

**CITY OF MASON
REGULAR CITY COUNCIL MEETING
MINUTES OF FEBRUARY 17, 2020**

Mayor Whipple called the meeting to order at 7:30 p.m. in the Council Chambers at 201 W. Ash Street, Mason, Michigan. Ferris led the Pledge of Allegiance and offered the invocation.

Present: Councilmembers: Brown, Droscha, Ferris, Madden, Schaffer, Vogel, Whipple
Absent: None
Also present: Deborah S. Stuart, City Manager, Sarah J. Jarvis, City Clerk

PUBLIC COMMENT

- Jack Carmichael of 519 Rogers Street wanted to make sure that the council was aware that the wind data used for the disbursement study was not from the site of the well but from the Lansing Airport.
- Megan Short of 3755 W. Howell Road said she had read Resolution 2020-06 and that it looked great and thanked the council.

CONSENT CALENDAR

MOTION by Droscha, second by Vogel,
to approve the Consent Calendar as presented

- A. Minutes:
 - 1. Approve Minutes of Regular Council Meeting February 3, 2020
- B. Correspondence:
 - 1. Receipt of City Attorney's Report Dated February 13, 2020
- C. Financials:
 - 1. Approve Bills in the Amount of \$56,766.50
 - 2. Receipt of Monthly Revenue and Expenditure Report for Period Ending January 31, 2020
 - 3. Approve East Arbor Architecture to provide Professional Architectural and Construction Administration Services for Library Renovations Phase 1 – Final Design and Construction
- D. Right of Ways:
 - 1. Approve Use of Public Right-of-Way for the Bad Brewing Block Parties on June 6 and September 12, 2020
 - 2. Approve Use of Public Right-of-Way for the Bad Brewing, 8th Anniversary on July 25, 2020 and 5th Annual Winterfest on January 23, 2021
- E. Resolutions:
 - 1. Resolution 2020-05: Approval of Mayoral Appointments City Boards and Commissions

**CITY OF MASON
CITY COUNCIL RESOLUTION NO. 2020-05**

MAYORAL APPOINTMENTS TO CITY BOARDS AND COMMISSIONS

February 17, 2020

BE IT HEREBY RESOLVED, that the Mayor, with approval from the City Council, does hereby make the following appointments/reappointments to the specified boards and commissions of the City with the following terms:

Board/Commission	Appointments/Reappointments	Term Ends
Board of Ethics	William Noud, Jr.	2022
Downtown Development Authority	Becky Hinman	2023

MOTION APPROVED UNANIMOUSLY

PUBLIC HEARINGS

A. Public Hearing Related to the City’s Application for Michigan Community Development Block Grant (CDBG) Funding for Rehabilitation of Apartments at 124-130 West Ash Street

Mayor Whipple Opened the Public Hearing at 7:35 p.m.

No Public Comment

Mayor Whipple Closed the Public Hearing at 7:35 p.m.

UNFINISHED BUSINESS

A. Resolution 2020-06: Resolution Conveying Concern for Drilling of Oil and Gas Well known as Capex 3-16 at a Location on Kipp Road in Vevay Township

MOTION by Vogel, second by Brown, to approve Resolution 2020-06: Resolution Conveying Concern for Drilling of Oil and Gas Well known as Capex 3-16 at a Location on Kipp Road in Vevay Township.

**CITY OF MASON
CITY COUNCIL RESOLUTION NO. 2020-06**

RESOLUTION CONVEYING CONCERN FOR DRILLING OF OIL AND GAS WELL KNOWN AS CAPEX 3-16 AT A LOCATION ON KIPP ROAD IN VEVAY TOWNSHIP

February 17, 2020

WHEREAS, the Michigan Department of Environment, Great Lakes, and Energy (“EGLE”) is considering an application for permit submitted by Jordan Development to drill for oil and gas at a location on Kipp Road in Vevay Township, known as the Capex 3-16 well, which is surrounded on three sides by the corporate boundary of the City of Mason; and

WHEREAS, section 38-36 of the Mason City Code defines location requirements for oil wells located within the City of Mason, including requirements that any well be located at least 330 feet from an adjoining property line, 300 feet from any street line or railroad right of way line, and 300 feet from any existing building; and

WHEREAS, Ben Brower, COO of Jordan Development, and Mark Snow, Manager, Permitting and Technical Services Section (Oil, Gas, and Minerals Division) of EGLE along with other officials from EGLE appeared at a meeting of the City Council of the City of Mason on February 3, 2020 to take questions from, and discuss concerns with, the City Council regarding the permit application, and that during the meeting Mr. Brower described the history and operational philosophy of Jordan Development and Mr. Snow described the process for consideration of oil and gas permit applications, noting that EGLE considers environmental and cultural features consistent with state statute when assessing such permits; and

WHEREAS, the field to be accessed by the proposed well is located completely under the City of Mason and, as noted on the application for permit filed by Jordan Development, is expected to produce “sour oil or gas” containing a relatively high concentration of hydrogen sulfide gas which is known to produce an odor at very low concentrations that significantly reduces the quality of life for people exposed; and

WHEREAS, the residents of the City of Mason have dealt with hydrogen sulfide gas odors intermittently for several years from an existing oil and gas processing facility located on Jewett Road in Vevay Township approximately 4000 feet from residences within the city; and

WHEREAS, the location of the processing facility to be associated with the proposed Capex 3-16 well is unknown and the location of the wellhead is expected to be less than 300 feet in two directions from the corporate boundary of the City of Mason, approximately 1000 feet from the athletic fields at Mason High School, approximately 1500 feet from the Mason High School Building, approximately 2000 feet from several homes, approximately 4000 feet from Rayner Park and the Ingham County Fairgrounds, all located within the city, and approximately 2000 feet from several commercial and industrial facilities within the city that are critical to the economy of the City of Mason and collectively serve or employ approximately 1000 people at certain times;

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Mason requests that EGLE deny the permit application for the Capex 3-16 well for the following reasons:

1. The proposed well location is unique in that it is surrounded on three sides by the boundary of the City of Mason. Because of this unique location, the owners and users of property within the city near the proposed well would reasonably expect that the proposed site be treated as ostensibly within the city for the purpose of establishing acceptable setback standards for the well. Property within the City of Mason is subject to the setback standards for a well prescribed in section 38-36 of the Mason City Code and the proposed well location does not comply with these standards. It is appropriate that EGLE consider that property within the city that happens to be near the city boundary that surrounds the proposed well location will be subject to less stringent setbacks than what is prescribed within the city and that the negative impact to such city property will be compounded as city property abuts three sides of the proposed well site.
2. The relatively close proximity of residences, a school, and businesses on three sides of the proposed well location, and possible residential development directly across the road, result in unacceptable risks of exposure to excessive odors that will significantly reduce the quality of life for residents and visitors and negatively impact commerce within the City of Mason.
3. The fact that the location, or any proposed locations, of the associated processing facility have not been identified seriously hampers any accurate assessment of the total risks to the City of Mason.
4. Past experience with an existing sour oil and gas processing facility located approximately 5000 feet southwest of the proposed well, and located significantly further from the city limits than the proposed well, has demonstrated that state oversight of such facilities does not appear sufficient to eliminate annoying odors from being emitted that negatively impact the quality of life for residents of, and visitors to, the City of Mason.
5. The Mason High School outdoor athletic facilities, Rayner Park, and the Ingham County Fairgrounds represent important cultural features of the City of Mason that are all located downwind of the proposed well in the prevailing wind direction. There is less distance between these important outdoor facilities and the proposed well than between the existing sour gas processing facility on Jewett Road and the nearest occupied city property. City residents have dealt with noxious odors from the Jewett Road facility for many years. The proposed location of the Capex 3-16 well, along with the uncertain location of the associated processing facility, may put enjoyment of these outdoor areas at risk due to the possible presence of noxious odors.
6. There is legislation pending in the state legislature that would increase the setback requirements from the corporate boundary of certain cities for oil and gas wells. EGLE should delay approval of the Capex 3-16 well until this legislation is expanded and finalized. It is not unreasonable to expect that the legislature would eventually approve larger setback requirements for oil and gas wells from the corporate boundary of a city. It would also be consistent for EGLE to support such larger setback requirements to help address nuisance odor issues in the area of a city abutting an unincorporated area. EGLE has published the document "Open Burning Regulations in Michigan" which states, in part, "Air quality regulations state that open burning of trees, logs, brush and stumps must be conducted further than 1400 feet from the boundary of an incorporated city or village and may not violate other air pollution rules." It is a reasonable expectation that the risk to the occupants of a city of noxious odors from an oil or gas well be treated at least as seriously as the risk of odors or smoke from the burning of trees, logs, or brush.

BE IT FURTHER RESOLVED, that in the event EGLE does approve the permit for the Capex 3-16 well, that conditions be included with the permit approval that address the following:

1. The timing and schedule of drilling and finishing operations should be planned carefully to minimize the impact to activities that require use of Kipp Road and nearby cross-streets, such as certain events at the Ingham County Fairgrounds and other local events that increase traffic flow in the area.
2. The timing and schedule of drilling and finishing operations should be planned to minimize the impact to activities and operations at Mason High School.

BE IT FINALLY RESOLVED, that the City Council of the City of Mason requests that the state legislature and EGLE take action to address the following:

1. Increase setback requirements from the boundary of any city for oil or gas wells that produce hydrogen sulfide and for the associated processing facilities.
2. Develop, promote and disseminate information to the public with instructions for actions to take, including who to contact, when odors from an oil or gas well or processing facility are present.

MOTION APPROVED UNANIMOUSLY

COUNCILMEMBER REPORTS

- Ferris stated there will be a Cemetery Board/Tree Commission meeting in March and that we are seeking nominees for the 2020 Arbor Day Recipient.

MANAGERS REPORT (02/14/2020)

None

ADJOURNMENT

The meeting adjourned at 7:41 p.m.



Sarah J. Jarvis, City Clerk