

Defense Scores Arbitration Win in Long-Running Construction Defect Fight in Texas

A decade-long construction defect battle involving a South Padre Island, Texas, luxury condominium complex damaged during Hurricane Dolly has been resolved in a take-nothing defense win secured by attorneys of the **West Mermis** law firm for the general contractor, G.T. Leach Builders.

The condominium developer, Sapphire, initially sued its insurance brokers for negligence for allowing the builder's risk insurance policy to expire, leading to claims for extensive damage to the Sapphire condominium project from the 2008 storm. Nearly three years later, G.T. Leach and several of its subcontractors were added to the \$30 million lawsuit.

In a release, the firm said G.T. Leach sought to enforce the arbitration provision of its contract, with appeals ultimately progressing to the Texas Supreme Court. The company was represented by attorneys from Houston-based West Mermis, which routinely handles construction and contract disputes, products liability and general business matters.

The release continues:

The Texas Supreme Court's decision in *G.T. Leach Builders, LLC vs. Sapphire VP LP*, 458 S.W.3d 502 (Tex. 2015), which sent the dispute to arbitration, stands as a landmark opinion now routinely cited in similar cases.

After settling with all other parties, Sapphire entered into arbitration with G.T. Leach in 2017. During the proceedings, the defense team, led by West Mermis name partner Lawrence

J. West, provided evidence refuting multiple breach of contract claims and challenging factual allegations.

“Despite claims to the contrary, the Sapphire project had not been completed when Dolly made shore. It was imperative to show the arbitrator that our client acted reasonably and responsibly,” said Mr. West. “It was an exceptionally complex case that had endured a number of detours, but we are pleased to have secured the decisive win G.T. Leach deserved and that this chapter can finally be closed.”

Also representing G.T. Leach were West Mermis attorneys Justin W. Safady and Stephen A. Dwyer.