

**APPLICATION FOR SALE, ASSIGNMENT OR TRANSFER
OF CERTIFICATE OR FACILITIES**

(Pursuant to Section 367.071, Florida Statutes)

TO: Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

RECEIVED-FPSC
15 JAN -2 PM 12:50
COMMISSION
CLERK

The undersigned hereby makes application for the sale,
assignment or transfer of (all ~~XXXXXXX~~) of Water Certificate No.
390-W and/or Wastewater Certificate No. N/A or facilities in
Marion County, Florida, and submits
the following information:

PART I APPLICANT INFORMATION

A) The full name (as it appears on the certificate), address
and telephone number of the applicant:

County-Wide Utility Co., Inc.
Name of utility

(352) 245-3475 ()
Phone No. Fax No.

7961 SE 58th Ave.
Office street address

Ocala FL 34472
City State Zip Code

P.O. Box 1476, Ocala, FL 34478
Mailing address if different from street address

N/A
Internet address if applicable

COM _____
AFD 1
APA _____
ECO 1
ENG 2
CCL 2
IDM _____
TEL _____
CLK _____

B) The name, address and telephone number of the person to contact concerning this application:

Dirk Leeward (352) 245-3475 x707
Name Phone No.

7961 SE 58th Ave.
Street address

Ocala FL 34478
City State Zip Code

C) The full name (as it will appear on the certificate), address and telephone number of the buyer:

Southwest Ocala Utility, Inc.
Name of utility

(352) 245-3475 ()
Phone No. Fax No.

7961 SE 58th Ave.
Office street address

Ocala FL 34480
City State Zip Code

P.O. Box 1476, Ocala, FL 34478
Mailing address if different from street address

Internet address if applicable

D) Indicate the organizational character of the buyer: (circle one)

Corporation ~~Partnership~~ ~~Sole Proprietorship~~

Other: N/A
(specify)

E) The date and state of incorporation or organization of the buyer:

March 29, 2013 in Florida

F) If the buyer is a corporation, list the names, titles, and addresses of corporate officers and directors. (Use additional sheet if necessary).

Dirk Leeward, President, Treasurer, Director

Donna Leeward, Vice-President, Secretary

P.O. Box 1476, Ocala, FL 34478

G) If the buyer is not a corporation, list the names, titles, and addresses of all persons owning an interest in the organization. (Use additional sheet if necessary.)

N/A

PART II FINANCIAL AND TECHNICAL INFORMATION

A) Exhibit A - A statement indicating how the transfer is in the public interest, including a summary of the buyer's experience in water and/or wastewater utility operations, a showing of the buyer's financial ability to provide service and a statement that the buyer will fulfill the commitments, obligations and representations of the seller with regard to utility matters.

- B) List the names and locations of other water and/or wastewater utilities owned by the buyer and PSC certificate numbers, if any.

N/A

- C) Exhibit B - A copy of the contract for sale and all auxiliary or supplemental agreements, which shall include, if applicable:

- (1) Purchase price and terms of payment.
- (2) A list of and the dollar amount of the assets purchased and liabilities assumed or not assumed, including those of nonregulated operations or entities.
- (3) A description of all consideration between the parties, for example, promised salaries, retainer fees, stock, stock options, assumption of obligations.

The contract for sale shall also provide for the disposition, where applicable, of the following:

- (a) Customer deposits and interest thereon;
- (b) Any guaranteed revenue contracts;
- (c) Developer agreements;
- (d) Customer advances;
- (e) Debt of the utility; and
- (f) Leases.

- D) Exhibit C - A statement regarding the disposition of any outstanding regulatory assessment fees, fines or refunds owed.

- E) Exhibit D - A statement describing the financing the purchase.

- F) Exhibit E - A list of all entities upon which the applicant is relying to provide funding to the buyer, and an explanation of the manner and amount of such funding, which shall include their financial statements and copies of any financial agreements with the utility. This requirement shall not apply to any person or entity holding less than 10 percent ownership interest in the utility.

G) Exhibit F - The proposed net book value of the system as of the date of the proposed transfer. If rate base (or net book value) has been established previously by this Commission, state the Order No. and date issued. 050862-WU July 30,2007 Identify all adjustments made to update this rate base (or net book value) to the date of the proposed transfer.

H) Exhibit N/A - A statement setting forth the reasons for the inclusion of an acquisition adjustment, if one is requested. (An acquisition adjustment results when the purchase price of the utility differs from the original cost calculation.)

I) The full name, address and telephone number of the person who has possession of the books and records of the seller:

Dirk J. Leeward as General Manager (352) 245-3475
Name Phone No.

7961 SE 58th Ave.
Street address

Ocala FL 34480
City State Zip Code

J) Exhibit N/A - If the books and records of the seller are not available for inspection by the Commission or are not adequate for purposes of establishing the net book value of the system, a statement by the buyer that a good faith, extensive effort has been made to obtain such books and records for inspection by the Commission and detailing the steps taken to obtain the books and records.

K) Exhibit G - A statement from the buyer that is has obtained or will obtain copies of all of the federal income tax returns of the seller from the date the utility was first established, or rate base was last established by the Commission or, if the tax returns have not been obtained, a statement from the buyer detailing the steps taken to obtain the returns.

L) Exhibit H - A statement from the buyer that after reasonable investigation, the system being acquired appears to be in satisfactory condition and in compliance with all applicable standards set by the Department of Environmental

Protection (DEP)

If the system is in need of repair or improvement, has any outstanding Notice of Violation of any standard set by the DEP or any outstanding consent orders with the DEP, the buyer shall provide a list of the improvements and repairs needed and the approximate cost to make them, a list of the action taken by the utility with regard to the violation, a copy of the Notice of Violation(s), a copy of the consent order and a list of the improvements and repairs consented to and the approximate cost to make them.

PART III NOTICE OF ACTUAL APPLICATION

A) Exhibit I - An affidavit that the notice of actual application was given in accordance with Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code, by regular mail to the following:

- (1) the governing body of the municipality, county, or counties in which the system or the territory proposed to be served is located;
- (2) the privately owned water and wastewater utilities that hold a certificate granted by the Public Service Commission and that are located within the county in which the utility or the territory proposed to be served is located;
- (3) if any portion of the proposed territory is within one mile of a county boundary, the utility shall notice the privately owned utilities located in the bordering counties and holding a certificate granted by the Commission;
- (4) the regional planning council;
- (5) the Office of Public Counsel;
- (6) the Public Service Commission's Office of Commission Clerk;
- (7) the appropriate regional office of the Department of Environmental Protection; and
- (8) the appropriate water management district.

Copies of the Notice and a list of entities noticed shall accompany the affidavit. THIS MAY BE A LATE-FILED EXHIBIT.

B) Exhibit J - An affidavit that the notice of actual application was given in accordance with Rule 25-30.030, Florida Administrative Code, by regular mail or personal delivery to each customer of the system being transferred. A copy of the Notice shall accompany the affidavit. THIS MAY BE A LATE-FILED EXHIBIT.

C) Exhibit K - Immediately upon completion of publication, an affidavit that the notice of actual application was published once in a newspaper of general circulation in the territory in accordance with Rule 25-30.030, Florida Administrative Code. A copy of the proof of publication shall accompany the affidavit. THIS MAY BE A LATE-FILED EXHIBIT.

PART IV FILING FEE

Indicate the filing fee enclosed with the application:

\$1,500 (for water) and N/A (for wastewater).

Note: Pursuant to Rule 25-30.020, Florida Administrative Code, the amount of the filing fee as follows:

- (1) For applications in which the utility to be transferred has the capacity to serve up to 500 ERC's, the filing fee shall be **\$750.**
- (2) For applications in which the utility to be transferred has the capacity to serve from 501 to 2,000 ERC's the filing fee shall be **\$1,500.**
- (3) For applications in which the utility to be transferred has the capacity to serve from 2,001 ERC's to 4,000 ERC's the filing fee shall be **\$2,250.**
- (4) For applications in which the utility to be transferred has the capacity to serve more than 4,000 ERC's the filing fee shall be **\$3,000.**

PART V OTHER

- A) Exhibit N/A - Evidence that the utility owns the land where the utility treatment facilities are located. Or, where the utility does not own the land, a copy of the agreement which provides for the long term, continuous use of the land, such as a 99-year lease. The Commission may consider a written easement or other cost-effective alternative.
- B) Exhibit L - The original and two copies of sample tariff sheets reflecting the new name of the utility, the existing rates and charges and territorial description of the water and/or wastewater systems. **Sample tariff(s) are attached.**
- C) Exhibit M - The utility's current certificate(s) or, if not available, an explanation of the steps the applicant took to obtain the certificate(s).

PART VI AFFIDAVIT

I Bette L. Leeward, as President (applicant) do solemnly swear or affirm that the facts stated in the forgoing application and all exhibits attached thereto are true and correct and that said statements of fact thereto constitutes a complete statement of the matter to which it relates.

BY: Bette Leeward
Applicant's Signature

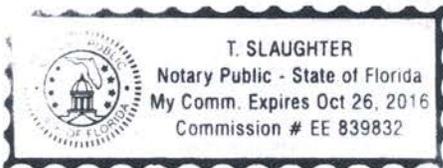
Bette L. Leeward
Applicant's Name (Typed)

President
Applicant's Title *

Subscribed and sworn to before me this 31st day in the month of December in the year of 2014 by Bette L. Leeward

who is personally known to me _____ or produced identification

FL Drivers License
Type of Identification Produced



T. Slaughter
Notary Public's Signature

T. Slaughter
Print, Type or Stamp Commissioned
Name of Notary Public

* If applicant is a corporation, the affidavit must be made by the president or other officer authorized by the by-laws of the corporation to act for it. If applicant is a partnership or association, a member of the organization authorized to make such affidavit shall execute same.

Exhibits to Certificate Transfer
from County-Wide Utility Co., Inc. to Southwest Ocala Utility, Inc.

Exhibit "A"

James K. Leeward (JKL), the sole owner of County-Wide Utility Co., Inc. (CWU) died on September 16, 2011.

Dirk Leeward (DJL) has been the general manager of CWU since 1986 and has extensive knowledge of the operations and management of the system.

Dirk and Donna Leeward (D&D) own 100% of Brick City Management, LLC (BCM) which manages and owns 100% of Southwest Ocala Utility, Inc. (SOU).

As of October 31, 2014, BCM and SOU had combined working capital in excess of \$118,000, more than 7 times the amount allowed for by the FPSC in CWU's Rate Base.

The buyer and seller are unaware of any deficiencies in or planned replacements of the system that will require additional capital investment in the system. To the extent there are any capital needs in the future, BCM will ensure the availability of funds needed by the infusion of debt or equity capital. See affidavit attached as Attachment 1.

Exhibit "B"

There are no contracts or other agreements for the sale of the system since the system was acquired by the note holders, D&D, at a public foreclosure auction for \$101 on April 8, 2013 still subject to long term debt exceeding rate base.

Upon issuance of the Certificate of Title by the Court on April 19, 2013, CWU transferred the customer deposits to SOU. D&D contracted with SOU to operate the system, which in turn contracted with BCM for day-to-day operations under the same terms and conditions that CWU had been contracting with its former manager, RAF Group 45, LLC (RAF).

- As of January 1, 2014, D&D contributed the water utility assets shown on the system books and records to SOU at rate base.
- There were no developer agreements, customer advances, or leases.
- The disposition of the debt of the utility was provided for as described below.

The Estate of James K. Leeward, Deceased (Estate) was unable to continue making contributions to the corporation that were necessary to make payments on the loan for the utility systems. BBVA Compass Bank (Compass) filed a notice of default against the debtor CWU and against the Estate, who became the successor guarantor after the death of JKL.

D&D purchased the note from Compass in July, 2012 and filed for foreclosure against the assets secured by the note in December, 2012. A final judgment was issued by the court in March, 2013 and D&D purchased the systems at public auction and received a Certificate of Title on April 19, 2013.

Exhibit "C"

CWU paid all regulatory assessments fees accrued through April 19, 2013 and SOU paid the fees through December 31, 2013. Fees for 2014 are not yet due and payable.

Exhibit "D"

The purchaser did not finance the purchase.

Exhibit "E"

As detailed in Exhibit "A", BCM has provided working capital funding to the buyer. No further funding is expected to be required.

A copy of BCM's latest financial statement dated December 31, 2013 is attached as Attachment 2. Since the utility is wholly owned by BCM, there are no financial agreements between the parties.

Exhibit "F"

The proposed net book value of the system (rate base) as of the date of transfer on January 1, 2014 was \$99,162.

The adjustments to rate base are as follows:

	<u>Test Year</u> <u>Ending</u> <u>12/31/2005</u>	<u>2006 - 2012</u> <u>Adjustments</u>	<u>As of</u> <u>12/31/12</u>	<u>2013</u> <u>Adjustments</u>	<u>As of</u> <u>12/31/13</u>
-	-				
1 Utility Plant in Service	140,852	72,224	213,076	6,461	219,537
2 Land & Land Rights	2,815	-	2,815	-	2,815
3 Plant Held for Future Use	-	-	-	-	-
4 CIAC	(86,230)	(778)	(87,008)	-	(87,008)
5 Accumulated Depreciation	(56,328)	(30,502)	(86,830)	(7,078)	(93,908)
6 Amortization of CIAC	26,916	11,176	38,092	2,890	40,982
7 Working Capital Allowance	<u>16,743</u>	-	<u>16,743</u>	-	<u>16,743</u>
8 Water Rate Base	44,768		96,889		99,162

Exhibit "G"

There is no reason to obtain copies of federal tax returns from CWU because the Commission has determined that the seller is not a developer and has not written off any cost of sales.

Exhibit "H"

After reasonable investigation, the system being acquired appears to be in satisfactory condition and in compliance with all applicable standards set by the Department of Environmental Protection (FDEP).

Exhibits "I", "J", and "K"

Notice of Actual Application – A draft of the Legal Notice for Application for Transfer of Certificate is attached as Attachment 3. Affidavits of actual notice will be late filed.

Exhibit "L"

Tariff – To be late filed.

Exhibit "M"

The utility's original current certificate is attached as Attachment 4.

AFFIDAVIT

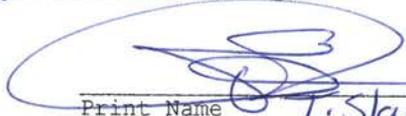
I, Dirk Leeward, am the Manager of Brick City Management, LLC. In that capacity, I am filing this Affidavit in order to assure the Florida Public Service Commission that Brick City Management, LLC will provide or assist Southwest Ocala Utility, Inc. in securing necessary funding to meet all reasonable capital needs and any operating deficits of the Utility, which may arise as the result of the Utility's operation of a certificated water Utility in its PSC certificated service territory. Such funding will be provided on an as and when needed basis.



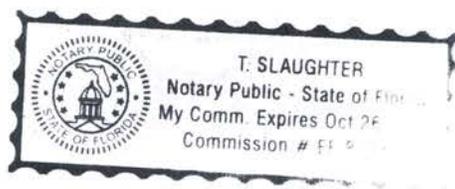
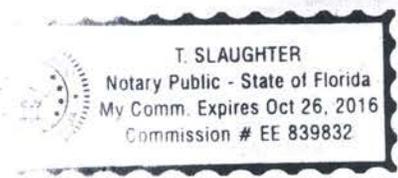
Dirk Leeward, Manager
Brick City Management, LLC

STATE OF FL)
COUNTY OF Manic)

The foregoing instrument was acknowledged before me this 31st day of December, 2014, by Dirk Leeward, who is personally known to me or who has produced FL Drivers License as identification.



Print Name T. Slaughter
Notary Public
State of FL at Large
My Commission Expires:



Run: 9:55A
12/31/2014

Brick City Management, LLC
Statement of Income and Expense
For Month Ending 12/30/2013

Page 1
(12) 12/30/2013

	Year-to-Date	%
INCOME		
Auto Reimbursement Income	\$497.20	0.00
Management Fees	58,602.54	0.00
Supplies	80.00	0.00
Rental Income	4,968.00	0.00
Miscellaneous Income	20.00	0.00
TOTAL INCOME	\$64,167.74	0.00
COST OF GOODS SOLD		
TOTAL COST OF GOODS SOLD	\$0.00	0.00
GROSS PROFIT	\$64,167.74	0.00
OPERATING EXPENSES		
Contract Services	\$11,917.45	0.00
Gas & Oil	689.00	0.00
Licenses,Permits & Taxes	125.00	0.00
Software and Support	274.22	0.00
Telephone	1,036.65	0.00
TOTAL OPERATING EXPENSES	\$14,042.32	0.00
NET INCOME (LOSS) FROM OPERATIONS	\$50,125.42	0.00
OTHER EXPENSES		
TOTAL OTHER EXPENSES	\$0.00	0.00
NET INCOME (LOSS)	\$50,125.42	0.00

ASSETS

CURRENT ASSETS

Checking - CB&T
Accounts Receivable

\$3,796.85
62,147.74

TOTAL CURRENT ASSETS

\$65,944.59

FIXED ASSETS

TOTAL FIXED ASSETS

\$0.00

OTHER ASSETS

TOTAL OTHER ASSETS

\$0.00

TOTAL ASSETS

\$65,944.59

LIABILITIES AND STOCKHOLDER EQUITY

LIABILITIES

Accounts Payable	\$12,862.17
Other Accrued Current Liabilities	5,357.00

TOTAL LIABILITIES	<hr/>	\$18,219.17
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STOCKHOLDER EQUITY

Member Capital	\$100.00
Member Distribution	(2,500.00)
Current Period Profit (Loss)	50,125.42

TOTAL STOCKHOLDER EQUITY	<hr/>	\$47,725.42
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TOTAL LIABILITIES AND STOCKHOLDER EQUITY	<hr/> <hr/>	\$65,944.59
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LEGAL NOTICE

Notice is hereby given on December 31, 2014, pursuant to Section 367.071, Florida Statutes, of the application for a transfer of Water Certificate No. and/or Wastewater Certificate No. 390-W held by County-Wide Utility Co., Inc. to Southwest Ocala Utility, Inc., providing service to the following described territory in Marion County, Florida.

Township 16 S, Range 21 E, Marion County, Florida

Section 5

The East 3/4 of the South 1/2 of the Southeast 1/4

Section 8

That portion of the Northeast 1/4 lying north and west of State Road 200; Except Beginning at the intersection of the South boundary of the Northeast 1/4 and the northerly ROW of SR 200 thence N.89°53'23"W. 1458.52' thence N.00°00'34" E. 665.08' thence N.89°53'23"E. 1326.73' thence S.69°21'33"E. 557.40' thence southwesterly along the northwestern ROW line of SR 200 to the point of beginning.

Section 4

The Southwest 1/4 of said Section 4

EXCEPT that portion of the Northeast 1/4 of said Southwest 1/4 of said Section 4 lying North and West of State Road 200 AND

EXCEPT that portion of the Northeast 1/4 of the Southeast 1/4 of said Southwest 1/4 of said Section 4 lying North and West of State Road 200

Section 9

That portion of the Northwest 1/4 north and west of State Road 200.

Any objection to the said application must be made in writing and filed with the Office of Commission Clerk, 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.

County-Wide Utility Co., Inc.
P.O. Box 1476
Ocala, FL 34478

FLORIDA PUBLIC SERVICE COMMISSION

Certificate Number

390 - W

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

COUNTY-WIDE UTILITY COMPANY, INC.

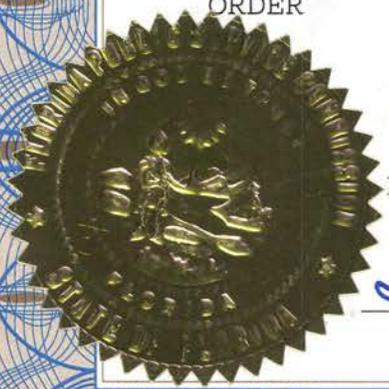
Whose principal address is:

6015 Southwest Highway 200, Suite 101
Ocala, FL 34476 (Marion 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	11868	DOCKET	810369-W
ORDER	PSC-97-0578-FOF-WU	DOCKET	970085-WU
ORDER	PSC-03-0792-FOF-WU	DOCKET	030453-WU
ORDER		DOCKET	



BY ORDER OF THE
FLORIDA PUBLIC SERVICE COMMISSION

Blanca S. Davis

Director
Division of Records and Reporting