

**THE CITY OF KENT, OHIO
STREETS, SIDEWALKS & UTILITIES COMMITTEE
WED., NOV. 5, 2008**

This meeting of the Streets, Sidewalks, and Utilities Committee of Kent City Council was called to order at 7:36 p.m. on Wed., Nov. 5, 2008, by Michael DeLeone, Chair.

PRESENT: MR. AMRHEIN, MR. DELEONE, MR. FERRARA, MR. HAWKSLEY, MR. KUHAR, MS. SHAFFER, MR. TURNER, MS. WALLACH, AND MR. WILSON

ALSO PRESENT: J. FENDER, MAYOR; D. RULLER, CITY MANAGER; J. SILVER, LAW DIRECTOR; J. BARONS, DEV. ENG.; G. ROBERTS, SERVICE DIR.; J. BOWLING, CITY ENGINEER; AND L. COPLEY, CLERK OF COUNCIL

Dave Ruller, City Manager, said that Mr. Kuhar had referred something similar to the issue of gas drilling to the staff previously. He said they had an opportunity to follow up on that previously, and is seeking authorization for drilling a gas well.

Gene Roberts, Service Director, said this did not exactly align with Mr. Kuhar's instructions to the staff. He said as they were preparing Mr. Kuhar's request, they did find out additional information. He said that House Bill 278 took away all local rights for municipalities to regulate gas wells. He said it supercedes their Kent Codified Ordinance Chapter 1137. He said he reviewed eleven items, and most are identical in the new Ohio Revised Code. He said they lost the ability to require fencing around the wellhead and can no longer require a notice to the Police Department when moving heaving equipment.

Mr. Roberts said CJ Cutter has approached them. He said they are going to show two wells in Kent since this bill was changed.

Mr. Roberts displayed a map of gas wells all around Kent. He said they have held gas wells at bay, and Tallmadge outlawed them in the 1990s.

Mr. Roberts said that Cutter Oil approached them in July. He said they are an independent family-owned oil and gas development company producing oil and gas since 1982. He said they have provided examples of their operations with fences. He said they minimize the impact in an urban setting. Mr. Roberts said they are proposing the Polack Well Site, which would be sited next to College Towers' lift station. He said there is already a built road, which would be better for all of them. He said they would site at this point, drilling down 1000 to 2000 feet, adding it would be an angle drill so the center would be elsewhere.

Mr. Cutter was present, and spoke at this time. He said a second well could be drilled. He said they have drilled five wells at Kent State. He said this well would benefit the City. He said the City could actually be part of three wells in the general area.

Mr. Roberts said the reason for the City's participation is because the City owns public right-of-way. He said with respect to the well next to the lift station, any funds would have to go to the sanitary sewer funds. He said those dealing with the public right-of-way would generate general revenue. He said the public right-of-way may be only sixty feet wide, but may be ten miles long. Mr. Roberts said if this were done properly, it would generate income for the City. He said he did a brief summary, adding the price, however, has dropped since it was done.

Mr. Roberts said they need forty acres to drill a well. He said Kent State, Kent City, and College Towers would all be involved. He said they proportion the monies according to the amount of land. He said whoever has the wellhead receives the first 300 mcf of gas per year from the well, and royalties are based on a formula. Mr. Roberts said they could see more than \$107,000 over the next ten years.

Mr. Roberts said the City does not have forty continuous acres, adding if they did, he was sure Cutter Oil

would dig them a well. He said the Methodist Church has a well, and there is one in the park on Rhodes Road. He said the City only has five acres.

Mr. Roberts said that Kent State has told him wonderful things about the company. He said they are actually paying more than the standard on private land. He said they are required to pay 12.5%, and are actually paying 15%.

Mr. Kuhar said he would assume to price paid is proportionate to the wholesale price of gas. Mr. Roberts said it is based on the wellhead price, published by ODNR. Mr. Kuhar said they do have forty acres of property, and could look at those in the future. Mr. Roberts said they have discussed those already.

Ms. Shaffer asked why Tallmadge outlawed gas wells previously, and Mr. Roberts said they had companies that did not want to invest time and/or effort in maintenance, nor would they clean up. He said in one case, a stone was kicked up, and a windshield was broken. He said there was also noise during the process.

Mr. Cutter said they usually drill in five or six days, with a directional drill taking ten days, for twenty-four hours per day. He said they are usually cleaned up in thirty to fifty days. Mr. Cutter said the noise, when the well is in production, is less than fifty decibels, while normal conversation is sixty-five decibels. He welcomed them to his sites, adding there is not much noise.

Ms. Shaffer asked if the property owner of College Towers has been consulted, and Mr. Cutter said he has a signed lease.

Ms. Wallach said she assumed that all properties around the wellhead have city water and sewer, so that water contamination is not a problem, and Mr. Roberts said that is correct within 1000 feet. Mr. Cutter said the State requires 500 feet, but they test out to 1000 feet, retesting as needed.

Ms. Wallach asked if they should notify the residents of Silver Oaks, and Mr. Roberts said they need to have Council's blessing first, and once they enter into an agreement, they will let everyone know.

Ms. Shaffer asked about safety issues since they cannot fence the area, and Mr. Cutter said there are fences. He said it has to be eight feet tall, adding all of his are board-on-board and are ten feet tall. He said he wants the wells to be hidden, and want them to blend into the surroundings.

Mr. Turner asked the life expectancy of a well, and Mr. Cutter said the average life is twenty to thirty years, adding that some in Kent are over fifty years old. Mr. Cutter said the Horning Well is about eleven years old, and Mr. Roberts noted that the Horning well is on Rhodes Road.

Mr. Kuhar asked if they have any way to utilize the 300 mcf of gas, and Mr. Roberts said they have minor gas use at the lift station. He said what is not used can be sold at the market price. Mr. Kuhar asked Mr. Cutter if the new well on Rhodes Road is his, and he said it was, and he also has one at Sunrise Apartments. Mr. Kuhar commented that they did a nice job.

Mr. Fender said on the map, there were few in the City, and asked the rationale. Mr. Roberts said when the state allowed municipalities to regulate; many municipalities did not want wells, as they were not pleasing aesthetically. He said the pumping mechanisms were exposed. Mr. Roberts said that changed. He said that the House Bill took away local authority to regulate. He said he felt it was from the need for natural gas. Mr. Fender asked if it could lead to more, and Mr. Roberts responded, "Definitely."

Ms. Wallach asked if this was approved when it would begin, and Mr. Cutter said it would be late spring or during the summer. He said he likes to wait until the students leave, and have it done when they return. Ms. Wallach asked if any of Tallmadge's problems dealt with noise, and Mr. Roberts said he has no personal knowledge about noise complaints. He said that only a few in Tallmadge exist today.

Mr. Cutter said he drilled a well in North Royalton. He said the City had a noise complaint by another

contractor. He said when he drilled at the school; he sent certified letters and regular mail letters, so as to notify all residents as to the time frame. He said the City had no complaints. He said they contacted him, adding they were impressed at how well they cleaned up. He said they will get calls, but he will try to notify everyone. He said they do clean up so people are not impacted, but it does look like a construction project. He said the Shotterman property had all the dirt from the water line, and his company cleaned it up, seeded it, and planted trees.

There were no audience comments at this time.

MOTION TO AUTHORIZE THE WELL DRILLING BY CJ CUTTER.

Motion made by Mr. Kuhar, seconded by Mr. Hawksley.

Mr. Kuhar said he did not know the well was coming on Rhodes Road. He said there were some noise, dirt, and debris, but if they go past now, it looks like a well-manicured country club, mounded with dirt and trees. He said this company does what they say, and they are doing a good job. He said this is revenue, and he supports it 100%.

The motion carried by a voice vote of 8-0-1, with Mr. DeLeone abstaining.

Mr. DeLeone said the next issue was dedication of the Stone Water Drive right-of-way. Mr. Ruller said that Don Joseph is expanding and is consolidating some of the lots. He said there is a need to dedicate some of the right-of-way, and introduced **Jennifer Barone, Development Engineer**, at this time.

Ms. Barone said this is the east side of Stone Water, where the Matts property used to be. He said they have constructed an inventory lot. Ms. Barone said the Matts had several properties, and Don Joseph had to consolidate those lots. She said the property lines went to the center of the road, and the City asked them for some right-of-way. She said they are also designing some improvements, and requested ten more feet, so they would have a right-of-way that was a straight line. She said they agreed. Ms. Barone said the Administration is asking them to accept this dedication from the centerline of the road, with an additional ten feet.

MOTION TO AUTHORIZE THE DEDICATION OF RIGHT-OF-WAY ON STONE WATER DRIVE.

Motion made by Mr. Ferrara, seconded by Mr. Wilson, and carried by a voice vote of 8-0-1, with Mr. Wilson abstaining.

Mr. DeLeone said the next issue dealt with the bridges over SR 261. Mr. Ruller introduced **Jim Bowling, City Engineer**, adding that the State needs to do repair work on the bridges, and are requiring the City's consent.

Mr. Bowling said they received a letter from ODOT in September, expressing concern with the bridges on SR 261. He said they are looking to repair them in early 2009. Mr. Bowling said he contacted ODOT to find out what was going on, as they had not heard anything before. He said that the consent legislation said the City would pay for a portion. Mr. Bowling said they told him they have been watching this for a while, and the bridges have gotten worse. He said if they do not repair them, they would have to issue load limits. Mr. Bowling said the City does not want any money, just the City's consent.

Mr. Kuhar asked if there should have been some maintenance along the way, and who would be responsible, and Mr. Bowling said that according to ODOT, maintenance is the City's responsibility. Mr. Kuhar asked why ODOT is fixing it, and Mr. Bowling said that under the state law, they are required to do serious rehabilitation, not regular maintenance. He said that is why they plow and mow. He said the expansion joint fell through the cracks. Mr. Kuhar asked if it is the City's responsibility, and Mr. Bowling said that is what they told him. He noted he declined to argue since they are going to pay to fix it.

Mr. Amrhein asked how long it would be closed for repairs, and Mr. Bowling said they would not close SR 261. He said since it is a four lane-divided highway, they will close one side, shifting traffic, in one lane, on the other side. He said they hope to have it open by the end of the next construction season.

There was no audience comment at this time.

MOTION TO AUTHORIZE CONSENT FOR THE REPAIR OF THE BRIDGES ON SR 261 WITH ODOT.

Motion made by Mr. Wilson, seconded by Mr. Kuhar, and carried by a voice vote of 8-0-1, with Mr. DeLeone abstaining.

Hearing no further business before this Committee, Chair DeLeone adjourned this meeting at 8:04 p.m.

Linda M. Copley, Clerk of Council

ACTION RECOMMENDED:

- 1) TO AUTHORIZE THE WELL DRILLING BY CJ CUTTER.
- 2) TO AUTHORIZE THE DEDICATION OF RIGHT-OF-WAY ON STONE WATER DRIVE.
- 3) TO AUTHORIZE CONSENT FOR THE REPAIR OF THE BRIDGES ON SR 261 WITH ODOT.