



AGENDA MEMORANDUM

City Manager

City Council Regular Meeting Date: August 19, 2025

To: City Council
From: Dana A. Souza, City Manager
Date: August 12, 2025

SUBJECT:

Public Hearing and consideration of Resolution 25-041, to make a final determination of the propriety and advisability of establishing the Wulfert Channel Area Dredging Assessment District and levying a one-time special assessment against property within the Assessment District to fund the Wulfert Channel Area Dredging project.

BACKGROUND:

At the June 12, 2025, Special City Council meeting, the City Council voted to approve Resolution 25-024 to declare the City's intent to establish the Wulfert Channel Dredging Assessment District for the purposes of dredging Wulfert Channel (public improvements) and to levy a special assessment against the properties that will benefit from the public improvements, whether a property is developed or vacant. The Resolution adopted by the City Council excludes the Dinkins Bayou Dredging area that was previously considered. Additionally, the proposed dredging footprint for Wulfert Channel was reduced to only the area within the city's jurisdictional boundaries.

At the July 15, 2025, City Council meeting, the City Council voted to approve Resolution 25-034, amending the cost estimate of \$446,065 provided in Resolution 25-024 to \$748,065 and to set the date of August 19, 2025, for the Public Hearing for the City Council to consider approving the establishment and implementation of the Wulfert Channel Dredging Assessment District.

Once the City Council established a Public Hearing date through Resolution (Resolution 25-034), and as required by Florida Statutes, the City mailed a written notice to each affected property owner (196), 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 July 18, 2025, is included in the agenda packet for this item.

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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 Wulfert Channel Area Dredging Assessment District Public Hearing in the News-Press (Fort Myers) on July 29, 2025, and August 5, 2025. A copy of the Affidavit of Publication from Gannett (News-Press), is included in the agenda packet for this item

The Wulfert Channel Area Dredging project includes the portion of Wulfert Channel that is within the City's jurisdictional boundaries, and those areas of Dinkins Bayou that must be dredged for the contractor's barge to navigate between the Wulfert Channel and the Henderson Rd. boat ramp, where trucks will pick up dredge material for transport. The areas to be dredged are shown as attachments to Resolution 25-041 as Exhibit E.

The total project cost, as shown in Section 1 of City Council Resolution 25-034, approved on July 15, 2025, shows the estimated cost for the Wulfert Channel Assessment District Dredging Project is \$748,065. The table below illustrates the estimated project costs.

Revised Wulfert Channel Assessment District Dredging Project				
Item	Unit	Unit Cost	Quantity	Cost
Permit Survey/Plans - Wulfert (Revised)	Each	9,065.00	1	9,065.00
Mobilization	Each	45,000.00	1	45,000.00
Dredge Survey/Staking	Each	35,000.00	1	35,000.00
Dredging - Wulfert (Revised)	CY	100	2,900	290,000.00
Dredging - Area 1 Dinkins	CY	90	2,350	211,500.00
Dredge Material Hauling - To WWTF (Revised)	CY	15	5,250	78,750.00
Dredge Material Hauling - Off Island (Revised)	CY	15	5,250	78,750.00
Total				748,065.00
City Share - 33.33%				249,330.06
Private Property Share - 66.67%				498,734.94
Total				748,065.00

As approved by the City Council in Resolution 25-024, 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 (196) who will benefit from the public improvement through the establishment of the Assessment District.

The table above illustrates the City's cost of \$249,330.06 and the Private Property cost of \$498,734.94. The Private Property cost, divided equally between the 196 properties in the Assessment District, means each parcel owner will be assessed \$2,556.47. As directed by City Council in Resolution 25-024, each parcel owner may pay the assessment of \$2,556.47 in one lump-sum payment in 2025, or in installments of 2, 3, 4, or 5 annual payments, plus interest of 4.5% compounded annually. The table below illustrates the payment options the City Council approved based on a single parcel assessment. The table below is also shown as Exhibit B to Resolution 25-041.

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Revised Wulfert Channel Area Dredging Assessment District Payment Options																	
	Assessment	Year 1 Payment	Balance	4.5% Interest	Balance	Year 2 Payment	Balance	4.5% Interest	Balance	Year 3 Payment	Balance	4.5% Interest	Balance	Year 4 Payment	Balance	4.5% Interest	Total Payment
Resident Payment Option 1 - year Payment	2,556.47	2,556.47	0.00														2,556.47
Resident Payment Option - 2-year Payment	2,556.47	1,278.24	1,278.24	57.52	1,335.76	1,335.76	0.00										2,613.99
Resident Payment Option - 3-year Payment	2,556.47	852.16	1,704.31	76.69	1,781.01	890.50	890.50	40.07	930.58	930.58							2,673.24
Resident Payment Option - 4-year Payment	2,556.47	639.12	1,917.35	86.28	2,003.63	667.88	1,335.76	60.11	1,395.86	697.93	697.93	31.41	729.34	729.34			2,734.27
Resident Payment Option - 5-year Payment	2,556.47	511.29	2,045.18	92.03	2,137.21	534.30	1,602.91	72.13	1,675.04	558.35	1,116.69	50.25	1,166.94	583.47	583.47	26.26	2,797.14

At the July 15, 2025, City Council meeting, the City Council awarded a contract to Bayside Dredging LLC to complete the Wulfert Channel Dredging Project in the amount of \$739,000. Bayside Dredging has mobilized for this project.

Some parcel owners within the Assessment District have expressed concern that they may individually have liability associated with the Wulfert Channel Assessment District Dredging Project. I have discussed this concern with City Attorney, John Agnew, who concludes that residents within the Assessment District have no liability associated with this project.

Resolution 25-041, if approved by the City Council, will:

- Authorize and levy a one-time special assessment on the 196 parcels within the Assessment District, as shown in Final Assessment Roll (Exhibit A of Resolution 25-041), of \$2,556.47/parcel.
- Approve the method of collection for the assessment through invoicing by the City of Sanibel.
- Approves that each parcel owner may pay the assessment of \$2,556.47 in one lump-sum payment in 2025, or in installments of 2, 3, 4, or 5 annual payments, plus interest of 4.5% compounded annually, as shown in Exhibit F of Resolution 25-041.
- Directs the City Manager to notify each parcel owner within the Assessment District of their option to pay the assessment of \$2,556.47 in one lump-sum payment in 2025, or in installments of 2, 3, 4, or 5 annual payments, plus interest of 4.5% compounded annually.

FUNDING SOURCE: N/A

RECOMMENDED ACTION: Hold the Public Hearing. City Council Discussion. Motion to approve Resolution 25-041.

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