

December 5, 2017

Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399

Re: Docket No. 20170173-SU – Application for authority to transfer Certificate No. 538-S in Okeechobee County from Zachary Taylor Camping & Lodge, Inc. to Coastal Income Properties – Zachary Taylor LLC.

Dear Commission Clerk,

Per the September 29, 2017 letter from Commission staff, the transfer application had a number of deficiencies

Deficiency #1 – Fictitious Name

The fictitious name registration was filed October 26, 2016. The registration number is G16000116216. We have attached a copy of the registration, Exhibit 1, to this package for your review.

Deficiency #2 – Ownership

The ownership structure of Coastal Income Properties – Zachary Taylor LLC. Is as follows:

Hello Tiger, LLC 38573 US 19N Palm Harbor, FL 34684 Owns 23.333%	K4 Investments LLC 2840 West Bay Drive, #174 Belleair Bluffs, FL 33770 Owns 23.333%
Anclote Holdings of West Florida LLC 623 E. Tarpon Springs Tarpon Springs, FL 34689 Owns 23.333%	Brown Florida Holdings LLC 635 Court Street, Suite 120 Clearwater, FL 33756 Owns 30.000%

Deficiency #3 – Contract of Sale

The original contract of sale used in the sale of the Utility did not specifically site the sale being contingent upon the Commission approval. We, however, feel that this was implied in the contract, as a refusal to transfer the certificate by the Commission would not allow the RV park to be operated by any new owners. We have had difficulty in communicating with the prior owners, to get any sort of addendum to the contract to satisfy this deficiency.

Deficiency #4 – Purchase Price

The original contract of sale does not specifically break out the purchase price for the Utility versus the RV Park. We would like to us a split based on the Net Book Value per the 2015 annual report as the purchase price of the Utility portion of the sale. We believe this to be \$43,928.

Deficiency #5 – Assets and Liabilities

We believe the only assets purchased were the plant assets. We have used the breakdown of the 2015 annual report provide this information regarding a breakdown by NARUC category. No liabilities were assumed as part of the purchase.

Deficiency #6 – Consideration

The original sales contract does not provide for any consideration above and beyond the purchase price to be paid during the closing process. There is no ongoing interest or involvement by the prior owners of the utility.

Deficiency #7 – Provisions for the Disposition

The utility has a lease with Taylor Creek Condominium Assoc., Inc. to provide wastewater treatment on an ongoing basis. At this time, we do not believe this falls under this category. However, this agreement was assumed by the new owners and has since been renewed.

Deficiency #8 – Books and Records

The Utilities books and records are kept in the state of Florida as addressed in Rule 25-30-037(2)(j)9. These records are kept at the Utility located at:
2995 US Highway 441 SE
Okeechobee, FL 34974

Deficiency #9 – Financial Statements

We will provide the financial statements for the 4 ownership entities by mail to the Office of commission Clerk. We will be requesting confidential treatment of these financials when filed.

Deficiency #10 – Economies of Scale Schedule

The new owners of the Utility, do not have other regulated utilities at this time. We do not anticipate having any economies of scale that strictly relate to the Utility.

Deficiency #11 – Permits

The Utility's permit was effective July 1, 2013 and expires on June 30, 2018. We have included a copy of the Florida Department of Environmental Protection permit as Exhibit 2 to this package.

Deficiency #12 – Compliance

The most recent report issued by the Florida Department of Environmental Protection was issued May 7, 2013. We have included the report as Exhibit 3 in this package. All items evaluated in this report are in compliance.

Deficiency #13 – Correspondence

The Utility is unaware of any correspondence related to this deficiency.

Respectfully Submitted,

 mg- mbr

Michael B. Osadchey
Manager of Coastal Income Properties –
Zachary Taylor LLC

EXHIBIT 1 – FICTITIOUS NAME REGISTRATION

APPLICATION FOR REGISTRATION OF FICTITIOUS NAME

REGISTRATION# G16000116216

Fictitious Name to be Registered: ZACHARY TAYLOR RV RESORT

Mailing Address of Business: 2995 US HIGHWAY 441 SE
OKEECHOBEE, FL 34974

Florida County of Principal Place of Business: OKEECHOBEE

FEI Number: 81-1475880

FILED
Oct 26, 2016
Secretary of State

Owner(s) of Fictitious Name:

COASTAL INCOME PROPERTIES - ZACHARY TAYLOR, LLC
38511 US 19 NORTH
PALM HARBOR, FL 34684 US
Florida Document Number: L16000016059
FEI Number: 81-1475880

I the undersigned, being an owner in the above fictitious name, certify that the information indicated on this form is true and accurate. I further certify that the fictitious name to be registered has been advertised at least once in a newspaper as defined in Chapter 50, Florida Statutes, in the county where the principal place of business is located. I understand that the electronic signature below shall have the same legal effect as if made under oath and I am aware that false information submitted in a document to the Department of State constitutes a third degree felony as provided for in s. 817.155, Florida Statutes.

MICHAEL B. OSADCHEY

10/26/2016

Electronic Signature(s)

Date

Certificate of Status Requested (X)

Certified Copy Requested ()

**EXHIBIT 2 – FLORIDA DEPARTMENT OF
ENVIRONMENTAL PROTECTION PERMIT**



**FLORIDA DEPARTMENT OF
ENVIRONMENTAL PROTECTION**
SOUTHEAST DISTRICT OFFICE
400 NORTH CONGRESS AVENUE, 3RD FLOOR
WEST PALM BEACH, FL 33401
561-681-6600

RICK SCOTT
GOVERNOR

JENNIFER CARROLL
LT. GOVERNOR

HERSCHEL T. VINYARD JR.
SECRETARY

**STATE OF FLORIDA
DOMESTIC WASTEWATER FACILITY PERMIT**

PERMITTEE:

Zachary Taylor Camping and Lodge, Inc.

PERMIT NUMBER: FLA013910

FILE NUMBER: FLA013910-006-DW3P

EFFECTIVE DATE: July 1, 2013

EXPIRATION DATE: June 30, 2018

RESPONSIBLE OFFICIAL:

Mr. Christopher R. Freed, CEO
2995 US Highway 441 SE
Okeechobee, Florida 34974-6886
Email: infor@flrvresort.com

FACILITY:

Zachary Taylor Camping and Lodge
Wastewater Treatment Facility
2995 U.S. 441 S.E.
Okeechobee, FL 34974
Okeechobee County
Latitude: 27°12' 43.99" N Longitude: 80°47' 51.68" W

This permit is issued under the provisions of Chapter 403, Florida Statutes (F.S.), and applicable rules of the Florida Administrative Code (F.A.C.). This permit does not constitute authorization to discharge wastewater other than as expressly stated in this permit. This permit is accompanied by an Administrative Order, pursuant to paragraphs 403.088(2) (e) and (f), Florida Statutes. Compliance with Administrative Order, AO-13-001-DW-47-SED, is a specific requirement of this permit. The above named Permittee is hereby authorized to operate the facilities in accordance with the documents attached hereto and specifically described as follows:

WASTEWATER TREATMENT:

This facility is an existing 0.0405 million gallons per day Monthly Average Daily Flow (MAGD) permitted capacity extended aeration domestic wastewater treatment plant.

The plant consists of:

two (2) lift stations;

four (4) aeration tanks in series with a total volume of 44,880 gallons;

one (1) clarifier with a volume of 44,880 gallons, a surface area of 156 square feet, and 16 linear feet of weir;

one (1) chlorine contact chamber with a volume of 1,965 gallons;

one (1) aerobic digester with a volume of 5,600 gallons;

three (3) alternating percolation ponds with a total surface area of 4,761 square feet.

REUSE OR DISPOSAL:

Land Application R-001: An existing 0.0405 MAGD monthly average daily flow permitted capacity rapid infiltration basin system, consisting of three (3) alternating percolation ponds with a total service area of 4,761 square feet, located approximately at latitude 27°12' 20" N, longitude 80°48' 0" W.

IN ACCORDANCE WITH: The limitations, monitoring requirements, and other conditions set forth in this cover sheet and Part I through Part IX on pages 1 through 18 of this permit.

**EXHIBIT 3 – FLORIDA DEPARTMENT OF
ENVIRONMENTAL PROTECTION COMPLIANCE
INSPECTION REPORT**



**FLORIDA DEPARTMENT OF
ENVIRONMENTAL PROTECTION**

Southeast District Office
400 North Congress Avenue, 3rd Floor
West Palm Beach, FL 33401
561-681-6600

RICK SCOTT
GOVERNOR

HERSCHEL T. VINYARD JR.
SECRETARY

June 26, 2013

Mr. Christopher R. Freed, CEO info@flrvresort.com
Zachary Taylor Camping & Lodge, Inc.
2995 US Highway 441 SE
Okeechobee, FL 34974-6886

Re: Compliance Evaluation Inspection
Zachary Taylor Camping & Lodge WWTF
DW - Facility ID No. FLA013910
Okeechobee County

Dear Mr. Freed:

Department personnel conducted a compliance evaluation inspection of the above-referenced Facility on May 7, 2013. Based on the information gathered, the Facility was rated **In Compliance** with the Department's rules and regulations for the compliance areas evaluated during this inspection. A copy of the inspection report is attached for your records.

The Department appreciates your efforts to maintain this Facility in compliance with state and federal rules. Should you have any questions or comments, please contact Jeff Christian at (772) 467-5556, or via e-mail at: jeff.christian@dep.state.fl.us.

Sincerely,

For

Michael Hambor
Wastewater Compliance Assurance Program
Southeast District Office

^{lms}
MH/lms/jc

cc: Jim Witteck, Operator, JC Witteck Utilities

jcwitteckutilities@comcast.net

**FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION
 WASTEWATER COMPLIANCE INSPECTION REPORT**

FACILITY AND INSPECTION INFORMATION

Name and Physical Location of Facility	WAFR ID:	County	Entry Date/Time
Zachary Taylor Camping & Lodge WWTF	FLA013910	Okeechobee	05-07-20123 @ 1120
2995 US Highway 441 SE		Phone	Exit Date/Time
Okeechobee		(863)763-3377	05-07-2013 @ 1200
Name(s) of Field Representatives(s)	Title / Operator Certification #	Phone	
None			
Name and Address of Permittee or Designated Representative	Title	Phone	
Mr. Christopher R. Freed	CEO	(863)763-3377	
2995 US Highway 441 SE			
Okeechobee, FL 34974-6886			

Inspection Type: C E I Samples Taken(Y/N):N Sample ID#: Samples Split (Y/N):

Domestic Industrial Were Photos Taken(Y/N):N


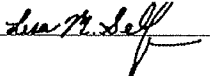
FACILITY COMPLIANCE AREAS EVALUATED

IC: In Compliance; MC: Minor Out of Compliance; NC: Out of Compliance SC: Significant Non-Compliance;
 NA: Not Applicable; NE or Blank: Not Evaluated

Significant Non-Compliance Criteria Should be Reviewed When Out of Compliance Ratings Are Given in Areas Marked by "♦"

PERMITS/ORDERS		SOLID MONITORING PROGRAM		FACILITY OPERATIONS		EFFLUENT/BIOSOLIDS	
IC	1. ♦ Permit	NE	3. Laboratory	IC	6. Facility Site Review	IC	9. ♦ Effluent Quality
IC	2. ♦ Compliance Schedules	IC	4. Sampling	NE	7. Flow Measurement	IC	10. ♦ Effluent Disposal
		IC	5. ♦ Records & Reports	IC	8. ♦ Operation & Maintenance	NE	11. Biosolids/Sludge
						NE	12. Groundwater
NE	14. Other:					NE	13. SSO Survey

Facility and/or Order Compliance Status: In-Compliance Out-Of-Compliance Significant-Out-Of-Compliance

Name(s) and Signature(s) of Inspector(s)	District Office/Phone Number	Date
Jeff Christian 	Southeast (772)467- 5556	05-07-2013
Signature of Reviewer	District Office/Phone Number	Date
Lisa M. Self 	Southeast 561-681-6699	06/25/2013

SEV Code(s): _____, _____, _____, _____, _____

INSPECTION REPORT SUMMARY

Facility Name: Zachary Taylor Camping & Lodge WWTF

Facility ID: FLA013910

Inspection Type: Compliance Evaluation Inspection

Inspection Date: May 07, 2013

FACILITY BACKGROUND:

Facility Address: 2995 US Highway 441 SE, Okeechobee

Program/ Permit Information: DW, permit issuance date was July 2, 2008, **expiration date, July 1, 2013**

Treatment Summary: Extended Aeration Sewage Treatment Plant W/Reuse to three percolation ponds

Permitted Capacity: 0.0405 MGD

1. **Permit:** In-Compliance

- The Permit for the Facility is current and will expire on July 1, 2013.
- Administrative Order AO-08-005-DW-47-SED requires this Facility to connect to a regional wastewater treatment facility within 150 days of availability.
- The Facility has already received a permit renewal that will become effective July 1, 2013.
- No deficiencies were noted.

2. **Compliance Schedules:** In Compliance

- The Permit Compliance Schedule Action Item requires the connection of the Facility to a regional wastewater treatment facility within 150 days of availability. The annual connection availability Progress Report required by the Administrative Order was received by the Department. The regional sewer line for connection is not currently available.
- No deficiencies were noted.

3. **Laboratory:** Not Evaluated

4. **Sampling:** In Compliance

- Samples are collected at the proper location and frequency.
- Samples for pH and chlorine are analyzed immediately after collection and samples to be analyzed by the lab are immediately preserved via ice.
- The pH and chlorine meters are EPA approved. The Hach Pocket II colorimeter and Okton pH meters are calibrated daily with 4 chlorine standards and 3 pH standard solutions, respectively.
- The water supply line's backflow prevention device received an annual inspection on July 28, 2012. Documentation of the inspection was on-site.
- No deficiencies were noted.

5. **Records and Reports:** In Compliance

- Monthly Discharge Monitoring Reports are being received by the Department timely, on the correct form and are being properly completed.
- The pH and chlorine meter calibration records are available.
- The Daily Operations and Maintenance Logbook was on-site and appeared to be complete.
- No deficiencies were noted.

6. **Facility Site Review:** In Compliance

- The on-site lift station was equipped with two functional pumps and the level was low.
- The lift station was equipped with an audio and visual high level alarm system.
- The aeration basins appeared to be receiving sufficient aeration and the mixed liquor appeared normal. No abnormal odor was noted.
- Both blowers were operable.
- The Facility was equipped with a functional skimmer and the surface was very clean. The clarifier was settling properly.
- Liquid chlorine is used for disinfection. The on-site chlorine supply was satisfactory. Chlorine is introduced at the head of the chlorine contact chamber. The dosing pump and tubing were in satisfactory condition. The plant was observed receiving chlorine.
- The digester was receiving aeration and the level was satisfactory.
- The fence around the Facility site appeared to be in satisfactory condition and the gate was locked.
- No deficiencies were noted.

7. **Flow Measurement:** Not Evaluated

- Flow is measured with elapsed time meters on the influent lift station pumps.

8. **Operation and Maintenance:** In Compliance

- The Facility appeared to be operating in accordance with the Permit.
- A certified Operator is on duty as required by the Permit.
- The blowers are activated by a timer to control nitrate production. The blowers alternate.
- The access to the Facility was adequate for the inspection. The Facility was well maintained and neat. No leaks in the walls or pipes were noted.
- No deficiencies were noted.

9. **Effluent Quality:** In Compliance

- The effluent was clear and no solids were present.
- The Part A and B of the monthly Discharge Monitoring Reports show no water quality exceedences for the past year, from March 2012 through April 2013.
- No deficiencies were noted.

10. **Effluent Disposal:** In Compliance

- The disposal system consists of three percolation ponds. The ponds were functioning properly and are receiving routine cleaning. One pond was dry and the other two pond levels were low. All of the ponds are receiving vegetative maintenance.
- No deficiencies were noted.

11. **Biosolids/Sludge:** Not Evaluated

12. **Groundwater Quality:** Not Evaluated

13. **SSO Survey:** Not Evaluated

14. **Other:** Not Evaluated