

**SOUTH HADLEY ELECTRIC LIGHT DEPARTMENT  
BOARD OF COMMISSIONERS VIRTUAL MEETING  
APRIL 23, 2020 AT 5:00 P.M.**

Present for the Board: Gregory Dubreuil, John Hine, Anne Awad, Peter McAvoy

Absent: Kurt Schenker

Present for SHELD: General Manager Sean Fitzgerald, Financial Manager Michael Conchieri,  
Administrative Assistant Kim Mendoza

The meeting was called to order at 5:05 P.M. by Chair Dubreuil.

On a motion by Mr. Hine and seconded by Ms. Awad it was unanimously

VOTED: To adjourn to Executive Session pursuant to M.G.L. c. 164, for the purpose of discussing competitive negotiations regarding real estate, as discussing in open session may have a detrimental effect on SHELD's negotiating position, AND for the purpose of discussing trade secrets, confidential, competitively sensitive or other propriety information that the Board has determined the disclosure of which will adversely affect its ability to conduct business in relation to other entities making, selling or distributing power and energy and to return to Open Session at approximately 6:00PM.

By a roll call vote: Hine-aye, Awad-aye, McAvoy-aye, Dubreuil-aye.

The Board returned to Open Session at 6:02 PM.

**Reorganization of the Board:**

Mr. Dubreuil explained the process for nomination and voting for officers. The results of the votes were that Mr. Dubreuil will remain as Chair, Mr. Hine will remain as Vice Chair, and Ms. Awad would remain as Clerk.

**Minutes Approval:**

2/12/2020 Open and Executive Session

On a motion made by Mr. Hine and seconded by Mr. McAvoy, it was unanimously

VOTED: To approve the minutes of February 12, 2020 of the Municipal Light Board, with one edit, and not to release the Executive Session minutes.

2/27/2020 Open Session

On a motion made by Mr. Hine and seconded by Mr. McAvoy, it was unanimously

VOTED: To approve the minutes of the Municipal Light Board meeting of February 27, 2020.

**Public Comment:**

There were no comments via email.

**Manager's Report:**

## Outages:

There were two minor outages that impacted 10 customers for less than one hour each. The outages were both due to animal contact.

## Covid-19 Update:

At this time, SHELD will not shut off power to its customers in accordance with State mandates. Additionally, SHELD staff is available to help any customers experiencing difficulties with their bills or service. Customers may call the office at 413-536-1050.

SHELD is considered an essential business. We are working and maintaining our operations. While our office is closed to the public, we can still serve customers via phone, on-line or by personal appointment while adhering to guidelines. Our electric crews are working and are ready, 24/7, for any electric outages. The team at SHELD has done an extraordinary job during this time. Staff is working remotely, when possible, and Mr. Fitzgerald sends email updates to the Board and Staff when there are any changes to protocol.

In addition, the staff wants to thank the Board for supplying them with lunch last week from the Delaney House. Everyone appreciated the delivery and I also want to convey our appreciation for the thoughtfulness.

## Fibersonic Update:

Construction of the fiber plant has continued by our crews; however in-home installations have been halted until restrictions are lifted. We are still taking applications for installations which will resume when things are safe. We do, however, continue to maintain 24-hour emergency service for all Fibersonic customers.

## EANE Newsletter:

SHELD is a member of the Employers Association of the Northeast. They supply companies with human resource and training expertise. SHELD was spotlighted in their newsletter for our progress and commitment to company-wide training. I would like to thank the President Meredith Wise, and her entire team, for providing a great value to SHELD.

**December 2019 Financials:**

Mr. Conchieri referenced PowerPoint slides as he gave a brief overview of the Financials for the month ending December 30, 2019.

Kilowatt hour sales for 2019 of 110,230,000 were down by 5% from 2018, or 6,421,000 kilowatt hours. Year-to-date operating revenues of \$13,862,000 were down by 5% from 2018, or about \$802,380. The \$802,380 decrease consisted of \$807,000 in lower volume and \$5,000 in a higher selling price. We had budgeted for a \$300,000 revenue increase; the actual was a \$1,102,000 decrease.

The 2019 kilowatt hour purchases of 113,767,000 were down by 4% from 2018, or 5,332,000. The 2019 cost of power sold at \$9,541,000 was down by about 9% from 2018, or \$929,000. The \$929,000 decrease consisted of \$469,000, attributable to a lower kilowatt hour purchase volume, and \$460,000 due to a lower purchase price. We had budgeted for a cost decrease of \$525,000; the actual was a \$404,000 decrease.

The decrease in revenue was less than the decrease in cost of power; therefore, the net revenue of \$4,322,000 was up from 2018 by about \$127,000. The actual to budget decrease in revenue was greater than the actual to budget decrease in cost of power; therefore, the actual net revenue was down from the budgeted amount by \$698,000.

All other 2019 operating expenses of \$5,041,000 on a combined basis, were up from 2018 by about \$651,000 and up from the budgeted amount by \$225,000. Salary and wage expenses in 2019 showed an increase of \$124,000 from 2018 and were up from the budgeted amount by \$42,000. Pensions and benefit costs were up by \$155,000 from 2018 and up from the budgeted amount by \$52,000. 2019 supplies and expenses showed an increase of \$359,000 from 2018 and were up from the budgeted amount by \$112,000.

December 2019 ended with a net YTD gain of about \$229,000, which was better than the 2018 net YTD loss of \$4,000 but was short of the budgeted amount of a \$539,000 profit. Mr. Conchieri answered several questions, from the Board, regarding what SHEL D's financial picture may look like going forward regarding future power sales and investments.

**Annual Town Disbursement Transfer:**

Mr. Fitzgerald reviewed the past few years of disbursement payments to the Town. He said that last year SHEL D's disbursement payment was \$180,000 and he recommended that SHEL D level fund the Town for fiscal year 2021 at \$180,000. The Commissioners all agreed.

On a motion by Mr. Hine and seconded by Ms. Awad, it was unanimously  
VOTED: to contribute \$180,000 towards the annual Town disbursement.

Mr. Fitzgerald complimented the Town employees for continuing to do a great job during this difficult time.

**Old Business:**

Mr. Fitzgerald reminded the Board that the May meeting had been changed to Wednesday May 27, 2020.


**New Business:**

Mr. Fitzgerald thanked everyone for utilizing the remote service for the meeting. The meeting is being streamed live, being recorded, and will be posted, as we normally would do, on the SHEL D website and the South Hadley CATV15 website. Mr. Dubreuil and Mr. Fitzgerald thanked Dan Pease, Paul Byrne and Kim Mendoza for their work in setting up the virtual meeting.

**Adjourn:**

On a motion by Mr. Hine and seconded by Mr. McAvoy, it was unanimously  
VOTED: to adjourn

The open session ended at 6:27 P.M.



Anne Awad, Clerk

Approved: May 27, 2020

## **EXHIBIT A**

List of Documents reviewed at the April 23, 2020 Municipal Light Board Meeting

1. Draft Open Session Minutes of the MLB February 12, 2020 meeting
2. Draft Executive Session Minutes of the MLB February 12, 2020 meeting
3. Draft Open Session Minutes of the MLB February 27, 2020 meeting
4. Management Report December 30, 2019 and 2018