

ORDINANCE NO. 2013-248

AN ORDINANCE OF THE CITY OF DENTON, TEXAS, SETTING PLANNING AND DEVELOPMENT FEES AND ROAD DAMAGE REMEDIATION FEE CALCULATION FORMULA RELATING TO GAS WELL DRILLING AND PRODUCTION IN THE CITY OF DENTON AND ITS EXTRATERRITORIAL JURISDICTION; REPEALING SECTION 2 OF ORDINANCE 2011-100; AND SETTING AN EFFECTIVE DATE.

WHEREAS, pursuant to Ordinance No. 2011-100, the City Council of the City of Denton, Texas amended the Planning and Development Fee Schedule established by prior ordinances, by amending fees relating to gas well drilling and production within the city limits and extraterritorial jurisdiction; and

WHEREAS, since the adoption of Ordinance No. 2011-100, the City established the Gas Well Inspections Division to perform gas well permitting, annual inspection services and other services and overhead related to the City's oversight of gas well drilling and production activities; and

WHEREAS, on January 15, 2013, the City Council adopted comprehensive changes to the Gas Well Drilling and Production Ordinance, of which a particular change involves the addition of a new permitting activity, specifically the Erosion Control and Sedimentation Plan Review, and a resulting post-permit Erosion Control and Sedimentation Plan Annual Inspection as required by this Ordinance; and

WHEREAS, given these changes, the City undertook a comprehensive review and analysis of the fees, standards and procedures associated with gas well drilling and production to determine that whether the fees, both existing and newly proposed, resulting from the January 15, 2013 Gas Well Drilling and Production Ordinance, are reasonable; and

WHEREAS, as part of the Gas Well Drilling and Production Ordinance, gas well drilling operators are required to enter into a Road Damage Remediation Agreement to cover the cost to repair damages to the City's roadways caused by the heavy truck traffic associated with the operators' gas well drilling activities; and

WHEREAS, the road damage data and formula used to determine the appropriate Road Damage Remediation Fee also underwent a comprehensive review this year to determine the current reasonable cost to repair the City's roadways resulting from the heavy truck traffic associated with typical gas well drilling operations; and

WHEREAS, based on the gas well permitting and inspection fees and road damage remediation fee comprehensive reviews, the City Council finds that the fees relating to gas well drilling and production, and the road damage data and formula associated with the Road Damage Remediation Agreement requirement, as set forth herein, are reasonable, and do not exceed the reasonable cost to the City in providing the scheduled services, and are in the public interest; **NOW, THEREFORE,**

THE COUNCIL OF THE CITY OF DENTON HEREBY ORDAINS:

SECTION 1. The findings and recitations contained in the preamble of this ordinance are incorporated herein by reference and found to be true.

SECTION 2. The Planning and Development Fee Schedule for gas well production is adopted, as set forth in the table below:

Activity	Fee
The following fees shall be charged for the first two (2) reviews	
Gas Well SUP Review (includes Engineering Fee)	\$12,840
Gas Well Development Site Plan	\$7,575
Additional Engineering Fee	\$390
Additional Fee for Full Landscape Plan Review (includes initial and one follow-up inspection)	\$350
Additional Fee for Second Follow-Up inspection (third site visit) for Full Landscape Plan Review	\$265
Additional Fee for Full Tree Mitigation Review (includes initial and one follow-up inspection)	\$240
Additional Fee for Second Follow-Up inspection (third site visit) for Full Tree Mitigation Review	\$165
Additional Fee for Erosion and Sediment Control Plan Review (includes initial and one follow-up inspection), which fee is included as part of the Initial Gas Well Inspections category below	\$285
Additional Fee for Second Follow-Up inspection (third site visit) for Erosion and Sediment Control Plan Review	\$130
Initial Gas Well Inspections (includes Erosion and Sediment Control Plan Review, and initial and one follow-up inspection) upon issuance of a Gas Well Permit	\$1,620
Gas Well Development Plat Review	\$5,215
Additional Engineering Fee	\$390
Gas Well Site Plan/Plat Amendment	\$7,575/\$5,215
Additional Engineering Fee	\$390
The same fees listed under the Gas Well Development Site Plan category above shall be charged, if applicable	
The following fees shall be charged annually, per gas well	
Annual Inspection and Administration Fee (within City) (covers two annual inspections)	\$1,055
Additional Fee for each follow-up inspection beyond the two annual inspections	\$485
Annual Inspection and Administration Fee (within ETJ) (covers two annual inspections)	\$395
Additional Fee for each follow-up inspection beyond the two annual inspections	\$35
Annual Erosion and Sediment Control Inspection (covers initial and one follow-up inspection)	\$285
Additional Fee for each inspection beyond the initial and one follow-up Annual Erosion and Sediment Control Inspection	\$130
The following fees shall be charged per each application	

Transfer of Operation	\$315
Watershed Protection Permit	\$195
Gas Well Permit	\$500

SECTION 3. The Road Damage Remediation Fee Calculation Formula, which appears and is based on the road damage remediation calculations set forth in Exhibit "A", for gas well drilling and production is adopted.

SECTION 4. Section 2 of Ordinance 2011-100 is hereby superseded and repealed.

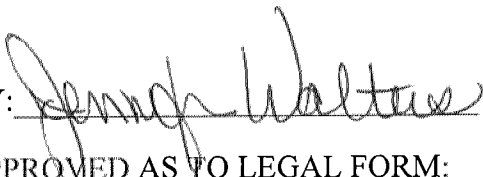
SECTION 5. This ordinance shall become effective at 12:01 a.m., September 18, 2013.

PASSED AND APPROVED this, the 17th day of September, 2013.

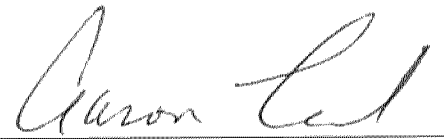


MARK A. BURROUGHS, MAYOR

ATTEST:
JENNIFER WALTERS, CITY SECRETARY

BY: 

APPROVED AS TO LEGAL FORM:
ANITA BURGESS, CITY ATTORNEY

BY: 

**EXHIBIT A
ROAD DAMAGE REMEDIATION CALCULATION**

Road Type	Construction Cost/Lane Mile 2013	Initial Drilling and Fracturing - Piped Water				New Pad		Existing Pad	
		AASHTO Design Life (ESAL)	Consumptive Use (ESAL)	Consumptive Use (%)	Assessment Per Lane Mile	Road Damage Percentage	Assessment Per Lane Mile		
I	\$67,500	1,000	719.82	71.982%	\$48,588	55.097%	\$37,190		
II	\$128,503	13,000	719.82	5.537%	\$7,115	4.238%	\$5,446		
III	\$150,920	250,000	719.82	0.288%	\$435	0.220%	\$332		
IV	\$275,000	1,600,000	719.82	0.045%	\$124	0.034%	\$94		
Initial Drilling and Fracturing - Hauled Water									
Road Type	Construction Cost/Lane Mile 2013	AASHTO Design Life (ESAL)	Consumptive Use (ESAL)	Consumptive Use (%)	Assessment Per Lane Mile	Road Damage Percentage	Assessment Per Lane Mile		
I	\$67,500	1,000	1567.52	156.752%	\$105,808	139.867%	\$94,410		
II	\$128,503	13,000	1567.52	12.058%	\$15,495	10.759%	\$13,826		
III	\$150,920	250,000	1567.52	0.627%	\$946	0.559%	\$844		
IV	\$275,000	1,600,000	1567.52	0.098%	\$270	0.087%	\$239		
Fracturing - Piped Water									
Road Type	Construction Cost/Lane Mile 2013	AASHTO Design Life (ESAL)	Consumptive Use (ESAL)	Consumptive Use (%)	Assessment Per Lane Mile	Road Damage Percentage	Assessment Per Lane Mile		
I	\$67,500	1,000	315.57	31.557%	\$21,301	14.672%	\$9,904		
II	\$128,503	13,000	315.57	2.247%	\$2,887	1.129%	\$1,451		
III	\$150,920	250,000	315.57	0.126%	\$190	0.059%	\$89		
IV	\$275,000	1,600,000	315.57	0.073%	\$201	0.009%	\$25		
Fracturing - Hauled Water									
Road Type	Construction Cost/Lane Mile 2013	AASHTO Design Life (ESAL)	Consumptive Use (ESAL)	Consumptive Use (%)	Assessment Per Lane Mile	Road Damage Percentage	Assessment Per Lane Mile		
I	\$67,500	1,000	1163.27	116.327%	\$78,521	99.442%	\$67,123		
II	\$128,503	13,000	1163.27	8.948%	\$11,498	7.649%	\$9,829		
III	\$150,920	250,000	1163.27	0.465%	\$702	0.398%	\$601		
IV	\$275,000	1,600,000	1163.27	0.073%	\$201	0.062%	\$171		
Fee Calculation Formula									
Road Type	Access Lane Miles Per Plat	Assessment Per Lane Mile	Assessment Per Road Type						
I									
II	x								
III	x								
IV	x								
			Total Assessment (see Note #5)	\$7,500					

NOTES:

1. Road Type I is six inch (6") flex base with chip seal;
2. Road Type II is six inch (6") flex base with chip seal and a two inch (2") asphalt overlay;
3. Road Type III is six inch (6") treated subgrade with six inches (6") of asphalt;
4. Road Type IV is six inch (6") treated subgrade with eight inches (8") of asphalt;
5. Minimum charge for Road Damage Remediation is \$7,500 per well;
6. Maximum charge for Road Damage Remediation is up to the maximum Assessment Per Lane Mile per well as shown above.