

SUMMARY STATEMENT

H2O Environmental, Inc. v. Farm Supply Distributors, Inc.

Docket No. 45116

In an appeal from an appellate decision of the Ada County District Court, the Supreme Court reversed the district court's decision to affirm an award of attorney fees from the magistrate court. In the underlying case, the magistrate court determined that H2O Environmental, Inc. (H2O) had charged Farm Supply Distributors, Inc. (Farm Supply) a reasonable fee for an emergency environmental cleanup. The magistrate awarded attorney fees to H2O pursuant to Idaho Code section 12-120(3) to the exact figure of the amount in controversy. On appeal to the district court, the district court noted that the magistrate court had considered the factors required by Idaho Rule of Civil Procedure 54(e)(3) and affirmed. The Supreme Court reversed, holding that H2O had preserved the issue for appeal and that the district court erred in affirming the magistrate court's attorney fee award. The Court found that while the magistrate court's decision had articulated the proper factors to consider for an award of attorney fees, the amount of the award itself was not reasonable or based upon those factors in any way. The Court remanded to the magistrate court to issue an award consistent with the opinion and consideration of the relevant factors.