

ORIGINAL

ADE & SCHILDBERG, P.A.

ATTORNEYS AT LAW

ONE INDEPENDENT DRIVE - SUITE 2000
JACKSONVILLE, FLORIDA 32202

(904) 358-8818
FACSIMILE (904) 354-5842

JAMES L. ADE
SCOTT G. SCHILDBERG

July 19, 2002

DISTRIBUTION CENTER
02 JUL 22 AM 9:29

Ms. Blanca Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

020775-WS

Re: Joint Petition for Acknowledgement of Corporate Reorganization and Joint Application for the Approval of a Name Change by Southlake Utilities, Inc. and Southlake Water Works, L.L.C.

Dear Ms. Bayo:

Enclosed for filing please find an original and seven (7) copies of Joint Petition for Acknowledgement of Corporate Reorganization and Joint Application for the Approval of a Name Change by Southlake Utilities, Inc. ("Southlake"), and Southlake Water Works, L.L.C. ("Water Works"), ("Petition"). Also enclosed are the original Certificate of Public Convenience and Authority Nos. 533-W and 464-S issued to Southlake by the Florida Public Service Commission ("Commission"), together with an original and two copies of Tariff Sheets reflecting the change in the name of utility service provider from Southlake Utilities, Inc., to Southlake Water Works, L.L.C. The Tariff Sheets include the proposed revisions set forth in my July 2 and 11, 2002, letters to Mr. Tim Delvin, a revision to correct the address and telephone information on Sheets No. 1.0, and revisions to reflect the corrections in Troy Rendell's July 18, 2002, facsimile to me. A disk containing a copy of the Petition and the tariffs is enclosed.

Please file the enclosed originals and distribute the copies in accordance with your usual procedures. After the Commission has granted the Petition, please send me the amended certificates and a set of the approved tariff sheets which include the approval stamp on the reverse side. After the name change has been approved, Water Works will revise the Customer's Bill to utilize the name of

DOCUMENT NUMBER-DATE

07583 JUL 22 8

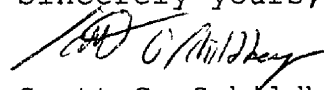
FPSC-COMMISSION CLERK

Ms. Blanca Bayo, Director
July 19, 2002
Page 2

Water Works and submit replacement pages for the tariff sheets containing the copy of his Customer's Bill.

If you have any questions or comments regarding this matter, please do not hesitate to call me. Thank you for your assistance in this matter.

Sincerely yours,



Scott G. Schildberg

SGS:arh
Enclosures

Cc: William J. Deas
Randall Corbin
Rosanne Gervasi

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint Petition for)
Acknowledgment of Corporate)
Reorganization and Joint)
Application for the Approval)
of a Name Change)

DOCKET NO.: _____

DATE SUBMITTED FOR FILING:
July 19, 2002

SOUTHLAKE UTILITIES, INC.
APPLICANT

16554 Crossings Boulevard, Suite 2
Clermont, Florida 34711

SOUTHLAKE WATER WORKS, L.L.C.
APPLICANT

16554 Crossings Boulevard, Suite 2
Clermont, Florida 34711

PERSONS TO CONTACT

James L. Ade/Scott G. Schildberg
Ade & Schildberg, P.A.
One Independent Drive, Suite 2000
Jacksonville, Florida 32202
(904) 358-8818

DOCUMENT NUMBER-DATE
07583 JUL 22 08
FPSC-COMMISSION CI FRK

JOINT PETITION FOR ACKNOWLEDGMENT OF CORPORATE REORGANIZATION AND
JOINT APPLICATION FOR THE APPROVAL OF A NAME CHANGE

Southlake Utilities, Inc. (hereinafter sometimes referred to as "Southlake"), a Florida corporation, and Southlake Water Works, L.L.C. (hereinafter sometimes referred to as "Water Works"), a Delaware limited liability company, (Southlake and Water Works are hereinafter sometimes collectively referred to as "Applicants"), hereby jointly petition the Florida Public Service Commission (hereinafter sometimes referred to as the "Commission") for acknowledgment of a corporate reorganization and hereby jointly make application to the Commission for the approval of a name change.

General Information

1. The full name and address of Southlake are as follows:

Southlake Utilities, Inc.
16554 Crossings Boulevard, Suite 2
Clermont, FL 34711

Southlake is a Florida corporation established on August 27, 1990. Southlake provides water and wastewater utility service in Lake County, Florida pursuant to Water Certificate No. 533-W and Wastewater Certificate No. 464-S through its water and wastewater utility systems (hereinafter referred to as the "Utility").

2. The full name and address of Water Works are as follows:

Southlake Water Works, L.L.C.
16554 Crossings Boulevard, Suite 2
Clermont, FL 34711

Water Works is a Delaware limited liability company organized on May 7, 2002. Water Works does not own any other water or wastewater utilities.

3. The full name, address, and telephone number of the individuals to contact concerning this petition are as follows:

James L. Ade/Scott G. Schildberg
Ade & Schildberg, P.A.
One Independent Drive, Suite 2000
Jacksonville, FL 32202
(904) 358-8818

4. In Order No. PSC-01-1671-FOF-WS, the Commission approved the transfer of majority organizational control of Southlake to Southlake Utilities Holding, L.L.C. (hereinafter sometimes referred to as "Holding"). The sole member of Holding was Cagan Crossing, Ltd. (hereinafter sometimes referred to as "Ltd").

5. On March 1, 2002, Holding closed the purchase whereby it acquired majority organizational control of Southlake pursuant to the above referenced Commission Order. Charts showing the ownership organization before and after the acquisition are attached as Exhibits 1 and 2, respectively.

6. Southlake and Water Works intend to transfer the facilities of Southlake and certificates of authorization granted to Southlake by the Commission from Southlake to Water Works.

Information Regarding Reorganization

7. Water and wastewater utility companies are generally required to notify the Commission of reorganizations even when the reorganization does not constitute a transfer. Order No. 24398, Order Acknowledging Corporate Reorganization and Name Change, In

re: Petition for Acknowledgment of Corporate Reorganization and Name Change on Certificates Nos. 502-W and 436-S in Nassau County from Sunray Utilities, Inc., to Sunray Utilities - Nassau, Inc.,
Docket No. 910166-WS, issued on April 22, 1991, 1991 FPSC Reporter 4:290. Accordingly, Southlake and Water Works are filing a Joint Petition for Acknowledgment of Corporate Reorganization (hereinafter sometimes referred to as the "Petition").

8. Subsequent to March 1, 2002, and prior to the date of this Petition, Southlake and its owners completed the initial phase (hereinafter sometimes referred to as "Phase One") of a two-phase plan of reorganization of the ownership structure of Southlake. There was no change in the majority organizational control of Southlake because the ultimate majority owner never changed during Phase One.

9. Southlake, Inc., originally owned sixty percent (60%) of Southlake. In step 1 of Phase One, the stock in both Southlake and Southlake, Inc., which had been acquired by Holding on March 1, 2002, was distributed by Holding to Ltd., which was the sole member of Holding. As a result of such initial distribution, one intermediate entity in the organizational structure (i.e., Holding) was deleted. See attached Exhibit 3.

10. In step 2 of Phase One, the stock in Southlake and Southlake, Inc., recently acquired and then held by Ltd., was then distributed to its partners who participated in the Southlake investment. As a result of such distribution, a second

intermediate entity in the organizational structure (i.e., Ltd.) was deleted. See attached Exhibit 4.

11. In step 3 of Phase One, Southlake, Inc., was merged vertically into Southlake with Southlake being the surviving corporation. As a result of such merger, a third intermediate entity in the organizational structure (i.e., Southlake, Inc.) was deleted, even further simplifying the ownership and completing the portion of the reorganization for 2002. See attached Exhibits 5 and 6.

12. In phase two of the reorganization (hereinafter sometimes referred to as "Phase Two"), which is scheduled to be completed early in 2003, a limited liability company (i.e., Water Works) was formed as a one hundred percent (100%) wholly-owned subsidiary of Southlake (Step 4); and (ii) assets of Southlake, including its rights under the Certificates of Authorization, will be transferred to Water Works (Step 5). See Exhibits 7 and 8.

Analysis of Reorganization

13. Phase One. The reorganization accompanied by Phase One did not affect the ultimate ownership or control of the Utility. Such ownership and control remained with Richard Driehaus and Jeffrey Cagan, who are, far and away, the greater majority owners. All assets remained with Southlake. The principal officers, the office, and the operations personnel did not change because of Phase One. All that occurred was that three former intermediate shareholders of Southlake (which were not individuals) were deleted from Southlake's organizational structure and Southlake's

organizational structure, as a result, was greatly simplified. The Commission's well-settled practice is that such reorganization understandably enough does not reach the level of a transfer under Section 367.071, Florida Statutes. See Order No. PSC-00-0602-FOF-WS, Order Acknowledging Corporate Reorganization and Closing Docket by the Commission, In re: Request for acknowledgment of corporate reorganization of MHC Systems, Inc. d/b/a FFEC-Six, holder of Certificate Nos. 353-W and 309-S in Lee County, into a wholly-owned subsidiary of LP Management Corp., a Delaware corporation, Docket No. 000142-WS, issued on March 28, 2000, 2000 FPSC Reporter 3:592; Order No. 22740, Order Acknowledging Corporate Reorganization, In re: Request for acknowledgment of corporate reorganization in Martin County by Martin Downs Utilities, Inc., Docket No. 9000047-WS, issued on March 27, 1990, 1990 FPSC Reporter 3:369; Order No. PSC-93-0500-FOF-WS, Order Acknowledging Corporate Reorganization, In re: Petition for Acknowledgment of corporate reorganization by merger, cancellation of Certificates Nos. 9-W and 7-S in Lee County issued to Lehigh Utilities, Inc. and Amendment of Certificates Nos. 306-W and 255-S in Lee/Charlotte Counties by Southern States Utilities, Inc., Docket No. 930086-WS, issued on April 5, 1993, 1993 FPSC Reporter 4:53; Order No. PSC-94-0230-FOF-SU, Order Acknowledging Corporate Reorganization, In re: Request for Acknowledgment of Corporate Reorganization of Fountain Lakes Sewer Corporation in Lee County, Docket No. 931223-SU, issued on March 2, 1994, 1994 FPSC Reporter 3:15; Order No. 24398, Order Acknowledging Corporate Reorganization and Name Change, In re: Petition for

Acknowledgment of Corporate Reorganization and Name Change on Certificates Nos. 502-W and 436-S in Nassau County from Sunray Utilities, Inc., to Sunray Utilities - Nassau, Inc., Docket No. 910166-WS, issued on April 22, 1991, 1991 FPSC Reporter 4:290.

14. Phase Two. The reorganization scheduled for completion in the year 2003, through the utilization of the wholly owned subsidiary (i.e., Water Works), including the transfer of assets of Southlake, including facilities and certificates, from Southlake to that subsidiary, likewise does not require Commission approval as a transfer. The reorganization through the use of the subsidiary will not affect the ultimate ownership or control of the Utility which will remain with Richard Driehaus and Jeffrey Cagan, its greater majority owners. The principal officers, the office, and the operations personnel will not change because of the use of the subsidiary. All that will occur is that a subsidiary will be inserted into the organizational structure of Southlake and operate the Utility in its name. The Commission's practice is that such a reorganization does not reach the level of transfer under Section 367.071, Florida Statutes. See Order No. PSC-95-0578-FOF-WU, Order Acknowledging Corporate Reorganization, In Re: Petition for acknowledgment of corporate reorganization by The Peoples Water Service Company in Escambia County, Docket No. 950319, issued on May 9, 1995, 1995 FPSC Reporter 5:234; Order No. 24240, Order Acknowledging Restructuring and Changing Name on Certificates, In re: Request for Acknowledgment of Restructuring and Name Change on Certificates Nos. 353-W and 309-S in Lee County from FFEC-SIX, INC.

to FFEC-SIX, LTD., Docket No. 910180-WS, issued on March 14, 1991, 1991 FPSC Reporter 3:397; Order No. PSC-01-1499-FOF-WS, Order Acknowledging Corporate Reorganization, Approving Change in Name of the Utility, and Closing Docket, In Re: Application for acknowledgment of corporate reorganization and name change on Certificate Nos. 417-S and 481-W in Broward County from MHC-DeAnza Financing Limited Partnership d/b/a Colonies Water Company, to CM Utility Systems, L.L.C. d/b/a Colonies Water Company, Docket No. 010670-WS, issued on July 18, 2001, 2001 FPSC Reporter 7:189. In all of these cases, one or more wholly owned subsidiaries were inserted into the organizational structure of a utility below the company previously holding the Certificates of Authorization. In all of these cases, the Commission consistently did not require an application for approval of transfer. The Commission stated in two of these cases that the reorganization did not rise to the level of a transfer under Section 367.071, Florida Statutes.

Additional Information Needed for Application for
a Name Change

15. As part of the reorganization, the Utility will be operated by Water Works in the name of Water Works, and, accordingly, a name change is required.

16. Water Works was organized on May 7, 2002, and a copy of its Certificate of Formation is attached as Schedule A. The effective date for the Utility to use Water Works as its name will not occur until after Phase II is completed in 2003. As set forth above, the ownership and control of the Utility and its assets will

remain with Richard Driehaus and Jeffrey Cagan under the proposed name.

17. A proposed notice to be sent to the customers of the Utility is attached as Schedule B.

18. An original and two copies of the tariff reflecting the name change have been submitted with this application.

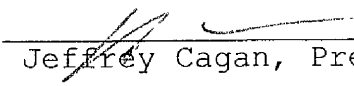
19. Southlake's original certificates were submitted with the application. A copy of the certificates are attached as Schedule C.

Request for Relief

20. Applicants, believing that neither Phase One nor Phase Two constitute an effective change of either ownership or control of Southlake so as to require Commission approval under Section 367.071, Florida Statutes, hereby request that the Commission acknowledge the corporate reorganization of the ownership of Southlake as set forth in paragraphs 8, 9, 10, 11, and 12 of the Application (i.e., Phase One and Phase Two) and that no further action on the part of Southlake or Water Works is required before the Commission regarding such reorganization.

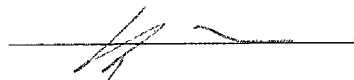
21. Southlake and Water Works further request that the Commission approve the proposed name change. Applicants have provided the information required by Section 367.01214, Florida Statutes (2002), and Rule 20-30.039, Florida Administrative Code, in this Application and its Attachments, Exhibits and Schedules.

I, Jeffrey Cagan, in my capacity as President of Southlake Utilities, Inc., do solemnly swear or affirm that the facts stated in the foregoing application and all Attachments, Schedules, and Exhibits attached thereto are true and correct and that said statements of fact constitute a complete statement of the matter to which they relate.



Jeffrey Cagan, President

I, Jeffrey Cagan, in my capacity as President of Southlake Utilities, Inc., the sole member of Southlake Water Works, L.L.C., do solemnly swear or affirm that the facts stated in the foregoing application and all Attachments, Schedules, and Exhibits attached thereto are true and correct and that said statements of fact constitute a complete statement of the matter to which they relate.



Jeffrey Cagan, President

STATE OF Florida)
COUNTY OF Lake)

The foregoing instrument was acknowledged before me this 17th day of July, 2002, by Jeffrey Cagan, as President of Southlake Utilities, Inc., on behalf of the corporation. He is personally known to me and did not take an oath.



Nancy A. McDonald
MY COMMISSION # DD084674 EXPIRES
January 28, 2006
BONDED THRU TROY FAIN INSURANCE, INC.

Nancy A. McDonald
NOTARY PUBLIC, State of
Florida
Printed Nancy A. McDonald

My Commission Expires: 1-28-06

STATE OF Florida)
COUNTY OF Lake)

The foregoing instrument was acknowledged before me this 17th day of July, 2002, by Jeffrey Cagan, in his capacity as President of Southlake Utilities, Inc., the sole member of Southlake Water Works, L.L.C., on behalf of the Company. He is personally known to me and did not take an oath.

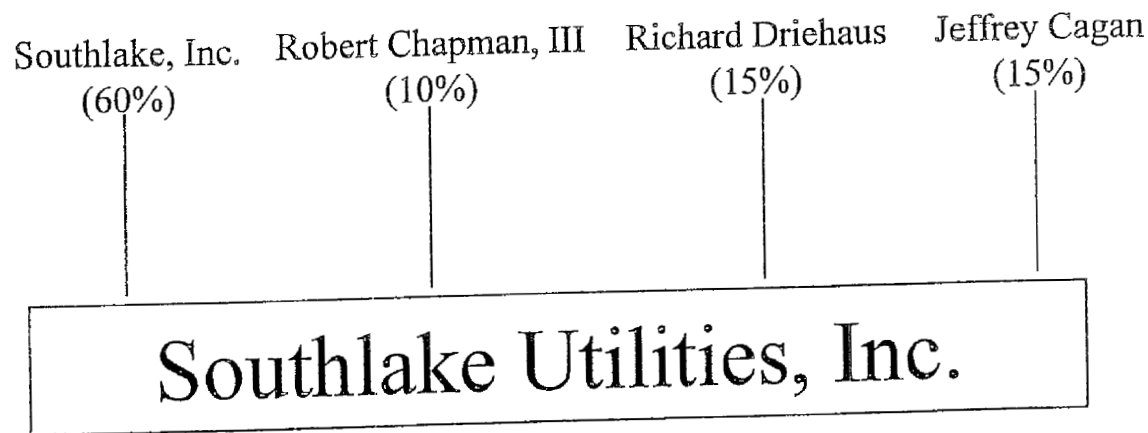


Nancy A. McDonald
MY COMMISSION # DD084674 EXPIRES
January 28, 2006
BONDED THRU TROY FAIN INSURANCE, INC.

Nancy A. McDonald
NOTARY PUBLIC, State of
Florida
Printed Nancy A. McDonald

My Commission Expires: 1-28-06

Organizational Chart
Prior to Acquisition of Majority
Organizational Control In Accordance with
Order No. PSC-01-1671-FOF-WS
Exhibit 1



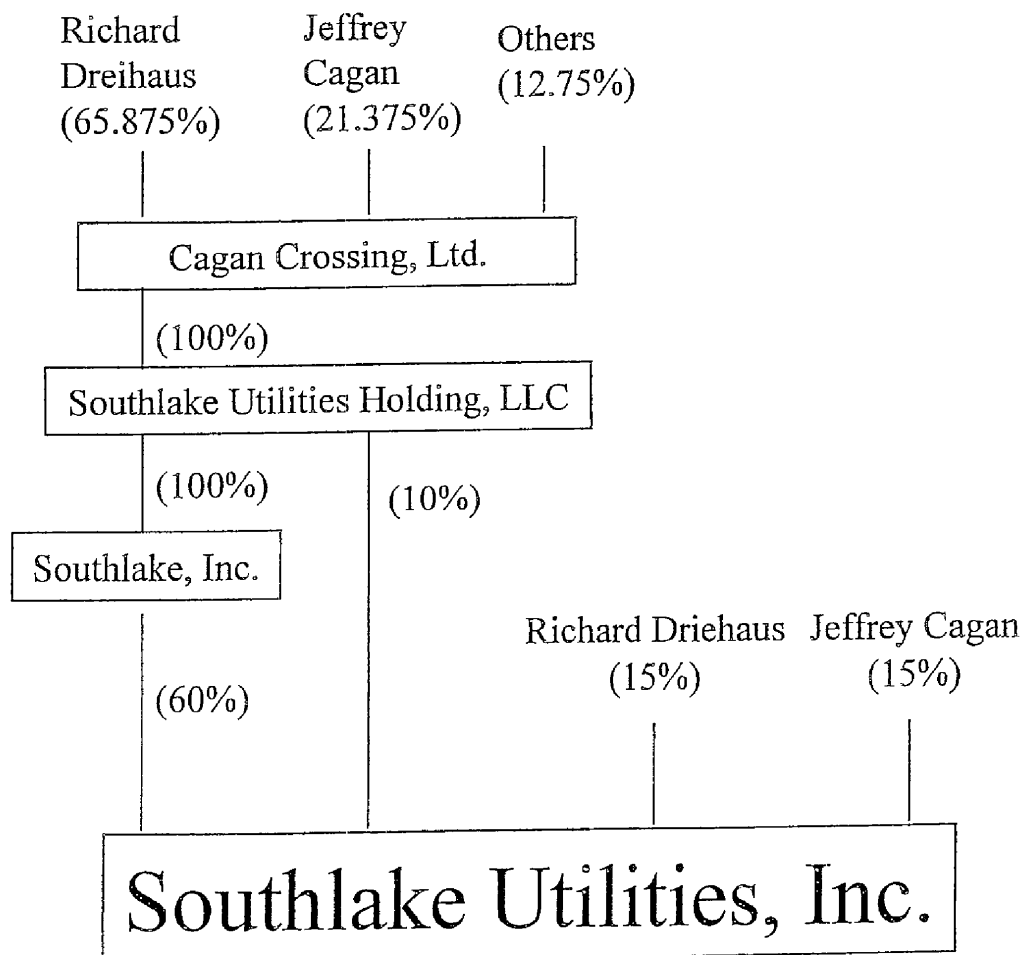
Organizational Chart

Following Acquisition of Majority Organizational Control

In Accordance with

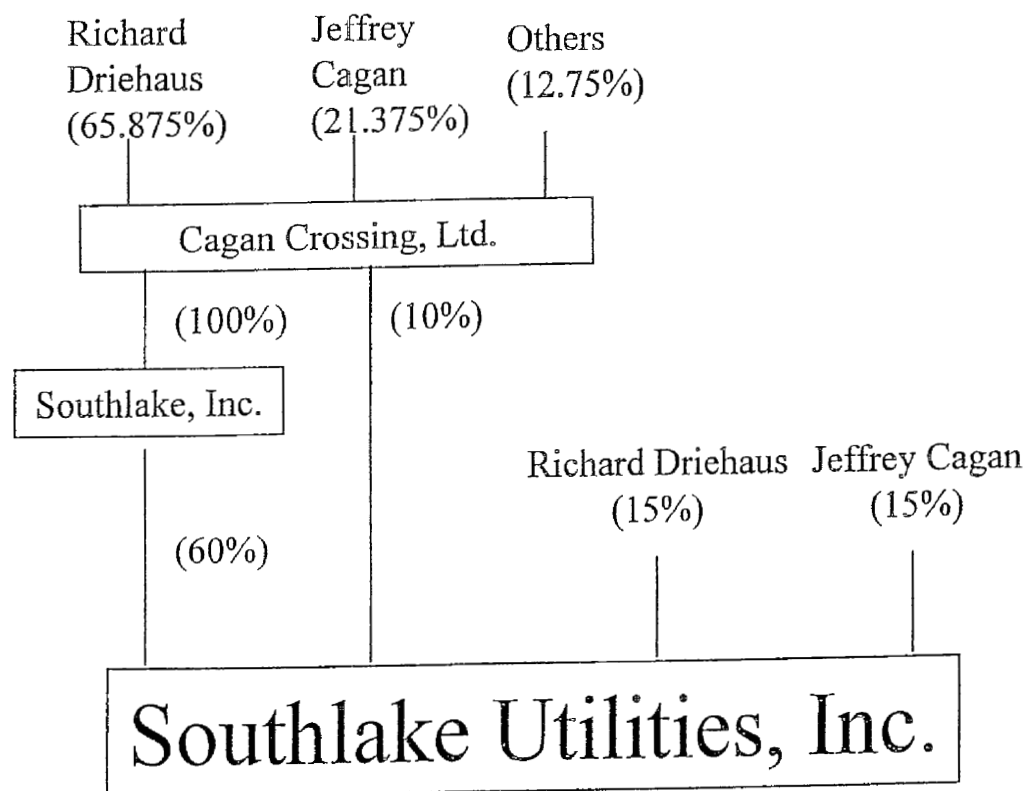
Order No. PSC-01-1671-FOF-WS

Exhibit 2

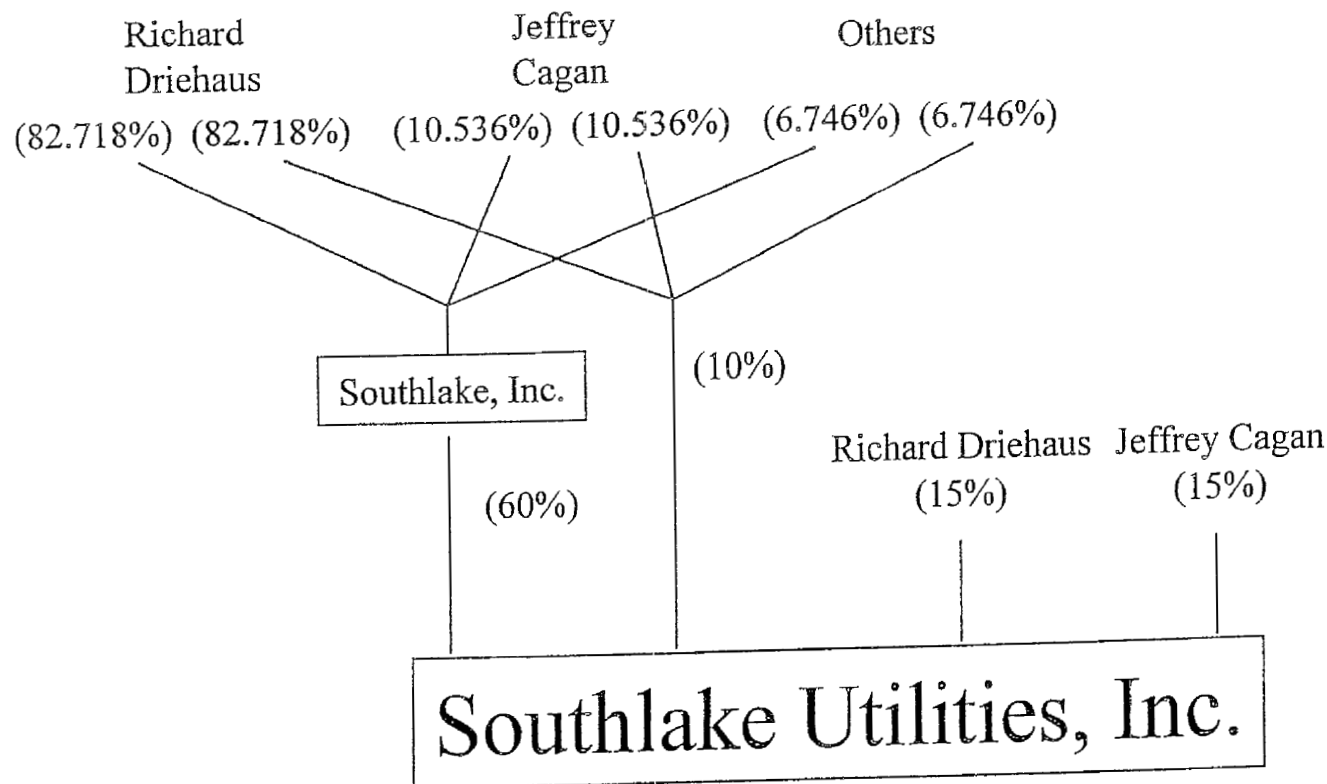


Reorganization – Phase One – Step One
Following Distribution of Stock to Cagan
Crossing, Ltd., and Deletion of a Parent
Company (Southlake Utilities Holding, LLC)

Exhibit 3

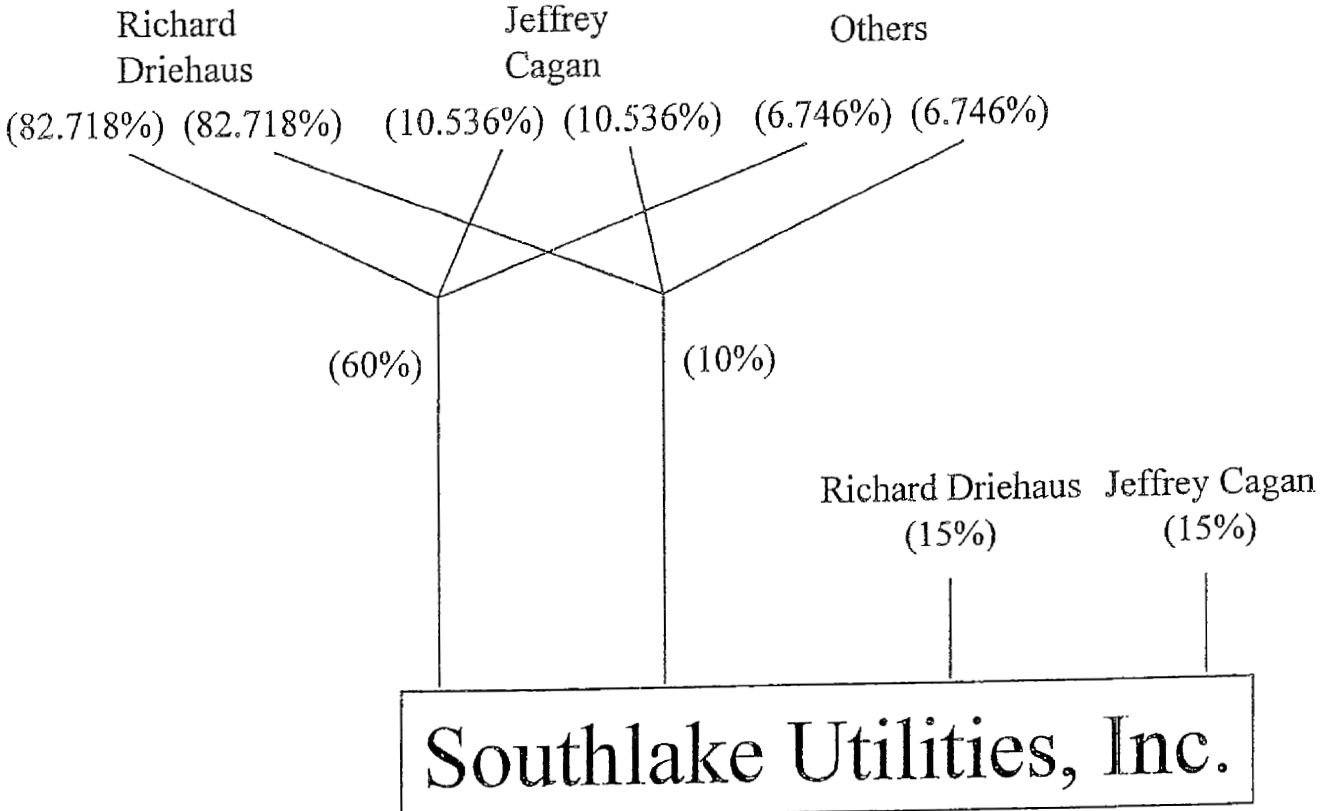


Reorganization – Phase One – Step Two Following Distribution of Stock to Partners of Cagan Crossing, Ltd., and Deletion of a Parent Company (Cagan Crossing, Ltd.) Exhibit 4

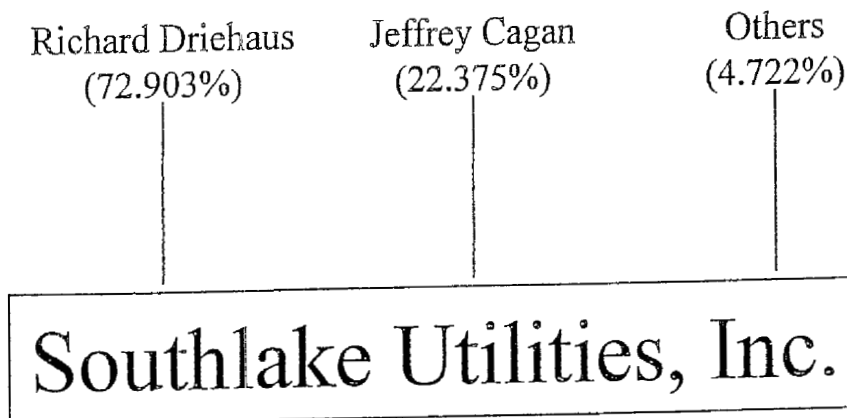


Reorganization – Phase One – Step Three A
Following Merger of Southlake, Inc., into
Southlake Utilities, Inc., and Deletion of a
Parent Company (Southlake, Inc.)

Exhibit 5

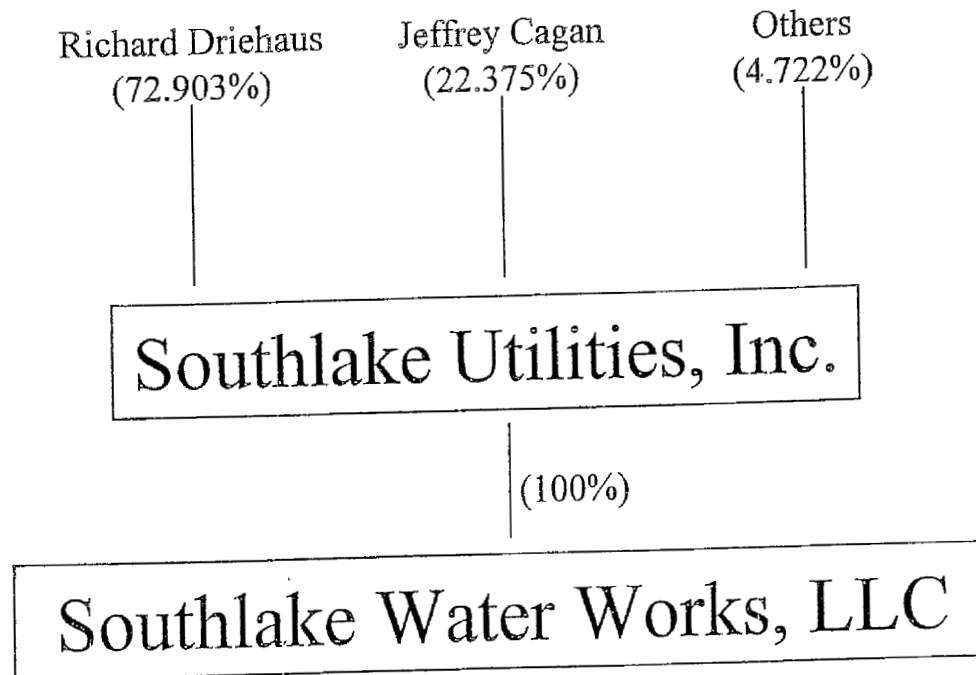


Reorganization – Phase One – Step Three B
Summary of Ownership Interests after
Step Three A
Exhibit 6

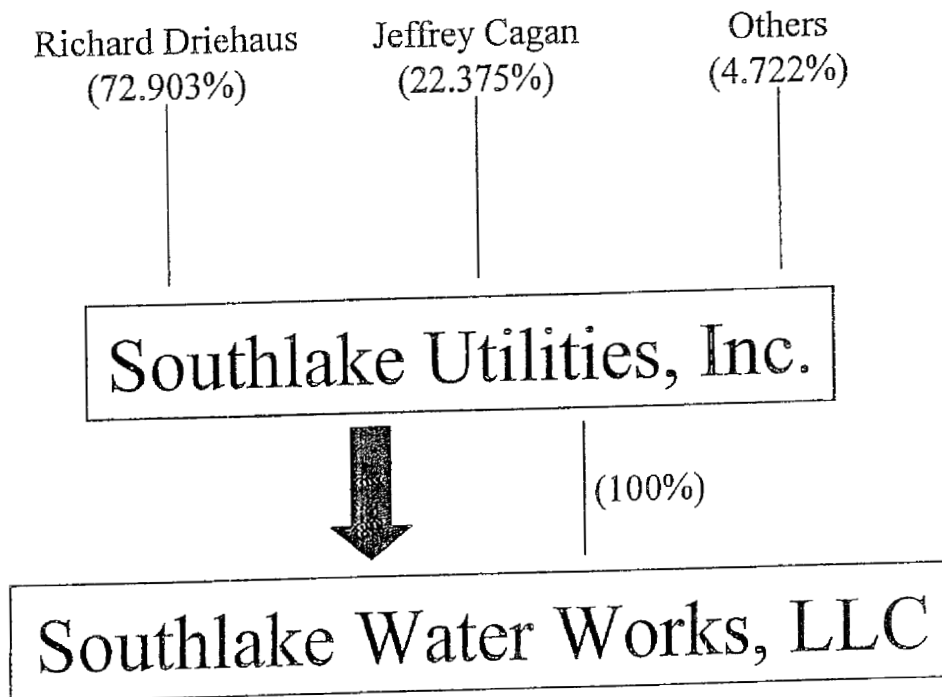


Reorganization – Phase Two – Step Four
Establishment of an LLC as a Subsidiary of
Southlake Utilities, Inc.

Exhibit 7



Reorganization – Phase Two – Step Five
Transfer of Assets of Southlake Utilities, Inc.,
to Southlake Water Works, LLC
Exhibit 8

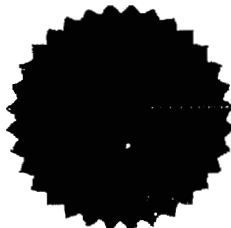


Delaware

PAGE 1

The First State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF FORMATION OF "SOUTHLAKE WATER WORKS, L.L.C.", FILED IN THIS OFFICE ON THE SEVENTH DAY OF MAY, A.D. 2002, AT 10:30 O'CLOCK A.M.



Harriet Smith Windsor

Harriet Smith Windsor, Secretary of State

3522443 8100

020289834

AUTHENTICATION: 1763238

DATE: 05-07-02

Schedule A

**CERTIFICATE OF FORMATION
OF
SOUTHLAKE WATER WORKS, L.L.C.**


This Certificate of Formation of Southlake Water Works, L.L.C. (the "Company") is being executed by the undersigned for the purpose of forming a limited liability company pursuant to the Delaware Limited Liability Company Act.

1. The name of the Company is:

Southlake Water Works, L.L.C.

2. The address of the registered office of the Company in the State of Delaware is Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801 (County of New Castle). The Company's registered agent at that address is The Corporation Trust Company.

IN WITNESS WHEREOF, the undersigned, an authorized person of the Company, has caused this Certificate of Formation to be duly executed this 6th day of May, 2002.



Ben VanHalen
Authorized Person

3465060

Schedule A

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 10:30 AM 05/07/2002
020289634 - 3522443

TOTAL P.82

Notice to Customers of Southlake Utilities, Inc.,
of Approval by the Florida Public Service Commission
of Name Change

Docket No. _____ -WS

Dated: _____, 2003

Dear Customer:

On July _____, 2002, Southlake Utilities, Inc. ("Southlake"), and Southlake Waterworks, L.L.C. ("Water Works"), filed an Application with the Florida Public Service Commission ("Commission") for acknowledgment of corporate reorganization and an application for the approval of a name change. Southlake undertook a two phase reorganization of its organizational structure which added Water Works as a wholly-owned subsidiary of Southlake and eliminated several intermediate companies from the organizational structure. As a part of this implementation of the corporate reorganization, the customers will now be served directly by Water Works. There is no change to the ultimate ownership or control of the utility or any change in the principal officers, the address, or the operation personnel. The Commission approved the corporate reorganization and the name change for the utility service provider in Order No. _____.

Schedule B

FLORIDA PUBLIC SERVICE COMMISSION

Certificate Number

533 - W

Upon consideration of the record it is hereby ORDERED that authority be and is hereby granted to:

SOUTHLAKE UTILITIES, INC.

Whose principal address is:

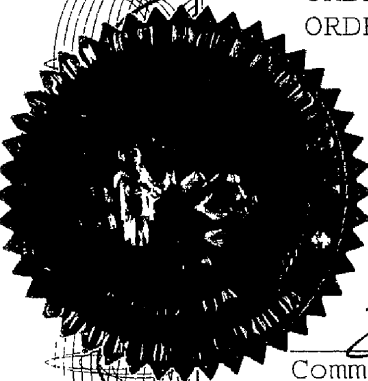
800 U.S. Highway 27
Clermont, FL 34711 (Lake County)

to provide water service in accordance with the provision of Chapter 367, Florida Statutes, the Rules, Regulations and Orders of this Commission in the territory described by the Orders of this Commission.

This Certificate shall remain in force and effect until suspended, cancelled or revoked by Orders of this Commission.

ORDER	23947	DOCKET	900738-WS
ORDER	PSC-93-0941-FOF-WS	DOCKET	921050-WS
ORDER	PSC-94-1508-FOF-WS	DOCKET	940303-WS
ORDER	PSC-96-0066-FOF-WS	DOCKET	940303-WS
ORDER	PSC-96-0329-FOF-WS	DOCKET	940303-WS
ORDER	PSC-96-0897-FOF-WS	DOCKET	960400-WS
ORDER	PSC-97-0053-FOF-WS	DOCKET	961246-WS
ORDER	PSC-01-1671-FOF-WS	DOCKET	010507-WS
ORDER		DOCKET	
ORDER		DOCKET	

BY ORDER OF THE
FLORIDA PUBLIC SERVICE COMMISSION



Laura L. Davis
Commission Clerk and Administrative Services Director

FLORIDA PUBLIC SERVICE COMMISSION

Certificate Number

464 - S

Upon consideration of the record it is hereby ORDERED that authority be and is hereby granted to:

SOUTHLAKE UTILITIES, INC.

Whose principal address is:

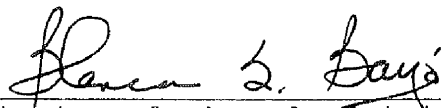
800 U.S. Highway 27
Clermont, FL 34711 (Lake County)

to provide wastewater service in accordance with the provision of Chapter 367, Florida Statutes, the Rules, Regulations and Orders of this Commission in the territory described by the Orders of this Commission.

This Certificate shall remain in force and effect until suspended, cancelled or revoked by Orders of this Commission.

ORDER	23947	DOCKET	900738-WS
ORDER	PSC-93-0941-FOF-WS	DOCKET	921050-WS
ORDER	PSC-94-1508-FOF-WS	DOCKET	940303-WS
ORDER	PSC-96-0066-FOF-WS	DOCKET	940303-WS
ORDER	PSC-96-0329-FOF-WS	DOCKET	940303-WS
ORDER	PSC-96-0897-FOF-WS	DOCKET	960400-WS
ORDER	PSC-97-0053-FOF-WS	DOCKET	961246-WS
ORDER	PSC-01-1671-FOF-WS	DOCKET	010507-WS
ORDER		DOCKET	
ORDER		DOCKET	

BY ORDER OF THE
FLORIDA PUBLIC SERVICE COMMISSION



Commission Clerk and Administrative Services Director

