

RESOLUTION NO. 70-18

A RESOLUTION OPPOSING PROPOSITION 112 A STATUTORY SETBACK REQUIREMENT FOR OIL AND GAS DEVELOPMENT

RECITALS.

Proposition 112, a ballot measure to amend Colorado law to increase a statewide minimum distance requirement for new oil and gas development on non-federal land to at least 2500 feet from any occupied structure or vulnerable area, will be before Colorado voters at the November 6, 2018 election.

The Colorado Fair Campaign Practices Act authorizes the City Council to take a position of advocacy and pass a resolution concerning a statewide ballot issue. Consistent with that authority and after due and careful consideration, the City Council has determined that the passage of Proposition 112 will cause significant negative impact to our community and the State.

Colorado is a national leader in developing health, safety and environmental protections with current State regulations prohibiting oil and natural gas wells and production facilities closer than 500 feet from a home or other occupied building and 1000 feet from schools, child care centers and other institutional facilities such as hospitals and neighborhoods with at least 22 buildings. The City Council supports responsible oil and natural gas development in a manner that protects the environment and the quality of life of Grand Junction citizens and believes that current regulations are adequate to achieve those goals.

The City serves as the regional provider of commerce, healthcare and support for the gas and oil industry and benefits both directly and indirectly from the exploration, development and production of oil and gas. In addition to the direct benefit of sales and use taxes, companies that extract mineral resources, including natural gas and oil, pay state severance taxes, federal mineral lease payments and real property taxes. According to a 2015 study by the University of Colorado's Leeds School of Business, oil and natural gas development in Colorado generates almost \$1.2 billion in tax revenue.

Oil and natural gas development is a critical sector of the economy, supporting jobs and supplying locally produced and affordable energy to households and businesses across Colorado. The City of Grand Junction and its residents will benefit from the continued exploration for and production of natural gas in the vicinity and the State. If Proposition 112 is approved, it will reduce the availability of land on which new gas and oil production can occur and consequently reduce future state and local revenue as well as threaten the livelihood of many workers.

The City Council finds that responsible oil and natural gas development is in the best

interests of the citizens of the City and that Proposition 112 imposes restrictions on oil and natural gas development that are unreasonable.

NOW, THEREFORE, BE IT RESOLVED THAT the City Council of the City of Grand Junction does hereby state its opposition to Proposition 112 and urges the defeat of such measure for the reasons stated.

ADOPTED this 17th day of October 2018.

GRAND JUNCTION CITY COUNCIL


Barbara Traylor Smith
President of the Council



ATTEST:


Wanda Winkelmann
City Clerk