

City Council
October 6, 2010 Work Session



Phase I
Gas Drilling Program Report

Quicksilver
Lake Arlington Drill Site

Presentation Agenda

- Council Direction
- Implementation actions

Outline of Issues

1. Process
 - Notifications
 - Setback reductions and timing
 - Two-step approval approach
 - SUP time frame

Outline of Issues

2. Site Issues

- Access drives
- Landscaping and fencing
- Platting

Outline of Issues

3. Operational Issues

- Bonding
- Flowback
- Air Quality
- Road Damage

Council Direction

- **Notifications**
 - 600-foot notice distance for both stages
 - Notify property management companies of upcoming cases

Implementation

- No ordinance change needed
- Policy update to increase notice distance
- Create notice list of management companies and distribute the notices to them when PONs are mailed

Council Direction

- **Setback reductions and timing**
 - 70 percent support required for simple majority vote
 - Setback reductions processed during zoning stage – from drilling zone area

Implementation

- Ordinance change required

Council Direction

- **Two-step approval approach**
 - Zoning cases and first well are scheduled for public hearing with City Council
 - Additional wells administratively approved

Implementation

- Ordinance change required for administrative approval

Council Direction

- **SUP time frame**
 - 5-year time limit for new wells

Implementation Procedures

- Ordinance changes required

Council Direction

➤ **Access Drives**

- Require paved surfaces
- Chip seal as a minimum requirement

Implementation

- Ordinance change required to define access road materials

Council Direction

➤ **Landscaping and fencing**

- Install landscaping at start of drilling activities
- Implement tiers to identify landscape and fence plans according to site location

Implementation

- Ordinance change required for timing and tiers

Council Direction

➤ **Platting**

- Gas well development plat required

Implementation

- No ordinance amendment necessary

Council Direction

➤ Bonding

- Blanket bonding requirements imposed per each drill site
- Use bond as an incentive to locate more wells on existing drill sites (graduated bonding scale amounts)

Implementation Procedures

- Ordinance update required to define bonding amounts

Council Direction

➤ Flowback

- Allow activity 24/7
- Restrict truck traffic during nighttime hours
- Require notifications prior to activity

Implementation

- Ordinance update required to incorporate allowance and add stipulations

Council Direction

➤ Air Quality

- Tests to establish baseline air quality
- Follow-up test approximately 1 month after production

Implementation

- Ordinance changes required to address air testing

Council Direction

➤ Road Damage

- Update formula to include increases in construction costs and street classifications that are specific to Arlington

Implementation Procedures

- Ordinance change not required
- Revise study and adopt a new resolution to allow collection of the updated fees

QUESTIONS?
