



Administration Building
West Hearing Room
5334 S. Prince St.
Littleton, CO 80120
303-795-4630
Relay Colorado 711

Kathleen Conti, District 1
Nancy Sharpe, District 2
Jeff Baker, Chair, District 3
Nancy Jackson, Chair Pro Tem, District 4
Bill Holen, District 5

Study Session June 25, 2019

The Arapahoe County Board of County Commissioners typically holds weekly Study Sessions on Monday and Tuesday. Study Sessions (except for Executive Sessions) are open to the public and items for discussion are included on this agenda. Agendas (except for Executive Sessions agendas) are available through the Commissioners' Office or through the County's web site at www.arapahoegov.com. Please note that the Board may discuss any topic relevant to County business, whether or not the topic has been specifically noticed on this agenda. In particular, the Board typically schedules time each Monday under "Committee Updates" to discuss a wide range of topics. In addition, the Board may alter the times of the meetings throughout the day, or cancel or reschedule noticed meetings. Questions about this agenda? Contact the Commissioners' Office at 303-795-4630 or by e-mail at commissioners@arapahoegov.com

Study Session Topics

10:30 A.M. *Tri-County Health Department Board Of Health Members (WHR)
Discussion and update from Tri-County Health Department Board of Health Members

Request: Information/Direction

Jan Brainard, Board of Health, Tri-County Health Department

Documents:

[TCHD.PDF](#)

Break

1:00 P.M. *Oil And Gas Regulation Update (WHR)
Update from Public Works and Development Staff regarding the on-going work to revise the Energy Facilities portion of the Land Development Code, as well as information on the stakeholder process and related ongoing efforts

Request: Information/Direction

Diane Kocis, Energy Specialist, Public Works and Development
Jason Reynolds, Current Planning Manager, Public Works and Development
Jan Yeckes, Planning Division Manager, Public Works and Development

*Bryan Weimer, Director, Public Works and Development
Todd Weaver, Budget Manager, Finance
Robert Hill, Senior Assistant County Attorney*

Documents:

[JUNE 25 2019 OIL GAS STUDY SESSION BSR.PDF](#)

*** To Be Recorded As Required By Law**

WHR - West Hearing Room

Arapahoe County is committed to making its public meetings accessible to persons with disabilities.

Assisted listening devices are available. Ask any staff member and we will provide one for you.

*If you need special accommodations, contact the Commissioners' Office at 303-795-4630 or Relay
Colorado 711.*

Please contact our office at least 3 days in advance to make arrangements.

Jacquelyn Bayard

From: Jan Brainard <js2brainard@gmail.com>
Sent: Tuesday, June 18, 2019 3:57 PM
To: Jacquelyn Bayard
Subject: Subjects for the meeting with the BOCC

Hi Jacquelyn,

The subjects we would like to discuss with the BOCC on June 25th at 11:30 are:

1. Their perceptions of the new communication policy. Are they getting enough information? Too much? Too little?
2. Their perceptions on the possibility of JeffeCo wanting to join Tri-County and/or Douglas County dropping out, to form their own health department.
3. A permanent recycling center for Arapahoe County update
4. BOCC position on the substance Kratom

We also want to hear from the Commissioners about any of their public health concerns and any questions from them.

Thanks,

Jan



BOARD SUMMARY REPORT

Date: June 17, 2019

To: Board of County Commissioners **Through:**
Bryan Weimer, Department Director

Through: Jan Yeckes, Planning Division Manager

Through: Jason Reynolds, Current Planning Manager

From: Diane Kocis, Energy Specialist

Subject: **Oil & Gas Regulations Process Update Study Session**

Direction/Information

Public Works & Development Staff is seeking to update the BoCC regarding the on-going work to revise the Energy Facilities portion of the Land Development Code (Section 12-1900) and will provide information on the stakeholder process and related ongoing efforts.

Request and Recommendation

The purpose of this BSR is to update the BoCC concerning the process underway to draft changes in the Land Development Code to incorporate new oil and gas rules, in the wake of Senate Bill 19-181.

Staff has prepared a stakeholder approach to engage citizens, industry, industry organizations, State regulators, local governments, elected officials, special interest groups, emergency response providers, utilities, and pipeline operators in the process of drafting new oil and gas rules. Additionally, staff will be participating in a local government stakeholder meeting organized by Adams County on June 20, 2019. Staff has also requested that senior COGCC staff provide a presentation on noise and light mitigation in July. Preliminary discussion with COGCC on noise and light mitigation has already reshaped our approach to these two topics of concern.

Background

With the enactment of SB19-181, State preemption over oil and gas development was removed and local governments now have local land use authority to develop regulations to govern site approval for oil and gas wells and more authority to control how they are operated in order to mitigate off-site impacts.

Staff has received an increasing number of citizen and special interest group concerns in the past two to three years, due to the increase in multi-well pad applications. One operator plans to drill 22 wells on one pad and is planning a total of 72 wells on six pads within the next year and a half. Drilling and fracking timeframes have increased with more wells on pads, and an increase in initial traffic has been experienced due to recovery of greater volumes of fluids. These increases have created a more industrial type operation from initial stages of oil and gas operations in Arapahoe County. Visual impacts are also greater for multi-well pads, where some of the equipment is at the level of second-story windows and will remain for the life of the well, now anticipated to be over 20 years. It is also important to note that many pads are now proposed closer to homes than in prior years.

Staff has compiled Best Management Practices (BMPs) used in other jurisdictions to decrease the impacts from multi-well pads and pads close to residential uses. Based on these BMPs and Lessons Learned over the past seven years, staff has assembled a list of topics to address with new rules.

Accordingly, Staff prepared and presented an evaluation of various topics associated with oil and gas development at the May 21st, 2019, Study Session. Options were presented to the BoCC regarding siting and operational matters intended to decrease the impacts from oil and gas development near residential uses. The nine concerns staff has identified as key issues are categorized under the general headings of Quality of Life, Safety, and Process Improvement. Noise, lights, odor mitigation, and visual mitigation were identified under the Quality of Life category. Under the Safety category, staff has prioritized lightning mitigation and review and approval of Emergency Response Plans prior to drilling. Under the Process Improvement Category, staff has prioritized an increase in resident notifications, project schedules for all phases and incentivizing pipelines. Increasing setbacks is an item that falls into both the Quality of Life and the Safety categories.

Historically, Arapahoe County has taken a moderate approach to oil and gas development, which has caused some residents and interest groups to express safety and environmental concerns, as well as concerns related to quality of life. After the adoption of the Oil and Gas MOU six years ago, all but one oil and gas land development application was processed administratively. Staff will continue to process all oil and gas applications administratively, using the operator MOUs, until new rules are approved by the Board and subsequently adopted.

Links to Align Arapahoe

This matter links to the Align Arapahoe goal for Quality of Life for Arapahoe County citizens who will be impacted by neighboring large-scale oil and gas facilities and to the goal of Fiscal Responsibility for a balanced approach that will allow the industry to thrive, while also anticipating potential damage and subsequent repairs and improvements to County roads, based on review of operators' development plans.

Discussion

The siting of large-scale oil and gas facilities near residential areas will inevitably lead to land-use conflicts, traffic issues and impacts to the daily lives of our citizens. Our existing Oil & Gas MOU is currently our main way of regulating oil and gas development. Since the MOU template

was adopted in May of 2013, many other jurisdictions have successfully negotiated new oil and gas MOUs, Operator Agreements, and/or established land use regulations. Those more recent MOUs/regulations contain many conditions stricter than currently existing COGCC rules to address impacts from the new larger facilities that are closer to residences and have greater traffic, visual and noise impacts. Staff is proposing to amend the Land Development Code to incorporate many of the conditions specified by other jurisdictions in their MOUs rather than having an MOU. The use of an MOU appears outdated as the preemption concern is no longer an issue and Land Use Codes seem to be an appropriate way to regulate this particular land use, as is done with other land uses. Staff recommended the use of Land Use Code to address the issues as opposed to an MOU update, and the Board concurred at the May 21st Study Session. This approach will treat all operators the same and does not require an operator to execute an MOU.

The public outreach plan involves meetings and contact with various stakeholder groups listed above beginning in July and continuing through the public hearing(s) for adoption of an updated code. The first series of meetings with stakeholders will be used to understand stakeholder concerns that will enable staff to evaluate the input and develop alternative solutions from the varying perspectives. Staff will then evaluate the various alternative solutions against the general criteria of Public Impact, Alignment with State Rules, Best Management Practices, Consistency with Other Jurisdictions, and Industry Impact. These criteria will facilitate a balanced approach of mineral owner rights and surface owner rights, as well as provide a transparent evaluation of the various alternatives to address the nine (9) areas of concerns or other areas that are brought to the County's attention during the outreach process. Examining BMPs provided by subject matter experts and other jurisdictions will shape the drafting of new Oil and Gas rules. Staff will then compile a table of proposed regulations under consideration that includes BMPs, alignment with current COGCC rules, other jurisdictions' rules and the pros and cons of each. This table, to be presented at the next Oil and Gas Study Session in September 2019, will serve as a guide for the drafting of new updated Oil and Gas regulations. Once the code is drafted, it will be made available for review by the stakeholder groups and general public, all of which will be encouraged to comment prior to or at the public hearings. The draft revised Energy Facilities section of the Land Development Code will be presented to the Planning Commission and Board in late November and early December of this year.

Staff envisions a two-tiered approach will be established to implement the new updated regulations:

Tier 1: A base level of regulations would be included in the Land Development Code that must be adhered to by all operators within Unincorporated Arapahoe County.

Tier 2: Specific mitigation plans would be required that will include site-specific mitigations based on the unique land uses near each project area.

Alternatives

The Board of County Commissioners has the following alternatives regarding the next steps for this project:

1. Direct staff to gather stakeholder input, evaluate the stakeholder input, and return to the Board with a summary of stakeholder input, as well as recommended regulations.
2. Delay stakeholder input so more information can be gathered.

The second option would likely delay development of any draft regulations.

Fiscal Impact

Depending on the specific changes proposed, it is likely a minimal financial impact will occur for the County.

Concurrence

PWD Staff are in support of beginning the stakeholder outreach process. The County Attorney's Office has reviewed this BSR and the staff evaluation.

cc:

Jason Reynolds
Jan Yeckes
Chuck Haskins
Robert Hill
Bryan Weimer
Todd Weaver
John Christofferson
Ron Carl