



**SOUTH HADLEY ELECTRIC LIGHT DEPARTMENT
BOARD OF COMMISSIONERS' VIRTUAL MEETING
JANUARY 22, 2026, AT 5:00 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, Marketing, Customer Service, and Technical Support Compliance Manager Kelly Frazier, Engineer Matt DelMonte

Guest: Ken LeBlanc

The virtual meeting was called to order at 5:00 PM by Chair John Hine who stated the Board would move to Executive Session for purposes pursuant to M.G.L.c.164, § 47D to consider the purchase, exchange, lease, or value of real property AND for contract negotiations with nonunion personnel, the General Manager, and return to open session at approximately 6:00PM.

On a motion by Mr. Dobosh, seconded by Mr. Terry, it was VOTED: To move to executive session for the reasons stated by the Chair and return to open session at approximately 6:00 PM, by roll call vote: Mr. Terry-aye, Mr. Hamilton-aye, Mr. Coutu-aye, Mr. Dobosh-aye, Mr. Hine-aye.

The Board returned to open session at 6:00 PM.

Minutes Approval:

12/11/2025 Open Session:

On a motion by Mr. Dobosh, seconded by Mr. Terry it was VOTED: To approve the open session minutes of December 11, 2025, by roll call vote: Mr. Coutu-aye, Mr. Hamilton-aye, Mr. Terry-aye, Mr. Dobosh-aye, Mr. Hine-aye.

12/11/2025 Executive Session:

On a motion by Mr. Hamilton, seconded by Mr. Coutu, it was VOTED: To approve but not release the executive session meeting minutes of December 11, 2025, by roll call vote: Mr. Terry-aye, Mr. Hamilton-aye, Mr. Dobosh-aye, Mr. Coutu-aye, Mr. Hine-aye.

Public Comment:

There were none.

Ken LeBlanc:

Mr. Hine introduced contractor Mr. LeBlanc who spoke to the Board regarding rebates for heating systems for new homes and developments. Mr. LeBlanc reviewed the new stretch codes which mandate higher efficiency electric heating units when building a new home. It

makes construction costs considerably higher. He would like the Board to consider rebates to homeowners for heating systems for new construction built by or purchased from contractors.

Ms. Frazier stated that SHELD's rebate program does not include new homes. The rebates are currently to incentivize customers for upgrades from fossil fuel systems or an old heat pump system to more efficient electric systems. If we gave rebates for new construction, our budget would increase substantially.

Mr. Fitzgerald said that Investor-Owned Utilities have a rate recovery system in their rates and charge all customers monthly for their MassSave programs and rebates. SHELD does not charge a monthly fee which helps keep our rates lower. It would increase the rebate budget substantially if all types of new construction were added to the program.

Mr. LeBlance would like to see the rebates available for customers for all new construction including multi-family structures and condos. Mr. Hine said the Board was just collecting information and not making a decision tonight. The cost of rebates is passed on to ratepayers. The Board will discuss it at a later date and make a decision.

Manager's Report:

Outages: No outage this month.

Fiberspring Update: We are approaching 3000 South Hadley customers. Fiberspring has very reliable service compared to other service companies. A December summary of fiber call statistics this past month was displayed. Slide #1 had all telecom calls broken down by town: South Hadley, Shutesbury, and Leverett and showed the volume of calls, the types of calls received, the number of escalations, and the number of truck rolls. Slide #2 showed 100% network uptime between HG&E and Fiberspring.

October 2025 Financials:

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

Kilowatt hour sales of 94,614,000 for 2025 were up by 2.04% from 2024 or 1,893,000 kilowatt hours. Year-to-date operating revenues of \$15,389,000 were up from 2024 by 6.88% or about \$991,000, consisting of an increase of \$294,000 in volume and an increase of \$697,000 in selling price.

The 2025-kilowatt hour purchases of 94,627,000 were up by .58% from 2024, or 545,000. The 2025 cost of power sold of \$9,816,000 was up by about 11.22% from 2024, or \$990,000, consisting of an increase of \$51,000 in kilowatt hour purchase volume, and an increase of \$939,000 in purchase price.

The increase in revenue was more than the cost of power; therefore, the net revenue of \$9,029,000 was up from 2024 by \$126,000. The actual net revenue was down from the budgeted amount by \$116,000.

All other 2025 operating expenses of \$8,182,000 on a combined basis, were down from 2024 by about \$388,000 and up from the budgeted amount by \$273,000. October 2025 ended with a net YTD gain of about \$1,520,000, compared to the 2024 gain of \$870,000 and was less than the budgeted amount of a \$1,837,000 gain. Since SHELD reached its cap of 8% profit, rates were slightly lowered for Q1 2026.

New Building Spatial Needs:

Mr. Hine stated that the Architects presented a Spatial Needs Assessment for the new building a few months ago. Mr. Coutu made a couple of proposals for reducing square footage of the new building. One option was cutting various rooms and reducing sizes of rooms and the second option was to additionally remove the space for Fiberspring and outside covered storage, along with cutting rooms and reducing room sizes.

Mr. Conchieri presented financials showing the savings for ratepayers by reducing the cost of the building by \$4 million, which represents elimination of Fiberspring and outside covered storage from the building, it would drop the debt service by \$293,000 which is then offset by maintaining the leased fiber space. That resulted in a \$1.29 monthly customer savings for a 700 kWh customer in year one. He then recalculated a \$5 million reduction in the building cost which resulted in a \$1.76 monthly customer savings for a 700 kWh customer savings in year one. The chart showed the savings and costs over the 30-year debt service for each scenario.

Mr. Hine said the Board needed to decide between the Architect's proposal or one of Mr. Coutu's proposals. Other board members voiced their opinions and agreed it's better to construct a building to include all the space needed instead of cutting costs to build a smaller facility now, then needing to expand down the road at a considerably higher cost. Mr. Dobosh said Fiberspring should be included in the new building since we are expanding the fiber business and we need fiber to be in a location that would promote confidence to new and existing clients.

On a motion by Mr. Dobosh and seconded by Mr. Hamilton, it was VOTED 4 to 1 in favor: To accept the Spatial Needs Assessment as presented by the Architects, by roll call vote: Mr. Dobosh-aye, Mr. Hamilton-aye, Mr. Terry-aye, Mr. Coutu-no, Mr. Hine-aye.

New Building Program:

Mr. Hine reviewed the information presented at the last meeting on the three options presented by the Architects for the Gaylord Street property, the one-story building on Willimansett Street, and the two-story building on Willimansett Street along with the financial evaluation on all three programs.

Mr. Hine said the one-story Willimansett Street option was the most economical. The Gaylord Street property, with all the major upgrades required, was the most expensive and had unknown risks. Board members agreed. Mr. Coutu suggested getting all the information on the Gaylord Street property out to the public so people would understand why it doesn't work. Mr. Terry said that Know Your Town has a March 12 date available if Board members and/or Mr. Fitzgerald would be interested in presenting new building information to the public. It was agreed to

schedule that date for a KYT forum at the Library. Mr. Hine asked for a motion to vote on the building project.

On a motion by Mr. Hamilton, seconded by Mr. Dobosh, it was unanimously VOTED: To proceed with the Willimansett Street One-Story building program as presented, by roll call vote: Mr. Terry-aye, Mr. Coutu-aye, Mr. Dobosh-aye, Mr. Hamilton-aye, Mr. Hine-aye.

General Manager's Contract:

Mr. Hine stated that Mr. Dobosh and Mr. Terry negotiated a new contract with the General Manager, which was discussed earlier in executive session, and he was looking for a motion to accept it.

On a motion by Mr. Dobosh seconded by Mr. Terry, it was unanimously VOTED: To approve a 5% salary increase, a \$15k bonus, and a one-year extension of the General Manager's contract to 2032, by roll call vote: Mr. Hamilton-aye, Mr. Dobosh-aye, Mr. Coutu-aye, Mr. Terry-aye, Mr. Hine-aye.

Old Business:

There was none.

New Business:

Mr. Coutu suggested the Board think about whether there is a policy in place for data centers to move into town as they use large amounts of power and may require upgrades to our system which could be expensive. Mr. Fitzgerald said there probably needs to be an update to the current Interconnection Policy.

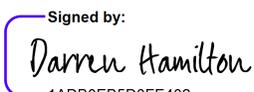
Mr. Terry asked about possibly selling some on the SHELD-owned land not being used. Mr. Fitzgerald said that once the new building is under way, we could probably sell the Granby Road property.

Mr. Hamilton asked about Fiberspring rates for small businesses. Mr. Fitzgerald told him to have the interested party call the office and inquire about their situation.

Adjourn:

On a motion by Mr. Dobosh seconded by Mr. Hamilton, it was unanimously VOTED: To adjourn the meeting, by roll call vote: Mr. Coutu-aye, Mr. Dobosh-aye, Mr. Hamilton-aye, Mr. Terry-aye, Mr. Hine-aye.

The open session ended at 7:19 P.M.

Signed by:

1ADB0EB5D0FE402...
Darren Hamilton, Light Board Clerk

Approved: February 26, 2026

EXHIBIT A

List of Documents reviewed on January 22, 2026, at the Municipal Light Board Meeting

1. Draft Open Session Minutes of December 11, 2025
2. Draft Executive Session Minutes of December 11, 2025
3. Financial Statements October 31, 2025, and 2024
4. Spatial Needs Assessment
5. New Building Program Review
6. Average Customer Monthly Net (Savings) Cost