

ACTION FORM BRYAN CITY COUNCIL

DATE OF COUNCIL MEETING: January 14, 2014		DATE SUBMITTED: January 6, 2014	
DEPARTMENT OF ORIGIN: Water Services		SUBMITTED BY: J. Barfknecht	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:	STRATEGIC INITIATIVE:
<input type="checkbox"/> BCD	<input type="checkbox"/> PUBLIC HEARING	<input type="checkbox"/> 1ST READING	<input type="checkbox"/> PUBLIC SAFETY
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> CONSENT	<input checked="" type="checkbox"/> 2ND READING	<input type="checkbox"/> SERVICE
<input checked="" type="checkbox"/> REGULAR	<input checked="" type="checkbox"/> STATUTORY		<input checked="" type="checkbox"/> ECONOMIC DEVELOP.
<input type="checkbox"/> WORKSHOP	<input type="checkbox"/> REGULAR		<input checked="" type="checkbox"/> INFRASTRUCTURE
			<input checked="" type="checkbox"/> QUALITY OF LIFE
AGENDA ITEM DESCRIPTION: Consider adoption of a new article "Leases of Oil, Gas and Mineral Interests Owned by the City" under Chapter 78 "Natural Resources" of the City of Bryan Code of Ordinances, authorizing the City Manager to execute on behalf of the City of Bryan leases of oil, gas and mineral interests owned by the City.			
SUMMARY STATEMENT: Water Services respectfully requests City Council to authorize adoption of a new article "Leases of Oil, Gas and Mineral Interests Owned by the City" to Chapter 78 "Natural Resources" of the City of Bryan Code of Ordinances, authorizing the City Manager to execute leases of oil, gas and mineral interests owned by the City on behalf of the City of Bryan. Approval of this action establishes legal authority allowing assignment of City-owned interests by the City Manager.			
Adoption of a resolution establishing the criteria and standard terms to be used by the City Manager concerning assignment of oil, gas and mineral interests owned by the City is presented in a separate action form for consideration at the January 14, 2014, City Council meeting. This action form focuses solely on approval of a new article to the City of Bryan Code of Ordinances to establish legal authority.			
STAFF ANALYSIS AND RECOMMENDATION: Water Services respectfully requests City Council to authorize adoption of a new article "Lease of Oil, Gas and Mineral Interests Owned by the City" to Section 78 "Natural Resources" of the City of Bryan Code of Ordinances. Approval of the proposed ordinance yields efficiency by granting the City Manager authorization to execute leases of oil, gas, and mineral interests owned by the City.			
OPTIONS (In Suggested Order of Staff Preference):			
1) Approve recommended ordinance.			
2) Approve the ordinance with modifications, which may require consideration at a future City Council meeting.			
3) Do not approve ordinance changes and provide direction.			
ATTACHMENTS: Proposed Section 78 "Natural Resources" of the Bryan Code of Ordinances			
FUNDING SOURCE: N/A			
APPROVALS: J. Barfknecht 1/06/14; Hugh R. Walker, 01/06/2014			
APPROVED FOR SUBMITTAL: Kean Register, 01-06-2013			
APPROVED FOR SUBMITTAL: Janis K. Hampton, 01-06-2013			

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF BRYAN, TEXAS, AMENDING CHAPTER 78, NATURAL RESOURCES, OF THE CITY OF BRYAN CODE OF ORDINANCES, BY ADDING ARTICLE III “LEASES OF OIL, GAS, AND MINERAL INTERESTS OWNED BY THE CITY”, DIVISION 1, “IN GENERAL”, SECTION 78-56, “AUTHORITY OF CITY MANAGER”; AUTHORIZING THE CITY MANAGER TO EXECUTE LEASES OF OIL, GAS, AND MINERAL INTERESTS OWNED BY THE CITY THAT MEET THE CRITERIA, STANDARD TERMS AND ARE ON THE APPROVED FORM ADOPTED BY RESOLUTION OF THE BRYAN CITY COUNCIL; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; FINDING AND DETERMINING THAT THE MEETINGS AT WHICH THE ORDINANCE IS PASSED ARE OPEN TO THE PUBLIC AS REQUIRED BY LAW; PROVIDING FOR CODIFICATION; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Section 253.005 of the Texas Local Government Code authorizes the lease of oil, gas and mineral interests owned by the City on terms approved by the City Council; and

WHEREAS, a lease of oil, gas and mineral interests pursuant to the authority provided by Section 253.005 of the Texas Local Government Code is not a “sale” of City land and is, thus, not subject to the requirements of Section 253.001 of the Texas Local Government Code, Section 272.001 of the Texas Local Government Code or other law governing the sale of municipal land; and,

WHEREAS, the City Council finds that lease of the mineral rights described herein are for the benefit of the City; and

WHEREAS, the City Council determines it to be most efficient for the council to establish by resolution certain criteria and standard terms of leases of oil, gas and mineral interests, which may be executed by the City Manager.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BRYAN, TEXAS, THAT:

1.

That the findings set forth in the preamble to this ordinance are hereby in all things approved and adopted.

2.

That Chapter 78 “Natural Resources”; Article I “Oil and Gas Wells”; Division 6 “penalty” is amended to add the following “Sec. 78-47 – 78-49 Reserved.”

3.

That Chapter 78 “Natural Resources” is amended to add Article II Sec. 78-50 – 55 Reserved.

4.

That Chapter 78, “Natural Resources”, is hereby amended by adding Article III, Mineral Leases, Division 1, “In General” to read as follows:

Article III, Leases of Oil, Gas, and Mineral Interests Owned by the City.

Division 1. – In General.

Section. 78-56. Authority of the City Manager.

The City Manager is authorized to execute on behalf of the City of Bryan leases of oil, gas, and mineral interests owned by the City that meet the criteria, standard terms, and are on the lease agreement form approved and adopted by resolution of the Bryan City Council, without further City Council action. The City Manager is authorized to execute such other ancillary documents as may be necessary or convenient for the execution of said lease agreement, provided, however, that said other documents are in a form approved by the City Attorney or the City Attorney's designee.

5.

That all ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict.

6.

The Code of the City of Bryan, Texas, as amended, shall remain in full force and effect, save and except as amended by this Ordinance.

7.

Should any section, paragraph, sentence, clause, phrase or word of this ordinance be declared unconstitutional or invalid for any purpose by a court of competent jurisdiction, the remainder of this ordinance shall not be affected thereby and to this end the provisions of this Ordinance are declared to be severable.

8.

It is hereby found and determined that the meetings at which this ordinance was passed were open to the public, as required by Section 551.001 et seq., Texas Government Code, and that advance public notice of time, place and purpose of said meetings was given.

9.

It is the intention of the City Council that this Ordinance shall become a part of the Code of the City of Bryan, Texas, and it may be renumbered and codified therein accordingly.

10.

This ordinance shall take effect immediately upon its second and final reading and passage.

PRESENTED AND GIVEN first reading the 14th day of January, 2014, at a regular meeting of the City Council of the City of Bryan, Texas; and given a second reading, passed and approved on the 28th day of January, 2014, by a vote of ____ yeses and ____ noes at a regular meeting of the City Council of the City of Bryan, Texas.

ATTEST:

CITY OF BRYAN:

Mary Lynne Stratta, City Secretary

Jason P. Bienski, Mayor

APPROVED AS TO FORM:

Janis K. Hampton, City Attorney