

FROM: TOM CARRINO, CITY MANAGER

DATE: FEBRUARY 6, 2025

RE: UTILITY ACCOUNT LIENS

Introduction:

The City Commission has expressed interest in understanding the current utility lien process.

Background:

The City is bound to comply with the Utility Revenue Bond covenants which states that no one shall be given free or discounted water. A copy of the covenants is included. In an effort to abide by these covenants and secure collection of revenue due the City for past water consumption and fees associated with water consumption, the Water Customer Service Department takes all necessary steps to collect on delinquent accounts. In the past, the City has filed liens on properties with unpaid utility bills. However, City staff was directed to stop filing liens until the City Commission has a full understanding how the lien process works, especially in relation to tenant vs. owner accounts. Ordinance 94-261 detailing the lien process, including exceptions, is attached for your reference. It is important to note Florida Statute (FS) 180.135. It states, "Utility services; refusal or discontinuance of services for nonpayment of service charges by former occupant of rental unit prohibited; unpaid service charges of former occupant not to be basis for lien against rental property". This is the basis of this Ordinance.

Recommended Action:

Provide direction regarding utility liens.

Prepared by:

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Reviewed by:

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