

MINUTES OF MEETING
INDIGO COMMUNITY DEVELOPMENT DISTRICT

The audit committee meeting of the Indigo Community Development District was held Wednesday, May 26, 2010 at 1:00 p.m. at the Daytona State College, Building 100, Room 400, 1200 West International Speedway Boulevard, Daytona Beach, Florida.

Present and constituting a quorum were:

Robert Welsh
Kurt von der Osten
Thomas Leek
John McCarthy
Jim Perry
Lynn Small
Jonathan Johnson

FIRST ORDER OF BUSINESS

Roll Call

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

SECOND ORDER OF BUSINESS

Review & Ranking of Audit Proposals

Mr. Perry stated we have received three proposals for the audit. We received one from Keefe, McCullough & Company, one from Grau & Associates and one from Carr, Riggs & Ingram. If you recall, the audit committee selected the evaluation criteria and you were provided that with a scoring sheet. The criteria were ability of personnel, proposers experience, understanding the scope of work, ability to furnish the required services and price. I went through each of the proposals. I am very familiar with each of these firms. Grau & Associates is a very good firm. In addition to Districts, they do a lot of City's and County's and other special purpose Districts. In regards to Grau & Associates they also had the lowest pricing for the first year and the subsequent two years, which are optional for the District. They were considerably lower than everyone else. They started at with the initial year being \$4,500. I gave Grau & Associates 20 points for each of the criteria and the total was 100 points. The next firm was Carr, Riggs & Ingram. Carr, Riggs do a number of special Districts and governmental entities also. They don't have as much long term experience as Grau or Keefe in regards to special Districts but they are very good. Their fee for the initial year was \$6,500 with subsequent years

being \$6,750 and \$7,000. I gave them all 20's, except for price I gave them a 14, so their total was 94 points. The third proposal was from Keefe, McCullough & Company. They are a very good firm. I gave them an 18 on ability of personnel because they don't have the depth that the other two firms have. I gave them a 20 on experience, a 20 to furnish the required services, a 20 on understanding the scope of work and price was 12 points for a total of 90. With the pricing being such a wide range I didn't see that any of those could beat Grau because of the price differential.

Mr. Leek asked who did the last one?

Mr. Perry responded Carr, Riggs. They made an effort about three years ago to come into the market for CDD's, so they have expanded rapidly on the number of audits that they do. Grau & Associates has been doing CDD audits for about 15 years or longer. Keefe, McCullough has also been doing audits for a number of years but they don't have the client base nearly the size of Grau or Carr, Riggs.

Mr. von der Osten stated just looking at the budget we have spent year to date \$4,000 for the annual audit.

Mr. Perry stated that is for interim billing.

Mr. Leek asked would your recommendation be Grau?

Mr. Perry responded yes.

On MOTION by Mr. Welsh seconded by Mr. McCarthy with all in favor Ranking Grau & Associates the No. 1 Ranked Audit Firm, Carr, Riggs as the No. 2 Ranked Audit Firm & Keefe, McCullough as the No. 3 Ranked Audit Firm was approved.

THIRD ORDER OF BUSINESS

Other Business

There being none, the next item followed.

FOURTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Welsh seconded by Mr. von der Osten with all in favor the meeting was adjourned.