

MINUTES OF MEETING
INDIGO COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Indigo Community Development District was held on Wednesday, October 23, 2013 at 1:00 p.m. at the Holiday Inn Daytona Beach LPGA Blvd., Boardroom, 137 Automall Circle, Daytona Beach, Florida 32124.

Present and constituting a quorum were:

Robert Welsh	Chairman
Ed Bertsch	Vice Chairman
Don Parks	Supervisor
John McCarthy	Supervisor
Tom Leek	Supervisor

Also present were:

Jim Perry	District Manager
Katie Buchanan	District Counsel
Jonathan Johnson	Hopping Green & Sams (by phone)
Kurt von der Osten	Field Operations Manager
Greg Fitzpatrick	Jubilee
Andrew Norgart	Norgart Land Venures
2 Residents	

FIRST ORDER OF BUSINESS

Roll Call

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

SECOND ORDER OF BUSINESS

Affidavits of Publication

Mr. Perry stated included in your agenda package is a copy of the affidavits of publication.

THIRD ORDER OF BUSINESS

Audience Comments

Ms. Mo Williams stated I am here to follow up in regards to the playground. Is that going to be mentioned?

Mr. Perry responded I know Kurt has been looking at some of the areas that have been flagged. The board wanted Kurt to get some estimates of cost.

Mr. von der Osten stated yesterday I received a call from the president of Renar Golf Communities, Jeff Montrom. The way it works in LPGA is you have multiple HOAs and the CDD that all need to work together to truly accomplish this. Jeff agreed to cooperate with the CDD to create parks at least in the Renar Golf Community areas. We are really looking for collaboration between the CDD and Renar Golf Communities. At our last meeting we discussed if Renar Golf Communities would donate the land to the CDD then the CDD would be the entity to improve, put the playground equipment out and then maintain it. Jeff is agreeable to that, which is a huge step forward. Now the CDD needs to look at their budget and decide how much capital funds can be expended. What you want to spend is up to you guys. You can create this with just a few thousand dollars worth of equipment or up to \$20,000 worth of equipment. I thought maybe we do one successfully and maybe with the goal of having five sprinkled out throughout the community.

Ms. Mo Williams asked what about near the clubhouse?

Mr. Perry responded he took the District boundaries and identified certain areas, where we know we can put parks in, so that effort has already been done. In regards to the clubhouse and that area, that wasn't one that was identified.

Mr. von der Osten stated in that general area it is because we did take the map and did the 2,500 foot radius and identified how to get the coverage throughout the community. We do have targeted areas from the north all the way to the south. Grand Champion of the South, obviously the location is next to the pool and the amenity center. Then there is one in another section that is to be developed. Ideally how it would work long term is when some of these parcels get developed that piece that connects the north to the south is still raw land but it has some common areas and open areas planned. The agreement is struck with the Developer at that time to create that park. We would go into an existing homeowner association and then strike an agreement between the entities to create these parks. There are a few people that have voiced opposition to it. They don't want kids in the neighborhood.

Ms. Mo Williams asked are you saying it was residents that are opposed to it?

Mr. von der Osten responded yes.

Ms. Heather Calierdo asked has the whole concept around having a playground been communicated to the residents? If we do have a playground in the community then we can't have

child molesters move in, which I think would help increase the property values. There are tons of kids in the neighborhood.

Ms. Mo Williams stated it doesn't necessarily have to be a playground.

Mr. Perry stated I think that is a byproduct of what the board here has authorized staff to look at.

Mr. Parks stated you couldn't use that as the intent.

Mr. Leek stated I am the Chairman of the Board of Governors at the club. We have a meeting at 2:30 p.m. today and I will put that on the agenda to see if there is anywhere near the clubhouse and then we will communicate with Kurt about that in the overall plan.

Mr. WM Fitzpatrick stated last year I had mentioned bringing the grass line up to the hedges that we maintain now in Jubilee. Nothing has been done now apparently. Jamie called me again to have some mulch installed and until we get grass up close to the hedges, we can't afford the extra amount of mulch that it would take. I think I presented pictures last year. There are so many areas, where the grass line might be out a foot or a foot and a half from the bushes. There are other areas, where the grass line is right up within a few inches of the bushes. We just can't afford to throw money out the window.

Mr. von der Osten stated I guess Jamie wasn't able to make it today. He was going to bring a proposal because he thinks he can take care of it with one pallet of sod. Some of it is CDD area. The grass just has not thrived over the years.

Mr. WM Fitzpatrick stated if you go through all of them that we maintain, I am sure it would be more than a pallet. It is definitely something to look at because I think he used 100 yards of mulch and we just can't do that every year.

Mr. von der Osten stated the CDD maintenance area goes up to the hedges.

Mr. Perry stated we will bring a proposal for the next meeting.

Ms. Mo Williams asked would it be okay to have the gentlemen, Ryan Will, that implemented the park in Bayberry, would it be okay to schedule him to present something to you all at the next meeting?

Mr. von der Osten responded he is very knowledgeable resource in this because of his profession. He is the Assistant State Attorney.

Mr. Leek stated I would say it wouldn't hurt but we are already in the process. I don't know that we need to be convinced. We are already convinced. Now we are just in the process of figuring out the best way to implement it successfully.

Ms. Mo Williams stated I am just an advocate of the park and I wanted to stay in touch but it is difficult because when I refer to the website for the meeting minutes, they are not posted for a month or two after the meetings. Is there a way to stay updated without having to bother you guys at the meetings?

Mr. Perry responded the minutes are posted once the board approves them. They are just draft minutes right now.

Mr. von der Osten stated I am fine with you contacting me at any time.

Mr. Wm Fitzpatrick stated I believe looking at the site that you have one whole page of very old information that probably should be deleted. That is the about who do I contact for information.

Mr. von der Osten stated okay.

FOURTH ORDER OF BUSINESS **Approval of Minutes:**

Mr. Perry stated included in your agenda package is a copy of the minutes of the September 25, 2013 meeting. On page 10 there is a note that there is approximately \$600,000 in the acquisition for construction account. It is really \$6.8M. Are there any additions, corrections or deletions?

On MOTION by Mr. McCarthy seconded by Mr. Welsh with all in favor the Minutes of the September 25, 2013 Meeting were approved as amended.

FIFTH ORDER OF BUSINESS **Public Hearing Adopting the Revised Rules of Procedure, Resolution 2014-01**

Mr. Perry stated these rules have been provided to you previously and we have reviewed them with you. They are just updated with statutory changes that have occurred.

On MOTION by Mr. Parks seconded by Mr. Bertsch with all in favor the Public Hearing Adopting the Revised Rules of Procedure was opened.

Mr. Perry stated this has been noticed and published. The changes related to the rules are all statutory driven.

Ms. Buchanan stated or they just relate to lessons we have learned over the years.

Mr. Perry stated hearing no public comment.

On MOTION by Mr. McCarthy seconded by Mr. Leek with all in favor the Public Hearing Adopting the Revised Rules of Procedure was closed.

On MOTION by Mr. Welsh seconded by Mr. Parks with all in favor Resolution 2014-01 Adopting the Revised Rules of Procedure was approved.

SIXTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Ms. Buchanan stated I just wanted to give you guys a brief update on the KB Homes litigation. We are in the process of compiling documents that are responsive to their request for records. They have been very easy to work with and they are helping us narrow down the documents, so we don't have to dedicate a lot of resources to try and go through each one.

Mr. Leek asked what is the specific subject of the litigation again?

Ms. Buchanan responded they have sought declaratory relief from the court to determine whether or not the amount of their assessments is valid. Their public records request relates to those issues. One of the things that have happened since the last time we met is that ETM has finalized their report and provided it to the District. Jim is in the process of reviewing the data that they have compiled.

Mr. Perry stated I don't know that they have finalized it. It says preliminary on it.

Ms. Buchanan stated what we found in looking at it is there are a few tweaks that we are hoping they will make that will make it easier for the District to use and rely on the data they have provided. It is a very data intensive report. There is not a lot of explanation. It just goes through the different tracks they have identified and dictates what they believe is the amount of developable acreage relating to each tract. Then we need to take their information and compare it to what was initially in place and then decide what is appropriate after that and then try to determine how to reallocate the assessments if necessary based on the numbers we come up with.

It is not a simple and clean process. One thing that I will talk about right now is that KB has requested that we push as hard as we can to try to have a hearing to adopt this reallocation methodology before the end of the year. I don't know that it is going to be possible just based on the amount of information we have to review and the amount of work Jim is going to have to do to get it in order. If we were to look at a date mid December for that hearing, which means we would need another hearing that was approximately 35 days in advance of that meeting. We would think somewhere around December 17th, which means we would have a November meeting somewhere in the range of November 13th.

Mr. Welsh asked and when is our actual CDD meeting in November?

Mr. Perry responded November 20th.

Mr. McCarthy asked are they going to want to make those assessments retroactive?

Ms. Buchanan responded I don't think we can do that. We can only do it going forward. One thing to mention is that although we can try to accommodate the schedule, we aren't the only party in this process. The bondholders are going to want to look at Jim's report and evaluate it. It could be that it is his determination that if someone's assessments go down, then someone else's had to go up.

B. Engineer

Mr. von der Osten stated I think everyone is aware that two to three weeks ago, the weir failed on the lake along Champions Drive. It was almost exact into the design of the weir we replaced in 2010 in the lake just up the road. It is a weir that is on City property and in the Champions Drive right-of-way. I did contact the City, who eventually came out and inspected. They have agreed that it is their repair job. They are looking at it like it is just a repair job. Their timeframe would probably be December. The lake is basically drained now.

Mr. Leek asked which one is it on Champions?

Mr. von der Osten responded across from Promenade. As you are driving to the club, it would be on your left. The City has agreed that the repair is their responsibility. The question is really going to come on their timeframe and what they constitute a repair. If you look at where we replaced the weir, it is very unobtrusive. The landscaping now continues over the top of it. It is easy for maintenance. We replaced that weir at the expense of \$39,000 in 2010. I approached the City and said let us know what your repair costs are going to be. We might want to talk to you and contribute and do something a little more preferable to the District out there than having

some repairs that don't match the existing construction. The one side that is not repaired is going to need it eventually too because you are going to see the same problems. The City Engineer did come back last week with their estimate and broke it down. Their estimate for the repairs is slightly under \$23,000. They are willing to do the repairs themselves in the manner they see fit to do the repairs or they are willing to contribute that amount of money to the District, so the District can perform its own repair. I did speak to the contractor, who did the replacement of the other weir in 2010. He said basically the cost changes have been minimal. I guess what we are looking at is the City wants to know which way to go with this. Does the District want to participate or just let the City handle it and repair it themselves?

Mr. Welsh asked but this is a temporary fix though, right?

Mr. von der Osten responded the weirs require more maintenance. As you know this is probably the third weir failure we have had. The problem is that Faberform. It is failing in several other locations out there right now.

Mr. Leek asked if we kicked in the extra money and did it right, when could we do it?

Mr. von der Osten responded we could mobilize it. We could probably pull off the full replacement by the end of the year also.

Mr. Parks asked so we are looking at \$16,000 then?

Mr. Welsh responded yes.

Mr. von der Osten stated and probably a little bit of engineering expenses for the District Engineer.

Mr. Parks asked so outside \$20,000?

Mr. von der Osten responded approximately. The engineer would actually put together the construction drawings for the contractor. Was that funded out of operating expenses?

Mr. Perry responded I think we did it out of bonds the last time. It was an enhancement but we don't have that opportunity now. We will table it until we go through the financials. I think the only other thing I had on the list is the lighting for the interchange.

Mr. von der Osten stated to be honest, I didn't move forward on that.

Mr. Perry stated we have it in the budget. Do you want him to move forward on it?

Mr. Welsh responded yes.

C. Manager

There being none, the next item followed.

D. Field Operations Manager

Mr. von der Osten

SEVENTH ORDER OF BUSINESS Supervisor's Request and Audience Comments

Mr. Bertsch stated I hope the board pushes this playground issue. I think it is a really important thing. I am totally in favor of the first one going in on Perfect Drive because we have a nice site over there. There is one important crucial thing that we would have to do, which is to get speed bumps. With the speeding on Perfect Drive, it is not going to mix too well. I am going to call up Mike Marcum from the City and see what we can do to get speed bumps. I think he is going to want to see a plan though and we don't have any of that though. I think we should stay on top of this and move forward with it.

Mr. Leek stated I missed the last meeting because of another commitment. There was a presentation made by Mr. Krug. The minutes of that discussion are quite long and not necessarily really clear to me. At some point I would like to have an explanation of what all of this is. I have some concerns about stuff he said like, "So you guys are going to put your heads in the sand and ignore this problem." I think I just need to know more detail. I don't know if this is the right moment to do that or if I need to get with you individually and go through it.

Mr. Perry stated unfortunately I missed that meeting too. Katie was there.

Mr. Leek stated good. I would love to get a briefing from you then.

Ms. Buchanan stated sure.

Mr. Leek stated I noticed there are survey stakes on that parcel now. I am not sure what that means but I have seen nothing, as far as any notices on the request to rezone, although I have heard from inside the City government that there are people pushing hard to have this rezoned. I just want to make sure we are staying on top of that and we understand what is happening. A few of us have met directly with Consolidated Tomoka and discussed the plan. I don't know if you get notice of any rezoning requests or not.

Mr. von der Osten stated it has to be publicly posted out there on a bright orange sign when there is a rezoning.

Mr. Welsh stated the survey team was doing the parcels today. A matter of fact if you go down there, there is red bands on the trees.

Mr. von der Osten stated it looks like they did a tree survey and I guess a boundary survey also.

Mr. Parks asked who is doing the survey?

Mr. Welsh responded I don't know.

Mr. Leek stated it seems like it is moving pretty rapidly without any official approval of the process for the rezoning.

Mr. Perry stated for the Districts perspective, we don't get notice on that.

Mr. Leek stated I just want to make sure we stay on top of that. My concern is moving really quickly without any input from the residents or the other parties that would be affected.

Ms. Buchanan asked if there was a sale they would be requesting an estoppel letter from you, right?

Mr. Perry responded yes but typically the estoppel letter is at the end of the process because the contracts are typically contingent upon the zoning upfront. We do sometimes get notices if the zoning is a piece of property that abuts a District owned parcel.

Mr. Leek stated what is overlapping is the rezoning has to occur for the sale to go through. The sale has to go through for another sale to complete the road between the north and the south. That is the explained story by Consolidated Tomoka's representatives to some in the community. It is contingent upon a contingency is what I am told.

Mr. von der Osten stated it has several steps to go through and hearings at the City that are public meetings.

Mr. Leek stated but you know occasionally the cake is already baked when those hearings occur and that is my concern. I am not opposed to that specific project. I just think it needs to be a little more forthcoming to the community and the people affected to see exactly what it is because the first pass showed very small lots in that area stating that the sale price would be \$330,000.

Mr. Parks asked what is the outstanding amount on the O&M on that property?

Mr. Perry responded on the resort parcel, I believe those have all been paid up.

Mr. Leek asked so 2012 has been paid?

Mr. Perry responded yes.

Mr. Leek asked 2013 will be?

Mr. Perry 2013 has been to.

Mr. Leek asked and 2010 and 2011 have not been paid?

Mr. Perry responded correct.

Mr. Parks asked do you know how much that is?

Mr. Perry responded the O&M with interest and penalties is probably \$200,000 to \$220,000.

Mr. Parks stated so Krug was making overtures that they wanted to negotiate that balance at the last meeting.

Mr. Perry stated and they have paid subsequent years.

Mr. Parks asked since that meeting?

Mr. Perry responded the prior meeting we had indicated that those had been paid up.

Mr. Parks asked which would have been the August meeting, correct?

Mr. Perry responded correct.

Mr. Welsh stated Krug also gave you insight. He said zoning would be no problem during our discussions.

Mr. Parks asked can you connect the dots a little better for me on the two contingencies?

Mr. Leek responded Bob and I each met separately with John Albright to look at this project. We both expressed our concerns that the lots were very small. They appeared to be very small on the plan. John promised us he would put together a presentation that could be made from DR Horton to talk about this and why the small lots could be built with homes at the price they are quoting. It just doesn't seem feasible in our market or on that size lot. That meeting has never occurred. Subsequent to that though, John set up a meeting with someone from DR Horton and a couple of members of the golf club and the community to discuss it. At that point is when it was learned that it was a multipart deal. I think what we need to be concerned about is the project that is being built on the resort property. If it is not going to be a resort as originally designed and planned overall then it needs to enhance the community and not detract from it. Many of those lots are along the lake that is visible directly from the golf club. They should enhance the view. We are just waiting for an explanation on how the numbers work and how a small lot can have a big house and enhance the view from the club. We just don't have enough

information to form an opinion. I guess my concern is it looks like stuff is really moving fast without anyone really knowing what is going on.

Mr. Andrew Norgart stated there is no connection between the resort parcel transaction and the southwest 28. Those are two separate deals. Hayman Woods is selling the resort parcel to a Developer that is out of Jacksonville.

Mr. Leek asked who is the Developer?

Mr. Andrew Norgart responded I don't want to comment. There is a confidentiality provision in the contract. They are going to acquire the property from Hayman Woods. DR Horton is not acquiring the property directly from Hayman Woods and it is not connected to any other. I think what you are seeing survey wise is mostly likely tree surveys or wetland surveys, where they are just surveying trying to figure out what they have to do with tree mitigation and how it affects their site plans. I do think if the rezoning gets filed, there will be a mail order that goes out to any property owners within a certain distance to the homeowners association and to the District. I am not sure the buyer of that property from Hayman Woods has filed a formal rezoning request yet.

Mr. Leek stated my understanding is the connection involves Consolidated Tomoka to connect the two and that is why Consolidated Tomoka is pushing so hard on this resort parcel, even though they don't own it and they are not going to develop it.

Mr. Andrew Norgart asked when you say the two, do you mean the north and the south?

Mr. Leek responded yes.

Mr. Andrew Norgart stated right now there is not a contract to sell that or develop it.

Mr. Leek stated I am just talking about the rumors and what we have heard. I am not against the project. I would just like to have some information on it. I don't think that information is available or has been made available to us.

Mr. Andrew Norgart stated I know John had set up meeting with DR Horton to come present. Are you saying that is a meeting that has not happened? They may be trying to put product together to have a more detailed presentation.

Mr. Leek stated there was a presentation after we met and John set up those meetings. He requested that we come to these meetings and not us request them from him. Then there was another meeting that included a couple of other people, who were not associated with the CDD where that kind of presentation was made more on what was going to happen.

Mr. Andrew Norgart stated Emerald Homes is a division of DR Horton, which is a higher end builder and we have done a lot of projects with them in the Jacksonville and St. Augustine area.

Mr. Leek stated I am familiar with the Emerald Home product.

Mr. Andrew Norgart stated if the meeting hasn't happened then we will do what we can to get some information.

Mr. WM Fitzpatrick stated I just heard for the first time today about this KB Homes situation. It appears that KB is trying to say the same thing that the other Developer that ended up with the property said in that some of the land is not buildable?

Ms. Buchanan responded what they are technically saying is that we want a court to decide whether the assessments that have been allocated to our property are reasonably connected to the benefit we received from the District. They think that their assessments are too high.

Mr. WM Fitzpatrick asked so if we give into them, how does it affect our past experience with the Developer that has been not paying his dues and the people that live here and their dues?

Ms. Buchanan responded this case is specific to KB Homes only, so it wouldn't affect another landowner's assessments. They would have to treat that individually; however, we are working with KB to try to deal with this on the front end instead of leaving it in the hands of a judge. We are hoping we can work out a solution that is equitable to all of the property owners as opposed to just KB and to the detriment of everyone else. Frankly, staff is working hard to ensure that this isn't going to affect individual landowner/homeowners assessments. This is just really going into the vacant tracks at this point.

Mr. Leek asked how does it not affect the other homeowners, if KBs fees are reduced?

Ms. Buchanan responded then likely someone else's has to go up or the bond debt has to go down. There is a lot of moving pieces. I think you guys are going to have a difficult time accepting a settlement that makes every homebuyer that has lived in their house for years and that has been paying the same assessment, accept a higher assessment when that is what they bought into.

Mr. Leek stated it would be difficult for us to do and it would also be difficult for us to do any homeowner increase.

Ms. Buchanan stated this litigation and reallocation is just dealing with the Developer properties.

Mr. WM Fitzpatrick stated our entrance does need revamped again. The bricks are falling apart.

EIGHTH ORDER OF BUSINESS

Approval of Check Register

Mr. Perry stated included in your agenda package is a copy of the check register totaling \$89,026.76.

On MOTION by Mr. Welsh seconded by Mr. Parks with all in favor the Check Register was approved.

NINTH ORDER OF BUSINESS

Financial Statements as of September 30, 2013

Mr. Perry stated included in your agenda package are the financial statements as of September 30, 2013. In the general fund you are going to see under fund balances, there is approximately \$1,245,000 and that is going to translate into cash, prepaid assessment, some assessment receivable and our operating and reserve accounts.

Mr. Leek asked is the \$367,250 assessments receivable current year or is that the balance of that over the years?

Mr. Perry responded it is a combination. In regards to the administrative expenses of the District, we are really about \$23,000 favorable to budget. For most of the accounts, we have favorable balances. In regards to just the administrative expenses, we came out where we thought we would. Considering the unusual amount of irrigation, we are about \$10,000 over budget, which is pretty good for that interchange. Under operating expenses community wide, we are basically favorable by about \$30,000 and that even includes if you look at the tree trimming that we authorized at \$43,000 this year. Kurt has done a really good job in the operating expenses of the community. The one variable is the irrigation repairs and maintenance; we were off about \$14,000. Again, we had a lot of repairs this year. At the end of the year that \$850,000 of cash that we have, we really need three months of operating working capital for this District, which is about \$225,000 to \$250,000, so you will see we are back to an excess cash of about \$600,000. You will see where that happens on the last page of the financials. If you look under tax collector at the bottom of the page, you will see we received a

slug in that was related to the resort parcel that \$228,000. We received that from the County and then on October 3rd, we received \$367,000. That receivable number you asked about was the \$367,000 and that is on this schedule. Those are receipts from the County that are related to 2012 and 2013 properties that were on the roll and are related to operation and maintenance. There were a number of parcels that paid their past due assessments. We have asked the County for all of the details on that. We are still getting that detail but I will tell you that out of that \$367,000 they paid, there is between \$50,000 to \$60,000 of interest that the District got because the County was holding those certificates.

Mr. Leek asked so these did not go on tax sales and the County held them?

Mr. Perry responded right.

Mr. Leek asked and they didn't make any interest, did they?

Mr. Perry responded they passed it along. They charge a processing fee but it is not the 18%. We have ended the year much better than we thought. We have received quite a few past due assessments on O&M paid to the District through the tax collector. For the Series 1999A bonds, we are okay with that. We have made our debt service payments. There are no issues there. The next one is the 1999C bonds. Those are levied against all lands in the District. In regards to those, we are still in default. The payments were not made but accrued for this year, so that means the November 1, 2012 interest payment was not made. The May 1st principal and interest payment were also not made. We didn't have adequate funds, so those funds were accrued on our financials. We are in default on the 1999C bonds. The next page is the 2005 bonds. The payment was not made but accrued for May 1, 2012, November 1, 2012 and May 1, 2013. The bondholders have not received three payments and will not receive the November 1st payment either.

Mr. Leek asked so they are just letting it ride and they are not doing anything actively?

Mr. Perry responded no. I think they are. I just think the longer this goes on the more pressure they are going to start getting.

Ms. Buchanan stated and the bondholders actually requested the trustee to commission the ETM study, so they are involved.

Mr. Perry stated you are all aware of the \$6.8M that is still sitting there related to those bonds. In relation to the ETM study and the methodology report, we will also have a list of all the parcels and show what is past due that we have direct billed on those. We are not going to

calculate the past due interest and penalties. A number of them were cleaned up with this payment that was done on October 3rd. The one thing we deferred was the control structure of the lake.

Mr. Leek asked on collections of the ones that we have direct billed in the past and haven't paid, how are we trying to collect that?

Mr. Perry responded there are only a couple of property owners on those and we have been in communication with them throughout this process. They know they are past due. They know there are interest penalties and attorneys fees on those. We have held off on doing any foreclosure action because they are tied up with the bonds too. The debt has been accelerated on those.

Mr. Bertsch asked what is the engineer's view on this?

Mr. Andrew Norgart responded if you let the City do the fix then I think you are going to have a problem again.

Mr. Bertsch stated we are only looking at \$16,000 here.

Mr. Andrew Norgart I gave a design to Kurt. For a drop structure it is easier maintenance. They can go right around the berm of the pond. I think you are going to have the same problem on the other side of the weir.

Mr. Bertsch stated I make the recommendation that we go ahead and add the \$16,000 to have it done properly and not have to worry about it.

Mr. Perry asked do you have a firm cost on it yet?

Mr. von der Osten responded no. I have the approximate, which is the \$40,000 on the hard cost. Plus there is the engineering cost.

Ms. Buchanan stated you might want a simple interlocal that ties it up. I don't think it has to be complicated. In fact, the City may have a form that they have used in the past. I do think before you decide to commit that money, you will want to sign documents that says the City will give you \$23,000.

Mr. Parks stated I think that is a good idea.

Mr. von der Osten stated that is fine because the City Engineer, Shannon Ponds was ready to go to the City Manager to get a sign off on that, so I will let her know we need some type of agreement.

Mr. Leek stated if you get any push from the City on that let us know right away. Don't wait for a meeting.

On MOTION by Mr. Welsh seconded by Mr. Leek with all in favor Replacement of Weir with a not to exceed amount of \$40,000 was approved.

TENTH ORDER OF BUSINESS Other Business

There being none, the next item followed.

ELEVENTH ORDER OF BUSINESS Next Scheduled Meeting – 11/20/13 at 1:00 p.m. @ Holiday Inn

Ms. Buchanan stated if we were to reallocate our assessments we would have to do it at a public hearing. If we wanted to try to get that done by the end of the year I think the latest date we could do it would be December 17th. To have a public hearing, you have to have 30 days notice, which means we would have to meet 35 days or so beforehand to approve that notice, so that pushed us back to November 13th. I would suggest that we continue today's meeting to November 13th.

Mr. Perry stated we could just reschedule the meeting.

Ms. Buchanan stated Jim is right. We have a meeting scheduled for November 20th, so we could just move that date up to the 13th.

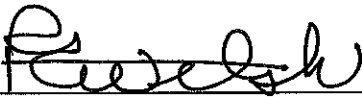
On MOTION by Mr. Parks seconded by Mr. Bertsch with all in favor to Reschedule the November 20, 2013 Meeting to November 13, 2013 at 11:00 a.m. at the Holiday Inn Daytona Beach LPGA Boulevard, Boardroom, 137 Automall Circle, Daytona Beach, Florida 32124 was approved.

TWELFTH ORDER OF BUSINESS Adjournment

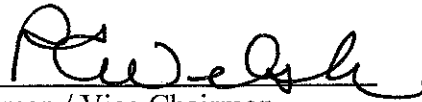
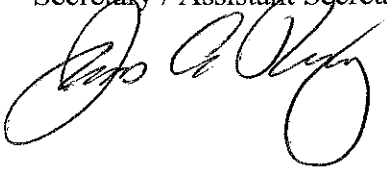
On MOTION by Mr. Welsh seconded by Mr. McCarthy with all in favor the Meeting was adjourned.

October 23, 2013

Indigo CDD



Secretary / Assistant Secretary



Chairman / Vice Chairman