

SUPREME COURT OF CONNECTICUT

Blakeslee Arpaia Chapman, Inc. v. Department of Transportation, 273 Conn. 746

873 A.2d 155 (2005) · No. No. 17275 · Decided May 31, 2005

SUMMARY

The Supreme Court of Connecticut affirmed the denial of a contractor's application to vacate or modify an arbitration award arising from delays in a state bridge-construction contract. The court held that, under an unrestricted arbitration submission, the award was not reviewable for ordinary errors of fact or law, and the arbitrators' alleged inconsistency between their findings and award did not constitute manifest disregard of the law. The court concluded that the arbitrators complied with General Statutes § 4-61(e) and that the narrow grounds for vacatur under General Statutes § 52-418(a)(4) were not established.

CASE DETAILS

COURT	Supreme Court of Connecticut
WRITING FOR THE COURT	Sullivan, C.J.; Borden, J.; Norcott, J.; Katz, J.; Zarella, J.
JURISDICTION	Connecticut
DECIDED	May 31, 2005
DOCKET	No. 17275
DISPOSITION	affirmed
PROCEDURAL POSTURE	The plaintiff appealed from the trial court's denial of its application to vacate or modify, in part, an arbitration award arising from a state bridge-construction contract. The appeal was transferred from the Appellate Court to the Supreme Court of Connecticut.
STANDARD OF REVIEW	Judicial review of an arbitration award rendered pursuant to an unrestricted submission is narrowly confined. The award is not subject to de novo review for errors of law or fact and may be reviewed to determine whether it conforms to the submission or falls within a recognized ground for vacation, including manifest disregard of the law under General Statutes § 52-418(a)(4).
PRECEDENTIAL VALUE	Published Connecticut Supreme Court opinion; precedential and binding within Connecticut.

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QUESTIONS PRESENTED

1. Whether the arbitrators' failure to award the full amounts requested for home office overhead, liquidated damages, and interest was inconsistent with their findings of fact and constituted a manifest disregard of the law under General Statutes § 52-418(a)(4).
2. Whether General Statutes § 4-61(e) requires an arbitration award to be consistent with the arbitrators' written findings of fact.
3. Whether the plaintiff's challenge to the arbitrators' damages determinations impermissibly sought judicial review of factual and legal determinations made under an unrestricted arbitration submission.

HOLDINGS

1. An arbitration award rendered pursuant to an unrestricted submission is not subject to judicial review for ordinary errors of law or fact; review is limited to whether the award conforms to the submission or falls within a recognized ground for vacation.
2. An award may be vacated under General Statutes § 52-418(a)(4) for manifest disregard of the law only when the alleged error is obvious, the arbitrators appreciated a clearly governing legal principle but chose to ignore it, and that principle is well defined, explicit, and clearly applicable.
3. General Statutes § 4-61(e) requires arbitrators to issue written findings of fact, a decision interpreting the contract and applying it to the facts found, and an award, but it does not impose a clearly defined requirement that the award be mathematically or substantively consistent with every finding of fact.

KEY QUOTATIONS

“an award that manifests an egregious or patently irrational application of the law is an award that should be set aside pursuant to § 52-418(a)(4) because the arbitrator has exceeded [his] powers or so imperfectly executed them that a mutual, final and definite award upon the subject matter submitted was not made.” (162)

“the manifest disregard of the law ground for vacating an arbitration award is narrow and should be reserved for circumstances of an arbitrator's extraordinary lack of fidelity to established legal principles.” (162)

“the statute contains no well defined, explicit or clear requirement that the award be consistent with the findings of fact.” (162)

FACTUAL BACKGROUND

The plaintiff contracted with the Connecticut Department of Transportation to rehabilitate three New Haven bridges. Delays affected completion of the Olive Street and Fair Street bridges, and the plaintiff sought damages for field and home office overhead, improperly withheld liquidated damages, and interest. The arbitrators found that the defendant caused substantial delay, awarded some requested damages and interest, and issued 308 findings of fact, a written decision, and an award totaling \$2,448,293.66.

PROCEDURAL HISTORY

The plaintiff submitted its contract dispute with the Department of Transportation to unrestricted arbitration under General Statutes § 4-61. The arbitrators awarded the plaintiff \$2,448,293.66, including damages and interest. The trial court confirmed the award but denied the plaintiff's applications to modify or vacate it, including the claim that the arbitrators had manifestly disregarded the law. The Supreme Court affirmed.

DISPOSITION

affirmed

CASES CITED

- White Oak Corp. v. Dept. of Transportation, 217 Conn. 281, 585 A.2d 1199 (1991)
- Industrial Risk Insurers v. Hartford Steam Boiler Inspection & Ins. Co., 273 Conn. 86, 868 A.2d 47 (2005)
- Darien Education Assn. v. Board of Education, 172 Conn. 434, 374 A.2d 1081 (1977)
- Garrity v. McCaskey, 223 Conn. 1, 612 A.2d 742 (1992)