



**SOUTH HADLEY ELECTRIC LIGHT DEPARTMENT
BOARD OF COMMISSIONERS' HYBRID MEETING
TRUSTEES ROOM AT THE LIBRARY
AUGUST 28, 2025, AT 6:00 P.M.**

Present for the Board: Chair John Hine, Vice Chair Paul Dobosh, Ron Coutu, Darren Hamilton, Tom Terry

Present for SHELD: General Manager Sean Fitzgerald, Director of Operations Adam St. Martin, Administrative Services Specialist Kim Mendoza, Finance Manager Michael Conchieri, Customer Service & Marketing Manager Kelly Frazier

Guest: Keith Martin, Skanska USA Building Inc.

The hybrid meeting was called to order at 6:00 PM by Chair John Hine.

Minutes Approval:

7/24/2025 Open Session:

On a motion by Mr. Dobosh, seconded by Mr. Hamilton, it was

VOTED: To approve the open session minutes of July 24, 2025. Tom Terry abstained as he was not at that meeting.

Public Comment:

There were none.

Manager's Report:

Outages: Outages were minimal this month: 4 squirrels, 2 birds, 1 tree, and 1 burnt connection for a total of 105 customers.

Fiberspring Update: Telecom call stats for the month of July were displayed for South Hadley, Shutesbury, and Leverett showing the volume of calls, the types of calls received, the number of escalations, and the number of truck rolls. We are closing in on 3000 South Hadley customers and are still at 52% with a goal of hitting 53% by end of the year. A fall postcard promotion was just mailed to try and increase business.

MDU Update: The design for Hadley Village is complete and we are working on the pricing present to the SHELD Board for approval. Stonybrook Village has been rod & roped. Our engineer is working on the design to be able to price it out. We are again in discussions with Rivercrest.

Bob Liswell has retired but may be working per diem in the future on MDU projects.

Longmeadow Update: We have submitted pole applications to Eversource but there is another company ahead of us which will push our approval process back about 6 months before

Eversource will look at our requests. The other party's territory and ours may or may not overlap. Funding approval is still waiting for Longmeadow's November town meeting.

May 2025 Financials:

Mr. Conchieri referenced PowerPoint slides as he gave a brief overview of the financials for the month ending May 31, 2025.

Kilowatt hour sales of 47,048,000 for 2025 were up by 5.41% from 2024 or 2,415,000 kilowatt hours. Year-to-date operating revenues of \$8,062,000 were up from 2024 by 22.55% or about \$1,483,000, consisting of an increase of \$356,000 in volume and an increase of \$1,127,000 in selling price.

The 2025-kilowatt hour purchases of 46,245,000 were up by 2.88% from 2024, or 1,296,000. The 2024 cost of power sold of \$4,883,000 was up by about 20.45% from 2024, or \$829,000, consisting of an increase of \$117,000 in kilowatt hour purchase volume, and an increase of \$712,000 in purchase price.

The increase in revenue was more than the cost of power; therefore, the net revenue of \$4,912,000 was up from 2024 by \$773,000. The actual net revenue was up from the budgeted amount by \$346,000.

All other 2025 operating expenses of \$4,011,000 on a combined basis, were down from 2024 by about \$242,000 and up from the budgeted amount by \$56,000. May 2025 ended with a net YTD gain of about \$1,116,000, compared to the 2024 gain of \$29,000 and was more than the budgeted amount of a \$912,000 gain.

Mr. Conchieri answered questions on how the upcoming health insurance increases will affect the budget. The increase in profit prompted the rate adjusters to be lowered in May.

2025 Customer Satisfaction Survey:

Kelly Frazier reviewed the displayed Customer Survey questions and results from the 768 customers who responded to the survey. This was the third survey sent to customers at two-year intervals. SHELD mailed 5000 surveys and emailed 2500 to customers. There was a significant drop in responses this year.

Overall SHELD customers are very satisfied with SHELD and the service they receive. This year showed the highest satisfaction ratings to date.

For the open-ended question #11, Kelly reviewed the top 3 topics that the 88 respondents listed. People living in MDUs wanted to know when they could get fiber, many wanted to see more rebates, especially on solar, and customers want us to keep electric and fiber rates low. She told the Board that she reached out to anyone with specific concerns and questions if we had a phone number or email addresses for them.

Board members discussed the possible reasons for the low number of returns this year, as there were over 2000 in 2023. Board members suggested waiting more than 2 years between surveys.

New Building:

Mr. Hine gave Mr. Coutu the floor so he could state his concerns over the new building plan space and the estimated cost. Mr. Coutu said he thinks there is an opportunity to reduce the size of the building at this stage in the project. He feels that there is too much space allotted for conference rooms, break rooms, bathrooms, and offices that could be smaller. The administrative space totals 20% of the space in the plan. He wants to look at shrinking down the administrative side of the building which he feels could reduce the cost substantially.

Mr. Terry, although not suggesting changes to the building, is concerned about the other expenses hitting the Town, now and in the future. At the September 10th meeting, we need to be able to tell customers whether or not we could reduce the size, if it would be a cost savings, and that we are evaluating all options to reduce the cost.

Mr. Fitzgerald introduced Keith Martin from Skanska, the project OPM (Owners Project Manager) and asked Keith to comment on cost reductions by cutting space. Mr. Martin said they looked at the original design and think it is efficient. They estimate that cutting 1000 square feet would result in a \$675,000 savings. There is a new architecture firm coming onboard who, in their RFQ proposal, suggested some adjustments to the original plan. In the next 2 weeks they will look for changes they can make in terms of efficiency and cost. It will then take longer to produce costs for those changes. The building plan is designed for the next 50-75 years and future growth of the business.

Mr. Dobosh said his previous employer had a similar experience when they built a new building. They opted to cut space to save some money. The building is difficult to work in for the staff and others using the space. People hate being in the building. If it saves less than a million dollars, he would rather see us spend the money now to have the proposed space in the building.

Mr. St. Martin explained that the preliminary design was done to be able to pass a fit, form, and function test to know if we could fit a building on the property before purchasing the land and to be able to make amendments to the easements that governs the 5 parcels of the property. If we make considerable changes, it could affect the very tight timeline we are up against costing more money or possibly the land purchase.

Mr. Fitzgerald said the OPM, and possibly the Architect, will attend the September 10th Forum at the Senior Center to help with answering questions from the residents. Mr. Conchieri reviewed the cost impact to consumers in higher electric rates of 2.3 cents for the first 10 years or \$16.50 for 700 kWh bill.

Mr. Hine stated there are three objectives: To build a building as efficiently and as low cost as possible, to build a building that meets today's needs and future needs, to provide a workspace that works for all employees. Let's see what the new architect firm comes back with for suggestions on the plan.

Mr. Fitzgerald said construction costs go up 5% every year. The new building cost is \$25 million plus \$12 million in civil work and soft costs. The cost of staying in our current building has been updated to \$6-8 million at today's cost. Mr. Martin said that costs for municipal buildings, including schools, have increased significantly over the years.

Mr. Hine asked if the Board was comfortable letting the process continue by selecting the new design firm and waiting on their review of the plan – the Board agreed.

RFQ Design Services Architect Selection:

Mr. Fitzgerald told the Board that staff from Skanska worked with the SHELDT team to interview and assess the vendors who submitted qualifications for the new building design services architect firm. The team from Tecton impressed us. They have lots of municipal experience and presented some interesting ideas. The committee chose Tecton as the most qualified firm and are recommending them to be approved by the Board based on their qualifications and skills. The Board was given the assessment of the rankings, and Tecton's cost proposal to provide us with the 90% schematic plan to move the project to the next step.

On a motion by Mr. Terry, seconded by Mr. Dobosh, it was unanimously,
VOTED: to approve Tecton as Design Services architect.

Old Business:

Mr. St. Martin updated the Board on a discussion with Hadley for fiber.

New Business:

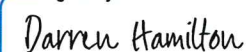
There was none.

Adjourn:

On a motion by Mr. Dobosh seconded by Mr. Hamilton, it was unanimously
VOTED: To adjourn the meeting.

The open session ended at 7:31 P.M.

Signed by:



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Darren Hamilton, Light Board Clerk

Approved: September 25, 2025

EXHIBIT A

List of Documents reviewed on August 28, 2025, at the Municipal Light Board Meeting

1. Draft Open Session Minutes July 24, 2025
2. July 2025 Telecom Call Stats
3. Financial Statements May 31, 2025, and 2024
4. 2025 Customer Satisfaction Survey
5. RFQ Design Services Architect Evaluation
6. Tecton Design Services Information