

MINUTES OF MEETING
TESORO COMMUNITY DEVELOPMENT DISTRICT

A meeting of the Board of Supervisors of the Tesoro Community Development District was held Wednesday, April 29, 2015 at 10:00 a.m. at the Tesoro Club, 3rd Floor, 2000 S.E. Via Tesoro, Port St. Lucie, Florida.

Present and constituting a quorum were:

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| Sal Spano | Chairman |
| Perry Lancianese | Vice Chairman |
| Vera Stewart | Secretary |
| Tara Lordi | Treasurer |
| Everardo Ortiz | Assistant Secretary |

Also present were:

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| George Flint | District Manager |
| William Capko | District Counsel |
| Stefan Matthes | District Engineer |
| Toby Overdorf | Crossroads Environmental |

FIRST ORDER OF BUSINESS

Roll Call

Mr. Flint called the meeting to order.

SECOND ORDER OF BUSINESS

Public Comment Period

There being none, the next item followed.

THIRD ORDER OF BUSINESS

Organizational Matters

A. Acceptance of Resignation of Deanna Kernan an Appointment of Individual to Fill the Board Vacancy with a Term Ending in November

Mr. Flint stated Ms. Kernan resigned subsequent to the last meeting and her resignation is included in your agenda.

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| On MOTION by Mr. Spano seconded by Mr. Lancianese with all in favor Ms. Kernan's resignation was accepted. |
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Mr. Flint stated her resignation does create a vacancy on the Board and I will ask if there are any nominations to fill that vacancy?

On MOTION by Mr. Spano seconded by Mr. Lancianese with all in favor Everardo Ortiz was appointed to fill the unexpired term of office.

B. Administration of Oath of Office

Mr. Flint being a Notary Public of the State of Florida administered the Oath of Office to Mr. Ortiz.

Mr. Flint stated I will go over the forms after the meeting. I have provided a financial disclosure form that has to be filed with the Supervisor of Elections in the county in which you reside and also information as a Board member you are a public official and subject to the Government in the Sunshine Law and public records laws. The CDD attorney and I can go over that with you and answer any questions you might have.

C. Consideration of Resolution 2015-03 Electing Assistant Secretary

Mr. Flint stated next is Resolution 2015-03 electing an Assistant Secretary. Under the assumption because Ms. Kernan was an Assistant Secretary that you would appoint her replacement as an Assistant Secretary we provided you a resolution doing that.

On MOTION by Mr. Spano seconded by Ms. Stewart with all in favor Resolution 2015-03 designating Mr. Ortiz as Assistant Secretary was approved.

FOURTH ORDER OF BUSINESS

Approval of the Minutes of the November 17, 2014 Board Meeting and Acceptance of the Minutes of the November 17, 2014 Landowners' Meeting

Mr. Flint stated next is approval of the minutes from the November 17, 2014 Board meeting and acceptance of the minutes of the November 17, 2014 landowners' meeting. Those minutes were provided to you in your agenda. Are there any additions, deletions or corrections?

There being none,

On MOTION by Mr. Spano seconded by Mr. Lancianese with all in favor the minutes of the November 17, 2014 Board meeting were approved and the November 17, 2014 landowner meeting minutes were accepted.

FIFTH ORDER OF BUSINESS

**Consideration of Resolution 2015-04
Approving the Proposed Fiscal Year 2016
budget and Setting a Public Hearing**

Mr. Flint stated next is Resolution 2015-04 approving a proposed budget and setting the date, place and time of the public hearing for its final adoption and it suggests July 29, 2015 at 10:00 a.m. in this location. Exhibit A to the resolution is the proposed budget. The District is required to approve a proposed budget by June 15th of each year. The budget doesn't bind the Board from making changes if you chose to do that at the public hearing or at a meeting prior to that. The proposed budget is based on the assessments per unit remaining the same at \$40.69 for a developed lot and \$30.51 for an undeveloped lot. We continue to use a portion of the fund balance to balance the budget and subsidize those assessments. In the current year we budgeted \$124,000 of fund balance to offset the budget and we are actually projecting we only need to transfer \$61,000 so as a result of additional stormwater fee collections in the current year we don't believe we will use the entire \$124,000 we budgeted this year. The amount next year is similar to that and after that transfer we estimate you will still have in excess of \$400,000 in your fund balance.

Mr. Spano stated on the budgets we are doing it shows that for the last three years we have had no increases at the residential lots we are at \$40.69 and the developer lots are at 75% or \$30.51. Also it should be noted that on the west side we no longer have mitigation monitoring we turned that over two years ago. I was told today that on the east side we have one more year so after 2016 we will not have to budget \$7,000 in the budget for that monitoring.

Mr. Flint stated we put funds in there for some plant replacement and that is geared towards either replacing dead plants or missing spartina plants on the upland buffer areas primarily in the Bella Strano area on the west and then on the east in some locations that have been identified by Native Lands as missing plant material and the plan would be that we would phase in that plant replacement over two or three years so we would start in Bella Strano next year. It allows for 500 plants at \$10 a piece installed price and that is the budget for that.

On MOTION by Mr. Spano seconded by Ms. Stewart with all in favor Resolution 2015-04 approving the proposed budget and setting the public hearing for July 29, 2015 was approved.

SIXTH ORDER OF BUSINESS

Consideration of Authorizing Resolution for Participation in Local Government Surplus Funds Trust Fund

Mr. Flint stated the next item is consideration of an authorizing resolution for participation in what is called the Local Government Surplus Trust Funds Trust Fund. This is a local government investment pool created under Florida Statutes run by the State Board of Administration and it is the primary vehicle many governments use for investing funds that they need to preserve principal and keep liquid. I provided the chairman with a comparison. The Board has adopted an investment policy that is consistent with Florida Statutes that is very conservative in the types of instruments we can invest our money in. This fund is specifically referenced in the statutes as being one of those investment pools that is eligible for that. The interest earnings are fairly meager but when you compare that to the money market funds and the other alternatives it actually is earning greater than what the other alternatives are at this point.

Mr. Spano stated in the future when this presentation is made I want to see the comparisons of the other options that fall within the guidelines of what the state requires us to invest in. That should be part and parcel of the presentation not the end selection so the Board has some input on that.

On MOTION by Mr. Spano seconded by Ms. Stewart with all in favor Resolution 2015-05 was approved.

SEVENTH ORDER OF BUSINESS

Status Update from Developer Regarding Platting, Transition of Permits, and Conveyance of Land

Mr. Flint stated next is an item we include on each agenda to bring you an update on the status of the permits, the platting and conveyance of land. Mr. Overdorf is here and he provided a report at the last meeting and the chairman asked if he would be here to give us an update on where we are on those issues.

Mr. Overdorf stated we have completed the surveys on the east side, Culpepper & Terpening completed the as-builts for those areas. Additionally, the water management district

has done multiple inspections and they have looked at the structures on the site. There is some minor work to be done they requested that we turf over all the rip rap that was on the site and when they came back out for inspection they said why is one area higher and we said that is where you wanted us to put the turf over the rocks. It is just a question of some minor things like that. Mr. Straub has signed off on a variety of issues with the water management district and we are back negotiating with them on some of those currently. Hopefully, by the time we have our next meeting most of those will be resolved.

Mr. Spano stated when we met last time we talked about that the pathway had been laid out to permit transfers and conveyance of lands. I want to put it in perspective that is what you are reporting on.

Mr. Overdorf responded yes it is. A major instrument to that was getting the survey done, which it is done now.

Mr. Spano stated we identified that we didn't have to replat the property that we can convey it once we have identified it and we were in agreement with the developer.

Mr. Overdorf stated yes.

Ms. Lordi joined the meeting at this time.

Mr. Spano asked are there any other issues that we have outstanding other than this issue with the Engineer and other departments we are working with?

Mr. Overdorf stated the only other outstanding issue is continued work with Florida Audubon and resolving a minor issue around the A2 pond.

EIGHTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There being none, the next item followed.

B. Engineer

There being none, the next item followed.

C. Manager

i. Approval of Check Register

Mr. Flint stated you have approval of the check register from November 13, 2014 through April 20, 2015 totaling \$123,882.99 and the detailed register is attached to the summary.

On MOTION by Mr. Spano seconded by Ms. Stewart with all in favor the check register was approved.

ii. Balance Sheet and Income Statement

Mr. Flint stated next are the unaudited financial statements through the end of March. There is no action required by the Board if the Board has any questions on those we can discuss them.

NINTH ORDER OF BUSINESS

Audience Comments

There being none, the next item followed.

TENTH ORDER OF BUSINESS

Supervisor's Requests

Mr. Spano asked when is our next meeting?

Mr. Flint responded July 29th at 10:00 a.m.

On MOTION by Mr. Spano seconded by Mr. Lancianese with all in favor the meeting adjourned at 10:20 a.m.


Secretary/Assistant Secretary


Chairman/Vice Chairman