

MINUTES OF MEETING
TESORO COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Tesoro Community Development District was held Tuesday, November 27, 2018 at 10:02 a.m. at the Tesoro Club, Grill Room, 2000 S.E. Via Tesoro, Port St. Lucie, Florida.

Present and constituting a quorum were:

Sal Spano	Chairman
Kathy Fialco	Vice Chairperson
Hal Fenner	Treasurer
Rina Osle-Girard	Secretary

Also present were:

George Flint	District Manager
Bill Capko	District Attorney by telephone
Tom Kiernan	Culpepper & Terpening
William Viasalyers	Field Manager
Paula Loughlin	Castle Group

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. Administration of Oath of Office to Newly Elected Supervisors

Mr. Flint being a notary public of the State of Florida administered the Oath of Office to Mr. Spano, Ms. Fialco and Ms. Osle-Girard.

Mr. Flint stated as a Board Member you are a public official and subject to government in the sunshine law, public records laws, other laws that apply to public officials such as city commissioners, county commissioners, school Board Members. The main issue with the sunshine law is that you are not supposed to talk to the other Board Members about CDD

business outside of a publicly noticed meeting. That includes texts, emails, verbal communication, communications through third parties, that sort of thing. You need to be careful not to inadvertently do that. There is a Form 1 disclosure of financial interests that is attached to the paperwork I gave you and that has to be filed within 30 days of today with the Supervisor of Elections in the County in which you reside. It has to be filed annually and each year in June they will mail you a new form and you will have to file it by July 1st. As a Board Member you are also entitled to compensation of \$200 per meeting and if you choose to accept the compensation the W-4 and I-9 forms need to be filled out and sent to me and we process that.

B. Consideration of Resolution 2019-01 Canvassing and Certifying the Results of the Landowners Election

Mr. Flint stated Resolution 2019-01 canvasses and certifies the results of the Landowners' election. We will fill in the names of the three Board Members that were elected, Mr. Spano, Ms. Fialco and Ms. Osle-Girard and it will indicate that Mr. Spano and Ms. Fialco received 600 votes each and will serve four-year terms of office and Ms. Osle-Girard received 599 votes and will serve a two-year term of office.

On MOTION by Mr. Spano seconded by Ms. Fialco with all in favor Resolution 2019-01 was approved.

C. Acceptance of Resignation of Everardo Ortiz

On MOTION by Mr. Spano seconded by Ms. Fialco with all in favor Everardo Ortiz' resignation was accepted.

D. Appointment of An Individual to Fill Board Vacancy with a Term Ending November 2020

Mr. Flint stated any time there is a Board vacancy during the term of that seat the remaining Board Members appoint a replacement. This seat has a term ending in November 2020. Are there any nominations to fill that seat at this time?

Mr. Spano responded not at this time.

E. Consideration of Resolution 2019-02 Electing Officers

Mr. Flint stated you have Resolution 2019-02 in your agenda package. Currently Mr. Spano is Chairman, Ms. Fialco is Vice Chairperson, Ms. Lordi was Secretary, Mr. Fenner was Treasurer, I was an Assistant Secretary and Ariel Lovera was an Assistant Treasurer. We can handle each office individually or someone can propose a slate.

On MOTION by Mr. Spano seconded by Ms. Fialco with all in favor Resolution 2019-02 was approved reflecting the following officers: Sal Spano Chairman, Kathy Fialco Vice Chairperson, Rina Osle-Girard Secretary, Hal Fenner Treasurer, George Flint Assistant Secretary and Ariel Lovera Assistant Treasurer.

FOURTH ORDER OF BUSINESS

Approval of the Minutes of the August 28, 2018 Meeting

Mr. Spano stated I would like to verify the unit count on page 2, the fourth paragraph down.

Mr. Flint stated we reviewed that and what was certified to the property appraiser is 140 units.

Mr. Spano asked why is there a discrepancy between you and the POA?

Mr. Flint stated there isn't anymore. The assessment roll that you reviewed had old data in it and when we went back and reviewed it we reconciled it to the same number and came up with the same number the POA had.

On MOTION by Mr. Spano seconded by Ms. Fialco with all in favor the minutes of the August 28, 2018 meeting were approved as presented.

Mr. Capko joined the meeting by telephone at this time.

FIFTH ORDER OF BUSINESS

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

SIXTH ORDER OF BUSINESS

Consideration of First Extension to the Wetlands Boundary and Lake Banks Landscape Maintenance Agreement with Wellington Pro Lawn Care

Mr. Flint stated when the Board made the decision to bid out the upland buffer landscaping maintenance and the lake and wetland maintenance you made a motion to extend the existing contracts on a month to month basis while we were bidding it out. Items five and six are just the extensions of the contracts that expired on September 30, 2018. You are not awarding the new one yet that will be what we talk about next.

On MOTION by Mr. Spano seconded by Ms. Fialco with all in favor the Second Extension to the agreement with Native Lands Management, Inc. and the First Extension to the agreement with Wellington Pro Lawn Care on a month to month basis were ratified.

The next item was taken out of order.

EIGHTH ORDER OF BUSINESS

Review of Proposal and Selection of Firm to Provide Wetlands Boundary and Lake Banks Landscape Services (RFP 2018-200)

Mr. Flint stated item eight is the lake bank landscape services. We had five firms request the bid package, we held a voluntary pre-bid conference, no one showed up to the pre-bid conference and we received one proposal and that was from Wellington Landscape, the current provider of the services. I don't believe Wellington has increased their fees in a number of years. The existing contract was \$89,986 and their bid came in at \$94,500, which is a 5% increase.

Mr. Spano stated they did come to me and discuss that with me and I recommended that they put in an increase and I negotiated it down to a 5% increase.

Mr. Flint stated because you only received one bid so you have the option of rejecting it and rebidding or accepting the bid and awarding the contract.

Mr. Spano stated Wellington Pro Lawn Care has worked with us for over two decades and they have been the vendor here and have won four other bids in the past and that might be why you are not getting a lot of other bids.

On MOTION by Mr. Spano seconded by Ms. Fialco with all in favor the contract was awarded to Wellington Pro Lawn Care in the amount of \$94,500.

SEVENTH ORDER OF BUSINESS**Review of Proposals and Selection of Firm to Provide Wetland, Lake and Upland Preserve Maintenance Services (RFP 2018-100)**

Mr. Flint stated we also bid the lake and wetland maintenance, we had eight firms request packages, six companies represented at the pre-bid conference and received three proposals that you were provided. The proposals were from Lake and Wetland Management, Inc., Kerner Environmental and Native Lands Management, Inc. Native Lands Management, Inc. is the current provider of the services. When you approved the form of the RFP you also approved the evaluation criteria that included personnel, experience, understanding of the scope of work and their financial capability as well as price. On the ranking sheet we put the price, which represents 15 points out of the total 100 points. Native Lands came in at \$151,992, which is their current contract amount, Lake and Wetland Management came in at \$147,432 and Kerner Environmental came in at \$140,262.

Kerner Environmental is a very small company, has gross revenue of less than \$500,000 a year. This contract is \$140,000 so it would represent more than a third of their current revenue. They have limited staffing. I'm sure they would do a fine job; my concern would be the size of the company and their ability to provide the service. I would keep that in mind and price is only 15% of the total so although they are the lowest price bidder the other criteria come into play when you are evaluating them.

Lake and Wetland Management is a larger company and they have a lot of experience as demonstrated in the proposal, they do work for a number of CDDs. They have offices throughout the State of Florida and a presence in this area. I think the variable between them and our current provider is probably understanding the scope of work since our current provider has been maintaining these systems since they were constructed. They are intimately familiar with the work that needs to be done and we don't have any issues with their current performance. I think that would come into play when you are evaluating the firms.

Mr. Spano stated there was a time in the past when we took the lowest bidder brought them in and for six months the place was a mess and we couldn't get anything done and since there is such a small difference in price and the history we have, I recommend we continue with our current contractor.

Mr. Spano stated I rank Native Lands no. 1, Lake and Wetland no. 2 and Kerner Environmental no. 3.

On MOTION by Mr. Spano seconded by Mr. Fenner with all in favor Native Lands Management, Inc. was ranked 1, Lake and Wetland Management was ranked 2 and Kerner Environmental was ranked 3.

Mr. Flint stated we will get contracts drafted with those firms and ratify them at a future meeting.

NINTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There being none, the next item followed.

B. Engineer

Mr. Kiernan stated I would like to provide an update on the work effort we have been undertaking to provide the access rights for the CDD to continue to maintain the drainage facilities. We have identified all of the areas on the east side, everything east of Via Tesoro, and we have written the descriptions that would be included in that agreement for the east side. The west side we have identified all of those areas as well and we are in the process of preparing the legal descriptions for the west side of the property, which would give the CDD the rights for ingress/egress. Our timeline for that is within the next 30 days to have it all completed and at that point I believe those legal descriptions and our exhibit will go to Mr. Dobbins. I wouldn't expect him to do more than review that and I expect he will have drafted language that would be the overall document that you would look for the POA to execute on behalf of the CDD.

Mr. Spano stated I ask that you keep George Flint and his group in on all emails and correspondence as we finalize this so we have a coordinated effort.

Mr. Flint stated there have been a number of targets set that haven't been met on this and it has gone on for years so you really need to meet that 30 day timeframe.

Mr. Kiernan stated I'm making that commitment here, that is why I'm here because we actually see that this is completed, we have identified all the areas and it is a matter of putting the legal language into the descriptions, which is what I do in the surveying department so we are there and I see the goal line within 30 days. I will take the lead on this particular item from here on out.

C. Manager

i. Approval of Check Register

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

ii. Balance Sheet and Income Statement

A copy of the balance sheet and income statement was included in the agenda package.

iii. Field Manager's Report

Mr. Spano stated we are still not getting copies of the field reports.

TENTH ORDER OF BUSINESS

Audience Comments

There being none, the next item followed.

ELEVENTH ORDER OF BUSINESS

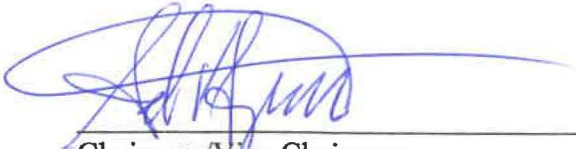
Supervisor's Requests

There being none,

On MOTION by Mr. Spano seconded by Ms. Fialco with all in favor the meeting adjourned at 10:28 a.m.



Secretary/Assistant Secretary



Chairman/Vice Chairman