



City of Eustis

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TO: EUSTIS CITY COMMISSION

FROM: TOM CARRINO, CITY MANAGER

DATE: May 4, 2023

RE: RESOLUTION NUMBER 23-47: AUTHORIZING THE RECORDING OF
LIENS ON DELINQUENT UTILITY ACCOUNTS

Introduction:

On September 7, 2017, the Commission adopted Resolution Number 17-10, which approved implementing property liens for qualifying delinquent utility accounts. The purpose of recording a lien are twofold:

- 1) To recover the City's cost of water, wastewater, and/or irrigation services.
 - 2) To follow Florida Statutes. F.S. 159.17 *Lien of Service Charges*, requires any city issuing revenue bonds to have property liens on utility systems.
- The City issued Water and Sewer Series 2016 Revenue Bonds.

Staff identified accounts over 90 days delinquent. With proper notice provided, the City discontinued utility services upon failure of the property owner to pay water, wastewater, irrigation and/or garbage services. The City has exhausted all collection options. With the Commission's approval, liens will be applied to the below listed delinquent accounts.

Two of the liens below had substantial leaks, and the City tried to work with them but had no luck in resolving the issues. Subsequently, the customers have moved out of the homes leaving us with no choice but to file the liens.

Recommended Action:

Staff recommends approval of Resolution Number 23-47 authorizing the recording of liens for the properties listed below.

Account	Bill to Name	Property Location	TOTAL
22392-0	RETEY, LORRINE Meter removed 4/26/23. No way to contact customer. Customer had water leak beginning December 2021; attempted to work with customer while they repaired leak. After several repairs they were still losing water, this is the reason for high consumption and high bills. Customer quit paying and we cut off water 11/16/22. When we discovered that the customer had moved out of the home we pulled the water meter. Verified	510 W CHARLOTTE AVE	\$2,573.62

	with Lake County property appraiser that home is still listed in the customer's name.	
31612-0	STINTSMAN, ALBERT J 1120 E ORANGE AVE Meter removed 4/26/23. Water cut 2/27/23 we have discovered that the customer passed away early 2022.	\$563.99
32566-3	ARMSTRONG, LAWRENCE R 1525 PENNSYLVANIA AVE Meter removed 4/12/23. No contact information. Last payment was Jun 23, 2022.	\$545.19
32610-0	HALE, JONNIE C 1000 PINE MEADOWS GOLF COURSE Meter removed. Water cut 2/10/23. Customer no longer at this address, has health issues and now resides with son.	\$638.22
33474-0	REIGLER, DAVID L 15403 SANTA FE TRL Meter removed 4/26/23. No contact information. Last payment was Dec. 13, 2021 Outside city limits availability fees are only \$15/mo.	\$253.67
35140-3	CENTRAL FLA REGIONAL HOSPITAL 16831 US HWY 441 Meter removed 4/26/23. Construction property. Requesting lien on property as customer refuses to pay.	\$538.11
36838-0	PIERRE-LOUIS, MARIE & EMMANUEL 24114 RIALTO WAY Meter removed 4/26/23. Water cut 2/8/22. Customer has installed a well. Last payment 9/12/22. Customer has city sewer unable to cut that.	\$947.50
29176-1	SEDA, EDWIN J 302 LILY PAD LN Meter removed 4/26/23. Water cut 6/13/22 during QC for high consumption, meter had been losing 2.5 gallons per minute; June bill was \$1,179.00. Customer moved, closed business, no numbers to contact. Mail Unable to contact. Mail returned no forwarding address since 7/10/22. Verified with Lake County property appraiser that home is still listed in the customer's name with the same bill to address.	\$3,253.71
28628-0	CAMERON, ANNA 1600 E LAKEVIEW AVE Meter removed 4/26/23. Owner deceased. House is now vacant. Last payment Nov 14, 2022	\$295.10
TOTAL OF LIENS		\$9,609.11

Background:

The City provides various utility services to properties throughout the City, including water, wastewater, irrigation, reclaimed water and garbage services. To follow Florida Statutes and provide prudent measures to recoup reimbursement of utility services, staff is recommending the recording of liens on qualifying delinquent utility accounts.

Alternative

1. Approve Resolution Number 23-47
2. Deny Resolution Number 23-47 and provide direction to staff on how they would prefer to proceed.

Discussion of Alternatives:***Approval of Resolution Number 23-47:*****Advantages:**

- Approval of the Resolution will comply with Florida Statutes and provides prudent management of City utility receivables.

Disadvantages:

- The minimal filing and administrative costs required to record a lien.

Denial of Resolution Number 23-47**Advantages:**

- No additional filing or administrative costs required to file a lien.

Disadvantages:

- The City is not in compliance with Florida Statutes and has little recourse for the collection of unpaid utility services.

Budget/Staff Impact:

The utility enterprise fund has sufficient revenue to process the liens, release and pay recording fees. It is unknown when the recovery will occur. Due to changes in staffing this process is now being reinstituted and will occur on a regular basis.

The proposed action will help the City achieve the following objectives:

- Follow Florida Statutes.
- Create a procedure on the collection of past due utility bills which are the property owner's responsibility. Only the owner of the property can be lienied. Obligations created by lessee's are not an allowed obligation of the owner of the property.
- Impose and maintain liens on properties for unpaid utility bills

Prepared By:

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