

**MINUTES OF MEETING
TESORO
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Tesoro Community Development District was held Thursday, **May 22, 2025** at 11:02 a.m. at the Tesoro Club, 3rd Floor, 2000 S.E. Via Tesoro, Port St. Lucie, Florida.

Present and constituting a quorum were:

John Vogt	Chairman
Allen Borden	Vice Chairman
Rosemary Jones	Assistant Secretary
Emily Jones	Assistant secretary
Michel Ferrucci	Assistant Secretary

Also present were:

Andressa Hinz Philippi	District Manager
Roberto Cabrero	Culpepper & Terpening
Matt Hans	Field Manager
Jennifer Kilinski	Kilinski Van Wyk
Heather Maxwell	Kilinski Van Wyk <i>by telephone</i>
Hanna Vogt	Resident

FIRST ORDER OF BUSINESS

Roll Call

Ms. Hinz Philippi called the meeting to order.

SECOND ORDER OF BUSINESS

Organizational Matters

A. Consideration of Resolution 2025-02 Election of Officers

<p>On MOTION by Ms. Rosemary Jones seconded by Dr. Vogt with all in favor Resolution 2025-03 was approved reflecting the following: John Vogt chairman, Allen Borden vice chairman, Emily Jones, Rosemary Jones and Michael Ferrucci assistant secretaries, Andressa Hinz Philippi assistant secretary, Paul Winkleman secretary, Patti Powers treasurer and Sharyn Henning assistant treasurer.</p>
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THIRD ORDER OF BUSINESS**Approval of the Minutes of the February 27, 2025 Meeting**

On MOTION by Dr. Vogt seconded by Mr. Borden with all in favor the minutes of the February 27, 2025, meeting were approved as presented.

FOURTH ORDER OF BUSINESS**Consideration of Proposals for District Attorney**

Ms. Hinz Philippi stated that you have worked with Bill Capko for a number of years and the chair felt that to have new district counsel would be in the best interests of the district. I will ask for a motion to terminate the services of Mr. Capko's office and consider a new proposal.

Dr. Vogt stated that I no longer have confidence in Mr. Capko to solve our problems and would like a separate attorney, and I'm pleased to see Kilinski/VanWyk as an alternative to solve our problems.

On MOTION by Ms. Rosemary Jones seconded by Mr. Ferrucci with all in favor staff was authorized to send a letter of termination as district counsel to Mr. Capko's firm, Lewis, Longman & Walker.

Ms. Kilinski stated that she started this firm four years ago and was previously with Hopping Green & Sams, which was instrumental in the development of Chapter 190. She had the benefit of being around Wade Hopping, who was the author of that statute and we had a significant market share and that firm dissolved in 2021 and our practice group split. Some wanted to go with a large national firm, and we wanted to be more local, growing and providing client service in a different way. We only do special district work; we don't do any other area of law.

On MOTION by Mr. Ferrucci seconded by Mr. Borden with all in favor Kilinski/Van Wyk PLLC was appointed to serve as district counsel.

FIFTH ORDER OF BUSINESS**Consideration of:**

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A. Resolution 2025-03 Designating Kilinski Van Wyk PLLC as the District's Registered Agent

On MOTION by Dr. Vogt seconded by Mr. Borden with all in favor Resolution 2025-03 Designating Kilinski Van Wyk PLLC as the District's Registered Agent was approved.

B. Resolution 2025-04 Approving the Proposed Fiscal Year 2026 Budget and Setting the Public Hearing

Ms. Hinz Philippi stated Resolution 2025-04 approves the proposed fiscal year 2026 budget and sets the public hearing date for adoption. We increased some line items but there is no proposed increase in assessments.

On MOTION by Mr. Ferrucci seconded by Ms. Rosemary Jones with all in favor Resolution 2025-04 approving the proposed fiscal year 2026 budget and setting the public hearing for July 31, 2025 at 11:00 a.m. at 2000 S.E. Via Tesoro, Port St. Lucie, Florida was approved.

SIXTH ORDER OF BUSINESS

Consideration of Reimbursement – Hobe Sound Environment

Ms. Hinz Philippi stated this is a request for reimbursement from the chair for a lunch with Hobe Sound Environment while they were doing their first inspection of Tesoro CDD and advising on the Winters Creek cleaning with Native Lands Owner Ronnie Howell.

On MOTION by Ms. Emily Jones seconded by Ms. Rosemary Jones with all in favor, reimbursement to Chair in the amount of \$91.16 was approved.

SEVENTH ORDER OF BUSINESS

Status of Inspections of Areas Encroaching on CDD Property

Mr. Hans stated we have a long list of addresses from Mr. Diggle that he contends have landscape encroachments onto Tesoro CDD property. These were fully investigated and a summary was given to the board of these reviews. None of these were CDD problems, but some of the other homes may be encroaching on golf course property or POA control. Earlier this year we required 2 homeowners to stop taking water from lakes with formal letters. Mr. Diggle also

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provided a list of 6 homeowners who he contended were withdrawing water from lakes, which included the 2 homeowners we had already dealt with. The remaining 4 do not appear to be withdrawing water from lakes

Ms. Hinz Philippi stated it may be good to give direction to the attorney to review all the encroachments and to take action on anything we need at this point. I do not want them to walk out of here without the power to act on anything we need to enforce.

Ms. Kilinski stated the main understanding I have on the most pressing one of your encroachment issues is just making sure we understand what the district's rights and responsibilities are for the enforcement of encroachment violations. I have taken a preliminary pass through the permits and the land maps you have available, as well as the cross easements and being really clear about what the district's rights and responsibilities are. We have districts that have conservation easement rights and have encroachments being very proactive in that regard because water management districts can fine you massive amounts of money if you don't take proactive action on what is happening. Just getting a good understanding of your question about what we can do when we are onboarding, just making sure we have a clear picture of the due diligence, their real estate associated with this district. We have done some of the preliminary work but haven't pulled all the plats pending your formal approval as your counsel. Please summarize the issue with Mr. Diggle for us.

Dr. Vogt stated that it has been established that the Reciprocal Easement Agreement gave the Tesoro CDD full control of all permit areas. The areas to the north and east of Mr. Diggle's lots are designated as preserves as per the Culpepper and Terpening drawings and permits. We have had an inspection done by the GMS field supervisor, Mr. Matt Hans, which showed clearly how far his encroachment into the preserve area extended. The Culpepper and Terpening survey of the fence location showed that his lot fence is outside of his lot lines, by up to about 7 feet, and is only in the correct position within his boundary in the Northwest corner. In effect, he has claimed part of the preserve by moving his fence. He has also cut back the preserve area, added plants not found in this preserve, introduced boulders, planted grass and added landscape lighting in the preserve area. He acknowledges this is a preserve and quotes that the permit in OR Book 2075, Page 1992, Section 14 which reads "An average 25' wide, minimum 15', buffer of undisturbed upland vegetation shall be maintained between the proposed development and the existing wetlands.." gives him rights to utilize the preserve. This is an erroneous interpretation.

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We have clarified via the letters from GMS to him that he has been trespassing to perform this work, and he is in default and has damaged the preserve. This is a very unfortunate situation as we are going to have to spend community money to solve this trespass and occupation of the preserve so we can maintain this as a preserve. If we do not, we can be fined or have our permits withdrawn, which could affect Tesoro and its home values significantly. This removes money better spent on developing Tesoro CDD areas. We need to authorize district counsel to solve this problem in the most expeditious way possible with the least cost to the board.

Ms. Hinz Philippi stated I did my job and sent a letter saying that this was a violation and an encroachment and gave a timeframe for rectification. I was going to act within the timeframe, but for extra caution for this board so that we did not remove any of the plants, rocks or fence without having the proper legal background, I waited for us to have new counsel that is going to give us a solution to this, and the best way possible to protect this board.

Ms. Kilinski stated it sounds like you have already done a lot of the notice. I had a district recently with an issue where every house along the pond closed off the access easement so we sent letters asking them to remove the encroachments and they refused so we filed mandatory injunctions which is really going to be your remedy, you can't just remove things that are on district property you have to file an injunction to get those improvements removed. My hope would be the steps would be to make absolutely sure that we have the right to demand that removal, send a letter that says here is your timeframe, attach all the previous correspondence you have had about asking for the removal and cease and desist on CDD property and demand the removal of what is illegal and if he refused in that time period then we file a mandatory injunction. They will have the right to contest the due diligence and the real estate property and that is going to be the remedy we have. Courts are very sensitive to mandatory injunctions, they want to give the resident every right they have in order to have the time to remove it. He is just telling us no and that is helpful to us. We can file the next day if he says I'm not going to do it.

Dr. Vogt asked could we have a motion that says that the chairman in conjunction with GMS will work with district counsel to work our way through the process of ensuring we remove this problem by counsel ability to either force him to move it or file an injunction?

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Ms. Kilinski stated that the process works especially since we are not meeting again until July. It is possible that within that time period we will be able to file an injunction and give you an update at the next meeting on the status.

On MOTION by Mr. Ferrucci seconded by Mr. Borden with all in favor, District Counsel was authorized to work with district staff and the chair to file the injunction.

EIGHTH ORDER OF BUSINESS

Acceptance of Audit for Fiscal Year Ending September 30, 2024

Ms. Hinz Philippi stated the audit was provided in your agenda package and is a clean audit.

On MOTION by Ms. Rosemary Jones seconded by Mr. Ferrucci with all in favor the Audit for Fiscal Year Ending September 30, 2024, was accepted.

NINTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Ms. Kilinski stated that she appreciates the opportunity to work with the Chair and this board. You probably have been told before and have gotten emails from the Commission on Ethics, that your Form 1 is due by July 1st. The ethics training that is required – if you were appointed after March then you don't have to do it until next year -but if you were on the board prior you have to complete four-hours of ethics training and we will make sure you have links to the free ethics training.

B. Engineer

Mr. Cabrero stated the city is replacing structure A25, and their projected completion for the design and permit of that is a little slow, but they expect to have that completed by January 2026. That is the permits and design, and after that, go out to bid for the construction.

Dr. Vogt stated that all of our permitting and the entire mitigation area depend on that structure existing. We should put it formally to the city with a copy to the South Florida Water Management District, that should this fail, they need to have an alternative. If it starts to fail, is there a temporary alternative?

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Mr. Cabrero stated I'm open to suggestions. We can do a temporary coffer dam. Part of the delay is they want to replace it with something that will withstand the test of time.

Dr. Vogt stated we need to make a formal statement that we are extremely concerned. It is their wall and it is our homes.

Mr. Cabrera stated it is not just us but five other communities that operate with that structure too.

Dr. Vogt stated let's authorize the chair and engineer to try to get remediation or some temporary structure to take the pressure of the water off the wall.

Ms. Hinz Philippi stated the board agreed it would be correct for the engineer to work with the chair.

C. Manager – Number of Registered Voters in the District - 394

A copy of the letter from the Supervisor of elections was included in the agenda package.

D. Field Manger's Report

Mr. Hans stated that the water levels are a little low due to the drought. Ronnie Howell has been spraying the weeds around the edges of the lake. He is doing a good job of clearing the cleaned areas that were previously approved and maintaining Tesoro CDD as well as tackling the projects approved by the Chair.

TENTH ORDER OF BUSINESS

Financial Reports

A. Approval of Check Register

B. Acceptance of Unaudited Financials

ON MOTION by Mr. Borden seconded by Dr. Vogt with all in favor the check register was approved and financials were accepted.

ELEVENTH ORDER OF BUSINESS

Supervisors Requests and Audience Comments

Dr. Vogt stated there are two resolutions that reference an exhibit C, which is a drawing that was done by Culpepper in 2016 and this shows which entity within Tesoro CDD is responsible for which area. The resolutions contain an exhibit "A" for the Club, an exhibit "B" for the Tesoro POA and an exhibit "C" for the Tesoro CDD. In the two resolutions, the exhibit

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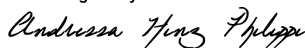
“C” drawing has been superseded by Culpepper’s newer multi-colored drawing due to the work of Chair and Roberto Cabrero of Culpepper. I have tested it with the owners, and they have no objection to us changing that drawing. I need to get a resolution that all three parties agree that drawing is replaced by the new drawing.

Ms. Hinz Philippi stated that I sent the draft resolution from Chair to Jennifer and she can do a modification that incorporates the new updated version of the map. We can then amend the resolution. She will send us a draft.

TWELFTH ORDER OF BUSINESS**Adjournment**

On MOTION by Dr. Vogt seconded by Ms. Rosemary Jones with all in favor the meeting adjourned at 12:14 p.m.

DocuSigned by:



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Secretary/Assistant Secretary

Signed by:



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Chairman/Vice Chairman