

REQUEST FOR TDC FUNDING FOR A PORTION OF THE TIGERTAIL LAGOON/SAND DOLLAR ISLAND ECOSYSTEM RESTORATION PROJECT

The City of Marco Island and the Hideaway Beach special taxing district have requested CAC approval for tourist tax funds to cover the cost overrun for the Tigertail Lagoon/Sand Dollar Island Ecosystem Restoration Project.

The following is background information based on published material and input from numerous people acquainted with the project.

D. J. Trecker
CAC Chairman
1/5/23

Overview

Hurricane Irma (2017) significantly damaged a sand spit and tidal lagoon ecosystem off the northwest shoreline of Marco Island – Sand Dollar Island and Tigertail Lagoon. The system continued to deteriorate over the ensuing years.

To remediate the damage and restore the system to what it was in 2017, the City of Marco Island and the Hideaway Beach community (1) engaged Humiston & Moore to devise a restoration plan, (2) sought and received permits, (3) chose Ahtna Marine & Construction Co. to carry out the work and (4) began dredging and sand placement.

The Hideaway Beach special taxing district agreed to fund the project, bid at \$3.3 million.

Subsequently, Hurricane Ian caused additional damage, resulting in supplemental quantities of sand from an off-shore borrow area being needed to complete berm construction.

To cover the resulting cost increase, originally estimated at \$600,000, representatives from Hideaway Beach and the Marco Island City Council asked the CAC to approve tourist tax dollar funding, pointing out benefits to the public's Tigertail Beach Park.

A change order indicating an increase in project cost of \$650,400 was presented to county officials on 1/3/23.

The CAC is being asked to approve \$650,400 in TDC funds for the Tigertail Lagoon/Sand Dollar Island Restoration Project.

With CAC approval, the request will go to the TDC and, with its approval, to the Board of County Commissioners for final authorization.

Project Description (FDEP Permit)

“The project is to establish a flow channel within the overwashed and shoaled areas of the Tigertail Lagoon and to restore the Gulf-fronting shoreline of Sand Dollar Island using sediment hydraulically dredged from the flow channel and a sand trap at the north end of the island. Additional sediment for berm placement may be sourced from the Hideaway Beach Nearshore and Offshore Borrow Areas.”

Project Timeline (Input from Dr. Dabees)

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| 2017-18 | Hideaway Beach special taxing district initiated a study to examine destruction from Hurricane Irma and evaluate restoration alternatives. |
| 2019 | Friends of Tigertail held follow-up discussions with City of Marco Island and other stakeholders, including Collier County and Audubon representatives. |
| 2020 | Friends of Tigertail informed the CAC of deteriorating conditions. |
| 2021 | Marco Island City Council approved pursuing permits. A pre-application meeting was held with stakeholders. |

2022 Permits were issued by FDEP (2/22) and USACE (7/22).

City of Marco Island chose Ahtna Marine & Construction Co. as contractor for the project at a cost of \$3.3 million (9/22).

Hideaway Beach and City of Marco Island officials reported an approximate \$600,000 project overrun to CAC (11/22) and requested approval for tourist tax funds to cover the overrun (12/22), based on a specific amount in a change order to be presented in 1/23.

Project Beneficiaries

A successful project will benefit a number of groups.

- Hideaway Beach residents
- All users of Tigertail Beach, both locals and visitors
- Visitors to Sand Dollar Island (Big Marco Pass CWA), an important birding area in Southwest Florida.

Involvement of the County

Although the project was conceived by and run entirely by the City of Marco Island, Collier County officials were kept informed every step of the way. Discussions with county officials began in 2019 and have continued to the present.

TDT Funds

The county can afford the project. The coffers are full right now and collections continue to be robust. The 10-year Capital Plan, reviewed in 9/22, shows an Unencumbered Reserve balance of \$58 million.

However, the massive countywide beach restoration work to repair damage from Hurricane Ian will take many years and may claim a good portion of the reserves.

Ongoing Project Funding

Cost of the Marco project will not stop when the work now underway is completed.

Funds for periodic dredging to maintain flushing will be needed.

And the FDEP permit requires extensive annual monitoring. Among things to be monitored and reported are submerged aquatic vegetation, marine turtle nesting, shorebird counts, marsh and dune vegetation, and water quality.

These monitoring requirements will require additional funds on an annual basis.

Alternative Funding Sources

The cost overruns for the initial project and subsequent project costs could be funded from sources other than tourist tax dollars.

- The Hideaway Beach special tax district could cover the additional costs.
- The City of Marco Island could use its funds. (The City of Naples covers certain shoreline costs.)
- The City of Marco Island could seek FEMA and FDEP reimbursements, since the recent damage was due to Hurricane Ian.

Eligibility for Tourist Tax Funds

Minutes of the 7/21/20 CAC meeting indicate that Assistant County Attorney Colleen Greene said the lagoon area would likely be eligible for TDC funds, based on statute, but additional analysis would be needed to determine whether statute covered areas to the north of the lagoon connecting to the Gulf.

Minutes of the 12/8/22 CAC meeting indicate that Colleen Greene said, "Pass and inlet maintenance and lagoon maintenance are all authorized expenditures of the Tourist Development Tax. The key question is the benefit to the county, the promotion of tourism and public access."

Opposition to the Project

The project has been opposed by certain environmental groups and some Marco Island residents (information received from several sources).

Environmental opposition stems from the fact that damage to the barrier sandspit and adjacent shoreline was naturally occurring and will cause no disruption to wildlife, which will adapt.

Further opposition claims an unjustified redesign and rebuilding of a natural ecosystem.

Still further opposition claims dredging pollution is directly violating water-quality statutes.

Opposition from Marco Island residents is bitter, although it's not clear how widespread the opposition is. One complaint is that public funds are being requested for a project that will benefit a private gated community (Hideaway Beach), which wants the lagoon cleaned out so it can be used for its own recreational purposes.

Sources of Input

Mohamed Dabees, Linda Ryan, Mike McNees, Erik Brechnitz (at CAC meeting), Bob Roth (at CAC meeting), Andy Miller, Gary McAlpin, Colleen Greene, Charlette Roman, Olema Edwards, the FDEP permit, minutes of CAC and Marco Island City Council meetings, and emails from Marco Island residents.