

State of Florida



ORIGINAL

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

RECEIVED-FPSC

AUG 4 PM 12:29

-M-E-M-O-R-A-N-D-U-M-

COMMISSION
CLERK

DATE: August 4, 2004

TO: Director, Division of the Commission Clerk and Administrative Services

FROM: Division of Economic Regulation (Clapp) *Clapp*

RE: Docket No. 020945-SU – Application for transfer of Certificate No. 473-S in Highlands County from Creola, Inc. to Francis I Utility, L.L.C.

Please add the attached deficiency response letter from Mr. George C. MacFarlane to the docket file.

Please note that the original and one copy of the letter are attached.

Thank you.

cc: Office of the General Counsel (Vining)
Division of Economic Regulation (Rieger)

- CMP _____
- COM _____
- CTR _____
- ECR _____
- GCL _____
- OPC _____
- MMS _____
- RCA _____
- SCR _____
- SEC 1
- OTH _____

DOCUMENT NUMBER-DATE
08460 AUG-4 3
FPSC-COMMISSION CLERK

Regulatory Consultants, Inc.

405 Interstate Boulevard; #A Sarasota, Florida 34240
Telephone (941) 371-8499 Fax (941) 379-2828
RegCon401@aol.com

July 26, 2004

Patti Daniel, Supervisor of Certification
Division of Commission Clerk and Administrative Services
Florida Public Service Commission
Capital Circle Office Center
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Docket No. 020945-SU – Application for Transfer of Certificates No. 473-S in Highlands County from Creola, Inc. to Francis I Utility, L.L.C.

Dear Ms. Daniel:

Please find enclosed an original and four copies of the response to the information you requested in your letter to Mr. William R. Korp, dated January 22, 2004. The responses are in the same order as set forth in your request. I apologize for the delay in the responses and I am hopeful that the application can be processed and completed. If you have any questions regarding these responses, please don't hesitate to call.

Sincerely,



George C. MacFarlane

GCM/ssm

cc: Mr. William Korp
Attorney at Law
Abel Band Attorneys and Counselors at Law
P.O. Box 49948
Sarasota, Florida 34230

RECEIVED
FLORIDA PUBLIC SERVICE
COMMISSION
04 JUL 28 AM 9:56
DIVISION OF
ECONOMIC REGULATION

DOCUMENT NUMBER-DATE

08460 AUG-4 04

FPSC-COMMISSION CLERK

**APPLICATION FOR TRANSFER OF WASTEWATER CERTIFICATE NO. 473-S
TO FRANCIS I UTILITY, L.L.C. (THE SUBSTITUTE PARTY FOR FRANCIS I
AMENITIES CORPORATION, INC. TRUST AFTER THE TRUST ASSIGNED ALL OF
ITS RIGHTS AND INTERESTS IN THE PURCHASE CONTRACT TO THE L.L.C.)**

RESPONSE TO DEFICIENCY NO. 1 OF FPSC LETTER DATED JANUARY 22, 2004

COPY OF CONTRACT FOR SALE

The original Purchase and Sale Agreement was included as Exhibit B in the Transfer Application that was submitted to the Florida Public Service Commission in August, 2002. Initially the utility assets were to be transferred to the Francis I Amenities Corporation, Inc. Trust (Trust). However, as a response to certain transfer issues initially raised by the Florida Public Service Commission Staff regarding the Trust, the Trust subsequently assigned all of its contractual rights and interests in the Purchase and Sale Agreement to Francis I Utility, L.L.C. (Utility). Therefore, the Utility is now standing in the shoes of the Trust in regards to the original Purchase and Sale Agreement and the related 99-Year Lease Agreement For Wastewater Treatment Facilities which was included as Exhibit M in the Transfer Application file in August, 2002. All the necessary documentation has been drafted and fully executed in order to assign all the contractual rights, obligations and property interests from the Trust to the Utility. Therefore, all the utility assets ultimately will be transferred to the Utility and held by the Utility instead of the Trust. The Applicant is requesting that the FPSC treat the Utility as a substitute party for the Trust in the original Application for Transfer that was filed in August 2002.

Note: As was stated in the August 2002 Application, since there are no customer deposits, guaranteed revenue contracts, developer agreements or customer advances associated with the Utility's operations, the original Contract for Sale did not specifically address the disposition of them.

**APPLICATION FOR TRANSFER OF WASTEWATER CERTIFICATE NO. 473-S
TO FRANCIS I UTILITY, L.L.C. (THE SUBSTITUTE PARTY FOR FRANCIS I
AMENITIES CORPORATION, INC. TRUST AFTER THE TRUST ASSIGNED ALL OF
ITS RIGHTS AND INTERESTS IN THE PURCHASE CONTRACT TO THE L.L.C.)**

RESPONSE TO DEFICIENCY NO. 2 OF FPSC LETTER DATED JANUARY 22, 2004

STATEMENT DESCRIBING THE FINANCING OF THE PURCHASE

Creola, Inc.'s utility assets, personal property and other rights are being purchased in conjunction with the 263 rental R.V. and mobile home lots, certain common amenities and approximately 13 acres of vacant land, along with other smaller parcels of vacant land. The capital is being provided by the 161 individual stockholders who contributed \$1,175,136 (27.8%) towards the total purchase price of \$4,229,026, including closing costs and prorations of \$179,026, with the remaining capital being provided in the form of a \$3,000,000 Purchase Money Mortgage due to Creola, Inc. (the Seller). The contract calls for an allocation of the purchase price of \$325,000 for the wastewater system and \$3,725,000 for all the other properties purchased. However, the proposed rate base at the time of transfer is \$70,083. Given the sizable difference in the rate base and the proposed purchase price, the Utility should be capitalized using mostly equity due to the fact the Utility's proposed rate base at the time of transfer is only \$70,083.. As a final note, the \$3,000,000 Purchase Money Mortgage due to Creola, Inc. (the Seller) was subsequently refinanced last year with Republic Bank.

**APPLICATION FOR TRANSFER OF WASTEWATER CERTIFICATE NO. 473-S
TO FRANCIS I UTILITY, L.L.C. (THE SUBSTITUTE PARTY FOR FRANCIS I
AMENITIES CORPORATION, INC. TRUST AFTER THE TRUST ASSIGNED ALL OF
ITS RIGHTS AND INTERESTS IN THE PURCHASE CONTRACT TO THE L.L.C.)**

RESPONSE TO DEFICIENCY NO. 3 OF FPSC LETTER DATED JANUARY 22, 2004

STATEMENT INDICATING TRANSFER IS IN THE PUBLIC INTEREST

The Utility is a Class C Wastewater Utility in Sebring serving Francis Mobile Estates I and II, a mobile home community of approximately 684 residential customers, and 8 commercial customers which include a motel, four restaurants, two apartment buildings and a travel trailer park. Creola, Inc. (the former owner) sold all of the assets it owned in Sebring, Florida to a group of the mobile home park residents. At closing, three separate entities were formed to hold title to certain of the assets purchased from Creola, Inc. There are 34 rental R.V. lots and 229 rental mobile home lots within Francis Mobile Estates I. The rental lots and certain other vacant lands, excluding the utility plant site, were purchased by the Francis I Mobile Homeowners Assn., Inc., a Florida not-for-profit Corporation (Homeowners Assn.). The leased lots described above, and certain other lots which are owned by individual residents, have access to some shared common amenities. The shared common amenities, including real estate, were purchased by the Francis I Amenities Corporation, Inc., a Florida not-for-profit Corporation (Amenities). Finally, the wastewater system, including the wastewater treatment plant, the treatment plant site, the collection and pumping system and all the appurtenances, were to be purchased by the Francis I Amenities Corporation, Inc. Trust (Trust). However, as a response to certain transfer issues initially raised by the Florida Public Service Commission Staff regarding the transfer of a certificate to a Trust, the Applicant formed the Francis I Utility, L.L.C. (Utility) to acquire all title and interest to the Utility assets. There are 161 shareholders of Amenities who own 162 lots in Francis Mobile Estates I and have a direct personal and financial interest in both the Amenities and the Utility. The 161 owners who have a vested interest in both the Amenities and the Utility amount to approximately 24% of the total residential lots served by the wastewater system. The owners purchased the leased lots, the amenities and the wastewater system that serves all the residences of the two mobile home communities. Amenities has a substantial investment in the Francis I Mobile Home Park. Therefore, the owners through both the Amenities and the Utility are committed to provide the same quality of service to the customers of the wastewater systems as the former owner provided during its years of ownership. It is in the best interest of the owners, as both the owner of the Amenities and the owner of the Utility, to have the Utility continue to provide good quality service to both their residential lots as well as to all the other customers of the utility system. In addition, the Utility will continue to treat and dispose of the wastewater generated by the customers of the utility system in accordance with its current Florida Department of Environmental Protection operating permit. The Utility will own all of the wastewater collection lines, lift stations, the wastewater treatment plant site and the wastewater treatment plant along with all the appropriate easements which are necessary to continue to provide service to the customers of the Utility. The Amenities, through its operating agreement with the Utility, will continue to employ the personnel who are familiar with the administrative and regulatory affairs for the Utility as well as those that provided the maintenance of the wastewater facilities. Therefore, it is the opinion of the Applicant that given the substantial economic interest of the owners in both the Park and the utility assets owned by the Utility but operated by Amenities and, given the willingness of the owners to continue to provide the utility with the needed experienced regulatory and operational staff, one should conclude that a transfer of the wastewater certificate is in the public interest.

**APPLICATION FOR TRANSFER OF WASTEWATER CERTIFICATE NO. 473-S
TO FRANCIS I UTILITY, L.L.C. (THE SUBSTITUTE PARTY FOR FRANCIS I
AMENITIES CORPORATION, INC. TRUST AFTER THE TRUST ASSIGNED ALL OF
ITS RIGHTS AND INTERESTS IN THE PURCHASE CONTRACT TO THE L.L.C.)**

RESPONSE TO DEFICIENCY NO. 4 OF FPSC LETTER DATED JANUARY 22, 2004

STATEMENT OF CONDITION AND COMPLIANCE

Mr. Richard Beeler, as President of Francis I Amenities Corporation, Inc., a Florida not-for-profit Corporation, and as Trustee of the Francis I Amenities Corporation, Inc. Trust, stated in the exhibit I of the original Application for Transfer that the utility assets that were being acquired appeared to be in satisfactory condition and, to the best of his knowledge, the utility was in compliance with all applicable standards established by the Florida Department of Environmental Protection (DEP). Subsequently, pursuant to the Lease and the Operating Agreements, the utility assets have been operated by the Francis I Amenities Corporation, Inc. and the utility continues to remain in compliance with all the applicable standards of the DEP.

**APPLICATION FOR TRANSFER OF WASTEWATER CERTIFICATE NO. 473-S
TO FRANCIS I UTILITY, L.L.C. (THE SUBSTITUTE PARTY FOR FRANCIS I
AMENITIES CORPORATION, INC. TRUST AFTER THE TRUST ASSIGNED ALL OF
ITS RIGHTS AND INTERESTS IN THE PURCHASE CONTRACT TO THE L.L.C.)**

RESPONSE TO DEFICIENCY NO. 5 OF FPSC LETTER DATED JANUARY 22, 2004

STATEMENT REGARDING OUTSTANDING REGULATORY ASSESSMENT FEES

All regulatory assessment fees through December 31, 2003 which were the obligation of Creola, Inc. and/or Francis I Utility, L.L.C. have been paid to the Florida Public Service Commission.

All the regulatory assessment fees associated with all the wastewater revenue collected from January 1, 2004 to December 31, 2004 will be paid by or before March 31, 2005 as required by the Rules of the Florida Public Service Commission.

**APPLICATION FOR TRANSFER OF WASTEWATER CERTIFICATE NO. 473-S
TO FRANCIS I UTILITY, L.L.C. (THE SUBSTITUTE PARTY FOR FRANCIS I
AMENITIES CORPORATION, INC. TRUST AFTER THE TRUST ASSIGNED ALL OF
ITS RIGHTS AND INTERESTS IN THE PURCHASE CONTRACT TO THE L.L.C.)**

RESPONSE TO DEFICIENCY NO. 6 OF FPSC LETTER DATED JANUARY 22, 2004

NOTICE OF ACTUAL APPLICATION

Attached hereto are the following Affidavits regarding the Transfer of Wastewater Certificate No. 473-S held by Creola, Inc. to Francis I Utility, L.L.C.:

Affidavit dated May 4, 2004 that notice of actual application was given by regular mail on April 28, 2004, in accordance with Section 367.045(1)(a), Florida Statutes and Rule 35-30.030, Florida Administrative Code, to all required governmental agencies, appropriate certificated utilities and requisite state officials.

Affidavit dated May 4, 2004 that notice of actual application was given, in accordance with Rule 25-30.030, Florida Administrative Code, by regular mail or personal delivery on April 28, 2004 to each customer on the system being transferred.

Affidavit dated May 4, 2004 that a notice of actual application was published on April 28, 2004 in a newspaper of general circulation in the territory in accordance with Rule 25-30.030, Florida Administrative Code.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of Creola, Inc. For Transfer)
of Wastewater Certificate 473-S to) Docket No. 020945-SU
Francis I Utility, L.L.C.)

AFFIDAVIT

STATE OF FLORIDA)
HIGHLANDS COUNTY)

In accordance with Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code, I, Leah Bruder, Manager, affirm that Francis I Utility, L.L.C. has provided notice on April 28, 2004, by regular mail to the attached list of governmental agencies, state officials and certificated utilities which was obtained from the Florida Public Service Commission, of its application to transfer Wastewater Certificate 473-S.



LEAH BRUDER
Manager

Sworn to and subscribed before me this 4th day of May 2004.

Personally Known: X
Produced Identification: _____
Type: _____

(S E A L)



JoMarie Grinkiewicz
NOTARY PUBLIC
Print Name: JoMarie Grinkiewicz
My Commission Expires: 11-3-2006

LEGAL NOTICE

Notice is hereby given on April 28, 2004, pursuant to Section 367.071, Florida Statutes, of the Application for Transfer of Wastewater Certificate No. 473-S held by Creola, Inc. to Francis I Utility, L.L.C., a Florida Limited Liability Company. This transfer does not affect the rates or charges for wastewater service being provided to those customers of Creola, Inc.

In accordance with the Certificate, Creola, Inc. is currently authorized to provide wastewater service to the territory located in a Portion of Section 5, Township 35 South, Range 29 East, and a Portion of Section 32, Township 34 South, Range 29 East in Highlands County, Florida. This territory includes wastewater customers in Francis Mobile Estates I and II, Burger King Restaurant, McDonald's Restaurant, Village Inn Restaurant, Economy Inn, Wendy's Restaurant and Kendale Apartments.

Any objection to the said application must be made in writing and filed with the Director, Division of the Commission Clerk and Administrative Services, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within thirty (30) days from the date of this notice. At the same time, a copy of said objection should be mailed to the applicant whose address is set forth below. The objection must state the grounds for the objection with particularity.

Francis I Utility, L.L.C.
P.O. Box 3733
Sebring, Florida 33871-3733

**LIST OF WATER AND WASTEWATER UTILITIES IN HIGHLANDS COUNTY
(VALID FOR 60 DAYS)
03/25/2004 - 05/23/2004**

UTILITY NAME

MANAGER

HIGHLANDS COUNTY

AQUASOURCE UTILITY, INC. (WU827)
% AQUASOURCE, INC.
6960 PROFESSIONAL PARKWAY EAST, #400
SARASOTA, FL 34240-8432

NANCE GUTH
(941) 907-7411

C & H UTILITIES, INC. (SU526)
P. O. BOX 1088
SEBRING, FL 33871-1088

WENDELL L. FAIRCLOTH
(863) 471-1400

C & H UTILITIES, INC. (WU649)
P. O. BOX 1088
SEBRING, FL 33871-1088

WENDELL L. FAIRCLOTH
(863) 471-1400

COUNTRY CLUB OF SEBRING (WS654)
3035 WYNSTONE DRIVE
SEBRING, FL 33875-4745

R. GREG HARRIS
(863) 385-6330

CREOLA, INC. (SU658)
P. O. BOX 1257
SAFETY HARBOR, FL 34695-1257

DAVID L. HICKMAN
(727) 793-9302

CWS COMMUNITIES LP D/B/A CRYSTAL LAKE CLUB (WS831)
533 EAST CRYSTAL LAKE DRIVE
AVON PARK, FL 33825-9739

BILL GALIDA
(863) 385-7727

DAMON UTILITIES, INC. (WS551)
47 LAKE DAMON DRIVE
AVON PARK, FL 33825-8902

LISA DAVIS
(863) 453-0773

FAIRMOUNT UTILITIES, THE 2ND, INC. (SU648)
P. O. BOX 488
AVON PARK, FL 33826-0488

ROGER E. MILLER
(941) 385-8542

FLORIDA WATER SERVICES CORPORATION (WS618)
P. O. BOX 609520
ORLANDO, FL 32860-9520

CARLYN KOWALSKY
(407) 598-4297

HARDER HALL - HOWARD, INC. (SU644)
3600 GOLFOVIEW ROAD
SEBRING, FL 33875-5054

PAUL E. HOWARD
(863) 382-8725

HIGHLANDS RIDGE UTILITIES, LLC (WS844)
1275 LAKE HEATHROW LANE
HEATHROW, FL 32746-4398

JOE DOBOSH
(407) 333-1000

**LIST OF WATER AND WASTEWATER UTILITIES IN HIGHLANDS COUNTY
(VALID FOR 60 DAYS)
03/25/2004 - 05/23/2004**

UTILITY NAME

MANAGER

HIGHLANDS COUNTY

HIGHLANDS UTILITIES CORPORATION (SU299)
720 U.S. HIGHWAY 27 SOUTH
LAKE PLACID, FL 33852-9515

DIXON PUGH
(863) 465-1296

HOLMES UTILITIES, INC. (WU760)
760 HENSCRATCH ROAD
LAKE PLACID, FL 33852-8397

DANIEL HOLMES
(863) 465-6044 OR -6911

LAKE PLACID UTILITIES, INC. (WS709)
200 WEATHERSFIELD AVENUE
ALTAMONTE SPRINGS, FL 32714-4027

PATRICK C. FLYNN
(407) 869-1919

LANDMARK ENTERPRISES, INC. (SU686)
733 LAKE BLUE DRIVE
LAKE PLACID, FL 33852-9679

DAVID S. PLANK
(863) 441-3004

PLACID LAKES UTILITIES, INC. (WU193)
410 WASHINGTON BLVD., NW
LAKE PLACID, FL 33852-6779

ROLAND TOBLER
(863) 465-0345

SEBRING RIDGE UTILITIES, INC. (WS345)
3625 VALERIE BLVD.
SEBRING, FL 33870-7814

CHRISTOPHER F. MILLER
(863) 385-8542

SUN COMMUNITIES ACQUISITIONS, LLC D/B/A BUTTONWOOD BAY UTI (WS857)
THE AMERICAN CENTER
27777 FRANKLIN ROAD, SUITE 200
SOUTHFIELD, MI 48034-8205

TOM O'BRANOVIC
(248) 208-2610

THE WOODLANDS OF LAKE PLACID, L.P. (WU824)
100 SHORELINE DRIVE
LAKE PLACID, FL 33852-5022

R. ANTHONY COZIER
(863) 699-1936

THE WOODLANDS OF LAKE PLACID, L.P. (SU840)
100 SHORELINE DRIVE
LAKE PLACID, FL 33852-5022

R. ANTHONY COZIER
(863) 699-1936

**LIST OF WATER AND WASTEWATER UTILITIES IN HIGHLANDS COUNTY
(VALID FOR 60 DAYS)
03/25/2004 - 05/23/2004**

UTILITY NAME

MANAGER

GOVERNMENTAL AGENCIES

CENTRAL FL. REGIONAL PLANNING COUNCIL
P.O. BOX 2089
BARTOW, FL 33831

CLERK, BOARD OF COUNTY COMMISSIONERS, HIGHLANDS COUNTY
590 SOUTH COMMERCE AVENUE
SEBRING, FL 33870-3867

DEP SOUTH DISTRICT
2295 VICTORIA AVE., SUITE 364
FORT MYERS, FL 33901

MAYOR, CITY OF AVON PARK
110 EAST MAIN STREET
AVON PARK, FL 33825-3945

MAYOR, CITY OF SEBRING
368 SOUTH COMMERCE AVENUE
SEBRING, FL 33870-3606

MAYOR, TOWN OF LAKE PLACID
50 PARK DRIVE
LAKE PLACID, FL 33852-9693

S.W. FLORIDA WATER MANAGEMENT DISTRICT
2379 BROAD STREET
BROOKSVILLE, FL 34609-6899

SO. FLORIDA WATER MANAGEMENT DISTRICT
P.O. BOX 24680
WEST PALM BEACH, FL 33416-4680

**LIST OF WATER AND WASTEWATER UTILITIES IN HIGHLANDS COUNTY
(VALID FOR 60 DAYS)
03/25/2004 - 05/23/2004**

UTILITY NAME

STATE OFFICIALS

MANAGER

STATE OF FLORIDA PUBLIC COUNSEL
C/O THE HOUSE OF REPRESENTATIVES
THE CAPITOL
TALLAHASSEE, FL 32399-1300

DIVISION OF THE COMMISSION CLERK AND ADMINISTRATIVE SERVICES
FLORIDA PUBLIC SERVICE COMMISSION
2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL 32399-0850

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of Creola, Inc. For Transfer)
of Wastewater Certificate 473-S to) Docket No. 020945-SU
Francis I Utility, L.L.C.)

AFFIDAVIT

STATE OF FLORIDA)
HIGHLANDS COUNTY)

In accordance with Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code, I, Leah Bruder, Manager, affirm that Francis I Utility, L.L.C. has provided notice on April 28, 2004, by regular mail or personal delivery to each customer on the system, of its application to transfer Wastewater Certificate 473-S.




LEAH BRUDER
Manager

Sworn to and subscribed before me this 4th day of May, 2004.

Personally Known: ✓
Produced Identification: _____
Type: _____

(S E A L)



NOTARY PUBLIC
Print Name: JonMarie Glinkiewicz
My Commission Expires: _____

LEGAL NOTICE

Notice is hereby given on April 28, 2004, pursuant to Section 367.071, Florida Statutes, of the Application for Transfer of Wastewater Certificate No. 473-S held by Creola, Inc. to Francis I Utility, L.L.C., a Florida Limited Liability Company. This transfer does not affect the rates or charges for wastewater service being provided to those customers of Creola, Inc.

In accordance with the Certificate, Creola, Inc. is currently authorized to provide wastewater service to the territory located in a Portion of Section 5, Township 35 South, Range 29 East, and a Portion of Section 32, Township 34 South, Range 29 East in Highlands County, Florida. This territory includes wastewater customers in Francis Mobile Estates I and II, Burger King Restaurant, McDonald's Restaurant, Village Inn Restaurant, Economy Inn, Wendy's Restaurant and Kendale Apartments.

Any objection to the said application must be made in writing and filed with the Director, Division of the Commission Clerk and Administrative Services, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within thirty (30) days from the date of this notice. At the same time, a copy of said objection should be mailed to the applicant whose address is set forth below. The objection must state the grounds for the objection with particularity.

Francis I Utility, L.L.C.
P.O. Box 3733
Sebring, Florida 33871-3733

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of Creola, Inc. For Transfer)
of Wastewater Certificate 473-S to) Docket No. 020945-SU
Francis I Utility, L.L.C.)

AFFIDAVIT

STATE OF FLORIDA)
HIGHLANDS COUNTY)

In accordance with Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code, I, Leah Bruder, Manager, affirm that Francis I Utility, L.L.C. has published in the News-Sun, Highlands County Edition, on April 28, 2004, the attached notice of its application to transfer Wastewater Certificate 473-S.



LEAH BRÜDER
Manager

Sworn to and subscribed before me this 4th day of May, 2004.

Personally Known: X
Produced Identification: _____
Type: _____

(S E A L)




NOTARY PUBLIC
Print Name: JoMarie Grinkiewicz

THE NEWS-SUN
2227 U.S. 27 SOUTH
Published three (3) times weekly
SEBRING, HIGHLANDS COUNTY, FLORIDA

**STATE OF FLORIDA,
COUNTY OF HIGHLANDS:**

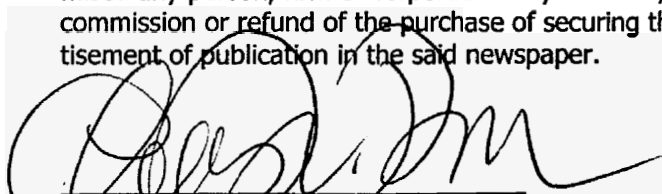
Before the undersigned authority personally appeared Denise Knudtson, Business Office Manager, who on oath says that she is Business Office Manager of the News-Sun, a tri-weekly newspaper Published at Sebring, in Highlands County, Florida; that the attached copy of advertisement, being a Proof of Publication in the matter of:

**APPLICATION FOR TRANSFER OF WASTEWATER CERTIFICATE
NO. 473-S HELD BY CREOLA, INC.
APRIL 28, 2004**

Was published in said newspaper in the issue(s) of

April 28, 2004

Affiant further says the News-Sun is a newspaper published at Sebring, in Highlands County, Florida, and that the said newspaper has heretofore been continuously published in said County, Florida, Wednesday, Friday and/or Sunday and has been entered as a second class mail matter at the post office Sebring, in said county, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says that she has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund of the purchase of securing this advertisement of publication in the said newspaper.

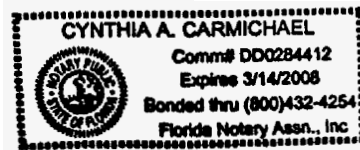


Denise Knudtson, Business Office Manager

Swore to and subscribed before me

On this 28TH ___ day of April
A.D. 2004


Notary Public, State of Florida



LEGAL NOTICE

Notice is hereby given on April 28, 2004, pursuant to Section 367.071, Florida Statutes, of the Application for Transfer of Wastewater Certificate No. 473-S held by Creola, Inc. to Francis I Utility, L.L.C., a Florida Limited Liability Company. This transfer does not affect the rates or charges for wastewater service being provided to those customers of Creola, Inc.

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Any objection to the said application must be made in writing and filed with the Director, Division of the Commission Clerk and Administrative Services, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within thirty (30) days from the date of this notice. At the same time a copy of said objection should be mailed to the applicant whose address is set forth below. The objection must state the grounds for the objection with particularity.

Francis I Utility, L.L.C.
P.O. Box 3733
Sebring, Florida 33871-3733
April 28, 2004

Recording: 15.00
Doc Stamps .70

This Instrument Prepared By:
William R. Korp, Esquire
Abel, Band, Russell, Collier,
Pitchford & Gordon, Chartered
240 S. Pineapple Avenue
Sarasota, FL 34236

WARRANTY DEED

This Warranty Deed is made by FRANCIS I AMENTITIES CORPORATION, INC., a Florida not for profit Corporation, as Trustee Under Agreement Dated June 15, 2001 hereinafter referred to as "Grantor," to FRANCIS I UTILITY, LLC, a Limited Liability Company, whose Employer Identification Number is 20-0070228, and whose post office address is 401 Pauline Street, Sebring, Florida 33870, hereinafter referred to alternately as "Grantor" and "Grantee."

WITNESSETH:

Grantor, in consideration of the sum of Ten and No/100 Dollars (\$10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, hereby conveys to Grantee, the following described property in Highlands County, Florida:

See attached Exhibit "A"

The Identification Number for the above described real property is C053529-06000A00000.

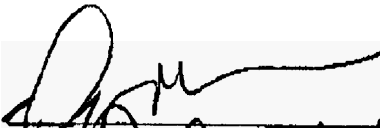
Subject to and together with valid easements, reservations and restrictions of record and taxes for the current year and subsequent years.

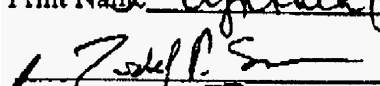
Subject to that certain mortgage in favor of REPUBLIC BANK, as recorded in Official Records Book 1614, Page 1420, all of the Public Records of Highlands County, Florida.

Grantor hereby covenants with Grantee that Grantor is lawfully seized of the property in fee simple; that Grantor has good right and lawful authority to sell and convey the property; and that Grantor hereby fully warrants the title to the property and will defend the title against the lawful claims of all persons whomsoever.


Executed on the 12 day of August, 2003.

WITNESSES:


 Print Name Cynthia Brown

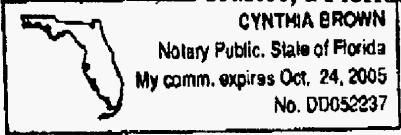

 Print Name Todd P. Sebell

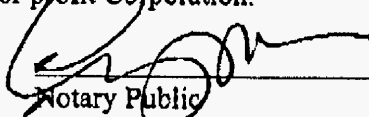
FRANCIS I AMENITIES CORPORATION,
 INC., a Florida not for profit Corporation, as
 Trustee


 By _____
 RICHARD BEELER, President
 Address: 401 Pauline Street, Sebring, FL

STATE OF FLORIDA
 COUNTY OF HIGHLANDS

The foregoing instrument was acknowledged before me this 12 day of August, 2003
 by RICHARD BEELER as its authorized representative of FRANCIS I AMENITIES
 CORPORATION, INC., as Trustee, a Florida not for profit Corporation.




 Notary Public
 Print Name: _____
 My Commission Expires: _____

Personally Known (OR) Produced Identification
 Type of identification produced _____

EXHIBIT "A"

The property upon which the Wastewater Treatment Facility and Treatment Ponds is described as follows:

A portion of the Northwest $\frac{1}{4}$ of Section 5, Township 35 South, Range 29 East, Highlands County, Florida, being more particularly described as follows:

Commence at the Northeast corner of Lot 115, GRAYCE'S MOBILE ESTATES ADDITION NO. 1, according to the Plat thereof, recorded in Plat Book 9, Page 4, of the Public Records of Highlands County, Florida; thence run S. $0^{\circ}51'10''$ W. along the East line of said GRAYCE'S MOBILE ESTATES ADDITION NO. 1 for a distance of 694.00 feet to a point on the South Right-of-Way line of Bonds Avenue, said point being the Point of Beginning of the Tract of Land hereinafter to be described; thence run S. $89^{\circ}43'55''$ W. along the South Right-of-Way line of said Bonds Avenue for a distance of 80.00 feet to a point; thence run S. $0^{\circ}51'10''$ W., for a distance of 269.39 feet to a point on the Northeasterly Right-of-Way line of Upper Jackson Creek Watershed Easement, said point being on a circular curve; thence run Southeasterly along the Northeasterly Right-of-Way line of said Upper Jackson Creek Watershed Easement along a circular curve to the right, having for its elements a Radius of 643.69 feet, a central angel of $33^{\circ}17'28''$ for an arc distance of 373.99 feet to a point; thence run N. $0^{\circ}51'10''$ E. for a distance of 374.75 feet to a point; thence run S. $89^{\circ}43'55''$ W. for a distance of 257.50 feet to a point; thence run N. $0^{\circ}51'10''$ E. for a distance of 50.00 feet to the Point of Beginning.

Containing 4.727 acres more or less.

Assignment of Lease

WHEREAS, on the 15th day of June, 2001 CREOLA, INC. referred to as "Seller" and FRANCIS I AMENITIES CORPORATION, INC., as Trustee, therein referred to as "Buyer" entered into a certain 99-year lease agreement for the wastewater treatment facility located in Highlands County, Florida being operated under a Public Service Commission Certification known as SU658

WHEREAS, under the requirements of the Public Service Commission for the State of Florida regarding holders of utility certificates it is necessary that FRANCIS I AMENITIES CORPORATION, INC., as Trustee, assign its interest under such lease to FRANCIS I UTILITY, LLC, a Limited Liability Company organized under the State of Florida.

NOW THEREFORE for and in consideration of the sum of TEN DOLLARS and valuable considerations, FRANCIS I AMENITIES CORPORATION, INC., as Trustee, and as Lessee under the above-described 99-year lease agreement does hereby assign to FRANCIS I UTILITY, LLC, all of its right title and interest in and to such lease and in and to the benefits thereof and the duties and obligations thereunder fully and completely as though FRANCIS I UTILITY, LLC was the original Lessee under such agreement.

For its part, FRANCIS I UTILITY, LLC accepts the assignment and agrees to be bound by all the terms and conditions of such lease and to release and exonerate FRANCIS I AMENITIES CORPORATION, INC., as Trustee, from any further obligation thereunder.

IN WITNESS WHEREOF, this Agreement has been executed by parties on the 12th day of August, 2003.

FRANCIS I AMENITIES CORPORATION, INC.,
as Trustee

By: 

Richard Beeler, President

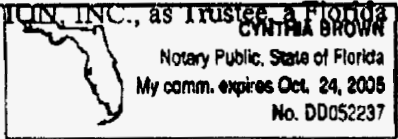
FRANCIS I UTILITY, LLC.

By: 

Richard Beeler, President

STATE OF FLORIDA
COUNTY OF Highlands

The foregoing instrument was acknowledged before me this 12 day of August, 2008
by RICHARD BEELER as its authorized representative of FRANCIS I AMENITIES CORPORATION, INC., as Trustee, a Florida not for profit Corporation.

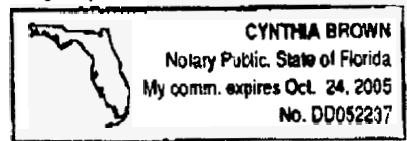


[Signature]
Notary Public
Print Name: _____
My Commission Expires: _____

Personally Known (OR) Produced Identification _____
Type of identification produced _____

STATE OF FLORIDA
COUNTY OF Highlands

The foregoing instrument was acknowledged before me this 12 day of August, 2008
by RICHARD BEELER as its authorized representative of FRANCIS I UTILITY, LLC, a Limited Liability Company.



[Signature]
Notary Public
Print Name: _____
My Commission Expires: _____

Personally Known (OR) Produced Identification _____
Type of identification produced _____

Agreement re: Operating Agreement


On the 15th day of June, 2001 FRANCIS I AMENITIES CORPORATION, INC., a Florida corporation (the Manager) and FRANCIS I AMENITIES CORPORATION, INC., as Trustee (the Utility) entered into an Operating Agreement.

On the 12 day of August, 2003 FRANCIS I AMENITIES CORPORATION, INC., as Trustee, transferred ownership of certain lands in Highlands County, Florida on which lands exists a wastewater treatment facility, to FRANCIS I UTILITY LLC, a Limited Liability Company (the New Utility).


For good and valuable consideration the New Utility agrees to assume the Utility's rights, duties and obligation under the above-referenced Operating Agreement and confirms to the Manager the continued existence of such Agreement and the Manager and the New Utility by these presents do release and exonerate FRANCIS I AMENITIES CORPORATION, INC., as Trustee, from any obligation under such Operating Agreement.

IN WITNESS WHEREOF, this Agreement has been executed by the New Utility, the Utility and by the Manager.

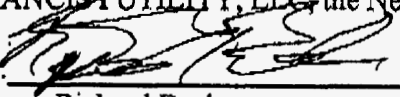
Dated: August 12, 2003

FRANCIS I AMENITIES CORPORATION,
INC., the Manager
By: 
Richard Beeler, President

Dated: August 12, 2003

FRANCIS I AMENITIES CORPORATION,
INC., as Trustee, the Utility
By: 
Richard Beeler, President

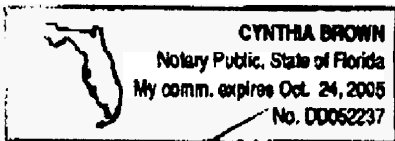
Dated: August 12, 2003

FRANCIS I UTILITY, LLC, the New Utility
By: 
Richard Beeler,

657486
v.1

STATE OF FLORIDA
COUNTY OF Highlands

The foregoing instrument was acknowledged before me this 12 day of August, 2003
by RICHARD BEELER as its authorized representative of FRANCIS I AMENITIES
CORPORATION, INC., a Florida not for profit Corporation.

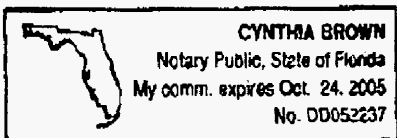


[Signature]
Notary Public
Print Name: _____
Commission Expires: _____

Personally Known (OR) Produced Identification
Type of identification produced _____

STATE OF FLORIDA
COUNTY OF Highlands

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by RICHARD BEELER as its authorized representative of FRANCIS I AMENITIES
CORPORATION, INC., as Trustee, a Florida not for profit Corporation.

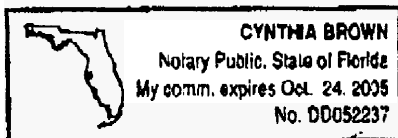


[Signature]
Notary Public
Print Name: _____
My Commission Expires: _____

Personally Known (OR) Produced Identification
Type of identification produced _____

STATE OF FLORIDA
COUNTY OF Highlands

The foregoing instrument was acknowledged before me this 12 day of August, 2003
by RICHARD BEELER as its authorized representative of FRANCIS I UTILITY, LLC, a Limited
Liability Company.



[Signature]
Notary Public
Print Name: _____
My Commission Expires: _____

Personally Known (OR) Produced Identification
Type of identification produced _____

657486
v.1