

ALPINE CITY COUNCIL SPECIAL WORK SESSION MINUTES

January 18, 2024

Mayor Carla Merrill called the meeting to order at 5:26 pm.

I. CALL MEETING TO ORDER

- A. Roll Call:** The following were present at the anchor location, which constituted a quorum: Brent Rummeler, Jessica Smuin, Jason Thelin, and Chrissy Hannemann. Kelli Law was excused. Staff members Shane Sorensen, Ryan Robinson, DeAnn Parry, and attorney Steve Doxey were also in attendance.

II. DISCUSSION ITEMS

- A. Operations Overview – City Administrator Shane Sorensen presented the Organization Chart and suggested that we need to add Emergency Management to the chart.

Shane explained that Public Works Lead, Greg Kmetzsch, has worked for the city for 28 years and is eligible to retire in two more years. Greg has vast institutional knowledge about the water and pressurized irrigation (PI) systems, which we would lose when he retires. The city needs to hire someone to receive training and gain experience before Greg retires. Managing the wells and PI water levels during the summer months is a particularly difficult job.

Council members suggested that while we could invite a public works employee from another city to apply, it would be ideal to have an Alpine resident in the position, because of the need for round-the-clock response to the PI system during the summer months. It was also suggested that we consider hiring Greg as a part-time consultant on contract after he retires.

Mayor Carla Merrill expressed her desire that we move toward electronic packets and use less paper for City Council business.

Some council members are happy with electronic packets, and others find paper documents very helpful. For now, Recorder DeAnn Parry will check with council members and provide the documents in their preferred format.

Mayor Merrill also asked about the need to continue mailing paper newsletters (the Newsline) with city utility bills.

Council Member Jessica Smuin suggested that older residents may have a more difficult time accessing electronic information. Cedar Hills City gives residents the choice to opt in. Millcreek is totally email.

Shane Sorensen suggested that we utilize Heidi Smith as our communications specialist and have her send out a survey about the issue.

Jessica Smuin suggested we could post everything on Facebook and other platforms.

Mayor Merrill would like to see more surveys conducted in the future so we can learn what the community wants. She asked the council to think about what kind of surveys are needed, such as a paperless newsletter, fiber optic network, etc.

The council discussed the option of pickleball and tennis court reservations, and if we should allow groups to host their own tournaments and teach lessons on our courts.

The following points were discussed: the parks are intended for resident recreation and not to provide teaching locations for personal gain; tournaments take court opportunities away from our residents; if we have organized times and schedules then players can work around those times; Alpine has very few courts compared to other cities; and we could look at other cities who have youth programs in place to get information.

Shane Sorensen said that the city will be working with Heidi Smith to install improved signs at parks and courts to educate the public.

- B. Shane Sorensen presented the Budget Overview. This year our budget is 7.6 million. Shane explained that we will need a mid-year budget amendment to address the 100 South property purchased by the city. This would be a work meeting and would not be open for public comment.

Shane reviewed the approval process for the 2024-25 budget:

1. Review revenue projections
 2. Consider increased costs (wages, benefits, other services, staffing, public safety, etc.)
 3. Discuss potential projects and funding (cost estimates, potential grants)
 4. Tentative budget to be approved at the first City Council meeting May
 4. Final budget to be approved in the second City Council meeting in June.
- We will need to adjust the timeline if a property tax increase is proposed.

Shane explained our current revenue sources:

Property tax - \$2.6M
 Sales tax - \$2M
 Franchise fees - ~\$800k
 Motor Vehicle tax - ~\$130k
 Class C Road Funds (restricted for roads) - \$550k
 Transit tax (restricted for roads) - \$175k
 Cell tower lease - ~\$72k
 Grants – varies
 Misc. revenue
 Reserves: Capital Improvement Fund

Shane also talked about our new revenue sources:

PARC tax (restricted for parks, trails, etc.)
 5th/5th Sales tax (restricted for transportation projects)

The PARC Tax - Voters approved this tax in the 2023 election. It is 0.1% of local sales tax distributed by a sales tax formula (50% population/50% point of sale). We estimate the revenue to be ~\$116,000 annually. Eligible uses are recreational facilities, park facilities, and cultural arts facilities and organizations. We anticipate receiving this revenue beginning Spring of 2024.

The 5th/5th Sales Tax is a 0.2% local transportation sales tax, with 0.05% going to cities for transportation purposes (formula (50% population/50% point of sale). Eligibility is determined based on compliance with Moderate Income Housing requirements. We estimate revenue to be ~\$86,000 for the 12 months preceding December 2023. We anticipate receiving revenue beginning Spring 2024.

Shane explained that Enterprise Funds include culinary water, sewer, pressurized irrigation and storm drain funds. Revenue Funds are composed of user rates and impact fees, which are restricted for growth-related projects.

We are required to spend Enterprise Funds in the category for which they are collected. If we want to raise fees in any category, a rate state is required. We can have our Finance Director, Dave Sanderson, present to the Council if they would like details on the different funds and their uses.

Solid Waste Contract - Shane reported that when the city issued a Request for Proposals in 2013, Ace Disposal was selected with an initial 5-year term, and the option to extend for two additional three-year terms. Alpine City extended both times. The annual increases from Ace Disposal have been tied to an index (2-6 percent).

Alpine City's solid waste contract with Ace Disposal ends on June 30, 2024, and we will again need to issue an RFP. Republic and Waste Management are the other possible local collectors. When considering a potential change, we need to remember that we do not own the trash cans, so swapping them out with a new trash company would be complicated. Shane suggested that we ask Highland City for their RFP as an example.

North Utah County Solid Waste District (the dump/transfer station) – Shane explained that Alpine pulled out of the contract with NUCSWD because of high costs. Since then, there have been some problems with Alpine residents taking loads to the transfer station, even when paying the non-participant fee. The cost to sign a new contract with NUCSWD is prohibitive. Public works has found that it is cheaper for the city to drive trash loads to Fairfield, rather than to use the transfer station.

TSSD Sewer cost increase – Shane explained that Timpanogos Solid Waste District notified us of a 40 percent increase beginning January 1, 2024. Sewer fees are not simple to compute. In addition to wastewater, rainwater also has an effect on the volume. We are nearing the end of a required rate study, but the results are not ready yet. Because the TSSD increase is already in effect, the best solution we could find is to apply a temporary sewer surcharge for a few months. This will allow us to complete the rate study and move forward with accurate billing. We will likely implement an annual percentage increase similar to what we did with the PI rates.

The proposal is to apply a temporary \$7 per account surcharge on resident utility accounts. The Council will vote on this fee in their meeting on January 23, and we will include an explanation in the Newsline that will be mailed out with the bills the first week of February.

- C. Update on Fiscal Year 2024 Projects – Shane presented a large spreadsheet listing projects for the 2024 fiscal year, along with specific project details.

Cemetery Expansion Project – The project has cost \$581,000, not including the restroom. A moratorium has been in effect for years, limiting the purchase of cemetery plots to Alpine residents who have a death in the family. We will have 1,317 new plots available for sale this spring. When considering the cost of a plot, the Council should remember that we must maintain these plots forever.

The Council discussed continuing to limit the purchase to Alpine residents, with a three-plot maximum. Resident opening and closing fees would apply to individuals who are living in Alpine at the time of their passing, or who still own their home here (if they have moved to a care facility).

Fire Station Remodel Project – Before we move forward, we need to finalize the concept plan and issue an RFP for a general contractor. It will take an estimated two years to complete the project. Mayor Merrill reported that the architect said the original fire station was not designed for firefighters to live there.

Brent Rummmler commented that we should consider the quality of life for the firefighters.

Chrissy Hanneman said that because our firefighter salaries are lower, we could balance that by creating a better facility for them.

Mayor Merrill said that if we build an addition to the fire station and remodel the older section, it could be re-purposed for community use.

The Council discussed the importance of a good workout room for the firefighters, and the effect the noise could have on the community section of the building. We could look at better soundproofing for the gym. The question was also raised about possible ADA requirements for an expensive commercial elevator, if the gym were moved to the basement and if storage was included in the addition.

Jason Thelin asked about the current higher interest rates and how we will determine if we can afford the project.

Shane Sorensen explained that the previous estimate for the project was \$3.5-4 million. We have some funds that we could apply to the project, along with a portion of our sales tax. We are also conducting a study about a possible Fire Impact Fee. In addition, we could also consider a bond. We don't bond very often, but we have a good rating as a city.

The consensus was that we need to revisit the concept plan for the station remodel, and Shane suggested that we have the architect attend a work meeting to answer questions.

- D. Proposed Future Projects – Shane Sorensen explained that we are required to use impact fees within six years of collection, and that these funds are restricted to the category for which they were collected. Shane presented an overview of several future projects:

Street maintenance – We have a five-year pavement maintenance plan and can extend the life of a roadway with sealcoat or chip sealing. A section of Grove Drive needs curb and gutter installed. Shane explained that “worst is first” is the wrong way to approach road maintenance. Roads tend to last about 20 years, and higher traffic volume means faster degrading of road surfaces.

At Smooth Canyon Park we would like to expand the parking lot, relocate the restroom, and improve the trails.

Jason Thelin mentioned that some residents may not be in favor of the improvements at Smooth Canyon, so the Council may need to discuss another park priority for improvements.

E. Update on Grants

Shane reported that the Lambert Park poppy preservation project is mostly complete. The mayor would like to see a barrier constructed between the path and the poppies. We might have \$3-4,000 remaining of the grant money.

On the BST grant for the asphalt trail near Grove Drive improvements, bids will close on May 31. We will need to move this project forward quickly.

Potential grant projects are:

1. A paved trail from Twin Rivers to Ranch Drive to Long Drive
2. Playground equipment at Creekside Park (which is 13-14 years old and has safety issues)
3. Improvements to Smooth Canyon Park

F. Capital Facility / Impact Fee Plans – Shane said that these plans are our roadmap to provide services for the build-out of our city. When we charge an impact fee, we must set a level of service, and projects can be split between supporting new growth and fixing deficiencies.

On our water system – The city incurs significant costs to pump water to the higher zones. These areas need to water lawns with culinary water because PI is not available.

It takes 2-3 years for a new well to go online, and granite makes it difficult to drill wells in the higher elevations. The proposed Heritage Hills well would cost around \$4 million.

Mayor Merrill suggested that Greg Kmetzsch be invited to a Council work session to explain PI issues and needs. We could also invite John Schiess, who has worked on the plan.

Mayor Carla Merrill closed the work session at 9:12 pm.