

MEMORANDUM

DATE: November 26, 2002  
TO: The Board of Supervisors  
FROM: Larry M. Foster, General Manager, James City Service Authority  
SUBJECT: Riverview Plantation Water Rates

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The Riverview Plantation development located in the Stonehouse District is provided water from the only privately owned water system in James City County. The water system is owned by Tidewater Water Company located in Smithfield, Virginia.

Approximately 18 months ago representatives from the Riverview Plantation neighborhood appeared before the Board to express concerns for the operation of the water system and impending water rate increases. The fee increase was proposed to defray the costs incurred by the owner in addressing fluoride issues in other water systems owned by Tidewater Water Company. No improvement in service was proposed by the owner at the time. The Board directed that a letter be forwarded to the State Corporation Commission expressing opposition to the water rate increase. The rate increase was subsequently allowed.

Recently, Tidewater Water Company has been cited by the Virginia Department of Health for not completing required monthly water samples and for experiencing positive coliform samples. Coliform is an indicator of bacteria and does not present a health risk, only the possibility of presence of a more harmful bacteria. Fortunately, tests for more harmful bacteria were negative.

In addition, Tidewater Water Company has informed its customers in Riverview Plantation that it has filed with the State Corporation Commission its intent to increase the minimum charge for up to 6,000 gallons of water every two months from \$59 to \$60.75. The rate of \$2 per 1,000 gallons for water consumed over 6,000 every two months will remain the same. The cost of water to Riverview Plantation residents is over double the rate paid by James City Service Authority customers.

Representatives of Riverview Plantation have asked that the Board oppose the proposed rate increase since there has been no corresponding improvement in service.

Staff recommends that the Board approve the attached resolution authorizing the Chairman to forward a letter to the State Corporation Commission opposing any increase in water rates until the owner has improved water service to the Riverview Plantation neighborhood.

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Larry M. Foster

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riverviewwtr.mem

Attachment