

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for authority
to transfer facilities of J.
Swiderski Utilities, Inc. and
Certificates Nos. 371-S and 441-
W in Lake County to AquaSource
Utility, Inc.

DOCKET NO. 981779-WS
ORDER NO. PSC-99-2115-PAA-WS
ISSUED: October 25, 1999

The following Commissioners participated in the disposition of
this matter:

JOE GARCIA, Chairman
J. TERRY DEASON
SUSAN F. CLARK
E. LEON JACOBS, JR.

ORDER APPROVING TRANSFER AND
DECLINING TO INITIATE A SHOW CAUSE PROCEEDING
AND
NOTICE OF PROPOSED AGENCY ACTION
ORDER ESTABLISHING RATE BASE AND DECLINING TO APPROVE AN
ACQUISITION ADJUSTMENT FOR TRANSFER PURPOSES

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the actions discussed herein regarding the establishment of rate base and declining to approve an acquisition adjustment for transfer purposes are preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

BACKGROUND

J. Swiderski Utilities, Inc. (JSUI or utility) is a Class C water and wastewater utility operating the King's Cove, Forty-Eight Estates and Summit Chase systems in Lake County. All three systems combined serve approximately 482 water and 403 wastewater customers. According to its application, JSUI has been providing service since 1990. The annual report for 1998 shows that the combined operating revenues were \$140,588 for water and \$105,694

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ORDER NO. PSC-99-2115-PAA-WS
DOCKET NO. 981779-WS
PAGE 2

for wastewater. The net operating income was \$19,181 and \$4,276, for the water and wastewater systems, respectively.

On December 1, 1998, AquaSource Utility, Inc. (AquaSource) filed an application for transfer of majority organizational control from JSUI to AquaSource. The application was amended on January 5, 1999 to an application for transfer of certificate.

NO SHOW CAUSE REQUIRED

JSUI closed on the transfer of its facilities to AquaSource on July 2, 1998, prior to obtaining Commission approval. Section 367.071(1), Florida Statutes, states that, "No utility shall sell, assign, or transfer its certificate of authorization, facilities or any portion thereof..., without determination and approval of the [C]ommission that the proposed sale, assignment, or transfer is in the public interest"

Section 367.161(1), Florida Statutes, authorizes the Commission to assess a penalty of not more than \$5,000 for each offense, if a utility is found to have knowingly refused to comply with, or to have willfully violated any provision of Chapter 367, Florida Statutes. In closing on the transfer prior to Commission approval, the utility's act was "willful" in the sense intended by Section 367.161, Florida Statutes. In Order No. 24306, issued April 1, 1991, in Docket No. 890216-TL, titled In Re: Investigation Into The Proper Application of Rule 25-14.003, Florida Administrative Code, Relating To Tax Savings Refund For 1988 and 1989 For GTE Florida, Inc., the Commission having found that the company had not intended to violate the rule, nevertheless found it appropriate to order it to show cause why it should not be fined, stating that "[i]n our view, 'willful' implies an intent to do an act, and this is distinct from an intent to violate a statute or rule."

Although JSUI's failure to obtain our approval prior to transferring its facilities to AquaSource is an apparent violation of Section 367.071(1), Florida Statutes, there are circumstances which appear to mitigate the utility's apparent violation. According to a letter dated January 26, 1999, it was necessary for the parties to close on the sale of the utility as soon as possible due to the failing health of the utility owner, Mr. Joe Swiderski. Furthermore, the closing was scheduled to coincide with the regular billing cycle in order to facilitate a smooth transition for both the customers and the companies involved. Moreover, there is a

provision in the contract between JSUI and AquaSource which states that the sale is subject to this Commission's jurisdiction and if we do not approve the transfer, the parties will terminate the transaction.

Based on the foregoing, we do not find that the apparent violation of Section 367.071, Florida Statutes, rises in these circumstances to the level which warrants the initiation of a show cause proceeding. Therefore, JSUI shall not be ordered to show cause for failure to obtain Commission approval prior to transferring its facilities to AquaSource.

APPLICATION

Except as previously discussed, the application is in compliance with Section 367.071, Florida Statutes, and other pertinent statutes and provisions of the Florida Administrative Code. The application contains a check in the amount of \$1,500, which is the correct filing fee pursuant to Rule 25-30.020, Florida Administrative Code. The applicant has provided evidence that the utility owns the land upon which its facilities are located as required by Rule 25-30.037(3)(i), Florida Administrative Code.

The application contains proof of compliance with the noticing provisions set forth in Rule 25-30.030, Florida Administrative Code, including notice to the customers of the system to be transferred. No objections to the notice of application have been received and the time for filing such has expired. A description of the territory served by the utility is in Attachment A of this Order, which by reference is incorporated herein.

The application states that the transfer is in the public interest because AquaSource's business is operating water and wastewater utilities. According to the application, AquaSource has an excellent reputation with the Texas regulatory agencies, which is where most of its systems are located. AquaSource has the financial resources to make the future improvements to the utility systems as deemed necessary. Additionally, the application contains a statement that AquaSource will fulfill the commitments, obligations and representations of the JSUI with regard to utility matters. In contrast, JSUI states that it is no longer interested in owning and operating the utility systems.

Regarding its financial ability to provide service, AquaSource has provided its consolidated financial statement, along with

additional information regarding its sources of annual income. AquaSource is a wholly-owned subsidiary of DQE, Inc. (DQE). DQE is listed on the New York Stock Exchange and has a market value in excess of \$2 billion. All acquisitions are funded through direct capital contributions from DQE. DQE, the funded parent of Duquesne Light Company, has assets of more than \$4.6 billion and annual revenues in excess of \$1.2 billion. According to AquaSource, DQE currently intends to continue to make substantial investments in AquaSource with a goal of providing the company with the financial stability required to maintain its utility systems in accordance with Commission standards. AquaSource has the financial resources to ensure consistent compliance with environmental regulations.

Regarding its technical ability to provide service, AquaSource, as of December 1, 1998, owned and operated water and wastewater systems serving approximately 125,000 customers. Although AquaSource is a relatively new organization, it has experienced staff and has been providing operation, maintenance and management services for municipal and private water utilities for more than 25 years. AquaSource is expanding its technical capabilities and implementing improved quality control, maintenance management, training and safety programs. These improvements provide direct tangible benefits to utilities owned and operated by AquaSource and municipal utilities served by AquaSource.

According to our records, the utility is current on its regulatory assessment fees and has filed an annual report for 1998 and all prior years. The application also states that AquaSource's representative has performed a reasonable investigation of the utility system and that the plant facilities appear to be in satisfactory condition and in compliance with all applicable standards set by the Florida Department of Environmental Protection (DEP). Our staff contacted the DEP and confirmed that there are no outstanding notices of violation.

Based on the foregoing, we find the transfer of facilities and Certificates Nos. 371-S and 441-W from JSUI to AquaSource to be in the public interest, and it is approved.

RATE BASE

According to the application, the utility's net book value of the systems are based upon our most recent orders that established rate base. All of the rate bases were established in staff-assisted rate proceedings. The rate base for the King Cove water

and wastewater system was last established in Docket No. 940496-WS. According to Order No. PSC-95-0129-FOF-WS, issued June 10, 1994 in that docket, rate base for the water system was \$79,508 and for the wastewater system was \$119,636, as of June 30, 1994. The rate base for Summit Chase is \$41,395 for the water system and \$108,966 for the wastewater system, which is based upon our last staff audit in Docket 940496-WS. The rate base for Forty-Eight Estates is \$19,187 for the water system, which was established in Docket No. 950880-WU, by Order No. PSC-96-0432-FOF-WU, issued March 28, 1996. Therefore, based upon the utility's application, the net book value of the combined systems is \$140,090 for water and \$228,602 for wastewater.

The utility did not update these rate base amounts for additions or retirements. However, the utility did attempt to reflect current balances in its current annual reports. Therefore, we used the current annual report balances as the current balances for the utility.

An audit of the utility's books and records was conducted to determine the rate base (net book value) as of January 31, 1999. The rate base was determined based on the company's general ledger and supporting source documentation. The assets of JSUI consist of the King's Cove, Summit Chase, and Forty-Eight Estates subdivisions, which were sold to AquaSource for \$652,000. According to the purchase agreement, the transfer excluded all water and wastewater common or general plant. The audit report contained one exception, which resulted in adjustments to the plant, land, accumulated depreciation, contributions-in-aid-of-construction, and accumulated amortization accounts. These adjustments are discussed in more detail below.

In a letter dated September 15, 1999, the utility requested that it be allowed to revisit any adjustments to which it may disagree with in a future rate proceeding. Nevertheless, at this time, the utility has no objections to the rate base amounts or the audit findings in the audit report.

Utility Plant-In-Service

We used the utility's account balances from its 1998 annual reports as the utility's present rate base amounts. Our adjustments to King's Cove, Forty-Eight Estates and Summit Chase are based on the plant and accumulated depreciation balances reflected in Order No. PSC-95-0129-FOF-WS, issued January 26, 1995;

Order No. PSC-96-0432-FOF-WU, issued March 28, 1996; and the audit report.

According to the utility's annual report, the plant-in-service account balances for the King's Cove system are \$225,137 for water and \$344,057 for wastewater. Summit Chase's plant-in-service account balances are \$267,796 for water and \$181,495 for wastewater. Forty-Eight Estates has a plant-in-service balance of \$48,157 for water.

Our adjustment to the plant-in-services balance are based on the non-booked amounts from our prior orders, misclassified plant, removal of general plant, and annual report inaccuracies. To reflect the correct plant-in-service balances for the period ending January 31, 1999, King's Cove plant-in-service accounts were reduced by \$54,312 and \$69,558 for the water and wastewater systems, respectively. The related accumulated depreciation accounts were increased by \$6,780 and \$4,212 for the water and wastewater systems, respectively. The Summit Chase plant-in-service balance for water was reduced by \$117,009, while the wastewater balance was increased by \$7,501. The associated accumulated depreciation accounts were increased by \$12,509 and \$20,234, for the respective water and wastewater accounts. The Forty-Eight Estates plant-in-service account was increased by \$930, and the related accumulated depreciation account was increased by \$8,777.

Based on these adjustments, the plant-in-service balances for the King's Cove system are \$170,825 for water and \$274,499 for wastewater. Summit Chase's plant-in-service balances are \$150,787 for water and \$188,996 for wastewater. Further, Forty-Eight Estates plant-in-service balance is \$49,087 for water system. All these balances are as of January 31, 1999.

Land

The King's Cove water and wastewater land accounts were increased by \$75, pursuant to Order No. PSC-95-0129-FOF-WS, issued January 26, 1995, in Docket No. 940496-WS. The Summit Chase wastewater system land account was increased by \$90,925 to comply with Order No. 22426, issued January 18, 1990, in Docket No. 890714-WS. Forty-Eight Estates water land account was increased by \$1,430, pursuant to Order No. PSC-96-0432-FOF-WU, issued March 28, 1996, in Docket No. 950880-WU. Therefore, based on this information, the appropriate land account balances are \$1,976 and

\$13,389 for the respective water and wastewater systems of King's Cove; for Summit Chase the appropriate land account balance is \$90,925; and Forty-Eight Estates' land account balance is \$1,430, as of January 31, 1999.

Accumulated Depreciation

Our field audit staff calculated the depreciation expense using the rates pursuant to Rule 25-30.140, Florida Administrative Code. The adjustments made to accumulated depreciation are addressed above with the related plant adjustments. The adjustments are reflective of plant additions and retirements from July 1, 1994 through January 31, 1999, that were not previously recorded.

Based on the foregoing, the appropriate accumulated depreciation balances are \$64,804 and \$131,183 for the King's Cove water and wastewater systems, respectively. Summit Chase's accumulated depreciation balances are \$66,039 for water and \$91,068 for wastewater. The correct accumulated depreciation balance for Forty-Eight Estates water system is \$27,846.

Contributions-In-Aid-Of-Construction (CIAC)

According to the utility's annual report, the CIAC account balances for the King's Cove system are \$92,213 for water and \$158,530 for wastewater; Summit Chase's are \$47,874 for water and \$143,377 for wastewater; and Forty-Eight Estates' is \$11,900 for water.

The King's Cove system collected \$12,110 in CIAC during the period from July 1, 1994 through January 31, 1999. These contributions were not properly recorded and distributed between the water and wastewater systems. Based on customer meter reading records, our audit staff determined that 38 customers were added during this period. Using this information and the service availability charges established by Order No. 24941, issued August 20, 1991, in Docket No. 900998-WS, CIAC of \$34,200 was imputed for water and \$49,400 for wastewater. Based on this data, the King's Cove CIAC balance was increased by \$4,100 for water and \$7,585 for wastewater. The corresponding accumulated amortization accounts were reduced by \$6,453 and \$19,779 for the water and wastewater systems, respectively.

The Summit Chase systems were at build out as of July 1, 1994. Using the audit report that originated from Docket 940496-WS, CIAC and accumulated amortization balances reflected in the 1998 annual report were adjusted to reconcile the amounts to the audit. Based on the reconciliation, CIAC was increased by \$32,682 and \$5,152, for the respective water and wastewater systems. The corresponding accumulated amortization water balance was increased by \$227 and wastewater was reduced by \$40,540.

The Forty-Eight Estates system added two customers during the period of January 1, 1995 and January 31, 1999. Based upon the approved service availability charges, CIAC of \$850 was imputed. Also, CIAC was adjusted to reflect the difference in the account balances established by Order PSC-96-0432-FOF-WU and the annual report. Based upon the above information, the CIAC account balance for the Forty-Eight Estates subdivision system was increased by \$4,700 and the related accumulated amortization account balance was increased by \$2,608.

Based on the foregoing, the appropriate CIAC balances are \$96,313 and \$166,115 for the King's Cove water and wastewater systems, respectively. Summit Chase's CIAC balances are \$80,556 for water and \$148,529 for wastewater. The correct CIAC balance for the Forty-Eight Estates water system is \$16,600.

Accumulated Amortization

Our field audit staff calculated the depreciation expense using the rates pursuant to Rule 25-30.140, Florida Administrative Code, to calculate amortization rates. The adjustments made to accumulated amortization are addressed above with the related CIAC adjustments. The adjustments are reflective of CIAC additions from July 1, 1994 through January 31, 1999, which were not previously recorded. Therefore, the appropriate accumulated amortization balances are \$25,717 and \$50,865 for the King's Cove water and wastewater systems, respectively. Summit Chase's accumulated amortization balances are \$19,209 for water and \$16,632 for wastewater. The correct accumulated amortization balance for Forty-Eight Estates' water system is \$7,244.

Our calculation of rate base is shown on Schedules Nos. 1-A through 1-E, which by reference are incorporated herein, for the water and wastewater systems, respectively. Adjustments to rate base are itemized on Schedule No. 2, which by reference is incorporated herein. Based on the adjustments set forth herein,

the rate base for King's Cove is \$37,401 for the water system and \$41,455 for the wastewater system; Summit Chase's rate base is \$30,001 for the water system and \$56,956 for the wastewater system; and the rate base for the Forty-Eight Estates water system is \$13,315, as of January 31, 1999. The combined rate base for all three systems shall be \$80,717 for the water division and \$98,411 for the wastewater division. These rate base calculations are used solely to establish the net book value of the property being transferred and do not include the usual rate making adjustments for working capital and used and useful calculations.

ACQUISITION ADJUSTMENT

An acquisition adjustment results when the purchase price differs from the rate base for transfer purposes. The acquisition adjustment resulting from the transfer of JSUI is calculated as follows:

Purchase Price:	\$ 652,000
Commission Calculated Rate Base:	179,128
Positive Acquisition Adjustment:	<u>\$ 472,872</u>

In the absence of extraordinary circumstances, it has been our practice that a subsequent purchase of a utility system at a premium or discount shall not affect the rate base calculation. The circumstances in this exchange do not appear to be extraordinary. AquaSource stated that \$652,000 was the lowest price JSUI would accept for the utility, and no other justification for the agreed upon price was provided. Moreover, an acquisition adjustment was not requested, and our field audit staff did not recommend an acquisition adjustment at this time. Therefore, we do not approve a positive acquisition adjustment in this docket.

RATES AND CHARGES

The utility's approved rates for the King's Cove system were effective February 28, 1999, pursuant to Order No. PSC-95-0129-FOF-WS, issued January 26, 1995, in Docket No. 940496-WS. The approved rates for Forty-Eight Estates were effective May 3, 1999, pursuant to Order No. PSC-95-0474-FOF-WU, issued April 12, 1995, in Docket No. 941107-WU. The utility's approved water and wastewater rates for the Summit Chase system were effective June 27, 1997, in a administrative price index proceeding.

Rule 25-9.044(1), Florida Administrative Code, provides that:

In cases of change of ownership or control of a utility which places the operation under a different or new utility ... the company which will thereafter operate the utility business must adopt and use the rates, classification and regulations of the former operating company (unless authorized to change by the Commission).

AquaSource has not requested a change in the rates and charges for the utility, and we find no reason to change them at this time. Accordingly, AquaSource shall continue charging the rates and charges approved for JSUI until authorized to change by the Commission in a subsequent proceeding. The utility has filed a revised tariff reflecting the change in ownership. The tariff shall be effective for service rendered or connections made on or after the stamped approval date on the tariff sheets.

If no timely protest is received upon expiration of the protest period, this Order shall become final and effective upon the issuance of the a Consummating Order.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the transfer of facilities and Certificates Nos. 371-S and 441-W from J. Swiderski Utilities, Inc., 9800 U.S. Highway 441, Suite 102, Leesburg, Florida 34788, to AquaSource Utility, Inc., 200 Corporate Center Drive, Suite 300, Coraopolis, Pennsylvania 15108, is hereby approved. It is further

ORDERED that all matters contained in the attachments and schedules attached hereto are incorporated herein by reference. It is further

ORDERED that a show cause proceeding shall not be initiated against J. Swiderski Utilities, Inc., for its apparent violation of Section 367.071(1), Florida Statutes. It is further

ORDERED that rate base for transfer purposes is \$37,401 for the water system and \$41,455 for the wastewater system for the King's Cove systems; \$30,001 for the water system and \$56,956 for the wastewater system for the Summit Chase systems; and \$13,315 for the water system for the Forty-Eight Estates system. The combined

ORDER NO. PSC-99-2115-PAA-WS
DOCKET NO. 981779-WS
PAGE 11

rate base for all three systems shall be \$80,717 for the water division and \$98,411 for the wastewater division. It is further

ORDERED that no acquisition adjustment shall be included in the calculation of rate base for transfer purposes in this docket. It is further

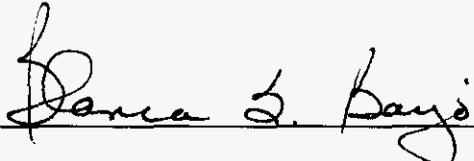
ORDERED that AquaSource Utility, Inc., shall continue to charge the rates and charges approved for J. Swiderski Utilities, Inc., until authorized to change by the Commission in a subsequent proceeding. It is further

ORDERED that the tariff sheet reflecting the change in ownership shall be effective for service rendered or connections made on or after the stamped approval date on the tariff sheet. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that in the event this Order becomes final, this docket shall be closed.

By ORDER of the Florida Public Service Commission this 25th day of October, 1999.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

As identified in the body of this order, our actions pertaining to the establishment of rate base and our decision not to approve an acquisition adjustment for transfer purposes are preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on November 15, 1999. If such a petition is filed, mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing. In the absence of such a petition, this order shall become effective and final upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

Any party adversely affected by the Commission's final action in this matter may request: (1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or (2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The

ORDER NO. PSC-99-2115-PAA-WS
DOCKET NO. 981779-WS
PAGE 13

notice of appeal must be in the form specified in Rule 9.900(a),
Florida Rules of Appellate Procedure.

J. SWIDERSKI UTILITIES, INC.

WATER AND WASTEWATER

LAKE COUNTY

Order No. 14115
Township 19 South, Range 26 East
Section 31

King's Cove Subdivision

Commence at the Northwest corner of the Southeast 1/4 of the Southwest 1/4 of said Section 31, thence South 00°12'35" West, a distance of 507.33 feet to the Point of Beginning; thence following the same bearing continue a distance of 811.74 feet to the South line of said Section 31; thence along said South line in an Easterly direction a distance of 1576.56 feet, more or less, to the Western Right-of-Way line of State Road 19; thence following said R-O-W line North 16°38'42" East, a distance of 254.68 feet to a point; thence North 00°14'00" East for a distance of 215 feet; thence South 89°29'55" East for a distance of 353.36 feet; thence North 16°38'42" East for a distance of 416.66 feet to a point; thence North 89°29'55" West for a distance of 1286.64 feet to a point; thence South 00°14'00" West a distance of 83 feet to a point; thence North 89°29'55" West for a distance of 569.03 feet, more or less; to the West line of the Southeast 1/4 of the Southwest 1/4 of said Section 31 and the Point of Beginning.

Township 19 South, Range 24 East, Section 1
King's Cove Subdivision

Commencing at the Southeast corner of the Southwest 1/4 of said Section 1, thence South 89°52'46" West, along the South line of the said 1/4 1118.22 feet to the POINT OF BEGINNING: thence continue South 89°52'46" West, along said South line 339.27 feet; thence North 00°07'14" West 75.00 feet to the beginning of a curve concave to northwest and having a radius of 25.00 feet; thence southwesterly along said curve through a central angle of 90°00'00", an arc distance of 39.27 feet to the end of said curve; thence South 89°52'46" West, 144.79 feet; thence North 00°07'14" West, 95.47 feet; thence North 43°02'46" West, 95.56 feet; thence

North 46°57'14" East, 25.00 feet; thence North 43°02'46" West 150.00 feet to a point on the southerly right-of-way of Twin Palms Road (District Number 1-5915); thence South 46°57'14" West, along said right-of-way 9.25 feet to the beginning of curve concave to the northwest and having a radius of 516.40 feet; thence along the curve through a central angle of 26°21'52" an arc distance of 237.62 feet to the end of said curve; thence South 73°19'06" West, 322.25 feet to the beginning of a curve concave to the Southeast and having a radius of 25.00 feet; thence along said curve through a central angle of 97°42'28", an arc distance of 42.63 feet to the end of said curve and a point on a curve concave to the southwest and having a radius of 1950.08 feet, said point also being on the northeasterly right-of-way of State Road 466-A; thence northwesterly along said right-of-way line through a central angle of 6°55'41", an arc distance of 235.80 feet; thence North 58°40'57" East, a 150.00 feet to a curve concave to the southwest and having a radius of 2100.08 feet; thence southerly along said curve through a central angle of 5°19'18" an arc distance of 195.06 feet to a point on the northerly right-of-way line of Twin Palms Road (Dist. 1-5915), thence North 73°19'06" East, along said right-of-way 207.10 feet to a point on a curve concave to the northwest and having a radius of 466.40 feet; thence along said curve through a central angle of 26°21'52", an arc distance of 214.61 feet to the end of said curve; thence North 46°57'14" East, 288.00 feet; thence North 47°35'22" East, 383.18 feet; thence North 48°11'49" East, 325.10 feet to the beginning of a curve concave to the northwest and having a radius of 25.00 feet; thence northerly along said curve through a central angle of 90°00'00", an arc distance of 39.27 feet to the end of said curve; thence North 41°48'11" West. 349.61 feet to the beginning of a curve concave to the northwest and having a radius of 25.00 feet; thence southwesterly along said curve through a central angle of 89°33'21", an arc distance of 39.08 feet to the end of said curve; thence South 47°45'10" West, 589.81 feet; thence North 42°14'50" West, 518.77 feet; thence South 71°33'26" West 15.82 feet; thence North 8°21'41" West 101.57 feet; thence North 71°33'26" East 55.31 feet; thence North 84°10'30" West 126.10 feet; thence North 61°04'44" East 125.86 feet; thence North 68°08'51" East 91.78 feet; thence North 51°36'12" East 147.29 feet; thence North 54°50'04" East 97.10 feet; thence North 30°13'13 East 72.73 feet; thence South 62°58'24" East 100.16 feet; thence South 30°13'13" West 51.40 feet to a point on a curve concave to the south and having a radius of 50.00 feet; thence northeasterly,

easterly, and southeasterly along said curve through a central angle of 107°58'36" an arc distance of 94.23 feet to the end of said curve; thence South 41°48'11" East 744.32 feet to the beginning of a curve concave to the southwest and having a radius of 145.36 feet; thence southeasterly along said curve through a central angle of 13°47'46" an arc distance of 35.00 feet; thence North 70°00'00" East 585.43 feet; thence South 46°20'00" East 178.77 feet; thence South 43°40'00" West 156.00 feet; thence South 6°30'00" West 115.64 feet; thence South 19°15'00" West 320.00 feet; thence South 45°00'00" West 200.00 feet; thence South 00°07'14" East 110.00 feet; thence South 89°52'46" West 90.00 feet; thence South 00°07'14" East 115.00 feet to the POINT OF BEGINNING.

King's Cove Subdivision

Commence at the Southeast corner of the Southwest 1/4 of said Section 1; thence run North along the East line of said Southwest 1/4 a distance of 1481.74 feet to a point of beginning; from said POINT OF BEGINNING run South 55°09'37" East, a distance of 51.01 feet to the beginning of a curve concave to the northerly and having a radius of 523.41 feet; thence run Easterly along said curve through a central angle of 27°50'23" West, a distance of 254.32 feet to the end of said curve; thence South 83°00'00" East a distance of 792.23 feet; thence North 07°20'20" West, a distance of 243.14 feet; thence South 82°39'40" West, a distance of 360.00 feet; thence North 83°00'00" West, a distance of 330.00 feet; thence North 07°00'00" East, a distance of 70.00 feet; thence North 83°00'00" West, a distance of 210.00 feet; thence due North 60 feet; thence due West 50.00 feet; thence North 75°56'54" West, a distance of 116.37 feet; thence North 51°39'40" West, 123.16 feet to the beginning of a curve concave Southerly and having a radius of 461.86 feet; thence Westerly and Southwesterly along said curve through a central angle of 80°08'31" a distance of 46.01 feet to the end of said curve; thence South 48°11'49" West 586.30 feet to the Northeasterly right-of-way of Maple Leaf Drive, according to the Plat of King's Cove Subdivision; recorded in Plat Book 22, Page 44 and 45 of the Public Records of Lake County, Florida; thence run South 41°48'11" East along said right-of-way of Maple Leaf Drive 250.00 feet to the beginning of a curve concave Southwesterly and having a radius of 145.36 feet; thence Southeasterly along said curve through a central angle of 13°47'46", a distance of 35.00 feet; thence North 70°00'00" East 585.43 feet; thence South

ORDER NO. PSC-99-2115-PAA-WS
DOCKET NO. 981779-WS
PAGE 17

Attachment A
Page 4 of 13

46°20'00" East, 178.77 feet; thence North 34°50'11" East, 182.17 feet; thence North 37°51'20" East, 150.00 feet; thence South 51°39'40" East, 103.28 feet to the East line of the Southwest 1/4; thence North along said East line of the Southwest 1/4, 63.74 feet to the POINT OF BEGINNING.

King's Cove Subdivision
Second Addition

From the Southeast corner of the Southwest 1/4 of said Section 1, run South 89°52'46" West along the South line of said Southwest 1/4, 1457.49 feet to the Southwest corner of Lot 11, Block "A", King's Cove Subdivision, according to the plat thereof as recorded in Plat Book 22, Pages 44 and 45 of the Public Records of Lake County, Florida, and the POINT OF BEGINNING of this description. From said POINT OF BEGINNING continue South 89°52'46" West, 624.55 feet to a point on a curve concave Westerly and having a radius of 2100.08 feet, run thence Northwesterly along said curve through a central angle of 9°04'26", a distance of 332.24 feet to the Southerly right-of-way of Twin Palms Road; run thence North 73°19'06" East along the Southerly right-of-way of Twin Palms Road 199.52 feet to the beginning of a curve concave Northerly and having a radius of 516.40 feet; run thence Northeasterly along said curve through a central angle of 26°21'52", a distance of 237.62 feet; thence North 46°57'14" East, 9.25 feet; thence South 43°02'46" East, 150.00 feet; thence South 46°57'14" West, 25.00 feet; thence South 43°02'46" East, 95.56 feet; thence South 00°07'14" East, 95.47 feet; thence North 89°52'46" East, 144.79 feet to the beginning of a curve Northwesterly and having a radius of 25.00 feet; run thence Northeasterly along said curve through a central angle of 90°00'00" a distance of 39.27 feet; thence South 00°07'14" East, 75.00 feet; thence North 89°52'46" East, 16.72 feet to a point that is North 00°17'14" West of the POINT OF BEGINNING; run thence South 00°07'14" East 150.00 feet to the POINT OF BEGINNING.

Order No. PSC-96-0131-FOF-WS
King's Cove Subdivision

KING'S COVE SUBDIVISION, THIRD ADDITION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 25, PAGE 37, PUBLIC RECORDS OF LAKE COUNTY, FLORIDA DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHEAST CORNER OF THE S.W. 1/4 OF SECTION 1, TOWNSHIP 19 SOUTH, RANGE 24 EAST, LAKE COUNTY, FLORIDA; RUN THENCE S.89°52'46"W. ALONG THE SOUTH LINE OF SAID S.W. 1/4, 2082.04 FEET TO THE SOUTHWEST CORNER OF LOT 2, KING'S COVE SUBDIVISION, SECOND ADDITION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 24, PAGE 31 OF THE PUBLIC RECORDS OF LAKE COUNTY, FLORIDA, AND THE POINT OF BEGINNING OF SECTION "A"; FROM SAID POINT OF BEGINNING OF SECTION "A" CONTINUE S.89°52'46"W., 156.06 FEET TO A POINT ON THE NORTHEASTERLY RIGHT-OF-WAY OF STATE ROAD NO. 466A, SAID POINT BEING ON A CURVE CONCAVE TO THE SOUTHWESTERLY AND HAVING A RADIUS OF 1950.08 FEET; THENCE NORTHWESTERLY ALONG SAID NORTHEASTERLY RIGHT-OF-WAY AND SAID CURVE THROUGH A CENTRAL ANGLE OF 07°37'40" AN ARC LENGTH OF 259.61 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE SOUTHEASTERLY AND HAVING A RADIUS OF 25.00 FEET; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 97°42'28" AN ARC DISTANCE OF 42.63 FEET TO THE END OF SAID CURVE; THENCE N.73°19'06"E. ALONG THE SOUTHEASTERLY RIGHT-OF-WAY OF TWIN PALMS ROAD 122.74 FEET TO THE NORTHWEST CORNER OF LOT 1 OF THE AFORESAID KINGS COVE SUBDIVISION, SECOND ADDITION, AND A POINT HEREBY DESIGNATED AS POINT "A", SAID POINT BEING ON A CURVE CONCAVE TO THE SOUTHWESTERLY AND HAVING A RADIUS OF 2100.08 FEET; THENCE SOUTHEASTERLY AND ALONG THE WESTERLY LINE OF SAID KINGS COVE SUBDIVISION, SECOND ADDITION AND THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 09°04'26" AN ARC LENGTH OF 332.59 FEET AND A CHORD DISTANCE OF 332.24 FEET TO THE POINT OF BEGINNING OF THE AFORESAID SECTION "A"; RETURN TO THE AFOREMENTIONED POINT "A"; RUN THENCE N.73°19'06"E., ALONG SAID SOUTHEASTERLY RIGHT-OF-WAY OF TWIN PALMS ROAD, 199.52 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTHWESTERLY AND HAVING A RADIUS OF 516.40 FEET; THENCE NORTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 26°21'52" AN ARC LENGTH OF 237.62 FEET TO THE END OF SAID CURVE; THENCE N.43°02'46"W., 50.00 FEET TO THE NORTHWESTERLY RIGHT-OF-WAY OF SAID TWIN PALMS ROAD; THENCE N.46°57'14"E. ALONG SAID NORTHWESTERLY RIGHT-OF-WAY OF TWIN PALMS ROAD 14.25 FEET TO THE POINT OF BEGINNING OF SECTION "B"; RUN THENCE N.43°02'46"W., 150.00 FEET; THENCE N.46°57'14"E., 120.00 FEET; THENCE N.46°40'44"E., 50.00 FEET; THENCE N.47°45'10"E., 840.29 FEET TO THE SOUTHWESTERLY RIGHT-OF-WAY OF MAPLE LEAF DRIVE; THENCE S.41°48'11"E. ALONG SAID

SOUTHWESTERLY RIGHT-OF-WAY OF MAPLE LEAF DRIVE 125.40 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE WESTERLY AND HAVING A RADIUS OF 25.00 FEET; THENCE SOUTHERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 90°00'00" AN ARC LENGTH OF 39.27 FEET TO THE END OF SAID CURVE AND THE NORTHWESTERLY RIGHT-OF-WAY OF TWIN PALMS ROAD; THENCE S.48°11'49"W. ALONG SAID NORTHWESTERLY RIGHT-OF-WAY OF TWIN PALMS ROAD 325.11 FEET; THENCE CONTINUING ALONG SAID NORTHWESTERLY RIGHT-OF-WAY OF TWIN PALMS ROAD, RUN THENCE S.47°35'22"W., 383.19 FEET; THENCE S.46°57'14"W., 273.75 FEET TO THE POINT OF BEGINNING OF THE AFORESAID SECTION "B".

KING'S COVE SUBDIVISION, FOURTH ADDITION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 25, PAGES 56 AND 57, PUBLIC RECORDS OF LAKE COUNTY, FLORIDA DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHEAST CORNER OF S.W. 1/4 OF SECTION 1, TOWNSHIP 19 SOUTH, RANGE 24 EAST, LAKE COUNTY, FLORIDA; RUN THENCE NORTH ALONG THE EAST LINE OF SAID S.W. 1/4 A DISTANCE OF 1681.09 FEET TO A POINT ON THE NORTHERLY LINE OF LOT 20, KING'S COVE SUBDIVISION, FIRST ADDITION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 24, PAGE 27, PUBLIC RECORDS OF LAKE COUNTY, FLORIDA, AND THE POINT OF BEGINNING OF SECTION "A"; FROM SAID POINT OF BEGINNING OF SECTION "A", RUN N.75°56'54"W. ALONG SAID NORTHERLY LINE OF LOT 20 AND THE MOST NORTHERLY LINE OF SAID KING'S COVE SUBDIVISION, FIRST ADDITION, A DISTANCE OF 15.46 FEET TO THE MOST NORTHWESTERLY CORNER OF SAID LOT 20; THENCE CONTINUING ALONG SAID MOST NORTHERLY LINE OF KING'S COVE SUBDIVISION, FIRST ADDITION, RUN N.51°39'40"W., 123.16 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE SOUTHERLY AND HAVING A RADIUS OF 461.86 FEET; THENCE RUN WESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 80°08'31" AN ARC LENGTH OF 646.01 FEET TO THE END OF SAID CURVE; THENCE S.48°11'49"W., 586.53 FEET TO THE NORTHEASTERLY RIGHT-OF-WAY OF MAPLE LEAF DRIVE AND A POINT HEREBY DESIGNATED AS POINT "A"; THENCE N.41°48'11"W. ALONG SAID NORTHEASTERLY RIGHT-OF-WAY OF MAPLE LEAF DRIVE 350.00 FEET; THENCE N.48°11'49"E., 586.53 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE SOUTHERLY AND HAVING A RADIUS OF 811.86 FEET; THENCE EASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 41°48'11" AN ARC LENGTH OF 592.33 FEET TO THE END OF SAID CURVE; THENCE EAST 398.10 FEET TO THE AFOREMENTIONED EAST LINE OF S.W. 1/4; THENCE SOUTH ALONG SAID EAST LINE OF S.W. 1/4 A DISTANCE OF 10.84 FEET; THENCE N.89°24'10"E., 200.00 FEET; THENCE S.26°35'50"E., 114.16 FEET; THENCE S.40°43'39"W., 131.96 FEET; THENCE SOUTH 343.41 FEET; THENCE WEST 67.11 FEET; THENCE

N.75°56'54"W., 100.91 FEET TO THE POINT OF BEGINNING OF SECTION "A"; RETURN TO THE AFOREMENTIONED POINT "A" AND RUN S.48°39'45"W., 50.00 FEET TO THE SOUTHWESTERLY RIGHT-OF-WAY OF MAPLE LEAF DRIVE AND THE POINT OF BEGINNING OF SECTION "B", SAID POINT OF BEGINNING OF SECTION "B" BEING THE MOST NORTHERLY CORNER OF LOT 12, KING'S COVE SUBDIVISION, THIRD ADDITION, AS RECORDED IN PLAT BOOK 25, PAGE 37, PUBLIC RECORDS OF LAKE COUNTY, FLORIDA; THENCE S.47°45'10"W. ALONG THE NORTHWESTERLY LINE OF SAID KING'S COVE SUBDIVISION, THIRD ADDITION, 840.29 FEET; THENCE N.43°02'46"W., 224.06 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTHERLY AND HAVING A RADIUS OF 25.00 FEET AND A TANGENT BEARING OF S.43°02'46"E.; THENCE EASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 89°12'04" AN ARC LENGTH OF 38.92 FEET TO THE END OF SAID CURVE; THENCE N.47°45'10"E. ALONG A SOUTHWESTERLY EXTENSION OF AND THE SOUTHEASTERLY LINE OF TRACT "D", KING'S COVE SUBDIVISION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 22, PAGES 44 AND 45, PUBLIC RECORDS OF LAKE COUNTY, FLORIDA, 795.16 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE WESTERLY AND HAVING A RADIUS OF 25.00 FEET; THENCE NORTHERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 89°33'31", AN ARC LENGTH OF 39.08 FEET TO THE END OF SAID CURVE AND A POINT ON THE SOUTHWESTERLY RIGHT-OF-WAY OF MAPLE LEAF DRIVE; THENCE S.41°48'11"E. ALONG SAID SOUTHWESTERLY RIGHT-OF-WAY, 224.21 FEET TO THE POINT OF BEGINNING OF SECTION "B". ALSO: TRACT "A", KING'S COVE SUBDIVISION, FIRST ADDITION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 24, PAGE 27 OF THE PUBLIC RECORDS OF LAKE COUNTY, FLORIDA.

KING'S COVE SUBDIVISION, FIFTH ADDITION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 27, PAGES 83 AND 84, PUBLIC RECORDS OF LAKE COUNTY, FLORIDA, DESCRIBED AS FOLLOWS:
A PART OF THE S.W. 1/4 OF SECTION 1, TOWNSHIP 19 SOUTH, RANGE 24 EAST, AND THE S.E. 1/4 OF SECTION 2, TOWNSHIP 19 SOUTH, RANGE 24 EAST, LAKE COUNTY, FLORIDA, DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHEAST CORNER OF THE S.W. 1/4 OF SECTION 1, TOWNSHIP 19 SOUTH, RANGE 24 EAST, LAKE COUNTY, FLORIDA, RUN S.89°52'46"W. ALONG THE SOUTH LINE OF THE S.W. 1/4, 2238.10 FEET TO THE SOUTHWEST CORNER OF LOT 1, BLOCK A OF KING'S COVE SUBDIVISION, THIRD ADDITION, AS RECORDED IN PLAT BOOK 25, PAGE 37 OF THE PUBLIC RECORDS OF LAKE COUNTY, FLORIDA, THE SAME BEING A POINT ON THE NORTHEASTERLY RIGHT-OF-WAY OF COUNTY ROAD 466-A, SAID POINT BEING ON A CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 1950.08 FEET, SAID POINT BEING N.73°14'18"E. FROM THE CENTER OF SAID CURVE;

THENCE NORTHWESTERLY ALONG SAID NORTHEASTERLY RIGHT-OF-WAY AND CURVE THROUGH A CENTRAL ANGLE OF $14^{\circ}33'21''$ AN ARC LENGTH OF 495.41 FEET TO THE MOST WESTERLY CORNER OF TRACT A OF KING'S COVE SUBDIVISION, AS RECORDED IN PLAT BOOK 22, PAGES 44 AND 45 AND THE POINT OF BEGINNING; FROM SAID POINT OF BEGINNING, CONTINUE NORTHWESTERLY ALONG AFORESAID RIGHT-OF-WAY CURVE, SAID CURVE HAVING A RADIUS OF 1950.08 FEET AND BEING CONCAVE SOUTHWESTERLY, THROUGH A CENTRAL ANGLE OF $8^{\circ}48'51''$ AN ARC LENGTH OF 300.00 FEET TO THE END OF SAID CURVE; THENCE CONTINUE ALONG AFORESAID RIGHT-OF-WAY N. $40^{\circ}07'54''$ W., 294.28 FEET; THENCE N. $32^{\circ}28'46''$ E., 334.37 FEET; THENCE N. $44^{\circ}45'14''$ E., 74.53 FEET; THENCE N. $57^{\circ}47'55''$ E., 109.04 FEET; THENCE S. $89^{\circ}15'34''$ E., 59.31 FEET; THENCE N. $63^{\circ}06'48''$ E., 66.01 FEET; THENCE N. $65^{\circ}30'53''$ E., 77.24 FEET; THENCE S. $88^{\circ}16'48''$ E., 84.87 FEET TO A POINT ON THE WESTERLY BOUNDARY OF TRACT D OF AFORESAID KING'S COVE SUBDIVISION, AS RECORDED IN PLAT BOOK 22, PAGES 44 AND 45, PUBLIC RECORDS OF LAKE COUNTY, FLORIDA; THENCE ALONG THE BOUNDARY OF SAID TRACT D THE FOLLOWING TWO COURSES: N. $71^{\circ}33'26''$ E., 15.82 FEET; S. $42^{\circ}14'50''$ E., 518.77 FEET TO THE MOST SOUTHERLY CORNER OF SAID TRACT D AND A POINT ON THE NORTHWESTERLY RIGHT-OF-WAY OF ROYAL OAK DRIVE OF KING'S COVE SUBDIVISION, FOURTH ADDITION, AS RECORDED IN PLAT BOOK 25, PAGES 56 AND 57, PUBLIC RECORDS OF LAKE COUNTY, FLORIDA; THENCE S. $47^{\circ}45'10''$ W. ALONG SAID NORTHWESTERLY RIGHT-OF-WAY 125.00 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 25.00 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF $11^{\circ}33'45''$ AN ARC LENGTH OF 5.05 FEET; THENCE S. $43^{\circ}02'46''$ E. ALONG THE SOUTHWESTERLY BOUNDARY OF AFORESAID KING'S COVE SUBDIVISION, FOURTH ADDITION 199.91 FEET TO THE MOST NORTHERLY CORNER OF TRACT A OF KING'S COVE SUBDIVISION, THIRD ADDITION, AS RECORDED IN PLAT BOOK 25, PAGE 37 OF THE PUBLIC RECORDS OF LAKE COUNTY, FLORIDA; THENCE S. $46^{\circ}40'44''$ W. ALONG THE NORTHWESTERLY BOUNDARY OF SAID TRACT A, A DISTANCE OF 50.00 FEET; THENCE S. $46^{\circ}57'14''$ W. ALONG THE NORTHWESTERLY BOUNDARY OF LOT 4 OF SAID THIRD ADDITION, 120.00 FEET TO THE MOST WESTERLY CORNER OF SAID LOT 4; THENCE S. $43^{\circ}02'46''$ E., 150.00 FEET TO THE MOST SOUTHERLY CORNER OF SAID LOT 4 AND POINT ON THE NORTHWESTERLY RIGHT-OF-WAY OF TWIN PALMS ROAD AS RECORDED IN THE PLAT OF KING'S COVE SUBDIVISION IN PLAT BOOK 22, PAGES 44 AND 45; THENCE S. $46^{\circ}57'14''$ W. ALONG SAID NORTHWESTERLY RIGHT-OF-WAY 14.25 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 466.40 FEET; THENCE SOUTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF $26^{\circ}21'52''$ AN ARC LENGTH OF 214.61 FEET TO THE END OF SAID CURVE; THENCE CONTINUING ALONG SAID

RIGHT-OF-WAY S.73°19'06"W., 207.10 FEET TO THE MOST EASTERLY CORNER OF TRACT A, OF KING'S COVE SUBDIVISION, SAID CORNER BEING N.64°00'15"E. FROM THE CENTER OF A CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 2100.08 FEET; THENCE NORTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 5°19'18" AN ARC LENGTH OF 195.06 FEET TO THE MOST NORTHERLY CORNER OF SAID TRACT A; THENCE S.58°40'57"W., 150.00 FEET TO THE POINT OF BEGINNING.

ALSO:

BEGIN AT THE AFOREMENTIONED MOST EASTERLY CORNER OF TRACT A, KING'S COVE SUBDIVISION, AS RECORDED IN PLAT BOOK 22, PAGES 44 AND 45 OF THE PUBLIC RECORDS OF LAKE COUNTY, FLORIDA, SAID POINT BEING ON THE NORTHERLY RIGHT-OF-WAY OF TWIN PALMS ROAD, NO. 1-5915; RUN THENCE S.73°19'06"W. ALONG SAID NORTHERLY RIGHT-OF-WAY 29.64 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 25.00 FEET, SAID POINT OF CURVATURE BEING S.16°40'54"E. FROM THE CENTER OF SAID CURVE; THENCE RUN NORTHERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 100°07'41", AN ARC LENGTH 43.69 FEET TO THE END OF SAID CURVE AND A POINT ON A CURVE CONCAVE SOUTHWESTERLY AND HAVING A RADIUS OF 2100.08 FEET, SAID POINT BEING N.63°11'26"E. FROM THE CENTER OF SAID CURVE; THENCE RUN SOUTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 00°48'49", AN ARC LENGTH OF 29.82 FEET TO THE POINT OF BEGINNING.

KING'S COVE SUBDIVISION, SIXTH ADDITION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 27, PAGE 85, PUBLIC RECORDS OF LAKE COUNTY, FLORIDA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF THE S.E. 1/4 OF SECTION 1, TOWNSHIP 19 SOUTH, RANGE 24 EAST, LAKE COUNTY, FLORIDA, RUN THENCE NORTH ALONG THE WEST LINE OF SAID S.E. 1/4 A DISTANCE OF 1681.09 FEET TO A POINT ON THE SOUTHERLY LINE OF LOT 14 OF KING'S COVE SUBDIVISION, FOURTH ADDITION, AS RECORDED IN PLAT BOOK 25, PAGES 56 AND 57 OF THE PUBLIC RECORDS OF LAKE COUNTY, FLORIDA; THENCE S.75°56'54"E. ALONG SAID SOUTHERLY LINE 100.91 FEET; THENCE EAST 50.00 FEET TO THE MOST NORTHEASTERLY CORNER OF LOT 21 OF KING'S COVE SUBDIVISION, FIRST ADDITION, AS RECORDED IN PLAT BOOK 24, PAGE 27 OF THE PUBLIC RECORDS OF LAKE COUNTY, FLORIDA AND THE POINT OF BEGINNING (P.O.B.); FROM SAID P.O.B., RUN ALONG THE BOUNDARY OF SAID KING'S COVE SUBDIVISION, FIRST ADDITION, THE FOLLOWING FIVE COURSES: SOUTH 60.00 FEET; THENCE S.83°00'00"E., 210.00 FEET; THENCE S.07°00'00"W., 70.00 FEET; THENCE S.83°00'00"E., 330.00 FEET; THENCE N.82°39'40"E., 54.00 FEET; THENCE DEPARTING SAID

BOUNDARY, RUN N.07°20'20"W., 461.84 FEET; THENCE S.41°16'47"W., 98.89 FEET; THENCE N.80°05'50"W., 173.00 FEET; THENCE N.46°35'50"W., 193.00 FEET; THENCE N.26°35'50"W., 95.84 FEET TO THE MOST EASTERLY CORNER OF LOT 17 OF THE AFORESAID KING'S COVE SUBDIVISION, FOURTH ADDITION; THENCE ALONG THE BOUNDARY OF SAID SUBDIVISION THE FOLLOWING THREE COURSES: S.40°43'39"W., 131.96 FEET; THENCE SOUTH 343.41 FEET; THENCE WEST 17.11 FEET TO THE POINT OF BEGINNING.

ALSO:

TRACT "B" OF KING'S COVE SUBDIVISION, FIRST ADDITION, AS RECORDED IN PLAT BOOK 24, PAGE 27 OF THE PUBLIC RECORDS OF LAKE COUNTY, FLORIDA. (Note: Tract "B" is a proposed road.)

KING'S COVE SUBDIVISION, UNIT 7, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK , PAGE , PUBLIC RECORDS OF LAKE COUNTY, FLORIDA, DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHEAST CORNER OF THE S.W. 1/4 OF SECTION 1, TOWNSHIP 19 SOUTH, RANGE 24 EAST, LAKE COUNTY, FLORIDA; RUN THENCE NORTH ALONG THE EAST LINE OF SAID S.W. 1/4 A DISTANCE OF 2200.00 FEET TO THE NORTHWEST CORNER OF LOT 18 OF KING'S COVE SUBDIVISION, FOURTH ADDITION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 25, PAGES 56 AND 57 OF THE PUBLIC RECORDS OF LAKE COUNTY, FLORIDA; THENCE CONTINUE NORTH ALONG THE EAST LINE OF SAID S.W. 1/4, 10.84 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION; FROM SAID POINT OF BEGINNING, RUN THENCE WEST ALONG THE NORTHERLY LINE OF KING'S COVE SUBDIVISION, FOURTH ADDITION, 398.10 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHEASTERLY AND HAVING A RADIUS OF 811.86 FEET; RUN THENCE WESTERLY AND SOUTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 41°48'11" A DISTANCE OF 592.33 FEET TO THE END OF SAID CURVE; THENCE S.48°11'49"E., 286.53 FEET TO THE NORTHEASTERLY RIGHT-OF-WAY OF OLD HICKORY LANE; THENCE S.41°48'11"E. ALONG SAID RIGHT-OF-WAY 125.0 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 25.0 FEET; RUN THENCE SOUTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 90°00'00" A DISTANCE OF 39.27 FEET TO A POINT ON THE NORTHWESTERLY RIGHT-OF-WAY OF ROYAL OAK DRIVE; THENCE S.48°11'49"W. ALONG SAID RIGHT-OF-WAY OF ROYAL OAK DRIVE A DISTANCE OF 100.0 FEET TO THE BEGINNING OF A CURVE CONCAVE WESTERLY AND HAVING A RADIUS OF 25.0 FEET; RUN THENCE NORTHEASTERLY AND NORTHERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 90°00'00" A DISTANCE OF 39.27 FEET TO THE END OF SAID CURVE; THENCE

N.41°48'11"W. ALONG THE SOUTHWESTERLY RIGHT-OF-WAY OF OLD HICKORY LANE A DISTANCE OF 125.0 FEET; THENCE LEAVING SAID RIGHT-OF-WAY OF OLD HICKORY LANE RUN S.48°11'49"W., 250.0 FEET TO A POINT ON THE NORTHEASTERLY RIGHT-OF-WAY OF MAPLE LEAF DRIVE, SAID POINT HEREBY DESIGNATED AS POINT "A"; FROM SAID POINT "A", RUN N.41°48'11"W. ALONG SAID RIGHT-OF-WAY OF MAPLE LEAF DRIVE 144.32 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS OF 50.0 FEET; THENCE RUN NORTHWESTERLY AND SOUTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 107°58'47" A DISTANCE OF 94.23 FEET; THENCE LEAVING THE RIGHT-OF-WAY OF MAPLE LEAF DRIVE RUN N.30°13'13"E., 51.40 FEET; THENCE N.23°50'00"E., 60.79 FEET; THENCE N.74°06'09"E., 14.75 FEET; THENCE N.14°57'12"E., 103.90 FEET; THENCE N.14°03'17"E., 85.67 FEET; THENCE N.55°35'04"E., 91.32 FEET; THENCE N.48°04'17"E., 99.62 FEET; THENCE N.42°35'21"E., 98.73 FEET; THENCE N.47°16'58"E., 76.78 FEET; THENCE N.32°43'14"E., 45.15 FEET; THENCE N.65°10'47"E., 68.0 FEET; THENCE N.52°51'17"E., 98.68 FEET; THENCE N.49°59'56"E., 129.28 FEET; THENCE N.48°42'38"E., 103.84 FEET; THENCE N.23°17'17"E., 103.88 FEET; THENCE N.73°09'16"E., 57.66 FEET; THENCE N.57°33'01"E., 72.11 FEET; THENCE N.56°16'02"E., 87.11 FEET; THENCE N.26°44'36"E., 75.77 FEET; THENCE N.64°55'46"E., 17.92 FEET; THENCE N.43°00'00"E., 70.53 FEET; THENCE N.58°30'00"E., 115.53 FEET; THENCE EAST 180.00 FEET; THENCE S.73°00'00"E., 230.0 FEET TO A POINT ON THE EAST LINE OF THE AFOREMENTIONED S.W. 1/4; THENCE SOUTH ALONG SAID EAST LINE OF S.W. 1/4, 629.16 FEET TO THE POINT OF BEGINNING.

AND

A PART OF TRACT "D", KING'S COVE SUBDIVISION, A SUBDIVISION IN SECTION 1, TOWNSHIP 19 SOUTH, RANGE 24 EAST, AND RECORDED IN PLAT BOOK 22, PAGES 44 AND 45 OF THE PUBLIC RECORDS OF LAKE COUNTY, FLORIDA, DESCRIBED AS FOLLOWS: FROM THE AFOREMENTIONED POINT "A", RUN S.48°11'49"W., 50.0 FEET TO A POINT ON THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF MAPLE LEAF DRIVE AND THE POINT OF BEGINNING OF THIS DESCRIPTION; FROM SAID POINT OF BEGINNING, RUN S.41°48'11"E. ALONG SAID SOUTHWESTERLY RIGHT-OF-WAY OF MAPLE LEAF DRIVE 125.38 FEET TO THE BEGINNING OF A CURVE CONCAVE NORTHWESTERLY AND HAVING A RADIUS OF 25.0 FEET; RUN THENCE SOUTHEASTERLY AND SOUTHWESTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 89°33'21" A DISTANCE OF 39.08 FEET TO A POINT ON ROYAL OAK DRIVE; THENCE S.47°45'10"W. ALONG THE NORTHWESTERLY RIGHT-OF-WAY OF ROYAL OAK DRIVE 125.19 FEET; THENCE LEAVING SAID RIGHT-OF-WAY RUN N.41°48'11"W., 185.00

ORDER NO. PSC-99-2115-PAA-WS
DOCKET NO. 981779-WS
PAGE 25

Attachment A
Page 12 of 13

FEET; THENCE N.11°46'34"E., ALONG A RADIAL LINE 136.40 FEET TO A POINT ON A CUL-DE-SAC, SAID CUL-DE-SAC HAVING A RADIUS OF 50.0 FEET AND A RADIAL BEARING OF S.11°46'34"W.; RUN THENCE EASTERLY ALONG THE ARC OF SAID CUL-DE-SAC THROUGH A CENTRAL ANGLE OF 34°06'30" A DISTANCE OF 29.77 FEET TO THE END OF SAID CURVE AND THE BEGINNING OF A CURVE CONCAVE SOUTHERLY AND HAVING A RADIUS OF 25.0 FEET; RUN THENCE EASTERLY AND SOUTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 70°31'45" A DISTANCE OF 30.77 FEET TO THE END OF SAID CURVE; THENCE S.41°48'11"E., 73.61 FEET TO THE POINT OF BEGINNING.

WATER SERVICE ONLY

Forty-Eight Estates Subdivision

Order No. PSC-0432-FOF-WU
Order No. 18839 simplified

Section 12, Township 19 South, Range 25 East, Lake County, Florida

Beginning at the Southeast corner of the Southwest 1/4 of Section 12, Township 19S, Range 25E, Lake County run West 508 feet (to the East boundary of the Forty-Eight Estates) for a Point of Beginning.

From the Point of Beginning run South (into Section 13, Twp. 19S, Rge. 25E) 396 feet, thence West 792 feet, to the East boundary of Haines Creek Road, thence Northerly along Haines Creek Road 300 feet, thence West 225 feet (more or less) to the SW corner of Lot #2, Block B. Hilltop Subdivision; thence North 180 feet, thence East 75 feet, thence North 190 feet to the Southeast corner of Lot #4 Block A, thence West 225 feet to the Southwest corner of Lot #6 Block A, thence North 190 feet to the North boundary of Moore Street. Thence run West 150 feet to the Southwest corner of Lot #9 Block A, thence North 140 feet, thence East 100 feet, thence North 140 feet to the South boundary of Lackabee Street. Thence run East 516 feet to the East boundary of Haines Creek Road, thence North along Haines Creek Road 100 feet, thence 1,300 feet, thence South 200 feet, thence West 220 feet, thence South 130 feet, thence West 193 feet, thence South 100 feet, thence East 100 feet, thence South 105 feet, thence West 100 feet, thence South 180 feet, thence West 100 feet (to the East boundary of the Forty-Eight Estates), thence

ORDER NO. PSC-99-2115-PAA-WS
DOCKET NO. 981779-WS
PAGE 26

Attachment A
Page 13 of 13

South along the East boundary of the Forty-Eight Estates 370 feet
(more or less) to the Point of Beginning.

J. SWIDERSKI UTILITIES, INC.

KING'S COVE

SCHEDULE OF WATER RATE BASE

As of January 31, 1999

<u>DESCRIPTION</u>	<u>PER UTILITY ANNUAL REPORT</u>	<u>COMMISSION ADJUSTMENTS</u>	<u>BALANCE PER COMMISSION</u>
Utility Plant in Service	\$ 225,137	(\$54,312) (1)	\$170,825
Land	1,901	75 (2)	1,976
Plant Held for Future Use	0	0	0
Accumulated Depreciation	(71,584)	6,780 (3)	(64,804)
Contributions-in-aid-of-Construction	(92,213)	(4,100) (4)	(96,313)
CIAC Amortization	<u>32,170</u>	<u>6,453</u> (5)	<u>25,717</u>
TOTAL	<u>\$ 95,411</u>	<u>\$58,010</u>	<u>\$ 37,401</u>

(1-5) See Schedule 2

J. SWIDERSKI UTILITIES, INC.

KING'S COVE

SCHEDULE OF WASTEWATER RATE BASE

As of January 31, 1999

<u>DESCRIPTION</u>	<u>PER UTILITY ANNUAL REPORT</u>	<u>COMMISSION ADJUSTMENTS</u>		<u>BALANCE PER COMMISSION</u>
Utility Plant in Service	\$344,057	(\$69,558)	(1)	\$274,499
Land	13,314	75	(2)	13,389
Plant Held for Future Use	0	0		0
Accumulated Depreciation	(126,971)	(4,212)	(3)	(131,183)
Contributions-in-aid-of-Construction	(158,530)	(7,585)	(4)	(166,115)
CIAC Amortization	<u>70,644</u>	<u>(19,779)</u>	(5)	<u>50,865</u>
TOTAL	<u>\$ 142,514</u>	<u>\$101,059</u>		<u>\$ 41,455</u>

(1-5) See Schedule 2

J. SWIDERSKI UTILITIES, INC.

SUMMIT CHASE

SCHEDULE OF WATER RATE BASE

As of January 31, 1999

<u>DESCRIPTION</u>	<u>PER UTILITY ANNUAL REPORT</u>	<u>COMMISSION ADJUSTMENTS</u>		<u>BALANCE PER COMMISSION</u>
Utility Plant in Service	\$267,796	\$117,009	(1)	\$150,787
Land	6,600	0	(2)	6,600
Plant Held for Future Use	0	0		0
Accumulated Depreciation	(53,530)	(12,509)	(3)	(66,039)
Contributions-in- aid-of-Construction	(47,874)	(32,682)	(4)	(80,556)
CIAC Amortization	<u>18,982</u>	<u>227</u>	(5)	<u>19,209</u>
TOTAL	<u>\$191,974</u>	<u>\$161,973</u>		<u>\$ 30,001</u>

(1-5) See Schedule 2

J. SWIDERSKI UTILITIES, INC.

SUMMIT CHASE

SCHEDULE OF WASTEWATER RATE BASE

As of January 31, 1999

<u>DESCRIPTION</u>	<u>PER UTILITY ANNUAL REPORT</u>	<u>COMMISSION ADJUSTMENTS</u>	<u>BALANCE PER COMMISSION</u>
Utility Plant in Service	\$181,495	\$ 7,501 (1)	\$188,996
Land	0	90,925 (2)	90,925
Plant Held for Future Use	0	0	0
Accumulated Depreciation	(70,834)	(20,234) (3)	(91,068)
Contributions-in-aid-of-Construction	(143,377)	(5,152) (4)	(148,529)
CIAC Amortization	<u>57,172</u>	<u>(40,540)</u> (5)	<u>16,632</u>
TOTAL	<u>\$ 24,456</u>	<u>\$ 32,500</u>	<u>\$56,956</u>

(1-5) See Schedule 2

SCHEDULE NO. 1-E

J. SWIDERSKI UTILITIES, INC.

FORTY-EIGHT ESTATES

SCHEDULE OF WATER RATE BASE

As of January 31, 1999

<u>DESCRIPTION</u>	<u>PER UTILITY ANNUAL REPORT</u>	<u>COMMISSION ADJUSTMENTS</u>	<u>BALANCE PER COMMISSION</u>
Utility Plant in Service	\$ 48,157	\$930 (1)	\$ 49,087
Land	0	1,430 (2)	1,430
Plant Held for Future Use	0	0	0
Accumulated Depreciation	(19,069)	(8,777) (3)	(27,846)
Contributions-in- aid-of-Construction	(11,900)	(4,700) (4)	(16,600)
CIAC Amortization	<u>4,636</u>	<u>2,608</u> (5)	<u>7,244</u>
TOTAL	<u>\$21,824</u>	<u>\$8,509</u>	<u>\$ 13,315</u>

(1-5) See Schedule 2

ORDER NO. PSC-99-2115-PAA-WS
DOCKET NO. 981779-WS
PAGE 32

SCHEDULE NO. 2

J. SWIDERSKI UTILITIES, INC.

ADJUSTMENTS

Not available online.

SCHEDULE NO. 2

J. SWIDERSKI UTILITIES, INC.

ADJUSTMENTS

	KING'S COVE		SUMMIT CHASE		FORTY-EIGHTY
	Water	Wastewater	Water	Wastewater	Water
1 Plant In Service					
Adjusted plant to reflect prior Commission Orders and misclassified plant	\$ (54,312)	\$ (69,558)	(117,009)	7,501	\$ 930
2 Land					
Adjust land acct. to reflect prior Comm. Order No. PSC-95-0129-FOF-WS, Order No. PSC-96-0432-FOF-WU, and Order No. 22426	75	75		90,925	1,430
3 Accumulated Depreciation					
Corresponding adjustmnts. related to plant Order and misclassified plant	(6,780)	4,212	12,509	20,234	8,777
4 CIAC					
Adjustmnt. to record CIAC not booked for the period of 7/1/94-1/31/99	(4,700)	(7,585)	(32,662)	(5,152)	(4,100)
5 Accumulated Amortization					
Adjustmnt. related to unrecord CIAC for the period of 7/1/94-1/31/99	\$ (6,453)	\$ (19,779)	227	(40,540)	\$ 2,608