

**IN THE MATTER OF AN ARBITRATION PROCEEDINGS  
UNDER THE CLASS PROCEEDINGS ACT, 1992**

**BETWEEN:**

**JAMIE SMITH, ALANA DALTON, JAMIE McDONALD  
and IRENE SALES INC., OPERATING AS  
THE HARTLEY HOUSE**

**Plaintiffs**

**- and -**

**THE CORPORATION OF THE MUNICIPALITY OF  
BROCKTON, THE BRUCE-GREY OWEN SOUND  
HEALTH UNIT, STAN KOEBEL,  
THE WALKERTON PUBLIC UTILITIES COMMISSION and  
HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO**

**Defendants**

**- and -**

**IAN D. WILSON ASSOCIATES LIMITED,  
DAVIDSON WELL DRILLING LIMITED EARTH TECH (CANADA) INC.  
CONESTOGA-ROVERS & ASSOCIATES LIMITED,  
B.M. ROSS AND ASSOCIATES LIMITED,  
GAP ENVIROMICROBIAL SERVICES INC.,  
A & L CANADA LABORATORIES EAST, INC.,  
DAVID BIESENTHAL and CAROLYN BIESENTHAL**

**Third Parties**

Heard: October 27, 2004

Counsel:

Patrick Kelly  
for the Claimant, Mrs.

Dan Fife - for The Plan Administrator, Crawford Adjusters Canada

**DECISION**

Mrs. [REDACTED] as the owner of the Town of Walkerton. The property was listed for sale at \$132,900 and after 65 days on the market sold for \$130,000 on September 6, 2001.

The issue before me is whether the water crisis, which occurred in May 2000, had a negative effect on the market value of the subject property.

Residential homes in Walkerton valued at over \$100,000 are considered to be in the top range. For this reason, there are few comparable sales.

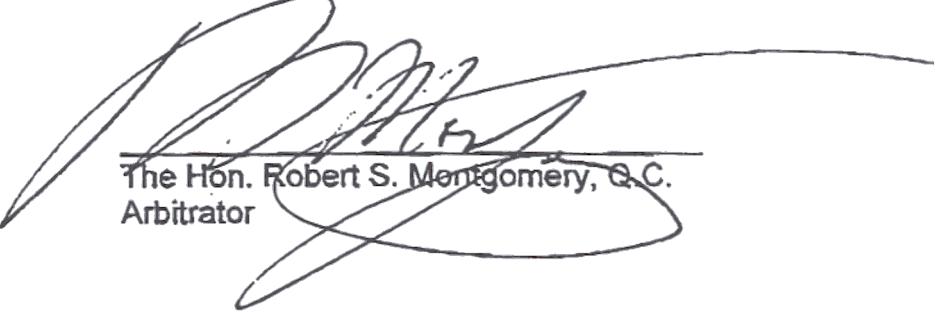
The onus of proof lies upon the claimant.

There are two bodies of expert opinion. Professor John Livernois did a paper for the inquiry. Mr. Douglas Farmer, an appraiser and a member of the Appraisal Institute of Canada, testified in person. It was Mr. Farmer's opinion that 16 months after the crisis, which was the date of the subject sale, there was no diminution in value because of the crisis. Mr. Farmer stated that real estate prices had declined in Walkerton in 1999. This was due to the general economics in the area and the closing of the poultry plant in particular. That was not addressed in Professor Livernois' report.

I accept the opinion of Mr. Farmer that there was no diminution in value.  
prefer his detailed and specific reasoning to that of Professor Livernois.

conclude that there was no diminution in value and I must regrettably reject  
the claim.

Dated at Toronto, this 4<sup>th</sup> day of November 2004.



The Hon. Robert S. Montgomery, Q.C.  
Arbitrator