## City Council Regular Meeting Date: <u>December 16, 2025</u>

To: City Council

From: Dana A. Souza, City Manager

Date: December 8, 2025

**SUBJECT**: Public Hearing and consideration of Resolution 25-073, to make a final determination of the propriety and advisability of establishing the Sanibel Harbours Inlet Dredging Assessment District and levying a recurring annual special assessment against property within the Assessment District to fund the Sanibel Harbours Inlet Dredging project.

**BACKGROUND**: At the October 7, 2025, City Council meeting, the City Council voted to approve Resolution 25-061 to declare the City's intent to establish the Sanibel Harbours Inlet Dredging Assessment District (Assessment District) for the purposes of dredging the Sanibel Harbours Inlet (inlet) and to levy an annual special assessment against the properties that will benefit from the future dredging of the inlet. A copy of Resolution 25-061 is included as attachment to Resolution 25-073 which is being considered for approval by City Council today.

At the November 4, 2025, City Council meeting, the City Council voted to approve Resolution 25-064 to set the date of December 16, 2025, for the Public Hearing for the City Council to consider approving the establishment and implementation of the Sanibel Harbours Inlet Dredging Assessment District. A copy of Resolution 25-064 is included in the agenda packet for this item.

Once the City Council established a Public Hearing date through Resolution 25- 064, and as required by Florida Statutes, the City mailed a written notice to each affected property owner (44), utilizing the names and addresses of such property owners from the records of the Lee County Property Appraiser, to inform them of date, time, and place for the Public Hearing and the amount of the assessment. A copy of the written notice (letter) and the City Clerk's affidavit certifying the letter was mailed to the affected property owners on November 14, 2025, is included in the agenda packet for this item.

Additionally, and as required by Florida Statutes, the City published Notice of the Public Hearing to inform the public of the date, time, and place of the Sanibel Harbours Inlet Dredging Assessment District Public Hearing in the News-Press (Fort Myers) on December 2, 2025, and December 9, 2025. A copy of Government Public Notice for both publication dates in the News-Press is included in the agenda packet for this item as the Affidavit of Publication from Gannett (News-Press) has not yet been sent to the City Clerk. Once the affidavit is received, it will be added to the public record.

As approved by the City Council in Resolution 25-061, the City of Sanibel will fund 33.33% of the project cost. The remainder of the cost (66.67%) will be paid by property owners (44) who will benefit from the public improvement through the establishment of the Assessment District.

Historically, the residents of the Sanibel Harbours neighborhood (Sanibel Harbours) have worked in partnership with the City of Sanibel for the periodic maintenance dredging of the Sanibel Harbours inlet (inlet). The inlet area is shown in the images below. Since a Special Assessment District was not previously established for Sanibel Harbours, the residents' share of the dredging cost was paid directly to the City by residents. Historically, as with other dredging projects, the City has paid 33.33% of the dredging costs, and the residents have paid 66.67% of the dredging costs. Sanibel Harbours has been dredged using this payment methodology in 2001, 2008, 2014, and 2024. The inlet needs to be dredged again in 2025 due to the hurricanes that impacted Sanibel in 2024.





The Sanibel Harbours residents are requesting that a Special Assessment District be established so residents may pay an annual assessment toward future dredging instead of a larger lump sum payment when dredging is needed, which is the current practice. A letter from residents Erika Steiner and Marty Harrity, requesting the Special Assessment District be established, is included in the agenda packet for this item. If approved by the City Council, the Special Assessment District will be titled "Sanibel Harbours Inlet Dredging Assessment District" (Assessment District).

The establishment of a Special Assessment District with annual assessments will allow residents and the City to establish a project fund for future projects. The 2025 project will need to be funded using the existing methodology.

The City has an existing three-year contract with Bayside Dredging for dredging services which includes Sanibel Harbours. The contract was awarded to Bayside Dredging after a competitive bidding process and the unit cost pricing for dredging the proposed Assessment District is consistent with the awarded contract.

Based on the current cost to dredge 1,200 cubic yards of material from the inlet, and assuming the inlet may need to be dredged once, every 5-years, staff estimates the 2030 cost to dredge the inlet at \$193,447.81. Staff and residents agree that the 2025 estimated

costs for dredging and mobilization should be increased by 4% per year to establish the estimated cost for a dredging project in 2030. The table below illustrates the cost share between the City (33.33%) and residents (66.67%) in 2030.

Item	Cost	
Total Project cost in 2030	\$193,447.81	
City Share - 33.33%	\$64,476.16	
Private Property Share - 66.67%	\$128,971.66	

If approved by the City Council, the Assessment District will include forty-four (44) assessable units that will each pay an equal portion of the resident share. Those forty-four properties are listed in the Preliminary Assessment Roll, which is included in the agenda packet for this item.

For the purposes of this proposed Assessment District, an assessable unit is defined as "a parcel with an existing dock, mooring space, berthing slip or the like, or the ability to legally place such a structure on the parcel". The table below illustrates that annual assessment rates per assessable unit will be \$586.23 per year, and the City's budgeted amount will be \$12,895.23 per year. Resident assessments will be collected through the property owner's annual property tax invoice (uniformed method of collection). The image below illustrates which assessable units will be included in the Assessment District.

<u>Sanibel</u>	<b>Harbours</b>	Inlet Dredg	ging District - 2030 Estimate							
Year	Quantity (CY)	Unit Cost (+4%/yr)	Dredging Cost (+4%/yr)	Mobilization (+4%/yr)	Total Cost	City Share @ 33.33%	Resident Share 66.67%	on 44 Assessment Units	per Unit w/	Annual Cost City Share w/ Dredging Every 5 Years
2030	1200	\$115.58	138,698.43	\$54,749.38	193,447.81	64,476.16	128,971.66	2,931.17	586.23	12,895.23



Resolution 25-073, if approved by the City Council, will:

- Authorize and levy a recurring annual special assessment on the 44 parcels within the Assessment District, as shown in Final Assessment Roll (Exhibit A of Resolution 25-073), of \$586.23 /parcel/year.
- Approve the method of collection for the assessment through the uniform method of collied (i.e., tax bill), which such approval remains subject to additional City Council approvals in 2026.

## FUNDING SOURCE: N/A.

## **RECOMMENDED ACTION:**

- Hold the Public Hearing.
- City Council Discussion.
- Motion to approve Resolution 25-073.