

CITY OF SANIBEL
RESOLUTION 25-042

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANIBEL, FLORIDA, REGARDING RECLAIMED WATER FOR THE SANIBEL ISLAND GOLF CLUB; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, The End Golf Management, LLC ("Seller") is the current owner of the Sanibel Island Golf Club ("SIGC"), which is under contract for sale to Xude Sanibel Golf Partners, LLC ("Buyer"); and

WHEREAS, the City of Sanibel and Seller were successors in interest to Sanibel Sewer System Partners, Ltd. and Michigan Homes, Inc., respectively, with regard to a certain Easement and Effluent Disposal Agreement dated May 14, 1990, as amended on August 7, 1991 ("Beachview Effluent Agreement"); and

WHEREAS, the Beachview Effluent Agreement governed the terms and conditions of the City's provision of reclaimed water to SIGC, until the Beachview Effluent Agreement expired on its own terms in or around August 2021; and

WHEREAS, despite the expiration of the Beachview Effluent Agreement in 2021, the City has continued to provide reclaimed water to SIGC and charge reclaimed use rates consistent with the terms of the Beachview Effluent Agreement, including provision of a guaranteed rate of \$.062 per 1,000 gallons for the 2025 calendar year; and

WHEREAS, SIGC is currently under contract for sale from Seller to Buyer, with an anticipated closing date on or before August 15, 2025; and

WHEREAS, in connection with the proposed sale, the Buyer has requested certain assurances with respect to continued provision of reclaimed water to SIGC in accordance with historical patterns and practices;

WHEREAS, the City Council of the City of Sanibel desires to provide such assurances as set forth in this resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANIBEL, FLORIDA:

SECTION 1. For a period of three years from the effective date of this resolution (the "Interim Period"), the City shall continue to provide reclaimed water to SIGC consistent with the City's historical patterns of such reclaimed water as shown in Exhibit A, subject to acts of God or other unforeseen events that make such provision impossible or impractical.

SECTION 2. During this Interim Period, the charge rate for such reclaimed water shall be \$.062 per 1,000 gallons for the first year, increasing 3% for year two (to \$.064) and 3% for year three (to \$.066).

SECTION 3. During the Interim Period, the City and the Buyer shall work in good faith to reach a formal agreement regarding provision of reclaimed water after the expiration of the Interim Period. In the absence of an agreement being formalized prior to the expiration of the Interim Period, the City Council

shall thereafter determine the rates and conditions under which future reclaimed water is provided to SIGC.

SECTION 4. This resolution shall take effect immediately upon closing of the sale of the SIGC to Buyer; and, if such sale to Buyer (or its assignee) fails to close, this resolution shall not take effect.

PASSED IN OPEN AND REGULAR SESSION OF THE CITY COUNCIL OF THE CITY OF SANIBEL, FLORIDA THIS 30TH DAY OF JULY 2025.

Attest:

Scotty Lynn Kelly, City Clerk

Mike Miller, Mayor

Approved as to form and legality:

John D. Agnew, City Attorney

Date filed with City Clerk: _____

Vote of Council Members:

Miller	_____
Smith	_____
DeBruce	_____
Henshaw	_____
Johnson	_____

EXHIBIT A

Reuse Site	FDEP Donax WRF Permit Capacity		Expired Agreement					Historical Pattern	
			Maximum	Resonable Effort Average Minimum	Daily Flow (>0.800 MGD)	Low Flow (<0.800 MGD)	Rates	Average Historical Capacity Utilization (From Eff. Disposal Study 2023)	7- Day Average Minimum Delivered to Each Golf Course During Rationing
	(MGD)	Acres	(MGD)	(MGD)	(MGD)	(MGD)	(\$/1,000 Gallons)	(MGD)	(MGD)
Beachview Golf Course	0.388	72.0	0.600		0.500	0.300	\$ 0.062	0.265	0.140
Study Period								FY's (2011-2017)	(2018-Present)