



TOWN OF MANILA REGULAR MEETING
SENIOR-COMMUNITY CENTER
165 E HWY 43
JANUARY 8, 2026, AT 5:30 P.M.

REGULAR MEETING CALLED TO ORDER: Mayor Kathi called the meeting to order at 5:30 pm.

PRESENT: Mayor Kathi Knight, Council Member Gretchen Northcott, Bill Rylander, Deb Brown, and Sarah Mraz, Deputy Clerk Kourtney Hawks, and Town Clerk Jennifer Allphin via Microsoft Teams.

GUESTS: Gary Pallesen, JR Brown, Rod Alexander, Jolene Alexander, Steven Wood, Jerry Slaugh, and Aaron Averett with Sunrise Engineering.

EXCUSED: All were present.

CONSENT CALENDAR: Councilmember Brown moved to approve the consent calendar consisting of payroll hours, the budget worksheet, invoice register, transaction register, revenue analysis, aging report, and previous minutes. Councilmember Northcott seconded the motion.

Vote: All were in Favor.

RESULTS: APPROVED

AYES: MAYOR KNIGHT, COUNCIL MEMBERS RYLANDER, MRAZ, BROWN, AND NORTHCOTT

SEWER REVENUE BOND RESOLUTION: Mayor Kathi presented the sewer revenue bond resolution to the Town Council. She said the signing has been moved to a Special meeting on Thursday, January 15, at 1:00 p.m., as she is confident a quorum will be present. A public hearing on the sewer bond was held approximately two years ago, and now that bids have been received, the Town is closing on the bond to move forward with the project. The signing was originally scheduled for today, January 8th, but was postponed due to weather.

STEVE WOOD: Steve brought safety concerns to the Town Council based on conditions he has observed while working in homes throughout Manila. Issues included water heaters and furnaces venting into living spaces, unsafe stairways, improper gas and electrical installations, and other hazards that may pose serious health and safety risks. He noted that many of these issues appear in older and frequently sold vacation homes and may be missed during standard home inspections.

The Council discussed whether the Town could require inspections at the time of sale. Mayor Kathi explained that home inspections are not required by the Town and cannot be mandated for private residences, though inspections are recommended and required for an Airbnb. Councilmembers discussed the role of licensed contractors, challenges with unlicensed work, and limitations on enforcement.

The Council agreed that the Town can help by providing educational information, publishing lists of licensed contractors, encouraging home inspections, and exploring whether local contractors



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would be willing to offer limited or free safety inspections. Mayor Kathi also noted that assistance programs may be available for low-income residents to help address necessary repairs and stated the issue would be addressed through a future newsletter and outreach efforts.

Action items: Include safety and inspection information in future Town newsletter. Identify and share information on assistance programs for low-income residents needing home repairs

HB 48 AND WUI CODE AND MAPPING REQUIREMENTS: Mayor Kathi presented a resolution for the Town of Manila to adopt the Wildland-Urban Interface (WUI) Code and the official WUI mapping as approved by the Utah State Fire Marshal, in accordance with Utah House Bill 48. The Mayor explained that the Town is not currently designated as a high-risk Wildland-Urban Interface area and that adoption of the code and mapping does not impose additional requirements on any properties within the Town at this time. The mapping may be updated periodically by the State Fire Marshal, and any future WUI designations would then be subject to the adopted code. The WUI Code and mapping will be administered and enforced by the Town's designated officials in coordination with the Utah State Fire Marshal.

Motion: Councilmember Rylander made a motion to adopt the Wildland-Urban Interface (WUI) Code and Official WUI mapping in accordance with Utah House Bill 48. Councilmember Brown seconded the motion.

Vote: All were in favor, and the motion passed.

RESULTS: APPROVED

AYES: MAYOR KNIGHT, COUNCIL MEMBERS RYLANDER, MRAZ, BROWN, AND NORTHCOTT

PINNACLE UPDATE: Mayor Kathi provided an update on the Pinnacle development. She reported that she received an email from Jeremy requesting a copy of the developer agreement, which she provided, noting that further discussion is still needed on certain provisions.

Aaron Averett of Sunrise Engineering stated that the primary outstanding issue relates to project phasing and asked whether the Town prefers to define the phasing or allow the developer to propose it.

Mayor Kathi expressed concern regarding the total number of units, explaining that the original understanding was that the existing 24 units would be demolished once the new 24 units were constructed, rather than allowing a total of 48 units to exist simultaneously.

Aaron confirmed that prior discussions established that construction of the new 24 units would require abandonment of the existing 24 units until water capacity issues are resolved. Mayor Kathi reiterated that the intent was for the existing units to be used temporarily for builders during Phase One and then demolished before subsequent phases proceed.



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Councilmember Northcott stated that the Town Council had been clear on this expectation and did not intend to allow all units to remain concurrently. Aaron noted that this condition had been deferred into later phases within the developer agreement.

Aaron also outlined an alternative scenario in which Phase Two could proceed if the developer paid all impact fees upfront and contributed toward construction of a new well, provided the well was operational before Phase Two units came online. Mayor Kathi noted that in her most recent discussion with the developer, he was not willing to pay Phase Two impact fees upfront due to investor concerns.

Mayor Kathi stated that it appears increasingly likely the Town will need to drill an additional well to meet future demand. Aaron indicated he would revise the developer agreement language accordingly, coordinate with staff, and return a revised version for further review. Councilmember Northcott emphasized that the Town intends to proceed cautiously, approving only one phase at this time.

SUNRISE ENGINEERING UPDATE:

Wells and Water Capacity Discussion:

Aaron Averett of Sunrise Engineering explained that Manila's water usage differs from state modeling assumptions due to inconsistent and seasonal occupancy. While the Town is currently able to meet demand in practice, state standards, based on full-time occupancy, place the Town near capacity.

Councilmember Northcott asked whether evaluations would rely on state standards rather than actual usage. Aaron stated this depends on who conducts the review. Gary Pallesen added that the Town is near the threshold for certified water system requirements and does not currently meet required production levels.

Aaron noted that potential legislative changes may adjust state standards and that the Town must decide whether to wait for those changes or move forward with increasing capacity. Councilmember Northcott expressed concern about additional debt service and referenced prior well improvements that did not increase production.

Aaron provided a prediction on the SCADA well, stating when turning the well on, it initially performs well but declines after extended operation. Gary reported the well can operate approximately 10–12 hours before production drops below acceptable levels. Aaron recommended conducting a step test to evaluate well performance and aquifer recharge before considering further costly work.

Mayor Kathi asked about the Town's previous use of Longs Park surface water. Councilmember Northcott and Gary explained that the State classified the source as surface water, requiring a treatment system. Gary noted that a slow sand filtration system had been used in the past but caused operational issues, including excessive sand in the water supply. Mayor Kathi stated she had been asked why the Town moved away from Longs Park water and appreciated the clarification.

Sewer Lagoons: Councilmember Northcott asked Sunrise Engineering about the current condition and capacity of the Town's sewer lagoons, expressing concern about whether existing infrastructure can support additional development. Based on engineering reports, she noted it appears the Town does not currently have capacity to support significant new development and asked whether the lagoons are sufficient to serve the community as it exists today.

Sunrise Engineering confirmed that the sewer lagoons are sustainable for current community needs, but not for large new developments. Compaction issues were discussed, and it was clarified that while the system functions adequately now, additional development would require infrastructure upgrades.

Councilmember Northcott emphasized concern about maintaining core amenities and necessities before committing to growth.

Water Infrastructure Discussion:

Sunrise Engineering discussed the status of the Town's wells and remaining CIB funding. The primary unknown is whether reduced output from Well #3 is due to aquifer decline or other correctable factors. A step test will be conducted to determine next steps. Depending on results, remaining CIB funds could be used either for additional treatment of the existing well or toward construction of a new well.

If a new well is required, Sunrise Engineering noted:

- A well study (completed in the early 2000s and still valid) identified a viable location near the base of Sols Canyon.
- The proposed location would tap into the same water source but is positioned to minimize impacts to existing wells.
- The site is near existing power and water transmission infrastructure, reducing additional costs.
- Estimated cost for a new well is approximately \$600,000–\$750,000, including connection to the distribution system.



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Storage capacity was discussed, and it was confirmed that the Town has sufficient water storage for the foreseeable future, including the million-gallon tank. Councilmembers expressed interest in returning the older tank near the school to service, pending inspection, cleaning, and securing access.

Funding options were discussed, including re-appropriation of remaining CIB funds and monitoring future grant opportunities. Sunrise Engineering noted that timing funding requests strategically could improve the Town's chances of receiving favorable grant assistance.

Bid Opening & Sewer Lagoon Improvements Update:

Jerry Slaugh with Sunrise engineering provided an update regarding the sewer lagoon project and bid opening. He explained that the lagoon system consists of primary and secondary cells, followed by evaporation. State standards require wastewater to flow through a primary treatment cell, then a secondary cell, before evaporation occurs.

The current project focuses on reconfiguring lagoon plumbing to allow greater operational flexibility. Historically, the system's configuration limited how individual cells could be used. The new design will allow flows to be redirected between cells, enabling the Town to:

- Use alternate cells if one becomes unavailable,
- Increase effective primary treatment capacity during high-water years, and
- Maintain proper secondary treatment and evaporation capacity in compliance with state standards.

This project resolves prior limitations by allowing multiple treatment scenarios that meet state requirements.

Councilmember Northcott noted that the Town previously completed part of a bypass and gate improvement project. Sunrise Engineering confirmed that earlier work was only partially completed due to funding limitations, and this project will complete the remaining work, so the system is fully functional.

Councilmember Northcott asked whether the project still includes a filter. Both Gary and Sunrise Engineering confirmed that a filter is included at the beginning of the system. Mayor Kathi reported that she had contacted Kevin regarding the filter but had not yet received a response and stated she would follow up again.



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Jerry Slaugh reported that the Town recently put the RV station and sewer lagoon project out to bid. Bids were opened the previous day. Six bids were received, and all six bidders met the required qualifications and were deemed responsive.

Bid tabulations were reviewed with the Council. Minor calculation errors were identified in one bid and were corrected; otherwise, all bids were found to be accurate and consistent. The engineer's estimate for the project was just under \$1.4 million.

The lowest bid was submitted by MJM Construction at just under \$1.5 million. Sunrise reviewed MJM Construction's unit pricing to ensure no items were omitted or significantly miscalculated. Some unit prices, including mobilization, were lower than other bidders; however, these items were discussed with the contractor, who confirmed confidence in their pricing and approach.

Sunrise presented a recommendation letter for Council consideration.

Jerry Slaugh provided additional details regarding MJM Construction's bid. He noted that while MJM is based out of Afton, they also operate in the Bear River and Logan areas.

Several line items in MJM's bid were reviewed due to pricing differences:

- Sewer pipe installation was bid lower than both the engineer's estimate and other bidders. This was discussed with the contractor, who indicated confidence in completing the work efficiently based on construction speed and experience.
- Sewer and water kiosk pricing was also significantly lower than the engineer's estimate. Staff confirmed that all contractors received the same pricing information from the supplier. MJM acknowledged the discrepancy and stated they would account for the difference within their overall bid.

After reviewing these items and receiving assurances from the contractor, Sunrise Engineering recommended MJM Construction as the lowest responsive and responsible bidder, with a total bid amount of \$1,493,810.

Council Discussion:

Mayor Kathi asked about the process if the contractor later determines they cannot meet the bid price. Jerry Slaugh explained that bidders receive the bid tabulations and have the opportunity to review their pricing before contract execution. A contractor could decline prior to signing, at which point the Town would move to the next lowest bidder. Once the contract is signed, the contractor is obligated to perform the work at the agreed price. Councilmember Northcott expressed concern about potential underbidding, leading to reduced work quality. Jerry Slaugh explained that construction observation and inspection are included in the process to ensure work is completed to specification.



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Sunrise Engineering confirmed they will provide construction observation services. Jerry Slaugh noted that these services are already included under the existing engineering contract and will not result in additional costs.

Gary added that while some line items were underbid, others were over the engineer's estimate, including electrical service station lighting, which was approximately \$22,000 higher, resulting in an overall balance within the total bid.

Bid Award Discussion, Funding & Project Coordination:

Jerry explained that contractors review where they may have underbid or overbid individual line items and manage those differences within the total contract amount.

Mayor Kathi expressed concern about the risk of the contractor later requesting additional funds. Jerry explained that required performance bonding protects the Town. If a contractor were unable to complete the project, the Town could draw on the bond to complete the work with another contractor. Jerry noted he has not personally experienced this scenario but confirmed it is a standard safeguard. He added that discussions with Troy Peterson of MJM Construction indicated strong confidence in their bid and enthusiasm for the project. MJM characterized the project as approximately 75% labor and 25% materials, with efficiency and speed being key to their profitability.

Jerry also reported that Sunrise Engineering in Afton confirmed positive reviews of MJM Construction.

Funding was reviewed. The project includes \$1.3 million in CIB funding plus a \$120,000 contingency. The overall sewer-related capital program totals approximately \$3.5 million, with additional contingency funds included. Staff confirmed the bid fits within the current budget, and sufficient funds are available to complete the RV station, sewer lagoons, and associated trunk lines connecting Green Acres and sewer lagoons via Broadbent's alignment.

Aaron clarified that the only portion not currently fully funded is the far west segment of the Ylincheta area beyond the hill. Mayor Kathi confirmed that this segment involves Broadbent's easement, which remains unresolved. Jerry noted that if bids come in low, remaining work may be reconsidered; if bids come in high, the Town has a contingency plan to scale back.



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Mayor Kathi stated that if easements cannot be obtained, alternatives such as a pump station would require additional staffing and operational costs and may not be practical. Jerry concluded that Sunrise is confident in the bid recommendation.

Councilmember Northcott asked whether proceeding with this project would affect other sewer projects. Jerry confirmed the RV station and sewer lagoon improvements are standalone projects and remain beneficial regardless of future development timing. Councilmembers expressed satisfaction that the low bid was close to the engineer's estimate, noting that engineering estimates can sometimes be conservative.

Councilmember Mraz confirmed that the bid amount of \$1,493,810 fits within the budget when accounting for the contingency. Aaron confirmed this was correct.

Regarding timing, staff indicated construction will begin as soon as possible following award. Jerry stated the Notice of Award is being prepared. Mayor Kathi emphasized her goal of having the RV dump station completed by Memorial Day.

Councilmembers confirmed that the bid covers sewer lagoon cell improvements, sewer work, and the RV dump station, and that the project will result in a fully functional treatment cell, not temporary or partial improvements.

RV Dump Station Priority, Easement Update & Bid Award

Jerry Slaugh reported that during the pre-bid meeting, staff emphasized the importance of completing the RV dump station as quickly as possible. Mayor Knight and Gary Pallesen both attended the meeting and reinforced that priority. Mayor Knight stated that her goal is to have the RV dump station operational by Memorial Day, and no later than July 4, so the site can be cleaned up and begin generating revenue. It was noted that the RV dump station is expected to pay for itself within approximately two years.

Jerry stated the project addresses ongoing health and sanitation concerns identified through inspections. He also noted that SaniStar contacted him following the pre-bid meeting after receiving contractor inquiries and expressed that the Town had clearly thought through the RV station design. Sunrise hope the project will serve as a positive example for the State.

Jerry provided an update on project timing, noting progress is currently paused pending resolution of an easement the Town is working on and the Broadbent property easement, which is required to complete the Ylincheta sewer connection.



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Sunrise discussed the potential use of a landman to assist with easement negotiations. Jerry explained that a neutral third party may help overcome communication barriers with the Broadbent family and outline the benefits of the sewer line, including future development opportunities at no additional connection cost. Proposed landman services from Ryan Fairbanks were discussed, including estimated hourly rates and mileage. It was emphasized that there are no guarantees, but mediation may avoid more costly alternatives such as a lift station.

Jerry explained that if the Broadbent easement cannot be obtained, alternate routes would require pumping and lifting wastewater, significantly increasing costs and operational complexity. Staff stated that while alternatives exist, they are undesirable and would reduce the overall project scope.

Councilmembers confirmed that the current RV station and sewer lagoon improvements remain beneficial regardless of easement outcomes.

Bid Award

Mayor Knight asked what action was needed to proceed with the bid award. Staff confirmed that Council approval was required.

Motion: Councilmember Mraz made a motion to accept the bid from MJM Construction in the amount of \$1,493,810.00 for the sewer lagoon improvements and RV dump station project. Councilmember Brown seconded the motion.

Vote: All in favor. The motion passed.

RESULTS: APPROVED

AYES: MAYOR KNIGHT, COUNCIL MEMBERS RYLANDER, MRAZ, BROWN, AND NORTHCOTT

EPA Payment Update:

Mayor Kathi reported that Pay Request #2 and #3 from the EPA have been received and the funds are currently in the bank. She is working with the bank to determine the best way to disburse payment. ACH is not permitted, and a wire transfer would require additional fees and travel to Vernal. The current plan is to issue checks from the public funds account and mail them.

Mayor Kathi emphasized that the funds are available and payment will be made. She has begun work on Pay Request No. 4 and asked that Jeremy be contacted to confirm whether it has been submitted.

BUILDING UPGRADE UPDATE:



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Gary Pallesen reported that the electrician is expected back early next week to complete rough-in work so drywall can proceed. Interior progress is ongoing, including work on the ADA restroom, with cabinets and doors installed, though slower than expected. Steven has returned to light duty.

PUBLIC WORKS UPDATE:

The new vac truck is nearly complete, but a replacement control panel and hydraulic motor are pending, with delivery anticipated in the next week or two. Overall, Gary and the Town Council are satisfied with the vendor's thoroughness and agree the additional time is acceptable.

MAYOR'S UPDATE:

Audit Report:

Mayor Kathi reported that the town audit was completed with no deficiencies. The auditors will present their findings at either the next Town Council meeting or a special meeting to approve the audit report. Although the audit technically must be approved by February, Jennifer Allphin the Town Clerk emphasized completing it sooner rather than later. A special meeting may be scheduled in the next week or two, with options for council members to attend via Zoom if out of town. Copies of the audit have been distributed, and council members were offered their copies to review.

Firework Ordinance:

Mayor Kathi presented the proposed fireworks ordinance and asked if council members had questions. Councilmember Mraz inquired about the January–December date range, noting that some dates are not legally allowed in Utah. The mayor explained that the dates had been removed so the ordinance would not need annual review and public hearing, allowing it to be adopted once. The ordinance will be presented for acceptance at the next Town Council meeting, followed by scheduling a public hearing.

Website and Web Hosting:

Mayor Kathi reported that the town will switch from Civics Plus and BlueHost to a new web hosting company used by Altamont and Tabiona, citing cost savings. The new provider's setup fee is \$1,361 with an annual fee of \$837 and will handle full setup and transfer. Town staff, including Jennifer the Town Clerk, will be able to update the website directly without a third party. Council members were encouraged to review Altamont and Tabiona websites as examples. The switch will also resolve email limitations currently experienced under BlueHost, and implementation is expected within the next month.



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Water Usage Customer Portal Setup:

Jennifer reported that a link to allow residents to view water usage will be included in the town newsletter, which is scheduled to go out on Monday.

PUBLIC COMMENT:

EXECUTIVE SESSION: Councilmember Northcott motioned to move into the executive session to discuss land acquisition at 7:05 pm. Councilmember Rylander seconded the motion.

Vote: All were in favor.

RESULTS: APPROVED

AYES: MAYOR KNIGHT, COUNCIL MEMBERS RYLANDER, MRAZ, BROWN, AND NORTHCOTT

EXECUTIVE SESSION ADJOURNMENT: Councilmember Northcott motion to adjourn the executive session. Councilmember Brown seconded the motion. All were in favor. The motion passed. Mayor Kathi adjourned the executive session at 7:24 pm.

ADJOURNMENT: Councilmember Northcott motioned to adjourn the regular town council meeting. Councilmember Mraz seconded the motion. All were in favor. The motion passed unanimously. Mayor Kathi adjourned the regular meeting at 7:25 pm.


Kathi Knight, Mayor


Jennifer Allphin, Town Clerk



