

MINUTES OF MEETING
TESORO
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Tesoro Community Development District was held Wednesday, May 29, 2019 at 10:00 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:

Jason Showe	District Manager
William Capko	District Counsel
William Viasalyers	Field Manager
Stefan Matthes	District Engineer

FIRST ORDER OF BUSINESS

Roll Call

Mr. Showe called the meeting to order.

SECOND ORDER OF BUSINESS

Public Comment Period

Mr. Showe noted that only members of the Board and District staff were present. No members of the public attended the meeting.

THIRD ORDER OF BUSINESS

Approval of the Minutes of the November 27, 2018 Board of Supervisors Meeting and Acceptance of the Minutes of the November 27, 2018 Landowners' Meeting

Mr. Showe presented the November 27, 2018 Board of Supervisors and Landowners' meeting minutes and asked for any comments, corrections, or deletions. Mr. Spano noted he reviewed the minutes and found no errors.

On MOTION by Mr. Spano seconded by Mr. Fenner with all in favor, the minutes November 27, 2018 Board of Supervisors Meeting were approved, as presented, and the November 27, 2018 Landowners' Meeting were accepted.

FOURTH ORDER OF BUSINESS

Consideration of Resolution 2019-03 Approving the Proposed Budget for Fiscal Year 2020 and Setting a Public Hearing

Mr. Showe noted this resolution is the first step of the 2020 budget process. This resolution approves Exhibit A, the proposed budget. It sets a public hearing which is set for the August 28, 2019 at 10:00 a.m. It also directs staff to transmit the budget to St. Lucie County and post it on the website in accordance with Florida statutes. Mr. Showe noted the budget was largely the same as the Board had seen before. There was no assessment increase to the budget. The costs of the agreements were factored into the budget. It is noted that they continued the practice of using the carryforward surplus. This year they used \$104,00 and last year they used \$112,000.

Mr. Showe noted approving the resolution does not lock in the account lines, the Board has full flexibility between now and the final budget to move money between account lines. In essence, they are setting the ceiling on assessments. Mr. Spano noted he reviewed the budget and found it to be consistent with past years.

On MOTION by Mr. Spano seconded by Ms. Fialco with all in favor, Resolution 2019-03 Approving the Proposed Budget for Fiscal Year 2020 and Setting a Public Hearing, was approved.

FIFTH ORDER OF BUSINESS

Ratification of Agreements

A. Wetland, Lake and Upland Preserve Maintenance Services with Native Lands Management, Inc.

Mr. Showe noted the agreements have already been executed by the Chairman so they could begin work. The contracts are already factored into the budget, so no change is required to the budget.

On MOTION by Mr. Spano seconded by Ms. Fialco with all in favor, the Wetland, Lake and Upland Preserve Maintenance Services with Native Lands Management, Inc., was ratified.

B. Wetlands Boundary and Lake Banks Landscape Maintenance Agreement with Wellington Pro Lawn Care

Mr. Showe noted this agreement had already been executed by the Chairman and they were seeking ratification.

On MOTION by Mr. Spano seconded by Ms. Fialco with all in favor, the Wetlands Boundary and Lake Banks Landscape Maintenance Agreement with Wellington Pro Lawn Care, was ratified.

SIXTH ORDER OF BUSINESS

Review and Acceptance of Fiscal Year 2018 Audit Report

Mr. Showe noted the report to management was located on the last page of the Audit. It states there are no current year findings, no prior year findings, and it was a clean audit. Mr. Spano noted to the Board Members that the Audit Reports were available in the office for any residents to review if they request to do so. Mr. Showe noted the audit is required to be posted on the Tesoro CDD website, so residents can be directed there to review it as well.

On MOTION by Mr. Spano seconded by Ms. Fialco with all in favor, the Fiscal Year 2018 Audit Report, was approved.

SEVENTH ORDER OF BUSINESS

Appointment of Audit Committee and Chairman

Mr. Showe stated the Board typically appoints themselves as the Audit Committee. The publicly advertised Audit Committee Meeting will be held after the Board meeting. The Board agreed to appoint themselves as the committee.

On MOTION by Mr. Spano seconded by Ms. Fialco with all in favor, Appointing the Board of Supervisors as the Audit Committee, was approved.

EIGHTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Mr. Capko noted there had been little action since the last meeting. There have been no issues. The Board had no questions for Mr. Capko.

B. Engineer

Mr. Matthes noted since the last meeting they had adjusted some exhibits so Counsel can finish the agreements. They submitted the sketches and descriptions needed for those. They are reviewing them and will hopefully have a draft for the Board to review within the next couple of weeks. WCI, POA, and the CDD all have in some cases overlapping responsibilities for properties. They have been tasked with showing the overlaps, and they have provided that overall agreement. The majority of the overlap runs between the CDD and POA.

Mr. Spano inquired about the timing of Counsel's review and what the next step would be. Mr. Matthes noted most of the delay has been on their part, not Counsels. They have been trying to weed out and get all of the different parcels and properties figured out. He noted they gave Counsel the information this week and he said he would have it back within a week or so. Mr. Matthes noted they look to finish it shortly.

C. Manager**i. Approval of Check Register**

Mr. Showe presented the check register. In the general fund they have checks #824-861 for \$181,613.03. Mr. Spano noted he reviewed the check register and had no comments.

On MOTION by Mr. Spano seconded by Mr. Fenner with all in favor, the Check Register, was approved.

ii. Balance Sheet and Income Statement

Mr. Showe noted a copy of the balance sheet and income statement was included in the agenda package. Mr. Spano asked how many dollars of collections they had this year that represent prior year assessments. Mr. Showe noted you would typically look at anything prior to December as the prior year, so probably less than \$2,500. Mr. Spano noted they were sitting on cash 204, and investments 442. He asked if that was excess. Mr. Showe answered yes and they could start looking at reducing the assessments if the Board wished. Mr. Spano inquired about any large capital projects they should be prepared for. The Board decided to start looking at the bank erosion and get feedback on the cost for that.

iii. Presentation of Number of Register Voters – 251

Mr. Showe noted as of April 15th there were 251 registered voters in the District. We will continue the turnover process. The next general election will be in 2020.

iv. Engagement Confirmation with Dean Mead Regarding Real Property Issues

Mr. Showe noted the original agreement was from 2016, this is a continued engagement of that agreement. It went from \$350 an hour to \$365.

On MOTION by Mr. Spano seconded by Ms. Fialco with all in favor, the Engagement Confirmation with Dean Mead Regarding Real Property Issues, was approved.

v. Field Manager's Report

Mr. Viasalyers stated he continues to meet biweekly with the vendors. Mr. Spano asked if there was any impact on coming out of the dry season and going into the wet season. Mr. Viasalyers noted he would look into it. Ms. Fialco asked if the water flow was diverted when they put in the culvert, and Mr. Spano answered no.

NINTH ORDER OF BUSINESS**Audience Comments**

There being no members of the public present, the next item followed.

TENTH ORDER OF BUSINESS**Supervisor's Requests**

The Board had no requests or comments.

ELEVENTH ORDER OF BUSINESS**Adjournment**

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



Secretary/Assistant Secretary

Chairman/Vice Chairman