



# CITY OF SAINT PAUL

## ALASKA

### MEMORANDUM TO COUNCIL

**TO:** Mayor and City Council Members

**FROM:** Phillip Zavadil, City Manager

**CC:** Aubrey Wegeleben, City Clerk; Stephanie Mandregan, Finance Director

**DATE:** October 21, 2024

**RE:** Ordinance 24-02 – Amending City Code of Ordinances by Adding Title 13 – Utilities, Chapter 13.25 – Bulk Fuel Utility

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**SUMMARY:** Ordinance 24-02 amends City Code of Ordinances by Adding Title 13 – Utilities, Chapter 13.25 – Bulk Fuel Utility.

**PREVIOUS COUNCIL ACTION:** Council approved the first reading of this ordinance on September 17, 2024.

**BACKGROUND AND DISCUSSION:** The City’s bulk fuel operation is not considered a utility under the existing City Code of Ordinances. The bulk fuel operation has been managed and operated under the City’s Department of Public Works for decades now. The fuel and gasoline rates are set by the City Administration.

Given the planned upgrades to the bulk fuel facility, increased cost of fuel products, and St. Paul Fuels not providing fuel services to the community, the City Administration thought it would be best to develop an ordinance that provides guidance on the management and operation of this utility and for the Council to be able to set certain rates for the Utility.

**ALTERNATIVES:** City Council could choose not to approve this ordinance.

**FINANCIAL IMPLICATIONS:** None.

**LEGAL:** Legal counsel has reviewed this Ordinance.

**ADMINISTRATION COMMENTS AND RECOMMENDATION:** Approval of this Ordinance is recommended.

**PROPOSED MOTION:** I move to approve Ordinance 24-02.

**ATTACHMENTS:** Ordinance 24-02, Proposed Chapter 13.25 – Bulk Fuel Utility.