

**Commissioners' Meeting
September 27, 2016**

Meeting was called to order by Chairman Ray Garcia followed by the Pledge of Allegiance.

Commissioners Gerald Cisneros, Ray Garcia and Max Vezzani were present.

A motion was made by Commissioner Cisneros and seconded by Commissioner Vezzani to approve the minutes of September 20, 2016. Motion passed by unanimous vote.

A motion was made by Commissioner Cisneros and seconded by Commissioner Vezzani to adopt RESOLUTION #16-102, A RESOLUTION RECOGNIZING DIANE J. GARLAND AND PROCLAIMING OCTOBER 2, 2016, AS DIANE J. GARLAND DAY IN HUERFANO COUNTY, COLORADO for her accomplishment and service in the United States Air Force. Motion passed by unanimous vote.

10:07 A.M. Public Comment-none

Public Works Director Melanie Bounds and the Board reviewed action items.

A motion was made by Commissioner Vezzani and seconded by Commissioner Cisneros to amend Public Meeting Notice Agenda, September 27, 2016, as follows: 10:35 A.M. appointment with Thomas Macleod for Conditional Use Application #16-22 rescheduled for next week meeting as per Mr. Macleod's request; 1:30 P.M. Economic Development Work Shop change to 1:00 P.M. Motion passed by unanimous vote.

A motion was made by Commissioner Vezzani and seconded by Commissioner Cisneros to allow Chairman Garcia to sign 2016 Emergency Management Performance Grant award documents between Huerfano County and Colorado

Division of Homeland Security & Emergency Management. Motion passed by unanimous vote.

A motion was made by Commissioner Vezzani and seconded by Commissioner Cisneros to waive rental fees for Event #16-36, at the Huerfano County Community Center on behalf of Sangre de Cristo Volunteers for Community on December 9-10, 2016 for annual VFC Holiday Gift Wrapping for Kids project. Motion passed by unanimous vote.

A motion was made by Commissioner Vezzani and seconded by Commissioner Cisneros to waive rental fees for Event #16-35, at the Huerfano County Community Center on behalf of the Spanish Peaks Catholic Community for the 10th Annual Fall Fundraiser on October 23, 2016. Motion passed by unanimous vote.

A motion was made by Commissioner Vezzani and seconded by Commissioner Cisneros allow Chairman Garcia to sign Fiscal Year 2017 Grant Rules and Application for the Underfunded Courthouse Facility. Motion passed by unanimous vote.

10:20 A.M. Mary Jean Fowler representing the La Veta Library District presented the Board with information regarding the La Veta Regional Library Mill Levy Increase Ballot Initiative on the November 8, 2016, General Election Ballot.

Public Works Director Melanie Bounds and the Board reviewed correspondence.

A motion was made by Commissioner Cisneros and seconded by Commissioner Vezzani to accept Transparency Notice on behalf of the Huerfano County Hospital District-Spanish Peaks Regional Health Center. Motion passed by unanimous vote.

A motion was made by Commissioner Vezzani and seconded by Commissioner Cisneros to allow County Administrator to draft a Letter of Support on behalf of

Jeffer Wingate, OHV Program Manager for the United States Forest Service, San Carlos Ranger District, for the OHV Trails Grant 2017 for All Terrain Vehicles on County public lands. Motion passed by unanimous vote.

A motion was made by Commissioner Vezzani and seconded by Commissioner Cisneros to direct County Administrator John Galusha to compose a formal response to City of Walsenburg regarding law enforcement in Huerfano County. Motion passed by unanimous vote.

10:33 A.M. Chairman Garcia called for a recess until 10:50 A.M.

10:50 A.M. Chairman Garcia called meeting back to order.

10:50 A.M. Lee S. Vang with Mile High Rose, LLC met with the Board regarding Conditional Use Application #16-022.

A motion was made by Commissioner Vezzani and seconded by Commissioner Cisneros to approve Conditional Use Application #16-022, on behalf of Mile High Rose, LLC with the following conditions from the Huerfano County Planning Commission, Staff and County Commissioners:

- 1. Applicant must magnesium chloride County Road 599 to the property's westerly boundary on an annual basis or chip seal the County Road to the property's westerly boundary every seven (7) years or pave the County Road to meet Huerfano County's County Road standards.**
- 2. Provide Staff with a trip Generation Study to include the type of vehicles utilizing County Road 599. Trip Study shall be completed with the utilization of the ITE Trip Generation Manual, 9th Edition.**
- 3. Application and all other forms must be amended to conform to the Site Plan which identifies five (5) 35' X 150' greenhouses for a total width of 175 linear feet.**
- 4. A warranty Deed for the subject property is submitted to Staff.**
- 5. Release of liability shall be notarized and resubmitted to Staff.**

6. **Proof of insurance shall be provided to Staff. Insurance policy shall contain language required by County Land Use Regulations, Section 18.03.06.**
7. **Setbacks on the Site Plan shall be measured from property line and not the boundary of the grow area due to phasing.**
8. **Accessible parking area shall be hard surfaced.**
9. **Attached garage must be sprinkled.**
10. **Construction of the facility must begin within six (6) months from the date of approval**
11. **Facility must be operational within one (1) year from the date of approval.**
12. **A staff review must be completed after one (1) year from the date of approval.**
13. **A County Road Access Permit shall be submitted to the Huerfano County Public Works Director.**
14. **Applicant must provide the Walsenburg Fire Department and the Huerfano County Land Use Staff with a Material Safety Sheet prior to the issuance of a Certificate of Occupancy.**
15. **Conditions 2, 4, 5, 6, 7 and 13 shall be submitted to staff prior to the issuance of building permits.**
16. **Conditional Use Permit will expire upon expiration or revocation of the Water and Sewer Agreement with the City of Walsenburg.**
17. **Conditional Use Permit is non-transferrable.**
18. **County Land Use Staff and County Sheriff's Office may inspect property, without notice, at any time during normal business hours.**

Motion passed by unanimous vote.

11:01 A.M. Michael Cox and Sammy Jones, Spanish Peaks Land and Development, LLC met with the Board regarding Conditional Use Application #16-018.

A motion was made by Commissioner Vezzani and seconded by Commissioner Cisneros to approve Conditional Use Application #16-018, on behalf of Spanish

Peaks Land Development, LLC with the following conditions from the Huerfano County Planning Commission and Staff:

- 1. Access to the property is through County Road 342.**
- 2. A dust mitigation plan shall be submitted to the Land Use Office Staff prior to ground disturbance.**
- 3. Any land disturbance would be an impact that needs to be expanded upon, also includes roadways.**
- 4. Absent a contrary decision in the future by the Board of County Commissioners during a subdivision application hearing that the rezoning to a commercial service district be limited to twenty (20) parcels with the forty-two (42) acre tract.**

Motion passed by unanimous vote.

11:18 A.M. Conrad Archer, Fortuna Oil & Gas, LLC met with the Board regarding Conditional Use Permit #16-015.

A motion was made by Commissioner Vezzani and seconded by Commissioner Cisneros to approve Conditional Use Permit #16-015, with the following conditions from Huerfano County Planning Commission, Staff and County Commissioners:

- Property owners shall identify water wells to be tested within two (2) miles of the well pad, both before and after drilling operations. Certified letters requesting the identification of wells shall be sent by Applicant. Acceptable water samples shall be obtained no less than (3) weeks prior to the commencement of drilling in cooperation with the property owners.
- Permit expires when exploration is complete. A new application for production phase will be required.
- Source of water and amount necessary shall be provided to the County prior to the commencement of drilling operations.
- Supply a copy of the mineral lease between Operator and State of Colorado Land Board prior to the start of drilling.

- Applicant must provide prove of approval from the holder of the Conservation Easement, Colorado Cattlemen's Association prior to the commencement of drilling.
- Berm must utilize a HEC-2 measurement for a height on the berm. Must be completed prior to the commencement of drilling.
- All cuttings and produced water shall be disposed of using an approved site located outside of Huerfano County. No cutting pits, trenches or piles to be located on drill site. Huerfano County must be notified of the name and location of the approved disposal site prior to the commencement of drilling operations.
- No produced water shall be disposed of in Huerfano County.
- Local Office of the NRCS shall approve the re-vegetation and noxious weed plan prior to the commencement of construction.
- All rigs shall be cleaned and washed prior to entering the County. County Staff must inspect all rigs prior to entering any County Roads.
- Drilling site must be inspected by the Local Office of the NRCS prior to any construction activity for noxious weeds.
- \$135,000 Security Bond shall be provided to the Public Works Director prior to the commencement of well construction activities. Bond will be held until such time road conditions are met and work inspected and approved by County staff.
 - 1).** – The operator shall employ a contractor responsible for road maintenance on County Road 310 before the well construction begins. This will include grading/shaping the road and the placement of Magnesium Chloride on approximately six (6) miles of County Road 310.
 - 2).** – The operator is responsible for working with their contractor to keep the road in a condition conducive to vehicular travel. County verified complaints regarding the road (washboards, etc.) will be addressed by the contractor within 24 hours of a complaint being received. For road conditions deemed serious, the contractor shall respond to immediately.
 - 3).** – The operator upon well completion shall employ a contractor to grade/shape approximately eight (8) miles of County Road 310. Once the

work is accepted by County staff, the operator shall employ a contractor (preferably a local contractor) to place Class 6 road base on approximately eight (8) miles of County Road 310 at a depth of 6" per County Road Standards. Once gravel is placed the contractor or their designee shall apply magnesium chloride as approved by County representative. This work shall be completed within six (6) months of well completion or the Security Bond will be forfeited in its entirety.

4). – A County Road Access Permit will be required.

5). – If the well proves to be a producing well an additional road maintenance plan to include road improvements should be anticipated.

- \$5,000 Security Bond shall be provided for noxious weed mitigation, bond to be held until all noxious weeds are ratified, a bond shall be submitted to County Staff prior to the commencement of construction activities.
- All lighting must comply with the Huerfano County Dark Sky Regulations.
- All trash must be stored in bear proof containers.

Currently, the Emergency Response Plan outlines Combustible Gas Release (propane tank) and Hydrocarbon Vapor Cloud Release (propane tank); it is staff's recommendation for an inclusion as listed below:

1). - Make an inclusion into the Emergency Action Plan for a Methane Gas release to include control measures if it is encountered.

- Storm water Construction Permit from the Colorado Department of Public Health and Environment must be submitted to staff prior to the commencement of construction activities.
- All chemicals must be stored in an approved chemical containment facility, covered, secured and locked.
- Staff must be in receipt of complete insurance policy which includes the County, its officers, employees and Contractors as insured parties, and further indemnifies them against claims by other parties. Staff shall be in receipt of the policy prior to the commencement of construction.
- Applicant must submit a COGCC approval. Staff must be in receipt of approval prior to the commencement of construction.
- Local government representatives may conduct on-site inspections.

- Operations shall begin within one year of CUP approval
- Notify the LGD of any of the following forms at time of filing with the COGCC
- Form 4 sundry notice
- Amended form 2 or 2A
- Form 10 change in operator
- Form 15 pit permit
- Form 18 complaint
- Form 31 or 35 pertaining to injection wells
- Form 19 spill notice
- Form 27 site investigation and remediation work plan, this form shall be submitted to the Director for approval prior to the initiation of site investigation and remediation activities.
- Form 27 is intended to be used whenever possible.
- Form 28 E&P Waste Mgmt Permit Before any person shall commence construction of a centralized E&P waste management facility, such person shall file with the
- Director an application on Form 28
- Form 5 & 5A (once confidentiality period is expired)
- The operator shall notify the local emergency dispatch and the local governmental designee of any flaring. Notice shall be given prior to the flaring if the flaring can be reasonably anticipated, and in all other cases as soon as possible but in no event more than two (2) hours after the flaring occurs.

AMENDMENTS TO THE AUGUST 31, 2016 EMERGENCY RESPONSE PLAN

FORTUNA OIL & GAS 16-015

- Table of Contents must include page referencing numbers as well as numbered pages in the Emergency Response Plan.
- **Emergency Response & Evacuation A.3=** What is the Contingency Plan and where can it be located?
- **Personnel Responsibilities, 3.1 Unified Command=** What does membership entail?

- **3A= Does Fortuna have a list of contractors or necessary resources?**
Fortuna must provide list of contractors and necessary resources to staff prior to the commencement of construction.
- Fortuna Oil & Gas must submit to staff a site plan which includes the location of the drill site, all on-site structures and their uses, chemical storage location, designated mustering point, first aid stations, command center. Must be submitted prior to construction.
- Is there an evacuation route? Evacuation route must be included in the Emergency Response Plan.
- **Operations Team Leader=** Is the Operations Team Leader on-site? If not, where are they responding from?
- If on-site, include name and contact information to County Personnel and include in the Emergency Response Plan's Emergency Phone List.
- **HSE Representative:** What is the HSE? Who is the HSE for this project?
- **Command Center:** In a power outage, what is the verified means of communication?
- **Fire Fighting Philosophy:** Fortuna Oil & Gas, LLC must provide all necessary firefighting means.
- Fortuna Oil & Gas, LLC will be required to have two (2) 500 Barrel water tanks on-site, at all times, designated for the sole purpose of firefighting. Highlighted section under subsection "A" must be removed from the Emergency Response Plan.
- Applicant must provide Huerfano County and County Office of Emergency Management with radio frequencies. Will County be able to access the frequency?
- **Subsection "C"-** Who will provide service/care? Who is Search & Rescue, part of Fortuna Oil & Gas team?
- **Night Shifts, Weekends & Holidays-** What are the hours of operation? Applicant must provide Huerfano County with hours of operation to include nights, weekends, and holidays. Also include the total number of staff members during the hours of operation.
- **Responsibilities-** HSE Staff, are they on-site at all times or do they leave?

- **Personal Injury or death "B"**- Huerfano County must be notified of any death.
- **Spills**- Other entities to include in spill response notification must include appropriate authorities. i.e., State, Federal and Local Governments.
- **Hydrocarbon Vapor Cloud Release**- Add #13 to include the Notification of appropriate State, Federal and local government entities.
- Make an inclusion of procedures for methane gas if encountered.
- **Additional Transportation Available Locally**- Where is Fortuna's Emergency Response Team responding from? What is the response time?
- **Emergency Response Plan** must be amended and submitted prior to the commencement of construction.
- **\$7,500.00** Bond for Site Reclamation.

Motion passed by unanimous vote.

A motion was made by Commissioner Vezzani and seconded by Commissioner Cisneros to adjourn the meeting. Motion passed by unanimous vote.

Meeting adjourned at 11:38 A.M.




Nancy C. Cruz

Nancy C. Cruz, County Clerk & Recorder
Clerk to the Board of County Commissioners

Commissioners:



Edward R. Garcia, Chairman



Gerald A. Cisneros



Max Vezzani