

STATE OF FLORIDA



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COMMISSION CLERK
(850) 413-6770

Public Service Commission

November 16, 2020

Mike Smallridge
Florida Utility Services 1, LLC
5911 Trouble Creek Rd.
New Port Richey, FL 34652

Re: Establishment of Escrow Accounts (Docket No. 2020169-WS)

Dear Mr. Smallridge:

Enclosed please find the proposed Escrow Agreement between Capital City Bank, the Florida Public Service Commission and Lake Yale Utilities, LLC. I have executed the agreement as the Commission's designated agent for such matters. Once Capital City Bank has signed the agreement, please send me a copy of the fully executed agreement and file a copy with the Florida Public Service Commission in Docket No. 20200169-WS. Additionally, please send me the necessary documentation to setup an account with Capital City Bank.

Sincerely,

A handwritten signature in blue ink, appearing to read "Adam J. Teitzman".

Adam J. Teitzman
Commission Clerk

/ajt
Enclosure
cc:Charles Murphy

ESCROW AGREEMENT

THIS ESCROW AGREEMENT is made by and between CAPITAL CITY BANK (the Bank), the FLORIDA PUBLIC SERVICE COMMISSION (FPSC) and LAKE YALE UTILITIES, LLC (the Utility), upon the following terms, conditions and considerations:

WITNESSETH:

WHEREAS, by action of the FPSC in Docket No. 20200169-WS, Order No. PSC-2020-0310-PCO-WS, issued September 14, 2020, the FPSC approved interim wastewater rates for the Utility and ordered that \$831.00 of the Utility's wastewater revenues collected pursuant to such interim rates shall be deposited each month into an interest bearing Escrow Account approved by the FPSC.

WHEREAS, the Bank has agreed to hold such funds in an interest bearing Escrow account pursuant to the terms of the order.

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 the FPSC shall open a joint interest-bearing Escrow Account which shall be governed by the terms of this Agreement and Order No. PSC-2020-0310-PCO- WS;
3. This Escrow Account is established at the direction of the FPSC pursuant to FPSC Order No. PSC-2020-0310-PCO-WS, for the benefit of the Utility's customers and to guarantee an interim water rate increase;
4. Beginning with the first monthly billing after the interim water rates go into effect, the Utility shall deposit \$831.00 of Utility wastewater revenues collected pursuant to such interim rates, into the Escrow Account each month, within seven days of receipt;
5. The balance in the Escrow Account shall bear interest at the Bank's prevailing money market rate and the deposited funds shall be subject to refund with interest;
6. If a refund to the customers is required, all interest earned on the Escrow Account shall be distributed to the customers, and if a refund to the customers is not required, the interest earned on the Escrow Account shall revert to the Utility;
7. The Utility shall pay all fees required to maintain the Escrow Account;
8. The Commission Clerk of the Office of Commission Clerk of the FPSC and the Utility shall be signatories of the Escrow Account and signature cards executed by the Clerk and the Utility shall designate the appropriate authorized signature for each;

9. No withdrawals of funds shall occur without the prior approval of the Commission through the Office of Commission Clerk and the FPSC staff shall have administrative authority to authorize all payments from the Escrow Account;

10. Information concerning the Escrow Account shall be available from the Bank to the FPSC or its representative at all times;

11. The Bank shall forward regular monthly statements (including images of cancelled checks) to the Utility and shall mail a copy of the monthly statements to the FPSC, Office the Commission Clerk, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850;

12. 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 negotiations, trial and appeal; and

13. This Escrow Account is established by the direction of the Florida Public Service Commission for the purposes set forth in the above-referenced Order requiring such account. Pursuant to Cosentino v. Elson, 263 So. 2d 253 (Fla. 3rd 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 fully executed.

LAKE YALE UTILITIES, LLC

BY: 

Michael Smallridge

Title: Managing Member

Date: 11-16-2020.

CAPITAL CITY BANK

BY: _____

Print name: _____

Title: _____

Date: _____

FLORIDA PUBLIC SERVICE COMMISSION

BY: 

Adam Teitzman, Commission Clerk

Florida Public Service Commission

Date: 11/16/20