



TOWN OF ERIE

645 Holbrook Street
Erie, CO 80516

Town Council

Board Meeting Date: 6/23/2020

File #: 20-363, **Version:** 1

SUBJECT: General Business

Title
An Ordinance of the Board of Trustees of the Town Of Erie extending the Temporary Moratorium on the acceptance, processing and approval of any applications under the Unified Development Code related to oil and gas exploration, extraction and related operations; until December 28, 2020 to adopt updated regulations as authorized under Senate Bill 19-181

Body

DEPARTMENT: Administration

PRESENTER: Farrell Buller, Deputy Town Administration, LDG

TIME ESTIMATE: 20 minutes

only required for non-consent items

STAFF RECOMMENDATION:

Recommendation

Approve the Ordinance

End

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

On July 18, 2018, the Board of Trustees adopted Ordinance 20-2018 which imposed a Temporary Moratorium on the acceptance, processing, and approval of any application under the Unified Development Code related to oil and gas exploration, extraction, and related operations. On January 22, 2019, the Board of Trustees adopted Ordinance 02-2019, extending the Temporary Moratorium through August 13, 2019. On June 25, 2019 the Board of Trustees adopted Ordinance 19-2019, extending the Temporary Moratorium through January 28, 2020, and then on December 10, 2019, the Board approved Ordinance 45-2019 extending the Temporary Moratorium through July 28, 2020 to evaluate all of the public input received, prepare additional amendments to provisions of the UDC pertaining to oil and gas development, and conduct public processes including public workshops and hearings by the Planning Commission and the Board of Trustees.

The Colorado Oil and Gas Conservation Commission (COGCC) initiated an extensive rulemaking procedure that will result in rules to protect public health, safety, wildlife and the environment. These rules will inform how local oil and gas regulations should be written to interface with the application of COGCC Rules. The COGCC and Town staff expected the COGCC to complete by this summer much of the anticipated rulemaking. However, the COVID-19 pandemic has delayed the COGCC's

consideration of significant rules that will affect oil and gas operations and local government's authority in this area.

Additionally, Town staff needs additional time to review and understand the COGCC Rules once they are adopted and to prepare additional revisions as necessary to the UDC requirements pertaining to oil and gas development. Further, the Board of Trustees appointed a new Planning Commission that needs additional time to study oil and gas development issues and regulations, the proposed revisions to the COGCC Rules, and comment on proposed UDC requirements for oil and gas development. During the time since the Town adopted and extended the Temporary Moratorium, the Town has investigated the regulatory practices of other municipal governments as they relate to oil and gas development, analyzed its regulatory authority under SB 19-181, analyzed revisions to AQCC regulations implementing SB 19-181, drafted proposed revisions to its oil and gas development regulations, conducted public work sessions and study sessions, received and processed public input, and participated in COGCC rulemaking procedures.

To complete its review of the COGCC Rules once they are adopted and to prepare revisions to the UDC requirements for oil and gas development on that basis, conduct additional workshops and solicit and process public comment, it is necessary for the Town to extend the temporary moratorium on the acceptance, processing or approval of any applications under the Town's Unified Development Code to allow oil and gas exploration, extraction or related operations within the Town or to enter into any operator agreement to allow oil and gas exploration, extraction and related operations within Town.

During the extension of the Temporary Moratorium, Town staff will continue working with the Town Attorney, the Town's special counsel, and outside consultants to:

- Participate in rulemakings and evaluate Rules adopted by the COGCC;
- Evaluate the results of additional air quality monitoring to be conducted by the COGCC;
- Inform the new Planning Commission regarding oil and gas development issues and the Town's progress to-date with revisions to the UDC requirements for oil and gas development;
- Continue working with neighboring jurisdictions on coordinating land use plans and powers;
- Consult with technical experts to ensure the Town's regulatory authority over oil and gas development is exercised effectively;
- Continue to refine the revisions to the oil and gas regulations and other provisions of the UDC related to oil and gas exploration, extraction and related operations based on public and expert input;
- Prepare forms and fee structures to implement amendments to the oil and gas regulations; and
- Conduct public hearings with the Planning Commission and Board of Trustees for adoption of amendments to the oil and gas regulations, zoning regulations and other provisions of the UDC pertaining to oil and gas exploration, extraction and related operations.

Town staff anticipate to complete this work so the Board of Trustees would be able to adopt applicable amendments to the oil and gas regulations, zoning regulations and other provisions of the UDC by the Board's October 27, 2020 meeting. If the Board adopts applicable amendments during that meeting, the amended provisions would not become effective until 30 days after publishing. Accordingly, it is necessary to extend the Town's Temporary Moratorium on the acceptance, processing and approval of any applications under the Unified Development Code related to oil and

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gas exploration, extraction and related operations until December 28, 2020 to adopt updated regulations as authorized under Senate Bill 19-181, enact and publish those updated regulations, and have the new regulations become effective.

ATTACHMENTS:

Ordinance