STATE ETHICS COMMISSION

2024 MAY -9 AM 11:55

COMMONWEALTH OF MASSACHUSETTS STATE ETHICS COMMISSION

SUFFOLK, ss.

COMMISSION ADJUDICATORY DOCKET NO. 24-00/3

IN THE MATTER

OF

SCOTT CALLAHAN

ORDER TO SHOW CAUSE

- 1. The State Ethics Commission ("Commission") is authorized by G.L. c. 268B to enforce G.L. c. 268A, the state conflict of interest law, and in that regard, to initiate and conduct adjudicatory proceedings.
- 2. On December 21, 2023, the Commission found reasonable cause to believe that Scott Callahan ("Callahan") violated G.L. c. 268A, § 23(b)(2)(i) and authorized the initiation of adjudicatory proceedings.

FACTS

- 3. Since 2021, Callahan has been the Operations Manager for the Auburn Water District.
- 4. Prior to 2021 and at all relevant times, Callahan was the Auburn Water District's Foreman.
- 5. Callahan has been an employee of the Auburn Water District for more than 20 years.
- 6. The Auburn Water District is a municipal entity created by an act of the Massachusetts Legislature that provides drinking water and sewer services to residences

and businesses in the Town of Auburn.

- 7. As Foreman, Callahan had responsibility for purchasing, installing, and maintaining water meters within a budget and under the authority of the Auburn Water District Superintendent and Board of Commissioners.
- 8. At all relevant times, the Auburn Water District has used one brand of water meter throughout its service area, made by an Alabama-based manufacturer ("the manufacturer") and sourced from the manufacturer's sole authorized New England distributor ("the distributor"). (The manufacturer and the distributor are collectively referred to herein as "the vendors.")
 - 9. The average service life of a water meter is about 20 years.
- 10. The distributor, through a sales representative, invited Callahan on a multi-day ski trip to Sugarloaf, Maine which took place on or around February 28-March 2, 2018 ("Sugarloaf ski trip").
 - 11. Callahan accepted the invitation to the Sugarloaf ski trip.
 - 12. Callahan took part in the Sugarloaf ski trip.
- 13. One or both of the vendors paid for Callahan's lodging for the Sugarloaf ski trip.
 - 14. The cost of Callahan's lodging for the Sugarloaf ski trip was \$50 or more.
- 15. The distributor, through a sales representative, invited Callahan on a multi-day ski trip to Stowe, Vermont which took place on or around March 13-15, 2019 ("Stowe ski trip").
 - 16. Callahan accepted the invitation to the Stowe ski trip.

- 17. Callahan took part in the Stowe ski trip.
- 18. One or both of the vendors paid for Callahan's lodging for the first night of the Stowe ski trip.
- 19. One or both of the vendors paid for Callahan's dinner for the first night of the Stowe ski trip.
- 20. Callahan returned to the Auburn Water District on or about Thursday March 14, 2019 due to a work-related emergency.
- 21. One or both of the vendors still paid for Callahan's second night of lodging for the Stowe ski trip.
 - 22. Each night of lodging for Callahan at the Stowe ski trip cost \$50 or more.
- 23. When he accepted the distributor's invitation to each ski trip, Callahan understood that one or both of the vendors would pay for his lodging for the trip.
- 24. Callahan also understood, at the time of each ski trip, that one or both of the vendors would pay for group ski trip meals in which he participated.
- 25. Callahan knew, or had reason to know, that the vendors gave him each of the gifts described in paragraphs 10 through 24 above for or because of his position as Foreman for the Auburn Water District.
- 26. In or around 2023, the Auburn Water District undertook a major meter replacement project of all or nearly all of its more than 5,000 water meters, again using water meters made by the manufacturer and sold by the distributor.

LAW

Section 23(b)(2)(i)

- 27. Section 23(b)(2)(i) of G.L. c. 268A prohibits a municipal employee from knowingly, or with reason to know, soliciting or receiving anything of substantial value for such officer or employee, which is not otherwise authorized by statute or regulation, for or because of the officer or employee's official position.
- 28. The Auburn Water District is a municipal agency within the meaning of G.L. c. 268A, § 1(f).
- 29. As Foreman for the Auburn Water District, Callahan was, at all relevant times, an employee of a municipal agency within the meaning of § 23(b)(2)(i) and a municipal employee as defined by G.L. c. 268A, § 1(g).
- 30. The free lodging Callahan received during the Sugarloaf ski trip was of substantial value.
- 31. Callahan's receipt of free lodging during the Sugarloaf ski trip was not authorized by statute or regulation.
- 32. At the time of the Sugarloaf ski trip, Callahan knew, or had reason to know, that one or both of the vendors paid for his lodging for or because of his official position as Foreman for the Auburn Water District.
- 33. Therefore, by receiving free lodging during the Sugarloaf ski trip,
 Callahan knowingly, or with reason to know, received something of substantial value,
 which was not otherwise authorized by statute or regulation, for or because of his official
 position. In so doing, Callahan violated § 23(b)(2)(i).

- 34. The free lodging and meal Callahan received during the Stowe ski trip were of substantial value.
- 35. Callahan's receipt of free lodging and a meal during the Stowe ski trip was not authorized by statute or regulation.
- 36. At the time of the Stowe ski trip, Callahan knew, or had reason to know, that one or both of the vendors paid for his lodging and meal for or because of his official position as Foreman for the Auburn Water District.
- 37. Therefore, by receiving free lodging and a meal during the Stowe ski trip, Callahan knowingly, or with reason to know, received something of substantial value, which was not otherwise authorized by statute or regulation, for or because of his official position. In so doing, Callahan violated § 23(b)(2)(i).

WHEREFORE, Petitioner asks that the Commission:

- 1. find that Callahan violated G.L. c. 268A, § 23(b)(2)(i); and
- 2. levy such fines, issue such orders and grant such other relief as may be appropriate.

Respectfully submitted,

Petitioner State Ethics Commission

By its attorney,

Jenny Wojewoda

Assistant Enforcement Counsel

Enforcement Division

State Ethics Commission

One Ashburton Place, Room 619

Boston, MA 02108

(617) 371-9500

BBO# 674722

Jenny.L.Wojewoda@mass.gov

Date: May 9, 2024