

**TOWN OF OCEAN BREEZE
MINUTES FINAL BUDGET AND MILLAGE RATE
HEARING FOR FY 2025/2026**

Wednesday, September 24, 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.
 - Pledge of Allegiance – Mayor Ostrand led the Pledge of Allegiance
 - Roll Call – Present: Mayor Karen M. Ostrand; President Kevin Docherty; Vice-President Sandy Kelley; Council Members George Ciaschi, Janet Galante, Matthew Squires, and Michael Heller
 - Staff Present – Town Management Consultant, Dan Hudson; Financial Officer, Holly Vath; Attorney Consultant, Paul Nicoletti; Town Clerk, Pam Orr; Bookkeeper/Office Assistant, Wendy Price

2. **Proposed Millage for Fiscal Year 2025/2026** – Financial Consultant, Holly Vath, summarized that the direction from the Council at the previous meeting was to reduce the budget by \$5,000 and to have year-to-date expenses on hand. She referred to pages 5 and 6, where the changes were made to reduce the budget. She continued that the cell phone stipend would remain in the budget for the Mayor and the President, however the other stipend currently being received by one Council Member would be grandfathered in as long as that person was still on the Council. She clarified, that once new Council Members were elected in November, they would not be eligible, and going forward the only ones to receive the stipend would be the Mayor and the President. Ms. Vath stated that the contributions line had also been eliminated and explained that by removing the cell phone stipend and the contribution line items, \$4,080 and \$1,000 respectively, that it reduced the budget by just over \$5,000. Ms. Vath added that through the end of September the Town spent \$63,000 out of the reserves and there were still outstanding invoices. She estimated that cost to increase to \$100,000 and stated that only \$73,000 was budgeted.

President Docherty asked for comments from the public.

Melissa Heller, 2760 NE Breezeway Circle, encouraged the Council not to spend an additional three hours conversing to save \$1,500, as it keeps costing money to have staff present.

President Docherty asked for comments from the Council.

There were none.

Council Member Galante, seconded by Council Member Ciaschi, made a motion to adopt the final millage rate of .7665 by Resolution #370-2025.

Town Clerk, Pam Orr, read Resolution #370-2025 into the record.

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

3. **Proposed budget for Fiscal Year 2025/2026 – Financial Consultant, Holly Vath** – Ms. Vath stated that the current budget was \$249,285.

President Docherty asked for comments from the public.

Liz Reese, 1363 NE White Pine Terrace, asked what items were included in Public Safety expenses.

Ms. Vath explained that the items in Public Safety were building code related and were considered public safety accounts according to the State of Florida chart of accounts.

President Docherty asked for comments from the Council.

Vice President Kelley commented that she would like to see the Mayor's conference and travel expense reduced by half to \$2,250.

Mayor Ostrand explained that the \$4,500 was for traveling to Tallahassee and was only used for conference and hotel expenses. She added that she did not ask for mileage or food reimbursement which was paid out of her own funds.

Council Member Galante stated that she would like to increase the line item for the Mayor's conference and travel budget to \$6,000. She also inquired if permit fees could be raised.

Council Member Ciaschi suggested that the Town leave the amount currently budgeted for conferences and travel, but when the Mayor or Council Members would like to withdraw from it, that there would need to be a vote and Council approval.

President Docherty commented that he would like to see the line item for his conference and travel increased.

Council Member Galante inquired as to whether the expense for lawyer fees was up to date.

Ms. Vath explained that the Town had not yet received invoices from Attorney Torcivia since March and Mr. Nicoletti had estimated his billing through this meeting to be approximately \$7,000. She added that the Engineer's invoice was up to date.

Council Member Ciaschi, seconded by Council Member Galante, made a motion for the conference and travel line item to remain at \$6,900, but all travel must be voted on and approved by the Council.
(Roll Call Vote: Yes: Docherty, Galante, Ciaschi; No: Kelley, Squires, Heller: **Motion failed 3-3**)

Vice President Kelley, seconded by Council Member Heller, made a motion to reduce the Mayor's conference and travel line item to \$2,250.
(Roll Call Vote: Yes: Squires, Heller, Ciaschi, Kelley; No: Docherty, Galante: **Motion passed 4-2**)

Ms. Vath updated the 2025/2026 budget amount to \$347,035.

President Docherty made a motion for the Conference and Travel budget expense be \$3,500 for the Mayor, \$1,500 for the President, \$300 for the Vice President and \$150 per each Council Member.
(**Motion died for lack of a second.**)

Council Member Ciaschi, seconded by Council Member Squires, made a motion to remove the cell phone stipend for the last Council Member, which would reduce the budget by \$1,020.
(Roll Call Vote: Yes: Squires, Heller, Ciaschi, Kelley; No: Docherty, Galante: **Motion passed 4-2**)

Council Member Galante made a motion to cut Engineering fees by \$1,000 and legal fees by \$3,000.

(Motion died for lack of a second.)

Council Member Heller, seconded by Council Member Ciaschi, made a motion to adopt the budget of \$346,015.

President Docherty asked for comments from the public.

Pam Hurlock, 2840 NE Breezeway Circle, thanked the Council Members for their hard work on the budget and recommended the budget be passed.

Town Clerk, Pam Orr, read Resolution #371-2025 into the record.

(Roll Call Vote: Yes: Heller, Docherty, Kelley, Squires, Ciaschi; No: Galante: Motion passed 5-1)

4. Consideration of Contraction (De-annexation) of Seawalk – Dan Hudson, Town Management Consultant

Mr. Hudson reviewed the de-annexation feasibility study and recommended that an effective date of December 31, 2025. He commented that if everything was accomplished by that date, he would recommend scheduling the 2nd reading of Ordinance #369-2025 at the October 13, 2025, meeting. He remarked that it called for a referendum of the voters within the boundaries of the contracted area. The next question would be how the Seawalk PUD will be affected. He requested a Resolution from the Seawalk Homeowners Association to vote in favor of it, neutralize it or oppose it.

President Docherty asked for comments from the public.

Liz Reese, 1363 NE White Pine Terrace, questioned whether Martin County would take care of their roads if they were to de-annex or because the community was private, would Seawalk residents be responsible for taking care of them.

Mr. Hudson responded no, but Martin County adopted a millage, and it is called a municipal service tax that is within all the appropriate areas of those services.

Melissa Heller, 2760 Breezeway Circle, asked not to hold a second reading of Ordinance #369-2025 until there was written consent from all parties that the Bond would transfer to Martin County or the builder fully satisfied all of the outstanding items satisfactorily with the Town Engineer; and the HOA and the Town Council both approved the PUD amendment. This would ensure that the HOA was not held financially responsible for correcting the items that do not currently comply with the PUD.

Pam Hurlock, 2840 NE Breezeway Circle, seconded what Melissa Heller stated regarding the Bond and how it would be handled. She commented that she was not optimistic that Forestar would resolve all the issues in the next 3 or more months. She expressed her concern about what would happen to the Bond.

Mr. Hudson stated that the demand letter was sent as well as a supplemental letter including Mr. Giangrande's engineering report. He added that there was an attempt to schedule a conference call with Chubb Insurance Company, representatives from Forestar and the Town but they were unable to get all the parties together, so they are shooting for a conference the following week.

Council Member Janet Galante inquired as to the cost of the feasibility study. She recommended doing a mailing for the election. She asked how much the total cost would be by the time the Deannaxtion was over.

Attorney Nicoletti responded that he thought the cost would be approximately \$3,000 - \$4,000 between now and the end of the year.

President Docherty inquired as to whether the Bond funds could be used to go towards Town legal fees.

Attorney Consultant Paul Nicoletti stated that yes, the bond money could be used to offset legal fees.

Council Member Ciaschi asked for clarification on the bond, knowing that it does not expire. He inquired as to whether the Bond would stay with the Town or would it move over to Martin County.

Mr. Nicoletti responded that the Bond was non-transferable.

Discussion ensued regarding the close out of the PUD, transfer of the Bond, the date of the second reading, expiration and prorated taxes if Seawalk de-annexed.

Town Clerk, Pam Orr, read Ordinance #369-2025 into the record.

Council Member Ciaschi, seconded by Council Member Squires, made a motion to approve Ordinance #369-2025 on first reading.

Discussion ensued regarding changing the effective date from 12/31/25 to 12/31/26, but it was decided to wait until the second reading to make that determination.

(Roll Call Vote: Yes: Kelley, Heller, Docherty, Galante, Squires, Ciaschi; No: No one; **motion passed 6-0**)

5. Announcements- Meetings to be held at Ocean Breeze Resort Clubhouse, Pineapple Bay Room, 700 NE Seabreeze Way, Ocean Breeze

- Regular Town Council Meeting, Monday, October 13, 2025, at 6:00 PM
- Regular Town Council Meeting, Tuesday, November 10, 2025, at 10:30 AM
- Regular Town Council Meeting, Monday, December 8, 2025, at 10:30 AM

6. Adjourn –

Council Member Galante, seconded by Council Member Squires, made a motion to adjourn. Meeting adjourned at 7:27pm.

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

Respectfully submitted,

Pam Orr

Pam Orr, Town Clerk

Approved January 12, 2026