and all the known circumstances at the time the measure was taken. If the Administrator finds in the affirmative, she next considers whether the cost associated with the given measure was reasonable in the circumstances. Where a measure is found not to have been reasonable in the circumstances, the Administrator will not compensate a claimant for it at all. On the other hand, reasonable measures with attached unreasonable costs may be compensable in part.

The reasonableness test also carries with it an implicit evidentiary requirement. Costs and expenses associated with preventive measures must actually have been incurred by the claimant. Further, a cost or expense-generating measure cannot be properly assessed if it cannot be determined what was done, when it was done, or why it was done. Evidentiary shortfalls can be fatal to some sparsely-documented elements of a given claim. That said, even limited evidence will be considered in its broader context, and a degree of inference is acceptable to the Administrator.

Numerous intertwined factors inform the Administrator's determination of the reasonableness of preventive measures. All these factors are tied to the pollution threat. Some are inherent to a vessel or its cargo. These include, *inter alia*, the nature and type of actual or potential pollutants, as well as their volume. Others are environmental and go to the real or potential impacts of a discharge of oil in a given marine area. The focus may be on harm to a delicate ecosystem or a local population, for instance. In short, the consequences of a given spill can vary considerably from one environment to another, and the Administrator takes this into account in her assessment.

The assessment of the reasonableness of costs is less complex. Reference is made to standardized market rates, if any, with regional particularities taken into account. Further, the Administrator is cognizant that an emergency creates a degree of urgency that may have an inevitable adverse impact on the cost of some measures.

Under sections 101 and 103 *MLA*, the liability of the Administrator mirrors that of the owner of a ship. Therefore, in order to be compensable by the Administrator, claimed items must fit within the following heads: (1) Oil pollution damage; (2) Preventive measures; (3) Damage caused by preventive measures; or (4) Environmental reinstatement.

In addition to compensation for the foregoing, successful claimants as against the Ship-source Oil Pollution Fund are entitled to interest under section 116 *MLA*. The applicable rate is sourced from regulations made under the *Income Tax Act*, RSC, 1985, c 1 (5th Supp) and can fluctuate quarterly. Interest runs from the date a specific cost or expense is incurred, and entitlement runs to the date the Administrator issues an offer of compensation. For these reasons, the County's claims for interest in specific dollar amounts tied to various costs and expenses incurred have not been considered. Instead, we have applied our own interest calculation on the claimed amounts found to be established, in accordance with section 116 *MLA*, as set out above (see Appendix 2).

Under section 4301 of the *Income Tax Regulations*, CRC, c 945 there are two prescribed rates of interest: one for corporate taxpayers, the other for non-corporate taxpayers. We find that the County, an Ontario municipality, is a corporation as contemplated by the *Income Tax Act*. Accordingly, it is entitled to interest at the corporate rate, which currently stands at 2%.

III – Assessment Overview

With respect to heads of claim, we find that the costs and expenses incurred by the County, most of which related to safeguarding and maintaining the local water supply, are best characterized as preventive measures.

As noted, section 75 *MLA* defines “oil pollution damage” as being “in relation to any ship, loss or damage outside the ship caused by contamination resulting from the discharge of oil”. After the sinking of the Barge, the County shut down the processing of raw water from Picton Bay, where some degree of Contamination was present, to avoid risking such potential loss or damage. Further, the County decided to replace the filtration media in its Plant for much the same reasons. The costs and expenses incurred as a direct result of the foregoing, as well as any ancillary measures, are thus best classed as measures taken to prevent, remedy, or minimize oil pollution damage from the Barge, rendering them *prima facie* admissible under paragraph 77(1)(b) *MLA*.

Broadly, we find that the response of the County to the events that triggered this Claim was graduated, disciplined, and in alignment with its responsibilities as license-holder for the Plant. The primary responsibility of a license-holder is to protect public health by providing water fit for safe consumption. A secondary responsibility is to ensure that potable water is aesthetically acceptable and palatable. The latter covers taste, colour, and odour and is closely intertwined with public confidence in essential services. This responsibility goes directly to the maintenance of order in a given community.

We note that all water samples taken in the aftermath of the sinking of the Barge tested within provincial quality standards. This was the case for all surface and subsurface testing in Picton Bay as well as from raw water samples sourced from the Plant. Trace amounts of contaminants were occasionally detected, generally in surface samples, but concentrations were so small as to all fit within provincial standards. That said, we are faced with multiple reports of a fuel odour in raw water taken from Picton Bay.

The intakes for the Plant were located 2 metres below the surface of Picton Bay. Nonetheless, a faint fuel odour was detected at the Plant's raw water sampling line on 29 March 2017. The odour persisted for several days thereafter. Despite generally clear testing, we find the accounts of a fuel odour in the raw water sampling line to be credible. We considered and accepted evidence that the human nose can detect trace amounts of hydrocarbons below the minimum detectable threshold of the kind of testing used by SGS at the Plant.

There can be little doubt that the release of any concentration of hydrocarbons into a community's water supply, or the threat of such a release, is sufficient to justify some measure of response. Where public health or public order is at stake, even to the slightest degree, a cautious approach is justified rather easily. The mobilization of the MCG, for instance, and rigorous and expedited sampling of the raw water from the Plant, are difficult measures to question with this and the aforementioned responsibilities of the County in mind.

The more complex issues before the Administrator are twofold. First, did the County act reasonably when it decided to shut down raw water processing operations at the Plant on 29 March 2017? This decision necessitated the large-scale and costly Haulage Operation. Second, did the County act reasonably when, in the midst of the Plant shutdown or soon thereafter, it made the decision to change the Plant's filter media from anthracite to GAC? Together these two decisions of the County generated the vast majority of claimed expenses.

In considering the decision to shut down raw water processing, we note that the County gradually escalated its response measures, generally in proportion to potential threat posed by the Contamination in Picton Bay. First, the MCG was activated, communication lines were opened with the various responders, and professional advice was sought. The Plant continued to process raw water under careful scrutiny and water reserves were bolstered. A state of emergency was not immediately declared: the Mayor waited until the Contamination actually entered the Plant's intake zone. It was not until the following day that the decision to shut the Plant down was made, and only in light of a fuel smell in the raw water sampling line. Given the County's responsibilities, it acted reasonably when it intervened to stop any chance of tainted water from reaching its residents. As discussed, the Haulage Operation was a necessary ancillary to the processing shutdown, and we therefore consider that it too represented a reasonable preventive measure.

Our assessment of the County’s measures with regard to the GAC replacement at the Plant is more complex and nuanced. It therefore merits fuller reasons, which follow in Part IV of this Offer.

IV – Assessment Detail

In the interest of concision and thematic organization, we have grouped our reasons with respect to the various tabbed items claimed by the County under seven headings, each with its own summary assessment table. The two appendices to this Offer provide, respectively, a general breakdown of our assessment of the entire Claim and a summary of the County’s entitlement to interest under the *MLA*.

1. Haulage Operation and Water Supply Tabs B1–B11, B33

To keep the County supplied with reliable drinking water during the Plant shutdown, approximately 11,000 cubic metres of treated water were hauled in from the nearby City of Belleville. The Haulage Operation lasted seven days and was carried out by 11 separate entities, costing the County \$118,369.35 (Tabs B1–B11). The cost of the water itself was an additional \$40,539.01 (Tab B33).

On average, 1,375 cubic metres were hauled into the County for each of the eight days the Plant was non-operational. Compared with the normal average daily flow rates through the Plant, this number is relatively low, perhaps due to use of reserves and/or generally reduced consumption by residents of the County during this period. For this reason, for those set out above in Part III of this Offer, and in considering the urgency and importance of keeping the County supplied with safe, aesthetically acceptable water, we find the full claimed amounts to be established under Tabs B1 through B11, as well as under Tab B33.

Table 1: Summary Assessment of Haulage Operation and Water Supply

| Tab | Service Provider | Service | Claimed | Established |
|---------------|-------------------------------|------------------------|---------------------|---------------------|
| B1 | Shelin Pools Ltd | Water haulage | \$28,576.92 | \$28,576.92 |
| B2 | Byford Farms Ltd | Water haulage | \$9,052.71 | \$9,052.71 |
| B3 | Bartlett’s Bulk Water Service | Water haulage | \$6,011.00 | \$6,011.00 |
| B4 | Kirby’s Water Haulage | Water haulage | \$4,080.00 | \$4,080.00 |
| B5 | George’s Water Haulage | Water haulage | \$23,460.00 | \$23,460.00 |
| B6 | Parkside Landscaping | Water haulage | \$7,972.15 | \$7,972.15 |
| B7 | Gord’s Water Service | Water haulage | \$7,360.00 | \$7,360.00 |
| B8 | D & R Water Services Inc | Water haulage | \$12,520.00 | \$12,520.00 |
| B9 | Montgomery Water Service | Water haulage | \$4,045.40 | \$4,045.40 |
| B10 | Quinte West Transportation | Water haulage | \$9,941.17 | \$9,941.17 |
| B11 | Ross Pound Water Service | Water haulage | \$5,350.00 | \$5,350.00 |
| B33 | City of Belleville | Emergency water supply | \$40,539.01 | \$40,539.01 |
| Totals | | | \$158,908.36 | \$158,908.36 |

2. Water Testing and Sample Delivery

Tabs B18, B24, B31, B40, B42, B45, B55

The County claimed a total of \$41,393.04, across six separate SGS invoices, for the cost of testing water from various sources. Broadly speaking, we find that the testing was a reasonable and necessary measure in the circumstances, and that the associated costs were also reasonable. That said, we have made various reductions for the reasons that follow.

First, we note that our assessment of Tab B18 was complicated by missing invoices representing an amount of \$3,512.61. We have made a reduction under this tab accordingly. Tab B55 presents a similar issue, with only a single invoice in the amount of \$2,034.00 present despite the claimed amount of \$6,028.56. Accordingly, we find only the former amount to be established.

Tabs B24 and B45 were more fully documented, representing microbial analysis and lab fees for water sourced from the Plant. Tab B45 represents testing that ran into early June 2017, in accordance with advice from the MOECC and consultants retained by the County. We find the amounts claimed under these two tabs to be established in full.

Tabs B31 and B40 were both fully documented, though we have made reductions in the amounts of \$2,409.72 and \$51.98, respectively, for amounts associated with Ameliasburgh, Consecon, and Peat’s Point. This testing was evidently not connected to the Incident.

The County engaged an individual contractor to ferry regular water samples from the Plant to the SGS testing facility in Lakefield, a distance of roughly 140 kilometres. The contractor charged a daily rate of \$300.00 and made the roundtrip on 28 separate days between 31 March and 3 May 2017. The total amount claimed for this service was \$8,420.00.

Given the urgency of the testing, and the County’s interest in receiving regular results from SGS as promptly as possible, we find that the water sample ferry service represented a reasonable measure. Furthermore, given the regular vehicle mileage and the duration of travel required of the contractor, we find the cost attached to the sample ferrying service was reasonable. Accordingly, the amount claimed under Tab B42 is established in full.

Table 2: Summary Assessment of Water Testing and Sample Delivery

| Tab | Service Provider | Service | Claimed | Established |
|---------------|------------------|----------------------------|--------------------|--------------------|
| B18 | SGS Canada Inc | Lab fees for testing water | \$5,252.81 | \$1,740.20 |
| B24 | SGS Canada Inc | Lab fees for testing water | \$12,094.39 | \$12,094.39 |
| B31 | SGS Canada Inc | Lab fees water testing | \$13,415.92 | \$11,006.20 |
| B40 | SGS Canada Inc | Lab fees for testing water | \$1,211.36 | \$1,159.38 |
| B42 | [name redacted] | Water sampling delivery | \$8,420.00 | \$8,420.00 |
| B45 | SGS Canada Inc | Lab fees for testing water | \$3,390.00 | \$3,390.00 |
| B55 | SGS Canada Inc | Lab fees for testing water | \$6,028.56 | \$2,034.00 |
| Totals | | | \$49,813.04 | \$39,844.17 |

3. Equipment and Services

Tabs B20, B21, B23, B25, B28–B30, B35, B37, B38, B43, B44, B50

The County claimed a total of \$24,846.31 across 13 tabs for various equipment and services. The majority of these tabs relate to setting up and maintaining a system for introducing trucked-in water to its general water supply. Tab B50 covers environmental modelling services that assisted the County in predicting the behaviour of the Contamination in Picton Bay.

Tabs B20, B21, B25, B28, and B29 are all attributable to reasonable and necessary water pumping operations. Claimed items include hoses, gaskets, couplings, and setup services. We find all items claimed under these tabs to be established in full.

Under Tab B23, the County claimed \$2,741.34 across 14 separate invoices from the Picton Home Hardware Building Centre. Of this claimed amount, we find \$1,857.69 to be established. The majority of items claimed for were consumables, though no specific descriptions of usage are included in the Claim documentation. As suggested in Part II of this Offer, however, the Administrator is willing to make appropriate inferences with materials such as tubing, hose clamps, lighting, nozzles, vacuum filters, and rags. The costs associated with these items are established.

We note that four items of a capital nature were purchased and claimed under Tab B23. We have rejected these items for the reasons that follow. While a reasonable use can be attributed to three of these items — a shop vac, jet pump, and wheelbarrow, all totalling \$694.97 — we find that the useful life expectancy of such items far exceeds the limited number of days they would have been used in direct relation to the sinking of the Barge. Finally, we are not able to attach a reasonable use to the various coolers claimed on an invoice for \$188.68 dated 2 April 2017.

\$2,220.20 was claimed under Tab B44, \$1,734.30 of which covers the installation of temporary water services on 31 March 2017. We find this amount to be established. The remaining claimed amounts under this tab are not supported by invoices and thus could not be assessed or compensated.

Tabs B37 and B38 both pose problems. Tab B37, under which \$1,154.17 was claimed, is supported by just a single invoice, for “3 CAM LOCK FITTINGS” in the amount of \$114.10. The invoice is dated 10 May 2017. Given this late date relative to the Incident and Haulage Operation, we see no reasonable connection. As a result, we reject the full amount claimed under this tab. Tab B38 too is only partially supported, by a single invoice for an electrical plug installation. As we lack evidence of a connection between electrical work and the Incident, we reject the claimed amount of \$998.91 entirely.

Tabs B30, B35, and B43 are all related to the supply and laying of gravel. Given the time of year, it is likely that mud was a factor at the landing stations for trucks hauling water into the County. Gravel was laid to support the increase in traffic in these areas, which were not necessarily paved. We find the amounts claimed under these three tabs to be established in full.

Tab B50 represents a claimed expenditure of \$5,627.40. The County engaged XCG Consulting Limited (“XCG”) on 31 March 2017 to produce a model projecting the potential impacts of the Contamination on the Plant’s raw water intakes. The model covered the period from 26 March to

19 April, inclusive, and took on a three-dimensional character, allowing it to account for the depth of the intakes beneath the surface of Picton Bay.

The XCG report is dated 7 April 2017, but it was delivered to the County on 6 April in draft form. It found that within six days of the Incident, the Contamination was likely to reach the Plant’s intakes and to remain in the vicinity until at least 19 April, in concentrations up to five parts per trillion. This was below the minimum detectible level offered by SGS, and very likely below the concentration thought to be detectible by the human nose. XCG recommended a comprehensive monitoring program of raw water at the intakes, as well as continued long-term modelling and simulations based on the results of such sampling.

We find that the XCG modelling was a reasonable measure with an attached reasonable cost that helped to fully inform the County’s response to the Incident, especially with regard to the Plant. We therefore find the claimed amount of \$5,627.40 to be established in full under Tab B50.

Table 3: Summary Assessment of Equipment and Services

| Tab | Service Provider | Service | Claimed | Established |
|---------------|------------------------------|---------------------------------------|--------------------|--------------------|
| B20 | Canland Hydraulics Inc | Hoses and gaskets | \$6,216.92 | \$6,216.92 |
| B21 | County Farm Centre Ltd | 3i Cam Lock | \$44.06 | \$44.06 |
| B23 | Picton Home Hardware | Emergency supplies | \$2,741.34 | \$1,857.69 |
| B25 | Lowes Canada | Materials | \$256.09 | \$256.09 |
| B28 | Canland Hydraulics Inc | Clean-up equipment | \$2,001.16 | \$2,001.16 |
| B29 | Moira Plumbing & Heating Inc | Emergency plumbing service | \$372.90 | \$372.90 |
| B30 | Paul Greer & Sons Excavating | Gravel & bulk water supply | \$683.65 | \$683.65 |
| B35 | Prince Edward Quarry | Crusher run limestone | \$108.51 | \$108.51 |
| B37 | County Farm Centre Ltd | Emergency supplies | \$1,541.17 | \$0.00 |
| B38 | Hatfield Electric | Electrical supplies and labour | \$998.91 | \$0.00 |
| B43 | Parkside Landscaping | Tree/brush removal, <i>inter alia</i> | \$2,034.00 | \$2,034.00 |
| B44 | Moira Plumbing & Heating | Temporary water service install | \$2,220.20 | \$1,734.30 |
| B50 | XCG Consulting Ltd | Environmental consulting | \$5,627.40 | \$5,627.40 |
| Totals | | | \$24,846.31 | \$20,936.68 |

4. Staff Mileage and Expenses

Tabs B12–B17, B19, B22, B26, B32, B34, B36, B39, B48, B54

Tabs B12 and B32 represent modest claims for staff mileage during the County’s response to the Incident. We find the amounts claimed under both of these tabs to be established in full.

Many of the tabs under this heading contain invoices for bottled water and food, aligned with the substantial overtime worked by County staff in the wake of the Incident, or with work done by contractors. Given the County’s interest in ensuring minimal disruption in work, we find that its measures to occasionally keep staff supplied with essentials during this period were reasonable. We also recognize that bottled water was likely supplied to local residents to some degree, and we accept this as a reasonable measure in the circumstances. Accordingly, we find the amounts claimed under Tabs B15, B26, and B54 to be established in full. Tab B39 is an exact duplicate of Tab B54 and it is rejected accordingly.

We reject in full Tab B22, which contains invoices for bottled water dated 7 February 2017, before the Incident occurred. Applying the same logic to three bottled water invoices under Tab B16 that also predate the Incident, we have made a reduction of \$120.00 under this tab, yielding an established amount of \$761.00.

We find Tabs B17, B34, and B36 to be partially established. Tab B17 contains various receipts for food purchases, all of which are reasonably attributable to the County’s response. One of the attached receipts, in the amount of \$146.89, is for binoculars. As we see no reasonable use for such an item as part of the County’s response, we have made the appropriate reduction under this tab. Tab B34 too contains various receipts for reasonable food purchases. Two receipts, however, list items such as helmet-mounted lights, burlap, furnace filters, and a chrome beverage set, for which we can infer no reasonable use. Accordingly, we find Tab B34 to be established in the amount of \$357.50, representing only the costs claimed for food. Tab B36 contains only a single receipt in the amount of \$42.15, for food provided to Plant staff and Haulage Operation drivers. As the remaining claimed amount is unsupported, we find only that amount to be established.

A number of the tabs under this heading contain invoices addressed to the HJ McFarland Memorial Home (the “Home”), a supported living facility for seniors operated by the County and located within a kilometre of the Plant. While the Home appears to have been a staging ground for the County’s response, or at least for related deliveries, and while some of the food and water deliveries to the Home are reasonably attributable to the response, others are either unsupported or simply too remote to merit compensation as preventive measures or anything ancillary thereto. To this end, we reject the amounts claimed under Tabs B13, B14, and B19, which are discussed in more detail below. As Tab B48 is an exact duplicate of Tab B14, it too is rejected in full.

Tab B13 is only partially supported, with a single invoice totalling \$725.37, for vinyl gloves, washcloths, and hygiene wipes, none of which are reasonably connected to the County’s response. The remainder of the claimed amount under this tab is for incontinence products, which also appear to be more rationally connected with the daily operation of the Home than with the County’s response. Tab B14 contains invoices for laundry detergent, which has no rational connection to the County’s response, as well as two coolers from the Picton Home Hardware Building Centre totalling \$610.18. Though the coolers invoice is annotated “Loss of Essential Services”, we see no reasonable or necessary use for such items. The remaining amount claimed under this tab appears to be for the purchase of LED bulbs, but this purchase is not documented. Finally, Tab B19 appears to represent a large-scale regular food order for the Home from Sysco, having no connection to the Incident. Items ordered include, *inter alia*, 63.6 kilograms of boneless pork loin and 12 boxes of raspberry turnover cookies.

Table 4: Summary Assessment of Staff Mileage and Expenses

| Tab | Service Provider | Service | Claimed | Established |
|-----|---------------------------|------------------------|------------|-------------|
| B12 | Jean Harrison | Mileage | \$11.00 | \$11.00 |
| B13 | Medical Mart | Supplies | \$2,905.13 | \$0.00 |
| B14 | Picton Home Hardware | Supplies | \$826.00 | \$0.00 |
| B15 | Darlene Dulmage | Food | \$250.29 | \$250.29 |
| B16 | Pure County Bottled water | Bottled water | \$881.00 | \$761.00 |
| B17 | Staff Expenses | Miscellaneous expenses | \$972.32 | \$825.43 |
| B19 | Sysco | Food | \$5,813.95 | \$0.00 |

| | | | | |
|---------------|---------------------------|-----------------------------|--------------------|-------------------|
| B22 | Pure County Bottled Water | Emergency water | \$668.75 | \$0.00 |
| B26 | Pure County Bottled Water | Emergency water, food | \$2,904.42 | \$2,904.42 |
| B32 | Mark Boone | Disaster mileage | \$37.50 | \$37.50 |
| B34 | Staff expenses | Miscellaneous expenses | \$627.29 | \$357.50 |
| B36 | Staff expenses | Miscellaneous expenses | \$92.15 | \$42.15 |
| B39 | Kayla Beach | Meals for disaster | \$78.85 | \$0.00 |
| B48 | Picton Home Hardware | Emergency Clean-up supplies | \$826.00 | \$0.00 |
| B54 | Kayla Beach | Meals for disaster | \$78.85 | \$78.85 |
| Totals | | | \$16,973.50 | \$5,268.14 |

5. Water Filter Replacement and Related Expenses Tabs B27, B41, B46, B47, B49

The County claimed a total of \$205,042.94 across five tabs for the supply and installation of granular activated carbon (“GAC”) media into the filtration system at the Plant. Before we proceed with our assessment, it is necessary to set out some background on the state of affairs at the Plant immediately prior to the Incident.

The Plant had four filters, all of which ordinarily operated with anthracite media. Prior to the Incident, the Plant was in the process of rehabilitating its filters and replacing the anthracite media therein. At the time of the Incident, the Plant was operating on just two filters. Filter 4 had already been rehabilitated and its anthracite had been replaced, though it had not yet re-entered service. Filter 1 had been shut down for rehabilitation, with its old anthracite removed. Filters 2 and 3 were operating as normal, with rehabilitation and anthracite replacement for each slated for unspecified future dates.

The County’s water supply demands did not require that all four filters be operational at all times. The foregoing demonstrates that even three filters were not necessary to meet demands under normal flow rates, but the County generally opted to rehabilitate and replace just one filter at a time, perhaps with contingency planning in mind.

After the Incident, as it became clear that the Contamination would reach the Plant’s intakes and that the existing filtration system would be useless against hydrocarbons, the County began to investigate its options. There were fears of a long-term Plant shutdown. GAC was first discussed as an option as early as 31 March 2017, and perhaps before. Notably, the County placed a portable water treatment unit in Saskatchewan on standby. The unit would have taken time to ship and install, and the weekly operating cost was to be approximately \$100,000.00: less costly than the Haulage Operation, but expensive and uncertain from a timing perspective due to the distant location of the unit. Also considered was hyper-dosing the existing filters with powdered activated carbon, but this too was rejected, *inter alia*, on public health grounds.

Ultimately, the County decided to change the filtration media in the Plant to GAC. This decision was made on or about 4 April 2017, when RV Anderson Associates Ltd (“Anderson”), on the County’s instructions, began seeking quotes from suppliers. It is not clear which date the County began actual contracting, but the initial timelines for installation provided by Anderson on 4 April were largely adhered to, meaning that things moved rapidly.

Continental Carbon Group (“Continental”) supplied the four GAC “F300” filters, at a cost of \$167,522.50 (Tab B27). The cost of just two F300 filters, as quoted on 4 April 2017, was \$86,851.80. Thus, the County received a discount of approximately 3.5% when it opted to purchase four GAC filters instead of just two. As no explicit justification was provided for the decision to purchase four GAC filters, we consider that this minor discount, along with operational uniformity and convenience, may have been a motivating factor. In addition, we recognize the County’s desire to have some measure of redundancy in its system, particularly in the wake of a perceived emergency. In order for GAC to effectively remove hydrocarbons from raw water, reduced flow rates are required. At these reduced rates, three GAC-equipped filters would have been necessary to supply the County with viable water. On its face, the foregoing appears to justify the County’s decision to go forward with four GAC filters. The timeline for installation, however, complicates matters.

The ultimate timeline for returning each of the four filters to service with GAC media was as follows, indicating that the County’s claimed response to the Incident effectively continued into August of 2017:

Filter 1: 10 April 2017
Filter 4: 20 April 2017
Filter 3: June 2017
Filter 2: August 2017

On this timeline we can accept that the individual replacements of Filters 4 and 1 were sufficiently proximate to the Incident, and to the potential threat identified by XCG in its modelling, as to represent reasonable preventive measures. After all, the County had explored and ruled out other alternatives to safeguard its water supply and avoid the cost of another water haulage operation should contaminants have been detected, whether via testing or smell, in the Plant’s raw water supply after 5 April 2017, when the fuel smell at the Plant ceased.

It is noteworthy, however, that in the case of a hypothetical renewed threat after 20 April 2017, Filters 4 and 1 alone would not have been sufficient to supply the County while operating at safe hydrocarbon-processing flow rates. Additional water would have been required, though it is not clear whether reserves would have been sufficient or whether outside water would have been necessary. At any rate, the Plant was not equipped with GAC filters sufficient to fully supply the County under reduced flow rates until June. This timeline was known to the County when it committed to the purchase of four GAC filters.

We note that the XCG projections terminated on 19 April 2017 with minimal concentration of Contamination remaining around the Plant’s intakes on that date. We further note that warming temperatures and increased water flow into Picton Bay were known to accelerate the flushing of the Contamination. In light of the foregoing, we find that no oil pollution threat resulting from the Incident was likely to be present at the Plant’s intakes come June 2017, when Filter 3 finally came online with GAC filtration media installed. We further find that this was known to the County as of 6 April at the latest, when it received the draft XCG report. In short, the County knew or ought to have known that Filters 3 and 2 would come online far too late to be effective against any credible threat caused by the Incident when it placed its order. We thus cannot accept that the County’s purchase of GAC media to be installed in these two filters represented a reasonable preventive measure.

As a result, to establish a reasonable cost for the supply of two GAC filters, we look to Continental’s quote of 4 April 2017. From the quoted cost of \$86,851.80, we subtract \$8,500.00, or the estimated market cost of the anthracite that the County would have otherwise purchased, had the Incident not occurred, for installation as part of its scheduled rehabilitation of Filter 1. The Incident effectively allowed the County to avoid this expected operational cost, albeit replacing it with many much higher and unexpected emergency costs. The savings must nonetheless be factored into our assessment. Accordingly, we find the amount of \$78,351.80 to be established under Tab B27.

Under Tab B46, the County claimed \$14,252.79 for the installation of GAC media in Filter 4 by Peak Engineering & Construction Ltd (“Peak”). This service was ordered on 7 April 2017 and began on 8 April. For largely the same reasons contained in our above discussion of Tab B27, we find this amount to be established in full. The County claimed a further \$5,116.02 under Tab B49 for services provided by Tomlinson Environmental Services Ltd. Only one invoice is provided in support, in the amount of \$2,604.11, for backwashing of Filter 4. The missing invoice apparently represents an annual sediment cleaning. We find the former expenditure to be established, as it was a part of the installation of GAC media. The latter fails, *inter alia*, on lack of evidence.

Tab B41 represents a claimed amount of \$1,606.01, for which only one Anderson invoice, in the amount of \$1,080.56, is provided in support. The invoice in question references “Engineering services in accordance with the email correspondence of April 4, 2017”. Specific services are not described, however, and the invoice purports to cover work done from 25 February to 31 March only. Noting the date of the Incident, given that the referenced email makes no mention of emergency-related work done by Anderson prior to 4 April, and given the limited evidence provided in support of this tab, we reject the full amount claimed.

The County claimed \$16,545.62 under Tab B47 for further services provided by Anderson, from 1 April to 30 June 2017, evidenced by three invoices, all of which cite the 4 April email referred to above. We assessed this tab in tandem with Tab B27, detailed above, applying the same principles. We note that the first invoice claimed under Tab B47 covers the planning of temporary treatment, its implementation, and the investigation of long-term treatment between 1 and 28 April. It totals \$13,942.38. In accordance with our reasoning above, we find that GAC-related measures undertaken after 20 April were solely in relation to Filters 3 and 2. As we have found neither of these filter replacements to represent reasonable preventive measures, we will not compensate GAC-related measures that occurred after this date. We lack a daily breakdown of Anderson services rendered, so we have simply accepted a prorated daily amount for the invoice to 20 April, the result being \$9,958.84 established under this tab. The remaining two invoices are rejected, as they pertain solely to services rendered after 20 April.

Table 5: Summary Assessment of Water Filter Replacement and Related Expenses

| Tab | Service Provider | Service | Claimed | Established |
|---------------|----------------------------|------------------------------------|--------------|---------------------|
| B27 | Continental Carbon Group | Supply 4 GAC filters | \$167,522.50 | \$78,351.80 |
| B41 | RV Anderson Associates Ltd | Engineering services | \$1,606.01 | \$0.00 |
| B46 | Peak Engineering | Plant filter/chlorine room upgrade | \$14,252.79 | \$14,252.79 |
| B47 | RV Anderson Associates Ltd | Engineering services | \$16,545.62 | \$9,958.84 |
| B49 | Tomlinson Environmental | Back washes on filter and cleaning | \$5,116.02 | \$2,604.11 |
| Totals | | | \$205,042.94 | \$105,167.54 |

6. Legal Support
Tabs B51, B52, B53, B56

A total of \$24,559.54 was claimed under Tabs B51–B53 and B56 for the services of Templeman LLP, spread over four separate invoices. We first note that the invoice under Tab B56 is for \$7,502.06 rather than \$7,554.62, as indicated in the Claim “Index”. This adjustment yields a slightly lower total claimed amount for Legal Support: \$24,506.98.

Solicitor-client privilege precluded the provision of a specific breakdown of costs and tied legal services, but a general breakdown was provided as follows:

- | | |
|--|-----|
| 1. Review and advice: applicable pollution regulations and safe water drinking regulations | 15% |
| 2. Review and advice: Orders from MOECC | 10% |
| 3. Review: environmental and other technical reports | 10% |
| 4. Review: provincial officer’s reports and orders | 10% |
| 5. Preparation and research: claim against polluter and liability regime | 5% |
| 6. Preparation: claim to the Administrator | 50% |

A wealth of practical and technical advice was available to the County in the wake of the Incident, whether from contractors or the various governmental agencies involved in the response, and it is not clear to the Administrator what additional advice was provided in a legal capacity, or what its relative value would have been. Without the benefit of elaboration on items 1 through 4, above, we find the corresponding claimed amount, or 45% of the total claimed for legal services, to be duplicative in nature.

As for items 5 and 6, above, we note that they together represent approximately 2.3% of the global amount claimed by the County. Given the complexity and substantial value of the Claim, we deem this to be a reasonable rate for claim compilation, which is compensable within reasonable bounds. With regard to item 5 specifically, we deem it to be ancillary to claim compilation, keeping in mind that the County would presumptively have been entitled to a costs award had it pursued successful direct legal action against the liable party or parties.

Accordingly, we find 55% of the total amount claimed for legal support, or \$13,478.84, to be established. With an eye to our calculation of the County’s interest entitlement, and considering the likelihood that the bulk of claim compilation would have occurred after the County’s response had concluded, we have apportioned the established amount across the latter three legal services invoices paid by the County.

Table 6: Summary Assessment of Legal Support

| Tab | Service Provider | Service | Claimed | Established |
|---------------|-------------------------|----------------|--------------------|--------------------|
| B51 | Templeman Menninga LLP | Legal support | \$7,724.46 | \$0.00 |
| B52 | Templeman Menninga LLP | Legal support | \$3,616.00 | \$312.32 |
| B53 | Templeman Menninga LLP | Legal support | \$5,664.46 | \$5,664.46 |
| B56 | Templeman Menninga LLP | Legal support | \$7,554.62 | \$7,502.06 |
| Totals | | | \$24,559.54 | \$13,478.84 |

7. Labour Costs Tabs C1–C7

Only overtime, in the amount of \$72,352.54, was claimed by the County with respect to its internal employees. To this amount, the County added \$29,145.50 for benefits, for a grand total of \$101,498.04 claimed for labour costs. Apart from the following description, no evidence was provided to support the County’s claim for benefits: “The benefits refer to the overhead costs of each hour of overtime worked.” Because employee benefits-related costs generally attach only to regular, salaried hours, the Administrator does not compensate benefits costs allegedly attached to overtime hours in the absence of hard evidence to support a departure from this norm. Here, the CUPE Local 2275 Collective Agreement, to which the County was bound at the relevant times, does not suggest that any such benefits-related overhead attached to overtime hours. Accordingly, the claimed amount for benefits is rejected in full.

The documentation provided in support of the overtime claim was voluminous, complex, and often problematic from an assessment point of view. It was spread over seven tabs and it did not clearly discern between Incident-related costs and regular operational expenditures. Tabs C1, C5, and C6 contain apparently cumulative general ledgers that broadly evidence that overtime expenditures were incurred by the County. Tabs C2 through C5 contain posting journals that detail wages paid to specific employees, only some of whom can be linked to the County’s response. Tab C7 was the most useful for assessment purposes. It includes time sheets, daily tasking, and hourly rates for most of the employees we could link to the County’s response.

We used Tab C7 to plot a daily breakdown of efforts reasonably attributable to the Incident, and to identify any duplication of claimed amounts. Where no clear Incident-related tasking was apparent for claimed overtime amounts, we made the appropriate reductions. This process, and the documentation provided, was of general assistance in our reconstruction of the County’s response to the Incident. We found that the bulk of the claimed amounts for overtime were associated with Plant employees. The fire department, along with two senior public works employees, played a smaller role.

It is not practical to include in this Offer a comprehensive employee-by-employee breakdown of what was claimed as against the amounts the Administrator has found to be established. The majority of the reductions we made were due to the following: (1) A lack of clarity on Incident-related tasking and effort allocation; (2) Duplication of claimed amounts associated with some fire department employees; and (3) Missing documentation on the hourly rates for three employees who collectively worked 39.25 hours overtime.

Further, we reject in full the amounts claimed for a Plant employee who was involved in media inquiries and press conferences. While there can be little doubt that these efforts were tied to the Incident, we note that the Mayor’s Office took extensive measures to keep County residents informed of the developing situation in Picton Bay as it related to the County’s water supply. It is not clear to the Administrator why it was necessary to have the Plant managing a parallel public relations campaign. Accordingly, we find the claimed measures to be duplicative in nature.

In all, we find 811.25 hours of overtime worked by 23 employees to be established, in the amount of \$37,110.80. This yields an average hourly overtime rate of \$45.75 per employee. The

established overtime covers work done from 25 March to 21 April 2017. All but 50.5 hours of overtime costs, representing the efforts of just two Plant employees, were clustered within the two-week period from 25 March to 7 April. This breakdown accords closely with our understanding of the timeline of the County’s response, including mobilization of the MCG, heightened monitoring at the Plant, the Haulage Operation, and the diminished monitoring that came along with demobilization.

With respect to our interest calculation, it appears that all of the County’s overtime expenses fell within two pay periods. The first ran from 25 March to 7 April 2017, and the second from 8 to 21 April. As we cannot determine on the evidence the payment dates associated with each of these two pay periods, we have deemed them, respectively, to have occurred on 14 and 28 April. The first totals \$34,611.55; the second, \$2,499.25.

Table 7: Summary Assessment of Labour Costs

| Tabs | Service Provider | Service | Claimed | Established |
|---------------|-------------------------|------------------------|---------------------|--------------------|
| C1-C7 | The County | Labour costs: wages | \$72,352.54 | \$37,110.80 |
| C1-C7 | The County | Labour costs: benefits | \$29,145.50 | \$0.00 |
| Totals | | | \$101,498.04 | \$37,110.80 |

In considering this Offer, kindly note the following options and time limits set out in section 106 *MLA*.

You have 60 days upon receipt of this Offer to notify the undersigned whether you accept it. You may tender your acceptance by any means of communication by 16:30 Eastern Time on the final day allowed. If you accept this Offer, payment will be directed to you without delay. Upon payment, the *MLA* provides that the Administrator benefits from a statutory release and subrogation in relation to the subject incident, to the extent of the payment.

Alternatively, you have 60 days upon receipt of this Offer to appeal its adequacy to the Federal Court. If you wish to appeal the adequacy of the Offer, pursuant to Rules 335(c), 337, and 338 of the *Federal Courts Rules*, SOR/98-106 you may do so by filing a Notice of Appeal in Form 337. You must serve it upon the Administrator, who shall be the named Respondent. Pursuant to Rules 317 and 350 of the *Federal Courts Rules*, you may request a copy of the Certified Tribunal Record.

Lastly, the *MLA* provides that if no notification is received by the end of the 60-day period, you will be deemed to have refused the Offer. No further offer will issue.

Yours sincerely,

Mark A.M. Gauthier, B.A., LL.B
Deputy Administrator, Ship-source Oil Pollution Fund

Encl.: Appendices (2)

Appendix 1: Summary Assessment of the Claim

| Tab(s) | Service Provider | Service | Claimed | Established |
|--------|-------------------------------|---------------------------------------|--------------|-------------|
| B1 | Shelin Pools Ltd | Water haulage | \$28,576.92 | \$28,576.92 |
| B2 | Byford Farms Ltd | Water haulage | \$9,052.71 | \$9,052.71 |
| B3 | Bartlett's Bulk Water Service | Water haulage | \$6,011.00 | \$6,011.00 |
| B4 | Kirby's Water Haulage | Water haulage | \$4,080.00 | \$4,080.00 |
| B5 | George's Water Haulage | Water haulage | \$23,460.00 | \$23,460.00 |
| B6 | Parkside Landscaping | Water haulage | \$7,972.15 | \$7,972.15 |
| B7 | Gord's Water Service | Water haulage | \$7,360.00 | \$7,360.00 |
| B8 | D & R Water Services Inc | Water haulage | \$12,520.00 | \$12,520.00 |
| B9 | Montgomery Water Service | Water haulage | \$4,045.40 | \$4,045.40 |
| B10 | Quinte West Transportation | Water haulage | \$9,941.17 | \$9,941.17 |
| B11 | Ross Pound Water Service | Water haulage | \$5,350.00 | \$5,350.00 |
| B12 | [name redated] | Mileage | \$11.00 | \$11.00 |
| B13 | Medical Mart | Supplies | \$2,905.13 | \$0.00 |
| B14 | Picton Home Hardware | Supplies | \$826.00 | \$0.00 |
| B15 | [name redated] | Food | \$250.29 | \$250.29 |
| B16 | Pure County Bottled water | Bottled water | \$881.00 | \$761.00 |
| B17 | Staff Expenses | Miscellaneous expenses | \$972.32 | \$825.43 |
| B18 | SGS Canada Inc | Lab fees for testing water | \$5,252.81 | \$1,740.20 |
| B19 | Sysco | Food | \$5,813.95 | \$0.00 |
| B20 | Canland Hydraulics Inc | Hoses and gaskets | \$6,216.92 | \$6,216.92 |
| B21 | County Farm Centre Ltd | 3i Cam Lock | \$44.06 | \$44.06 |
| B22 | Pure County Bottled Water | Emergency water | \$668.75 | \$0.00 |
| B23 | Picton Home Hardware | Emergency supplies | \$2,741.34 | \$1,857.69 |
| B24 | SGS Canada Inc | Lab fees for testing water | \$12,094.39 | \$12,094.39 |
| B25 | Lowes Canada | Materials | \$256.09 | \$256.09 |
| B26 | Pure County Bottled Water | Emergency water, food | \$2,904.42 | \$2,904.42 |
| B27 | Continental Carbon Group | Supply 4 GAC filters | \$167,522.50 | \$78,351.80 |
| B28 | Canland Hydraulics Inc | Clean-up equipment | \$2,001.16 | \$2,001.16 |
| B29 | Moira Plumbing & Heating Inc | Emergency plumbing service | \$372.90 | \$372.90 |
| B30 | Paul Greer & Sons Excavating | Gravel & bulk water supply | \$683.65 | \$683.65 |
| B31 | SGS Canada Inc | Lab fees water testing | \$13,415.92 | \$11,006.20 |
| B32 | [name redated] | Disaster mileage | \$37.50 | \$37.50 |
| B33 | City of Belleville | Emergency water supply | \$40,539.01 | \$40,539.01 |
| B34 | Staff expenses | Miscellaneous expenses | \$627.29 | \$357.50 |
| B35 | Prince Edward Quarry | Crusher run limestone | \$108.51 | \$108.51 |
| B36 | Staff expenses | Miscellaneous expenses | \$92.15 | \$42.15 |
| B37 | County Farm Centre Ltd | Emergency supplies | \$1,541.17 | \$0.00 |
| B38 | Hatfield Electric | Electrical supplies and labour | \$998.91 | \$0.00 |
| B39 | [name redated] | Meals for disaster | \$78.85 | \$0.00 |
| B40 | SGS Canada Inc | Lab fees for testing water | \$1,211.36 | \$1,159.38 |
| B41 | RV Anderson Associates Ltd | Engineering services | \$1,606.01 | \$0.00 |
| B42 | [name redated] | Water sampling delivery | \$8,420.00 | \$8,420.00 |
| B43 | Parkside Landscaping | Tree/brush removal, <i>inter alia</i> | \$2,034.00 | \$2,034.00 |
| B44 | Moira Plumbing & Heating | Temporary water service install | \$2,220.20 | \$1,734.30 |

| Tab(s) | Service Provider | Service | Claimed | Established |
|---------------|----------------------------|------------------------------------|---------------------|---------------------|
| B45 | SGS Canada Inc | Lab fees for testing water | \$3,390.00 | \$3,390.00 |
| B46 | Peak Engineering | Plant filter/chlorine room upgrade | \$14,252.79 | \$14,252.79 |
| B47 | RV Anderson Associates Ltd | Engineering services | \$16,545.62 | \$9,958.84 |
| B48 | Picton Home Hardware | Emergency Clean-up supplies | \$826.00 | \$0.00 |
| B49 | Tomlinson Environmental | Back washes on filter and cleaning | \$5,116.02 | \$2,604.11 |
| B50 | XCG Consulting Ltd | Environmental consulting | \$5,627.40 | \$5,627.40 |
| B51 | Templeman Menninga LLP | Legal support | \$7,724.46 | \$0.00 |
| B52 | Templeman Menninga LLP | Legal support | \$3,616.00 | \$312.32 |
| B53 | Templeman Menninga LLP | Legal support | \$5,664.46 | \$5,664.46 |
| B54 | [name redacted] | Meals for disaster | \$78.85 | \$78.85 |
| B55 | SGS Canada Inc | Lab fees for testing water | \$6,028.56 | \$2,034.00 |
| B56 | Templeman Menninga LLP | Legal support | \$7,554.62 | \$7,502.06 |
| C1-C7 | The County | Labour costs: wages | \$72,352.54 | \$37,110.80 |
| C1-C7 | The County | Labour costs: benefits | \$29,145.50 | \$0.00 |
| Totals | | | \$581,641.73 | \$380,714.53 |

Appendix 2: Summary Interest Entitlement

| Date of Expenditure | Tab(s) | Total Established | Interest | Grand Total |
|----------------------------|--------------------|--------------------------|--------------------|---------------------|
| 2017-04-04 | B17 | \$825.43 | \$29.96 | \$855.39 |
| 2017-04-05 | B12-B14, B48 | \$11.00 | \$0.40 | \$11.40 |
| 2017-04-12 | B15, B18, B19 | \$1,990.49 | 71.88 | \$2,062.37 |
| 2017-04-14 | C1-C7 | \$34,611.55 | \$1,246.96 | \$35,858.51 |
| 2017-04-19 | B20-B24 | \$20,213.06 | \$725.46 | \$20,938.52 |
| 2017-04-20 | B1-B11, B16, B25, | \$122,290.86 | \$4,389.07 | \$126,679.93 |
| 2017-04-26 | B27 | \$78,351.80 | \$2,797.05 | \$81,148.85 |
| 2017-04-28 | C1-C7 | \$2,499.25 | \$89.08 | \$2,588.33 |
| 2017-05-02 | B28-B32 | \$14,101.41 | \$501.08 | \$14,602.49 |
| 2017-05-04 | B34 | \$357.50 | \$12.68 | \$370.18 |
| 2017-05-10 | B35, B40 | \$1,267.89 | \$44.78 | \$1,312.67 |
| 2017-05-11 | B54 | \$78.85 | \$2.78 | \$81.63 |
| 2017-05-17 | B36-B38 | \$42.15 | \$1.48 | \$43.63 |
| 2017-05-18 | B33 | \$40,539.01 | \$1,422.75 | \$41,961.76 |
| 2017-05-24 | B39 | \$0.00 | \$0.00 | \$0.00 |
| 2017-05-31 | B41-B43, B51 | \$10,454.00 | \$363.17 | \$10,817.17 |
| 2017-06-07 | B44 | \$1,734.30 | \$59.92 | \$1,794.22 |
| 2017-06-14 | B55 | \$2,034.00 | \$69.88 | \$2,103.88 |
| 2017-06-21 | B45, B46, B49, B50 | \$25,874.30 | \$883.98 | \$26,758.28 |
| 2017-08-16 | B47 | \$9,958.84 | \$324.96 | \$10,283.80 |
| 2017-09-28 | B52 | \$312.32 | \$9.82 | \$322.14 |
| 2018-01-31 | B53 | \$5,664.46 | \$158.76 | \$5,823.22 |
| 2018-04-19 | B56 | \$7,502.06 | \$190.33 | \$7,692.39 |
| Totals | | \$380,714.53 | \$13,396.23 | \$394,110.76 |