



AGENDA MEMORANDUM

City Manager

City Council Regular Meeting Date: October 7, 2025

To: City Council
From: Dana A. Souza, City Manager
Date: September 29, 2025

SUBJECT: Consideration of Resolution 25-061, declaring the intent of the City Council to establish the Sanibel Harbours Inlet Dredging Assessment District to finance public improvements for periodic maintenance dredging in the Sanibel Harbours Inlet.

BACKGROUND: 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

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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. 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.

Sanibel Harbours Inlet Dredging 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%	Cost/Dock based on 44 Assessment Units	Annual Assessment per Unit w/ Dredging Every 5 Years	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

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Process to Establish the Sanibel Harbours Inlet Dredging Assessment District

In accordance with Chapter 170, Florida Statutes (2024), the City Council will be asked to formally establish the Special Assessment Area for the Assessment District in accordance with the following steps.

1. October 7, 2025, City Council Meeting – Approve Resolution 25-061 declaring the intent of the City Council to establish an Assessment District to finance public improvements for maintenance dredging in the inlet.
 - a. Following the City Council’s approval of Resolution 25-061, staff will finalize the preliminary assessment roll.
2. November 4, 2025, City Council Meeting – Approve a Resolution establishing a date for a public hearing to be held and notifying property owners within the proposed Assessment District of the improvements to be undertaken that benefits the property owners within the Assessment District, the cost for the improvements, the amount to be assessed against each property, and the manner in which property owners will be required to pay the assessment.
 - a. Following the City Council’s approval of the Resolution, staff will:
 - i. Provide 30 days’ written notice of the time and place of the Public Hearing to each property owner to notify property owners within the proposed Assessment District of the improvements to be undertaken that benefit the property owners within the Assessment District, the cost for the improvements, the amount to be assessed against each property, and the manner in which property owners will be required to pay the assessment.
 - ii. Publish the notice of the Public Hearing and the preliminary assessment roll 30 days in advance of the public hearing. The notice of Public Hearing will be published twice prior to the Public Hearing.

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3. December 16, 2025, City Council Meeting –
 - a. Hold the Public Hearing as established by the City Council on November 4, 2025. After the Public Hearing closes, approve a Resolution to levy the proposed special assessments against the assessable units within the proposed Assessment District.
 - b. The City Council, sitting as the Equalization Board, will consider complaints and adjustments in the assessment on assessable unit owners and equalize the assessment, if necessary, with a Resolution being used to confirm adjustments, if any.

FUNDING SOURCE: N/A.

RECOMMENDED ACTION: Discussion. Consider Motion to approve Resolution 25-061, declaring the intent of the City Council to establish the Sanibel Harbours Inlet Dredging Assessment District to finance public improvements for periodic maintenance dredging in the Sanibel Harbours Inlet.

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