

**Antonia Hover**

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**From:** Antonia Hover on behalf of Records Clerk  
**Sent:** Friday, October 31, 2025 3:24 PM  
**To:** 'sgidumal@virtuscapital.com'  
**Cc:** Consumer Contact  
**Subject:** FW: Docket No. 20250023-WS  
**Attachments:** 2025 Letter to the PSC 10-31-25 signed.pdf; Scott House Guarantee 8-5-2022.pdf

Good Afternoon,

We will be placing your comments below in consumer correspondence in Docket No. 20250023, and forwarding them to the Office of Consumer Assistance and Outreach.

Thank you!

*Toni Hover*

*Commission Deputy Clerk I  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399  
Phone: (850) 413-6467*

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**From:** Steve Gidumal <sgidumal@virtuscapital.com>  
**Sent:** Friday, October 31, 2025 3:17 PM  
**To:** Records Clerk <CLERK@PSC.STATE.FL.US>  
**Subject:** Docket No. 20250023-WS

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Dear Public Service Commission:

Please review and give the attached letter your consideration regarding the proposed Water Rates for the Grenelefe Community in Haynes City, FL.

We make four major points in our letter:

1. The proposed PSC rate increase will bankrupt a majority of condominium owners and will likely lead to most of the rental tenants to leave.
2. This will turn lovely Grenelefe, full of such potential, a Ghost town. Causing a loss of tens of millions of dollars in County property tax revenues over the next 10 years.
3. The bankrupt homeowners will be solicited by and will almost certainly join a class action against the PSC and Scott House.

4. Scott House himself said that he is motivated to prevent the large water rate increase and has said, if we believe him, that he will live by the Guaranty that he signed with the Public Service Commission, who allowed him to buy the water utility. If the PSC forces Mr. House to live by his guarantee and put up the \$20 million, the belief is that a much, much more modest water increase can resolve this situation.

Thank you for your consideration,

Steve Gidumal

Steve Gidumal  
President, CEO  
**VIRTUS CAPITAL ADVISORS LLC**  
14 Wall Street, 20<sup>th</sup> Floor  
New York, NY 10005  
Direct: (407) 952-2338  
[sgidumal@virtuscapital.com](mailto:sgidumal@virtuscapital.com)



Capital Advisors LLC

Dear Public Service Commission:

I write over concern about the water rate increase the PSC is considering imposing on the Grenelefe community. As an investor in the Grenelefe community, and other communities across Florida, I think a rate increase anywhere above +15% to +20% would be very destructive for the entire area, not just for the Grenelefe community. Grenelefe today, by my count, has approximately 2,400 condos and houses, including the condo units owned by Lennar. Lennar has purchased land to add additional units. My understanding is that Scott House and his group are also planning to build additional units.

Assuming today there are 2,400 units, and assuming the average property tax is \$1,500/unit, this community brings in an estimated \$3,600,000 per year. If with all the development plans, an additional 2,000 more expensive units were to be added, and the average property tax on these units were \$1,900/unit per year, this would be an additional \$3,800,000 per year. Over the next 10 years, that would contribute an additional \$65,000,000 to \$74,000,000 to the County.

However, allowing a unconscionably high water-rate increase to \$150 to \$500 a month in a state where the entire state is floating on a pool of water, will bankrupt Grenelefe. And this is not speculation. At the public hearing on September 15<sup>th</sup>, the commission heard from owner after owner who said they would have to abandon their home or file for bankruptcy given the rate increases being contemplated by the PSC. For tenants, who occupy at least 60% of the units in Grenelefe, a water rate increase to \$150 a month, or more, would be a dramatic increase in their monthly effective rental cost, and would force many, many tenants to move-out.

As a result of the contemplated PSC rate increase, Grenelefe, in time, would turn into a ghost town. Rents would collapse, the upkeep of the area will decline and property values will plummet, as homes sell for \$15,000 to \$25,000 or less. Lennar and House will stop building. Growth will come to a standstill.

The County itself will become poorer, as property tax revenues will collapse. Instead of pulling in a potential \$70,000,000 in property tax revenue over the next 10 years, tax revenue could fall to less than \$1,500,000 a year, or \$10,000,000 to \$15,000,000 over the next 10 years allowing for additional spending by the County to support the bankrupt community and attendant problems.

However, there is a way to avoid this disastrous outcome. The obvious answer is to make utility owner Scott House to either (a) sell the water company because he lacks the funds to run it or (b) spend the \$20 million he claims he had when the PSC allowed him to buy the critical public utility. This "deal" that the PSC approved, would still work if Mr. House has the money, and if water rate increases stay reasonable (i.e, under 15%). Mr. House himself has stated that he would be willing to live up to the terms of the \$20,000,000 purchase agreement. In speaking with the owner of the majority of the



Capital Advisors LLC

Grenelefe units, Yossi Edelkopf, he has told me he would be willing to live with the House-PSC deal as well, as long as the rate increases going forward are in single digits (< 10%) or no more than 12.00%.

If the water rate increases are much above 15%, and owners start going bankrupt and having their homes foreclosed on, owners will likely band together and bring a class action lawsuit over a poorly documented deal between the PSC and Scott House.

For everyone's sake, let's all avoid that possibility and resolve this successfully.

Sincerely,

*Steven Gidumal*

Steven Gidumal  
President  
Virtus Capital Advisors LLC  
(407) 952-2338  
[sgidumal@virtuscapital.com](mailto:sgidumal@virtuscapital.com)

One attachment – Copy of Scott House' Guaranty

AFFIDAVIT

STATE OF FLORIDA  
COUNTY OF POLK

I, Frederick Scott House, am the Managing Member and 100% Owner of Grenelefe Resort Utilities Development, LLC. In that capacity, I am filing this Affidavit in order to assure the Florida Public Service Commission that I or my other controlled entities will provide or assist Grenelefe Resort Utilities Development, LLC in securing necessary funding to meet all reasonable capital needs and any operating deficits of the utility, which may arise as the result of the utility's operation of a certificated water and wastewater utility in its PSC certificated service territory. Such funding will be provided on an as and when needed basis.

  
Frederick Scott House  
Managing Member

The foregoing instrument was acknowledged before me this 5<sup>th</sup> day of August, 2022, by Frederick Scott House, as Managing Member of Grenelefe Resort Utilities Development, LLC. Mr. House is personally known to me or who has produced FL Drivers license as identification.

  
NOTARY PUBLIC  
My Commission Expires:

