



**SOUTH HADLEY ELECTRIC LIGHT DEPARTMENT
BOARD OF COMMISSIONERS' VIRTUAL MEETING
SEPTEMBER 15, 2026, 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, Administrative Specialist-Human Resource Coordinator Holly Merchant, Financial Manager Michael Conchieri, Kelly Frazier Manager of Marketing, Customer Service and Technical Support Compliance

The virtual meeting was called to order at 6:00 PM by Chair Mr. Hine

Minutes Approval:

8/27/2026 Open Session:

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

VOTED: To approve the open session minutes of August 27, 2026, by roll call vote: Mr. Dobosh -aye, Mr. Hamilton -aye, Mr. Coutu -aye, Mr. Terry -aye, Mr. Hine -aye.

Public Comment:

No public comments

Manager's Report

Outages: Mr. Fitzgerald shared there was (1) one outage affecting (18) eighteen customers from Hadley Village for (27) twenty-seven minutes to repair some underground connection faults.

Fiberspring Update:

Mr. St. Martin shared that Hadley Village is having trouble finding an electrician to put together an estimate, they believe it may take weeks if not months, and not a lot of commitment. Hadley Village will circle back with their board to see if there is a different approach they can take. Our staff will continue to stay in touch to see if it can be moved along, but at this point we are waiting for them. Mr. St. Martin shared that there are now 3,056 Fiberspring customers with a take rate of 55%.

Mr. Fitzgerald said that the Town of Longmeadow asked for a revised quote for a \$4 million launch, the team is working on the proposal. Fiberspring presented to the Town Wilbraham, who will be visiting HG&E as well as Fiberspring to see the network operations and more of our business structure.

Mr. Hine suggested that Fiberspring provides a quote to the Town of Wilbraham with some options to make it more manageable, as it may be more difficult for the town to have a proposal that covers the whole town.

June 2026 Financials:

Mr. Conchieri presented a brief overview of the financials for the month of June 30, 2026.

Our 2026 YTD Kilowatt hour sales were up by 2.72% or about \$1,495,000. Our YTD revenues were down about 2.46% or \$231,000. This was composed of a \$255,000 positive variance from higher kilowatt hour sales, and a \$486,000 negative variance from lower sales price.



The 2026 purchases YTD were up about 1.54% from 2025, or \$863,000. The cost of power sold was increased by 10.97% or \$645,000. The \$645,000 was a result of \$91,000 negative variance from a higher kilowatt hour purchase volume, and a \$554,000 negative variance from a higher purchase price.

Year over year the change in total operating revenues was less than the change in cost of power sold. The actual net revenue of \$4.9 million decreased by about \$721,000, because of the same situation for actual budget, the net revenue decreased by about \$1,095,000.

All other operating expenses of about \$5,453,000 on a combined basis were up from 2025 by about \$621,000 and up from the budgeted amount of \$177,000.

June 2026 ended with a net YTD loss of about \$334,000, compared to the 2025 gain of \$1,168,000, and was less than the budgeted amount of \$1,097,000.

Marketing Budget:

Mr. Fitzgerald shared that sponsorships are an objective of the customer outreach and communications operating strategy. This also supports community stewardship and enhanced the quality-of-life strategy in the strategic plan. The MLB had requested that Mr. Fitzgerald develop and present a strategic plan. With board involvement, SHELD created two five-year plans. The board, management, staff, and the public worked closely with Steve Vann demeer, who is a strategic planning consultant from Hometown Connections, which is an American Public Power Association affiliate, to develop SHELD's operating strategies. Through a SWOT analysis, it was stated that SHELD needed to support the community, and provide opportunities to engage further with the community, as well as to build a positive brand. The MLB unanimously approved these strategies and the final strategic plans back in March of 2019 and March of 2022.

Mr. Fitzgerald had Mr. Conchieri share a slide that showed the allocations of the marketing budget and explained there is a \$50,000 budget for advertising, marketing and sponsorships. The budget is split between telecom and electric. Sponsorships build goodwill in the community and enhance the quality of life for our customers.

Mr. Coutu commented that he understood the spending on Fiberspring advertising in the beginning when the business was trying to grow but now that the business is established, he doesn't believe the business needs to spend more on advertising. Mr. Coutu believes new business is from customers who move into a new home and didn't have Fiberspring prior and sign up for the service now.

Mr. Fitzgerald shared that Comcast is our largest competitor, Comcast does lots of advertising and if Fiberspring wants to retain and grow its customer base, advertising needs to be done. Brand awareness is important and we still have over 3,000 potential customers in town. Ms. Frazier added to Mr. Fitzgerald's statement stating she believes our advertising is still bringing in new customers. Customers mention the promotions they see when they come in to sign up for the service. When people see us at events or postcards are sent out, more customers come in to sign up for the service. We are still connecting new customers every day. Mr. Dobosh agreed with Ms. Frazier and thinks the advertising should continue. Fiberspring and SHELD are two different businesses. Fiberspring has customers, and fiber money is being spent to attract new customers.

Mr. Coutu mentioned that when there were discussions about increasing the transfer sent to the town by \$20,000, it was said it was a charge to the ratepayers who may not agree with it and compared that to the sponsorship funds being spent on events the ratepayers don't want to support. Electric rates adjust, where the Fiberspring rates do not.



Mr. Fitzgerald stated that the funds sent to the town are a reimbursement for services, not as a donation or payment in lieu of taxes. The board proactively provided a considerable town reimbursement increase of \$40,000, that went from \$180,000 to \$220,000 within a two-year period.

Mr. Conchieri shared that the activity of Fiberspring has no impact on electric rates. Fiberspring revenue goes to pay the capital, interest, debt as well as funds being put back into the fiber business. With new customers signing up daily, there are increases in the expenses. Additional funds are put into the business to pay for capital expenses to connect new customers and for upgrades to the equipment that was not borrowed.

Mr. Terry added he was under the impression that profits from Fiberspring would help reduce the cost of electric rates. Mr. Conchieri stated that currently the profits are being reinvested into growing the business, and while there is positive cash flow for the project there is not a large surplus of funds to use towards lowering electric rates. All fiber expenses, including employee salaries who work on fiber, are being paid from fiber revenues, therefore reducing electric expenses. Mr. Fitzgerald said once the debt service is gone, the profits will be substantial and able to be put towards other things. Mr. Hine asked if some of the fiber revenues will be put toward the loan for the new building. Mr. Fitzgerald and Mr. Conchieri confirmed.

Mr. Dobosh and Mr. Hamilton both support the continued marketing and advertising operating strategy and budget. Mr. Hine stated there was not a majority sentiment about changing or reducing the budget for advertising and marketing.

Employee Survey:

Mr. Fitzgerald shared a power point presentation showing the averages on a four-year comparison for each question asked in the employee survey. This year is the 6th all employee survey. The survey objective is to see the employee perspective in areas such as job duties/work conditions, supervisor performance, management performance, company satisfaction/dissatisfaction, and company benefits. The survey returned positive results of 4.0 out of 5.0 in most categories with a decrease in medical insurance dropping to under 2.8 due to the increase in costs for employees.

Mr. Coutu asked why morale was down, how many employees SHELD has, and how employees many filled out the survey. He understood how one or two low numbers can skew the results.

Mr. Fitzgerald replied that in any department/company there may be one or two people who have an issue or may not be content, and there has been high amount of restructuring and retirement transitions. With (26) twenty-six of 26 employees completing the survey, overall, it was a good survey with room for improvement.

Mr. Hine asked about health insurance and the cost associated with that, or if there has been any research to see what other utilities are offering. Mr. Fitzgerald reached out to other MLP's. SHELD is in line with the other utilities, but the Town dictates the terms of the health benefits structure.

Old Business:

No Old Business

New Business:

No New Business



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. Terry -aye, Mr. Hamilton -aye, Mr. Dobosh -aye, Mr. Hine -aye.

The open session ended at 6:47 pm.

Signed by:

Darren Hamilton

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Darren Hamilton, Light Board Clerk

Approved: October 22, 2026



EXIBIT A

List of Documents reviewed on September 15, 2026, at the Municipal Light Board Meeting

1. Draft Open Session Minutes of August 27, 2026
2. June 2026 Financials
3. 2026 Employee Survey