

James City County
James City Service Authority
Board of Directors
Reading File
December 13, 2005

For Your Information

1. Letter from Andy Piplico, CD&A, Inc.—Tap Fees

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CD & A, Inc.

John J. McGlennon
Chairman of the Board of Directors
James City Service Authority
P. O. Box 8784
Williamsburg, Va. 23187

Dear Sir:

I am requesting a formal appeal for consideration and relief of additional charges for tap fees being sought by James City County Service Authority for our residential building under construction in New Town. I ask to appear before the board of directors to state my case at your December 13th meeting.

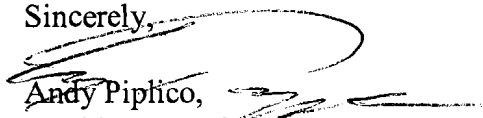
On August 25, 2005, prior to the rate increase, we came to agreement with JCSA on the amount of tap fees owed by our company. On that day, we went to the service authority at the Government Center requesting the total charges owed for the tap fees on the building we were constructing. The clerk at the counter computed these figures and gave us a total of \$43,362 dollars for the residential portion of our building based upon the meter size. We agreed to pay that amount. We recorded that amount in our construction field notes and built that amount into our project's construction budget.

Had we known that agreement would not be honored, we would have immediately paid the agreed upon tap fees. At no time while we were there did any staff member at JCSA mention to us that tap fees were under review and may be increased, or that we needed to pay that agreed amount immediately in order to preserve my contract rights. On November 17, 2005 I returned to the service authority to pay the agreed upon amount. The clerk typed up the written confirmation of our sewer and water tap fees agreement for the residential portion of the tap fees. On that date I paid the required amount in full.

The next day, I received a call from the clerk and she told me I owed additional money for the tap fees. Based upon my conversation with Mr. Foster, we estimate that the increase for our tap fees is nearly **\$75,000**.

We came to the service authority prior to the increases; my request for a fee quote was initiated prior to the increase; the fees were quoted to us in good faith prior to the increase; on August 25, 2005 we agreed to pay the amount quoted by JCSA; on November 17, 2005 we were charged these fees based upon that agreement; we paid the fees; and we complied fully with the agreement reached on August 25, 2005. We respectfully request the county uphold the contract entered into by us and JCSA and the tap fees be based upon the rates provided to us on August 25, 2005, the date on which date both we and JCSA agreed to the amount of the tap fees due.

Sincerely,



Andy Piplico,
President, CD & A, Inc.