

MORGAN COUNTY PLANNING COMMISSION
January 21, 2025

The Morgan County Planning Commission met on Tuesday, January 21, 2025, at 6:00 P.M. in the Assembly Room of the Morgan County Administration Building. The meeting was called to order by Chairman Nathan Troudt.

Chairman Nathan Troudt, Vice Chairman Erik Mohrlang, Dave Musgrave, Britt Dinis, Rob Chilson, Robert Pennington and Julie Padilla were present. Nicole Hay, Planning Director, Cheryl Brindisi, Planning and Zoning Administrative Assistant, Jenafer Santos, Planning and Zoning Technician and Karol Kopetzky, IT Specialist attended.

APPROVAL OF AGENDA:

It was moved by **Erik Mohrlang** and seconded by **Dave Musgrave** to approve the Agenda as presented. Motion passed 7-0.

APPROVAL OF MINUTES: Minutes from October 15, 2024 and November 12, 2024.

It was moved by **Erik Mohrlang** and seconded by **Dave Musgrave** to approve the Minutes as presented. Motion passed 3-0. Board members Rob Chilson, Julie Padilla, Robert Pennington and Britt Dinis abstained from voting.

NEW BUSINESS:

- Introduction of Julie Padilla and Britt Dinis as new Planning Commission Board members**
- Planning Commission Reorganization of the Board**
- Public Service Company of Colorado (Xcel Energy) Conversion-Amended Special Use**

Erik Mohrlang nominated **Nathan Troudt** for Chairman of the 2025 Planning Commission.

Dave Musgrave seconded that motion. Motion passed 6-0. **Nathan Troudt** abstained.

Robert Pennington nominated **Erik Mohrlang** for Vice Chairman of the 2025 Planning Commission.

Dave Musgrave seconded that motion. Motion passed 6-0. **Erik Mohrlang** abstained.

PROCEDURAL: Chairman **Nathan Troudt** read the hearing process for the meeting.

Planning Administrator, Nicole Hay, explained the road inventory and road use agreement in further detail as well as read the file summary as follows:

APPLICANT and LANDOWNER: Public Service Company of Colorado (Xcel Energy)

Public Service Company of Colorado (PSCo) has submitted an application to amend its special use permit, which was originally approved on October 12, 1976. The original SUP was issued for major facility of a public utility and has been amended several times to include new facilities on the property related to the Pawnee Station. The amendment would allow for the conversion of the existing coal fueled electric generation facility (Pawnee Station) and repowering it with natural gas. In addition, PSCo seeks the amendment to include options of blending hydrogen and other alternative fuels in the future at the generation facility. Pawnee Station is currently operating as a 505MW net capacity coal fired, steam-electric generating station and the conversion to natural gas will maintain the 505MW capacity. This conversion will assist both PSCo and the State of Colorado in achieving the reduction of carbon emissions by over 80 percent by 2030.

The current permitted area is the W1/2SE1/4 and the W1/2, except a one-acre parcel of Section 17, the E1/2 of Section 18, Section 19 except a 400-foot by 600-foot parcel in the northwest corner, and the W1/2 of Section 20, all in Township 3 North, Range 56 West of the 6th PM, Morgan County, Colorado. The permitted area is approximately 1,650 acres and zoned Heavy Industrial.

One aspect of the proposed amendment is to expand the permitted area to include the majority of the property owned by PSCo. This would increase the acreage to approximately 2,187 acres but also remove 2 parcels in Section 19, which contain the ManChief Electric Generating Station. The ManChief Electric Generating Station is subject to a separate 1041 permit issued by the County in 1999. The additional acreage is zoned Agricultural Production.

The permitted area, both the current area and the proposed addition, is not currently included within a fire protection district. PSCo had a service agreement with the Brush Rural Fire Protection District; however, that agreement has expired. In its application, PSCo represents that it is currently negotiating a new agreement with Fire Protection District to be completed by June 2025 and a copy will be provided to the County. However, upon a request for additional information on the status of the agreement, Brush Rural Fire Protection District informed the County that PSCo's intends to include. Brush Rural Fire Protection District is also willing to honor the expired agreement until the inclusion is completed. See referral response.

Other components of this conversion project include:

- Modification of the Pawnee Regulator Station to supply fuel to the Pawnee Station.
- Construction of 1,300 LF of new 10-inch and 700 LF of 20-inch pipeline to supply gas to Pawnee Station.
- Retirement and decommissioning of coal and ash handling equipment.
- The construction of a new 75 foot by 150 foot (13,125 SF) aboveground water treatment facility.
- A temporary laydown yard of approximately 3.47 acres.

Unrelated to the conversion is the expansion of the substation area approximately 60 feet west for additional interconnection.

The overall conversion and construction would start in early 2025 to allow an in-service date by January 1, 2026.

The haul route proposed is from I-76 to County Road 24 south approximately 3-1/2 miles to the current site access. Morgan County Road and Bridge Department has a budgeted project for 2025 for County Road 24, which includes the portion of County Road 24 from I-76 to State Highway 34. The project is a 3-inch asphalt overlay and milling of bridge deck in the segment of road.

During construction by PSCo, onsite activity is expected to take place between the hours of 6 a.m. and 5 p.m., Monday through Friday and the workforce would average of 50 workers up to 100 workers during the peak of construction.

In addition to the permit application, packets for the Planning Commission hearing include referral responses from CPW and PSCo.

Lastly, this application is subject to certain provisions of state law related to major electrical or natural gas facilities. Pursuant to C.R.S. § 29-20-108, a local government must act on a final application for the location, construction, or improvement of major electrical or natural gas facilities by a public utility or a power authority within 90 days of the complete submission of the final application. In the case of this application, the County must take final action by March 6th. If the County does not take final action by that date, the application will be deemed approved.

Review

In reviewing these applications, the Planning Commission and Board of County Commissioners are required to make a finding that the criteria for granting a Use by Special Review in Section 2-455 of the Morgan County Zoning Regulations have been satisfied.

Section 2-455 Special Use Permit Criteria:

- (A) The use and its location as proposed are in conformance with the Morgan County Comprehensive Plan. The property is located in the southeast planning area.

Chapter 2 – Plan Summary

E.2 -- Public Facilities and Services

Goal – To develop essential public facilities and services which contribute to providing a high quality of life for residents of Morgan County.

The continued energy generated from the Pawnee Station will serve Xcel Energy customers, including Morgan County and surrounding communities. Natural gas is generally a cleaner fuel and overall, the ambient air quality in Morgan County will benefit due to this conversion.

- (B) All the application documents are complete and present a clear picture of how uses are to be arranged on the site or within Morgan County.
- (C) The Site Plan conforms to the district design standards of Section 2-470 of the Morgan County Zoning Regulations.
- (D) All on and off-site impacts have been satisfactorily mitigated either through agreement, public improvements, site plan requirements or other mitigation measures.
Dust will be controlled on site by best management practices, such as periodic watering and reducing construction traffic speeds on-site.
- (E) The special use proposed has been made compatible with the surrounding uses and adequately buffered as determined by the County.
The proposed project is compatible with the surrounding uses. The construction site is more than half a mile from the nearest residence.
- (F) The special use poses only the minimum amount of risk to the public health, safety and welfare as set by federal, state or county regulation, whichever is the strictest.
The project will have minimal impacts on surrounding adjacent uses as the facility already exists and the conversion will increase generation efficiency and reduce greenhouse gas emissions. However, to ensure public safety and due to the location of the project, a fire services agreement

with the nearest Fire Protection District must be in place prior to construction and during the period PSCo operates its facilities under the special use permit and any amendments.

- (G) The special use proposed is not planned to be developed on a non-conforming parcel.
- (H) The applicant has adequately documented a public need for the project, all pertinent technical information, and adequate financial resources to implement it, and has paid all fees and review costs levied by the County for application processing and review.
The project serves as an integral part of Xcel Energy's February 2021 Colorado Clean Energy Plan, updated in April 2022.
- (I) For any special use requiring a supply of water for human consumption that the applicant has demonstrated a source of water which is adequate for the proposed use in terms of quantity, quality, and reliability. For any special use which does not require a supply of water for human consumption, an adequate source of water for the proposed use in terms of quantity and reliability must be obtained prior to commencement of the use.
Existing on-site resources of potable water for human consumption will be maintained.

As stated above, in 1976, the special use permit was approved as a major facility of a public utility without reference to the means of power generation. Staff is recommending that the description of the use be revised to "major facility of public utility, specifically as a natural gas-powered electric generation facility." If PSCo decides to use other fuel other than natural gas, a major amendment to this amendment would be required.

The following conditions are recommended if the amendment to the special use permit is approved:

1. All necessary land use, environmental, and construction permits, approvals and authorizations will be obtained prior to the start of and during construction as required and may include, but are not limited to, land use permits, right-of-way (ROW) permits, road use agreements, access permits, oversize/overweight permits, grading permits, and stormwater permits.
2. All necessary plans, reports, permits, and certificates will be submitted prior to issuance of any building permit associated with the water treatment facility and may include, but are not limited to, interconnection/crossing agreements, final drainage & erosion control plan, operations and maintenance plan, Liability Insurance Certificate, final locations for any laydown yard, and a copy of the APEN issued by the Colorado Department of Public Health and Environment.
3. The Brush Rural Fire Protection District will continue to operate under the 2012 Fire Service Agreement with PSCo until the completion of the inclusion process. Within 120 days of the date of the approval of the amendment to the Permit, PSCo shall provide an updated agreement or a copy of the inclusion order for the property to the County. While all periods PSCo is conducting activities on the Property pursuant to its special use permit or any amendments to that permit, it shall maintain an agreement with a fire protection district for emergency fire services at the Property. The requirement to maintain an agreement with a fire protection district shall not apply if the Property is included within the boundaries of a fire protection district pursuant to the provisions of Title 32, C.R.S.

4. Prior the commencement of construction, PSCo will enter into a road use agreement for the use of any public road during construction which shall include the following terms and elements:
 - i. A map showing which County roads will be used during construction.
 - ii. A pre-construction baseline survey or inventory of the road condition of County Road 24 from the south side of Highway 34 to the entrance of the Property, obtained by PSCo at its sole expense.
 - iii. Within 30 days of written notice by the County of the completion of the County Road 24 overlay project, PSCo, at its sole expense, will be required to complete a baseline survey or inventory of the road condition of County Road 24 from the south side of I-76 to the north side of Highway 34.
 - iv. After completion of the conversion project, PSCo will be required to submit a post-construction survey of County Road 24 from the south side of I-76 to the entrance onto the Property.
 - v. A mitigation plan to address traffic congestion, control, and potential impacts to County roads to be used during construction.
 - vi. A requirement that the PSCo return County Road 24 from the south side of Highway 34 to the entrance to the Property to its pre-construction condition. A requirement that PSCo return County Road 24 south of I-76 to the north side of Highway 34 to the condition presented after the County's overlay project as demonstrated by PSCo's survey provided after the completion of the County's overlay project.
 - vii. A requirement to post financial security in an amount not less than one hundred fifteen percent (115%) of the estimated cost to complete all road restoration, in the form of an irrevocable letter of credit or cash escrow. Cost estimates shall be provided by a licensed Colorado engineer. Upon preliminary acceptance of the restored public road, the County shall release all but fifteen percent (15%) of total actual costs of restoration of the public roads, so long as PSCo is not in default of any provision of the road use agreement. The County shall inspect the restored roads and PSCo shall pay to the County the cost incurred by the County in conducting such inspections. These costs shall be due and payable upon demand of the County. PSCo shall be responsible for correcting or properly completing the restoration.
 - f. The residual fifteen percent (15%) retained by the County shall act as security for PSCo's guarantee that the restoration remains free of defect during a two-year warranty period. PSCo may at any time during the preliminary acceptance or warranty period offer to provide a substitute or supplemental form of financial

security to that security as originally posted with and/or retained by the County. The County may accept substitute or supplemental forms of security in its sole discretion.

5. PSCo shall prevent the existence of any nuisances by way of its construction activities. All trash, litter, construction waste and any potentially hazardous materials shall be disposed of properly off-site. If the County determines that a nuisance exists and the nuisance is not abated or an abatement plan is not submitted to the satisfaction of the County, the County may, upon thirty (30) days' notice, undertake such abatement and lien the property for the costs of the abatement. Such abatement shall not be deemed to limit any other enforcement rights of the County.
6. PSCo shall comply with all applicable law and regulations related to safety and emergency management during construction and on-going operations.
7. PSCo shall be responsible for the payment of all costs and fees incurred by the County associated with this Permit. The County shall invoice PSCo for costs and fees and payment will be due by PSCo within thirty (30) days of the date of the invoice. Failure to pay may result in enforcement actions by the County.

Nicole Hay,
Morgan County Planning Administrator

PUBLIC SERVICE COMPANY OF COLORADO (XCEL ENERGY)

Kalan Falbo, Permitting Specialist for Xcel Energy, 1123 W 3rd Ave, Denver, CO, presented this application to the Planning Commission.

PLANNING COMMISSION DISCUSSION:

Rob Chilson asked if the railroad spur will be decommissioned?

Kalan Falbo answered no.

Erik Mohrlang asked if PSCo will still be responsible for maintaining the area of the railroad spur?

Kalan Falbo said yes.

Dave Musgrave asked if they are using the wells down by the river and their 48-inch water line and also the pond?

Kalan Falbo answered yes, they will be using all.

Erik Mohrlang asked if the new water treatment building was an updating to meet new standards of water treatment over what is there now?

Justin Muehlbauer, Project Manager for Xcel Energy, 1800 Larimer St., Denver, CO, explained the water treatment facility and it's process in further detail.

Robert Pennington asked if there were any findings of leakage in the wells?

Justin Muehlbauer stated that he was not sure.

Robert Pennington asked if there was conversation with CDPHE about the wastewater treatment?

Nicole Hay said she has not had conversations with CDPHE. The applicant has to get State approvals that our office will see when they submit a building permit to MCPZ for construction.

Robert Pennington asked how many trucks come in to be treated from other facilities?

Justin Muehlbauer stated that he was not sure of the specific numbers.

PUBLIC COMMENT OPEN IN FAVOR AND OPPOSITION: None
PUBLIC COMMENT CLOSED

PLANNING COMMISSION DISCUSSION:

Dave Musgrave asked if Morgan County gets to use any of this electricity?

Justin Muehlbauer explained that it is sent out onto the transmission lines and goes onto the grid for Xcel Energy customers.

Hans Rodvik, 1500 6th Ave., Greeley, CO, explained that Xcel Energy customers within the area utilize the energy. He also mentioned that Xcel Energy is following the State guidelines for the monitoring of the water wells. He stated that they held a public meeting at The Block in Fort Morgan and had no attendees.

Erik Mohrlang asked if there is an estimate of how far this project will extend the lifespan of Pawnee?

Hans Rodvik stated that the plan is a retirement in 2040.

Robert Pennington asked if there was a time table for the cleanup of the coal and ash pile?

Justin Muehlbauer said there are certain State requirements that have a 3-year timeline but he was unsure of the specifics.

Erik Mohrlang asked them to explain the specifics of the decommissioning of the coal machines.

Justin Muehlbauer stated that they are cleaned out and abandoned in place.

Dave Musgrave asked how is the pit dust controlled?

Justin Muehlbauer said you burn up as much as you can and from there you clean it up and put it into landfills.

Dave Musgrave asked if Xcel Energy has gas purchased until then?

Justin Muehlbauer stated that the gas station has enough gas for the conversion project as well the Manchief facility.

It was moved by **Robert Pennington** to recommend approval of this application to the Board of County Commissioners with the recommended conditions 1-7 outlined in the file summary.

Dave Musgrave seconded the motion.

Motion passed 7-0.

This application will move on to the Board of County Commissioners hearing on Tuesday, January 28, 2025 at 9:00 A.M.

Erik Morhlang motioned to adjourn the meeting.

Julie Padilla seconded that motion.

Motion passed 7-0.

Meeting was adjourned at 6:38 P.M.

Respectfully Submitted,

Cheryl Brindisi

Planning and Zoning Administrative Assistant