



# City of Eustis

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TO: EUSTIS CITY COMMISSION

FROM: TOM CARRINO, CITY MANAGER

DATE: December 14, 2023

RE: RESOLUTION NUMBER 23-108: 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 water, wastewater, and/or irrigation services cost.
- 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 for 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 23-108 authorizing the recording of liens for the properties listed see Exhibit A.

## **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 utility service reimbursement, the staff recommends recording liens on qualifying delinquent utility accounts.

## **Alternatives:**

1. Approve Resolution Number 23-108
2. Deny Resolution Number 23-108 and direct staff on how they would prefer to proceed.

## **Discussion of Alternatives:**

### ***Approval of Resolution Number 23-108:***

#### **Advantages:**

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

#### **Disadvantages:**

- Minimal filing and administrative costs are required to record a lien.

### ***Denial of Resolution Number 23-108:***

#### **Advantages:**

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

#### **Disadvantages:**

- The City does not comply with Florida Statutes and has little recourse for collecting 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 for collecting past-due utility bills, which is the property owner's responsibility. Only the owner of the property can be liened. Obligations created by the lessee are not an allowed obligation of the property owner.
- Impose and maintain liens on properties for unpaid utility bills.

**Attachments:** Resolution Number 23-108 – Utility Liens  
Exhibit A: List of Property to be liened

## **Prepared By:**

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