



# Pipeline Ordinance

Town Council Agenda Item #10  
July 18, 2011



# Pipeline Ordinance Review

- Pipeline ordinance originally adopted in 2007 (Article VIII of Ch. 34)
- New regulations adopted in January 2010, included centralized facility regulations (Ch. 34 and Ch. 98 “Zoning”)
- Oil and Gas Advisory Board reviewed issues related to centralized facilities and pipelines
- June 20 Town Council Public Hearing resulted in additional proposed changes



# **Centralized Facilities SUP Ordinance and Pipeline Ordinance**

- **Centralized facilities Specific Use Permit (SUP) ordinance (adopted in January 2010) proposed to be repealed in its entirety**
- **Definitions and standards for centralized facilities included in the proposed pipeline ordinance, but ordinance specifically states that “a person desiring to construct a centralized natural gas facility shall apply for and obtain a SUP for such use. “**
- **Ordinance further states that if a centralized facility is not a permitted use, then a zoning amendment is required; if not obtained, the use of any property in the Town for a centralized facility is strictly prohibited.**



# Pipeline Regulations

- Other changes to ordinance are minor
- Adoption of language regarding Texas *Midstream v. City of Grand Prairie* case (eminent domain authority of pipeline companies addressed)
- Certain pipeline standards originally contained in the oil and gas ordinance [Sec. 34-427] have been transported into the pipeline ordinance so all pipeline regulations are in one ordinance
- **Centralized facility and associated pipeline construction and design specifications retained to ensure standards are in place in the event court action permits the use**
- Third party engineering review previously conducted relative to pipeline design standards



# Pipeline Regulations

- Best management practices definition and section reference added to proposed ordinance
- Public liability insurance increased from \$1,000,000 to \$2,000,000; minimum limits of liability may be adjusted every two years



# Article IX – Vested Rights

- New Article IX proposed to address vested rights
- Review process added to provide a method for vested rights determination purposes
- Appeal process available before the Board of Adjustment



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