

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint application for approval of transfer of majority organizational control of Southlake Utilities, Inc., holder of Certificate Nos. 533-W and 464-S in Lake County, from Southlake, Inc. and Robert L. Chapman, III, to Southlake Utilities Holding, L.L.C.

DOCKET NO. 010507-WS
ORDER NO. PSC-01-1671-FOF-WS
ISSUED: August 16, 2001

The following Commissioners participated in the disposition of this matter:

E. LEON JACOBS, JR., Chairman
J. TERRY DEASON
LILA A. JABER
BRAULIO L. BAEZ
MICHAEL A. PALECKI

ORDER APPROVING TRANSFER OF MAJORITY ORGANIZATIONAL CONTROL
OF SOUTHLAKE UTILITIES, INC. FROM SOUTHLAKE, INC.
AND ROBERT L. CHAPMAN, III, TO
SOUTHLAKE UTILITIES HOLDING, L.L.C. AND CLOSING DOCKET

BY THE COMMISSION:

Background

On April 17, 2001, Southlake, Inc. and Robert L. Chapman, III, (sellers) and Southlake Utilities Holding, L.L.C. (SUH or buyer) filed an application for transfer of majority organizational control of Southlake Utilities, Inc. (Southlake or utility). Southlake is a Class B water and wastewater utility that holds Certificates Nos. 533-W and 464-S. The utility currently serves approximately 859 residential and 1,115 general service customers in Lake County. The utility is in the southeast corner of Lake County, which is a critical water use caution area as defined by the St. Johns River Water Management District.

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

Southlake was granted Certificates Nos. 533-W and 464-S by Order No. 23947, issued January 2, 1991, in Docket No. 900738-WS. The utility's initial rates and charges were established by Order No. 24564, issued May 21, 1991, in that docket. At the time of certification, it was anticipated that the utility would eventually serve approximately 8,000 equivalent residential customers (ERCs). Subsequent to certification, the utility has applied for and been granted four amendments to its service area.

On August 4, 1998, D. R. Horton Custom Homes, Inc. (Horton), a developer in Southlake's service territory, filed a complaint regarding the utility's collection of allowance for funds prudently invested (AFPI) charges which initiated the opening of Docket No. 980992-WS. On November 16, 1998, Horton also filed a petition to immediately eliminate Southlake's authority to collect service availability and AFPI charges, which initiated the opening of Docket No. 981609-WS. By Order No. PSC-99-0027-PCO-WS, issued January 4, 1999, in Docket No. 981609-WS, we initiated an investigation into the utility's AFPI and service availability charges and held these charges subject to refund.

By Order No. PSC-00-0917-SC-WS, issued May 9, 2000, in Docket No. 981609-WS, we required the utility to show cause as to why it should not be fined for collecting wastewater AFPI for 186 ERCs in excess of the 376 ERC limit authorized by Order No. PSC-96-1082-FOF-WS, issued August 22, 1996, in Docket No. 950933-WS. We also ordered the utility to provide security for the service availability charges held subject to refund in the event of a protest. By proposed agency action, we discontinued water plant capacity and AFPI charges, reduced the amount of wastewater plant capacity charges collected, and required refunds.

On May 30, 2000, the utility timely requested a hearing on the show cause portion of Order No. PSC-00-0917-SC-WS. The utility also filed a protest to the proposed agency action portion of the Order and requested a formal hearing. Additionally, by Order No. PSC-00-1518-SC-WS, issued August 22, 2000, in Docket No. 980992-WS, we ordered the utility to show cause as to why it should not be fined for its apparent failure to file the security required by Order No. PSC-00-0917-SC-WS. On September 13, 2000, the utility responded to Order No. PSC-00-1518-SC-WS and requested a hearing. By Order No. PSC-00-1461-PCO-WS, issued August 11, 2000,

controlling dates were established for Dockets Nos. 980992-WS and 981609-WS.

On May 7, 2001, the parties filed a Joint Motion for Approval and Adoption of Settlement Agreement, which was made, in part, contingent upon approval of the transfer of majority organizational control in the instant docket. By Proposed Agency Action Order No. PSC-01-1297-PAA-WS, issued June 14, 2001, we granted the joint motion and approved the Settlement Agreement. The effective date of the Settlement Agreement was defined as the last to occur of the following: (1) the date of expiration of all protests and appeals of the Commission Order approving the Settlement Agreement; and (2) the date of the expiration of all protests and appeals of the Commission Order approving the transfer application at issue in this docket.

Application

The application, as filed and supplemented, is in compliance with Section 367.071, Florida Statutes, and other pertinent statutes and provisions of the Florida Administrative Code. In particular, the application contains the correct filing fee as prescribed by Rule 25-30.020, Florida Administrative Code. Because the utility was unable to locate its certificates, it provided a statement regarding its efforts to locate the certificates so that they could be returned to the Commission, as required by Rule 25-30.037(3)(k), Florida Administrative Code.

Noticing - 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 utility being transferred. No objections to the application have been received and the time for filing such has expired.

Stock Transfer and Financing - Currently Southlake, Inc. and Robert L. Chapman, III, own 60 percent and 10 percent, respectively, of the outstanding stock of Southlake. Jeffrey M. Cagan and Richard Driehaus each own 15 percent of the stock. Following the transfer, SUH will own 70 percent of the outstanding stock with Mr. Cagan and Mr. Driehaus continuing to each own 15 percent. According to the application, the buyer will be acquiring the common stock of the utility with cash contributed by Cagan

Crossing Limited Partnership (Cagan Crossing). Cagan Crossing is the sole member of SUH.

Technical and Financial Ability and Public Interest - Rule 25-30.037(3)(f), Florida Administrative Code, requires a description of how the transfer is in the public interest, including a summary of the buyer's experience in water or wastewater utility operations, financial ability, and commitment to utility obligations. The application indicates that Cagan Crossing does not currently own any other water or wastewater facilities. However, some of the limited partners have invested in private utility companies and have experience in the operations of such companies.

The buyer has engaged a professional engineering firm to serve as a consultant with respect to the operation and management of the utility. The engineering firm is a well-respected firm that has provided management, operations, and other utility-related services for both municipal and investor-owned utilities in Florida for many years. The buyer also intends to engage the services of other firms experienced in utility operation, environmental compliance, and accounting.

With respect to financial ability, the application contains a balance sheet statement for Cagan Crossing that demonstrates sufficient financial resources to maintain the utility. The application also contains a statement that the buyer will fulfill the commitments, obligations, and representations of the sellers with regard to utility matters.

Environmental Compliance - Pursuant to Rule 25-30.037(3)(h), Florida Administrative Code, the application contains a statement that, after reasonable investigation, the utility systems appear to be in satisfactory condition and in compliance with all applicable standard set by the Department of Environmental Protection (DEP). This information has been verified with the DEP.

Evidence of Ownership - A copy of a 99-year lease has been submitted as proof that the utility has continued use of the land upon which its facilities are located, in accordance with Rule 25-30.037(3)(i), Florida Administrative Code.

Annual Reports and Regulatory Assessment Fees (RAFTs) - The utility is current through 2000 on its annual reports and RAFTs. The buyer is hereby put on notice that it will be held responsible for filing the utility's 2001 annual report and remitting the resulting RAFTs within the time-frame and manner prescribed by Commission rules.

Rate Base - It has generally been our practice not to establish rate base in transfers of majority organizational control proceedings. A utility's assets and liability accounts are not altered by stock transfers. Therefore, such transfers have no affect on the utility's rate base balance. Because rate base is not affected by stock transfers, it is not part of the determination that the transfer is in public interest. Further, it has been Commission practice that acquisition adjustments for stock transfers are not part of the determination that the transfers are in the public interest. Therefore, rate base is not being established in this docket, nor do we address whether an acquisition adjustment should be made.

For informational purposes, we note that the net book value, as of December 31, 1998, was established as \$41,153 for the water utility and \$322,106 for the wastewater utility, pursuant to Order No. PSC-00-0917-SC-WS, issued May 9, 2000, in Dockets Nos. 980992-WS and 981609-WS. Rule 25-30.037(3), Florida Administrative Code, does not require an applicant to provide the purchase price of stock, and none was provided with the application filed in this docket.

Based on the foregoing, we find that the transfer of majority organizational control of Southlake from the sellers to SUH is in the public interest and it is approved. SUH is hereby put on notice that it will be held responsible for filing the utility's 2001 annual report and remitting the resulting RAFTs within the time-frame and manner prescribed by Commission rules. The description of the territory Southlake is authorized to serve is shown on Attachment A of this Order, which by reference is incorporated herein.

Rates and Charges

Southlake's initial rates and charges became effective on June 21, 1991, pursuant to Order No. 24564, issued May 21, 1991, in Docket No. 900738-WS. The current rates and charges became effective May 30, 1999, pursuant to a 1998 price index rate adjustment. The utility's current AFPI schedule became effective January 1, 1995, pursuant to Order No. PSC-96-1082-FOF-WS, issued August 22, 1996, in Docket No. 950933-WS.

Rule 25-9.044(1), Florida Administrative Code, requires the new owner of a utility to adopt and use the rates, classifications and regulations of the former operating company unless authorized to change by this Commission. SUH has not requested to change the rates and charges and we see no reason to change them at this time. SUH shall continue charging the customers of the utility the rates and charges approved in Southlake's tariff until authorized to change by this Commission in a subsequent proceeding. SUH has filed revised water and wastewater tariffs reflecting the change in the issuing officer. The tariff shall be effective for service rendered or connections made on or after the stamped approval date on the tariff sheets.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the transfer of majority organizational control of Southlake Utilities, Inc., 800 U.S. Highway 27, Clermont, Florida 34711, from Southlake, Inc., and Robert L. Chapman, III, 710 Avenida Cuarta, No. 204, Clemont, Florida 34711, to Southlake Utilities Holding, L.L.C., 3856 Oakton Street, Skokie, Illinois 60076-3456, is hereby approved. The territory the utility is authorized to serve is shown on Attachment A of this Order, which by reference is incorporated herein. It is further

ORDERED that Southlake Utilities Holding, L.L.C. is hereby put on notice that it shall be responsible for filing the utility's 2001 annual report and remitting the resulting regulatory assessment fees within the time-frame and manner prescribed by Commission rules. It is further

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ORDERED that Southlake Utilities Holding, L.L.C., shall continue to charge the utility's customers the rates and charges approved in Southlake Utilities, Inc.'s tariff until authorized to change by this Commission in a subsequent proceeding. The tariff shall be effective for service rendered or connections made on or after the stamped approval date on the tariff sheets. It is further

ORDERED that this docket is hereby closed.

By ORDER of the Florida Public Service Commission this 16th day of August, 2001.

BLANCA S. BAYÓ, Director
Division of the Commission Clerk
and Administrative Services

By: Kay Flynn
Kay Flynn, Chief
Bureau of Records and Hearing
Services

(S E A L)

ALC

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.

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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 the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, 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 and/or wastewater utility by filing a notice of appeal with the Director, Division of the Commission Clerk and Administrative Services 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 notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

**SOUTHLAKE UTILITIES, INC.
WATER AND WASTEWATER TERRITORY DESCRIPTION
LAKE COUNTY, FLORIDA**

ORDER NO. 23947 - CHAPMAN GROVE

Township 24 South, Range 26 East
Section 35

That portion of Section 35, Township 24 South, Range 26 East as described in O.R. Book 406, page 315, public records of Lake County, Florida, described as follows:

That part lying East of U.S. Highway No. 27 of the Northeast 1/4, the North 1/2 of the Northeast 1/4 of the Southeast 1/4 of aforesaid Section 35, otherwise known as Chapman Grove.

Less: The property described in O.R. Book 455, page 670, public records of Lake County, Florida, being described as follows:

From a point where the southerly boundary line of the North 1/2 of the Northeast 1/4 of the Southeast 1/4 of Section 35, Township 24 South, Range 26 East, Lake County, Florida, intersects the easterly right of way line of U.S. Highway No. 27 (S.R. 25) run in a northerly direction along said right of way 60 feet to the Point of Beginning: thence run 200 feet due east to a point; thence run 175 feet parallel in a northerly direction parallel to the said right of way to a point; thence run due west 200 feet to a point on said right of way; thence run in a southerly direction 175 feet along the said right of way to the Point of Beginning.

Also Less: The property described in O.R. Book 489, page 518, public records of Lake County, Florida, being described as follows:

Beginning at a point on the north line of Section 35, Township 24 South, Range 26 East, in Lake County, Florida, that is North 89°41'50" West, a distance of 1,615.38 feet from the northeast corner of said Section 35; thence along said north section line, North 89°41'50" West, a distance of 200 feet to the northeasterly right of way line of U.S. Highway No. 27; run thence along said northeasterly right of way line South 20°05'00" East, a distance of 158.44 feet; thence North 69°55'00" East, a distance of 7.00 feet;

thence South 20°05'00" East, a distance of 144.16 feet; thence South 89°41'50" East, a distance of 200 feet; thence North 89°41'50" West, a distance of 7.47 feet; thence North 20°05'00" West, a distance of 158.44 feet to the Point of Beginning.

Township 24 South, Range 26 East
Section 36

That portion of Section 36, Township 24 South, Range 26 East, as described in O.R. Book 406, page 315, public records of Lake County, Florida, described as follows:

The Northwest 1/4, the West 1/2 of the Northeast 1/4, the North 1/4 of the Southwest 1/4, the North 1/2 of the Northwest 1/4 of the Southeast 1/4, Section 36, Township 24 South, Range 26 East, Lake County, Florida; containing 299.2510 acres, more or less.

ORDER NO. 23947 - SOUTH LAKE GROVE

Township 24 South, Range 26 East
Section 35

South Lake Grove: That portion of Section 35, Township 24 South, Range 26 East, as recorded in O.R. Book 757, page 1269, public records of Lake County, Florida.

The North 1/2 of the Northwest 1/4 of the Northwest 1/4; the North 1/2 of the Southeast 1/4 of the Northwest 1/4 of the Northwest 1/4; the Northeast 1/4 of the Northwest 1/4; the East 1/2 of the Northeast 1/4 of the Southeast 1/4 of the Northwest 1/4; that part west of U.S. Highway 27 of the Northwest 1/4 of the Northeast 1/4; that part west of U.S. Highway 27 of the Southwest 1/4 of the Northeast 1/4; that part west of U.S. Highway 27 of the Southwest 1/4 of the Southeast 1/4 of the Northeast 1/4; the North 1/2 of the Northwest 1/4 of the Southeast 1/4; the Southeast 1/4 of the Northwest 1/4 of the Southeast 1/4; that part west of U.S. Highway 27 of the Northeast 1/4 of the Southeast 1/4.

Less: Property deeded to Paul L. Curtis and Sarah L. Curtis, his wife, in deed recorded in O.R. Book 559, page 240, public records of Lake County, Florida, described as follows:

That part west of U.S. Highway 27 of the South 1/2 of the Northeast 1/4 of the Southeast 1/4, Section 35, Township 24 South, Range 26 East, less the northerly 15 feet being ten acres, more or less.

Less: Property deeded to Florida Power Corp. by deed in O.R. Book 509, page 68, public records of Lake County, Florida, described as follows:

That part of the Northeast 1/4 of the Southeast 1/4 of Section 35, Township 24 South, Range 26 East, in Lake County, Florida, bounded and described as follows: from the northwest corner of the Southeast 1/4 of the Southeast 1/4 of said Section 35, run North 00°30'21" East, a distance of 641.20 feet, more or less, to a concrete monument that is 15 feet South of the North boundary of the South 1/2 of the Northeast 1/4 of the Southeast 1/4 to the Point of Beginning of this description; from said Point of Beginning continue North 00°30'21" East, a distance of 397.49 feet, thence run South 89°53'12" East, a distance of 167.16 feet to a concrete monument that is 213.18 feet west of the westerly right of way line of U.S. Highway No. 27, thence South 20°08'20" East, parallel to and 200 feet westerly of the westerly right of way line of U.S. Highway No. 27, a distance of 359.72 feet to a concrete monument, thence South 89°53'12" East, a distance of 213.18 feet to the westerly right of way line of U.S. Highway No. 27, thence South 20°08'20" East, along said right of way line, a distance of 63.95 feet to a concrete monument that is 15 feet south of the north boundary of the South 1/2 of the Northeast 1/4 of the Southeast 1/4, thence North 89°53'12" West, parallel to and 15 feet south of the north boundary of the South 1/2 of the Northeast 1/4 of the Southeast 1/4, a distance of 529.72 feet to the Point of Beginning.

Township 24 South, Range 26 East
Section 34

South Lake Grove: That portion of Section 34, Township 24 South, Range 26 East, as recorded in O.R. Book 562, page 24, public records of Lake County, Florida, described as follows:

The North 1/2 of the North 1/2 of the Northeast 1/4 of the Northeast 1/4 of Section 34, Township 24 South, Range 26 East, Lake County, Florida.

ORDER NO. 23947 - SHARP GROVE

Township 24 South, Range 26 East
Section 35

Sharp Grove: Recorded in O.R. Book 770, page 1232, public records of Lake County, Florida.

The East 3/4 of the South 1/2 of the Southeast 1/4 of the Northwest 1/4; the West 1/2 of the Northeast 1/4 of the Southeast 1/4 of the Northwest 1/4; the East 1/2 of the Northwest 1/4 of the Southeast 1/4 of the Northwest 1/4; the Northwest 1/4 of the Northwest 1/4 of the Southeast 1/4 of the Northwest 1/4; the South 1/2 of the Southeast 1/4 of the Northwest 1/4 of the Northwest 1/4; the North 1/2 of the Northeast 1/4 of the Southwest 1/4 of the Northwest 1/4; also begin at the Southwest corner of the East 1/2 of the Northwest 1/4 of the Southeast 1/4 of the Northwest 1/4, run north to the Southeast corner of the Northwest 1/4 of the Northwest 1/4 of the Southeast 1/4 of the Northwest 1/4; run thence west to the Southwest corner of the Northeast 1/4 of the Northeast 1/4 of the Southwest 1/4 of the Northwest 1/4; run thence southeasterly to the Point of Beginning. All in Section 35, Township 24 South, Range 26 East.

ORDER NO. 23947 - PETERSON GROVE

Township 24 South, Range 26 East
Section 35

That portion of Section 35, Township 24 South, Range 26 East as described in O.R. Book 969, page 1968, public records of Lake County, Florida, described as follows:

The Southwest 1/4 of the Northwest 1/4 of the Southeast 1/4 of Section 35, Township 24 South, Range 26 East, in Lake County, Florida.

Also: An easement over the East 30 feet of the West 1/2 of the Southwest 1/4 of the Southeast 1/4 of Section 35, Township 24 South, Range 26 East, in Lake County, Florida.

Also: An easement over the South 60 feet of that part of the East 3/4 of the Southeast 1/4 of said Section 35, Township 24 South, Range 26 East, in Lake County, Florida.

ORDER NO. PSC-93-0941-FOF-WS - CONDEV ORLANDO U.S. 27, LTD.

Township 24 South, Range 26 East
Sections 25 and 26

The following described land located in portions of Sections 25 and 26, Township 24 South, Range 26 East, Lake County, Florida:

The South 1,576.76 feet of the Southeast 1/4 of Section 26, Township 24 South, Range 26 East, Lake County, Florida, lying east of U.S. Highway 27, and the Southwest 1/4 of the Southwest 1/4 of Section 25, Township 24 South, Range 26 East, Lake County, Florida. Containing 116.415 acres.

ORDER NO. PSC-93-0941-FOF-WS - R. LANCE WALKER, TRUSTEE

Township 24 South, Range 26 East
Section 26

The following described land located in portions of Section 26, Township 24 South, Range 26 East, Lake County, Florida:

The South 722.08 feet of the Southeast 1/4 of the Northeast 1/4; the South 722.08 feet of the Southwest 1/4 of the Northwest 1/4; the South 722.08 feet of the East 1/2 of the Northwest 1/4, lying east of U.S. Highway 27.

The Southeast 1/4 lying east of U.S. Highway 27, less the South 1,576.76 feet thereof, and the Southwest 1/4 lying east of U.S. Highway 27; all lying in Section 26, Township 24 South, Range 26 East, Lake County, Florida and containing 113.1227 acres.

ORDER NO. PSC-93-0941-FOF-WS - CONDEV LAND FUND II, LTD.

Township 24 South, Range 26 East
Section 26

The following described land located in portions of Section 26, Township 24 South, Range 26 East, Lake County, Florida:

The Northwest 1/4 of the Northeast 1/4; the Southeast 1/4 of the Northeast 1/4, less the South 722.08 feet thereof;

The Southwest 1/4 of the Northeast 1/4, less the South 722.08 feet thereof; and the East 1/2 of the Northwest 1/4, lying east of U.S. Highway 27, less the South 722.08 feet, thereof; all lying in Section 26, Township 24 South, Range 26 East, Lake County, Florida, containing 111.64 acres.

ORDER NO. PSC-93-0941-FOF-WS - KARST, INC.

Township 24 South, Range 26 East
Section 25

The following described land located in portions of Section 25, Township 24 South, Range 26 East, Lake County, Florida.

The Southeast 1/4 of the Southwest 1/4 and the Southwest 1/4 of the Southeast 1/4 of Section 25, Township 24 South, Range 26 East, of the public records of Lake County, Florida.

ORDERS NOS. PSC-94-1508-FOF-WS AND PSC-96-0329-FOF-WS
ORLANDO TENNIS ASSOC. LTD.

Township 24 South, Range 26 East
Section 26

All that certain Plot, piece or parcel of land lying and situated in Lake County, State of Florida, more particularly described as follows:

That part of the Northeast 1/4 of the Southwest 1/4 of Section 26, Township 24 South, Range 26 East, lying West of U.S. Highway 27, less the North 1/8 thereof and less the South 1/8 thereof; and the

Northwest 1/4 of the Southwest 1/4 of Section 26 Township 24 South, Range 26 East, less the North 1/8 thereof and less the South 1/8 thereof and the Northeast 1/4 of the Southeast 1/4 of Section 27, Township 24 South, Range 26 East, less the North 1/8 thereof and less the South 1/8 thereof; and that part of the Northwest 1/4 of the Southeast 1/4 of Section 26, Township 24 South, Range 26 East, lying West of U.S. Highway 27, less the North 1/8 thereof and less the South 1/8 thereof, containing 87.6492 acres.

Less: From the intersection of the north line of the South 1/8 of the Northwest 1/4 of the Southeast 1/4 of Section 26, Township 24 South, Range 26 East, Lake County, Florida, and the westerly right of way line of U.S. Highway 27; run thence North 20°14'13" West along said westerly right of way line, 810.41 feet; thence North 89°55'22" West 309.32 feet to the Point of Beginning; run thence further North 89°55'22" West, 677.60 feet; run thence North 00°04'38" East, 234.00 feet to the south line of the North 1/8 of the North 1/2 of the Southwest 1/4 of Section 26, Township 24 South, Range 26 East; run thence South 89°58'22" East along said south line of North 1/8 of North 1/2 of the Southwest 1/4 of Section 26, a distance of 677.60 feet; thence South 00°04'38" West, 234.59 feet to the Point of Beginning, containing 3.6445 acres. TOGETHER WITH improvements situate thereon.

ORDERS NOS. PSC-94-1508-FOF-WS AND PSC-96-0329-FOF-WS
ORLANDO 311 LTD.

Township 24 South, Range 26 East
Section 36

Being a portion of the Southeast 1/4 of Section 36, Township 24 South, Range 26 East, Lake County, Florida, described as follows:

Commence at the Southeast corner of the Southeast 1/4 of said Section 36; thence North 0°11'36" West for 384.06 feet along the easterly line of said Southeast 1/4 to the Point of Beginning on the northerly right of way line of old State Road 530 (now State Road No. 192) (Section 7522-102, State Road right-of-way Map); thence continue North 0°11'36" West for 2,267.20 feet along said easterly line to the East 1/4 corner of said Section 36; thence South 89°19'52" West for 1,326.15 feet along the northerly line of said Southeast 1/4 to the Northwest corner of the Northeast 1/4 of

the Southeast 1/4 of said Section 36; thence South 0°09'43" East for 661.04 feet to the Southwest corner of the Northwest 1/4 of the Northeast 1/4 of the Southeast 1/4 of said Section 36; thence South 48°14'43" West for 1,176.68 feet to the intersection of a line 2,206.91 feet west of and parallel to the easterly boundary of said Southeast 1/4 of Section 36; thence South 00°11'36" East for 1,000.00 feet along said line to the northerly right of way line of State Road No. 192 (S.R. 530); thence North 89°46'05" East for 1,895.87 feet along said northerly right of way; thence North 00°13'55" West for 250.00 feet; thence North 89°46'05" East for 200.00 feet along a line 250.00 feet north of and parallel to the northerly right of way (State Road No. 192 A.K.A. State Road No. 530), (Section 11210-2501, State Road right of way map); thence South 00°13'55" East for 117.16 feet to a point on a circular curve concave to the northwest, said point also being on the northerly right of way of Old State Road No. 530 (Section 7522-102); thence easterly and northerly along the arc of said curve having for its elements a central angle of 02°29'28" and a radius of 2,814.93 feet for a distance of 122.39 feet to the Point of Beginning.

ORDERS NOS. PSC-94-1508-FOF-WS AND PSC-96-0329-FOF-WS
ORLANDO 311 LTD. PARCEL 1 BRYNSTONE SQ.

Township 24 South, Range 26 East
Section 36

Being a portion of Section 36, Township 24 South, Range 26 East, Lake County, Florida, more particularly described as follows:

Commence at the Northwest corner of the South 3/4 of the South 1/2 of said Section 36: the following two (2) courses being along the northerly line of said South 3/4 of the South 1/2 of Section 36; (1) thence North 89°24'28" East for 2,376.97 feet to the Point of Beginning of the hereinafter described parcel of land: (2) thence continue North 89°24'28" East for 1,600.46 feet to the Southwest corner of Northwest 1/4 of the Northeast 1/4 of the Southeast 1/4 of said Section 36; thence South 48°14'43" West for 1,176.68 feet to the intersection of a line 2,206.91 feet west of and parallel with the east line of said Section 36; thence South 00°11'36" East along said line for 1,000.00 feet to a point on the northerly right of way line of State Road No. 192 (S.R. 530); thence South 89°46'05" West along said northerly right of way line for 1,168.99

feet to the Southeast corner of the HOLIDAY INN RESORT property as described in Official Record Book 634, page 1910 of the public records of Lake County, Florida, the following three (3) courses being along the exterior lines of the aforesaid described property; (1) thence North 00°13'55" West for 200.00 feet; (2) thence North 89°46'05" East for 200.00 feet; (3) thence North 00°13'55" West for 400.00 feet to the Northeast corner of said Holiday Inn Resort property; thence North 44°43'22" East for 353.24 feet; thence North 00°11'36" West for 920.00 feet to the Point of Beginning. Lying and being in Lake County, Florida, and containing 1,837,633 square feet or 42.1862 acres, more or less.

ORDERS NOS. PSC-94-1508-FOF-WS AND PSC-96-0329-FOF-WS
ORLANDO 311 LTD. PARCEL 2

Township 24 South, Range 26 East
Sections 35 and 36

Being portions of Sections 35 and 36, Township 24 South, Range 26 East, Lake County, Florida, more particularly described as follows:

Commence at the Northwest corner of the South 3/4 of the South 1/2 of said Section 36; the following two (2) courses being along the northerly line of said South 3/4 of the South 1/2 of said Section 36; (1) thence North 89°24'28" East for 1,110.32 feet to the Point of Beginning of the hereinafter described parcel of land; (2) thence continue North 89°24'28" East for 1,266.65 feet; thence South 00°11'36" East along a line parallel with and 2,926.89 feet west of the east line of said Section 36 for 920.00 feet; thence South 44°43'22" West for 353.24 feet to the Northeast corner of the HOLIDAY INN RESORT property as described in Official Record Book 634, page 1910, of the public records of Lake County, Florida; thence South 89°46'05" West along the northerly line of said Holiday Inn Resort property for 500.00 feet to the Northwest corner thereof; thence North 00°13'55" West for 10.00 feet; the following six (6) courses being along the southerly right of way line of a proposed 110.00 foot road right of way; (1) thence South 89°46'05" West for 569.06 feet to a point of curvature; (2) thence northwesterly along an 855.00 foot radius curve leading to the right through a central angle of 32°28'55" for an arc of 484.71 feet to a point of tangency; (3) thence North 57°45'00" West for 542.86 feet to a point of curvature; (4) thence northwesterly along

a 545.00 foot radius curve leading to the left through a central angle of $32^{\circ}38'54''$ for an arc of 310.55 feet to a point of tangency; (5) thence South $89^{\circ}36'06''$ West for 45.92 feet to a point of curvature; (6) thence westerly along a 445.00 foot radius curve leading to the left through a central angle of $14^{\circ}25'33''$ for an arc of 112.04 feet to a point on the northeasterly right of way line of the limited access right of way for the Interchange of State Road No. 192 (SR 530) and U.S. Highway No. 27 (SR 25); thence North $30^{\circ}56'22''$ West for 144.01 feet to the Southwest corner of CENTURY WEST VILLAGE property as described in Official Record Book 680, page 785, of the public records of Lake County, Florida; thence North $89^{\circ}36'06''$ East along the southerly line of said Century West Village for 443.69 feet to the Southeast corner thereof, said Southeast corner lying on a circular curve whose radius point bears South $69^{\circ}23'55''$ West for 45.00 feet: thence southerly along said 45.00 foot radius curve leading to the right through a central angle $41^{\circ}43'14''$ for an arc distance of 32.77 feet to a point of tangency; thence South $21^{\circ}07'09''$ West for 3.48 feet to a point on a circular curve whose radius point bears South $18^{\circ}29'38''$ West for 655.00 feet; the following for (4) courses being along the northerly right of way line of the aforesaid proposed 110.00 foot road right of way: (1) thence southwesterly along said 655.00 foot radius curve leading to the right through a central angle of $13^{\circ}45'22''$ for an arc of 157.26 feet to a point of tangency; (2) thence South $57^{\circ}45'00''$ East for 542.86 feet to a point of curvature; (3) thence southeasterly along a 745.00 foot radius curve leading to the left through a central angle of $32^{\circ}28'55''$ for an arc of 422.35 feet to a point of tangency; (4) thence North $89^{\circ}46'05''$ East for 420.19 feet; thence North $00^{\circ}13'55''$ West for 522.31 feet; thence South $89^{\circ}24'28''$ West along a line parallel with and 522.00 feet south of the north line of the South $3/4$ of the South $1/2$ of said Section 36 for 364.28 feet; thence North $00^{\circ}35'32''$ West for 522.00 feet to the Point of Beginning. Lying and being in Lake County, Florida, containing 1,425,542 square feet or 32.7259 acres, more or less.

ORDERS NOS. PSC-94-1508-FOF-WS AND PSC-96-0329-FOF-WS
ORLANDO 311 LTD. PARCEL IIIA

Township 24 South, Range 26 East
Section 36

Portion of Section 36, Township 24 South, Range 26 East, Lake County, Florida, being more particularly described as follows:

Commence at the Northwest corner of the South 3/4 of the South 1/2 of said Section 36; thence North 89°24'28" East along the north line of the South 3/4 of the South 1/2 of Section 36 for 240.32 feet; thence South 00°35'32" East for 657.00 feet to the Point of Beginning of the hereinafter described parcel of land; thence North 89°24'28" East along a line 657.00 feet south of and parallel with the said north line of the South 3/4 of the South 1/2 of Section 36 for 640.00 feet; thence North 00°35'32" West for 135.00 feet; thence North 89°24'28" East along a line 522.00 feet south of and parallel with the said north line of the South 3/4 of the South 1/2 of Section 36 for 594.28 feet; thence South 00°13'55" East for 522.31 feet to a point on the north line of a proposed 110 foot right of way; the following (3) courses being along said proposed right of way line; (1) thence South 89°46'05" West for 420.19 feet to a point of curvature; (2) thence Northwesterly along a 745.00 foot radius curve leading to the right through a central angle of 32°28'55" for an arc distance of 422.35 feet to the point of tangency; (3) thence North 57°45'00" West for 489.74 feet to the Point of Beginning. Containing 435,600 square feet or 10.00 acres, more or less.

ORDERS NOS. PSC-94-1508-FOF-WS AND PSC-96-0329-FOF-WS
ORLANDO 311 LTD. PARCEL III (b)

Township 24 South, Range 26 East
Sections 35 and 36

Being portions of Sections 35 and 36, Township 24 South, Range 26 East, Lake County, Florida, more particularly described as follows:

Commence at the Northwest corner of the South 3/4 of the South 1/2 of said Section 36; thence North 89°24'28" East along the northerly line of the South 3/4 of the South 1/2 of said Section 36 for

1,619.42 feet; thence South 00°35'32" East for 1,165.23 feet to the Northwest corner of the HOLIDAY INN RESORT property as described in Official Record Book 634, page 1910, of the public records of Lake County, Florida, said Northwest corner being the Point of Beginning of the hereinafter described parcel of land; thence North 00°13'55" West along the northerly projection of the west line of said Holiday Inn Resort property for 10.00 feet; the following six (6) courses being along the southerly right of way line of a proposed 110.00 foot road right of way; (1) thence South 89°46'05" West for 569.06 feet to a point of curvature; (2) thence northwesterly along an 855.00 foot radius curve leading to the right through a central angle of 32°28'55" for an arc of 484.71 feet to a point of tangency; (3) thence North 57°45'00" West for 542.86 feet to a point of curvature; (4) thence northwesterly along a 545.00 foot radius curve leading to the left through a central angle of 32°38'54" for an arc of 310.55 feet to a point of tangency; (5) thence South 89°36'06" West for 45.92 feet to a point of curvature; (6) thence westerly along a 445.00 foot radius curve leading to the left through a central angle of 14°25'33" for an arc of 112.04 feet to a point on the northwesterly right of way line of the limited access right of way for the Interchange of State Road No. 192 (SR 530) and U.S. Highway No. 27 (SR 25); the following five (5) courses being along the northeasterly and northerly right of way lines of said limited access right of way; (1) thence South 30°56'22" East for 257.62 feet to a point on a circular curve whose radius point bears North 68°12'36" East for 1,799.68 feet; (2) thence southeasterly along said 1,799.68 foot radius curve leading to the left through a central angle of 21°01'52" (Deed 21°00'00") for an arc of 660.59 feet (Deed 659.62) to a point on a nontangent circular curve whose radius point bears North 47°15'12" East for 844.93 feet; (3) thence continue southeasterly along said 844.93 foot radius curve leading to the left through a central angle of 29°29'04" for an arc of 434.80 feet; (4) thence South 85°46'28" East for 261.89 feet; (5) thence North 89°46'05" East for 300.01 feet to the Point of Termination of said limited access right of way; the following two (2) courses being along the northerly right of way line of State Road No. 192 (SR 530); thence continue North 89°46'05" East for 49.00 feet; (2) thence South 83°06'25" East for 488.77 feet to the Southwest corner of the aforesaid Holiday Inn Resort property: thence North 00°13'55" West along the westerly line of said Holiday Inn Resort property for 585.62 feet to the

Point of Beginning. Lying and being in Lake County, Florida, and containing 1,083,346 square feet or 24.8702 acres, more or less.

ORDERS NOS. PSC-94-1508-FOF-WS AND PSC-96-0329-FOF-WS
ORLANDO 311 LTD. PARCEL 4

Township 24 South, Range 26 East
Sections 35 and 36

Being portions of Sections 35 and 36, Township 24 South, Range 26 East, Lake County, Florida, more particularly described as follows:

Begin at the Northwest corner of the South 3/4 of the South 1/2 of said Section 36; thence North 89°24'28" East along the northerly line of said South 3/4 of the South 1/2 of said Section 36 for 1,110.32 feet; thence South 00°35'32" East for 522.00 feet; thence South 89°24'28" West along a line parallel with and 522.00 feet South of the northerly line of said South 3/4 of the South 1/2 of said Section 36 for 230.00 feet; thence South 00°35'32" East for 135.00 feet; thence South 89°24'28" West along a line parallel with and 657.00 feet South of the northerly line of said South 3/4 of the South 1/2 of said Section 36 for 640.00 feet to a point on the northerly right of way line of a proposed 110.00 foot road right of way; the following two (2) courses being along said northerly right of way line; (1) thence North 57°45'00" West for 53.13 feet to a point of curvature; (2) thence northwesterly along a 655.00 foot radius curve, leading to the left through a central angle of 13°45'22" for an arc of 157.26 feet; thence North 21°07'09" East for 3.48 feet to a point of curvature; thence northerly along a 45.00 foot radius curve leading to the left through a central angle of 41°43'14" for an arc of 32.77 feet to the Southeast corner of CENTURY WEST VILLAGE, INC., as described in Official Record Book 680, page 785, of the public records of Lake County, Florida; the following two (2) courses being along the exterior lines of said CENTURY WEST VILLAGE, INC.; (1) thence North 20°36'05" West for 300.00 feet to the Northeast corner thereof; (2) thence South 89°36'06" West for 250.00 feet to the Southeast corner of BOYKIN MARVIN property as described in Official Record Book 638, pages 109 through 112, of the public records of Lake County, Florida; the following two (2) courses being along the exterior lines of said BOYKIN MARVIN property; (1) thence North 20°36'05" West for 195.00 feet; (2) thence South 89°36'06" West for 200.00 feet to a point on

the easterly right of way line of U.S. Highway 27 (SR 25); the following three (3) courses being along said easterly right of way line; (1) thence North 20°36'05" West for 2.58 feet: (2) thence North 69°23'55" East for 7.00 feet (3) thence North 20°36'05" West for 58.23 feet to a point on the Northerly line of the South 3/4 of the South 1/2 of said Section 35; thence North 89°36'06" East along northerly line for 577.20 feet to the Point of Beginning. Lying and being in Lake County, Florida, containing 773,619 square feet or 17.7599 acres, more or less.

ORDERS NOS. PSC-94-1508-FOF-WS AND PSC-96-0329-FOF-WS
ORLANDO 311 LTD. PARCEL 5, LESS WESTLAKE

Township 24 South, Range 26 East
Section 36

The East 1/2 of the Northeast 1/4 of Section 36, Township 24 South, Range 26 East, Lake County, Florida; containing 79.88 acres more or less.

Westlake - Excepting therefrom, however, the following: Part of the Southeast 1/4 of Section 36, Township 24 South, Range 26 East, Lake County, Florida being described as follows:

Commence at the Southeast corner of said Section 36; thence run North 00°11'36" West, along the East line thereof, 804.15 feet; thence run South 89°48'24" West, 891.68 feet for the Point of Beginning; thence run North 20°18'52" East, 71.95 feet; thence run North 25°56'54" West, 165.74 feet; thence run North 08°04'44" West, 76.80 feet; thence run North 32°39'45" West, 139.48 feet; thence run North 45°57'45" West, 101.85 feet; thence run North 06°24'44" West, 209.53 feet; thence run North 30°45'05" East, 110.38 feet; thence run North 33°11'39" East, 106.36 feet; thence run North 21°58'38" East, 111.85 feet; thence run North 89°41'40" East, 416.07 feet to a point on the westerly right of way line of Boulevard "A" (a proposed 110 foot right of way); said point being on a curve, concave Westerly, having a radius of 2,145.00 feet; thence run Southerly along said proposed Westerly right of way line the following for (4) courses and distances; from a tangent bearing of South 03°59'24" East, run 149.37 feet along the arc of said curve through a central angle of 03°59'24" to the point of tangency thereof; thence run South 00°00'00" East, 270.00 feet to a point of

curvature of a curve, concave northwesterly, having a radius of 645.00 feet and a central angle of 46°30'00"; thence run 523.47 feet along the arc of said curve to the point of tangency thereof; thence run South 46°30'00" West, 133.17 feet to the Point of Beginning. Containing 9.22 acres more or less.

Westlake - Further excepting therefrom, the following: Part of the Southeast 1/4 of Section 36, Township 24 South, Range 26 East, Lake County, Florida, being described as follows:

Commence at the Southeast corner of said Section 36; thence run North 00°11'36" West, along the east line thereof, 781.00 feet for the Point of Beginning; thence run South 89°41'37" West, 757.46 feet to a point on the Easterly right of way line of Boulevard "A" (a proposed 110 foot right of way); thence run Northerly along said proposed right of way line the following two (2) courses and distances; North 46°30'00" East 52.41 feet to a point of curvature of a curve, concave Northwesterly, having a radius of 755.00 feet; thence run 501.66 feet along the arc of said curve through a central angle of 38°04'14" to the point of tangency thereof; thence run North 90°00'00" East, 235.55 feet; thence run South 00°00'00" East, 9.00 feet; thence run North 90°00'00" East, 255.19 feet to a point on the aforesaid East line of Section 36; thence run South 00°11'36" East, along the East line of said Section 36, a distance of 460.01 feet to the Point of Beginning. Containing 6.28 acres more or less.

ORDERS NOS. PSC-94-1508-FOF-WS AND PSC-96-0329-FOF-WS
DIXIE OIL AND GAS

Township 24 South, Range 26 East
Section 35

Beginning at a point on the North line of Section 35, Township 24 South, Range 26 East, in Lake County, Florida, that is North 89°41'50" West 1,615.38 feet from the Northeast corner of said Section 35; run thence along said North section line, North 89°41'50" West 200 feet to the Northeasterly right of way line of U.S. Highway No. 27; run thence along said Northeasterly right of way line South 20°05'00" East, 158.44 feet; thence North 69°55'00" East, 7.00 feet; thence South 20°05'00" East, 144.16 feet; thence South 89°41'50" East, 200 feet; thence North 20°05'00" West, 141.56

feet; thence North 89°41'50" West, 7.47 feet; thence North 20°05'00" West, for 158.44 feet to the Point of Beginning.

ORDERS NOS. PSC-96-0897, 0897A, 0897B-FOF-WS

Township 24 South, Range 26 East
Sections 25, 26, 27, 35 and 36

That part of Section 27, Township 24 South, Range 26 East, Lake County, Florida, lying south of County Road 474. Less territory already served by Southlake Utilities, Inc.

That part of Section 26, Township 24 South, Range 26 East, Lake County, Florida, lying South of County Road 474 and West of U.S. Highway No. 27. Less territory already served by Southlake Utilities, Inc.

That part of Section 26, Township 24 South, Range 26 East, Lake County, Florida, lying East of U.S. Highway No. 27. Less the Northeast 1/4 of the Northeast 1/4. And also less territory already served by Southlake Utilities, Inc.

Section 25, Township 24 South, Range 26 East, Lake County, Florida, less the Northwest 1/4 of the Northwest 1/4.

Also less: Beginning at the Northwest corner of the Northeast 1/4 of the Northwest 1/4, run South 537.7 feet; Northeasterly to the Northeast corner of the Northeast 1/4 of the Northwest 1/4; west to the Point of Beginning. And also less territory already served by Southlake Utilities, Inc.

That part of Section 36, Township 24 South, Range 26 East, Lake County, Florida, lying north of U.S. Highway No. 192. Less territory already served by Southlake Utilities, Inc.

That part of Section 35, Township 24 South, Range 26 East, Lake County, Florida, lying east of U.S. Highway No. 27. Less territory already served by Southlake Utilities, Inc.

That part of Section 35, Township 24 South, Range 26 East, Lake County, Florida, lying west of U.S. Highway No. 27. Less the Southwest 1/4 of the Southwest 1/4; the Southwest 1/4 of the Southeast 1/4 of the Southwest 1/4; the West 1/2 of the Northwest

1/4 of the Southeast 1/4 of the Southwest 1/4; the South 1/2 of the Northwest 1/4 of the Southwest 1/4; the Northwest 1/4 of the Northwest 1/4 of the Southwest 1/4; the Southwest 1/4 of the Northeast 1/4 of the Northwest 1/4 of the Southwest 1/4; the West 1/2 of the Southwest 1/4 of the Northwest 1/4; the Southwest 1/4 of the Northwest 1/4 of the Northwest 1/4; less the South 60 feet of the Southwest 1/4 of the Southeast 1/4 of the Southwest 1/4.

Also less: Beginning on the West side of U.S. Highway No. 27, 60 feet North of the South line of the Section; run West 230 feet, North 279.32 feet, East 152.02 feet, and Southeast along the highway, 290 feet to the Point of Beginning.

Also less: The South 1/2 of the Northeast 1/4 of the Southeast 1/4 west of the highway (less the North 15 feet); the North 180.28 feet of the Southeast 1/4 of the Southeast 1/4 of the highway.

Less: Beginning at the intersection of the west right of way of U.S. Highway No. 27 with the South line of the North 180.28 feet of the Southeast 1/4 of the Southeast 1/4; run Northwesterly along the highway, 175 feet, West 145 feet, South 164.25 feet, East 205.38 feet to the Point of Beginning. And also less territory already served by Southlake Utilities, Inc.

ORDER NO. PSC-97-0053-FOF-WS

Township 24 South, Range 26 East
Section 35

A portion of Section 35, Township 24 South, Range 26 East, Lake County, Florida, being more particularly described as follows:

Begin at the Southwest corner of the Northeast 1/4 of the Southeast 1/4 of said Section 35; thence run North 00°30'21" East, along the west line of the Northeast 1/4 of the Southeast 1/4 of said Section 35, a distance of 641.20 feet to a point on the south boundary line of an existing Florida Power Sub-Station Site; thence run South 89°53'12" East, along said south boundary line, a distance of 529.72 feet to a point on the westerly right of way line of U.S. Highway No. 27; thence run South 20°08'20" East, along said westerly right of way line, a distance of 699.96 feet; thence run North 89°55'32" West, a distance of 145.00 feet; thence run South 00°04'28" West, a distance of 164.25 feet; thence run North

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89°55'32" West, a distance of 632.75 feet to a point on the West line of the Southeast 1/4 of the Southeast 1/4 of said Section 35; thence run North 00°30'21" East, along said West line, a distance of 180.29 feet to the Point of the Beginning. Containing 12.23 acres, more or less.