BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for approval of transfer of majority organizational control of Crystal River Utilities, Inc., holder of Certificate Nos. 123-W, 396-W, 507-W, 441-S, 53-W, 594-W, and 510-S in Polk, Sumter, Lake, Citrus, and Palm Beach Counties, to AquaSource Utility, Inc.

DOCKET NO. 981508-WS ORDER NO. PSC-99-0483-FOF-WS ISSUED: March 8, 1999

The following Commissioners participated in the disposition of this matter:

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

ORDER DECLINING TO INITIATE A SHOW CAUSE PROCEEDING, APPROVING APPLICATION FOR TRANSFER OF MAJORITY ORGANIZATIONAL CONTROL, AND CLOSING DOCKET

BY THE COMMISSION:

BACKGROUND

On November 3, 1998, AquaSource Utility, Inc. (AquaSource) filed an application for the transfer of majority organizational control of Crystal River Utilities, Inc. (Crystal River or utility) from Mr. Richard Bowles and Mr. Robert Sterling, III, to AquaSource. Crystal River is a Class B utility providing service to approximately 1,100 residential water and 150 wastewater customers residing in Citrus, Lake, Polk, Sumter, and Palm Beach Counties. According to its 1997 annual report, Crystal River had operating revenues of \$255,529 and net operating income of \$11,173 for its combined water and wastewater systems.

DOCUMENT NUMBER-DATE

02954 MAR-8 #

Crystal River closed on the transfer of majority organizational control of its facilities on December 22, 1998, prior to obtaining Commission approval. This will be discussed further in this Order.

According to the purchase agreement, AquaSource paid \$475,000 for all of Crystal River's common stock. Crystal River operates three utility systems in Citrus County, two systems in Lake County, and one system, each, in Sumter, Polk and Palm Beach Counties. In Citrus County, we approved a \$17,301 rate base for the Seven Rivers water system and a \$31,880 rate base for the Rhinelander water system, both measured as of December 31, 1995. In Lake County, we approved a \$7,377 rate base for the Ravenswood water system as of April 11, 1996, and a \$4,747 rate base for the Haines Creek water system as of December 31, 1995. In Sumter County, a \$23,402 rate base was established for the water and wastewater systems. In Palm Beach County, a \$1,842 rate base was established for the Lake Osborne water system. We did not set rate base values for the Polk County systems, as grandfather certificates were issued in that proceeding. Based on Crystal River's 1997 annual report, a \$267,977 approximate rate base balance is suggested for the combined water and wastewater systems.

NO SHOW CAUSE REQUIRED

As noted above, Crystal River closed on the transfer of majority organizational control of its facilities to AquaSource on December 22, 1998, prior to obtaining Commission approval. Section 367.071(1), Florida Statutes, states that:

No utility shall sell, assign, or transfer its certificate of authorization, facilities or any portion thereof..., without determination and approval of the commission that the proposed sale, assignment, or transfer is in the public interest...

Section 367.161(1), Florida Statutes, authorizes the Commission to assess a penalty of not more than \$5,000 for each offense, if a utility is found to have knowingly refused to comply with, or to have willfully violated any provision of Chapter 367, Florida Statutes. In closing on the transfer prior to obtaining our approval, the utility's act was "willful" in the sense intended by Section 367.161, Florida Statutes. In Order No. 24306, issued April 1, 1991, in Docket No. 890216-TL, titled In Re: Investigation Into The Proper Application Of Rule 25-14.003, Florida

Administrative Code, Relating To Tax Savings Refund For 1988 And 1989 For GTE Florida, Inc., the Commission having found that the company had not intended to violate the rule, nevertheless found it appropriate to order it to show cause why it should not be fined, stating that "[i]n our view, 'willful' implies an intent to do an act, and this is distinct from an intent to violate a statute or rule."

Although Crystal River's failure to obtain our approval prior to transferring majority organizational control of its facilities to AquaSource is an apparent violation of Section 367.071(1), Florida Statutes, there are circumstances which appear to mitigate the utility's apparent violation. According to a letter dated January 29, 1999, Crystal River needed to close on the sale as close to January 1, 1999, as possible to facilitate the bookkeeping and the filing of regulatory reports and to eliminate any requirement to file bifurcated reports with the various regulatory agencies. Furthermore, there is a provision in the contract between Crystal River and AquaSource which states that the sale is subject to this Commission's jurisdiction and if we deny the application, the parties will "unwind" the transaction.

Based on the foregoing, we do not find that the utility's apparent violation of Section 367.071, Florida Statutes, rises in these circumstances to the level which warrants the initiation of a show cause proceeding. Therefore, Crystal River shall not be required to show cause for failing to obtain Commission approval prior to transferring majority organizational control of its facilities to AquaSource.

APPLICATION .

Except as previously discussed, the application is in compliance with Section 367.071, Florida Statutes, and other pertinent statutes and provisions of the Florida Administrative Code. The application included the correct filing fee pursuant to Rule 25-30.020, Florida Administrative Code.

Pursuant to Rule 25-30.037(3)(i), Florida Administrative Code, the utility provided proof of ownership or continued use of the land upon which its facilities are located. A description of the territory served by the utility is in Attachment A of this Order, which by reference is incorporated herein.

As required by Rule 25-30.030, Florida Administrative Code, the utility furnished proof of compliance with the noticing requirements. No objections to the notice of the application were received, and the time for filing such has expired.

According to the application, the present owners are no longer interested in owning and operating the utility. By contrast, AquaSource is actively involved in operating and managing utility systems. AquaSource also has the financial support of its parent company, DQE, Inc. (DQE), which is an energy services holding company with assets exceeding \$4.6 billion. DQE's subsidiary companies provide electric service in Pennsylvania and invest in other activities that support DQE's core energy business. In 1997, DQE expanded its holdings to include water and wastewater systems.

In regard to AquaSource's technical ability to provide service, the company is reported to be the largest investor-owned water utility in Texas, with employees that have worked with municipal or private water systems for more than twenty-five years. The application stated that AquaSource is dedicated to providing clean water and superior service to its customers at the lowest practical cost. AquaSource also stated, pursuant to Rule 25-30.037(3)(f), Florida Administrative Code, that it will fulfill the commitments, obligations, and representations of Crystal River with regard to utility matters.

According to the application, AquaSource performed an investigation of the Crystal River systems pursuant to Rule 25-30.037(3)(h), Florida Administrative Code. AquaSource stated that the systems are in satisfactory condition and in compliance with the standards set by the Florida Department of Environmental Protection (DEP). Our staff contacted the DEP and confirmed that the systems do not have any outstanding notices of violation.

Based on the foregoing, we find the transfer of majority organizational control of Crystal River from Mr. Richard Bowles and Mr. Robert Sterling, III, to AquaSource to be in the public interest, and it is approved.

RATE BASE

Section 367.071(5), Florida Statutes, authorizes us to establish rate base for a utility when the sale, assignment, or transfer of the utility is approved. However, this transfer of majority organizational control of Crystal River from Mr. Richard

Bowles and Mr. Robert Sterling, III, to AquaSource was accomplished by an acquisition of stock. Stock price has no direct relationship to a utility's established rate base. Therefore, we do not find it necessary in this docket to establish rate base.

RATES AND CHARGES

The utility's current rates and charges were approved pursuant to recent index applications or were adopted during transfer proceedings. Rule 25-9.044(1), Florida Administrative Code, states that the company which operates the utility business after a change of ownership or control "must adopt and use the rates, classification and regulations of the former operating company (unless authorized to change by the Commission)." Accordingly, we find that AquaSource must adopt and use the rates, classification and regulations of Crystal River.

The utility has filed a revised tariff reflecting the transfer of majority organizational control. The tariff filing shall be effective for services rendered or connections made on or after the stamped approval date on the tariff sheets.

No further action is required, and this docket shall be closed.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the transfer of majority organizational control of Crystal River Utilities, Inc., P.O. Box 520247, Longwood, Florida 32752, from Richard Bowles and Robert Sterling, III, P.O. Box 520247, Longwood, Florida 32752, to AquaSource Utility, Inc., 16810 Barker Springs, Suite B215, Houston, Texas 77084, is hereby approved. It is further

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

ORDERED that rate base shall not be established at this time. It is further

ORDERED that AquaSource Utility, Inc., shall continue to charge the rates and charges approved in Crystal River Utilities, Inc.'s tariff. It is further

ORDERED that the tariff reflecting the transfer of majority organizational control shall be effective for services rendered or connections made on or after the stamped approval date on the tariff sheets. It is further

ORDERED that this docket shall be closed.

By ORDER of the Florida Public Service Commission this 8th day of March, 1999.

BLANCA S. BAYÓ, Director

Division of Records and Reporting

(SEAL)

SAM

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.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting, 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 Records and reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. 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.

Attachment A

Crystal River Utility, Inc.

Citrus County

Seven Rivers Water Systems - Water Service Area

Order No. PSC-97-0187-FOF-WU, Docket No. 960642-WU

HOMOSASSA VILLA TERRACE UNIT 11 WATER SYSTEM is situated in the Northeast 1/4 of Section 24, Township 19 South, Range 17 East; Citrus County, Florida, being a recorded subdivision - Sub. 0116, Pb. 1, Pg. 52, further shown on the County Aerial No. 72D, County Map 218A and further being described as follows:

Beginning at a point of commencement - the Northeast corner of Section 24 and running due West along the North line of Section 24, 1373.08 feet to the Point of Beginning. From the Point of Beginning, going due South along the center line of Country Club Place a distance of 405.00 feet to a point. Thence going due East along the center line of Grant Drive 283.51 feet to a point of curvature. Thence along the curve having a radius of 2315.10 feet, an arc of 232.74 feet, a chord of 230.78 feet and a chord bearing of North 87°08'00" East to a point. Thence going due South along the center line of Citrus Avenue 611.50 feet to a point of curvature. Thence along the curve having a radius of 470.00 feet, an arc of 738.27 feet, a chord of 666.26 feet and a chord bearing of South 45°00'00" West to a point. Thence going due North a distance of 10 feet to a point. Thence going due West a distance of 170.00 feet to a point. Thence going due North along the center line of Country Club Place a distance of 390.00 feet to a point. Thence going due West along the Center line of Pershing Avenue a distance of 983.35 feet to a point on the center line of Rosedale Avenue and also a point of curvature. Thence along the curve have a radius of 1378.24 feet, an arch of 225.99 feet, a chord of 225.66 feet and a chord bearing of North 04°24'35" East to a point. Thence continuing due North along the center line of Rosedale Avenue a distance of 850.00 feet to a point on the North Section line of Section 24. Thence going due East along the North Section line, a distance of 1090.00 feet to the Point of Beginning.

KENWOOD NORTH WATER SYSTEM is situated in the West 1/2 of the Northwest 1/4 of the Northeast 1/4 of Section 25, Township 19 South, Range 17 East; Citrus County, Florida, being an unrecorded

subdivision 1D000, further shown on the County Aerial No. 73A, County Map 219A and being further described as follows:

From a Point of Beginning - Being the Southwest corner of the Northwest 1/4 of Section 25, Township 19 South, Range 17 East, North 00°25'47" West 1288.98 feet to a point on the South right-of-way of Grover Cleveland Boulevard. Thence along the South right-of-way - South 89°58'00" East, 666.04 feet to a point. Thence leaving the South right-of-way South 00°18'48" East, 1292.47 feet to a point. Thence North 89°39'48" West, 663.43 feet to the Point of Beginning.

MEADOW STREET WATER SYSTEM is situated within Green Acres Pb. 5, Pg. 4, Sub. 0200 within the Southeast 1/4 of Section 36, Township 19 South, Range 17 East and within Green Acres Subdivision No. 1, Sub. 0210 Pb. 5, Pg. 5, within the North 1/2 of the Southwest 1/4 in Section 31, Township 19 South, Range 18 East; Citrus County, Florida, and further shown on the County Aerial 86C, County Map 375C, being further described as follows:

From a point of commencement being the Southeast corner of Section 36, Township 19 South, Range 17 East North a distance of 1966.84 feet to the Point of Beginning on the North right-of-way of Meadow Street. Thence South 89°44'44" West, 332.02 feet to a point. Thence leaving the right-of-way North 00°04'49" East, 623.43 feet to a point. Thence South 89°29'56" East, 331.09 feet to a point. Thence South 00°05'32" East, 622.00 feet to the Point of Beginning. Further being the East 1/2 of Lot 22 within Section 36, Township 19 South, Range 17 East.

Also the following within Section 31, Township 19 South, Range 18 East.

Beginning at the point of commencement being the Southwest corner of Section 31, North 1294.56 feet to the Point of Beginning: Thence North 00°13'45" East, 622.28 feet to a point on the South right-of-way of Meadow Street. Thence North 88°49'19" East, 336.54 feet to a point on the right-of-way. Thence leaving the right-of-way South 00°14'28" West, 624.90 feet to a point. Thence 89°15'59" West, 336.37 feet to the Point of Beginning, being Lot 40.

Beginning at a point of commencement being the Southwest corner of Section 31, North 1966.84 feet to a point on the North right-of-way of Meadow Street. Thence along the right-of-way North 88°49'19" East, 336.55 feet to the Point of Beginning on the West Property

Line of Lot 42. Thence North 00°14'28" East 624.90 feet to a point. Thence along the North Property line of Lots 42 and 43, North 88°22'40" East, 673.54 feet to a point on the Northeast corner of Lot 43. Thence South 00°15'54" West, 630.13 feet to a point on the North right-of-way of Meadow Street. Thence along the North right-of-way, South 88°49'19" West, 673.10 feet to the Point of Beginning, being Lots 42 and 43.

Beginning at a point of commencement, being the Southwest corner of Section 31, North 1966.84 feet to a point on the North right-of-way of Meadow Street. Thence along the North right-of-way, North 88°49'19" East, 1346.20 feet to the Point of Beginning on the West Property Line of Lot 45. Thence North 00°16'37" East, 632.74 feet to the Northwest corner of Lot 45. Thence along the North Property Line of Lots 45 and 46, North 88°22'40" East, 673.56 feet to the Northeast corner of Lot 46. Thence South 00°18'02" West, 637.96 feet to a point on the North right-of-way of Meadow Street. Thence along the North right-of-way South 88°49'19" West, 673.10 feet to the Point of Beginning, being Lots 45 and 46.

and

Citrus County

<u>Pine Valley Water System - Water Service Area</u>

<u>Order No. PSC-96-1539-FOF-WU, Docket No. 960717-WU</u>

Township 19 South, Range 18 East

Section 19

The Southwest 1/4 of the Southwest 1/4 of said Section 19.

and

Citrus County

Castle Lakes - Water Service Area

Order No. PSC-97-0580-FOF-WU, Docket No. 960644-WU

Township 19 South, Range 20 East

Section 34

The Southeast 1/4 of the Southwest 1/4 less and except Right-of-Way of U.S. Highway No. 41 and other peripheral roadways and easements as may exist.

Lake County

Ravenswood Water System - Water Service Area

Order No. PSC-96-1409-FOF-WU, Docket No. 960716-WU

Township 20 South, Range 24 East, Lake County, Florida.

Section 2: Commence at the Southwest corner of said Section 2; thence run North 792 feet along the west section line of said Section 2 for a Point of Beginning; thence run North along the west section line of said Section 2 739.69 feet; thence South 89 degrees 37 minutes 00 seconds East 313.77 feet; thence South 25 degrees 27 minutes 20 seconds East 820.89 feet; thence North 89 degrees 41 minutes 30 seconds West 666.60 feet to Point of Beginning.

Section 3: Commence at the southeast corner of said Section 3; thence run North 792 feet along the east section line of said Section 3 for a Point of Beginning; thence run North 89 degrees 45 minutes 00 seconds West 1043.23 feet; thence North 739.69 feet; thence South 89 degrees 45 minutes 00 seconds East 1043.23 feet; thence south 739.69 feet to Point of Beginning.

Lake County

Haines Creek Mobile Homesites Waterworks - Water Service Area

Order No. PSC-97-0375-FOF-WU, Docket No. 960793-WU

The following described lands located in portions of Sections 11 and 12, Township 19 South, Range 25 East, Lake County, Florida:

In Section 11: Commence at the Northeast corner of said Section 11, for a Point of Beginning; thence South 89° 55' 30" West along the North line of the Northeast 1/4 of said Section, 142.86 feet to a point on the West right-of-way line of County Road No. 473, said point being 40 feet from the centerline of said county road; thence South 00° 07' 47" West along said West right-of-way line, 720.08 feet to the point of beginning; thence continue South 00° 07' 47"

West along said West right-of-way line, 612.00 feet; thence departing said West right-of-way-line and run North 89° 56' 23" West; 660.00 feet; thence North 00° 07' 50" East, 183.67 feet; thence North 36° 22' 38" East, 501.98 feet; thence North 86° 18' 09" East, 364.00 feet to the point of beginning, containing 7.63 acres, more or less.

In Section 12: Commence at the Northwest corner of said Section 12 for a Point of Beginning; thence run East along said section line 825 feet to the East Boundary of Learn's Road; thence South 500 feet; thence West 200 feet; thence South 1390 feet to the North right-of-way line of Haines Creek Road; thence West along said right-of-way line 630 feet to the West section line of said Section 12; thence North along said section line 1870 feet to the Point of Beginning.

Palm Beach County

<u>Lake Osborne Water System - Water Service Area</u> Order No. PSC-97-1149-FOF-WU, Docket No. 961535-WU

In Township 44 South, Range 43 East

Section 32

That part of the East 1/2 lying East and South of the center line of Lake Osborne Drive.

Section 33

That part of the Northwest 1/4 of the Southwest 1/4 lying West of the West right-of-way of Seaboard Air Line Railway right-of-way; the South 330.11 feet of the South 1/2 of the Southwest 1/4 of the Northwest 1/4 also lying West of the West right-of-way of Seaboard Air Line Railroad.

Polk County

THE ROSALIE OAKS SUBDIVISION - Water and Wastewater Service Area

Order No. PSC-98-0371-FOF-WS, Docket No. 961014-WS

Commence at the Northeast corner of Section 29, Township 29 South, Range 29 East, Polk County, Florida, and run South along the East boundary of Section 29, 1566.41 feet; thence North 79° 24' 10" West, 908.44 feet to the centerline of Camp Mack Road; thence along said centerline, South 50° 09' 10" West, 123.40 feet to the beginning of a curve to the left having a central angle of 08° 47' 20" and a radius of 2752.18 feet; thence along said curve, for an arc length of 422.17 feet to the end of said curve; thence South 41° 21' 50" West, 143.88 feet; thence South 35° 24' 10" East, 51.36 feet to the POINT OF BEGINNING for this description; from said POINT OF BEGINNING, continue thence South 35° 24' 10" East, 134.10 feet to the beginning of a curve to the left having a central angle of 90° 00' 00" and a radius of 20 feet; thence along said curve for an arc length of 31.42 feet to the end of said curve; thence North 54° 35' 50" East, 100.00 feet; thence South 35° 24' 10" East, 175.00 feet; thence North 54° 35' 50" East, 200.00 feet; thence North 35° 24' 10" West, 115.00 feet; thence North 54° 35' 50" East, 320.95 feet to the beginning of a curve to the right having a central angle of 46° 00' 00" and a radius of 205.58 feet; thence along said curve, for an arc length of 165.05 feet, to the end of said curve; thence South 79° 24' 10" East, 110.01 feet to the beginning of a curve to the right having a central angle of 134° 00' 00" and a radius of 51.98 feet; thence along said curve for an arc length of 121.57 feet to the end of said curve; thence South 35° 24' 10" East, 185.00 feet; thence South 54° 35' 50" West, 707.86 feet; thence South 35° 24' 10" East, 72.74 feet; thence South 69° 24' 10" East, 148.94 feet; thence North 20° 35' 50" East, 10.00 feet to the beginning of a curve to the right, whose tangent bears South 69° 18' 44" East, and has a central angle of 21° 52' 22" and a radius of 3180.00 feet; thence along said curve, Southeasterly, for an arc length of 1213.97 feet to the end of said curve, and the beginning of a curve to the left having a central angle of 22° 50' 30" and a radius of 260.00 feet; thence along said curve for an arc length of 103.65 feet, to the end of said curve; thence South 70° 16' 52" East, 706.24 feet; thence South 10° 16' 52" East, 400.69 feet; thence North 73° 24' 00" West, 870.32 feet to the beginning of a curve to the right having a central angle of 25° 57' 38" and a radius of 655.00 feet; thence along said curve for an arc length of 296.78 feet to the end of said curve, and the

beginning of a curve to the left having a central angle of 21° 57' 48" and a radius of 2785.00 feet; thence along said curve for an arc length of 1067.58 feet to the end of said curve; thence North 69° 24' 10" West, 342.13 feet; thence North 35° 24' 10" West, 538.72 feet; thence North 54° 35' 50" East, 210.00 feet; thence North 35° 24' 10" West, 190.58 feet; thence North 41° 21' 50" East, 102.73 feet to the POINT OF BEGINNING.

ROSALIE OAKS WATER TREATMENT PLANT

ALSO, commence at the Northeast corner of Section 29, Township 29 South, Range 29 East, Polk County, Florida, and run South along the East boundary of Section 29, 1566.41 feet; thence North 79° 24' 10" West, 908.44 feet to the centerline of Camp Mack Road; thence along said centerline, South 50° 09' 10" West, 123.40 feet to the beginning of a curve to the left having a central angle of 08° 47' 20" and a radius of 2752.18 feet; thence along said curve, for an arc length of 422.17 feet to the end of said curve; thence South 41° 21' 50" West, 306.72 feet; thence South 53° 24' 20" West, 420.00 feet; thence South 36° 35' 40" East, 50.00 feet to the POINT OF BEGINNING for this description; from said POINT OF BEGINNING, continue thence South 36° 35' 40" East, 208.71 feet; thence South 53° 24' 20" West, 208.71 feet; thence North 35° 35' 40" West, 208.71 feet; thence North 53° 24' 20" East, 208.71 feet to the POINT OF BEGINNING.

Sumter County

The Woods Division - Water and Sewer Service Area

Order No. PSC-97-0312-FOF-WS, Docket No. 960643-WS

The following described lands located in portions of Sections 7 and 12, Township 22 South, Range 21 East, Sumter County, Florida:

Section 12: (Water and Wastewater)

The Southwest 1/4 of the Southeast 1/4 of the Northeast 1/4; the South 660 feet of the Southwest 1/4 of Northeast 1/4, Less the West 480 feet thereof: the North 736 feet of Northwest 1/4 of Southeast 1/4, less the West 489 feet thereof.

Sections 12 and 7: (Water only)

The Southwest 1/4 of the Southeast 1/4 of the Northwest 1/4 lying West of U.S. Highway No. 301; and the Southeast 1/4 of the Southwest 1/4 of the Northwest 1/4 and the Southwest 1/4 of the Southwest 1/4 of the Northwest 1/4 and the Northwest 1/4 of the Northwest 1/4 of the Southwest 1/4 and the Northeast 1/4 of the Northwest 1/4 of the Southwest 1/4 and the Northwest 1/4 of the Northeast 1/4 of the Southwest 1/4 lying West of U.S. Highway No. 301; thereof, all being in Section 7, Township 22 South, Range 22 East, also the Southeast 1/4 of the Southeast 1/4 of the Northeast 1/4 and the Northeast 1/4 of the Northeast 1/4 of the Southeast 1/4; thereof, all being in Section 12, Township 22 South, Range 21 East, Sumter County, Florida.