

ACTION FORM BRYAN CITY COUNCIL

DATE OF COUNCIL MEETING: February 11, 2014		DATE SUBMITTED: January 29, 2014	
DEPARTMENT OF ORIGIN: Water Services		SUBMITTED BY: Jayson E. Barfknecht	
MEETING TYPE:	CLASSIFICATION:	ORDINANCE:	STRATEGIC INITIATIVE:
<input type="checkbox"/> BCD	<input type="checkbox"/> PUBLIC HEARING	<input checked="" type="checkbox"/> 1ST READING	<input checked="" type="checkbox"/> PUBLIC SAFETY
<input type="checkbox"/> SPECIAL	<input type="checkbox"/> CONSENT	<input type="checkbox"/> 2ND READING	<input checked="" 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 approving a rate resolution repealing and replacing Resolution No. 3306 and establishing fees to be charged for permits issued by the City of Bryan pursuant to oil and gas operations and seismic testing performed within the City of Bryan to become effective on or after February 11, 2014.			
SUMMARY STATEMENT: Water Services is requesting City Council to approve the proposed rate resolution establishing fees to be charged for permits issued for oil and gas operations and seismic testing performed within the City of Bryan. The current rate Resolution No. 3306 establishing fees for applications and permits pursuant to oil and gas operations was approved by Council on August 24, 2010. These fees focused on activities related to Oil and Gas production wells and inspection. The proposed rate resolution adds fees for the testing related to Seismic mapping operations.			
Two changes to Resolution No. 3306 are proposed:			
<ol style="list-style-type: none"> 1. Replace the term "Exploration Permit" and its associated fee to "Seismic Test Permit" with a listed rate of \$6,000.00 per permit. 2. Establish a fee of \$1.00 per test point when performing seismic testing. 			
Both of these proposed changes are listed under item "I" of the proposed rate resolution document.			
STAFF ANALYSIS AND RECOMMENDATION: Staff recommends City Council approve the proposed rate changes to Resolution No. 3306. Staff surveyed the following Texas cities when developing the proposed fee for Seismic operations: Arlington, Midland, Southlake, and North Richland Hills. The recommended fee structure is based on the combination of (1) a permit fee and (2) price per source point. Staff believes this approach best captures anticipated expense associated with permit issuance and management. Approval of the proposed changes coincide with proposed ordinance changes to Chapter 78 "Natural Resources" of the City of Bryan Code of Ordinances presented in a separate Council Action Form (CAF).			
OPTIONS (In Suggested Order of Staff Preference):			
<ol style="list-style-type: none"> 1. Approve the resolution change. 2. Modify and then considering approving the proposed resolution change, which may require consideration at a future City Council meeting. 3. Do not approve the resolution change and provide direction. 			
ATTACHMENTS: Rate Resolution			
FUNDING SOURCE: N/A			

APPROVALS: Jayson E. Barfknecht 01/29/14; Hugh R. Walker, 01/29/2014

APPROVED FOR SUBMITTAL: CITY MANAGER Kean Register, 01-29-2014

APPROVED FOR SUBMITTAL: CITY ATTORNEY Janis K. Hampton,02-03-2014

Revised 04/2013

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRYAN, TEXAS, REPEALING AND REPLACING RESOLUTION NO. 3306; ESTABLISHING THE FEES TO BE CHARGED AND COLLECTED FOR APPLICATIONS AND PERMITS ISSUED BY THE CITY OF BRYAN PURSUANT TO OIL OPERATIONS; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BRYAN, TEXAS THAT:

1.

The fees to be charged and collected pursuant to the Ordinance shall be as follows:

A.	Drilling Permit (Production Wells)	\$6,000.00
B.	Operator Transfer Permit	\$1,000.00
C.	Non-Potable Water Supply Well Permit	\$2,500.00
D.	Annual Inspection Fee	\$1,000.00
E.	Reinspection Fee	\$375.00
F.	Re-drilling Permit	\$2,500.00
G.	Re-working Permit	\$2,500.00
H.	Conversion of Well Permit	\$1,250.00
I.	Seismic Test Permit	\$6,000 + \$1.00 per source point
J.	Activation of Well Permit	\$1,250.00
K.	Appeal Fee	\$250.00

2.

That the fees shall be nonrefundable.

3.

This resolution shall be effective immediately upon its adoption.

APPROVED AND AOPTED at a regular meeting of the City Council of the City of Bryan, Texas, on this ____ day of _____, 2014.

ATTEST:

CITY OF BRYAN

Mary Lynne Stratta, City Secretary

Jason P. Bienski, Mayor

APPROVED AS TO FORM:

Janis k. Hampton, City Attorney