

## **City of Racine**

City Hall 730 Washington Ave. Racine, WI 53403 www.cityofracine.org

## **Legislative Report**

File Number: Res. 1079-19

Agenda Date: 09/30/2019 File Type: Resolution

Public Fire Protection Resolution for Cost Recovery Charge Revised

**WHEREAS,** the City of Racine, Wisconsin (the "Municipality") owns the Racine Water Utility (the "Utility") as a public utility; and

**WHEREAS,** the Municipality provides public fire protection for the benefit of the public health, safety, and well-being of its residents and property owners; and

**WHEREAS,** the Utility is authorized by the Public Service Commission of Wisconsin to recover the cost of providing and maintaining fire hydrants and other infrastructure used for public fire protection; and

**WHEREAS,** the Municipality has determined that it is in the public interest to change the method in which the public fire protection charges are paid from 100% from the general fund to a 100% direct charge on the water bills based on an equivalent meters basis.

**NOW THEREFORE BE IT RESOLVED** that the City of Racine Common Council directs the Racine Water Utility to change the basis for public fire from 100% charged to the City's general fund to 100% collected through direct billing of utility customers based on the equivalent meters method.

**BE IT FURTHER RESOLVED** that City staff are directed to begin the application process with the Public Service Commission of Wisconsin for direct billing of public fire protection to utility customers with an intended implementation date of January 1, 2020.

<u>Fiscal Note</u>: The passage of this resolution is necessary for the Public Service Commission to advance Racine's application for Public Fire Protection to be placed as a direct charge on the water bill. In 2020, the revenue requirement for the Racine Water Utility is \$3.2 million for the Public Fire Protection with \$1.8 million coming from City of Racine Water Utility rate payers and \$1.4 million coming from non-city rate payers.