

ALPINE CITY COUNCIL WORK SESSION
July 9, 2026

Mayor Carla Merrill called the meeting to order at 12:01 pm.

I. CALL MEETING TO ORDER

A. Roll Call

Mayor Carla Merrill

The following were present at the anchor location, which constituted a quorum: Sarah Blackwell, Andrew Young, Brent Rummmler, and Jessica Smuin. Chrissy Hannemann attended by Zoom.

Staff: Shane Sorensen, Caden Lyon, and DeAnn Parry

Others: Steve Burrows, Sullivan Love, Clyde M. Stauffer IV, and Shellie Slade

II. WORK SESSION

Shane Sorensen gave a PowerPoint presentation and said that purpose of this meeting is to:

- Answer questions from council members
- Receive input from the water committee
- Determine the scope of Phase 1 PI projects
- Discuss potential culinary water projects
- Review funding strategies

Shane Sorensen explained that the 2025 PI Master Plan will be brought to the council for formal approval in the future. In the study there are recommended system improvements and Table 1 shows our existing deficiencies. A map is provided with a list of projects and their associated costs. Table 2 considers build-out and suggests a large pipeline from the Healey Well through town to the lower PI reservoir. Other projects that will increase city capacity and facilitate directing water as needed are included.

In order to collect impact fees, the city has to develop a minimum level of service. Horrocks Engineers identified our minimum level of service. This is usually calculated at peak usage in July with our highest temperatures and includes maximum velocity. Higher velocity creates more friction which leads to reduced operating pressure. Shane referenced an email from Horrocks' John Schiess about which projects provide the biggest bang for our buck. John recommended the new Heritage Hills Well and the 400 West booster pumps and upsized piping as the most critical.

Jessica Smuin said she would like to see the actual modeling and wants to spend the city's money most efficiently. These are expensive projects and she would like to be able to assure the public that it will solve the existing problems.

Shane Sorensen explained that the city does not own the complicated and expensive modeling software to be able to view all the details, and that is why the report contains a summary of the information and findings. He further stated that unless people start using a lot more PI water or the general conditions change, these upgrades will benefit the whole city.

The build-out projects are expected to begin later on, depending on how development occurs in the city. The Page property is now on the verge of development, and they have agreed to allow the city to install a large PI line through their property to save money on asphalt and utilities. This pipe will become a priority in order to save money. The Fitzgerald property is also in the process of completing final to be annexed, so we will need to deal with the infrastructure needs there sooner than later.

Mayor Carla Merrill said that we are not hydrologists, so we rely on professionals for modeling and analysis. We have contracted with them to provide guidance, and it is time for us to take action on their suggestions.

Shane Sorensen explained details about the modeling results and the maps that show proposed improvements. He said that the model incorporated actual usage data from our PI meters, so it is more accurate than previous reports.

Andrew Young asked about the lower pressure issues north of Alpine Elementary and if the new well and booster pumps will solve the problems.

Shane said the model includes improvements to fix those problems. The pressure reducing valve (PRV) on Grove Drive between the middle and low zone will provide additional pressure to the area north of Alpine Elementary. The boosters will pump into the middle zone, which will also help Lakeview Drive. Currently PI water goes through a PRV from the high zone at Lakeview into the west side of town. The council is not expected to understand all the intricate details and that is why we hire professionals. The consultants are working for the city to recommend improvements to cure our deficiencies and provide the minimum level of service for everyone.

Mayor Carla Merrill mentioned the low zone tank by the North Stake Center and said we are applying for a grant to enlarge it

Shane Sorensen explained that additional storage is shown as a build-out improvement. Storage is elevation dependent, so if we can find a site before homes are built, that is the best. Most of that area is built out, but there are some areas near Bridle Up Hope that could be considered. We also need a pipeline to receive water and send it to the residents. The west side might have space, but we do not have pipes there. The best option is near the existing low zone reservoir.

Jessica Smuin asked why we did not build the well when it was proposed in 2021 at \$1.4M? Now it will cost around \$5M.

Shane Sorensen said that staff proposed the well as a budget item and it was removed by the council at the time.

Brent Rummeler commented that this is why we do not want to delay important projects—the cost always goes up.

Jessica Smuin said that the council at that time was not comfortable with the well because the deficiency was only for agricultural users in 2021. The report said the problems were with delivery and pressure and had nothing to do with storage tanks.

Mayor Carla Merrill said that was not accurate. Residents then were saying that there was a deficiency that needed to be corrected.

Jessica Smuin said it is important to know the history because we are now making decisions to bond and raise user rates. If we are making these decisions, we want to know that the solution will work. She also asked about the culinary water system. She did not feel that she had the information to determine how to move forward.

Mayor Carla Merrill said we are focusing on the PI system right now. Hydrologists have run the programs and told us what we need to do. She did not understand the hesitancy to move forward with the Heritage Hills Well and the boosters.

Sarah Blackwell suggested it might be helpful for Shane to explain the projects that have been recommended and how they would also help alleviate concerns in the culinary system as well.

Shane reported that large growth has taken place in The Ridge at Alpine and the Cherrypoint subdivisions, which are both in the high zone. We have a number of approved vacant lots but may not be able to provide PI water to them. If we have a good snowpack year, we will not need to pump the Heritage Hills Well. The last two years we have had very little rainfall, and a well would be very helpful. We rely on Grove Springs to provide water to the high zone. The Heritage Hills Well would pump directly into the high zone, which would free up water from Grove Springs that could go to the culinary system. If we have more water than is needed for culinary, it is channeled into the PI system, so it is not wasted.

The Westfield Oaks neighborhood is in the middle zone and they rely on pumps that are not currently large enough. When the improvements are complete, it will allow us to move water up to the next zone. Water also feeds down from above. We would be able to reduce the dropdown water from the high to middle zone by pumping more from low to middle.

Jessica Smuin said the Heritage Hills Well will cost 45 percent of the \$14M in improvements. She wants to be able to say confidently that we are going to mitigate water issues for 45 percent of public, or whatever the percentage may be.

Mayor Merrill said that if we have the luxury to plan ahead, that is best. However, based on our Master Plan we have approved subdivisions and entitled lots but do not have enough water to service them. When we grant building permits, we are obliged to provide that service. She did not know what the improvement percentage was, but the upgrades will serve the high zone where we need more water and help equalize pressure for the middle zone.

Jessica Smuin said she thinks 30 percent of the city will benefit from expansion tank. The report says we need more storage and that is why we have to go through this arduous process. We based our rates on the previous model, and we are deficient and cannot meet the level of recommended service. We are not trying to be water engineers we are being planners for the city.

Mayor Merrill said that we are not discussing culinary water at this time, but we will in the future. We cannot combine both systems because of the high bonding amount, and we cannot start all the projects at the same time. The PI deficiencies cannot wait. We must also consider the schedule and that work cannot be done on PI during the summer watering season. We also do not want to pay interest on a bond for projects that will not start for 3-5 years. She wants to begin the urgent projects now, get the bond issued, and begin. Then we can look at the next priorities.

Brent Rummler commented that we can expand the bond in the future, if needed.

Jessica Smuin said we also need to address the culinary system. She is not comfortable saying we are working on water without dealing with culinary also. There are several sheets of deficiencies.

Shane Sorensen explained that the standard for culinary water used to be 6-inch pipes, but with larger homes being built the fire flow requirements have increased to 8-inch pipes. Scenic Drive has sections of the smaller pipes as does Stonehedge Lane. The city is working to replace these pipes as they can. This is a state regulation and is not related to growth.

Chrissy Hannemann commented that \$14M is for growth, and we will get help from future residents as they pay their impact fees. These improvements do not just fall on the general population. Part of the purpose for the impact study is to identify the correct amount to charge for impact fees. The study is divided into existing deficiencies and projects that are needed for growth. Most of the culinary improvements will be due to growth. Chrissy is now working for a water district. As they collect impact fees they can then redeem some of their bonds with those funds.

Shane Sorensen agreed that as we collect impact fees they can go towards bond payments. Part will be paid from user fees and part from impact fees. We should remember that impact fees can be unstable because we are not in a high growth period. Because impact fees decrease with slower growth, user rates are very important. We expect to bond for these PI projects and hope to use impact fees for part of the payments. Because we can only hold impact fees for six years, with slower growth Alpine cannot save up enough money to do a complete project entirely from impact fees. The tables in the study show what we need, and the growth component is factored into the impact fee calculations.

Chrissy Hannemann said that the study looked at future build-out, and we could potentially collect \$6M in impact fees. These funds would not just be coming from the current residents. Impact fees will reduce the load on current residents.

Shane Sorensen cited an example of the sewer system which was completed in 1979. Because extra capacity was built into the system, our impact fee plan allows us to take some of the impact fees collected each year from building permits and transfer that into the sewer general fund. The new homeowners are essentially buying into that system.

Mayor Merrill confirmed that estimated impact fees toward the Heritage Hills Well would be \$1.124M and the booster pump would be \$440,000, for a total of \$1.55M of the \$9M.

Chrissy Hannemann pointed out that for these two projects the bulk is not for growth, it is to meet existing deficiencies. The majority of the low zone tank expansion will be paid for by future residents.

Sarah Blackwell asked if the Heritage Hills Well helps serve The Ridge and Cherrypoint developments and only \$1.12M is being paid by impact fees, why are they are not paying more of the cost?

Shane Sorensen explained that there are other areas and other homes already in that zone. Those subdivisions are an example of the vacant lots that will increase the demand for PI when they landscape.

Mayor Merrill said that the latest study has updated the lower numbers from the 2021 study. The impact fees were based on that lower amount. We received the new numbers at the end of last year.

Brent Rummer commented that as taxpayers, we are concerned because when taxes are raised they almost never drop. It is the same with fees. When we receive impact fees to pay down principle, can we reduce interest rates?

Shane Sorensen explained that we are still paying off the refinanced PI bond from when the city installed the system. We have four more payments on that bond, and he anticipates that we will carry a PI bond for the foreseeable future.

Jessica Smuin asked if there are upgrades needed to the Heritage Hills Well so it can provide culinary water as a redundancy.

Shane Sorensen explained that the Heritage Hills Well is for PI water only. The water currently being used for irrigation from Grove Springs can be replaced by the water pumped from this well. We already have redundancies in our culinary system with wells that are not being pumped.

Our culinary system is in good shape, and there are small projects like the 8-inch pipe upgrade that are ongoing. He also clarified that a previous early closure of the splashpad was due to the need to test the water from a restarted well before it could be used. Because it happened over a weekend, the test could not be completed and the splashpad was closed early. That was an unusual situation.

Chrissy Hannemann commented that culinary water and PI are two separate enterprise funds that run independently and are not competing for the same dollars. We cannot fund PI and culinary projects together, but we can discuss the culinary system at another time.

Mayor Merrill added that this was not announced as a culinary water work session.

Sarah Blackwell said that if residents hear that we are bonding for \$9M for PI, it would be good to tell them how it will help our culinary water system as well.

Mayor Merrill said that in the 27 years she has lived here, we have never been unable to provide drinking water for homes. Our deficiency is not in the culinary system because we have the water and the delivery system in place.

Reporting on the water meeting she attended, Sarah Blackwell said that because of the large-scale growth south of Utah Lake, our CUP water allotment will likely decrease. Attendees also discussed the importance of being self-sufficient with culinary water in the event of an emergency.

Mayor Merrill said we are fortunate to have good culinary water sources in place, and to be chipping away at the needed repairs. We are also working to upsize the storage tank. Our PI system needs to be updated. She asked if the council had specific questions about the priority Heritage Hills Well and the 400 West booster pumps and pipes.

Sarah Blackwell asked if we obtain a bond for \$9M to fund those two projects, is there the potential to find additional funding for the other projects?

Mayor Merrill said that Shane Sorensen does a great job with funding sources and we are always looking for grants and other opportunities. Lately Shane has had to spend a lot of time re-doing the budget for the State and preparing for these work sessions. She would like to see us move forward with the two priority projects.

Shane Sorensen referred to the PowerPoint slides and explained that one big factor with the deficiency in our culinary system is the increased size of homes. The biggest part of our storage tank requirement is based on fire flows. With huge homes we are required to have huge storage tanks.

Brent Rummeler suggested that if it costs more for water storage, we should be able to justify higher impact fees for larger homes.

Shane Sorensen responded that the legislature keeps tightening the screws on impact fees and there are a lot of home builders serving in the legislature. The city is gathering estimates and will install a 24-inch pipe on the Page property. This project will be much cheaper than the one on Canyon Crest because there are no existing utilities and we will not be digging up and replacing asphalt. We would also like to get an easement for a pipe from the Healey Well to Healey Blvd.

Shane said that we could spend hours going over the questions and answers, but if the council members read the provided questions and answers and then send follow-up questions to Shane, that would be most efficient.

Steve Burrows from the Citizen Water Committee was invited to comment.

Steve Burrows said he has been impressed with the thoroughness of the council and staff in the last year. The Citizen Water Committee was established in April, and they appreciate the focus on PI today. These issues will be relevant every year. Even if we had infinite funding, we could not fix everything at once. The committee has looked at all the projects thoroughly and they trust the staff. Shane Sorensen and Greg Kmetzsch have years of experience and understand our water systems. They also trust Horrocks Engineers because of our long history of working with them.

Steve said that completing Phase 1 is a no-brainer, but he would be concerned if the council is trying to reduce the scope of the project. He compared home improvement projects and home equity loans to the funding for the PI projects. We need to fund these projects and have a plan. It would be a disservice to the city to take the last five years of effort and expense and ignore the professional recommendations. He encouraged the council to approve Phase 1 in its entirety. The Heritage Hills Well and the 400 West booster pumps are essential, and we should get started as soon as possible. Then if we need to increase the bond for the additional projects, that can be done. All five projects are important.

Andrew Young asked if the Citizen Water Committee was recommending all five projects and if they wanted the city to bond.

Steve Burrows restated that they recommend completing all five projects, which would include a schedule for funding. They are not experts in funding options. The water experts have said what needs to be done and the Citizen Water Committee has focused on PI for now.

Andrew Young said the experts' recommendations have been mentioned but he thinks it is more like one expert. He asked about getting additional recommendations from other experts.

Mayor Merrill said that Jeff Davis is also on the water committee. He works for a different firm and agrees with the Horrocks' recommendations. Thayne Clark, who works for Bowen Collins, was also at the water open house and concurred with the suggested projects. The mayor understands that the council is concerned about the total cost. If the projects come in under budget it will free up funds for other endeavors. If the totals are higher, we will have to find the money.

Steve Burrows said it is not a question of if the projects need to be done. We just need to send out an RFP for the best solution and price.

Sarah Blackwell asked how soon we could start and if any projects could be done in tandem.

Mayor Merrill said Steve Burrows has had numerous meetings with Shane Sorensen. We should start by sending out a request for an RFP for the design, gather bids for the project, and then we can get started. It will be a long process so she would like to begin soon.

Sarah Blackwell asked if we bond for \$9M and start the two top priority projects, how do we plan to do the rest?

Mayor Merrill said that because we are a small city our staff will need to be heavily involved. We should get started and see what we can do. She thinks the council recognizes the need to move forward, and this is urgent. Just like with the significant staff participation in the fire station project, Shane and Jason will be heavily involved with these PI projects, along with their other duties. We already own the land for the Heritage Hills well and have a right-of-way for the 400 West project.

Shane Sorensen mentioned that the city saw the opportunity to purchase the Heritage Hills Well property several years ago, and staff are always looking for such prospects. The Page property pipeline is another example.

Mayor Merrill said she appreciates Shane's expertise in engineering so he can identify these opportunities. He has also managed the city budget in a fiscally conservative manner so we can take advantage of these cost-saving events. We must have funds available in order to act.

Jessica Smuin said that if it will cost more for the other projects in the future, why would we wait? Why not approve all five projects now?

Mayor Merrill said that the first two priorities will have the biggest effect, and we feel good about our chances to get a grant for the low zone tank expansion.

Shane Sorensen added that we should also consider the residents' tolerance for a rate increase. If we double the user rates, we could do all five projects.

Jessica Smuin said if we are going to make decisions based on projected construction cost increases, it does not make sense to delay anything. If we do, we might have to come back in two years and triple the user rates. She thinks we should move forward on all five projects without doing it piecemeal.

Mayor Merrill reiterated that the first three projects are the most important. We feel confident about receiving a grant for the low zone tank expansion. The other two projects are less than \$1M, and she is optimistic that we might be able to do those without bonding.

Sarah Blackwell asked if there would be an advantage in bonding for \$10M so we could move ahead with all the recommendations. She would rather not wait until the well is built to do the other projects.

Mayor Merrill said that the council can consider that.

Jessica Smuin said she did not understand the hesitancy. We have a committee that has said we should do Phase 1, and experts say we should do Phase 1.

Mayor Merrill said we will need to pay the fees for the RFP and the expensive design process up front because we will not be able to get the bond in time.

Shane Sorensen said that a private placement bond can take approximately 60 days and a market bond can take about 90 days to issue. He commented that the PRV project could likely be paid for with enterprise funds.

Chrissy Hannemann suggested that we use the General Fund for these expenses and then pay it back when we get the bond.

Sarah Blackwell asked for a timeline on the projects.

Shane Sorensen said that the 400 West boosters could take about a year, the well would be about two years, and the storage tank expansion about a year. The PRV project would take approximately six months, and the start date would depend on the consultants' schedules.

Andrew Young asked about the increased cost per resident.

Shane Sorensen said we cannot calculate that until the council decides on the approved projects. He explained that when the city received COVID money several years ago, we remodeled the entrance to City Hall. Staff recommended also drilling the well, but when that did not happen the funds were put into the Capital Improvements Fund. Part of the \$8M balance is from that money.

Andrew Young said that these projects are for a centralized system. Our aquifer is going down and residents want a solution. He thinks the money is going to other things, like the fire station remodel and employee raises. This is a generational decision, and with our population decreasing, he does not think we can sustain this. He hopes for a different funding mechanism. He is in favor of raising the user fees and completing the projects one by one.

Mayor Merrill calculated that for a \$9M 20-year bond at 4 percent with 3,000 households in Alpine, the cost would be \$18.17 per month. For a 25-year bond it would be \$15.84.

Andrew Young said he realizes those are small amounts, but residents are being hit with fees from every side, electricity, property taxes, and insurance. He remembered a developer saying he would partner with the city and pay for the well.

Shane Sorensen clarified that the developer offered to contribute to the well, not to carry the whole cost.

Andrew Young said he is in favor of different solutions than what the experts have brought up. They are trained and modeled in a certain way where they miss other options. The people Andrew has spoken with have said the solution is long-term storage or reservoirs. Because that is not possible, we can use disseminated storage. It would be way cheaper and would double the reservoir storage we have. This solution would be to have tanks at people's houses. This can be done immediately. We would not just pull from the aquifer but would pull from snow and rain and they can fill them with their hoses. The tanks are \$2,500 each and if you buy a lot of them, they are \$2,000. Andrew hopes the council will be in favor of buying 70 to install

as a test. These tanks are actually mandated in California for wildfires. People could add as many as they wanted. This is the wave of the future versus a centralized system.

Andrew does not see a path forward unless we can fix the Alpine Elementary neighborhood pressure problem, as they do not have good water pressure even in wet years. He cannot support the \$9M bond.

Chrissy Hannemann said that regarding debt, the people who pay for it are the ones who benefit from the projects. Zions Public Finance can tell us for every \$1M how much it will cost per resident. This could help us decide if we want to do just the first phase or all of the projects. She appreciates the in-depth discussion about the issues. Because all the residents are paying into the system, we are obligated to bring equity to them. Chrissy lives at the bottom of the low zone and does not have any pressure issues, but she thinks asking her neighborhood to help fund the projects is completely fair. She is open to grants or bonds because our overall purpose is to provide equity to all residents, including those who will build on approved lots. They should get the same level of service as the rest of the city. She appreciates the time and effort that went into generating the reports.

Jessica Smuin said she does not want the PI projects to be done in lieu of addressing culinary needs. If we are going to follow the experts' guidance on PI, we definitely need to adhere to their guidance for culinary as well. If we are moving forward, we need to do so confidently and provide equity across the whole city.

Brent Rummler said he agreed with Sarah, Jessica, and Chrissy about doing Projects 1, 2, 3, and 5 and waiting to see if we get a grant for Number 4. He is personally averse to borrowing but understands the need to do so in a government setting. We are concerned about a \$15-20 per month increase in user fees, but if we wait to raise all the money, it will cost 50-100 percent more for the entire project. We must be able to complete projects in a reasonable amount of time. Waiting is not an option. This is a prime example of when we should bond. The cost will be lower than in the future, and we can spread the payments over years.

Mayor Merrill summarized that she likes the fact that a bond means the people who are using the system will help pay for it.

Sarah Blackwell asked if we plan to have a work session about the culinary system.

Shane Sorensen said that we will, and asked council members to email him with their questions.

Motion: Brent Rummler moved to adjourn the meeting. Jessica Smuin seconded the motion. The motion passed unanimously.

The meeting adjourned at 1:57 pm.