

Chairman John B. Rebert called the special meeting of the Board of Supervisors to order at 2:30 p.m. with the following in attendance:

Supervisor Tanya Crawford

Mark E. Derr, Manager  
William Poole, Solicitor  
Approximately 75 Citizens

Mr. Rebert stated that this was the second meeting of the Board of Supervisors to discuss the proposed budget. The first meeting was held on October 7, 2009 from 4:00 PM to 7:00 PM and the Board will also be discussing the budget at their meeting on November 17, 2009 at 7:00 PM. The meetings have been scheduled at various times throughout the day so that all residents can attend a meeting to be informed. Mr. Rebert then asked Mark Derr to present the budget to the public.

**I. Budget Presentation**

Mark stated that it was understandable that everyone in the room was upset, if not irate, at the rate increases that were identified in the paper. Although this is a meeting of the Board of Supervisors to discuss the budget and financial condition of the Township, the budget and the looming deficit of the Sewer Authority have the potential to significantly impact the Township who has guaranteed the debt of the Authority. Like it or not, we're all in this together. It's important to understand how we got here but at this time it is unproductive to point the finger or try to put the blame on anyone, there's plenty of blame to go around. Instead, we need to identify the extent of the problems, come up with possible solutions and go about solving the problems in a way that will have the least undesirable impact on the residents of the Township.

A number of residents indicated that although they weren't happy about the increase in the real estate taxes reported in the newspaper, the real issue was the increase in the sewer rates. Mark explained the need for a sewer rates increase as follows:

In early 2000 the Township began the process of preparing an Act 537 Plan. This is a plan that all municipalities must prepare to identify where all the sewage generated in the Township goes, whether it's on-lot systems, private treatment facilities or public sewer systems. Around the same time, Cornerstone Development Group, Inc. was in the process of preparing subdivision plans for Colonial Crossings. In 2001, CMV Sewage Company, Inc. a company related to Cornerstone Development Group filed with the Public Utility Commission to supply sewage service to a portion of North Codorus Township.

The Act 537 Plan that the Township was preparing identified the area in the Township that would require public sewer service. The Colonial Crossing Subdivision was within this area. However, because the Township's treatment plant would not be completed within the timeframe

that the developer wanted to start the development, the developer suggested that they be allowed to complete a temporary wastewater treatment facility that had already been started on the property. The temporary facility would be abandoned upon the completion of the Township's facility and all residents would connect to the Township's plant and pay the current rates in effect at the time. The Township agreed, and entered into an agreement with the developer in 2003. The agreement was recorded at the Court House so that all future property owners would be put on notice that they would be required to connect to the Township/Sewer Authority's system and pay the current fees. During this period the Sewer Authority was formed.

Cornerstone Development Group constructed Colonial Crossings and the Authority continued with the construction of their wastewater treatment plant and collection system at a cost of about \$15 million dollars. Upon completing their system, the Sewer Authority notified Cornerstone Development Group that it was time to abandon their temporary plant and connect to the Authority's system. Cornerstone informed the Authority that because CMV Sewage Company was PUC regulated, they would be required to get the PUC's approval prior to abandoning the treatment plant. The PUC held a hearing and rendered the decision that the treatment plant serving the Colonial Crossings subdivision could not be abandoned. The basic reason for the decision was that the sewer rates paid by the residents of Colonial Crossings were less than the rates paid by the North Codorus Township residents.

Many of the residents at this point questioned why the PUC had no concern for the residents of the Township. It was explained that the PUC is charged with protecting the customers of public utilities. Their decision was doing just that, they were protecting the customers of CMV Sewage Company, the regulated public utility not the residents of North Codorus Township. The residents are not customers of the PUC. Another resident questioned why the Authority wasn't PUC regulated. The Solicitor responded that Municipal Authorities are not regulated by the PUC.

After a great deal of discussion between the public, the Board of Supervisors, the Solicitor and the Township Manager, the Board noted that this was a meeting to discuss the Township's budget and requested the Manager to begin the review of the Township's budget. Members of the audience indicated that they didn't wish to review the budget line by line so Mark briefly reviewed the Township's budget and referenced them to the minutes from the October 7, 2009 budget meeting that are posted on the Township's website [www.NorthCodorusTwp.com](http://www.NorthCodorusTwp.com) under the heading News and Current Events – Notice.

A member of the public asked if the budget included a full time zoning officer. Mark indicated that it did and explained that in previous years, the Township employed a full time zoning officer for the four years prior to 2009. In late 2008, the Board left the previous zoning officer go and the position has been filled by a part-time individual since then. There was a brief discussion regarding the need for a full-time zoning officer, the services that they offer to a municipality and the need to have someone available to check on builders and developers to prevent problems for the municipality.

Rodney Shearer stated that he thought that it would be more cost effective for the Township to utilize the Public Works Department for the repairs and replacement of the culverts that are

budgeted from the Liquid Fuels Fund rather than having the Township incur additional debt to pay a contractor to perform the work. Several people from the audience agreed with Mr. Shearer and said that they would rather see the money be used to pay local people to perform the work rather than bring in outside contractors. There was a brief discussion regarding the number of people the Township employs to maintain the Township's 65+ miles of roads. There was concern that if the Public Works Department is spending several months reconstructing culverts and bridges that the regular routine maintenance of the roads will continue to go by the wayside. It was suggested by the audience that perhaps we need to increase the number of people in the Public Works Department. The Board pointed out that this also has a cost which translates directly to tax dollars.

Supervisor Crawford stated that she did not accept compensation from the Township for her role as Township Supervisor and asked Mr. Brenneman if he would consider doing the same for his upcoming term as Township Supervisor. Mr. Brenneman stated that he doesn't request payment for much of the time that he spends serving the Township and that he would be willing to forgo his pay as Township Supervisor, however, he would like to see it used to offset existing costs of the Township and not be used to increase donations to the non-profit organizations that the Township donates to. There was additional discussion that if the Township is in such a tough financial position, that they need to consider whether they actually have the ability to continue donating to the other non-profit agencies.

A member of the audience suggested that the Board consider passing an ordinance to regulate and charge a Peddler or Solicitors permit. The Board said that they would consider that option.

Overall, the audience was not in favor of a tax increase but recognized the need and asked the Board to consider all options to minimize the increase. The larger concern was the significant increase in the sewer rate. Mark indicated that it was both the Sewer Authority and the Board of Supervisors desire to keep any increase to a minimum that both entities have nothing to gain and no intention of "making a profit". The whole idea is to break even. The Board of Supervisors and the Authority are exploring all options including sewer rate increases, tax increases, restructuring the debt, etc. However, in the long-run, the Authority needs to come up with sufficient funds to 1.) pay operating costs and 2.) pay for the debt service. If Colonial Crossings is not required to connect to the Authority's system, the only way to maintain the existing sewer rates is to sell those connections to another developer or by connecting other users to the system. Short of connecting additional customers, the Authority will have to raise sewer rates or the Township will have to raise taxes or we will need to do a combination of both.

Supervisors Crawford and Rebert presented Mark with a list of budget cuts that should be considered for review at the November 17, 2009 Board of Supervisors meeting.

II. **Old Business**

None at this time.

III. **New Business**

A. **Motion** by Crawford, second by Rebert to appoint Russell Fuhrman to the Sewer

- Authority to complete the term of James Crawford who resigned earlier in the year.
- B. **Motion** by Crawford, second by Rebert to approve the 2010 Animal Control Services contract with Hemler/ACS at a cost of \$1,275. A service charge of \$16 per hour and \$0.65 per mile will be charged for each call. Calls received between the hours of 6:00 PM and 6:00 AM in addition to calls received on Saturday, Sunday and holidays will be billed at the rate of \$24 per hour.
  - C. **Motion** by Crawford, second by Rebert to appoint Brian Buchanan to the Planning Commission, effective January 2010.
  - D. The Board discussed a proposal to do an Energy Audit/Operating Cost Savings Study. After review of the costs, potential savings and other implications of the study, the Board decided to not conduct the study.
  - E. **Motion** by Crawford, second by Rebert to do away with the Road Master position effective January 1, 2010.

**Motion** by Crawford, second by Rebert, to adjourn. All members voted aye; motion carried. The meeting adjourned at 6:25 p.m.

Respectfully submitted,

Mark Derr  
Township Secretary/Manager