

MINUTES OF MEETING
TESORO COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Tesoro Community Development District was held Wednesday, July 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:

Sal Spano	Chairman
Perry Lancianese	Vice Chairman
Vera Stewart	Secretary
Everardo Ortiz	Assistant Secretary

Also present were:

Jason Showe	District Manager
Ken Dodge	District Counsel by telephone
Stefan Matthes	District Engineer
Alan Scheerer	Field Manger
Toby Overdorf	Crossroads Environmental

FIRST ORDER OF BUSINESS

Roll Call

Mr. Showe called the meeting to order.

SECOND ORDER OF BUSINESS

Public Comment Period

There being none, the next item followed.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the April 29, 2015 Meeting

Mr. Showe stated the next item is approval of the minutes of the April 29, 2015 meeting. Those minutes have been provided as part of your agenda package and we can take any corrections or changes at this time.

There being none,

On MOTION by Mr. Spano seconded by Mr. Lancianese with all in favor the minutes of the April 29, 2015 meeting were approved as presented.

FOURTH ORDER OF BUSINESS

Review and Acceptance of Fiscal Year 2014 Audit Report

Mr. Showe stated the next item is review and acceptance of the Fiscal Year 2014 audit report. We provided that to you in addition to your agenda package. On the last page is the report to management and that goes through all the items they are required to look at pursuant to Florida Statutes. There are no current year findings, there are no prior year findings and it is essentially a clean audit.

Mr. Spano stated in reviewing the report we found it to be in compliance in every area and it was in conformity with generally accepted accounting practices and the standard audit requirements of our agency.

On MOTION by Mr. Spano seconded by Mr. Lancianese with all in favor the Fiscal Year 2014 audit was accepted and staff was authorized to transmit it to the State of Florida.

FIFTH ORDER OF BUSINESS

Public Hearings

A. Consideration of Resolution 2015-05 Adopting the Fiscal Year 2016 budget and Relating to the Annual Appropriations

On MOTION by Mr. Spano seconded by Ms. Stewart with all in favor the public hearing was opened.

Mr. Showe stated there are two resolutions in front of you that go through the budget process. The budget is the same as the proposed budget we left the assessment levels the same. The first resolution essentially adopts the budget and sets the appropriation levels that are laid out in the budget.

Mr. Spano stated the budget is for \$396,406 we are in conformity with our normal practices in adopting this budget and I will note that we are capped. We can make changes to the extent of 10% of the budget if we see fit as we go through our operating year so our budget is an estimate of our best information that we have available. Based on what we are looking at and the

fact that we have been able to draw from our excess surpluses to keep the assessments at the same level they have been for the last three years I would move that we move forward with it.

Mr. Showe opened the public hearing for any public comment on the budget and there being no public present to comment on the budget the following action was taken.

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

B. Consideration of Resolution 2015-06 Imposing Special Assessments and Certifying an Assessment Roll

Mr. Showe stated the next step is Resolution 2015-06 that levies the assessments on the tax bill for the properties within the District. There will be two attachments to the resolution, one is the budget you just adopted and the other is the assessment roll that will be transmitted to the tax collector and that is when the assessment gets placed on the roll.

Mr. Spano stated I will make a note for the new Board members what that means is on the real estate tax bill under the non-ad valorem portion of the bill you will find a charge, which will represent the CDD assessment.

Mr. Showe opened the floor for public comment and there not being any the following motion was made.

On MOTION by Mr. Spano seconded by Ms. Stewart with all in favor Resolution 2015-06 was approved.

On MOTION by Mr. Spano seconded by Ms. Stewart with all in favor the public hearing was closed.

SIXTH ORDER OF BUSINESS

Contract Renewals

A. Consideration of Agreement with Grau & Associates to Provide Auditing Services for Fiscal Year 2015

Mr. Showe stated the next item is a proposal from Grau & Associates to perform the Fiscal Year 2015 audit. I will note they have proposed a \$100 increase for the audit.

Mr. Spano stated that increase is less than 4% and they kept their fees down throughout the years and they are performing a vital task and filing everything in accordance with GAAP and the auditing standards and I recommend we move forward with this.

Mr. Showe stated the \$100 increase was also reflected in your budget.

On MOTION by Mr. Spano seconded by Ms. Stewart with all in favor the engagement letter with Grau & Associates to perform the Fiscal Year 2015 audit was approved.

B. Consideration of Second Extension to the Wetland, Lake and Upland Preserve Maintenance Agreement with Native Lands Management, Inc.

C. Consideration of First Amendment to the Wetlands Boundary and Lake Banks Landscape Maintenance with Wellington Pro Lawn Care

Mr. Showe stated the next two agreements are extensions to both contracts for Native Lands and Wellington Pro and they are proposing no increases in their contract price.

Mr. Spano stated we are receiving good services from both vendors and are happy with their performance and I recommend we continue their contracts.

On MOTION by Mr. Spano seconded by Ms. Stewart with all in favor the second extension to the wetland, lake and upland preserve maintenance agreement with Native Lands Management, Inc. and the first amendment to the wetlands boundary and lake banks landscape maintenance agreement with Wellington Pro Lawn Care were approved.

SEVENTH ORDER OF BUSINESS

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

Mr. Overdorf stated we had a meeting with Kurt Leckler, who is with enforcement etc. for Tesoro East side. We have a letter going back to him and in part of that letter there are 16 different either water management district applications and/or permits that are being transferred to the various entities where the land actually is associated with those. The CDD as well as the POA and the developer will all be getting the forms associated with that as well as a map of the area that each of those permits cover. Finally, we will also be distributing language that basically has a maintenance agreement back and forth that will allow for the POA, the developer as well as the CDD to cross over the various lands that are covered underneath the permits. This is all a requirement of the water management district and finally I will let Stefan talk about they also did a certification on the lakes on the East side.

Mr. Matthes stated meetings with the water management district in the last 45 days resulted in what I believe to be an amicable resolution between the permitting issues that were outstanding with respect to final certifications of the golf course lake system. We went out and did as-builts of the lakes. I am in the process of providing final certification to the water management district for that lake system and all of the control structures that are contained within the wetland system and the lake system.

Mr. Overdorf stated there was one correction from the water management district on one water control structure, which we have already adjusted and taken care of so we should hopefully have a resolution by the time we have our next Board meeting and in the meantime each entity will be receiving information on every permit to be transferred and the language associated with the continued maintenance.

Mr. Spano stated it sounds like a good report, we are moving forward. When is our next meeting?

Mr. Showe stated we don't have one scheduled but we can set that up once we see the documents and see what we need to do we will coordinate with staff.

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. Showe stated the next item is approval of the check register for checks 584 through 601 in the General Fund for \$531,127.09 and both Alan and I can answer any questions you may have about the invoices.

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. Showe stated the next item is the balance sheet and income statement. There is no action required by the Board on this.

iii. Presentation of Number of Registered Voters - 185

Mr. Showe stated we are required to announce the number of registered voters annually and as of April 15, 2015 the District had 185 registered voters. That becomes important as we look at transitioning from landowner elected to resident elected.

Mr. Spano stated the threshold is 250 and we are at 185.

iv. Approval of Fiscal year 2016 Meeting Schedule

Mr. Showe stated the next item is approval of the 2016 meeting schedule. We put together a notice that will go into the paper that indicates that Tesoro meets on an as needed basis and we would advertise those meetings per Florida Statutes.

On MOTION by Mr. Spano seconded by Ms. Stewart with all in favor the notice indicating that the Board will meet on an as needed basis in Fiscal Year 2016 was approved.

NINTH ORDER OF BUSINESS

Audience Comments

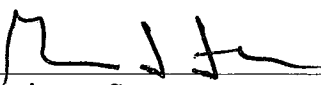
There being none, the next item followed.

TENTH ORDER OF BUSINESS

Supervisor's Requests

There being none,

On MOTION by Mr. Spano seconded by Ms. Stewart with all in favor the meeting adjourned at 10:15 a.m.


Secretary/Assistant Secretary


Chairman/Vice Chairman