

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

PROVIDENCE, SC.

SUPERIOR COURT

[Filed: January 19, 2017]

PROSPECT CHARTERCARE, LLC

:

v.

:

C.A. No. PM-16-3911

:

MICHAEL E. CONKLIN, JR.

:

:

**DECISION**

**LICHT, J.** Before the Court are Plaintiff Prospect CharterCARE, LLC’s (PCC) Motion to Vacate an Arbitration Award and Defendant Michael E. Conklin, Jr.’s (Conklin) Cross-Motion to Confirm the same award. Jurisdiction is pursuant to G.L. 1956 § 28-9-14.

**I**

**Facts and Travel**

CharterCARE Health Partners (CharterCARE) owned and operated two hospitals: Roger Williams Medical Center (Roger Williams) and Our Lady of Fatima Hospital (Fatima).<sup>1</sup> Ken Belcher (Belcher), President and Chief Executive Officer (CEO) of CharterCARE, hired Conklin in May 2010 to serve as Vice President of Finance and Chief Financial Officer (CFO) at an annual salary of \$311,000. Pl.’s Mot., Ex. A (Award) at 8. As CFO, Conklin was part of the Senior Leadership Team at CharterCARE.

In October 2010, the President of St. Joseph Health Services of Rhode Island resigned. Id. In response, the CharterCARE Board of Trustees (Board) asked Belcher to assume the same

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<sup>1</sup> Fatima is sometimes referred to in the materials submitted to this Court as “St. Joseph’s” or “St. Joe’s.” See Pl.’s Mot. 3. They are one in the same. See Hr’g Tr. 16:1-4, Dec. 8, 2016 (Afternoon Session). Fatima is a hospital under the umbrella of St. Joseph Health Services of Rhode Island.

role. Id. at 5. Given the demands of the position he already held, Belcher agreed to do so only if the Board would allow for an on-site “head of operations” at both Roger Williams and Fatima. Id. at 5, 8. The Board obliged, approving a Revised Leadership Organizational Structure whereby Conklin became head of operations at Fatima and Kim O’Connell (O’Connell), Chief Legal Counsel for CharterCARE, became the same at Roger Williams. Id. at 5, 8.

Importantly, Conklin and O’Connell both retained their previous positions and remained responsible for their existing duties. Id. at 5, 8. The Board assigned each of them the additional title of “Senior Vice President” to reflect their new head of operations duties. Id. at 5. Such duties were summarized in Conklin’s updated job description as follows: “The position of Senior Vice President and Chief Financial Officer also serves in the capacity of head of operations for St. Joseph Health Services of Rhode Island.” Id. at 5-6, 14. Conklin received a pay raise of \$19,000 to compensate him for his new responsibilities. Id. at 6, 8-9.

Meanwhile, CharterCARE was looking to secure a capital partner. Id. at 9. In order to create a safety net for those executives who had faithfully served the company, the Board voted in November 2011 to modify all Senior Leadership Team executives’ employment agreements to provide for an eighteen-month enhanced severance in the event of a “de facto termination” resulting from a “change in control.” Id. at 6, 9. This added provision set forth the following terms:

“7. De Facto Termination

...

(b) In the event of a *material reduction* of the duties or authorities of Executive (or a termination without cause) without the Executive’s *written consent such that it can be reasonably found that he is no longer performing the material* duties normally incident to the position of Sr. Vice President and Chief Financial Officer of CharterCARE resulting from and occurring within one (1) year of a Change in Control, the Executive shall have the right, in his discretion, to terminate this Agreement by

written notice delivered to the President and CEO, within ten (10) days of such material reduction in duties or authority. After such termination, Executive shall be entitled to the payments and benefits described in Paragraph 6 [(CharterCARE shall continue to pay Executive his then monthly salary)] for a period of eighteen (18) months following the termination date as an enhanced severance payment (the “Extended Severance Period”) subject to the requirement to execute and not revoke the Separation Agreement.

For purposes of this Section 7(b), ‘Change in Control’ is defined as the reorganization, merger, or consolidation of CharterCARE with one or more entities as a result of which CharterCARE is not the surviving entity, or a sale of substantially all the assets and property of CharterCARE or all the assets and property of both of its constituent hospitals, i.e. Roger Williams Medical Center, St. Joseph Health Services of Rhode Island and Elmhurst Extended Care to another entity.” Pl.’s Mot., Ex. D (Employment Agreement) at 3-4 (emphasis added).

Conklin signed a new Employment Agreement, which contained the above-cited provision, on January 1, 2012. Award 9; see Employment Agreement 3-4, § 7(b). The Employment Agreement did not contain a job description from his previous CFO contract, but it did reflect his newfound title of “Sr. Vice President and Chief Financial Officer.” Award 9; see Employment Agreement 1.

In March 2013, Prospect Medical Holdings (Prospect) and CharterCARE signed a letter of intent to enter into a joint venture. Award 9. Thomas Reardon (Reardon), President of Prospect East, held a meeting in October 2013 with executives from Prospect and CharterCARE, which Conklin attended. Id. In that meeting, Reardon indicated that he would like Conklin to remain with the company as CFO. Id. As one Prospect executive noted, the company was “in the business . . . of making money, and [Prospect] need[s] the CFO just to be the CFO.” Id. Reardon again expressed his desire for Conklin to stay on as CFO at a March 2014 meeting between the two and during multiple conversations thereafter. Id. at 10.

In April 2014, Prospect leadership offered Tom Hughes (Hughes) the position of President of Fatima. Id. Conklin learned of Hughes’s hiring around the same time. Id. Hughes officially took over as President of Fatima in July 2014, at which point Conklin’s responsibilities as head of operations at the hospital ceased. Id. at 10. In the meantime, the joint venture transaction between CharterCARE and Prospect had closed on June 20, 2014, giving rise to PCC as the successor corporate entity. Id. at 11. Thus, on July 10, 2014, Conklin delivered to Belcher a letter invoking the “De Facto Termination” clause of Section 7(b) of his Employment Agreement, alleging a material reduction in his duties stemming from a change in control. Id.

Belcher informed Reardon of Conklin’s request for an enhanced severance, to which Reardon responded that Prospect would not provide Conklin such benefits. Id. Belcher subsequently wrote in an email to Edwin Santos (Santos), the Chairman of the Board,<sup>2</sup> that “[t]he reason [Reardon] provided was that there has been no material change in [Conklin’s] duties.” Id. at 5, 10-11. Citing Conklin’s updated Senior Vice President and CFO job description, Belcher further wrote that “this is incorrect and action must be taken to overturn this misguided decision.” Id. at 5, 11. Belcher set out the facts and the applicable provisions of the contract. See id. at 5-6. He concluded by imploring Santos, “Please help me right this wrong.” Id. at 6.

Belcher’s advocacy on behalf of Conklin had no effect. Id. at 11. On July 22, 2014, Reardon wrote the following to Conklin:

“Your request to invoke Section 7 of your Employment Agreement is respectfully denied. Section [7] of your Employment Agreement requires a material reduction in duties incident to the position of Senior Vice President and Chief Financial Officer of CharterCARE. As you know, this has not occurred. Since the closing of the joint venture transaction on June 20, 2014, and to date, you have always remained in the position of Senior Vice

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<sup>2</sup> As will be discussed below, the Arbitrator obviously found this email to be very important because he included the entire email in his Award. See id. at 5-6.

President and Chief Financial Officer of CharterCARE. Your assertion that you have no longer responsibility as Senior Vice President of St. Joseph Health Services of Rhode Island is therefore irrelevant. Indeed, under Section 2 of your Employment Agreement, you ‘shall perform such functions and duties of an executive nature as may from time to time be assigned . . .’ Therefore, you are not entitled to any severance payment, let alone an enhanced severance payment. The foregoing does not limit all of the available reasons that support the Company’s position.” Id.

When Conklin next spoke with Reardon, Reardon notified him that Prospect would not honor the severance and that it generally did not believe in such payments. Id. at 11-12. Conklin left PCC on August 15, 2014. Id. at 12.

On November 5, 2014, Conklin filed an arbitration demand with the American Arbitration Association, seeking extended severance pursuant to Section 7(b) of his Employment Agreement. Pl.’s Pet. ¶ 7. The Honorable Frank J. Williams (Arbitrator)<sup>3</sup> held hearings on April 13, 14, and 28, 2016. The Arbitrator considered only the following two issues: (a) whether PCC breached the terms and conditions of the January 2012 Employment Agreement between PCC and Conklin,<sup>4</sup> and (b) whether Conklin sustained damages as a result of PCC’s potentially unlawful conduct. Award 1. The Arbitrator issued a written decision on August 1, 2016. Pl.’s Pet. ¶ 8. Finding in favor of Conklin on both issues, the Arbitrator awarded Conklin his eighteen-month extended severance payment. See Award at 22. In a supplemental award entered on August 2, 2016, the Arbitrator awarded Conklin interest on the eighteen months of severance payments. Pl.’s Pet. ¶ 9.

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<sup>3</sup> In this Decision, the Court will refer to the retired Chief Justice as Arbitrator because that was his role. However, by not referring to him by his well-deserved judicial title the Court means no disrespect.

<sup>4</sup> Although the Arbitrator framed the issue this way in his Award, the Court notes that Conklin’s January 2012 Employment Agreement actually was entered into by and with CharterCARE, not PCC. This issue will be further discussed infra.

PCC filed a Petition to Vacate the Arbitrator’s Award with this Court on August 19, 2016, followed by a Motion to Vacate on September 14, 2016. Conklin filed a Counter-Petition to Confirm the Award on September 9, 2016, followed by a Cross-Motion to Confirm the Award on October 21, 2016. The Court held oral arguments on these motions on December 8, 2016.

## II

### Standard of Review

In Rhode Island, “[p]ublic policy favors the finality of arbitration awards, and such awards enjoy a presumption of validity.” Lemerise v. Commerce Ins. Co., 137 A.3d 696, 699 (R.I. 2016) (quoting State, Dep’t of Corr. v. R.I. Bhd. of Corr. Officers, 64 A.3d 734, 739 (R.I. 2013)). After all, “[p]arties voluntarily contract to use arbitration as an expeditious and informal means of private dispute resolution, thereby avoiding litigation in the courts.” Berkshire Wilton Partners, LLC v. Bilray Demolition Co., Inc., 91 A.3d 830, 834 (R.I. 2014) (quoting Aetna Cas. & Sur. Co. v. Grabbert, 590 A.2d 88, 92 (R.I. 1991)). “[P]arties who have contractually agreed to accept arbitration as binding are not allowed to circumvent an award by coming to the courts and arguing that the arbitrators misconstrued the contract or misapplied the law.” Id. at 835 (alteration in original) (quoting Prudential Prop. & Cas. Ins. Co. v. Flynn, 687 A.2d 440, 441 (R.I. 1996)). Thus, in order “[t]o preserve the integrity and efficacy of arbitration proceedings, judicial review of arbitration awards is extremely limited.” Id. at 834–35 (quoting Aponik v. Lauricella, 844 A.2d 698, 704 (R.I. 2004)).

This “policy of finality is reflected in the limited grounds that the Legislature has delineated for vacating an arbitration award.” Id. at 835 (quoting Prudential Prop. & Cas. Ins. Co., 687 A.2d at 441). In reviewing an arbitrator’s award, this Court follows the Arbitration Act, G.L. 1956 Chapter 3 of title 10. “Section 10-3-12 sets forth the narrow conditions pursuant to

which an arbitration award must be vacated.” Atwood Health Properties, LLC v. Calson Constr. Co., 111 A.3d 311, 314 (R.I. 2015). It provides in pertinent part, “the court must make an order vacating the award upon the application of any party to the arbitration . . . [w]here the arbitrators exceeded their powers, or so imperfectly executed them that a mutual, final, and definite award upon the subject matter was not made.” Section 10-3-12(4). “An arbitrator may exceed his or her authority by giving an interpretation that fails to draw its essence from the parties’ agreement, is not passably plausible, reaches an irrational result, or manifestly disregards a provision of the agreement.” Berkshire Wilton Partners, LLC, 91 A.3d at 835.

This Court may also vacate an arbitration award “when the arbitrator has manifestly disregarded the law.” Id. “The deference due to the arbitrator is such that an arbitrator’s mere error of law is insufficient grounds to vacate his award.” Id. at 836. “[A] manifest disregard of the law requires something beyond and different from a mere error in the law or failure on the part of the arbitrator[] to understand or apply the law.” Id. at 836–37 (alterations in original) (quoting City of East Providence v. Int’l Ass’n of Firefighters Local 850, 982 A.2d 1281, 1286 (R.I. 2009)). Rather, it “occurs when an arbitrator understands and correctly articulates the law, but then proceeds to disregard it.” Id. at 837 (quoting City of Cranston v. R.I. Laborers’ Dist. Council Local 1033, 960 A.2d 529, 533 (R.I. 2008)). Therefore, this Court can overturn an arbitration award “only if the award was ‘irrational or if the arbitrator manifestly disregarded the law.’” Wheeler v. Encompass Ins. Co., 66 A.3d 477, 481 (R.I. 2013) (quoting Aponik, 844 A.2d at 703)).

Conversely, “any party to the arbitration may apply to the court for an order confirming the award, and thereupon the court must grant the order confirming the award unless the award is vacated . . . as prescribed in §[] 10-3-12[.]” Section 10-3-11. “[E]very reasonable presumption

in favor of the award will be made.” Berkshire Wilton Partners, LLC, 91 A.3d at 835 (alteration in original) (quoting Feibelman v. F.O., Inc., 604 A.2d 344, 345 (R.I. 1992)). ““As long as the award ‘draws its essence’ from the contract and is based upon a ‘passably plausible’ interpretation of the contract, it is within the arbitrator’s authority and [this Court’s] review must end.”” R.I. Court Reporters Alliance v. State, 591 A.2d 376, 378 (R.I. 1991) (quoting Jacinto v. Egan, 120 R.I. 907, 912, 391 A.2d 1173, 1176 (1978)).

### III

#### Analysis

First, the Court must determine whether the Arbitrator “exceeded [his] powers, or so imperfectly executed them that a mutual, final, and definite award upon the subject matter was not made.” Section 10-3-12(4). In so doing, the Court will look to whether the Arbitrator “[gave] an interpretation that fails to draw its essence from the parties’ agreement, is not passably plausible, reaches an irrational result, or manifestly disregards a provision of the agreement.” See Berkshire Wilton Partners, LLC, 91 A.3d at 835. If so, the Award must be vacated. See § 10-3-12.

PCC argues that the Court should vacate the Award because the Arbitrator manifestly disregarded the contract. PCC claims that the Arbitrator considered only whether there was a material reduction in Conklin’s Senior Vice President position rather than examining if there was a material reduction in his duties as “Senior Vice President and Chief Financial Officer.” Section 7(b) of the Employment Agreement provides for an enhanced severance payment “[i]n the event of a material reduction of the duties or authorities of Executive . . . such that it can be reasonably found that he is no longer performing the material duties normally incident to the position of Sr. Vice President and Chief Financial Officer.” Employment Agreement 3-4.



Consequently, according to PCC, the Arbitrator's failure to consider the fact that Conklin remained responsible for the daily financial operations of PCC as a whole amounts to a manifest disregard of the contract.

Conklin counters that the Arbitrator based the Award on the language of the Employment Agreement, and therefore, the Arbitrator did not imperfectly execute or exceed his powers. See § 10-3-12(4). The Court agrees. As will be discussed in greater detail below, in his Award, the Arbitrator addressed PCC's contentions with respect to a number of the contractual provisions and found those arguments wanting.

This Court has authority to disturb the Arbitrator's Award on this ground only if PCC shows "a manifest disregard of the contractual provisions, or a completely irrational result." Warner v. Aetna Cas. & Sur. Co., 624 A.2d 304, 305 (R.I. 1993) (quoting State v. Nat'l Ass'n of Gov't Emps. Local No. 79, 544 A.2d 117, 119 (R.I. 1988)). Furthermore, our Supreme Court has held that the Arbitrator is not even under any obligation to set out the reasons for his Award or the findings of fact and conclusions of law on which it is premised. See id. Yet, the Arbitrator did just that here.

The extensive reasoning contained within the Award demonstrates that the Arbitrator did not manifestly disregard the contractual provisions or reach a completely irrational result. See id.; Berkshire Wilton Partners, LLC, 91 A.3d at 835. Rather, the Arbitrator went through each and every element of Section 7(b) of Conklin's Employment Agreement in finding that such provision was triggered when PCC hired Hughes to be President of Fatima. For example, the Arbitrator set forth the controlling terms of the Employment Agreement, examined the purpose behind the De Facto Termination clause, and allocated to Conklin the burden of proving by a preponderance of the evidence that all requirements of the clause were satisfied. Award 12-13;

see Employment Agreement 3-4, § 7(b). He then laid out in detail Conklin’s duties—including “serv[ing] in the capacity of head of operations for [Fatima]”—before analyzing whether there was, indeed, a material reduction in such responsibilities. Award 13-16. Finally, the Arbitrator determined that Conklin was “no longer performing the material duties normally incident to the position of Sr. Vice President and Chief Financial Officer of CharterCARE[,]” that such reduction in duties was made “without [Conklin’s] written consent[,]” that the reduction “result[ed] from and occur[ed] within one . . . year of a [c]hange in [c]ontrol,” and that Conklin “terminate[d] [the Employment] Agreement by written notice delivered to [Belcher] within ten . . . days” of said reduction. Id. at 16-21; Employment Agreement 3-4, § 7(b).

The Arbitrator comprehensively analyzed the De Facto Termination clause of Conklin’s Employment Agreement in rendering the Award. See Employment Agreement 3-4, § 7(b). PCC is not entitled to judicial recourse simply because it does not agree with the Arbitrator’s analysis and ultimate decision. Our Supreme Court has explained that “review of an arbitration award does not permit ‘judicial re-examination’ of the relevant contractual language.” Berkshire Wilton Partners, LLC, 91 A.3d at 837 (quoting Jacinto, 120 R.I. at 912, 391 A.2d at 1175). In fact, even “‘awards premised on ‘clearly erroneous’ interpretations of [a] contract have been affirmed where the result was rationally based upon the contract.’” Purvis Sys., Inc. v. Am. Sys. Corp., 788 A.2d 1112, 1117-18 (R.I. 2002) (alteration in original) (quoting Jacinto, 120 R.I. at 912, 391 A.2d at 1176). “Only when the arbitrator’s decision rises above the high-water marks of implausibility, irrationality, manifest disregard, or failure to draw its essence from the agreement may a court intervene and strike it down.” Berkshire Wilton Partners, LLC, 91 A.3d at 838.

In this case, the Arbitrator “unmistakably attempted to ground his analysis in the language” of § 7(b) of the Employment Agreement. Id. “He cited extensively to that document and analyzed its language in detail.” Id. This Court is “satisfied that the [A]rbitrator’s decision shows all due regard for the parties’ [Employment Agreement], sufficiently draws its essence therefrom, and does not reach an irrational result.” Id.; see also R.I. Court Reporters Alliance, 591 A.2d at 378; Jacinto, 120 R.I. at 912, 391 A.2d at 1176. Accordingly, PCC’s argument that the Arbitrator manifestly disregarded the contract fails, and the Court will not vacate the Award on that ground. See § 10-3-12(4); Berkshire Wilton Partners, LLC, 91 A.3d at 835.

Next, PCC argues that the Court should vacate the Award because the Arbitrator manifestly disregarded the law. PCC contends that the Arbitrator correctly articulated the “holding” of Roberton v. Citizens Utils. Co., 122 F. Supp. 2d 279 (D. Conn. 2000), in which the United States District Court for the District of Connecticut found that there had been a material reduction in the plaintiff’s duties and responsibilities when “[h]is job was effectively reduced by well more than half.” Id. at 285. PCC focused its oral argument on the amount of time Conklin spent at Fatima and concluded it had to be less than fifty percent (50%), and therefore, the Roberton standard was not met.

The Arbitrator mentioned how Belcher testified that Conklin’s responsibilities as head of operations at Fatima supposedly occupied sixty percent of his work. Award 16. According to PCC, Conklin himself testified that his CFO duties occupied sixty percent of his overall responsibilities, while his operational duties took up only the remaining forty percent of his work. See Pl.’s Mot., Ex. B, Arbitration Tr. 21:5-9, Apr. 13, 2016. Therefore, PCC argues, if the Arbitrator had applied the accurate facts, he would have arrived at the conclusion that there was no material reduction in Conklin’s duties because his job was not reduced by more than half.

See Roberton, 122 F. Supp. 2d at 285. By correctly articulating the language set forth in Roberton and then applying an erroneous factual assumption, PCC claims that the Arbitrator manifestly disregarded the law.

However, it is of no moment whether the Arbitrator utilized an inaccurate fact in his analysis. Even if it were an erroneous assumption, such flaw would not amount to a manifest disregard of the law. “A manifest disregard of the law occurs when an arbitrator ‘understands and correctly articulates the law, but then proceeds to disregard it.’” Berkshire Wilton Partners, LLC, 91 A.3d at 837 (quoting City of Cranston, 960 A.2d at 533).

Moreover, PCC’s emphasis on Roberton is misplaced. The Arbitrator simply mentioned that both parties cited the aforementioned quote from Roberton in attempting to discern whether there had been a material reduction in Conklin’s duties. Award 16. The Arbitrator also highlighted other cases which the parties had pointed to for the same purpose. Id. at 15. The Arbitrator did not “disregard” the law; he simply did not find Roberton persuasive or dispositive. See id. In fact, he did not even “articulate” that Roberton was “the law” he would apply to the facts of the dispute; the Arbitrator was just acknowledging that the parties had cited to that case for a particular proposition. See id.; Award 16.

Furthermore, the record before this Court evidences that the Arbitrator did not base his decision on an allocation of percentages between the amount of time Conklin spent doing his head of operations duties versus his CFO duties.

Rather, the underpinning of the Arbitrator’s finding that there had been a material reduction in Conklin’s duties was the assertion by Belcher that there had been such a substantial diminishment. After all, “Who better to know whether there was a reduction in responsibilities than Belcher? He was Conklin’s superior and direct supervisor for the four years that Conklin

served as ‘head of operations.’” Award 14-15. In his email to Santos, Belcher wrote, “There clearly has been a material reduction in [Conklin’s] duties. With the hiring of a new President of [Fatima], [Conklin] is no longer the ‘head of operations.’ His oversight of . . . Fatima now has been placed in the hands of a new hire and his responsibilities will diminish accordingly.” Id. at 6, 15. It is clear that the Arbitrator found this evidence most compelling in reaching his determination that there had been a material reduction in Conklin’s duties. See id. at 16. The Arbitrator also discussed how Conklin’s October 2010 job description stated that he “*also serves in the capacity of* head of operations for [Fatima].” Id. at 17 (emphasis added by Arbitrator). He goes on to state that “[o]nce these responsibilities were cut, he was no longer performing the material duties that were normally incident to his Senior Vice Presidency position.” Id. at 18. The Arbitrator’s conclusion, in no way, was based on the apparently erroneous fact that Conklin’s job consisted of sixty percent head of operations responsibilities. See id. at 16.

Moreover, Roberton is not controlling law in this jurisdiction. In order to vacate an award for manifest disregard of the law, courts require that the law purported to have been ignored by the arbitrator be “well defined, explicit and clearly applicable to the case[.]” McCarthy v. Citigroup Global Mkts. Inc., 463 F.3d 87, 92 n.7 (1st Cir. 2006) (citing 2 Martin Domke, Domke on Commercial Arbitration § 38:9 (3d ed. 2003)). Even if Roberton were clearly applicable, it does not appear to set forth a “well-defined, explicit” bright-line rule that only where a job was diminished by more than half, there has been a material reduction. See id. Rather, the Roberton court points to the specific facts pertaining to the plaintiff in that case to support its conclusion. See Roberton, 122 F. Supp. 2d at 285. Therefore, the Court finds that the Arbitrator did not manifestly disregard the law. See Berkshire Wilton Partners, LLC, 91 A.3d at 835.

Finally, PCC presents an issue to this Court that it did not raise before the Arbitrator. PCC argues that if the Award is not vacated, it cannot be confirmed against PCC because Conklin did not prove that PCC—as the successor corporate entity following the merger between CharterCARE and Prospect—assumed the liability of Conklin’s contract with CharterCARE. Conklin counters that PCC never raised such issue in its pre-arbitration brief, during the three days of arbitration hearings, or in its post-arbitration brief, and therefore, it should not be allowed to do so before this Court. Conklin also claims that even if the issue were properly before the Arbitrator, the evidence established that PCC assumed the January 2012 Employment Agreement entered into by and between Conklin and CharterCARE.

However, the Court need not reach the merits of this argument. Our Supreme Court has held that any argument not submitted to the arbitrator is waived for appeal. Lemerise, 137 A.3d at 704 (citing Aponik, 844 A.2d at 706). In Lemerise, the court held that the defendant’s argument on appeal regarding the application of Massachusetts law to the arbitration proceedings “was waived because it was not submitted to the arbitrator.” Id. The Aponik court held that the plaintiff’s failure to request attorneys’ fees and costs during arbitration waived any such rights provided by the Mechanics’ Lien statute. 844 A.2d at 706. Here, PCC attended the arbitration hearings and submitted extensive pre- and post-arbitration briefs in support of its numerous other arguments discussed herein. See Def.’s Mot., Exs. G, H. Never once did PCC claim that it did not assume the liability of the January 2012 Employment Agreement entered into by and between Conklin and CharterCARE. See id. Therefore, this Court will not now address PCC’s argument that it did not assume the contract. See Lemerise, 137 A.3d at 704 (stating that our Supreme Court “will not address arguments not submitted to the arbitrator”).

## **IV**

### **Conclusion**

A thorough review of the Award and the record before this Court demonstrates that the Arbitrator's comprehensive decision is well grounded in the facts before him and the law. The Court finds that the Arbitrator did not manifestly disregard the contract, reach an irrational result, or manifestly disregard the law. Thus, the Award cannot be vacated and PCC's Motion to Vacate is denied. Accordingly, Conklin's Cross-Motion to Confirm the Award must be granted. Conklin's request for attorneys' fees is denied.

Counsel shall submit an appropriate Order for entry.



**RHODE ISLAND SUPERIOR COURT**

*Decision Addendum Sheet*

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**TITLE OF CASE:** Prospect CharterCARE, LLC v. Michael E. Conklin, Jr.

**CASE NO:** PM 2016-3911

**COURT:** Providence County Superior Court

**DATE DECISION FILED:** January 19, 2017

**JUSTICE/MAGISTRATE:** Licht, J.

**ATTORNEYS:**

For Plaintiff: William Mark Russo, Esq.

For Defendant: V. Edward Formisano, Esq.