MINUTES OF THE CITY OF DRIGGS
SPECIAL CITY COUNCIL MEETING
July 29, 2026

Pursuant to adjournment of the City Council meeting held July 21, 2026, at 9:00 a.m., and the call of the Mayor, the Driggs City Council met **Tuesday, July 29, 2026**, at 6:00 p.m. A roll call was taken and present were: Mayor August Christensen, Council Members: Miles Knowles, Jason Popilsky, and Sarah Johnston; City Administrator Doug Self, Treasurer Maddi Manos, Public Works Director Jay Mazalewski. Those present took part in the Pledge of Allegiance.

INTRODUCTION AND GROUND RULES
Mayor Brent Schindler, from the City of Tetonia, was the facilitator for the meeting. Mayor Muncaster, from the City of Victor, introduced Victor Council Members Amy Ross, Emily Sustick and Stacy Hulsing.

Mayor Schindler explained there would be no public comment at this work session. He explained the intent of the meeting was to educate and understand better what needs to occur in the future. There would be no final agreement or long-term commitment that would take place at this meeting.

CURRENT STATUS AND DESIGN OF THE WWTF UPGRADES AND EXPANSION
Jay Mazalewski, Public Works Director, stated the current plant was built for capacity to 2030 and then an expansion would be needed. The plant was at 60% hydraulic capacity and 79% of the biological capacity. If flows continued to grow at 4%, the plant would be at 81% hydraulic capacity and 99% biological capacity by 2031.

Mr. Mazalewski stated the current plant met BOD, e-coli and TSS the majority of the time. When it doesn't meet the requirements, it's generally because of an external factor such as seasons changing or a big storm. He stated the plant could not meet the ammonia discharge requirements of a discharge of .84 milligrams/litter. He stated experts have come in from the region and no one can find "the smoking gun."

Mr. Mazalewski reviewed the maintenance that was taking place at the plant on a daily, weekly, bi-weekly and monthly basis. He reviewed the future projects which included a fine screen replacement with an estimated cost of $1.1 million. Mr. Mazalewski also explained the staffing needed for the plant.

Mr. Mazalewski stated the lagoons were used for sludge handling and emergency storage to prevent raw sewage discharge. He stated the sludge in the east lagoon was at 98% capacity and the west lagoon was at 37% capacity. The staff has pumped the sludge from the east to the west lagoon to balance the capacity. He explained the EPA and DOJ would not continue to allow the lagoons to be used as sludge management, and a solid handling facility would have to be added. He estimated about $2 million to remove the sludge once the lagoons were decommissioned.

The City of Driggs updated the Collections Systems Facility Plan in 2024. At that time, the City of Victor was not a part of the plan and therefore it did not take into consideration the truckline or the south lift station as it was anticipated that Victor would be off the system. With Victor on the

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system, the south lift station was at 98% capacity. If Victor continues with the system, there will need to be upgrades for these two assets.

Mr. Mazalewski explained the need to eliminate infiltration as it took away from the hydraulic capacity. He stated the south lift station had an increase of 70,000 gallons daily.

Mr. Mazalewski explained the proposed wastewater facility and stated the current plant would be converted to an extended aeration activated sludge plant with membranes. He explained the process sewer goes through within the new plant. He stated the plant was being designed for 20-year growth at a 4% rate and would include both cities.

Mr. Mazalewski stated the new plant would be constructed in the spring of 2028 and online by December 2030. He stated all must be in compliance by August 2031. He explained what would be repurposed with the new plant and what new amenities or fixtures would need to be added.

The inter-city agreement between the two cities was referenced and Mr. Mazalewski explained that the City of Driggs was the owner and operator of the plant. He stated the City of Victor was billed quarterly based on the operational, treatment, and collection costs. He concluded by discussing the requirements from the consent decree.

Victor Council Member Sustick questioned what the sludge plan would be. Mr. Mazalewski stated there were a few options which included hauling it to Madison County, drying it to use for class 1 biosolids, or using it as compost.

Council Member Popilsky questioned what the backup would be when the lagoons were decommissioned. Mr. Mazalewski stated the lagoon would be converted to an EQ basin so major event overflow would use one of the dry lagoons. The other could be cleaned and used for clean water storage.

Victor Council Member Ross questioned how Victor was billed on flow. Mr. Mazalewski stated there was a flow monitoring device at the south lift station. There are two satellite systems with flow meters at Rocky Mountain Industrial Park and Ironwood Subdivision. Those meters are read and subtracted from the south lift station read. The remainder was billed to Victor.

Victor Mayor Muncaster questioned the plans for the Class A water reuse. Mr. Mazalewski stated the Driggs Council authorized the Class A water reuse design to be included. However, it would depend on funding whether that part could be installed. At this time there was no plan on how the water would be used.

VICTOR INFRASTRUCTURE PRESENTATION

Robert Worley, from Sunrise Engineering, presented information to the Councils. He stated the project improvements that would need to take place immediately and some for the 20-year growth for Victor would equate to $12 million in 2024 dollars. This data led Victor to investigate options for their own plant. He explained the plan and how the wastewater would be processed and where the discharge would take place. He stated the total capital costs were estimated to be about $38 million, with annual operational costs at approximately $500,000.

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Victor Mayor Muncaster clarified that this presentation was not officially being pursued, but was to show what was possible.

Council Member Johnston requested a copy of Mr. Worley's presentation. He stated he would send it to Jeremy Besbris, who could distribute it to all.

Victor Council Member Ross questioned if the operational cost estimate included staffing. Mr. Worley stated it did and would require 1.5 employees.

Victor Council Member Sustick questioned what the difference was between the two different plants. Mr. Worley stated the biggest difference was the classification system. Driggs would use a membrane and Victor would use a clarifier and cloth filter. He stated the difference was how the water was moved around, but considered both plants mechanical plants.

COST AND FINANCING

Mr. Mazalewski explained the design and engineering costs of the upgraded facility was approximately $5.6 million with estimated construction costs of $31.2 million. To get the plant to Class A water reuse, would be an additional $6 million and the lagoon sludge removal would cost approximately $2.4 million.

The City of Driggs ranks number 1 for the state revolving fund equaling $25 million with a potential of $6.45 million in principal forgiveness. Mr. Mazalewski then requested all Council Members review the debt and cost sharing responsibility section in the current agreement. He then reviewed possible loans, interest rates and annual payments. He concluded by stating Victor's current status was a contractual payer within the interagency agreement and that Driggs incurred the debt because they were the owner and permit holder.

Victor Council Member Ross questioned what a contractual payer was. Mr. Mazalewski stated the way he understood it to be a hybrid between a customer and a co-owner. There was a set contract between the two entities that define how payment was determined.

Victor Council Member Sustick questioned if other options for an agreement were being discussed. Mayor Muncaster stated that would be discussed at a future meeting.

Victor Council Member Hulsing felt the membrane system was more expensive and requested clarification. Dave Noel, from Forsgren Engineering, explained the difference in the two types of plants is how they operate. He stated a membrane operates up to 20,000 milligrams/liter which was 5 times the concentration, reducing the footprint and building costs. He stated that the Aeromod system uses skimmers which needs to be in a building due to the cold temperatures, explaining that bugs are not active if the water was 40 degrees or lower and they die at 38 degrees. The high concentration of biosolids allows for better treatment of ammonia.

Mayor Muncaster questioned what the operations, maintenance, and staffing level would be needed for the new plant. Mr. Mazalewski stated he was unable estimate the costs for operations and maintenance, but would need 2.75 full-time employees for the new plant. She further asked about judicial confirmation and if that was for the current or proposed plant, and how much Victor was obligated to. Mr. Mazalewski stated judicial confirmation was for the entire service area and he could get further information to the Councils and costs.

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Mayor Muncaster asked if the facilities study included recommended improvements for collections. Mr. Mazalewski stated it would first need to be determined if Victor was staying with the plant or not. If they are, upgrades would need to happen to the trunkline and the south lift station.

Mayor Brent Schindler asked for the schedule for the new plant. Mr. Mazalewski stated construction would start May 2028 and would be online by late 2030 and fully operational and compliant by August 2031. He further stated he would provide an updated schedule from Forsgren as soon as it was obtained.

There was a recess from 7:30-7:35pm.

GOALS, TIMING AND PROCESS FOR NEW REGIONAL AGREEMENT

Mayor Schindler reviewed the needed information to move forward which included, the design schedule, the capital costs under the current agreement, and what type of agreement the Council wanted to see moving forward.

Victor Council Member Hulsing stated she wanted to see a fee study to determine what it would cost Victor users depending on the type of agreement; a Joint Powers Agreement, a customer or a contractual payer.

Council Member Knowles questioned if there was any interest in renegotiating the intercity agreement and when that would happen.

Victor Council Member Ross stated she wanted to acknowledge that Driggs has spent money that would not have needed to be spent because of Victor's decisions. She further stated there were costs incurred and wanted to know what those were to include in the conversations.

Victor Council Member Sustick wanted to address the past cost discrepancies and the timing of a new agreement.

Mayor Muncaster suggested an educational meeting to understand options for a new agreement and wanted to understand the costs from now until the plant was built.

All agreed to continue future meetings with a facilitator and asked Mayor Schindler if he was willing. Council Member Johnston also reminded all that this was a public meeting and while comments were not being heard at this time, the community was able to reach out to each Council Member with comments. Mayor Schindler also shared the wastewater email developed specifically for public comments.

Discussion of what should happen at the next meeting began. Mayor Christensen stated the Council Members should determine if the priority was to resolve billing issues or to work on a new agreement. Victor Council Member Sustick felt the past issues needed to be resolved to determine if a partnership could work in the future. Victor Council Member Ross disagreed stating the City of Victor didn't have much choice as how they proceed and wanted to ensure that future agreements have safe guards in place. Vicor Council Hulsing also agreed that the financial

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past should be reviewed, but wanted to move forward with a working agreement. She suggested treasurers, attorneys, mayors and a neutral source begin to work on that.

Mayor Muncaster clarified and stated where the two mayors disagree was not about the order of the future meetings. She stated Mayor Christensen wants to know the intent of the City of Victor as soon as possible and Mayor Muncaster felt that could not be determined until the "work was done."

Councils agreed the next meeting should be Wednesday September 16th at 6pm. Stephanie Booney would be invited and templates of different types of agreements could be provided. Mayor Christensen stated DEQ could also be invited attend a future meeting.

ADJOURNMENT

Victor Council Member Hulsing made a moved to adjourn. Council Member Knowles seconded. The motion carried unanimously with the meeting adjourned at 8:25pm.

ATTEST:

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Kreslyn Schuehler, City Clerk August Christensen, Mayor

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