



# City of Eustis

P.O. Drawer 68 • Eustis, Florida 32727-0068 • (352) 483-5430

TO: EUSTIS CITY COMMISSION

FROM: TOM CARRINO, CITY MANAGER

DATE: July 20, 2023

RE: RESOLUTION NUMBER 23-63 AUTHORIZING THE RECORDING OF LIENS ON DELINQUENT UTILITY ACCOUNTS

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**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 is 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.

**Recommended Action:**

Staff recommends approval of Resolution Number 23-63 authorizing the recording of liens for the properties listed below.

22224-1	SMITH, JOEL F Meter was removed 5/19/23. Last payment received 9/23/22. Voucher received from LCAA for \$680.92 but needs additional \$415.00 to get meter reinstalled, customer states will not pay it.	405 S CENTER ST	\$1,095.92
24020-0	LONDON, JOSEPH D & KAMERER, FRANK Meter removed 7/11/23. No way to contact customer. Water cut 5/25/23, last paid 2/6/23.	1205 S DEWEY	\$360.02
35734-3	LOPER, JAMES Meter removed 7/6/23. Water was disconnected on 4/19/23. Last paid 12/6/22. No contact numbers for customer. Last contact customer came to office and promise to pay \$100 on 7/3/23 and pay \$100 biweekly until account is up-to-date, customer broke promise to pay.	310 W WARD	\$347.80

36568-3	CARL, SHARON A Customer requested meter pulled on 3/30/23. Property appraiser still showing she is the owner, last payment received 3/20/23. Customer is not returning voice mails.	309 E WOODWARD	\$386.18
40750-1	KESSINGER, RYAN T Account is for Sewer and Garbage only. Last paid 3/1/23. Customer will not return calls.	34615 ESTES RD	\$486.75
Totals			\$2,676.67

**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.

**Alternatives:**

1. Approve Resolution Number 23-63
2. Deny Resolution Number 23-63 and provide direction to staff on how they would prefer to proceed.

**Discussion of Alternatives:**

***Approval of Resolution Number 23-63:***

**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 23-63:***

**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 reinstated 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 liened. 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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