

STATE OF MICHIGAN  
COURT OF APPEALS

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SELECT CONSTRUCTION COMPANY, INC.,

Plaintiff-Appellee,

v

LASALLE GROUP, INC., and TRAVELERS  
CASUALTY AND SURETY COMPANY OF  
AMERICA,

Defendants-Appellants,

and

SCOTT NEMECEK, WAL-MART STORES,  
INC., GRAND/SAKWA ADAMS PARCEL I,  
L.L.C., and WELLS FARGO BANK  
NORTHWEST, N.A.,

Defendants.

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UNPUBLISHED  
November 2, 2010

No. 293143  
Oakland Circuit Court  
LC No. 2007-082927-CH

Before: FORT HOOD, P.J., and JANSEN and WHITBECK, JJ.

PER CURIAM.

Defendants, LaSalle Group, Inc., and Travelers Casualty and Surety Company of America, appeal as of right from the trial court's judgment in favor of plaintiff, Select Construction Company, Inc., confirming an arbitration award. We affirm.

The trial court's decision to enforce, vacate, or modify an arbitration award is reviewed de novo. *Tokar v Albery*, 258 Mich App 350, 352; 671 NW2d 139 (2003). Arbitration awards are given great deference, and courts have stated unequivocally that they should not be lightly set aside. *Bell v Seabury*, 243 Mich App 413, 421-422; 622 NW2d 347 (2000). The Court's role in reviewing an arbitrator's decision is limited, and we may vacate an award only under narrowly defined circumstances. *Id.* at 422 n 4. A court may not review an arbitrator's factual findings or the merits of the decision. *Port Huron Area School Dist v Port Huron Ed Ass'n*, 426 Mich 143, 150; 393 NW2d 811 (1986). The allegation that the arbitrator exceeded his power must be carefully reviewed in order to ensure that the assertion is not merely a ruse to induce the court to review the merits of the decision. *Gordon Sel-way, Inc v Spence Bros, Inc*, 438 Mich 488, 497;

475 NW2d 704 (1991). Where it is readily apparent from the face of the award that the arbitrator was led to the wrong conclusion through an error at law and that, but for such error, a substantially different award would have been rendered, the award and decision will be set aside. *Saveski v Tiseo Architects, Inc*, 261 Mich App 553, 555; 682 NW2d 542 (2004). However, in many cases, the alleged error committed by the arbitrator will be equally attributable to improper or unwarranted factual findings as to alleged errors of law. *Detroit Auto Inter-Insurance Exchange v Gavin*, 416 Mich 407, 429; 331 NW2d 418 (1982). “In such cases the award should be upheld since the alleged error of law cannot be shown with the requisite certainty to have been the essential basis for the challenged award and the arbitrator’s findings of fact are unreviewable.” *Id.*

A reviewing court cannot engage in contract interpretation because it is an issue for the arbitrator to resolve. *Ann Arbor v AFSCME Local 369*, 284 Mich App 126, 144; 771 NW2d 843 (2009). When the arbitration agreement does not expressly limit the arbitrator’s power in some manner, courts are reluctant to vacate or modify the award. *Id.* Rather, the issue becomes whether the award was beyond the contractual authority of the arbitrator. *Id.* Any error of law must be discernible from the face of the award itself. *Washington v Washington*, 283 Mich App 667, 672; 770 NW2d 908 (2009). Stated otherwise, a legal error must be plainly evident because the court will not examine the arbitrator’s mental path leading to the award. *Id.* Judicial review effectively ceases if the arbitrator did not disregard the terms of his employment. *Ann Arbor*, 284 Mich App at 144. This Court may not overturn the arbitrator’s decision even if convinced that the arbitrator committed a serious error as long as the arbitrator arguably construed or applied the contract and acted within the scope of his authority. *Id.*

Defendants allege that the arbitrator exceeded his authority by disregarding the clear and unambiguous terms of the subcontract by denying attorney fees, by adding an additional term regarding default, by decreasing the value of the backcharge, and by awarding improper interest. The construction of the contract presented an issue for the arbitrator to resolve, *Ann Arbor*, 284 Mich App at 144, and the claimed errors are not apparent from the face of the award, *Saveski*, 261 Mich App at 555. Rather, the arbitrator acted within the scope of his authority according to the arbitration rules. Therefore, defendants are not entitled to appellate relief. We also reject plaintiff’s contention that defendants filed a frivolous appeal.

Affirmed.

/s/ Karen M. Fort Hood  
/s/ Kathleen Jansen  
/s/ William C. Whitbeck