

## Maccherone Wins Arbitration of Environmental Contamination Dispute

New Orleans Partner Amy Maccherone recently prevailed in an arbitration of a significant environmental contamination case. Maccherone's client, a regional abrasive blasting and painting subcontractor, was accused of contaminating a job-site with lead based paint during the performance of its work. The general contractor on the job claimed that the alleged contamination resulted in over \$1.5 million in clean-up costs. It also claimed the Client was in breach of its subcontract and was liable for over \$4 million related to that breach. In total, the general contractor sought roughly \$5.5 million from the Client.

Maccherone represented the Client through its insurance carrier with potential liability for the alleged environmental contamination.

The Client also asserted a counter claim in the arbitration seeking to recover its damages for breach of contract by the contractor and wrongful termination of its subcontract. Maccherone and her co-counsel, who included separate counsel representing the Client on its breach of contract claim and wrongful termination counter claim, arbitrated the case in early December.

Following a one week arbitration in Bay St. Louis, Mississippi, and substantial post-hearing briefing, the panel found that there was no evidence the Client caused any contamination of the site and had otherwise performed its obligations under the subcontract agreement in a good and workmanlike manner and per industry standards. The panel awarded \$0 to the general contractor on its environmental contamination and breach of contract claims. The panel also concluded that the general contractor materially breached its subcontract with the Client and wrongfully terminated it from the job. The panel awarded the Client approximately \$2.3 million in damages on its counter claims.