

MINUTES OF THE SPECIAL MEETING OF THE GILBERT CITY COUNCIL
with the MCKINLEY CITY COUNCIL
Tuesday, February 19th, 2013

At 5 p.m. the Gilbert City Council met with representatives of the McKinley City Council to discuss McKinley's interest in purchasing water from Gilbert.

Representing Gilbert at the meeting were Mayor Skenzich, Councilors Skalko, Nemanick, Kutsi and Schutte. Gilbert City Engineer Jamnick and Clerk Harper also attended.

Representing McKinley at the meeting were Mayor Tony Nygaard, Councilors Lisa Mount and Gary Berts. Benchmark Engineer Alan Johnson, representing McKinley's interests, and the McKinley City Clerk Michelle Claviter-Tveit also attended.

McKinley has 52 water connections and charges a flat rate of \$25.00/mo. for each connection. If Gilbert charged McKinley the same as Gilbert charges Fayal, the rate would be at \$27.42/mo. This is not a firm number but was stated as an approximate price for discussion purposes.

McKinley has discussed their water source problems with Arcelor Mittal (Inland) and they have not come to any mutual conclusion on a remedy. McKinley has asked the mining company if there are plans for moving the McKinley residents in order to mine the area, because if there are plans, putting this much revenue into a project doesn't make sense. The mining company responded that there are no plans, 20 years out, but that could change. McKinley is also meeting with Biwabik and when asked by Mayor Skenzich, said that representatives of Gilbert are welcome to join the meeting. Mayor Skenzich, Councilor Skalko and City Engineer Jamnick will attend.

The financing of this water project between McKinley and Gilbert has not been explored, except that IRRRB recommended that McKinley turn to their neighbors for water service instead of repairing or rebuilding their own system.

Discussion continued about the pipeline size and the cost of the water pipeline between Virginia and Gilbert.

The meeting mutually adjourned at 5:45 p.m.

Mayor Michael Skenzich

ATTEST:

Susan M. Harper, City Clerk