

TOWN OF OCEAN BREEZE
MINUTES TOWN COUNCIL SPECIAL MEETING
BUDGET WORKSHOP AND SETTING OF TENTATIVE MILLAGE RATE
Monday, July 29, 2019 5:01 p.m
Ocean Breeze Resort Clubhouse, Pineapple Bay Room,
700 NE Seabreeze Way, Ocean Breeze, FL

1. **Call to Order** – President De Angeles called the meeting to order at 5:01 p.m.
 - Pledge of Allegiance – Mayor Ostrand led the Pledge of Allegiance
 - Roll Call – Present: Mayor Karen Ostrand, President Kenneth De Angeles, Vice-President Ann Kagdis, Council Members Richard Gerold, Kevin Docherty, Terry Locatis and David Wagner
 - Staff Present – Town Management Consultant, Terry O’Neil; Town Financial Consultant, Holly Vath; Town Clerk, Pam Orr and Bookkeeper/Clerical Assistant, Kim Stanton

2. **Budget Workshop – Budget & Tax Rate for 2019/2020 fiscal year** – Ms. Vath spoke to the Council about her professional background and provided them with budget documents and worksheets to be used to develop the preliminary ad valorem tax rate. She explained the causes for the differences in revenue and expenditure sources. She discussed the addition of the new Special Projects line item for digitizing records and updating the Code of Ordinances. She explained the breakdown of the Council Expenses, Conferences & Travel line item and provided the distribution detail.

Mr. O’Neil asked for guidance from the Town Council on the Conferences & Travel line item. He added that the Mayor would come before the Council to request authorization to redistribute funds, if necessary.

Mr. O’Neil explained the Budget and the process of setting the Millage rate and the two future hearings. He explained that the maximum millage rate adopted at this meeting could not be increased, but at future budget meetings it could be decreased.

Ms. Vath further explained the setting of the Millage rate process. She presented the various options for setting the millage rate. She explained the revenue ramifications of each Option, the impact on the reserve, the historical fund balance and the historical taxable value change over a ten-year period.

Ms. Vath answered questions from the Council.

Mr. O’Neil explained permit revenues and certain expense account increases would be offset by pass-through costs/revenue and permit fees associated with the building projects.

Discussion ensued regarding the Private Contributions line item, the Indian River Drive Project, the Special Revenue Fund, street lighting, budget amendments for special projects, the Engineering line item, the Town engineer, and Private Provider engineers.

Vice-President Kagdis spoke about the dues payable for the various leagues that were available to the Town, such as the Florida League of Cities and the Association of City Clerks, Treasure Coast

Regional League of Cities, Florida League of Mayors, the Jensen Beach Chamber of Commerce, the Environmental Studies Center and The History Museum of Jensen Beach. Due to the development in the Town, she suggested budgeting for the Town Clerk to attend the summer conference and academy. She stated that the conference registration was \$350, hotel and travel expenses would be roughly \$250; and suggested the item should be budgeted for \$800 - \$850. She also suggested setting this as a budget item every other year.

Discussion ensued regarding shifting the Conferences line item.

Mayor Ostrand spoke about the Special Projects line item and the importance of digitizing Town records and updating the Code of Ordinances.

Mr. O'Neil explained the process for updating the Code of Ordinances and Zoning Board involvement. He discussed digitizing the records and ways and ways to accomplish it, his fees and the legal fees involved.

Vice-President Kagdis spoke about the necessary training for new Council Members through the Florida League of Cities University (EMO). She stated that all current Council Members, except Council Member Docherty, had completed EMO training; and suggested this be considered in the amounts budgeted for Conferences and Travel.

Mr. O'Neil stated with the new system of Conferences and Travel, if dollars needed to be shifted, Staff could make a request, and he added that dollars could be shifted within the General Government operating budget for this training. He remarked that the Council could decide to accommodate Vice-President Kagdis' suggestions at this meeting.

Discussion ensued regarding the new Building Code Compliance expenditures and Code Compliance Legal Services.

Mr. O'Neil explained that the building operations were divided into expenditures by category and the State of Florida requirement to have a licensed Building Official on staff. He spoke about the cost of Mr. Massing's services for the year. He discussed the problematic building issues that the Town had been experiencing with contractors, permitting issues, etc. He explained the need to include the legal services in the budget in the event it was necessary for Mr. Cray to litigate.

Ms. Vath further explained line items of the projected expense accounts and answered questions from the Town Council.

President De Angeles asked for further questions from the Council.

There were none.

Mr. O'Neil commented that at the next budget hearing the draft budget would reflect the Town Council's comments.

The Options for the setting of the millage rate were discussed. Further discussion ensued regarding fund balance, grant activity from last year, ramifications of choosing Option 1 or Option 2, and unforeseen expenses.

Council Member Wagner, seconded by Council Member Docherty, made a Motion to adopt Option 2 with a millage rate of 5.0678.

President De Angeles asked for comments from the Mayor.

Mayor Ostrand explained her ideas relating to Option 1 and Option 2 and funding of anticipated projects.

Mr. Tom Banks, 42 NE Nautical Drive, Ocean Breeze, stated he would like to have the meeting documents in order to allow him and others to follow the Town Council's discussions.

President De Angeles explained the different millage rate options to the public.

(Unknown) recommended Option 2 which allowed for an adjustment down.

Paul DiCenso, 150 NE Buoy, asked about the Capital Outlay line item.

Ms. Vath spoke about the need for a new computer and a fire proof filing cabinet.

Mr. DiCenso asked about the line item Miscellaneous Income in the amount of \$10,000.

Ms. Vath explained that D.R. Horton paid school impact fees which included a 3% administrative fee.

Mr. DiCenso asked about the payroll increase.

Ms. Vath answered that the payroll line item was based on the number of hours the employees work, which were both part-time. She explained the reasons for the increase.

Discussion ensued regarding the increased work load, Management Consultant line item, the role of the Florida League of Cities and Florida League of Mayors, the unique issues of small towns such as Ocean Breeze, the responsibilities of the Town Council, lobbying in Tallahassee regarding the storm water treatment train project along Indian River Drive and the impact of new development on the Town.

Mr. O'Neil explained that Ocean Breeze West was a Planned Unit Development and was entirely privately developed and maintained. He stated that the Town did not provide Law Enforcement or Fire/EMS services and the community was self-sufficient.

Council Member Gerold asked about the impact fees.

Mr. O'Neil explained that the Town of Ocean Breeze had an Interlocal Agreement with the Martin County School Board and the Town would collect these impact fees through the building permit program. He further explained that the Town kept three percent (3%) of the fee as an administrative fee, and once the 143 homes were built, this temporary revenue would end.

Council Member Gerold asked why the Town did not collect a school impact fee from Sun Communities since there were school-aged children living in the Resort.

Mr. O'Neil stated that he would look into the matter and stated that when the PUD was approved for Ocean Breeze East, the School Board confirmed that it was a senior community and that a school impact fee did not apply. He added that if circumstances had changed, it would need to be addressed.

President De Angeles asked for further comments or questions from the public.

There were none.

Town Clerk, Pam Orr, read Resolution 294-2019 into the record. A RESOLUTION OF THE TOWN OF OCEAN BREEZE, FLORIDA, DETERMINING A TENTATIVE MILLAGE RATE FOR FISCAL YEAR 2019/2020 AND PROVIDING NOTICE THEREOF TO THE APPROPRIATE AUTHORITIES.

She read that the Millage Rate for the Fiscal Year 2019/2020 shall be 5.0678.

Council Member Wagner, seconded by Council Member Docherty, made a Motion to adopt Option #2 which reflected a millage rate of 5.0678.

Roll Call Vote: Yes: De Angeles, Kagdis, Docherty, Locatis, Wagner; No: Gerold; Motion Passed: 5-1

4. Approval of two public hearing dates for Budget/Millage adoption –

- First Hearing – Wednesday, September 4, 2019 at 5:01 p.m.
- Second Hearing – Wednesday, September 11, 2019 at 5:01 p.m.

All in Favor: De Angeles, Kagdis, Gerold, Locatis, Wagner, Docherty; Opposed: None

5. Comments from the public on topics not on the Agenda – Tom Banks, 42 NE Nautical Drive, Ocean Breeze, asked if the Council had any control over the Florida East Coast Railroad to voice an opinion regarding a quiet zone for this area.

Mr. O'Neil stated that if the quiet zones come about, it would be as a result of the All-Aboard Florida Bright Line Passenger Rail proposal that was underway. He added that as counties up and down the line make improvements to their intersections to make them more pedestrian friendly and secure, which was very expensive; communities begin to qualify as a quiet zone. He stated that all the local communities had to agree to the quiet zone. He commented that the Town could play a role in coordinating with Stuart and the other municipalities.

Discussion ensued regarding FEC Railroad quiet zones and train weight loads.

Mr. Banks asked about the two (pedestrian) crossings along Indian River Drive with light-activated warnings and he asked about signs that say "stop here for pedestrians" and pointed out that Indian River Drive did not have those signs. He spoke about the difficulties in crossing Indian River Drive and the high speed of vehicles.

Mr. O'Neil spoke about the "Your Speed" radar signs that the Town recently purchased. He added that the signs had arrived, a county permit was obtained, and spoke about the timing of the installation. He mentioned Indian River Drive and the County right-of-way.

Town Clerk, Pam Orr, stated that the Town had purchased and Martin County installed two “stop for pedestrian” signs before the new Indian River Drive Project began, but that, they had been destroyed by traffic. She stated that new signs could be ordered and that installation would have to be coordinated with Martin County because it was a Martin County right-of-way.

6. Comments from the Council on topics not on the Agenda – Vice-President Kagdis stated that on Thursday, August 1st from 9:00 a.m. to 3:00 p.m. at Florida Atlantic University Harbor Branch Oceanographic Institute in Fort Pierce, Florida, would be holding a task-force meeting, open to the public, regarding the health of the Indian River Lagoon.

She advised that Governor DeSantis had signed the following bills into law:

- Prescription drug importation program; to provide lower costs prescriptions to our residents.
- Patient’s (undistinguishable) to offer incentives for lower health care services.
- Human Trafficking Bill put forth through residents of Sewall’s Point, Florida.
- State mandated changes regarding information that must be provided on the Town’s website; she stated this would require more work and more time.

Town Clerk, Pam Orr, stated that the documents for the meetings were now posted on the Town web-site, and that they were downloadable and printable.

7. Comments from Town Management Consultant, Terry O’Neil - There were none.

8. Comments from Mayor Ostrand – There were none.

9. Announcements – Meetings to be held at Ocean Breeze Resort Clubhouse, Pineapple Bay Room, 700 NE Sea breeze Way, Ocean Breeze, FL:

- Next Regular Town Council Meeting, Monday, August 12, 2019 at 10:30 a.m.
- Budget Meetings – Wednesday, September 4th and 11th at 5:01 p.m.

10. Adjourn – Vice-President Kagdis, seconded by Council Member Wagner, made a Motion to adjourn the meeting at 6:22 p.m.

All in Favor: De Angeles, Kagdis, Gerold, Docherty, Locatis, Wagner

Respectfully Submitted,

Pam Orr
Town Clerk

Minutes approved: June 8, 2020