

KENT COUNTY WATER AUTHORITY

MINUTES OF THE SPECIAL MEETING OF THE BOARD

September 1, 2015

A special meeting of the Board of Directors of the Kent County Water Authority was held on the 1st day of September, 2015, at 3:30 p.m. at the offices of the Authority in West Warwick, RI, in the Joseph D. Richard Board Room.

Chairman Boyer opened the meeting at 3:30 p.m. Board Members Chairman Boyer, Vice Chairman Masterson, Mr. Gallucci and Mr. Inman were all present together, along with the General Manager/Chief Engineer Timothy J. Brown, Legal Counsel Patrick J. Sullivan, Esq., as well as Mr. Simmons, Mr. Duscheneau and Finance Director Jo-Ann Gershkoff. Frank Giorgio did not attend. Mr. Masterson led the group in the pledge of allegiance.

LEGAL COUNSEL AUTHORIZATION

Mr. Brown outlined the potential case before the PUC, with a new complaint that could have been filed regarding Vinton Ave by the sellers of the property. Two homes have one service, and it needs to be corrected with each home on their own service. The seller may have filed a complaint with the division.

He went on to say that KCWA has an existing contract with Keough and Sweeney. If there was a move to change, the contract should be cancelled, and that KCWA will need legal counsel, though. He also discussed the need for legal counsel for a rate case. He also discussed the fact that only two firms responded to the most recent RFP for legal services in the most recent one, Keough & Sweeney and Attorney Shekarchi.

Mr. Gallucci discussed his disappointment with Keough & Sweeney. He said if he knew of the dual representation conflict, things may have been different. He said they failed to mention that during the interviews. The Chairman echoed those sentiments. He requested legal advice, and Mr. Sullivan opined that the board had the authority to rescind their approval of the agreement between KCWA and Keough & Sweeney.

Mr. Masterson discussed Attorney Shekarchi. He said he worked with her on a real estate matter and thought she was qualified in that capacity. He added that as a PUC attorney, he didn't think she was qualified. He said she did not meet the requirements in the RFP and stated that in the first paragraph of her submission. He suggested that another RFP be issued.

The Chairman said that the board had the power to make a decision now. Mr. Masterson suggested that the board had already rejected her, to which the Chairman said otherwise.

Mr. Inman thought it would be best to deal with the first contract initially.

Mr. Inman moved, seconded by Mr. Gallucci, to rescind approval and acceptance of the proposal from Keough & Sweeney, terminating the contract.

Upon motion duly made and seconded, it was

VOTED: That the approval and acceptance of the proposal from Keough & Sweeney, is hereby rescinded.

Chairman Boyer	-	Yes
Mr. Masterson	-	No
Mr. Gallucci	-	Yes
Mr. Inman	-	Yes

Mr. Brown advised the board that the responses from the RFP are only good for ninety (90) days, and that day had expired. The Chairman responded that the board can appoint Ms. Shekarchi or go out for a new RFP.

Mr. Gallucci moved, seconded by Mr. Inman, to appoint Mary Shekarchi, Esq. as the rate counsel for KCWA and to accept her proposal.

Upon motion duly made and seconded, it was

VOTED: That the proposal from Mary Shekarchi, Esq. as rate counsel is hereby approved.

Prior to the vote, there was discussion. Mr. Masterson spoke about the rate case and thought KCWA had the best firm in New England, but is now gone. He thought this vote was one of the worst decisions he has seen the board make. Mr. Masterson went on to read the introduction portion of the Keough & Sweeney RFP response:

KENT COUNTY WATER AUTHORITY
REQUEST FOR PROPSAL RELATING
TO LEGAL SERVICES GENERAL AND SPECIFIC
PUBLIC UTILITIES RATE CONSULTATION AND REPRESENTATION

INTRODUCTION

Joseph A. Keough, Jr. Esquire, a partner in the law firm of Keough and Sweeney, Ltd., located at 41 Mendon Avenue, Pawtucket, RI 02861, hereby submits this proposal in response to the Request for Proposal issued by The Kent County Water Authority for Legal Services General and Specific Public Utilities Rate Consultation and Representation.

The Kent County Water Authority (KCWA) is a unique water supplier, and one of a select group of regulated water utilities in the State of Rhode Island. As such, the KCWA must obtain

approval from the Rhode Island Public Utilities Commission (“Commission” or “PUC”) before it increases its rates and charges. This can be a complicated process that can also include proceedings and filings before the Division of Public Utilities and Carriers (“Division” or “DPUC”). Further, as the KCWA purchases water from the Providence Water Supply Board, it intervenes in rate cases filed by Providence before the PUC.

This creates a unique situation where effective legal representation in these various forums is critical. Practicing before the Commission and the Division requires particularized knowledge by legal counsel. Any attorney representing a municipal water utility before the Commission and Division must understand the regulatory process. This includes knowledge of both the Commission’s and Division’s Rules of Practice and Procedure as well as the applicable statutory and case law.

He went on to read the first sentence of Mary Shekarchi’s response:

PROPOSAL RELATING TO LEGAL SERVICES TO THE KENT COUNTY WATER
AUTHORITY

8.2: This proposal is submitted for legal representation and other related issues on behalf of the Kent County Water Authority (“KCWA”) before the RI Public Utilities Commission (PUC). The Law Office of Mary B. Sherkarchi (“Law Office”) does not have direct experience before PUC.

The Chairman took a roll call vote of the board.

Mr. Inman	-	Yes
Mr. Masterson	-	No
Mr. Gallucci	-	Yes
Chairman Boyer		Yes

There being no further business before the board, Mr. Inman moved, seconded by Mr. Gallucci to adjourn the meeting at 3:50 p.m.

Dated: September ____, 2015.

Patrick J. Sullivan, Legal Counsel