

MINUTES OF MEETING
TESORO
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Tesoro Community Development District was held Wednesday, April 28, 2021 at 6:30 p.m. at the Tesoro Club, 3rd Floor, 2000 S.E. Via Tesoro, Port St. Lucie, Florida.

Present and constituting a quorum were:

Emily Jones	Chairperson
Mark Mershon	Vice Chairman
Hal Fenner	Assistant Secretary
John Vogt	Assistant Secretary

Also present were:

Jason Showe	District Manager
Bill Capko	District Counsel by telephone
William Viasalyers	Field Manager

FIRST ORDER OF BUSINESS

Roll Call

Mr. Showe called the meeting to order and called the roll.

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 Board Member

Mr. Showe being a notary public of the State of Florida administered the oath of office to Ms. Jones.

B. Acceptance of Resignation of Sal Spano & Kathy Fialco

On MOTION by Mr. Mershon seconded by Mr. Fenner with all in favor the resignations submitted by Sal Spano and Kathy Fialco were accepted.

C. Appointment of Individuals to Fill Board Vacancies in Seats 4 & 5 with Terms Ending November 2024

Mr. Showe stated seats 4 and 5 are general elector seats and Mr. Mershon and Mr. Fenner per a resolution approved by the Board last year will continue in those seats until a general elector is appointed.

On MOTION by Ms. Jones seconded by Mr. Mershon with all in favor Mr. Mershon was appointed to seat 4 and Mr. Fenner was appointed to seat 5.

D. Review of Resume/Letter of Interest

Mr. Showe stated we received two resumes, one from Mr. Vogt and one from Mr. O’Conner and you can appoint those two individuals to seats 1 and 2.

E. Appointment of Individuals to Fill Board Vacancies in Seats 1 & 2 with Terms Ending November 2022

On MOTION by Ms. Jones seconded by Mr. Mr. Mershon with all in favor John Vogt was appointed to seat 1 and Roger O’Conner was appointed to fill seat 2.

F. Administration of Oaths of Office to Newly Appointed Board Members

Mr. Showe being a notary public of the State of Florida administered the oath of office to Mr. Vogt, Mr. Fenner and Mr. Mershon.

Mr. Showe stated the form 1 statement of financial interest needs to be filled out and filed with the supervisor of elections in the county in which you reside within 30 days of today. We recommend that you get a stamped copy to show that you turned it in. There are fines if you

don't get it in on time. We also recommend that you keep a copy because you will be filling this out every year and typically it doesn't change much year to year. Next is a form 1f, final statement of financial interests that in the event you were to leave the Board this form needs to be filled out and provided to the supervisor of elections within 60 days of leaving the Board. As a Board Member you are eligible to receive compensation up to \$200 per meeting and there is a W4 and I9 form and should you choose to accept compensation you need to turn in those forms in to my office. The final item is the Florida Guide to the Sunshine Amendment and Code of Ethics for public officers. You are now a public official and as such you are subject to government in the sunshine, which means you are not permitted to talk to other Board Members outside of a publicly advertised meeting about anything that might come up at a meeting. You can talk about anything except an item that may come before the Board for a vote. That applies to all forms of communications, emails, texts, telephone calls. When you get emails from our office there is a reminder that says, please do not reply to all. It also applies to social media and you need to be careful when it comes to posting CDD information. Anything CDD related is a public record and if you send or receive emails related to the CDD you need to keep those separate from your regular email by having a separate email or put them in a folder on your computer and drop everything in that folder. You are not required to keep any records from these meetings, but if you do you need to keep that separate from your personal and business file in the event there is a public records request.

Mr. Capko stated if there are any questions about public records or government in the sunshine you can call or email me at any time.

Mr. Showe stated if something happens out here that you feel the other Board Members should be aware of, we recommend that you email me as District Manager, and I can distribute that to the other Board Members. I can't act as a conduit but we can provide them the information.

G. Consideration of Resolution 2021-01 Canvassing and Certifying the Results of the Landowners' Election

On MOTION by Mr. Mershon seconded by Mr. Fenner with all in favor Resolution 2021-01 was approved.

H. Consideration of Resolution 2021-02 Electing Officers

Mr. Showe stated every time we have an election we are required to elect officers. Typically, the Board appoints one member as chair, one member as vice chair and from our office we would like to have George Flint as secretary, typically the other three Board Members are assistant secretaries. I ask that I be appointed treasurer or assistant treasurer in order to sign checks for the District.

On MOTION by Mr. Mershon seconded by Ms. Jones with all in favor Resolution 2021-02 was approved reflecting the following officers: Emily Jones chair, Mark Mershon vice chair, George Flint secretary, John Vogt, Hal Fenner, Roger O’Conner and Jason Showe assistant secretaries, Jason Showe treasurer and Katie Costa assistant treasurer.

FOURTH ORDER OF BUSINESS

Approval of the Minutes of the August 26, 2020 Meeting and Acceptance of the Minutes of the November 13, 2020 Landowners’ Meeting

On MOTION by Mr. Mershon seconded by Mr. Fenner with all in favor the minutes of the August 26, 2020 Board meeting were approved and the minutes of the November 13, 2020 landowners’ meeting were accepted.

FIFTH ORDER OF BUSINESS

Consideration of Resolution 2021-03 Approving the Proposed Budget for Fiscal Year 2022 and Setting a Public Hearing

Mr. Showe stated next is Resolution 2021-03 approving the proposed budget for Fiscal Year 2022 and setting a public hearing. The proposed budget will get attached to the resolution as Exhibit A, we have set the public hearing for August 30, 2021 at 10:00 a.m. It also directs us to transmit this to St. Lucie County and the City of Port St. Lucie at least 60 days prior to the public hearing and we will post this on the website as required by Florida Statutes.

Mr. Mershon stated I will be unable to be here on the 30th.

Mr. Showe stated we can set it for August 16th and we will change the resolution to reflect that. Behind the resolution is the proposed budget and there has been very little changes

to the current budget and there is no assessment increase. The major change is the insurance and we are seeing that in all of our Districts.

Mr. Viasalyers stated everything is staying the same on the landscape and lake maintenance side.

Mr. Showe stated approval of this proposed budget doesn't lock you in to anything in the account lines. What you are doing is saying you are okay with leaving the assessments the way they are. We feel that you have the financial capability to handle anything that you need and have no concerns leaving it the way it is. We put a lot of detail in the budgets to describe each item.

On MOTION by Mr. Mershon seconded by Mr. Fenner with all in favor Resolution 2021-03 approving the proposed Fiscal Year 2022 budget and setting the public hearing for August 16, 2021 was approved.

SIXTH ORDER OF BUSINESS

Ratification of Agreement with Grau & Associates to Provide Auditing Services for Fiscal Year 2020

Mr. Showe stated next is ratification of the agreement with Grau & Associates to perform the Fiscal Year 2020 audit. I executed this in November so they could get started on the audit that has to be completed and sent to the state by a statutory deadline. The Board went through a selection process for an auditor and this agreement is in line with their proposal.

On MOTION by Mr. Mershon seconded by Mr. Fenner with all in favor the engagement letter with Grau & Associates to perform the Fiscal Year 2020 audit was ratified.

SEVENTH ORDER OF BUSINESS

Review and Acceptance of Fiscal Year 2020 Draft Audit Report

Mr. Showe stated we handed out the audit at tonight's meeting. The report to management is on the last page and it has the statutory compliance items they look at when they do the audit. There are no current year findings, no prior year findings and all the items they are required to look at were in compliance, and there are no recommendations.

Mr. Capko stated I had no comment on the audit, it was very clean and there was no reason to make any changes to it.

On MOTION by Mr. Mershon seconded by Mr. Fenner with all in favor the Fiscal Year 2020 audit report was accepted and staff was authorized to transmit the final report to the State of Florida.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney

i. Discussion of E-Verify Requirements for Special Districts

Mr. Capko stated during the 2020 legislative session the Florida Legislature passed a new law, which requires all Florida public employers, which includes the CDD, their contractors and subcontractors to register with and use the Federal E-Verify system to confirm the work authorization status of new employees hired on or after January 1, 2021. If a contractor or subcontractor fails to comply with the review of all the new hires after January 1, 2021 that can result in the termination of the contractor or subcontractor agreement with the public employer including our District. This is now in place and any contract that the District enters into including Jason's company and my law firm have to certify that we are following the requirements of the E-Verify law so that unauthorized employees are not employed and working for the District. I see that Jason and his firm has already filed the memorandum of understanding, which they are required to do on behalf of the District.

Mr. Showe stated there is nothing the board needs to do it is up to Will, myself and the staff in the office to keep us in compliance. GMS has filed and all our employees are verified under that system. We will have that language in any new contracts the District enters into.

B. Engineer

There being none, the next item followed.

C. Manager

i. Approval of Check Register

On MOTION by Mr. Mershon seconded by Mr. Fenner with all in favor the check register was approved.

ii. Balance Sheet and Income Statement

A copy of the financials was included in the agenda package.

iii. Presentation of Number of Registered Voters - 294

A copy of the letter from the supervisor of elections indicating there are 294 registered voters residing within the District was included in the agenda package.

iv. Field Manager's Report

Mr. Viasalyers stated the water feature no. 5 recently had some motor issues and we are working to get that repaired and hopefully in the next couple weeks that will be back up and running.

Mr. Mershon asked is that integral to a golf hole?

Mr. Viasalyers responded no; it is the only CDD owned water feature on the property.

EIGHTH ORDER OF BUSINESS

Audience Comments

Mr. Bordon stated I'm a retired general contractor and I understand what you are supposed to do. At one time you had a layout on the website on what you were doing and I didn't see it last year. Is it still there?

Mr. Showe stated in the past our landscapers have put together some schedules. Is that what you are referring to?

Mr. Bordon stated you had drawings and schedule.

Mr. Viasalyers asked do you mean a map showing the service areas?

Mr. Bordon responded yes.

Mr. Viasalyers stated we will check and if they are not we can get those on there.

A resident stated I have a hard time determining what their actual scope is supposed to be. From my standpoint it is spotty work. They come in and work on something for a day and you don't see them anymore and they don't finish it. If you go to where the two ponds come together they sprayed part of the stuff on the top but they didn't spray it all. I have seen that a lot. I contacted you about the pond on 172 the pump is on and off and they pulled the pump out again and the CDD pays the electric for it. The pond in front of it the CDD cut it back three years ago and last year they worked about four hours and haven't done anything this year. I'm

not sure if it belongs to the CDD as it is listed now as being someone else as the owner. Are you cleaning the fountains along the berm or is the landscaper?

Mr. Viasalyers stated that is the golf course, those fountains belong to the golf course.

Mr. Showe stated Will is the field manager and he is out here meeting with all the vendors and he is your best point of contact and you can show him exactly and he can meet with you with the vendors to point it out to them and get any deficiency cleaned up.

Mr. Viasalyers stated I will meet onsite with you and the vendor and he can tell you what is invasive and what is not. I'm here on a bi-weekly schedule, every other Tuesday at 9:00 a.m. and if you want to give me a call I will make sure to schedule it so it works with your schedule as well.

NINTH ORDER OF BUSINESS

Supervisor's Requests

Mr. Mershon stated that was the issue I was going to bring up. Do we have a resource for residents in the community to better understand what services William provides and by exclusion what other services will be the landscapers of the golf course?

Mr. Viasalyers stated we have service location maps and I thought they were on the website and if not we will make sure they are on there.

Mr. Mershon stated then we need to communicate that to the residents in some fashion.

Mr. Showe stated we can make a connection to the HOA and see if they can send out an email blast.

Mr. Mershon stated a resident asked for my assistance in determining if shrubs could be removed behind a residence to better see the lake or pond and there is confusion where one starts and the other doesn't.

Mr. Showe stated it is confusing how the property is laid out and who is responsible. We go to the property appraiser's website and identify the properties.

Mr. Mershon stated it needs to be made more visible to the residents.

Mr. Vogt stated a detailed map from the property appraiser of what belongs to the CDD would be extremely useful.

Mr. Viasalyers stated we have vendor maps as well.

Ms. Jones asked when were the service maps created and were they based on a recurring contract?

Mr. Showe stated yes. We will pull those records and get them to you.

Mr. Viasalyers stated it looks like some of the maps were created in 2005 by the engineer. I will forward that to you.

Ms. Jones stated I would like to see the original contract.

Mr. Showe stated absolutely.

On MOTION by Mr. Mershon seconded by Ms. Jones with all in favor the meeting adjourned at 7:22 p.m.



Secretary/Assistant Secretary



Chairman/Vice Chairman