

*Electric Light Department
Town of South Hadley*

85 Main Street
South Hadley, MA 01075-2797

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**MINUTES OF THE MUNICIPAL LIGHT BOARD
SPECIAL MEETING OF
THURSDAY, JANUARY 5, 2017 AT 6:30 P.M.
SHELD CONFERENCE ROOM, 85 MAIN STREET, SO. HADLEY, MA**

Present: Vern Blodgett, Vice Chair
John Hine
Kurt Schenker
Gregory Dubreuil, Clerk

Absent: Anne Awad, Chair

Also Present: Attorney Layla Taylor, Sullivan Hayes & Quinn, LLC

The meeting was called to order at 6:30 P.M. by Vice Chair Vern Blodgett. Vice Chair Blodgett noted that the purpose of the meeting was to discuss litigation strategy relative to the Hampshire County Court Action #1680CV00080 and contract negotiation strategy relative to the General Manager's position. A motion made by John Hine and seconded by Kurt Schenker to go into Executive Session to discuss strategy with respect to litigation relative to the Hampshire County Court Action #1680CV00080 because discussing in Open Session may have a detrimental effect on the litigating position of SHELD; and to conduct strategy for contract negotiations with nonunion personnel, specifically the candidate for the General Manager's position, because discussing in Open Session may have a detrimental effect on the bargaining position of SHELD; and to not return to Open Session following the Executive Session was voted unanimously by a roll call vote; Hine-aye, Schenker-aye, Dubreuil-aye, Blodgett-aye.

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**MINUTES OF THE MUNICIPAL LIGHT BOARD
EXECUTIVE SESSION OF
THURSDAY, JANUARY 5, 2017
SHELD CONFERENCE ROOM, 85 MAIN STREET, SO. HADLEY, MA**

Present: Vern Blodgett, Vice Chair
John Hine
Kurt Schenker
Gregory Dubreuil, Clerk

Absent: Anne Awad, Chair

Also Present: Attorney Layla Taylor, Sullivan Hayes & Quinn, LLC

The Executive Session to discuss strategy with respect to litigation relative to the Hampshire County Court Action #1680CV00080 because discussing in Open Session may have a detrimental effect on the litigating position of SHELD; and to conduct strategy for contract negotiations with nonunion personnel, specifically the candidate for the General Manager's position, because discussing in Open Session may have a detrimental effect on the bargaining position of SHELD was called to order at 6:31 P.M. by Vice Chair Vern Blodgett following the unanimous roll call vote in Open Session.

“Redacted portion of the minutes are related to the Hampshire County Court Action #1680CV00080, not to be released as of January 26, 2017.”

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Vice Chair Blodgett then proceeded to the strategy for contract negotiations with the General Manager candidate, Sean Fitzgerald. Vice Chair Blodgett reviewed the latest version of the proposed Employment Contract and the recent email response from Mr. Fitzgerald received early in the afternoon. Vice Chair Blodgett reviewed the process to date and focused mainly on the terms of the agreement that have yet to be agreed to by the parties.

The first is salary. The subcommittee's offer to Mr. Fitzgerald was \$155,000. Mr. Fitzgerald countered at \$159,500. Vice Chair Blodgett noted that our Search Consultant Scott Fry stated in an email that "the cost to get into the talent pool these days is \$150K to \$180K..." and also "if we can land Sean at \$155,000, it will be a bargain for South Hadley". There was some discussion over concern that we would be paying the new Manager, without a proven ability at the General Manager level, more than we were paying the prior General Manager. Mr. Hine stated that it is not unusual that an incoming replacement for a position be at a higher salary than the outgoing individual. He noted that this has occurred with other positions at the Town level. Ultimately the salary discussion was revisited following the discussion of the following items.

Vice Chair Blodgett noted that Mr. Fitzgerald requested a vehicle for commuting back and forth to work and for incidental personal use. The Board members were concerned over purchasing and providing a vehicle specifically for the Manager's use in addition to the salary amount. There was also concern relative to the appropriateness of personal use of a SHELDD owned vehicle. Vice Chair Blodgett said the most current version of the contract included up to \$40,000 for such a vehicle. The Board agreed that business use of a currently owned SHELDD pool vehicle was acceptable but that a new vehicle should not be purchased and that incidental personal use nor use for commuting back and forth to work should not be allowed.

A discussion of the sick time in the current version of the contract also took place. The current contract calls for a buyback of sick time based on a maximum accumulation of 175 days at 25% at retirement, death, or change of control of SHELDD based on a sale, merger or consolidation of SHELDD. No buyback would occur if there were a termination for cause or if the Manager were to leave on his own accord. As the contract must be in compliance with the personnel policies of SHELDD, the Board felt that the sick time should mirror that of SHELDD's current policy. Vice Chair Blodgett will verify what that is.

The timing of Mr. Fitzgerald's annual review, salary adjustments, and contract term were also discussed. Vice Chair Blodgett noted that the latest version of the contract commences as of February 6, 2017 and runs through October 31, 2020. Vice Chair Blodgett said that Mr. Fitzgerald requested the extension from three years to three and one half years. The Board agreed the contract should be three years from whatever the start date might be in February to

February 29, 2020 for a total of three years and the partial month of February. Mr. Fitzgerald requested that reviews be conducted in October of each year to accommodate time for Board members to accurately review his performance should there be any changes in the composition of the Board based on April elections. All agreed and also agreed that any salary adjustments should be effective as of January 1 of each year, the beginning of SHEL D's fiscal year.

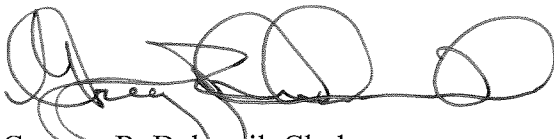
Mr. Fitzgerald's email also included various other requests. One was that any termination for cause be based on a vote of the full Board rather than a majority of a quorum. There was some discussion relative to a potential incapacitation of a Board member and its impact on the ability to terminate for cause. It was agreed that the full Board was acceptable however inclusion of language for incapacitation also be included. Another item requested in Mr. Fitzgerald's email was a reduction of notice time on his part from six months to 90 days to coincide with notice requirements by the Board. There were no objections. Additionally his request for some supplemental form insurance policy that is not offered to any other SHEL D employee was also discussed. All agreed that no supplemental insurance policy would be included as part of the contract.

The Board returned to the compensation discussion and the minimum 2% annual increases. After much discussion it was agreed that the Board's greatest flexibility is in the area of salary, so the Board would accept the \$159,500 proposed Salary and minimum 2% annual increase. It was also noted that any reference in the contract to its paralleling the Union contract include wording specifically excluding compensation since this is separately addressed and also to prevent a conflict of the Manager negotiating Union contracts that may impact his own compensation.

Adjournment

A motion made by John Hine and seconded by Kurt Schenker to adjourn the Executive Session was voted unanimously by a roll call vote; Hine-aye, Schenker-aye, Dubreuil-aye, Blodgett-aye. The Executive Session adjourned at 8:34 P.M.

Respectfully,

A handwritten signature in black ink, appearing to read 'Gregory R. Dubreuil', written in a cursive style with several loops and flourishes.

Gregory R. Dubreuil, Clerk
Municipal Light Board

Approved: January 26, 2017