

**CITY OF PIERZ**  
**Official Minutes of the Pierz City Council**  
**City Council Workshop**  
**October 5th, 2020**  
**5:00 PM**

**Members Present:** Dave Fischer, Jacque Ballou, Don Bujalski, Kyle Bednar, Lynn Egan (by telephone), Linda Sczublewski

**Staff Present:** Bob Otremba

The City Council workshop was called to order at Pierz City Hall at 5:00 p.m. by Mayor Dave Fischer.

**POWER SUPPLY DISCUSSION WITH CONSULTANT DAVE BERG:**

Consultant Dave Berg has been contracted with the Northeastern Minnesota Municipal Power Agency to meet with the member municipal electric utilities to gather input and bring it back to the NEMMPA board. He went through a power point presentation via “Go To Meeting” informing the city council on the existing NEMMPA members, goals of the project, and potential savings that a different wholesale power supplier could provide the City of Pierz.

The goals of the consultant’s project are:

1. Identify potential for power supply savings
2. Provide an informational summary to each member
3. Develop a list of potential power supply partners
4. Communicate with potential partners
5. Assist interested members with preferred alternatives
6. Take advantage of NEMMPA group strength

Dave Berg explained the current power supply contract with Minnesota Power. The Minnesota Power agreement expires December 31<sup>st</sup>, 2024. The Minnesota Power agreement has a 3-year notice requirement which would be on December 31<sup>st</sup>, 2021. Minnesota Power provides all the maintenance of the distribution system for the City of Pierz.

The savings potential that could be realized by contracting with a different wholesale electric supplier was discussed. According to the presentation, the City of Pierz could realize a savings of \$145,000 per year based on a new wholesale cost of \$.055 per kWh. The City of Pierz maintenance costs could increase from Minnesota Power by about \$20,000 per year because of an increase in maintenance rates because, the city would not be under their wholesale power contract. The city has also explored the option of contracting with Brainerd Public Utilities for maintenance in the event Minnesota Power is not the wholesale power supplier for the City of Pierz.

The city council discussed the importance of maintenance provided by Minnesota Power, overall cost of wholesale power, and the possibility of acquiring all of the service territory from Minnesota Power in the city limits as being priorities for future discussions and negotiations.

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**UPDATES:**

**INDUSTRIAL PARK LOT:**

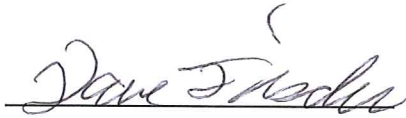
The city council discussed the request from Eric Stuckmayer for an Industrial Park lot to possibly build a shop for his construction company, storage units, or a combination of these two buildings. Council Member Don Bujalski stated that storage unit requests presented to the city council in the past have been denied because the city desires an occupied business presence in the Industrial Park compared to storage units or storage sheds. Eric Stuckmayer also requested that he be given the option to wait until 2022 to construct a building on the lot. The city council discussed previous first right of refusal agreements and developer's requesting a number of years to build in the Industrial Park. After some discussion, the city council instructed City Administrator Bob Otremba to communicate to Eric Stuckmayer that a building would be required to be finished by 2021 and that storage units/storage sheds would not be allowed on the lot.

**POLICE COMPLAINT:**

The workshop was closed to update the city council on a complaint received concerning the Pierz Police Department.

**ADJOURNMENT:**

The meeting was adjourned at 6:10 pm.



Dave Fischer, Mayor



Kyle Bednar, City Clerk