



AGENDA MEMORANDUM

City Manager

City Council Regular Meeting Date: May 6, 2025

To: City Council
From: Dana A. Souza, City Manager
Date: May 1, 2025

SUBJECT: Wulfert Channel and Dinkins Bayou Dredging Project

BACKGROUND:

As a result of Hurricanes Ian, Helene and Milton, the Wulfert Channel and Dinkins Bayou channels have accumulated bottom sediment (material) that has impeded navigation. These areas require maintenance dredging to restore navigation channels and ensure safe passage of boats traveling to and from Sanibel residential docks. The City has applied for emergency permits through the US Army Corps of Engineers (USACE) for maintenance dredging in both Wulfert Channel and Dinkins Bayou.

Wulfert Channel Permitting – The City applied for an emergency permit to the USACE related to Hurricane Ian, to remove approximately 9,250 cubic yards (CY) of accumulated bottom material from an area approximately 2.9 acres in size as shown on the Wulfert Channel Dredging Plan, which is included in the agenda packet for this item. The USACE approved the emergency permit for the requested dredging on March 5, 2025. The dredging of Wulfert Channel needs to be completed by September 1, 2025. Once the emergency maintenance dredging is completed and the permit is closed, the City will apply for a 15-year Nationwide permit to the USACE.

Dinkins Bayou Permitting – The City applied for an emergency permit to the USACE related to Hurricane Milton, to remove approximately 13,140 cubic yards (CY) of accumulated bottom material from areas shown on the Dinkins Bayou Dredging Plan, which is included in the agenda packet for this item. The City submitted the emergency permit for this project on April 11, 2025. The USACE sent the City a request for additional information (RAI) on April 28, 2025, to which the City responded to on May 2, 2025. Staff is hopeful the USACE will complete their review of the permit application soon and will issue the permit. Once the emergency maintenance dredging is completed and the permit is closed, the City will apply for a 15-year Nationwide permit to the USACE.

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Project Approach – Assuming the USACE issues the emergency permit for Dinkins Bayou soon, the City intends to undertake the Wulfert Channel and Dinkins Bayou maintenance dredging projects (Project) as one project. The City has received proposals to dredge the Project dredge areas from Bayside Dredging, the company the City has under a three-year contract for dredging services in the Shell Harbor/Sanibel Estates, and Watershadows areas.

In the event the USACE permit for Dinkins Bayou is not approved prior to the June 3, 2025, City Council meeting, staff will recommend approval for the Bayside Dredging proposal for Wulfert Channel at the June City Council meeting.

Dredged materials will be loaded on a barge and transported to the Henderson Rd. boat ramp. The material will be transferred to sealed and watertight dump trucks and hauled to the Wulfert Wastewater Treatment Plant (WWTP). Trucks will travel approximately 1.2 miles between the loading area and the WWTP by traveling along Henderson Rd., Dinkins Lake Rd., and Wulfert Rd. The final destination of the dredge material is yet to be determined.

Cost – The estimated cost to dredge the Project areas by awarding two separate projects is \$1,123,750 for Wulfert Channel and \$1,715,050 for Dinkins Bayou. However, should the USACE permit for Dinkins Bayou be approved prior to the June 3, 2025, City Council meeting, staff will recommend the projects be approved as one project, which will save approximately \$20,000 in mobilization costs.

Location	Cost – Two Projects	Cost – One Project
Wulfert Channel	\$1,123,750	\$1,123,750
Dinkins Bayou	\$1,715,050	\$1,715,050
Total	\$2,838,800	\$2,838,800
Mobilization Savings		(\$20,000)
Total		\$2,818,800

Project Funding – To fund the dredging Project, a Special Assessment Area, consisting of only the properties that will benefit from the maintenance dredging of Wulfert Channel and Dinkins Bayou. Any vacant parcels within the proposed Special Assessment Area that do not have development rights will be excluded.

Sanibel is authorized by Home Rule Power including Chapters 166,170 and 180, Florida Statutes and the Sanibel Charter to fund public improvements within the Special Assessment Area. The initial assessment will be based upon the costs to fund the emergency maintenance dredging project. Once the project is paid for, the City will look to establish the annual assessment to fund future and as-needed maintenance dredging projects. The City has long established Special Assessment Areas for canal entrance and canal dredging in the Shell Harbor/Sanibel Estates, and Watershadows areas of the City.

The Special Assessment Area will be established specifically to provide for navigability by owners, lessees and the general public through Wulfert Channel, which is also the entrance for marine traffic into Dinkins Bayou, and within the channels and canals of Dinkins Bayou, and to protect the health, safety and welfare of the adjacent owners and public in general. The scope of services for the emergency dredging project has been determined by separate dredging assessments completed by a professional engineer licensed in Florida. Likewise, the limits of

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any future dredging project will need to be established through the completion of an assessment completed by a qualified engineer.

Each parcel within the proposed Special Assessment Area with an existing dock, mooring space, berthing slip, etc., or may legally place a dock, mooring slip, berthing slip, etc., on the parcel will be subject to paying the annual assessment established by the City Council. Parcels that have more than one residential unit will be assessed based on the number of units at that parcel or the allowed number of units when built upon. For example, and more specifically, single family residential parcels (either vacant or improved) shall be determined to have one assessable unit based upon the fact that such parcel either has or is legally entitled to have one dock. For each duplex (two family) residential parcel (if any), each residential unit shall be deemed to have one assessable unit based upon the fact that each of the two residential units has legal access to a dock for the parcel or that the parcel is legally entitled to have one dock for use by both residential units. For each multi-family parcel (if any) shall be assigned assessable units based upon the existing dock spaces, mooring spaces, berthing slips or the like, or the legal entitlement to such dock, mooring or berthing spaces. Assessments of commercial properties (if any) will be determined prior to the City Council's approval of the Special Assessment Area. Again, any vacant parcels within the proposed Special Assessment Area that do not have development rights will be excluded.

A document illustrating the proposed Special Assessment Area is provided in the agenda packet for this item. There are 204 parcels within the Special Assessment Area. Staff is researching the number of single-family, two-family, multi-family, and commercial parcels that are within the proposed area.

The City Council should determine the level of funding, if any, the City will contribute to the project. The City currently provides funding for dredging projects within the Shell Harbor/Sanibel Estates, and Watershadows areas by contributing 33.33% of the project cost.

If the City Council establishes a Special Assessment Area for the Wulfert Channel/Dinkins Bayou Dredging Area (proposed name), the City will need to carry the cost of the emergency maintenance dredging projects until October 2026, which is the earliest the assessment can be collected through the real estate tax bill collection.

The following table illustrates the cost to each parcel owner, assuming the 204 parcels within the proposed Special Assessment Area are single-family parcels. The table shows the required payment that would be required of each parcel owner with various levels of City participation.

Project Cost - \$2,818,800	City – 0%	City – 10%	City – 20%	City – 33.33%
Cost - City	\$0	\$281,880	\$563,760	\$938,660
Cost for 204 Single-Family Parcels	\$2,818,800.00	\$2,536,920.00	\$2,255,040.00	\$1,880,140.00
Total	\$2,818,800	\$2,818,800	\$2,818,800	\$2,818,800
Cost for each Single-Family Parcel	\$13,817.65	\$12,435.88	\$11,054.12	\$9,216.37

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Project Cost - \$2,838,800	City – 0%	City – 10%	City – 20%	City – 33.33%
Cost - City	\$0.00	\$283,880.00	\$567,760.00	\$945,320.00
Cost for 204 Single-Family Parcels	\$2,818,800.00	\$2,554,920.00	\$2,271,040.00	\$1,893,480.00
Total	\$2,818,800.00	\$2,818,800.00	\$2,818,800.00	\$2,818,800.00
Cost for each Single-Family Parcel	\$13,915.69	\$12,524.12	\$11,132.55	\$9,281.76

City Council should discuss and provide direction on:

1. The term of repayment of funds to the City.
 - a. 1-year (cost per resident shown in the table above).
 - b. 2-years
 - c. 3-years
 - d. Other
 - e. If paid over multiple years, should interest be charged?
2. The level of City participation.
 - a. Emergency maintenance dredging.
 - b. Future maintenance dredging.

FUNDING SOURCE: N/A

RECOMMENDED ACTION: Discussion and direction.

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