A regular meeting of the Finance and Electric Committee was held on Thursday, March 11, 2021 via a zoom meeting.

The meeting was called to order at 7:30 p.m. by Dr. Derek Mace. Members present were: Dr. Derek Mace, Mr. Ed Seyler and Mr. Kevin Snyder. Also in attendance: Mr. Gabriel Khalife, Borough Manager; Mr. Steven Diehl, Electric Superintendent; Mrs. Sharon Dallickas, Finance Director; Mr. Jim Schlegel, Mayor; and Ms. Jill Remick, Recording Secretary. Public Attendance: Mr. Mike Russo, Fire Chief, representing Kutztown Volunteer Fire Company; Borough Resident Mr. Kevin Leiby.

APPROVAL OF MINUTES
The February 11, 2021 minutes were reviewed by members. A motion was made by Mr. Snyder and seconded by Mr. Seyler to approve the February 11, 2021 minutes as written. The motion passed by unanimous vote.

PUBLIC COMMENT ON NON-AGENDA ITEMS
Mr. Leiby asked for the definition of fire tax monies and questioned what the recent disbursement to the Kutztown Volunteer Fire Company was used to purchase. Mr. Khalife explained the disbursement needs to be used for an eligible expense and approved by Borough Council. Mr. Khalife provided examples of an eligible expense which include the purchase or upgrade of an apparatus/machinery, or building expenses/upgrades; however, fire tax monies cannot be used to pay outstanding debts. Mr. Khalife also explained the Borough does not manage the business of the Kutztown Volunteer Fire Company and noted three municipalities contribute to the fire tax. Mr. Seyler explained the recent release in Fire Tax monies, which occurred in February, were for two items. One release was for the purchase and installation of heating units which were used to replace a boiler that was in disrepair. The second release was for the purchase of an access control system for security of the fire station. Mr. Seyler and Mr. Khalife both noted the recent expenditures were reviewed and approved by the Borough’s Solicitor.

Chief Russo explained that the truck crew is inquiring if the electric rate can be changed to a lesser rate, since the truck crew is the only one using the electric, aside from an empty freezer and cooler in the social hall. The Committee recommended unplugging the units since they are no longer in use, or fill them with ice or water so the units work more efficiently. Mr. Diehl explained the fire company is on the “institutional rate”, which is the same rate as what the local schools are billed and noted the fire company isn’t
being charged a demand charge. Mr. Diehl stated he will review the recent usage and determine if another rate is applicable.

NEW BUSINESS

- **Release of $85,000.00 from the Fire Tax Account to be Used Towards the Purchase of a Rescue/Pumper and Pumper/Tanker**

  Mr. Russo explained the damage which occurred to an apparatus when returning from a call on I78. Mr. Russo explained all three municipalities have been asked to release fire tax monies which will be used towards the down payment for the new piece of equipment. Mr. Russo noted he has credit approval from the bank. Motion by Mr. Snyder and seconded by Mr. Seyler to recommend Borough Council release $85,000.00 from the fire tax fund to be used towards the purchase of a rescue/pumper and pumper/tanker. The motion passed by unanimous vote.

- **Discussion and Consideration to Make a Contribution for the Swim Club Coaches as Opposed to Paying Them Through Borough Payroll.**

  Mr. Khalife explained that previously the coaches had been paid through the Borough’s payroll, as if they are Borough employees, and noted the exposure it places on the Borough. Mr. Khalife is recommending the Borough make a contribution in lieu of payment through payroll. Motion by Mr. Seyler seconded by Mr. Snyder to recommend Borough Council approve a contribution for the swim club coach salaries, in lieu of paying them through the Borough’s payroll system. The motion passed by unanimous vote.

- **Discussion on Outside Evaluation of the Borough’s Electric System and the Possible Cost of Same.**

  Mr. Diehl explained the reliability of the Borough’s system and noted the Borough pays monthly fees to PJM to insure the reliability of the generation grid in our area. The Borough’s substation is fed from First Energy’s 69 KV transmission lines for which First Energy is responsible for the dependability of same. Committee members discussed the possibility of a “mini”-substation to offer back-up to the 69 Substation. Mr. Diehl stated he will review the possibility of installing a mini-substation and noted the Borough has replaced four 15 KV circuit breakers at the substation and will need to look into the replacement of the three 69 KV breakers.

- **Discuss the Future of the Borough’s GIS system, Financially and Dedicated Time to Maintain.**

  Mr. Diehl explained the need for a full-time GIS employee to handle the current and future workload. He further explained that the basic needs of the Borough are not being met within the time currently dedicated to the system and noted the future requirements of some other entities, such as PADEP. Members discussed the time needed to operate the system in the future and Mr. Diehl and Ms. Remick explained the system will need to be maintained and updated on an on-going basis, as well as the capabilities of expanding the use of GIS to include job tickets, infrastructure inventory, tracking
leaks, etc. Committee members agreed to move forward with the transition to dedicate full-time hours to GIS. Mr. Khalife also noted that the HRG proposal to assist the Borough with moving forward will be on the March Council agenda.

OLD BUSINESS
None

BUDGET PERFORMANCE REPORT/ELECTRIC FUND BUDGET PERFORMANCE
Link:  www.kutztownboro.org/departments/finance/index.php

Mrs. Dalickas reviewed the report with Committee members.

OFF AGENDA
There were no off agenda items.

ADJOURNMENT
There being no further business to discuss a motion was made by Mr. Seyler and seconded by Mr. Snyder to adjourn the meeting. The motion passed by unanimous vote and the meeting adjourned at 8:47 p.m.