PUBLIC FIRE PROTECTION (PFP) CHARGES CHANGING TO PLACING THE PFP ON WATER BILLS

• What is the Public Fire Protection Charge?

This is a charge that is regulated by the State of Wisconsin's Public Service Commission (PSC). This is a cost collected by municipal water utilities for the express purpose of recovering the costs to supply proper volume & pressure of water for fighting fires.

• How has Public Fire Protection been paid in the past?

The city has been using property tax dollars to subsidize Black River Falls Municipal Utilities (BRFMU) for facilities in the City of Black River Falls at the rate of approximately \$290,000/year.

• Why is this now going to show up as a charge on my Utility Bill?

Due to budget constraints & reduction in State-shared revenues, the city can no longer afford to subsidize the utility through the use of general property taxes. Utility customers will now have to pay for a service that was previously subsidized by only the city's property taxpayers. All BRFMU water utility customers will now pay for their share of the Public Fire Protection costs through a fixed monthly fee on the utility bill, based on water meter size. By moving the charge to the utility bills, the city now has approximately \$290,000 available for other operating or capital expenses such as the maintenance and/or replacement of city streets, equipment, and/or municipal buildings.

• Isn't this a cost that should be borne by the Fire Department & not the utility customers? Isn't this why I pay taxes?

This cost has absolutely nothing to do with the Black River Falls Fire Department. The Public Fire Protection charge covers the costs of the water utility to be able to <u>deliver</u> water for fighting fires & is completely independent of any expenses that the Fire Department may incur in order to use the water to fight the fire.

• What costs does the Public Fire Protection Charge specifically cover?

Although hydrants are an important part of the cost, there are other expenses; such as increased sizes of water mains, increased pump capacity, and increased storage capacity (water towers); that all must be in place to supply water for a fire. These things must all be in place to make sure that the utility has enough capacity to provide water for fighting fires and still supply daily water needs at the same time. If the water system was not used to fight fires, the system would cost the utility significantly less to operate & maintain due to smaller mains, pumps and storage tanks.

• I'm not on Public Water, but I do have hydrants near my house, will I still have to pay the fee?

The Public Fire Protection charge will only be collected from water customers of Black River Falls Municipal Utilities within the City of Black River Falls.

• I have multiple meters; will I receive a charge for every meter?

Any meter providing general service (being consumed, used in a manufacturing process, discharge to the sanitary sewer, etc.) **will** receive the Public Fire Protection Charge. Second meters (deduct meters) measuring water that will not be discharged to the sanitary system will not be assessed the Public Fire Protection charge.

Does the PFP Charge apply to Tax Exempt Properties?

Yes, all BRFMU water utility customers will be responsible for paying the Public Fire Protection Charge, i.e. churches, schools, government entities; will pay the same rate as any other customer with the same meter size.

• My house is worth a fraction of what a major manufacturer in the City of Black River Falls is, why doesn't Public Fire Protection reflect value of property vs. equivalent meter?

Many commercial, industrial & public authority buildings already have private fire lines which they have installed at their own expense & pay a monthly charge to the utility. These customers are not relying solely on the public fire protection capabilities for their fire needs & because of this additional safeguard, will have lower reliance on the public fire protection capabilities of the water utility.

• Am I able to reduce my meter size to reduce my PFP Charge

Water meter size is based on delivering the necessary amount of water at the required pressure to all points inside your building. The meter sizing was reviewed at the time your building was constructed or remodeled.

• This is just a utility rate increase isn't it?

No, the utility is not receiving any increase in revenue this is just the same amount coming from a different source - a direct charge on your utility bill rather than from the City's general tax collections.