

Ordinance 2213: Amendment to Establish an Oil and Gas Impact Fee

Sec. 21-9260 is added to establish an Oil and Gas Impact Fee, as follows.

Sec. 21-9260. Oil and Gas Impact Fee

- (1) **Applicability.** An Oil and Gas Impact Fee, as required by this code, shall be assessed on oil and gas Well Sites requiring an Oil and Gas Permit within the jurisdictional boundaries of the City of Commerce City, as may be amended from time to time. The Oil and Gas Impact Fee is limited to defray the projected impacts caused by oil and gas traffic to certain of the City's capital facilities, specifically, the road system inclusive of roadways and bridges.
- (2) **Schedule.** The Oil and Gas Impact Fee is comprised of the two parts. Part one is the fee per pad and part two is the fee per well. The per pad fee is a fixed amount applicable to all Well Sites. The per well fee is based on the maximum number of wells that may be drilled at the Well Site according to an approved Oil and Gas Permit. The Oil and Gas Development Impact Fee shall be imposed according to the following schedule:

Completed Pipelines Servicing Pad (presence indicated by "X")			Impact Fee
Fresh Water Pipeline	Produced Water Pipeline	Product Pipeline	Total
Per Pad Fee			
\$ 996			
Per Well Fee			
-	-	-	\$ 21,172
X	-	-	\$ 20,260
-	-	X	\$ 13,853
-	X	-	\$ 13,217
X	-	X	\$ 12,703
X	X	-	\$ 12,067
-	X	X	\$ 3,295
X	X	X	\$ 2,145

- (3) **Method of Satisfaction.** The Oil and Gas Development Impact Fee shall be payable directly to the City. No alternative means exists to satisfy this obligation except as set forth herein.
- (4) **Collection.** The Oil and Gas Development Impact Fee shall be paid to the City following approval of an Oil and Gas Permit but as a condition precedent to the actual issuance of said permit.

- (5) **Limitation.** Where the applicant for an Oil and Gas Permit is also required to pay the Road Impact Fee pursuant to Sec. 21-9220, then only to the extent the Road Impact Fee defrays the impacts to the same capital facilities as those addressed by this section as determined by the Director, may the Applicant be excused only from the duplicative portion of the Road Impact Fee.
- (6) **Alternative Fee to Oil and Gas Impact Fee.** An Applicant for an Oil and Gas Permit may file an objection to the Oil and Gas Impact Fee only at the time of application submission. Concurrent with the filing of the objection, the Applicant must submit an alternative impact fee analysis. If the alternative impact fee analysis, at the discretion of the Director of Community Development, establishes by clear and convincing evidence that: (a) it is more reasonable than the study underlying this section; (b) it is no less rigorous than that used to establish the fees set forth herein; (c) the fees established herein will substantially impact the viability of the Applicant's development; (d) the fee established herein will have a disproportionate impact on the Applicant's development in relation to other applicants; and (e) the alternative fee analysis study meets all state and city statutory requirements for impact fees, then the Director may adopt the alternative fee set forth by the Applicant which will be applicable only to the application at issue.