

**TOWN OF OCEAN BREEZE**  
**SPECIAL MEETING AND BUDGET WORKSHOP, SETTING OF TENTATIVE MILLAGE RATE**  
Wednesday, July 16, 2025, 6:00 p.m.  
Ocean Breeze Resort Clubhouse, Pineapple Bay Room  
700 NE Seabreeze Way, Ocean Breeze, FL

1. **Call to Order** – President Docherty called the meeting to order at 6:00 p.m., and he recognized Martin County Sheriff's Department Officer Andy Adams.
  - **Civility Guidelines** – President Docherty reviewed the Civility Guidelines.
  - **Pledge of Allegiance** – Mayor Ostrand led the Pledge of Allegiance
  - **Roll Call** – Present: Mayor Karen M. Ostrand; President Kevin Docherty; Vice President Kelley; Council Members George Ciaschi, Janet Galante, Michael Heller, and Matthew Squires
  - **Staff Present** – Town Management Consultant, Dan Hudson; Town Financial Consultant, Holly Vath; Attorney Paul Nicoletti (for Attorney Gemma Torcivia); Town Clerk, Pam Orr; Assistant, Kim Stanton

Mayor Ostrand spoke about the growth of the Town.

**2. Presentation by Martin County Property Appraiser's Office** – Karl Andersson, Chief Deputy gave a presentation regarding property taxes in the Town of Ocean Breeze. He took questions from the Town Council regarding the Truth in Millage (TRIM) process, homestead exemptions, Save-Our-Homes caps, and additional exemptions. He verified that the Seawalk community did not currently have a special assessment for garbage. He continued to answer questions regarding market value of properties, millage rate & applications, zoning & land use, and residential classification versus commercial classification. He further verified that if the Seawalk community dissolved from Ocean Breeze and became part of Martin County District 1, the residents would be assessed for garbage, unless a change were made during a possible dissolution.

Mr. Hudson stated that there would be a transition period and if the Seawalk community decided to contract into Martin County, the residents would be subject to (indecipherable).

Mr. Andersson remarked that there would need to be a Resolution and legal changes.

Mr. Hudson stated that Martin County had a mandatory collection ordinance for solid waste and that any property no longer part of the Town of Ocean Breeze would be subject to the assessment.

Mr. Andersson took additional questions from the Council regarding tax assessment petitions with commercial and residential properties and Save-Our-Homes caps. He verified that utility taxes do not pass through the Property Appraiser's office.

Mr. Hudson verified that Martin County had a six percent (6%) utility tax, or franchise fee, which would be applied to an electric bill.

Joe Beert, 2850 NE Breezeway Circle, Ocean Breeze, asked about the District 1 MSTU millage rate of .0714.

Mr. Andersson answered that it was a Municipal Service Taxing Unit and that the Property Appraiser's office did not get involved with how the funds were used.

Mr. Beert spoke about his property taxes, millage rates being considered, and stated the Town provided no services. He commented that the Town provided streetlights for Indian River Drive, participation trophies, and the Building Department. He added that he did not know what purpose the Town served. He said, for the record, that the Town of Sewall's Point had seventeen (17) full-time employees, police, roads, fire rescue services, bridges, parks, etc. with a millage of rate of 3.27; the Village of Indiantown with roads, parks, bridges, water, sewer, etc. has a millage rate of 1.825; the City of Stuart has police, fire, water, sewer, roads, bridges, trash collection has a millage rate of 5; Jupiter Island, with a millage rate of 2.8, has police, fire, parks, roads, bridges, utilities with an additional millage of 0.96 for erosion control. He discussed debt services.

Pete Luther, 2830 NE Breezeway Circle, Ocean Breeze, asked about the valuation of the Resort and how the taxes were assessed.

Mr. Andersson answered that mobile home resorts were unique and that the value assessed was the land value. He added that the mobile homes were registered at the Tax Collector's office as vehicles so they could not be treated as real property. He stated that the value of the land was based on the income from the tenants. He explained the differences between the Seawalk homes and the Ocean Breeze Resort property.

Mr. Luther asked about the lack of equity, and the manner in which the properties were assessed.

Mr. Andersson replied that the Property Appraiser's office must follow the statutes when valuing property.

Liz Reese, 1363 NE White Pine Terrace, Ocean Breeze, asked for confirmation on the difference between the Sabal Point millage rate and the Ocean Breeze millage rate as being .0158.

Mr. Andersson answered that it sounded correct.

Ms. Reese stated that she confirmed that the \$440 for trash collection was for the year. She added that it was difficult to understand the difference between commercial and residential and why certain residents pay so little, while others pay so much.

Mr. Andersson discussed prior petitions before the Value Adjustment Board for the Resort. He added that the independent Special Magistrate, who was a certified third-party fee appraiser, looked at the information under review. He explained the process and asked for questions.

Mr. Hudson asked if it made a difference if a home in the Resort was a mobile, manufactured or modular home.

Mr. Andersson answered that the homes in Sun Communities were classified as mobile homes. He commented that his office tracked any real property and included it in the assessment. He added that if the mobile home was registered at the Tax Collector's office, he could not value it as real property.

President Docherty asked for further comments.

There were none.

President Docherty thanked Mr. Andersson for the presentation and for answering questions.

**3. A. Budget Workshop – Budget and Tentative Ad Valorem Millage Rate for Fiscal Year 2025/2026** – Dan Hudson, Town Management Consultant, spoke about the budget season, Florida statutes, property taxes, the TRIM process and consideration of a utility tax.

Holly Vath, Financial Consultant, summarized the expenditure budget and spoke about employees, office lease, website ADA accessibility, accounting software, Charter review, and special projects.

The Council asked questions regarding the packet materials, employees, cell phones stipends, contributions, and travel and conferences.

Mr. Hudson commented that the principal goal was to set the millage rate and consider the utility tax. He added that responses to questions and comments concerning the budget detail could be brought forth at the August regular meeting.

The Council continued to ask questions about the storage unit rent, digitization of records, notaries, elimination of storage units, cell phone stipends for Town Clerk, and Town Council Members.

Council Member Ciaschi stated that he did not believe that Council members, except for the Mayor and President, should receive cell phone-internet stipends and that would be a savings of \$5,000. He commented that Travel and Conferences dollars were important to support the Mayor as the leader and representative. He asked that the Charter review expenses be removed from the budget. He added that these changes would save roughly \$18,000.

Ms. Vath spoke about the budget, the millage rate, and maintaining a balanced budget. She referred to pages 3-5 and discussed the revenue versus expenditures, the restricted gas tax revenue and restricted half-cent sales tax, or infrastructure, tax revenue.

She took questions about restricted funds and replied that the funds could be designated separately.

Mr. Hudson stated that other municipalities appropriated their reserves with the income shown on the revenue side and the expense side showed the reserve number to balance; he added that this would be considered by staff.

Ms. Vath spoke about utilizing reserves more than initially expected for the 2025 budget. She commented that the Seawalk close-out costs were over \$95,000 and the Resort close-out costs were over \$36,000, which were expenses not anticipated during development of the budget. She discussed the progressive use of the reserves, diversifying the revenue stream with a utility tax and the various mix tables on Page 2, and took questions.

Discussion ensued regarding reserve balances, millage rates, mixes on Page 2, Martin County assessments, proposed utility tax rates, travel expenses, FY2025 ad valorem revenue versus FY2026, and proposed millage rates.

Ms. Vath stated that the budget was the Mayor's budget.

Discussion ensued regarding the Seawalk closeout.

Council Member Squires stated, "for the record, we wouldn't be in this situation in Seawalk if it wasn't for the Town of Ocean Breeze."

Vice President Kelley remarked that the Seawalk residents paid more taxes than Resort residents and added that the close-out costs were to date.

Discussion ensued regarding millage proposals on Page 9, close-out costs, and reserves.

Council Member Heller recommended dropping the millage rate to .4 and initiate a utility tax of 5% for electricity.

Ms. Vath stated that a reserve of \$50,000 was not fiscally responsible, and added that if the reserve ran too low, the Town would be considered "fiscally constrained." She provided an example and stated that the State would take action.

Andy Harris, 1539 NE Skyhigh Terrace, Ocean Breeze, expressed his concerns about the budget, the Mayor's travel expenses, the millage rate, expenses that could be cut, homesteading and fiscal responsibility.

Michele Dolan, 1434 NE White Pine Terrace, Ocean Breeze, asked about the utility tax proposal.

Ms. Vath stated that the figures provided in the analysis were for electricity only.

Ms. Dolan stated that she believed this would bring down the property values.

Council Member Heller proposed a utility tax on electricity only.

Melissa Heller, 2760 NE Breezeway Circle, commented that the proposals would almost double the tax burden for Seawalk residents and provided history regarding the proposed utility tax. She added that the proposed budget did not show the revenue for the proposed utility tax and asked that the reserves be reduced to a more reasonable amount.

Pam Hurlock, 2840 NE Breezeway Circle, Ocean Breeze, spoke about millage rates, the various revenue mixes on Page 2, tax increases for residents, close-out costs, cutting expenses especially cell phone stipends and travel and conferences expenses, charitable contributions, technology services, extra police patrols, and no services provided by the Town. She added that some reserves should be used to soften the blow of raising taxes.

Scott Stulb, 1673 NE White Pine Terrace, Ocean Breeze, agreed and commented that he sees a lot of extra expenses. He said that he did not understand the excessive costs. He commented that the Town was looking to raise taxes by 300%.

Eileen Luther, 2830 NE Breezeway Circle, Ocean Breeze, questioned what services the Town offered to the residents and businesses. She asked if the Town had outlived its original usefulness.

Joe Beert, 2850 NE Breezeway Circle, asked if it was possible to include what the costs were per living unit. He spoke about taxes collected for tags and costs per living unit for Resort residents versus Seawalk residents. He asked for transparency to compare the two communities, if the Building Department was self-sustaining, and if the Town could provide budget data. He commented that if a hurricane came through, the Resort would clean up their area, Seawalk HOA would clean up their area and the Plaza owners would clean-up their area. He asked how much was needed for reserves. He stated that everything over and above the close-out should be cut. He commented that any travel should benefit him as a taxpayer and be related to close-out.

Liz Reese, 1363 NE White Pine Terrace, Ocean Breeze, asked for clarification on the legal fees budget line item. She stated that the amount spent on the Seawalk close-out that was discussed at the June meeting, was to date and not annual costs. She spoke about the proposed utility tax and how it might affect future buyers and asked if the Plaza owners were aware of it.

Town Clerk, Pam Orr, answered that the documents were on the Town's website.

Mr. Hudson stated that the Town could inform the Plaza owners if the Town adopted it.

Ms. Reese stated that a utility tax would be bad for the resale of her house.

Gina Kent, 1733 NE White Pine Terrace, asked about the infrastructure reserve and how it was determined where the money could be used.

Mr. Hudson answered that the infrastructure tax was a Martin County initiative that was voted on last year and that it was governed and defined by an Ordinance.

Attorney Nicoletti answered that the uses were fairly broad for the Town but that the County had been specific as to how they were going to spend the infrastructure sales tax. He added that the Town could go beyond...

Ms. Kent stated that the (Ocean Breeze) noise ordinance, which was currently 80 decibels, needed to be changed. She stated that she could not go into her backyard because the loading dock for Publix was behind her house. She added that Martin County was at 60 decibels and that she was at 70 decibels all day long inside her house.

Katy Jackson, 2931 NE Breezeway Circle, Ocean Breeze, expressed her dismay at the comments from the President regarding noise. She spoke about the travel line-item.

Matthew Kick, 2931 NE Breezeway Circle, Ocean Breeze, asked what services the Town provided to the residents. He asked about Town infrastructure and what needed to be maintained.

Mr. Hudson replied that the Town was small and had limited operations. He added that the principal services were permitting, planning, PUD (oversight), lighting, municipal weight versus individual in dealing with the County, traffic, ingress/egress at West End Boulevard, and working cooperatively for changes to any surrounding areas, development, and building.

Mr. Kick asked about collecting dollars for infrastructure that cannot be used.

Mr. Hudson recommended waiting to see what other cities like Stuart, Indiantown, and Jupiter Island did with those dollars. He commented that the County did this independently of the municipalities.

Mr. Kick stated that the Town could not spend that money.

Mr. Hudson said that there were possible environmental improvements that could be studied.

Mr. Kick stated that he did not believe that the Town should spend \$7,000 on travel.

**C. Resolution #362-2025 – A RESOLUTION OF THE TOWN OF OCEAN BREEZE, FLORIDA, DETERMINING A TENTATIVE MILLAGE RATE FOR FISCAL YEAR 2025/2026 AND PROVIDING NOTICE THEREOF TO THE APPROPRIATE AUTHORITIES** – Town Clerk, Pam Orr, read Resolution #362-2025 into the record.

Mr. Hudson stated that Martin County currently had a 6% utility tax on electricity. He commented that a similar tax in Ocean Breeze would generate about \$70,000 a year. He added that the ad valorem, at the current rate, would generate about \$70,000. He remarked that the line items could be further tweaked based on the comments, and reserves could be used for the remainder.

Vice-President Kelley stated that it was stipulated that if the utility tax were adopted, the millage rate would be lowered.

Discussion ensued regarding the millage rates, unincorporated areas of Martin County, utility tax, trash collection fees, and Martin County's millage rate adoption process.

President Docherty asked for a show of hands from those in the audience who were against a utility tax. He further spoke about Sun Resort residents' pass-through taxes, water bills, and rent increases. He also discussed the process for setting the millage rate.

Discussion ensued regarding the budget, pass-through taxes, and documentation in the packet.

Council Member Squires, seconded by Vice-President Kelley, made a **motion** to set the millage at .5 mills.

President Docherty asked for comments from the Council.

Discussion ensued regarding the millage rate process, utility tax, and Town revenues.

President Docherty asked for comments from the public.

Pam Hurlock, 2840 NE Breezeway Circle, stated that in the meeting documents the millage rate options proposed were from .7 to 2.0 which she believed could double the taxes for all residents. She recommended a millage rate of .7 and the utility tax be implemented.

Pete Luther, 2830 NE Breezeway Circle, Ocean Breeze, stated that he believed there should be equity among all the residents and that the utility tax should be limited.

Melissa Heller, 2760 NE Breezeway Circle, stated that the equity would come through a utility tax. She suggested a millage of .8 and stated that she could meet with Mr. Hudson and Ms. Vath to get additional information back to the Council. She suggested that the utility tax could be deferred until the next meeting so that everyone could see what happened when revenues are dialed up or down.

(Roll Call Vote: Yes: Kelley, Squires, Heller; No: Docherty, Galante, Ciaschi; **Motion failed 3-3**)

Mr. Hudson commented that he agreed with Ms. Heller but suggested doing the first reading on the utility tax at this meeting. He added that the Town was losing money on the building fees and that in the future this would need to be modified.

Council Member Ciaschi, seconded by Council Member Galante, made a **motion** to set the millage rate at 1.5 mills; stating that this was a tentative millage rate and could be lowered.

Joe Beert, 2850 NE Breezeway Circle, stated that lot fees and taxes were different.

Pam Hurlock, 2840 NE Breezeway Circle, stated that she could cut \$31,000 by renegotiating some of the contracts, specifically the technology contracts. She spoke about using \$20,000 to "soften the blow". She stated that she believed the proposed amount in the agenda packet of .7 mills was adequate and that the utility tax should be used to cover the difference.

Andy Harris, 1539 NE Skyhigh Terrace, Ocean Breeze, spoke about government saying something should start at a certain point and be drawn back, he believed it never happened. He suggested starting at a lower level and coming up on the utility tax.

(Roll Call Vote: Yes: Ciaschi, Galante, Docherty; No: Squires, Kelley, Heller; **Motion failed 3-3**)

Vice President Kelley, seconded by Council Member Squires, made a **motion** to set the millage rate at .8 mills.

(Roll Call Vote: Yes: Heller, Squires, Kelley; No: Galante, Docherty, Ciaschi; **Motion failed 3-3**)

President Docherty passed the gavel to Vice-President Kelley.

President Docherty, seconded by Council Member Ciaschi, made a **motion** to set the millage at 1.4 mills.

(Roll Call Vote: Yes: Docherty, Galante, Ciaschi; No: Kelley, Squires, Heller; **Motion failed 3-3**)

Discussion ensued regarding utility tax revenue, millage rate of .8 mills, impact of a utility tax, and reserves.

Council Member Squires, seconded by Vice-President Kelley, made a **motion** set the millage at .8 mills.

(Roll Call Vote: Yes: Heller, Docherty, Kelley, Squires; No: Galante, Ciaschi; **Motion passes 4-2**)

Council Member Squires, seconded by Council Member Heller, made a **motion** to adopt **Resolution #362-2025**.

(Roll Call Vote: Yes: Heller, Squires, Docherty, Kelley; No: Galante, Ciaschi; **Motion passes 4-2**)

**B. First Reading – Ordinance #360-2025, AN ORDINANCE OF THE TOWN OF OCEAN BREEZE, FLORIDA, ESTABLISHING CHAPTER 10-2, "PUBLIC SERVICE TAX" OF THE GENERAL ORDINANCES TO PROVIDE FOR A PUBLIC SERVICE TAX AND THE UTILITY SERVICES WHICH ARE SUBJECT TO SUCH PUBLIC SERVICE TAX**

**AS AUTHORIZED BY SECTION 166.231, ET. SEQ., FLORIDA STATUTES; PROVIDING LEVY AND IMPOSITION OF THE PUBLIC SERVICE TAX UPON THE PURCHASES WITHIN THE TOWN OF WATER, ELECTRICITY, METERED GAS, BOTTLED GAS, COAL, AND FUEL OIL; PROVIDING FOR CONFLICTS, CODIFICATION, SEVERABILITY, PROVIDING FOR INCLUSION IN THE CODE; AND PROVIDING FOR AN EFFECTIVE DATE** – Attorney Nicoletti stated that the draft included all utilities and asked about the intent of this Council.

Mayor Ostrand stated that Attorney Torcivia prepared the draft to include all utilities so that the Ordinance would be in place in the event the Council chose to tax other utilities in the future.

Attorney Nicoletti stated that this Ordinance was not the actual levy of the tax, but rather the framework for it. He remarked that more needed to be done by this Council but that it would provide the framework for a global utility tax. He commented that the Council could levy only electricity using the Ordinance and added that percentages could be chosen.

Council Member Squires stated that he did not want the option to tax water now or later.

Council Member Squires, seconded by Vice President Kelly, made a **motion** to remove water from Ordinance #365-2025.

President Docherty asked for public comment.

Pete Luther, 2830 NE Breezeway Circle, spoke about fairness and stated that he believed that the Ordinance should be limited to exactly what was intended. He further spoke about the gas tax, and water bills.

Attorney Nicoletti provided some clarification regarding vendor responsibility of reporting to the State (gas tax).

Scott Stulb, 1673 NE White Pine Terrace, stated that he wanted water stricken from the Ordinance and for it to include electricity only.

Melissa Heller, 2760 NE Breezeway Circle, discussed the utility tax and equity. She stated that there was no equity in implementing a water utility tax and spoke about the Town's future.

Pam Hurlock, 2840 NE Breezeway Circle, spoke about future utility tax, projections, administrative duties and limiting the tax to electricity.

Michelle Dolan, 1434 NE White Pine Terrace, asked to limit the tax to electricity. She asked why Ocean Breeze Plaza was not represented.

Discussion ensued regarding attorney fees and advertising.  
(Roll Call Vote: Yes: Kelley, Squires; No: Docherty, Ciaschi, Galante, Heller; **Motion failed 2-4**)

Council Member Heller, seconded by Council Member Squires, made a **motion** to include electricity only in Ordinance #360-2025.

President Docherty asked for comments from the public.



There were none.

(Roll Call Vote: Yes: Heller, Kelley, Squires, Ciaschi; No: Docherty, Galante; **Motion passed 4-2**)

Attorney Nicoletti asked for the percentage considered to be included in the Ordinance.

Discussion ensued regarding the rate.

Council Member Ciaschi, seconded by Vice-President Kelley, made a **motion** to set the utility tax rate at 6% to match Martin County.

President Docherty asked for further comments.

There were none.

(Roll Call Vote: Yes: Squires, Ciaschi, Kelley, Heller, Galante, Docherty; No: none; **Motion passed 6-0**)

Attorney Nicoletti read Ordinance #360-2025 into the record: **AN ORDINANCE OF THE TOWN OF OCEAN BREEZE, FLORIDA, ESTABLISHING CHAPTER 10-2, "PUBLIC SERVICE TAX" OF THE GENERAL ORDINANCES TO PROVIDE FOR A PUBLIC SERVICE TAX AND THE UTILITY SERVICES WHICH ARE SUBJECT TO SUCH PUBLIC SERVICE TAX AS AUTHORIZED BY SECTION 166.231, ET. SEQ., FLORIDA STATUTES; PROVIDING LEVY AND IMPOSITION OF THE PUBLIC SERVICE TAX UPON THE PURCHASES WITHIN THE TOWN OF WATER, ELECTRICITY, ~~METERED GAS, BOTTLED GAS, COAL, AND FUEL OIL~~; PROVIDING FOR CONFLICTS, CODIFICATION, SEVERABILITY, PROVIDING FOR INCLUSION IN THE CODE; AND PROVIDING FOR AN EFFECTIVE DATE** – he confirmed that the rate established was 6%.

Council Member Squires, seconded by Council Member Heller, made a **motion** to approve Ordinance #360-2025 as stated.

(Roll Call Vote: Yes: Ciaschi, Kelley, Docherty, Squires, Galante, Heller; No: none; **Motion passed 6-0**)

**D. Martin County Sheriff's Department Extra Patrols** – Dan Hudson provided some background information and asked if the item should be considered in the budget.

Discussion ensued regarding clarification, restricted fuel tax dollars, signs, striping, crosswalks, and patrols along Indian River Drive.

Council Member Ciaschi, seconded by Council Member Galante, made a **motion** to increase the police presence in the Town in the amount of \$20,000 with Martin County Sheriff's Department.

President Docherty asked for comments from the public.

Andy Harris, 1539 NE Skyhigh Terrace, Ocean Breeze, asked for clarification on fuel tax dollars.

Discussion ensued regarding gas tax revenue.

Pam Hurlock, 2840 NE Breezeway Circle, asked about restricted gas tax revenue balance.

Kim Stanton answered that it was roughly \$214,000.

Ms. Hurlock asked about uses of the gas tax revenue.

Mr. Hudson spoke about West End Boulevard improvements.

Ms. Hurlock stated she would like to see the money spent on the West End Boulevard improvements instead of on patrols.

President Docherty explained the current issues of harassment of residents by kids on bicycles. He asked Officer Andy to provide information.

Officer Andy spoke about certain issues and patrols within the Town.

John Balogna, 393 NE Sand Dune Way, Ocean Breeze, stated that he was retired law enforcement and that increased random presence of law enforcement, is best for reducing incidents of crime and nuisance which also affected property values.

Council Member Ciaschi stated that the Town wanted to offer safety as a service.

Liz Reese, 1363 NE White Pine Terrace, asked if the dollars could be spent on the Skyline exit at Publix. She spoke about the cement barrier to direct traffic to the right when residents need to go left and asked if this could be followed up.

Mr. Hudson stated that he was aware of the issue and that this was on his action list.

Council Member Squires asked for clarification on the fuel tax dollars and the Indian River Drive crosswalks.

(Roll Call Vote: Yes: Kelley, Docherty, Squires, Galante, Heller, Ciaschi; No: none; **Motion passed 6-0**)

**4. Comments from the public on topics not on the Agenda** – There were none.

**5. Announcements** – President Docherty announced the following meetings to be held at the Ocean Breeze Resort Clubhouse, Pineapple Bay Room, 700 NE Seabreeze Way, Ocean Breeze:

- Monday, August 11, 2025, at 10:30AM – Regular Town Council Meeting
- Monday, September 8, 2025, at 10:30AM – Regular Town Council Meeting
- Wednesday, September 10, 2025, at 6:00PM – Public Hearing for Setting of Tentative Millage Rate & Budget for FY 2025/2026
- Wednesday, September 24, 2025, at 6:00PM – Public Hearing for Adoption of Final Millage Rate & Budget for FY 2025/2026

**6. Adjourn** – Council Member Galante, seconded by (unknown), made a motion to adjourn the meeting at 9:56pm.

(All in favor: Yes: Docherty, Kelley, Ciaschi, Galante, Heller, Squires; No: None; **Motion passed 6-0**)

*Respectfully Submitted,*

Pam Orr  
Town Clerk

Minutes approved: \_\_\_\_\_