

INDIGO
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Indigo Community Development District was held Wednesday, March 25, 2015 at 1:00 p.m. in the Holiday Inn Daytona Beach LPGA Boulevard, Ballroom, 137 Automall Circle, Daytona Beach, Florida.

Present and constituting a quorum were:

Robert E. Welsh	Chairman
John McCarthy	Supervisor
Donald Parks	Supervisor
Thomas G. Leek	Supervisor

Also Present were:

James Perry	District Manager
Katie Buchanan	Hopping Green & Sams
Kurt von der Osten	Field Operations Manager
Jamie Rountree	Team Rountree
Steve Courteaux	Courteaux Electric
Jason Tagio	CED

FIRST ORDER OF BUSINESS

Roll Call

Mr. Perry called the meeting to order at 1:00 p.m.

SECOND ORDER OF BUSINESS

Audience Comments

There being none, the next item followed.

THIRD ORDER OF BUSINESS

Organizational Matters

A. Acceptance of Resignation from Edward Bertsch

Mr. Perry stated Ed sold his house and has moved to Palm Coast and I would ask that the board accept his resignation with regrets.

On MOTION by Mr. Welsh seconded by Mr. Leek with all in favor Ed Bertsch's resignation was accepted with regrets.

Mr. Perry stated we now have a position open on the board that will run through November 2018. A lot of board's will ask people in the community that they know if they would be interested in serving on the board. If you want to do that then have them provide a resume to me and I will put it on the agenda. If you have somebody today that you know would like to fill that position, are here today and would accept, then you can move to appoint that person today.

Mr. Parks stated I prefer to wait and have members of the board make nominations and submit resumes to you that we could review.

Mr. Leek stated I agree with Don. I know someone who would be very good but I don't know if he is interested or not so I would like to see if he wants to do it.

Mr. Perry stated items B, C, and D we will put on the next agenda and hopefully we will have some resumes at that time for consideration by the board.

B. Appointment of New Supervisor to Fill Unexpired Term of Office (11/2018)

C. Oath of Office for Newly Appointed Supervisor

D. Election of Officers

FOURTH ORDER OF BUSINESS

Approval of the Minutes of the January 28, 2015 Meeting

Mr. Perry stated item four is approval of the minutes of the January 28, 2015 meeting. Are there any additions or corrections to the minutes?

There being none,

On MOTION by Mr. Parks seconded by Mr. Welsh with all in favor the minutes of the January 28, 2015 meeting were approved as presented.

FIFTH ORDER OF BUSINESS

Consideration of Proposal Regarding LED Lighting Project

Mr. Perry stated we have representatives of both proposers for the landscape lighting here today and they can give you a quick overview of their proposals.

Mr. von der Osten stated the RFP was publicly noticed and two vendors picked up the packages and attended the prebid meeting along with Consolidated Electric our supplier. They submitted their proposals on time, on schedule and complete so we consider them both valid. I asked them to come in and present themselves, the lights they are suggesting and answer any general questions. I know we have been educating ourselves as this process has gone along and there is more to be learned from talking it over with them. In the proposal, what was bid was the uplighting only at the oak trees. That is 604 lights and it does not include the medians. We can decide to do the medians later on as an addendum or a totally separate item down the road depending on your budget.

Mr. Parks asked does it include the palm trees on Tournament?

Mr. von der Osten responded yes. As per the detailed specifications the job is to be completed in phases that are currently broken down into nine phases based upon the circuitry out there. One section would be complete and hot at a time so we are not out lights throughout the community in a checkerboard fashion for extended periods of time. Each fixture has several options that the board can decide on once you have decided on a fixture, the finish color, exact temperature of the light coming out and that type of thing.

Mr. Perry stated by way of process after that there is a ranking sheet in there and I don't know if Kurt ranked them but I went through the proposals and ranked them. In the past we have gone through that process to see if there was consensus by the board members on the rankings. That doesn't mean that you have to decide today if you want to take more time that is fine.

Mr. Welsh asked can we listen to both parties and then have a committee decide that separately or is that not allowed?

Mr. Perry responded if you have a committee of the board it would be a public meeting so it is not like a committee that you would associate with a private entity. You could form a committee and do that or it might be best just to continue the meeting if you do that then you wouldn't have any additional advertising expense.

Ms. Buchanan stated if we set up a committee we have to notice that special meeting.

Mr. von der Osten stated Courteaux has been doing all of our electric maintenance work out here for 15 years.

A. Courteaux

Mr. Tagio gave an overview of the fixtures they proposed, their preference, the construction of the fixtures, type of lighting and amount of energy required for each light after which the board and residents asked questions and discussed aspects of the proposal, warranty and schedule.

B. Rountree

Mr. Brandon ----- gave an overview of the fixtures they proposed, the construction of the fixtures, type of lighting, amount of energy required for each light after which the board and residents asked questions and discussed aspects of the proposal, warranty and schedule.

Mr. Perry stated the ranking sheet is in the agenda under Tab 5. In the past I have gone through and shared with the board the way I ranked it or we can have each board member rank it individually and see if we have a consensus. When I looked at both proposals the one thing that I focused on was even though it was a lighting project it is an electrical project. The second thing was the products proposed and in looking at both proposers, Courteaux Electric proposal for the lower cost fixture is the same type of proposal that Rountree has for a fixture that is very comparable. In looking at pricing the Courteaux proposal on the low end was \$179,000 for the Kitchler product versus \$218,000 for Rountree. These comments are general and predicate what I'm going to go through on the ranking sheet. Also the option that Courteaux provided for the upgraded fixture is a lot better fixture when you start looking at the way it is constructed and so forth. Based upon that what I did was go through each of the proposals and determined rankings in regards to the six criteria you have. Under personnel, I ranked Courteaux Electric at 18 and Team Rountree at 10 just because in regards to personnel it is more of an electrical project than landscaping. I don't know how the board members ranked or if that is even close to how you ranked them. On proposer's experience predicated on this is more of an electrical type project I had the same rankings, 18 for Courteaux and 10 for Team Rountree. Under understanding of scope of work, I had 15 for Courteaux and 10 for Team Rountree based on the proposals themselves I can see where Courteaux has experience in LED lighting and I couldn't pull that out on the Team Rountree proposal. Financial capability, based on what I could see for both of those I gave 18 to each. In regards to price I considered that the board would probably want to go with the higher priced option and the pricing on that compared to Team Rountree would have given Courteaux 15 points and 14 for Rountree. Keep in mind even though the pricing in total is very close I think the products are very different as far as the quality. In regards to schedule, I gave

Courteaux Electric 8 and Team Rountree a 4 because I couldn't see anywhere where there was a schedule for Rountree. I know there was 15 weeks provided in Courteaux's proposal.

Mr. Rountree stated I don't believe I put that in there. I may have missed it.

Mr. Perry stated I came out with 92 points versus 66 on the two proposals.

Mr. Leek stated I ranked them even, I had generally my scores were a little bit higher in both cases but they came out even.

Mr. Welsh stated I had that too.

Mr. McCarthy stated Courteaux has been around a long time and I liked the smaller fixture myself with a flat top so that water could not get into it.

Mr. Parks stated I like the Illuminex fixture I think that is a better fixture, better warranty, better illumination, uses less wattage. The price differential was about \$39,000 for the Kitschler and there is a \$3,000 difference with the more expensive fixture. I would probably opt for the higher quality fixture.

Ms. Buchanan stated a very small point is that given the scheduling if one was included and one was not we can't give them equal points even though we know Jamie and we know he is reliable that omission has to matter a little bit.

Mr. Leek stated I didn't rank them the same on scheduling.

Mr. Parks asked are we under any obligation to award to the lowest bidder or is it the most responsible bidder?

Ms. Buchanan stated it is whichever is most responsible and most qualified it is not the lowest.

Mr. Welsh stated I go along with Tom on this because I think we have worked with Jamie a long while and we know what he can do and there were times when we didn't have funds to go through certain things Jamie came through and gave us a break on that and I would think we would reward him for that.

Mr. Leek stated that is not what I was saying. I think considering the difference in the products to me for basically the same price I would go with the higher quality product. We are talking about a \$3,000 difference. If we want to go with the lower product we are talking about a much larger price difference. I think both companies in my mind have the capacity and capability to do a good job for us now it comes down to the quality of the fixture and the price.

All this other rating stuff is fine and it frequently in the past has eliminated people but I don't think the exercise eliminated either one so we come down to price.

Ms. Buchanan stated it needs to matter we adopted it and we advertised it. If you want to adjust your ratings to incorporate your concept that I hear you say, which is you really think one product works better for you than the other then probably the appropriate category to adjust your points would be scope of work.

Mr. Leek stated when I look at this as a whole it is a dead heat in my mind. Then that goes to price where you say you have two different products, we like one product better and the price of that product is almost the same as the other. To me that is the deciding factor, the product that we like the best for approximately the same price. In my case it added nothing to the process of making the decision other than to prove that both companies have the capability.

Mr. Perry asked can the Board have an equal ranking?

Ms. Buchanan stated we can't. We have chosen evaluation criteria, we assigned points to it and we have to award based on those points. You don't have to have individual points you can adopt as a board a different set of points than what you put on your page.

The board filled out the evaluation criteria ranking sheets that were then combined into an overall total.

Ms. Buchanan stated the straight math is a difference is 2 points out of 321.

Mr. Leek stated that is a tie.

Ms. Buchanan stated you can rebid or you can have a tie or wait for your third. If you have pinpointed a fixture that everyone agrees on now you can rebid.

Mr. Parks stated in my opinion the Illuminex is by far the better fixture.

Mr. Leek stated I think we all agree with that.

Ms. Buchanan stated because you have made this case already I will say it because otherwise I would not, I like apples to apples and this is not.

Mr. Parks stated we could rebid it and specify the Illuminex.

Ms. Buchanan stated understand because it is an electric process we still have to go back and renotice it and this is potentially a disadvantage to these guys because the numbers are out there and they have the advantage of seeing them.

Mr. von der Osten stated in the RFP there were four fixtures listed and that included the fixtures that were proposed here today, the bidder had the option to bid any of the fixtures on that

list. Both of these fixtures were in the RFP as an option for them to propose. It was for them to choose what they felt was the most appropriate for this application because we weren't the lighting experts.

Mr. Leek stated our request was for the experts to propose the best solution at the best price. Forgetting price and all the other criteria the best solution proposed was the aluminum lights.

Ms. Buchanan stated to paraphrase that works best for the district, that is the best scope of work to provide.

Mr. Leek stated maybe the definition in the little box needs to be enhanced because that is not what it says. We didn't specify a fixture we specified a solution, we wanted the best and best price solution. We did not say that we would accept an inferior product for the same price. We didn't say we would accept an inferior product period. Even though we listed some things to bid on we didn't have the expertise to know which one of those was best for us that is why we are using the experts. I don't understand why we can't select what we have in front of us that is best for the district, price-wise, output of light-wise, all of that stuff. The only things that we have to compare apples to apples are the two fixtures that are the same one of which is in the Rountree case is \$45,000 higher than Courteaux. This is seems obvious to me but if we rebid how much more delay are we putting into something we have been working on for years? If we have to rebid we will but it seems like a grand waste of time.

Mr. Perry stated you could adopt this ranking, it is 321 points versus 319. We can talk about standard deviation and all that it doesn't really matter.

Mr. Leek stated but they are two different products, one is inferior to the other. My problem is the way we are doing what we are doing seems ridiculous.

Ms. Buchanan stated you don't have to rebid, the numbers you have are in support of the product that you want.

Mr. Leek asked your concern is what?

Ms. Buchanan stated I don't have a concern except that I had forgotten we had given them four options, I was thinking that they came up on their own and that concerned me but given that we have the four we did establish parameters so I'm less concerned. It is clear to me that the board has a lot of confidence in Rountree for all the work that they have done. It seems also clear to me that the product you want, which was an option is with Courteaux. Based on the

rankings that you have that you did individually you come out in favor of Courteaux and I agree that next time we do this should we ever do something like this again I would like us to be clearer in what we require of the bidders.

Mr. Parks stated I guess we are at a point where we need to make a motion.

Ms. Buchanan stated you need to adopt a score, which would then establish your ranking one and two.

Mr. Perry stated based upon the summary of each of the scores from each of the four supervisors you ended up with Courteaux at 321 points and Rountree 319 points so Courteaux would be ranked 1 and Rountree would be ranked 2.

Mr. Parks stated Courteaux is supplying what we think is the best option.

Mr. Perry responded this is just for the ranking then we will ask for a separate motion in regards to the product.

On MOTION by Mr. Parks seconded by Mr. Leek with all in favor the ranking of Courteaux with 321 points being ranked no. 1 and Team Rountree with 319 points being ranked no. 2 was adopted.

Ms. Buchanan stated I would authorize approval of the contract in substantial form to the more expensive alternative with discretion delegated to the chairman to finalize.

On MOTION by Mr. Leek seconded by Mr. Parks with all in favor a contract with Courteaux for the Illuminex fixture was approved in substantial form delegating to the chairman the authority to finalize the contract.

SIXTH ORDER OF BUSINESS

**Discussion of Settlement Agreement
Regarding NW 21**

Ms. Buchanan stated I have spoken with you about this and we required clear title in our motion and the title work in our investigation indicated that SW 28 was subject to a tax certificate lien that I'm worried would be subordinate. Adam has assured me that he has no intention of letting that property go to tax deed sale, it doesn't make sense that he would given that it is more valuable than the tax certificates on the property. It is up to the board whether they want to take the \$10,000 upon signing and \$25,000 on April 15th and \$25,000 on June 30th should it not close. Those are the terms we agreed upon last meeting, none of the terms have

changed the only point of discussion is the inability to have clean title on the property. I confirmed with Adam this morning that he is still agreeable to these terms ready to send in his signature to the checks this week.

Mr. Leek asked did he give you a status on the sale?

Ms. Buchanan responded yes, not complete status.

Mr. Parks asked does the purchaser have a builder lined up?

Ms. Buchanan stated his comment to that is, we continue to work with our buyers and still expect closings to occur in the second quarter. Would the board be in support of moving forward with the agreement?

On MOTION by Mr. Leek seconded by Mr. Welsh with all in favor the revisions to the settlement agreement on NW 21 were approved.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. Attorney – Consideration of Rates

Ms. Buchanan stated I believe the letter says the rates would go into affect after this meeting and I assume I am going to have this NW 21 signed by the end of the month and I would like to do it after that. I really want to get you through this messy process before we make any modifications.

Mr. Parks stated it is a \$51 increase and a 25% increase over a three year period. That would equate to about an 8% increase each year. Is that typically what you do?

Ms. Buchanan stated no. Generally we sort of have attorneys grow along with a project and our brand new associate right out of law school would charge between \$215 and \$225 an hour. I have been there for seven years now. You will find that the longer a person has been around the more difficult it is to accept their rates for day-to-day business. I understand \$320 is a lot and as an attorney's rate moves up we will often bring in someone at a lower billing rate to help ease the board's budgetary concerns.

Mr. Perry stated his involvement has been minimal.

Mr. Parks stated you do 95% of the work.

Ms. Buchanan stated yes.

Mr. Leek stated it is a 25% increase and I'm okay with that.

On MOTION by Mr. Parks seconded by Mr. Leek with all in favor the increase in attorney fees was approved.

B. Engineer

There being none, the next item followed.

C. Manager

There being none, the next item followed.

D. Field Operational Manager

Mr. von der Osten stated there is a request from Jubilee on the lake banks and we did additional research and it is under the FP&L power lines within the FP&L easement. There is nothing up against Jubilee, they still maintain their own lake banks. Currently we do bush hog lakes along Champions and that is all we are proposing to do in the FP&L easement. We own the land it was deeded to us by the developer and FP&L just has an easement on it. The lake extends up under the power lines and I'm proposing that we add it to the current bush hog schedule.

On MOTION by Mr. Leek seconded by Mr. Parks with all in favor staff was authorized to add the maintenance of the lake under the power lines to the current bush hog contract.

Mr. von der Osten stated the irrigation upgrades are basically complete, there are a couple controllers that were mis-shipped but that is about to be wrapped up.

I have some replacement "no fishing" signs to replace the faded signs.

Mr. Parks asked can you put them in other locations such as on Tournament Drive?

Mr. von der Osten stated okay. The city did come out and repair the pavers, they are still bumpy but they did repair the pavers at the entryways. We have a service request in for the fountain that is down, fountain no. 2.

EIGHTH ORDER OF BUSINESS

Supervisors Requests and Audience Comments

Mr. Welsh asked have you heard an update on the interchange?

Mr. Perry responded I have only had indirect correspondence.

Mr. Leek stated I'm working on that from another angle but I don't have anything to report.

NINTH ORDER OF BUSINESS

Approval of Check Register

Mr. Perry stated the next item is approval of the check register that totals \$240,101.89. It is a little higher than normal but a lot of that is associated with the irrigation repairs.

On MOTION by Mr. Welsh seconded by Mr. Parks with all in favor the check register was approved.

TENTH ORDER OF BUSINESS

Financial Statements as of February 28, 2014

Mr. Perry stated next is the financial statements as of February 28, 2015. After that is the general fund statement of revenues and expenditures. On the last page is the assessment receipts schedule and we are about 53% collected. Keep in mind we will start seeing in April and May our tax certificate sales again.

ELEVENTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

TWEFTH ORDER OF BUSINESS

Next Scheduled Meeting – 05/27/15 at 1:00 p.m. @ Holiday Inn

Mr. Perry stated our next scheduled meeting is May 27, 2015 at 1:00 p.m. If you know anyone who may be interested in serving on the board if you want to forward their resume to me that would be great.

On MOTION by Mr. Welsh seconded by Mr. Leek with all in favor the meeting adjourned at 2:32 p.m.


Secretary/Assistant Secretary


Chairman/Vice Chairman