

State of Florida



# Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD  
TALLAHASSEE, FLORIDA 32399-0850

**-M-E-M-O-R-A-N-D-U-M-**

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**DATE:** June 6, 2024

**TO:** Office of Commission Clerk (Teitzman)

**FROM:** Division of Engineering (M. Watts, Ramirez-Abundez, Ramos) *TB*  
Division of Accounting and Finance (Norris, Sowards, Veagh) *ALM*  
Division of Economics (Bruce, Galloway, Hudson) *GP*  
Office of the General Counsel (Sandy) *JSC*

**RE:** Docket No. 20230111-SU – Application for authority to transfer wastewater facilities and Certificate No. 537-S in Okeechobee County from The Vantage Development Corporation to Vantage Oaks Utility, LLC.

**AGENDA:** 06/18/24 – Regular Agenda – Proposed Agency Action for Issues 3, 4, and 5 – Interested Persons May Participate

**COMMISSIONERS ASSIGNED:** All Commissioners

**PREHEARING OFFICER:** Passidomo

**CRITICAL DATES:** None

**SPECIAL INSTRUCTIONS:** None

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## Case Background

The Vantage Development Corporation (Vantage Development, Utility, or Seller) is a Class C utility providing wastewater service to 174 residential customers in the Vantage Oaks Mobile Home Community, along with a single general service customer, in Okeechobee County, Florida. The Utility is located in the South Florida Water Management District. Water service is provided by Okeechobee Utility Authority, a governmental entity. In its 2023 Annual Report, Vantage Development reported a net operating loss of \$28,529.

In 2004, the Florida Public Service Commission (Commission) granted Vantage Development a grandfather certificate for wastewater service in Okeechobee County.<sup>1</sup> The certificated service territory has not been amended since that time. The Utility's last rate case was in 2007.<sup>2</sup>

On September 27, 2023, Vantage Oaks Utility, LLC (Vantage Oaks or Buyer) filed an application with the Commission for transfer of Certificate No. 537-S from Vantage Development to Vantage Oaks. The wastewater system was acquired by the Buyer in 2022, at which time the Buyer was not aware that the system was a regulated utility under the jurisdiction of the Commission.

This recommendation addresses whether a show cause proceeding should be initiated because the Buyer failed to obtain Commission approval prior to the transfer of its assets and failed to submit an application to the Commission for authority to transfer within 90 days after the sale closing date, the transfer of the wastewater system and Certificate No. 537-S, the appropriate net book value (NBV) of the wastewater system for transfer purposes, whether an acquisition adjustment should be made, and the revision of miscellaneous service charges. The Commission has jurisdiction, pursuant to Section 367.071, Florida Statutes (F.S.).

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<sup>1</sup>Order No. PSC-05-0498-FOF-SU, issued May 5, 2005, in Docket No. 20040801-SU, *In re: Application for grandfather certificate to operate wastewater utility in Okeechobee County by The Vantage Development Corporation.*

<sup>2</sup>Order No. PSC-07-0789-PAA-SU, issued September 27, 2007, in Docket No. 20070074-SU, *In re: Application for staff-assisted rate case in Okeechobee County by The Vantage Development Corporation.*

## Discussion of Issues

**Issue 1:** Should Vantage Oaks be required to show cause why it should not be fined for an apparent violation of Section 367.071(1), F.S., and Rule 25-30.037(1)(a), Florida Administrative code (F.A.C.), for failing to obtain Commission approval prior to the transfer of its assets, and failing to submit an application to the Commission for authority to transfer no later than 90 days after the sale closing date?

**Recommendation:** No. Staff recommends that the Utility's apparent violation of Section 367.071(1), F.S., and Rule 25-30.037(1)(a), F.A.C., does not rise to the level which warrants the initiation of a show cause proceeding. However, Vantage Oaks should be placed on notice that show cause proceedings may be initiated if further violations of Commission laws or rules regarding the transfer of certificates are identified. (Sandy)

**Staff Analysis:** On September 27, 2023, Vantage Oaks submitted an application for authority to transfer wastewater facilities and Certificate No. 537-S in Okeechobee County from Vantage Development to Vantage Oaks. According to the information contained in the application, the parties closed on the sale of the Utility on June 20, 2022. Notably, Vantage Development's contract for sale to Vantage Oaks did not include any provisions stating that the contract was contingent upon Commission approval.<sup>3</sup>

Section 367.071(1), F.S., provides that no utility shall transfer its certificate of authorization, facilities or any portion thereof, or majority organizational control without determination and approval of the Commission that the proposed transfer is in the public interest and that the buyer, assignee, or transferee will fulfill the commitments, obligations, and representations of the utility. However, a transfer of certificate of authorization, facilities or any portion thereof, or majority organizational control may occur prior to Commission approval if the contract for sale, assignment, or transfer is made contingent upon Commission approval.

Furthermore, Rule 25-30.037(1)(a), F.A.C., provides that if a transfer occurs prior to Commission approval, the utility shall submit an application for authority to transfer no later than 90 days after the sale closing date.

Violations of the provisions of any lawful rule or any statute administered by the Commission may result in penalties as provided by Section 367.161, F.S. In particular, violations of the provisions of Chapter 367, F.S., or any rule adopted pursuant to the Chapter, may result in a penalty for each offense of not more than \$5,000. Utilities are charged with the knowledge of Commission rules and statutes. Additionally, "it is a common maxim, familiar to all minds that 'ignorance of the law' will not excuse any person, either civilly or criminally." *Barlow v. United States*, 32 U.S. 404, 411 (1833).

By failing to make the sale contingent upon Commission approval, and by filing its transfer application fifteen months after the sale was closed, it appears that Vantage Oaks violated Section 367.071(1), F.S., and Rule 25-30.037(1)(a), F.A.C. On February 20, 2024, Vantage Oaks

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<sup>3</sup>The contract for sale is attached as Exhibit A to Vantage Oaks' application, Document No. 05423-2023, filed on September 27, 2023.

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was mailed a notice of apparent violation. Vantage promptly responded to the notice of apparent violation on February 26, 2024, providing mitigating circumstances as to why Vantage Oaks should not be fined or otherwise penalized. The Commission considers the existence of mitigating circumstances when deciding whether to pursue show cause proceedings against utilities.<sup>4</sup>

Vantage Oaks states that it was unaware that the system it acquired as a part of its purchase of Vantage Oaks RV park was a Commission-regulated system. The seller did not make Vantage Oaks aware of this during negotiations for sale nor at the time of closing. However, since learning of its violations, Vantage Oaks has shown diligence in working with Commission staff to ensure transfer of this system is in conformity with Commission laws and rules.

Staff believes that Vantage Oaks has made a good faith effort to effect a lawful transfer of this system, and that the transfer is in the best interest of its customers. Because the Utility has been responsive in coming into compliance with the applicable rules and statutes regarding transfer of certificates, staff recommends that the Utility's apparent violation of Section 367.071(1), F.S., and Rule 25-30.037(1)(a), F.A.C., does not rise to the level which warrants the initiation of a show cause proceeding. Therefore, Vantage Oaks should not be required to show cause for failing to obtain Commission approval prior to closing on the sale of its facilities, and failing to submit an application to the Commission for authority to transfer no later than 90 days after the sale closing date. However, Vantage Oaks should be placed on notice that show cause proceedings may be initiated if further violations of the Commission laws or rules regarding the transfer of certificates are identified.

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<sup>4</sup>Order No. PSC-16-0043-PAA-WU, issued January 25, 2016, in Docket No. 20150186-WU, *In re: Application for certificate to operate a water utility in Hardee County by Charlie Creek Utilities, LLC*. (A utility was not required to show cause when it took affirmative steps to cooperate with Commission staff and abide by Commission laws and rules upon learning that it was improperly operating without a Commission-issued certificate.)

**Issue 2:** Should the transfer of Certificate No. 537-S in Okeechobee County from The Vantage Development Corporation to Vantage Oaks Utility, LLC be approved?

**Recommendation:** Yes. The transfer of the wastewater system and Certificate No. 537-S is in the public interest and should be approved effective the date of the Commission's vote. The resultant Order should serve as the Buyer's certificate and should be retained by the Buyer. The Utility's existing rates and initial customer deposits, as shown on Schedule No. 2, should remain in effect until a change is authorized by the Commission in a subsequent proceeding. The tariff pages reflecting the transfer should be effective on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475(1), F.A.C. The Utility is current with respect to regulatory assessment fees (RAFs) and annual reports, and should be responsible for filing annual reports and paying RAFs for all future years. (Ramirez-Abundez, M. Watts, Veaghn, Bruce)

**Staff Analysis:** On September 27, 2023, Vantage Oaks filed an application for the transfer of Certificate No. 537-S from Vantage Development to Vantage Oaks in Okeechobee County. The application is in compliance with Section 367.071, F.S., and Commission rules concerning applications for transfer of certificates. The sale of the wastewater system to Vantage Oaks took place in 2022.

### **Noticing, Territory, and Land Ownership**

Vantage Oaks provided notice of the application pursuant to Section 367.071, F.S., and Rule 25-30.030, F.A.C. No objections to the transfer were filed, and the time for doing so has expired. The application contains a description of the Utility's authorized service territory, which is appended to this recommendation as Attachment A. In its application, Vantage Oaks provided a copy of a 99-year land lease that was executed on August 31, 2023, as evidence that Vantage Oaks has continued use of the land upon which the wastewater treatment facilities are located, pursuant to Rule 25-30.037(2)(s), F.A.C. Vantage Oaks stated that upon approval of the transfer, the executed lease will be recorded in the Okeechobee County Public Records.<sup>5</sup>

### **Purchase Agreement and Financing**

Pursuant to Rule 25-30.037(2)(g), (h), and (i), F.A.C., the application contains a statement regarding financing and a copy of the purchase agreement, which includes the purchase price, terms of payment, and a list of the assets purchased. There are no customer deposits, guaranteed revenue contracts, customer advances, leases, developer agreements, or debt of the Seller that must be disposed of in regard to the transfer. According to the purchase and sale agreement, the total purchase price for the wastewater assets is \$3,700. According to the Buyer, the closing took place June 30, 2022.

### **Facility Description and Compliance**

The Utility's domestic wastewater treatment plant (WWTP) is a 50,000 gallons per day extended aeration plant, consisting of flow equalization, aeration, secondary clarification and chlorination, with a polishing pond and additional filtration before land application. Vantage Oaks provided a copy of the Utility's current permit from the Florida Department of Environmental Protection

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<sup>5</sup>Document No. 00114-2024, dated January 8, 2024, in Docket No. 20230111-SU.

(DEP), pursuant to Rule 25-30.037(2)(r)1., F.A.C., and has also completed the permit renewal process with DEP to reflect the change in ownership.

Staff reviewed the most recent DEP compliance evaluation inspection for the WWTP, dated January 27, 2023, which identified eight issues. The DEP subsequently issued a warning letter on March 22, 2023, listing the eight issues which included an outdated manual, a missing annual report regarding the available connectivity to a regional system, and inoperable or deteriorating equipment. The warning letter also recognized an unauthorized discharge on December 29, 2022, due to an equipment failure. In its response to staff's first data request, the Utility explained that it worked with its contract operator, US Water Services Corporation, to correct the identified issues, and subsequently met with the DEP to discuss these corrective actions.<sup>6</sup> Staff confirmed with the DEP that the Utility's corrective actions identified from its warning letter have been completed.<sup>7</sup>

### **Technical and Financial Ability**

Pursuant to Rule 25-30.037(2)(1) and (m), F.A.C., the application contains statements describing the technical and financial ability of the Buyer to provide service to the proposed service area. As referenced in the transfer application, the Buyer will fulfill the commitments, obligations, and representations of the Seller with regard to Utility matters. Vantage Oaks' application states that it has no prior experience operating a regulated water or wastewater utility in Florida; however, the Buyer and its affiliates have operated water and wastewater systems throughout the United States. Vantage Oaks committed to employing the appropriate operational, technical, and managerial personnel and contractors with knowledge and experience in utility operation, who will ensure the continuous efficient and effective operation and management of the wastewater system. At this time, Vantage Oaks utilizes US Water Services Corporation for the contract operations and maintenance of its wastewater system.<sup>8</sup>

The Utility stated that the purchasing entity was created for the purpose of owning and operating the Utility after the transfer, and as such no financial statements exist for Vantage Oaks Utility, LLC. In the Utility's application, the parent company of Vantage Oaks, Parakeet Holding Company, provided financial statements, as well as an affidavit stating its ability and intent to meet all reasonable capital needs arising from the operation of the Utility. Staff has reviewed the parent company's financial statements. Based on the above, the Buyer has demonstrated the technical and financial ability to provide service to the existing service territory.

### **Rates, Charges, and Initial Customer Deposits**

Vantage Oaks' rates and initial customer deposits were last approved in a 2007 staff-assisted rate case.<sup>9</sup> The Utility's miscellaneous service charges were approved in 2005 in a grandfather certificate docket.<sup>10</sup> The Utility's rates were subsequently amended by one price index increase

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<sup>6</sup>Document No. 00114-2024, filed on January 8, 2024, in Docket No. 20230111-SU.

<sup>7</sup>Document No. 02849-2024, filed on May 8, 2024, in Docket No. 20230111-SU.

<sup>8</sup>Document No. 04362-2024, filed on May 29, 2024, in Docket No. 2023111-SU.

<sup>9</sup>Order No. PSC-07-0789-PAA-SU, issued September 27, 2007, in Docket No. 20070074-SU, *In re: Application for staff-assisted rate case in Okeechobee County by Vantage Development Corporation.*

<sup>10</sup>Order No. PSC-05-0498-FOF-SU, issued May 5, 2005, in Docket No. 20010801-SU, *In re: Application for grandfather certificate to operate wastewater utility in Okeechobee County by The Vantage Development Corporation.*

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rate adjustment in 2009 and a rate reduction to remove expired rate case expense amortization in 2012. Rule 25-9.044(1), F.A.C., provides that, in the case of a change of ownership or control of a Utility, the rates, classifications, and regulations of the former owner must continue, unless authorized to change by the Commission. However, the Utility's miscellaneous service charges do not conform to Rule 25-30.460, F.A.C., and are discussed in Issue 5. Staff recommends that the Utility's existing rates and initial customer deposits for wastewater shown on Schedule No. 2 remain in effect, until a change is authorized by the Commission in a subsequent proceeding. The tariff pages reflecting the transfer should be effective on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475(1), F.A.C.

### **Regulatory Assessment Fees and Annual Reports**

Staff has verified the Utility is current on its filing of annual reports and RAFs through December 31, 2023. The Buyer will be responsible for the Utility's annual reports and paying RAFs for 2024 and all future years.

### **Conclusion**

Based on the foregoing, staff recommends that the transfer of the wastewater system and Certificate No. 537-S is in the public interest and should be approved effective the date of the Commission's vote. The resultant Order should serve as the Buyer's certificate and should be retained by the Buyer. The Utility's existing rates and initial customer deposits, as shown on Schedule No. 2, should remain in effect until a change is authorized by the Commission in a subsequent proceeding. The tariff pages reflecting the transfer should be effective on or after the stamped approval date on the tariff sheets, pursuant to Rule 25-30.475(1), F.A.C. The Utility is current, with respect to RAFs and annual reports, and should be responsible for filing annual reports and paying RAFs for all future years.

Date: June 6, 2024

**Issue 3:** What is the appropriate net book value for Vantage Oaks Utility, LLC's wastewater system for transfer purposes?

**Recommendation:** The net book value of the wastewater system for transfer purposes is \$57,409 as of June 30, 2022. Within 90 days of the date of the consummating order, Vantage Oaks should be required to notify the Commission in writing that it has adjusted its books in accordance with the Commission's decision. The adjustments should be reflected in the Utility's 2024 Annual Report when filed. (Veaughn)

**Staff Analysis:** Rate base was last established for the Utility as of December 31, 2006. The purpose of establishing NBV for transfers is to determine whether an acquisition adjustment should be approved. The NBV does not include normal ratemaking adjustments for used and useful plant or working capital. The Utility's NBV has been updated to reflect balances as of June 30, 2022. Staff's recommended NBV, as described below, is shown on Schedule No. 1

### **Utility Plant in Service (UPIS)**

The Utility's general ledger reflected a UPIS balance of \$336,868, as of June 30, 2022. Audit staff reviewed UPIS additions and retirements since the last rate case proceeding, and found that the Utility had excluded several plant additions and retirements. Additionally, the Utility used incorrect accounts in its calculation of UPIS. Consequently, audit staff determined that UPIS was understated by \$1,264. As such, staff recommends a UPIS balance of \$338,132 as of June 30, 2022.

### **Land**

The Utility's general ledger reflected a land balance of \$10,350, as of June 30, 2022. Audit staff reviewed the Utility's general ledger and made no adjustments. As such, staff recommends a land balance of \$10,350, as of June 30, 2022.

### **Accumulated Depreciation**

The Utility's general ledger reflected an accumulated depreciation balance of \$333,201, as of June 30, 2022. Audit staff recalculated accumulated depreciation using the audited UPIS plant balances and the depreciation rates established by Rule 25-30,140(2), F.A.C. Audit staff determined accumulated depreciation to be overstated by \$42,128. As a result, accumulated depreciation should be decreased by \$42,128. As such, staff recommends an accumulated depreciation balance of \$291,073, as of June 30, 2022.

### **Contributions-in-Aid-of-Construction (CIAC) and Accumulated Amortization of CIAC**

As of June 30, 2022, the Utility's general ledger reflected a CIAC balance of \$135,538, and an accumulated amortization of CIAC balance of \$135,538. Audit staff reviewed the Utility's CIAC and Accumulated Amortization of CIAC balances and made no adjustments. Therefore, staff recommends a CIAC balance of \$135,538, and an accumulated amortization of CIAC balance of \$135,538, as of June 30, 2022.



### **Net Book Value**

The Utility's general ledger reflected a NBV of \$14,017, as of June 30, 2022. Based on the adjustments above, staff recommends a NBV for the Utility of \$57,409, as of June 30, 2022. Staff's recommended NBV and the National Association of Regulatory Utility Commissioners Uniform System of Accounts balances for UPIS and accumulated depreciation are shown on Schedule No. 1, as of June 30, 2022.

### **Conclusion**

Based on the above, staff recommends that the NBV of the Utility's wastewater system for transfer purposes is \$57,409, as of June 30, 2022. Within 90 days of the date of the consummating order, the Buyer should be required to notify the Commission in writing that it has adjusted its books in accordance with the Commission's decision. The adjustments should be reflected in the Utility's 2024 Annual Report when filed.

**Issue 4:** Should an acquisition adjustment be recognized for ratemaking purposes?

**Recommendation:** Yes. Pursuant to Rule 25-30.0371(3), F.A.C., a negative acquisition adjustment of \$42,227 should be recognized for ratemaking purposes. Beginning with the date of the issuance of the Final Order approving the transfer, half of the negative acquisition adjustment should be amortized over a 7-year period and the other half amortized over the remaining life of the Utility’s assets, or about four years, in accordance with Rule 25-30.0371(4)(b)2., F.A.C. (Veaghn)

**Staff Analysis:** An acquisition adjustment results when the purchase price differs from the original cost of the assets’ NBV, adjusted to the time of the acquisition. Pursuant to Rule 25-30.0371(3), F.A.C., if the purchase price is equal to or less than 80 percent of NBV, a negative acquisition adjustment shall be included in rate base and will be equal to 80 percent of NBV, less the purchase price. Pursuant to Rule 25.30.0371(4)(b)2., F.A.C., if the purchase price is less than 50 percent of NBV, half of the negative acquisition adjustment should be amortized over a 7-year period and the other half amortized over the remaining life of the Utility’s assets. The calculation of the acquisition adjustment is shown in Table 4-1. Staff estimates the remaining life of the assets to be about four years.

**Table 4-1**  
**Calculation of Negative Acquisition Adjustment**

Net book value as of June 30, 2022	\$57,409
80 percent of net book value	\$45,927
Purchase price	\$3,700
Negative acquisition adjustment	\$42,227

Therefore, pursuant to Rule 25-30.0371(3), F.A.C., staff recommends a negative acquisition adjustment of \$42,227 be recognized for ratemaking purposes. Beginning with the date of issuance of the Final Order approving the transfer, half of the negative acquisition adjustment should be amortized over a 7-year period and the other half amortized over the remaining life of the Utility’s assets, or four years, in accordance with Rule 25-30.0371(4)(b)2., F.A.C.

**Issue 5:** Should Vantage Oaks Utility, LLC’s miscellaneous service charges be revised to conform to Rule 25-30.460, F.A.C.?

**Recommendation:** Yes. Staff recommends the miscellaneous service charges should be revised to conform to Rule 25-30.460, F.A.C. The tariff should be revised to reflect the removal of initial connection and normal reconnection charges. The Utility should be required to file a proposed customer notice to reflect the Commission-approved charges. The approved charges should be effective for service rendered or connections made on or after the stamped approval date on the tariff sheet pursuant to Rule 25-30.475(1), F.A.C. In addition, the approved charge should not be implemented until staff has approved the proposed customer notice and the notice has been received by customers. The Utility should provide proof of the date notice was given, no less than 10 days after the date of the notice. The Utility should be required to charge the approved miscellaneous services charges until authorized to change them by the Commission in a subsequent proceeding. (Bruce)

**Staff Analysis:** The Utility did not request to revise its miscellaneous charges; however, the charges do not conform to Rule 25-30.460, F.A.C. The Utility’s current miscellaneous service charges consist of several miscellaneous service charges as shown below in Table 5-1.

**Table 5-1  
 Utility’s Existing Miscellaneous Service Charges**

	<u>Business Hours</u>
Initial Connection Charge	\$15.00
Normal Reconnection Charge	\$15.00
Violation Reconnection Charge - Wastewater	Actual Cost
Premises Visit Charge (in lieu of disconnection)	\$10.00

The rule does not allow for initial connection and normal reconnection charges. These charges are the same as the premises visit charge. Therefore, the current initial connection and normal reconnection charges are obsolete and inconsistent with the rule and should be removed. Since the premises visit entails a broader range of tasks, staff recommends the premises visit charge should reflect the amount of the normal reconnection charge of \$15. Staff also recommends that the definition for the premises visit charge be updated to comply with Rule 25-30.460, F.A.C. Staff’s recommended miscellaneous service charges are shown below in Table 5-2.

**Table 5-2  
 Staff’s Recommended Miscellaneous Service Charges**

	<u>Business Hours</u>
Violation Reconnection Charge - Wastewater	Actual Cost
Premises Visit Charge	\$15.00

### **Conclusion**

Based on the above, the miscellaneous service charges should be revised to conform to Rule 25-30.460, F.A.C. The tariff should be revised to reflect the removal of initial connection and normal reconnection charges. The Utility should be required to file a proposed customer notice to reflect the Commission-approved charges. The approved charges should be effective for service rendered or connections made on or after the stamped approval date on the tariff sheet, pursuant to Rule 25-30.475(1), F.A.C. In addition, the approved charge should not be implemented until staff has approved the proposed customer notice and the notice has been received by customers. The Utility should provide proof of the date notice was given no less than 10 days after the date of the notice. The Utility should be required to charge the approved miscellaneous services charges until authorized to change them by the Commission in a subsequent proceeding.

**Issue 6:** Should this docket be closed?

**Recommendation:** Yes. If no protest to the proposed agency action is filed by a substantially affected person within 21 days of the date of the issuance of the Order, a Consummating Order should be issued and the docket should be closed administratively upon Commission staff's verification that the revised tariff sheets have been filed, that proof has been provided that appropriate noticing has been done pursuant to Rule 25-30.475, F.A.C., and that within 90 days of the date of the Consummating Order, the Buyer has notified Commission staff in writing that it has adjusted its books in accordance with the Commission's Order approving the transfer.  
(Sandy)

**Staff Analysis:** If no protest to the proposed agency action is filed by a substantially affected person within 21 days of the date of the issuance of the Order, a Consummating Order should be issued and the docket should be closed administratively upon Commission staff's verification that the revised tariff sheets have been filed, that proof has been provided that appropriate noticing has been done pursuant to Rule 25-30.475, F.A.C., and that within 90 days of the date of the Consummating Order, the Buyer has notified Commission staff in writing that it has adjusted its books in accordance with the Commission's Order approving the transfer.

**Vantage Oak Utility, LLC**

Okeechobee County

Wastewater Service Area

Serving Parts of Treasure Island and The Vantage Oaks RV Park

Township 37 South, Range 35 East

Section 25

Begin at the Northeast corner of Section 25, Township 37 South, Range 35 East. Thence run due South along the East line of said section a distance of about 1,690 feet. Thence run due West about 510 feet to the Point of Beginning (POB). Said point also, the Northeast corner of lot 153 of Treasure Island Unit 13. Thence continue due West a distance of 1,645.56 feet to the East Right of Way line of Everglades Blvd/S.E. 40<sup>th</sup> Avenue. Thence continue due West across Everglades Blvd/S.E. 40<sup>th</sup> Avenue a distance of 70 feet. Thence due South a distance of 35 feet. Thence due West a distance of 110 feet. Thence due South a distance of 35 feet. Thence North 88° West a distance of 830 feet. Thence South 41° East a distance of 1,195 feet. Thence due South 95 feet. Thence due West a distance of 1,205 feet. Thence due South a distance of 330 feet. Thence due East a distance of 1,352 feet to the West Right of Way line of S.E. 40<sup>th</sup> Avenue. Thence continue due East across S.E. 40<sup>th</sup> Avenue a distance of 70 feet. Thence continue due East a distance of 1,050 feet to Mosquito Creek. Thence along Mosquito Creek the following 10 courses to the Northeast corner of the Vantage Oaks Development. 1) North 49° East a distance of 50 feet. 2) North 19° East a distance of 45 feet. 3) North 62° East a distance of 80 feet. 4) North 78° East a distance of 70 feet. 5) North 59° East a distance of 60 feet. 6) North 39° East a distance of 100 feet. 7) North 64° East a distance of 180 feet. 8) North 44° East a distance of 80 feet. 9) North 19° East a distance of 60 feet. 10) North 27° West a distance of 70 feet, (or meander along Mosquito Creek about 760 feet to the Northeast corner of the Vantage Oaks Development.) Thence the following 5 courses to the POB. 1) East a distance of 30 feet. 2) North 25° West a distance of 195 feet. 3) North 5° East a distance of 291 feet. 4) North 6° East a distance of 295 feet. 5) North 24° East a distance of 159 feet to the POB.

**FLORIDA PUBLIC SERVICE COMMISSION**

**Authorizes**

**Vantage Oaks Utility, LLC**

**pursuant to**

**Certificate Number 537-S**

to provide wastewater service in Okeechobee County in accordance with the provisions of Chapter 367, Florida Statutes, and the Rule, regulations, and Orders of this Commission in the territory described by the Orders of this Commission. This authorization shall remain in force and effect until superseded, suspended, cancelled or revoked by Order of this Commission.

<u>Order Number</u>	<u>Date Issued</u>	<u>Docket Number</u>	<u>Filing Type</u>
PSC-05-0498-FOF-SU	05/05/2005	20040801-SU	Grandfather Certificate
PSC-07-0789-PAA-SU	09/27/2007	20070074-SU	Rate Increase
*	*	20230111-SU	Transfer

**\* Order Number and date to be provided at time of issuance.**

**Vantage Development Corporation**  
**Schedule of Net Book Value as of June 30, 2022**

<b><u>Description</u></b>	<b><u>Balance Per</u></b>	<b><u>Adjustments</u></b>	<b><u>Staff</u></b>
	<b><u>Utility</u></b>		<b><u>Recommendation</u></b>
Utility Plant in Service	\$336,868	\$1,264	\$338,132
Land & Land Rights	10,350	-	10,350
Accumulated Depreciation	(333,201)	42,128	(291,073)
CIAC	(135,538)	-	(135,538)
Amortization CIAC	<u>135,538</u>	=	<u>\$135,538</u>
Total	<u>\$14,017</u>	<u>\$43,392</u>	<u>\$57,409</u>



**Explanation of Staff's Recommended  
Adjustments to Net Book Value as of June 30, 2022**

**Explanation**

Utility Plant in Service

To reflect appropriate amount of plant in service.

\$1,264

Accumulated Depreciation

To reflect appropriate amount of accumulated depreciation.

\$42,128

**Vantage Development Corporation  
Schedule of Staff Recommended  
Account Balances as of June 30, 2022**

<u>Account</u>			<u>Accumulated</u>
<u>No.</u>	<u>Description</u>	<u>UPIS</u>	<u>Depreciation</u>
354	Structures & Improvements – Fence	\$326,099	(\$280,221)
355	Power Generation Equipment	1,348	(1,348)
362	Special Collecting Structures	2,596	(2,169)
364	Flow Measuring Devices	2,068	(2,068)
380	Treatment & Disposal Equipment - Blower	6,021	(5,297)
	Total	<u>\$338,132</u>	<u>(\$291,073)</u>

**The Vantage Oaks Utility, LLC.  
Monthly Wastewater Rates**

**Residential Service**

All Meter Sizes \$18.15

Charge Per 1,000 gallons – Residential  
6,000 gallon cap \$3.09

**General Service**

Flat Rate \$1,742.96

Base Facility Charge \$2,322.41  
RV Park Lots  
(128 ERCs)

Charge per 1,000 gallons  
1,026,000 gallons cap \$3.09

**Initial Customer Deposits**

	<b>Residential Service</b>	<b>General Service</b>
All Meter Sizes	\$70.00	2x average estimated bill