



***MicroNuclear LLC Work Session 6pm Conference Room***

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***Town Council Packet***  
***September 26th @ 7:00pm***



## Notice of Work Session

RANGELY BOARD OF TRUSTEES (TOWN COUNCIL)

Meeting of September 26<sup>th</sup>, 2023

\*\*\*\*\*6:00 p.m.\*\*\*\*\*

Conference Room - Municipal Building

MicroNuclear LLC Discussion and Review

# 1 – Agenda



## GUIDELINES FOR PUBLIC INPUT

***Public Input is a vital and important portion of every meeting and will be permitted throughout the meeting, but according to the following guidelines:***

- a. Public input is allowed during the Agenda identified **Public Input** and **Public Hearing** portion of the meeting.
  - i. If you would like to address the meeting during the appropriate times, please raise your hand and when called upon you will be asked to come to the podium. ***Announce your name*** so that your statements can be adequately captured in the meeting minutes.
  - ii. ***Please keep your comments to 3-5 minutes*** as others may want to participate throughout the meeting and to insure that the subject does not drift.
- b. Throughout the meeting agenda calls for public input will be made, generally pertaining to specific action items. Please follow the same format as above.
- c. At the conclusion of the meeting, if the meeting chair believes additional public comment is necessary, the floor will be open.

We hope that this guideline will improve the effectiveness and order of the Town's Public Meetings. It is the intent of your publicly elected officials to stay open to your feelings on a variety of issues.

Thank you, Rangely Mayor

# Town of Rangely

**MicroNuclear LLC Work session 6pm –Conference Room**

Sept 26, 2023 - 7:00pm

Town of Rangely Council Chambers

## **Agenda**

**Rangely Board of Trustees (Town Council)**

**ANDY SHAFFER, MAYOR**

**TREY ROBIE, MAYOR PROTEM**

**DON DAVIDSON, TRUSTEE**

**KYLE WREN, TRUSTEE**

**TIM WEBBER, TRUSTEE**

**RON GRANGER, TRUSTEE**

**TODD THAYN, TRUSTEE**

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- 1. Call to Order**
  - 2. Roll Call**
  - 3. Invocation**
  - 4. Pledge of Allegiance**
  - 5. Minutes of Meeting**
    - a. Discussion and Action to approve the minutes of September 12, 2023, Town Council Meeting*
  - 6. Petitions and Public Input**
  - 7. Changes to the Agenda**
  - 8. Public Hearings - 7:10pm**
  - 9. Committee/Board Meetings**
    - a. Zoom Work Session Rangely Resiliency 09-19*
  - 10. Council Reports**
  - 11. Supervisor Reports**
    - a. RPD – Chief TiRynn Hamblin*
  - 12. Reports from Officers – Town Manager Update**
  - 13. Old Business**
  - 14. New Business**
    - a. Discussion and action to approve the August 2023 Financial Summary*
  - 15. Informational Items**
    - a. Air Quality Control Hearings*
    - b. RPD Basic ATV Safety Course 10-01*
  - 16. Board Vacancies**
    - a. Community Garden Board Vacancies*

## **17. Scheduled Announcements**

- a. Rangely District Library Board meeting is scheduled for Sept 11th, 2023, at 5:00 pm*
- b. WRB Park & Recreation District Board meeting is scheduled for Sept 11th, 2023, at 7:00 pm*
- c. Rio Blanco County Commissioners Board meeting is scheduled for Sept 12th, 2023, at 11:00 am in Meeker.*
- d. Community Outreach meeting scheduled for Sept 13<sup>th</sup> has been cancelled.*
- e. Giant Step Preschool Board meeting is scheduled for Sept 14th, 2023, at 6:00 pm*
- f. Rangely School District Board meeting has been scheduled for Sept 18th, 2023, at 6:15 pm*
- g. Rural Fire Protection District Board meeting is scheduled for Sept 18th, 2023, at 7:00 pm*
- h. Rangely Junior College District Board meeting is scheduled for Sept 19th, 2023, at 12:00 noon.*
- i. Rangely Chamber of Commerce Board meeting is scheduled for Sept 21<sup>st</sup>, 2023, at 12:00 noon.*
- j. Rio Blanco County Commissioners Board meeting is scheduled for Sept 26th, 2023, at 11:00 am in Rangely.*
- k. RBC Water Conservancy District Board meeting is scheduled for Sept 27th, 2023, at 6:30 pm*
- l. Rangely District Hospital board meeting is scheduled for Sept 28th, 2023, at 6:00 pm*
- m. RDA/RDC Board meeting is scheduled for Oct 12th, 2023, at 7:30 am*

## **18. Adjournment**

## 5 – Minutes

# Town of Rangely

**Budget Work session 5:30 pm – Municipal Conference Room**

Sept 12, 2023 - 7:00pm

Town of Rangely Court Room

## **Minutes**

**Rangely Board of Trustees (Town Council)**

**ANDY SHAFFER, MAYOR**

**TREY ROBIE, MAYOR PROTEM**

**DON DAVIDSON, TRUSTEE**

**KYLE WREN, TRUSTEE**

**TIM WEBBER, TRUSTEE**

**RON GRANGER, TRUSTEE**

**TODD THAYN, TRUSTEE**

1. **Call to Order** – 7:01pm
2. **Roll Call** – Andy Shaffer, Don Davidson, Kyle Wren, Ron Granger. Trey Robie, Tim Webber, and Todd Thayne absent.
3. **Invocation** – Led by Kyle Wren
4. **Pledge of Allegiance** – Led by Lisa Piering
5. **Minutes of Meeting**
  - a. *Discussion and Action to approve the minutes of August 22nd, 2023, Town Council Meeting – Motion made by Ron Granger to approve the minutes of August 22<sup>nd</sup>, 2023, Town Council Meeting, second by Don Davidson. Motion passed.*
6. **Petitions and Public Input**
7. **Changes to the Agenda** - None
8. **Public Hearings** - 7:10pm
9. **Committee/Board Meetings**
  - a. *Planning and Zoning meeting 08/30/23*
10. **Council Reports** – Don Davidson provided a couple of handouts to council members. The handouts were about nuclear energy and would like to set up a zoom meeting.
11. **Supervisor Reports**
12. **Reports from Officers – Town Manager Update** – Lisa reported to the council that Kelli is going through a PUC inspection. Lisa stated that CIRSA will be conducting its annual inspection on September 25<sup>th</sup>. Public Works and the Utility Department are trying to get the Highway 64 waterline project finished this year. Public works have been hauling sand in preparation for winter. Lisa stated that she continues to work on the budget. Lisa also reported that most of the Town employees completed the CPR refresher course and will soon be taking the Stop the Bleed class.
13. **Old Business**
14. **New Business**
  - a. *Discussion and action to approve the August 2023 Check Register – Motion made by Ron Granger to approve the August 2023 Check Register, second by Don Davidson. Motion passed.*
  - b. *Discussion and action to approve the Liquor License renewal of Pinyon Tree Liquors, Inc. – Motion made by Ron Granger to approve the Liquor License renewal of Pinyon Tree Liquors, Inc., second by Don Davidson. Motion passed.*



- c. *Discussion and action to approve a special event permit by Rangely Area Chamber of Commerce for Oktoberfest on October 21, 2023, at 11am.* – Candra Robie was present to explain the Oktoberfest festivities. She stated that the beer garden will have one entrance and one exit and ID's will be checked. **Motion made by Ron Granger to approve the special event permit by Rangely Area Chamber of Commerce for Oktoberfest on October 21, 2023, at 11am, second by Kyle Wren. Motion passed.**
- d. *Discussion and action to approve a variance for an accessory structure at 146 S. Grand Avenue as approved by the Planning & Zoning Board on 8/30/23.* – Roger Polley was present to address the variance for an accessory structure at 146 S. Grand Avenue. He stated that he would like to add an ADU sometime next year and possibly use it as a rental. Lisa stated that ADU's will be approved on an as needed basis. **Motion made by Kyle Wren to approve a variance for an accessory structure at 146 S. Grand Avenue as approved by the Planning & Zoning Board on 8/30/23, second by Ron Granger.**
- e. *Discussion and action to approve the Rangely Development Corporation act as the fiscal agent for the Rangely Area Chamber Grant Application to the Yampa Valley Community Foundation for a non-profit grant in the amount of \$67,000.* – **Motion made by Kyle Wren to approve the Rangely Development Corporation act as the fiscal agent for the Rangely Area Chamber Grant Application to the Yampa Valley Community Foundation for a non-profit grant in the amount of \$67,000, second by Ron Granger. Motion passed.**

## 15. Informational Items

- a. *Wolf Creek Situation Assessment Meetings Rangely (09/11) and Meeker (09/12)*
- b. *Wolf Creek Newsletter*
- c. *Colorado Main Street visits Rangely (09/13) and Meeker (09/12)*
- d. *RBWCD Statement of Funds 9-1-23*
- e. *AGNC - GEMM 2 Position Statement*

## 16. Board Vacancies

- a. *Community Garden Board Vacancies*

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- l. *Rangely District Hospital board meeting is scheduled for Sept 28th, 2023, at 6:00 pm*
- m. *RDA/RDC Board meeting is scheduled for Oct 12th, 2023, at 7:30 am*

## 18. Adjournment – 7:47pm

ATTEST:

RANGELY TOWN COUNCIL

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Marybel Cox, Clerk

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Andrew Shaffer, Mayor



- 8 – Public Hearings
- 9 - Committee Meeting
- 10 - Report from Council
- 11 - Supervisors Reports
- 12 – Reports from Officers
- 13 – Old Business
- 14 - New Business

# Income Statement

Town of Rangely

Month Ending Aug 2023

GENERAL FUND Revenue	YTD ACTUAL		2023 BUDGET	
	YTD Amount	% of Revenue	Budget 2023	% of Budget Expended
Taxes	\$1,947,358	45%	\$2,064,500	94.33%
Licenses and Permits	\$30,598	1%	\$18,700	163.63%
Intergovernmental Revenue	\$1,705,048	39%	\$1,205,000	141.50%
Charges for Services	\$326,664	8%	\$490,000	66.67%
Miscellaneous Revenue	\$328,190	8%	\$212,200	154.66%
Total General Revenue	\$4,337,857	100%	\$3,990,400	108.71%
GENERAL FUND Operating Expenses	YTD ACTUAL		2023 BUDGET	
	YTD Amount	% of Expenses	Budget 2023	% of Budget Expended
Town Council	\$29,688	1%	\$41,660	71.26%
Court	\$13,741	1%	\$22,984	59.79%
Administration	\$166,043	8%	\$253,741	65.44%
Finance	\$128,581	6%	\$199,613	64.41%
Building & Grounds	\$160,852	8%	\$278,747	57.71%
Economic Development	\$169,805	8%	\$325,716	52.13%
Police Department	\$769,273	36%	\$1,079,492	71.26%
Animal Shelter	\$50,567	2%	\$72,316	69.93%
Public Works	\$317,901	15%	\$430,317	73.88%
Foundation Trans. & Non Depart. Transfer	\$160,616	8%	\$340,000	47.24%
Total Capital Improvements	\$158,397	7%	\$396,000	40.00%
Total General expenses	\$2,125,463	100%	\$3,440,586	61.78%
Net Revenue over Expenditures	\$2,212,394	100%	\$549,814	402.39%
WATER FUND Revenue	YTD ACTUAL		2023 BUDGET	
	YTD Amount	% of Revenue	Budget 2023	% of Budget Expended
Water Revenue	\$591,760	100%	\$1,908,750	31.00%
WATER FUND Operating Expenses	YTD ACTUAL		2023 BUDGET	
	YTD Amount	% of Expense	Budget 2023	% of Budget Expended
Water Supply	\$299,402	47%	\$483,137	61.97%
Water Supply Capital Expense	\$60,594	9%	\$302,700	20.02%
Water Fund Dept. Transfers and Conting.	\$146,478	23%	\$282,956	51.77%
PW - Transportation & Distribution	\$80,876	13%	\$101,998	79.29%
PW - Transportation & Distrib. Capital Exp	\$18,200	3%	\$1,517,400	0.00%
Raw Water	\$37,058	6%	\$51,721	71.65%
Raw Water Capital Expense	\$0	0%	\$7,500	0.00%
Total Water expenses	\$642,608	100%	\$2,747,412	23.39%
Net Revenue over Expenditures	(\$50,848)	100%	(\$838,662)	6.06%
GAS FUND Revenue	YTD ACTUAL		2023 BUDGET	
	YTD Amount	% of Revenue	Budget 2023	% of Budget Expended
Gas Revenue	\$1,524,424	100%	\$1,549,105	98.41%
GAS FUND Operating Expenses	YTD ACTUAL		2023 BUDGET	
	YTD Amount	% of Expense	Budget 2023	% of Budget Expended
Gas Expenses	\$1,328,506	88%	\$1,144,228	116.11%
Gas Capital Expense	\$64,518	4%	\$98,000	65.83%
Total Transfers	\$120,000	8%	\$180,000	66.67%
Total Selling Expenses	\$1,513,024	100%	\$1,422,228	106.38%
Net Revenue over Expenditures	\$11,400	100%	\$126,877	8.98%
Wastewater FUND Revenue	YTD ACTUAL		2023 BUDGET	
	YTD Amount	% of Revenue	Budget 2023	% of Budget Expended
Wastewater Revenue	\$368,553	100%	\$667,400	55.22%
Wastewater FUND Oper Expenses	YTD ACTUAL		2023 BUDGET	
	YTD Amount	% of Expense	Budget 2023	% of Budget Expended
Wastewater Expenses	\$158,473	26%	\$239,414	66.19%
Wastewater Capital Expense	\$339,712	57%	\$777,000	43.72%
Total Transfers	\$100,000	17%	\$150,000	66.67%
General Fund Loan	\$0	0%	\$0	0.00%
Total Selling Expenses	\$598,185	100%	\$1,166,414	51.28%
Net Revenue over Expenditures	(\$229,632)	100%	(\$499,014)	46.02%

**Town of Rangely**

**Month Ending Aug 2023**

Rangely Housing Auth Revenue			2023 BUDGET	
	YTD Amount	% of Revenue	Budget 2023	% of Budget Expended
Rangely Housing Auth Revenue	\$161,135	100%	\$737,000	21.86%
		+	2023 BUDGET	
Rangely Housing Auth Oper Expenses	YTD Amount	% of Expense	Budget 2023	% of Budget Expended
Rangely Housing Auth Expenses	\$141,759	78%	\$181,966	77.90%
Housing Authority Capital Expense	\$20,990	12%	\$494,750	4.24%
Debt Service and Transfers	\$19,437	11%	\$59,000	32.94%
Total Expense	\$182,186	100%	\$735,716	24.76%
Net Revenue over Expenditures	(\$21,051)	100%	\$1,284	-1639.48%
		YTD ACTUAL	2023 BUDGET	
Fund for Public Giving Revenue	YTD Amount	% of Revenue	Budget 2023	% of Budget Expended
Fund for Public Giving Revenue	\$2,419	100%	\$2,000	120.95%
		YTD ACTUAL	2023 BUDGET	
Fund for Public Giving Oper Expenses	YTD Amount	% of Expense	Budget 2023	% of Budget Expended
Fund for Public Giving Expenses	\$10	100%	\$2,000	0.50%
Net Revenue over Expenditures	\$2,409	100%	\$0	0.00%
		YTD ACTUAL	2023 BUDGET	
Economic Development Revenue	YTD Amount	% of Revenue	Budget 2023	% of Budget Expended
RDA Revenues	\$103,844	100%	\$1,717,700	6.05%
		YTD ACTUAL	2023 BUDGET	
Economic Development Oper Expenses	YTD Amount	% of Expense	Budget 2023	% of Budget Expended
RDA Expenses	\$37,412	100%	\$77,600	48.21%
RDA Capitol Expense	\$0	100%	\$1,700,000	0.00%
Total Expense	\$37,412	100%	\$1,777,600	2.10%
Net Revenue over Expenditures	\$66,432	100%	(\$59,900)	-110.91%
		YTD ACTUAL	2023 BUDGET	
Conservation Trust Revenue	YTD Amount	% of Revenue	Budget 2023	% of Budget Expended
Conservation Trust Revenue (Grant \$136K)	\$8,623	100%	\$1,177,225	0.73%
		YTD ACTUAL	2023 BUDGET	
Conservation Trust Oper Expenses	YTD Amount	% of Expense	Budget 2023	% of Budget Expended
Conservation Trust Expenses	\$17,880	100%	\$1,250,000	0.00%
Net Revenue over Expenditures	(\$9,257)	100%	(\$72,775)	12.72%
		YTD ACTUAL	2023 BUDGET	
Housing Assistance Revenue	YTD Amount	% of Revenue	Budget 2023	% of Budget Expended
Housing Assistance Revenue	\$1,457	100%	\$21,000	6.94%
		YTD ACTUAL	2023 BUDGET	
Housing Assistance Oper Expenses	YTD Amount	% of Expense	Budget 2023	% of Budget Expended
Housing Assistance Expenses	\$0	100%	\$2,000	0.00%
Net Revenue over Expenditures	\$1,457	100%	\$19,000	7.67%
		YTD ACTUAL	2023 BUDGET	
Rangely Develop Corp Revenue	YTD Amount	% of Revenue	Budget 2023	% of Budget Expended
Rangely Develop Corp Revenue	\$10,149	100%	\$10,196,500	0.10%
		YTD ACTUAL	2023 BUDGET	
Rangely Develop Corp Expenses	YTD Amount	% of Expense	Budget 2023	% of Budget Expended
Rangely Develop Corp Expenses	\$153	100%	\$500	30.58%
RDC Capitol Expense	\$20,396	100%	\$10,196,000	0.00%
Total Expense	\$20,549	100%	\$10,196,500	0.20%
Net Revenue over Expenditures	(\$10,400)	100%	\$0	0.00%

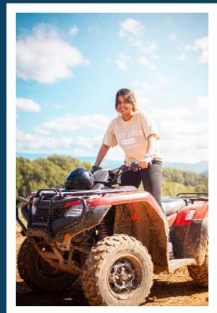
INCOME STATEMENT ROLL-UP		Actual YTD	Budget YTD	
Total Revenues		\$7,110,220	\$21,967,080	32.37%
Total Expenses		\$5,137,317	\$22,740,456	22.59%
Net Revenue over Expense		\$1,972,903	-\$773,376	-255.10%

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	
<b>MINERAL LEASE</b>	1,123,505	1,789,890	2,046,193	1,334,084	1,915,230	1,388,307	964,623	1,110,708	924,288	966,043	369,267	656,387	1,081,323	1,578,259	
<b>% of change</b>		<b>159%</b>	<b>114%</b>	<b>65%</b>	<b>144%</b>	<b>72%</b>	<b>69%</b>	<b>115%</b>	<b>83%</b>	<b>105%</b>	<b>38%</b>	<b>178%</b>	<b>165%</b>	<b>146%</b>	
<b>SEVERANCE TAX</b>	188,258	528,806	430,817	312,415	569,440	608,527	215,593	174,580	249,281	476,741	229,822	18,981	810,074	981,803	
<b>% of change</b>		<b>281%</b>	<b>81%</b>	<b>73%</b>	<b>182%</b>	<b>107%</b>	<b>35%</b>	<b>81%</b>	<b>143%</b>	<b>191%</b>	<b>1211%</b>	<b>4%</b>	<b>352%</b>	<b>5173%</b>	
<b>SUB-TOTAL</b>	<b>1,311,763</b>	<b>2,318,696</b>	<b>2,477,010</b>	<b>1,646,499</b>	<b>2,484,670</b>	<b>1,996,834</b>	<b>1,180,216</b>	<b>1,285,288</b>	<b>1,173,569</b>	<b>1,442,784</b>	<b>599,089</b>	<b>675,367</b>	<b>1,891,397</b>	<b>1,578,260</b>	
		<b>177%</b>	<b>107%</b>	<b>66%</b>	<b>151%</b>	<b>80%</b>	<b>59%</b>	<b>109%</b>	<b>91%</b>	<b>123%</b>	<b>42%</b>	<b>113%</b>	<b>280%</b>	<b>83%</b>	
<b>SALES TAX</b>	772,032	962,070	1,076,616	1,027,262	893,256	806,784	730,998	718,342	687,361	651,132	754,096	850,260	932,876	632,364	<b>30-Sep</b>
<b>% of change</b>		<b>125%</b>	<b>112%</b>	<b>95%</b>	<b>87%</b>	<b>90%</b>	<b>91%</b>	<b>98%</b>	<b>96%</b>	<b>95%</b>	<b>116%</b>	<b>113%</b>	<b>110%</b>	<b>68%</b>	
<b>SUB TOTAL REVENUE</b>	<b>2,083,795</b>	<b>3,280,766</b>	<b>3,553,626</b>	<b>2,673,761</b>	<b>3,377,926</b>	<b>2,803,618</b>	<b>1,911,214</b>	<b>2,003,630</b>	<b>1,860,930</b>	<b>2,093,916</b>	<b>1,353,185</b>	<b>1,525,628</b>	<b>2,824,273</b>	<b>2,210,624</b>	
<b>RE4 School Foundatn</b>	173,268	199,511	243,956	231,392	198,633	173,118	163,273	163,695	153,667	142,063	162,144	183,395	229,473	121,425	<b>30-Sep</b>
<b>TOTAL LESSS CONT</b>	<b>1,910,527</b>	<b>3,081,255</b>	<b>3,309,670</b>	<b>2,442,369</b>	<b>3,179,293</b>	<b>2,630,500</b>	<b>1,747,941</b>	<b>1,839,935</b>	<b>1,707,263</b>	<b>1,951,853</b>	<b>1,191,041</b>	<b>1,342,233</b>	<b>2,594,801</b>	<b>2,089,199</b>	
<b>Property Tax</b>	196,141	181,987	193,915	204,320	205,310	199,450	199,455	183,154	166,673	167,558	167,303	167,089	178,882	188,027	<b>30-Sep</b>
<b>Property Tax R&amp;B</b>	34,457	31,952	32,843	40,288	41,072	354,075	45,139	32,730	29,088	31,284	27,565	36,568	38,172	50,343	<b>30-Sep</b>

## 15 – Informational Items



# BASIC ATV SAFETY COURSE



The Town of Rangely, and the Rangely Police Department will be hosting a Basic ATV Safety Course on October 1st, 2023, beginning at 1:30 pm. The course will be three to four hours in length. The location will be determined.

The basic operator course is designed for riders between the ages of 8 to 15 years old. The goal is to teach basic riding skills, the rules for safe ATV operations, and the Town of Rangely ATV / OHV regulations. The riding portion will consist of two to three hours and the Town of Rangely Regulations Class will last approximately a half an hour.

Completion of the ATV Safety Institute ATV E-Course is required for all participants prior to attending the hands-on Town of Rangely ATV Safety Course. All participants will be required to provide proof of completion. The course can be found at <https://atvsafety.org/atv-ecourse/> The QR Code will take you to the link.

## REQUIREMENTS:

- All participants must provide their own ATV.
- The ATV must be stock configuration and in good operating condition. (Brakes, throttle, lights)
- All controls must be in working condition.
- The ATV must fit the participant. (Foot and hand placement, reach, controls)
- DOT compliant Helmet
- Goggles or face shield
- Over the ankle boots
- Long pants and long sleeve shirt
- ATV or Motorcycle gloves.

Please send an email to Lt. Rich Garner with interest and/or questions at [rgarner@rangelyco.gov](mailto:rgarner@rangelyco.gov)



## **Natural Soda Talking Points – CONFIDENTIAL**

### **Natural Soda Produces a Unique, Sustainable Product**

- Sustainable production is and has always been a cornerstone of Natural Soda's business
- We applaud the State of Colorado for actively working to combat climate change, keep Colorado's air clean, and shepherd the state economy onto a sustainable path
- Natural Soda's operation uses an efficient solution mining process to recover naturally occurring sodium bicarbonate from the largest known nahcolite deposit in the United States—the most sustainable of the technologies currently available in the production of sodium bicarbonate
- Baking soda is an eco-friendly, sustainable lifestyle product and is used locally, across the U.S. and globally for a wide variety of uses including food and baking, personal care, water treatment, and more

### **Risk to Jobs in a Just Transition Area**

- Natural Soda operates in a Just Transition area of northwest Colorado that has experienced significant job loss in recent decades, particularly in the mining and energy sectors
- Natural Soda is one of the largest and most stable private employers in Rio Blanco County with operations supporting more than 100 families with high-paying jobs
- As it is currently written, the GEMM II draft rule—intended to protect Disproportionately Impacted Communities—fails to account for Rio Blanco County's unique economic needs and in doing so may harm the very people it is seeking to protect
- Without a proper accounting for the realities of Colorado's Just Transition areas, the GEMM II rule will simply jeopardize critical, high-quality jobs in a region that has already suffered extreme economic loss

### **Risk of Stifling Growth and Investment in Colorado**

- The current draft rule penalizes companies like Natural Soda that have already made investments to reduce emissions, expand sustainable production, and create jobs because it effectively caps future growth
- The current baseline adjustment language prioritizes industries differently, creating an uneven playing field
- And companies have incredibly limited options for compliance



- Taken together, these factors will undoubtedly chill growth and investment in Colorado

### **Jeopardizing Significant Tax Revenue to Rio Blanco and Garfield Counties, Rural Hospital and School Districts**

- Natural Soda has called Colorado's Western Slope home for more than 30 years
- Natural Soda's local tax payments to Rio Blanco County have more than quadrupled since 2014, partly due to investments made to the facility and growth in business.
- In 2022, Natural Soda's facility directly contributed more than:
  - \$25 million to the Colorado economy
  - More than \$775,000 in tax revenue for Rio Blanco County, Meeker School District, Pioneer Medical Center as well as local fire, recreation, and library districts
- Without the ability to realize prior investments in Colorado, and without the ability to sustainably grow, Natural Soda's economic investment may need to change in the years to come

### **Exporting Emissions While Still Experiencing Negative Pollution Impacts from Wyoming**

- Sodium bicarbonate cannot be produced anywhere; it is dependent on naturally occurring geological deposits that happen to be located in Colorado and Wyoming
- Natural Soda's process is significantly less carbon intensive than the technology employed by competitors, particularly those operating in Wyoming
- Without the ability to sustainably grow production and capture market share, North American production will move out of state and the environment will be the ultimate loser
- Emissions know no borders, which means Colorado could lose the economic benefits of sodium bicarbonate production while still experiencing negative pollution impacts

**DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT**

**Air Quality Control Commission**

**REGULATION NUMBER 3**

**STATIONARY SOURCE PERMITTING AND AIR POLLUTANT EMISSION NOTICE REQUIREMENTS**

**5 CCR 1001-5**

*[Editor's Notes follow the text of the rules at the end of this CCR Document.]*

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**Outline of Regulation**

PART A	Concerning General Provisions Applicable to Reporting and Permitting
PART B	Concerning Construction Permits
PART C	Concerning Operating Permits
PART D	Concerning Major Stationary Source New Source Review and Prevention of Significant Deterioration
PART E	Reserved for Environmental Management Systems
PART F	Statements of Basis, Specific Statutory Authority and Purpose

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**PART A            CONCERNING GENERAL PROVISIONS APPLICABLE TO REPORTING AND PERMITTING**

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**I.B.28. Greenhouse Gas (GHG)**

Means the aggregate group of the following six greenhouse gases: carbon dioxide (CO<sub>2</sub>), nitrous oxide (N<sub>2</sub>O), methane (CH<sub>4</sub>), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), and sulfur hexafluoride (SF<sub>6</sub>). These gases are treated in aggregate based on the total carbon dioxide equivalent (CO<sub>2</sub>e) as the pollutant GHG. See definition for carbon dioxide equivalent (CO<sub>2</sub>e). For purposes of a GHG PAL, these gases shall not be subject to regulation if the stationary source maintains its total source-wide emissions below the GHG PAL level, meets the requirements of Part D, Section XV., and complies with the PAL permit containing the GHG PAL.

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**II.            Air Pollutant Emission Notice (APEN) Requirements**

**II.A.        Air Pollutant Emission Notices for New, Modified, and Existing Sources**

II.A.1. Except as exempted in Section II.D., no person shall allow emission of air pollutants from, or construction, modification or alteration of, any facility, process, or activity which constitutes a stationary source, except residential structures, from which air pollutants

are, or are to be, emitted unless and until an Air Pollutant Emission Notice and the associated Air Pollutant Emission Notice fee has been filed with the Division with respect to such emission. Each such notice shall specify the location at which the proposed emission will occur, the name and address of the persons operating and owning such facility, the nature of such facility, process or activity, an estimate of the quantity and composition of the expected emission and other information as required in the current Air Pollutant Emission Notice form.

II.A.2. (State Only) Owners or operators required to report greenhouse gases pursuant to Regulation Number 22, Part A or Regulation Number 7, Part [DB](#), Sections IV. or V. must submit a facility-wide greenhouse gas emissions Air Pollutant Emission Notice, using a Division-approved form, for each facility directly emitting CO<sub>2</sub>e emissions equal to or greater than 25,000 tpy. Owners or operators must submit the facility-wide greenhouse gas Air Pollutant Emission Notices on or before December 31, 2023, reporting calendar year 2022 emissions, and, thereafter, submit the facility-wide greenhouse gas Air Pollutant Emission Notices annually on or before December 31 of each year. For purposes of Section II.A.2.;

II.A.2.a. "Greenhouse gas" includes carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF<sub>6</sub>), and nitrogen trifluoride (NF<sub>3</sub>).

II.A.2.b. For each reporting year, "CO<sub>2</sub>e" is determined by multiplying the mass amount of emissions for each greenhouse gas constituent, as defined in Section II.A.2.a., by that gas's global warming potential, as incorporated into Section I.B.10., and summing the resultant values to determine CO<sub>2</sub>e.

II.A.2.c. Owners or operators must report the facility mass CO<sub>2</sub>e using the greenhouse gas constituents as calculated and reported pursuant to Regulation Number 22 or Regulation Number 7 for the applicable reporting year.

II.A.2.d. The facility-wide greenhouse gas Air Pollutant Emission Notices are not subject to the provisions of Sections II.B. through II.D.

II.A.2.e. Owners or operators must submit the filing fee in Section VI.D. with the annual facility-wide greenhouse gas Air Pollutant Emission Notice.

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## **VI. Fees**

### **VI.A. General**

VI.A.1. Every person required to obtain a Construction or Operating Permit or to file an Air Pollution Emission Notice shall pay fees as set forth in the following sections. Such fees shall be charged to recover the direct and indirect costs incurred by the Division in processing permit applications, issuing permits, and in conducting a compliance monitoring and enforcement program. Such fees shall apply without regard to whether a permit is issued, denied, withdrawn, or revoked. Fees shall be charged as indicated in Section VI.D. of this part.

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### **VI.C. Annual Emissions Fees**

VI.C.1. As used in this Section VI., in accordance with Colorado Revised Statute Section 25-7-114.7, regulated air pollutant means:

VI.C.1.a. A volatile organic compound;

VI.C.1.b. Each hazardous air pollutant;

VI.C.1.c. Each pollutant regulated under Section 111 of the Federal Act (New Source Performance Standards), ~~except GHG~~;

VI.C.1.d. Each pollutant for which a National Ambient Air Quality Standard has been promulgated, except for carbon monoxide; and

VI.C.1.e. Each pollutant regulated under Section 25-7-109, ~~except GHG~~ of the state Act.

VI.C.1.f. The term regulated air pollutant does not include fugitive dust as defined in Section I.B.26. of this Part A, or any fraction thereof.

VI.C.2. Every owner or operator of an air pollution source required to file an Air Pollutant Emission Notice shall pay a nonrefundable annual emissions fee as set forth in Section VI.D.3. of this Part A.

VI.C.3. All annual emissions fees assessed must be received within sixty days of the date of issuance of the written request therefore. All fees collected under this regulation shall be made payable to the Colorado Department of Public Health and Environment.

VI.C.4. In no event shall an owner or operator of a source pay more than a fee based upon total annual emissions of four thousand tons of each regulated air pollutant per source.

#### VI.D. Fee Schedule

VI.D.1. Air Pollutant Emission Notice filing fees shall be \$242.00.

VI.D.2. Permit processing fees shall be \$119.00 per hour.

VI.D.3. Annual emission fees for regulated pollutants shall be \$36.00 per ton. Annual emission fees for hazardous air pollutants shall be \$239.00 per ton. GHG is exempt from the requirement to pay [this](#) annual emission fees.

#### VI.D.4. (State Only) Annual greenhouse gas emission fees.

VI.D.4.a. Beginning in 2024, fees on greenhouse gas emissions in the form of carbon dioxide equivalent will be collected.

VI.D.4.b. For owners or operators required to report greenhouse gases pursuant to Regulation Number 22 or Regulation Number 7, Part B, Section IV. and pursuant Regulation Number 3, Part A, Section II.A.2., the annual greenhouse gas emission fee is determined according to the following formula.

Annual greenhouse gas emission fee:

1. total billable CO<sub>2</sub>e / facility total CO<sub>2</sub>e = facility % of billable CO<sub>2</sub>e

2. facility % of billable CO<sub>2</sub>e \* \$8,300,000 = facility CO<sub>2</sub>e fee

3. facility CO<sub>2</sub>e fee / 4000 = facility \$/ton CO<sub>2</sub>e

Where:

In (1), total billable CO<sub>2</sub>e means the total CO<sub>2</sub>e reported by owners or operators reporting greenhouse gases pursuant to (a) Regulation Number 22 or Regulation Number 7, Part B, Section IV. and Regulation Number 3, Part A, Section II.A.2. and (b) by owners or operators reporting greenhouse gases pursuant to Regulation Number 7, Part B, Section V. for the calendar year reported prior to billing (e.g., for a bill issued in 2024, calendar year 2022 emissions as reported in 2023)

In (1), facility total CO<sub>2</sub>e means the total facility CO<sub>2</sub>e as reported on the facility-wide greenhouse gas APEN pursuant to Regulation Number 3, Part A, Section II.A.2.

In (2), \$8,300,000 means the indirect and direct cost required to develop and administer the Division's programs that pertain to emissions of greenhouse gas

In (3), facility \$/ton CO<sub>2</sub>e means the facility's individualized dollar per ton of CO<sub>2</sub>e fee after considering the 4,000 ton limitation in 25-7-114.7(2)(a)(II), C.R.S., (2023)

VI.D.4.c. For owners or operators required to report greenhouse gases pursuant to Regulation Number 7, Part B, Section V., the annual greenhouse gas emission fee is determined according to the following formula.

Annual greenhouse gas emission fee:

1. total billable CO<sub>2</sub>e / company total CO<sub>2</sub>e = company % of billable CO<sub>2</sub>e

2. company % of billable CO<sub>2</sub>e \* \$8,300,000 = company CO<sub>2</sub>e fee

3. company CO<sub>2</sub>e fee / 4000 = company \$/ton CO<sub>2</sub>e

Where:

In (1), total billable CO<sub>2</sub>e means the total CO<sub>2</sub>e reported by owners or operators reporting greenhouse gases pursuant to (a) Regulation Number 22 or Regulation Number 7, Part B, Section IV. and Regulation Number 3, Part A, Section II.A.2. and (b) by owners or operators reporting greenhouse gases pursuant to Regulation Number 7, Part B, Section V. for the calendar year reported prior to billing (e.g., for a bill issued in 2024, calendar year 2022 emissions as reported in 2023)

In (1), company total CO<sub>2</sub>e means the total CO<sub>2</sub>e as reported by a company pursuant to Regulation Number 7, Part AB, Section V.

In (2), \$8,300,000 means the indirect and direct cost required to develop and administer the Division's programs that pertain to emissions of greenhouse gas

In (3), company \$/ton CO<sub>2</sub>e means the company's individualized dollar per ton of CO<sub>2</sub>e fee after considering the 4,000 ton limitation in 25-7-114.7(2)(a)(II), C.R.S., (2023)

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## **PART F            STATEMENTS OF BASIS, SPECIFIC STATUTORY AUTHORITY AND PURPOSE**

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### **I.III.     Adopted: DATE, 2023**

Revisions to Regulation Number 3, Part A, Sections II. and VI.

This Statement of Basis, Specific Statutory Authority, and Purpose complies with the requirements of the State Administrative Procedure Act, § 24-4-103(4), C.R.S., the Colorado Air Pollution Prevention and Control Act, §§ 25-7-101, C.R.S., et. seq., and the Air Quality Control Commission's (Commission) Procedural Rules, 5 Code Colo. Reg. §1001-1.

#### Basis

The proposed revisions to Regulation Number 3 revise fee requirements to include greenhouse gas emission fees.

#### Specific Statutory Authority

The Colorado Air Pollution Prevention and Control Act, § 25-7-106, C.R.S. provides the Commission the maximum flexibility in establishing an air quality control program and authority to promulgate regulations as necessary or desirable to carry out that program. § 25-7-105(1) directs the Commission to promulgate such rules and regulations as are consistent with the legislative declaration set forth in § 25-7-102 and are necessary for the proper implementation and administration of Article 7. § 25-7-114.1 authorizes the air pollutant emission notice program. § 25-7-114.7 authorizes the collection of greenhouse gas emission fees sufficient to cover the indirect and direct costs required to develop and administer the programs pertaining to emissions of greenhouse gas.

#### Purpose

The following section sets forth the Commission's purpose in adopting the revisions to Regulation Number 3, and includes the technological and scientific rationale for the adoption of the revisions.

#### Greenhouse gas APENs

In 2021, the Colorado legislature revised in House Bill 21-1266 Section 25-7-114.1, C.R.S. to direct the Commission to include GHGs (carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF<sub>6</sub>), and nitrogen trifluoride (NF<sub>3</sub>)) in the list of air pollutants required to be reported in an APEN in a rulemaking no later than December 31, 2022 (see HB 21-1266). In December 2022, the Commission identified sources reporting GHGs under Regulation Number 22 or Regulation Number 7 with facility emissions greater than or equal to 25,000 tpy CO<sub>2</sub>e to include GHG emissions on an annual facility-wide greenhouse gas APEN. The first GHG APENs must be submitted by December 31, 2023, reporting 2022 emissions data.

The Colorado legislature also revised CRS § 25-7-114.7 to direct the Commission to establish fees on greenhouse gas emissions reported on the above described and adopted APEN sufficient to cover the costs required to develop and administer the programs pertaining to GHG emissions.

In 2023, the Colorado legislature further revised CRS § 25-7-114.7 to allow the Commission to adopt a rule to establish fees on greenhouse gas emissions reported on the APEN or reported to the Division pursuant to CRS § 25-7-140(2)(a)(I) (see SB 23-016).

Therefore, the Commission revised Regulation Number 3 to establish the following greenhouse gas emission fee structure. These fees will be first assessed in 2024 for 2023 reported emissions, collecting approximately \$8.5 million dollars. For facilities reporting greenhouse gas emissions pursuant to Regulation Number 22 or Regulation Number 7, Part B, Section IV. and on the GHG APEN, the greenhouse gas fee is determined by (1) dividing the total billable CO<sub>2</sub>e (i.e., CO<sub>2</sub>e reported pursuant to Regulation Number 22 or Regulation Number 7) by the facility's total reported CO<sub>2</sub>e, as summed on the GHG APEN; (2) multiplying the facility's percentage of the total billable CO<sub>2</sub>e as determined in step one to determine the facility's CO<sub>2</sub>e fee; and (3) by dividing the facility's CO<sub>2</sub>e fee as determined in step two by 4000 to determine the facility's dollar per ton of CO<sub>2</sub>e emission fee.

For facilities reporting greenhouse gas emissions on the Regulation Number 7, Part B, Section V. annual emissions report, the greenhouse gas fee is determined by (1) dividing the total billable CO<sub>2</sub>e (i.e., CO<sub>2</sub>e reported pursuant to Regulation Number 22 or Regulation Number 7) by the company's total reported CO<sub>2</sub>e, as summed from the Regulation Number 7 annual emissions report; (2) multiplying the company's percentage of the total billable CO<sub>2</sub>e as determined in step one to determine the company's CO<sub>2</sub>e fee; and (3) by dividing the company's CO<sub>2</sub>e fee as determined in step two by 4000 to determine the company's dollar per ton of CO<sub>2</sub>e emission fee.

#### Additional Considerations

The revisions to Part A concerning greenhouse gas emission fees do not exceed or differ from the requirements of the federal act or rules. Therefore, the requirements of § 25-7-110.5(5)(a) do not apply. Further the revisions to Part A concerning greenhouse gas emission fees are not intended to reduce air pollution; therefore, the requirements of § 25-7-110.8 do not apply.

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#### **Editor's Notes**



16 - Board Vacancies

17 - Scheduled Announcements