

AGENDA MEMORANDUM

City Manager

City Council Regular Meeting Date: July 30, 2025

To: City Council

From: Dana A. Souza, City Manager

Date: July 29, 2025

SUBJECT:

Consideration of Resolution 25-042 approving the bulk purchase rates of reclaimed water for the Sanibel Island Golf Club for a three year period from the effective date of the Resolution.

BACKGROUND:

End Golf Management, LLC (EGM) is the current owner of the Sanibel Island Golf Club (SIGC). The SIGC has been for sale and is currently under contract for sale to Xude Sanibel Golf Partners, LLC (Xude). As a condition of sale, Xude is seeking a commitment from the City to maintain the reclaimed water rates consistent with the rates currently in place for a three year period.

Staff has had several conversations with EGM's representative, Jeff Blackman, over the past 5 business days concerning Xude's request. On July 29, 2025, staff participated in a virtual meeting with Mr. Blackman and Xude representatives to discuss their request. Based on this meeting, Mr. Blackman filed Xude's request to the City, which is included in the agenda packet for this item.

As defined in Section 2 of the Resolution, Xude is requesting a bulk rate for City reclaimed water of \$.062 per 1,000 gallons for the first year, increasing 3% for year two (to \$.064) and 3% for year three (to \$.066).

The City will continue to provide the volume of reclaimed water as shown in Exhibit A of the Resolution.

FUNDING SOURCE: N/A

RECOMMENDED ACTION: Discussion. Motion to approve Resolution 25-042