

July 9, 2010

Dear Resident:

As you know, the Chesapeake Department of Public Utilities has been working diligently to bring public water to your property in order to address concerns related to the fill material used at the Battlefield Golf Club. The Department is pleased to inform you that the construction of the Centerville Turnpike portion of the public water improvements is complete, and public water service is now available to your property. Section 78-52 of the City Code requires all parcels bordering on a public road along which a water line has been laid to connect to such water line within six months from the time the lines are available for service. **The water line has been activated, and public water is now available to your property. Connection to the water line must be made by January 30, 2011.**

In order to connect to the public water line, as required by the City Code, typically the property owner is responsible for all costs however; Dominion Virginia Power has agreed to pay the water line connection fees and water meter installation fee as noted below:

1. Payment of the water line connection fees. The amount of the water connection fee is based on the size of the water meter. A licensed plumber will be able to determine the size of the water meter needed to serve your property. The connection fee for a 5/8 inch water meter, which is typical for residential use, is \$3,108.00. In the event a larger water meter is installed, the connection fee will be higher.

Although recognizing the special circumstances of this case, the City is unable to waive connection fees due to bond covenants and other financing restrictions. However, Dominion Virginia Power has agreed to fund one meter connection per property.

2. Payment of the water meter installation fee. The amount of the water meter installation fee is based on the size of the water meter. A licensed plumber will be able to determine the size of the water meter needed to serve your property. The installation fee for each 5/8 inch water meter, which is typical for residential use, is \$150.00. In the event a larger water meter is installed, the installation fee will be higher.

For the reasons stated above, the City is unable to waive the water meter installation fee. However, Dominion Virginia Power has agreed to fund one meter installation per property.

3. Installation of a private service line. A private service line must be installed to run the water from the City's water meter to your home. This type of work generally requires the engagement of a licensed plumber. A plumbing permit will be required before connecting the private service line on your property to the water meter.

Although recognizing the special circumstances of this case, the City is unable to use public funds for private improvements and cannot, therefore, assume the costs associated with the installation of private service lines.

4. Disconnect wells and water softeners. All wells and water softeners must be disconnected from your household piping. A licensed plumber will be able to do this work.

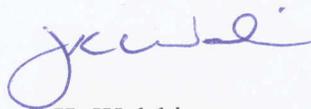
For the reasons stated in Paragraph 3 above, the City is unable to assume the costs associated with the disconnection costs.

Upon payment of the fees and installation of the water meter, you will begin receiving bi-monthly water bills, which are based on the amount of the water consumption. The minimum monthly charge for water service is currently \$18.50 per month.

Section 78-52 of the City Code allows for the use of an alternative water source other than the City system in cases where the landowner has legitimate health concerns relating to the consumption or use of City water. Should you have any questions regarding the criteria for use of an alternative water source, please call the Department of Public Utilities, Engineering Division, at 382-6671.

The City has also established the Utility Review Board, which hears appeals from the payment of connection fees due to financial difficulties and other specific reasons. The complete list of grounds for waiver from connection fees is set out in Section 78-51 of the City Code. Should you wish to file an appeal, please call the Department of Public Utilities at 382-6401.

Very truly yours,



J. K. Walski
Director, Public Utilities

cc: William E. Harrell, City Manager
Ronald S. Hallman, City Attorney
Amar Dwarkanath, Deputy City Manager of Operations
Mary Ann Saunders, Assistant to the City Manager