

RECEIVED-PPSC

11 JUN -8 PM 2:44

COMMISSION  
CLERK

**WATER MANAGEMENT SERVICES, INC.**

250 John Knox Rd. # 4  
Tallahassee, FL 32303  
(850) 668-0440 Fax (850) 577-0441

June 8, 2011

HAND DELIVERY

Ms. Ann Cole  
Clerk  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399-0850

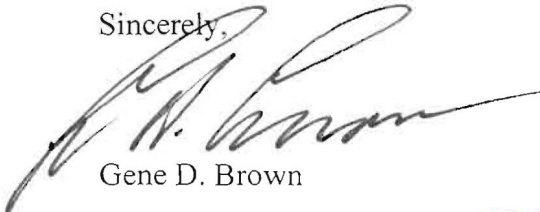
Re: Interim Rate Escrow  
Docket No. 100104-WU

Dear Ms. Cole:

On April 29, 2011, Water Management Services, Inc. filed a final report with the Commission showing that all interim rates collected under this docket have been refunded. Accordingly, I request that you authorize Citizens State Bank to release the funds in Account Number 7100009406 held pursuant to the Escrow Agreement which you signed on September 15, 2010, a copy of which is enclosed.

If you want to sign the enclosed copy of this letter, I will take care of getting the funds released. If we need to follow some other procedure, please let me know how to proceed.

Sincerely,

  
Gene D. Brown

**REDACTED**

GDB:smc

- COM \_\_\_\_\_
- APA \_\_\_\_\_
- ECR   T
- GCL \_\_\_\_\_
- RAD \_\_\_\_\_
- SSC \_\_\_\_\_
- ADM \_\_\_\_\_
- OPC \_\_\_\_\_
- CLK \_\_\_\_\_

Agreement to release funds in Citizens State Bank Account No. 7100009406

  
Ann Cole, Commission Clerk  
Florida Public Service Commission

DOCUMENT NUMBER-DATE

03964 JUN -8 =

FPSC-COMMISSION CLERK

## ESCROW AGREEMENT

THIS ESCROW AGREEMENT is made by and between CITIZENS STATE BANK (the "Bank"), the FLORIDA PUBLIC SERVICE COMMISSION ("FPSC") and WATER MANAGEMENT SERVICES, INC., a Florida corporation, (the "Utility"), upon the following terms, conditions and considerations:

### WITNESSETH:

WHEREAS, by action of the FPSC in Docket No. 100104-WU, Order No. PSC-10-0513-PCO-WU issued August 12, 2010, the FPSC granted the Utility's request for interim monthly water service rates, and

WHEREAS, as a condition of such order, the Utility is required to provide cash security for those monthly water service rates collected subject to a refund, and

WHEREAS, the Bank has agreed to hold such funds in an interest bearing escrow account,

NOW, therefore, in consideration of Ten Dollars and the mutual covenants herein, the parties agree as follows:

1. The foregoing representations are true and correct.
- ~~2. The Utility and FPSC shall open a joint interest bearing escrow account. The amount of interim monthly water service rates collected subject to a refund shall be deposited by the Utility in the escrow account and in accordance with the requirements of the FPSC Order issued in Docket No. 100104-WU.~~
3. The balance in the escrow shall bear interest at the Bank's prevailing money market rate which is currently .50% Annual Percentage Yield, which is a variable rate. Utility shall pay all fees required to maintain the escrow account.
4. In the event a refund is required, the Utility is authorized to withdraw funds from this account for the purpose of paying said refund with interest and undertaken in accordance with Rule 25-30.360, Florida Administrative Code.
5. The Utility shall provide to FPSC a report by the 20<sup>th</sup> day of each month indicating the monthly and total amount collected subject to refund.
6. The Commission Clerk of the Office of Commission Clerk of the FPSC and the Utility shall be signatories to the Escrow Account. Signature cards executed by the Commission Clerk of the Office of Commission Clerk of the FPSC and the Utility shall designate the appropriate authorized signature for each. No

DOCUMENT NUMBER-DATE

03964 JUN-8 =

FPSC-COMMISSION CLERK

withdrawals of funds shall occur without the prior approval of the Commission through the Office of Commission Clerk.

7. The Bank shall forward regular monthly statements (including images of cancelled checks) to the Utility and shall mail a copy of the monthly statement to the FPSC.
8. The balance of the funds remaining in the Escrow Account shall be disposed of in accordance with the FPSC's final order immediately after issuance and the account closed thereafter.
9. The Utility shall indemnify and hold the Bank harmless from any claim, demand or loss suffered by the Bank, and the cost thereof including court costs and attorney fees for negotiation, trial and appeal.
10. This Escrow Account is established pursuant to the FPSC decision reached in Docket No. 100104-WU at its August 3, 2010 Agenda Conference for the benefit of the Utility's customers.
11. The information concerning the Escrow Account shall be available from the Bank to the FPSC and its representative at all times.
12. This Escrow Account is established by the direction of the Florida Public Service Commission for the purposes set forth in its order requiring such account. Pursuant to Cosentino v. Elson, 263 So. 2d 253 (Fla. 3<sup>rd</sup> DCA 1972), escrow accounts are not subject to garnishment.

THIS AGREEMENT shall become effective and binding upon all parties upon the date that it becomes executed by all parties.

WATER MANAGEMENT SERVICES, INC.,  
a Florida corporation

By: \_\_\_\_\_

Gene D. Brown, as its President

DATE: \_\_\_\_\_

9/2/10

CITIZENS STATE BANK

By:



Roger Brooks  
as its President/CEO

DATE: \_\_\_\_\_

FLORIDA PUBLIC SERVICE COMMISSION

By:



Ann Cole, Commission Clerk  
Office of Commission Clerk

DATE: 9-15-10