

State of Florida

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DIVISION OF RECORDS &
REPORTING
BLANCA S. BAYO
DIRECTOR
(904) 488-8371

Public Service Commission

March 15, 1995

St. George Island Utility Company, Ltd.
Attention: Mr. Gene Brown
3848 Killearn Court
Tallahassee, Florida 32308

Re: Docket No. 940109-WU - Petition for interim and permanent rate increase in Franklin County by St. George Island Utility Company, Ltd.

Dear Mr. Brown:

Enclosed is the Escrow Agreement established for St. George Island Utility Company, Ltd. in compliance with Order No. PSC-94-1383-FOF-WU. The agreement has been signed by Ms. Bayo and is now being returned to you for further handling.

Please let us know if you have any questions regarding this matter.

- ACK _____
- AFA _____
- APP _____
- CAC _____
- CHD _____
- CHR _____
- ESC _____
- EXP _____
- ENCLOSURE
- cc: Bob Pierson, Division of Legal Services
- Division of Water and Wastewater
- _____ / _____
- _____
- _____

Sincerely,

Kay Flynn, Chief
Bureau of Records

DOCUMENT NUMBER-DATE

02813 MAR 15 95

MEMORANDUM

MARCH 6, 1995

RECEIVED
MAR - 6 1995
FPC-RECORDS/REPORTING

TO: BLANCA S. BAYÓ, DIRECTOR, DIVISION OF RECORDS AND REPORTING

FROM: DIVISION OF LEGAL SERVICES (PIERSON) *RP*

RE: DOCKET NO. 940109-WU - PETITION FOR INTERIM AND PERMANENT RATE INCREASE IN FRANKLIN COUNTY BY ST. GEORGE ISLAND UTILITY COMPANY, LTD.

By Order No. PSC-94-1383-FOF-WU, issued November 14, 1994, the Commission required St. George Island Utility Company, Ltd., to establish an escrow account for service availability charges. Attached is an escrow agreement, which has been reviewed and approved by Staff, for your signature. Please let me know if you have any questions or concerns.

RJP

cc: Division of Water and Wastewater

ESCROW AGREEMENT

This Agreement, made and entered into this ___ day of _____, 199__ by and among St. George Island Utility Company, Ltd., (Utility), Florida Public Service Commission (PSC), and Capital City Bank (Bank).

WITNESSETH:

The Bank is a Florida banking corporation, whose principal offices are located at 217 North Monroe Street, Tallahassee, FL 32301. The Utility is a water public utility, organized and existing under the laws of the state of Florida, whose principal office is located at 3848 Killearn Court, Tallahassee, FL 32308. The PSC is a state agency which regulates the Utility and whose address is 101 East Gaines Street, Tallahassee, FL 32399-0850.

Now, therefore, in consideration of the premises and the covenants contained herein, the sufficiency of which is hereby acknowledged, the Bank, PSC and Utility hereby agree as follows:

1. This escrow account is established pursuant to Order No. 94-1383-FOF-WU issued by the PSC on November 14, 1994 which requires the Utility to establish an escrow account for service availability charges to assure their availability for capital improvements.

2. Simultaneously with the execution of this Agreement, the Utility shall open a joint interest bearing escrow account with the Bank. Bank shall have no duty to determine whether or not the amount deposited into the account is correct.

3. The Bank shall release funds from the escrow account

established pursuant to this Agreement upon the written request of Gene D. Brown for the Utility and the written approval of each such request by the Director of Records and Reporting, Florida Public Service Commission for the PSC. No funds shall be released by the Bank without the express written approval of the PSC.

4. The Bank shall forward monthly statements to the Utility.

5. The Bank may, without reason, withdraw from this Agreement upon thirty (30) days written notice to the PSC and to the Utility.

6. 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 attorneys fees for negotiation, trial and appeal.

7. Any fees charged by the Bank for administering the escrow account shall be paid by the Utility.

8. Pursuant to Cosentino v. Elson, 263 So.2d, 253 (Fla. 3rd DCA 1972), escrow accounts are not subject to garnishment.

IN WITNESS WHEREOF, the parties have set their hands and seals on the day and year first above written.

WITNESSES:

Sandra M. Chase
Q. L. Hies

ST. GEORGE ISLAND UTILITY COMPANY,
LTD., a Florida limited partnership

By: Gene D. Brown

Gene D. Brown for the
Corporate General Partners

Carol Brannen
Brenda C. Hutto

CAPITAL CITY BANK

By: Rudolph B. Biny

Kary Hizon
Linda C. Williams

FLORIDA PUBLIC SERVICE
COMMISSION

By: Blanca S. Bayo