

INDIGO
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Indigo Community Development District was held Wednesday, June 26, 2019 at 1:05 p.m. in the Holiday Inn Daytona Beach LPGA Boulevard, Ballroom, 137 Automall Circle, Daytona Beach, Florida.

Present and constituting a quorum were:

Thomas G. Leek	Chairman
Robert E. Welsh	Vice Chairman
John McCarthy	Assistant Secretary
Donald Parks	Assistant Secretary

Also Present were:

James Perry	District Manager
Katie Buchanan	District Counsel by telephone
Kurt von der Osten	Field Operations Manager
Jamie Rountree	Team Rountree

FIRST ORDER OF BUSINESS

Roll Call

Mr. Perry called the meeting to order.

SECOND ORDER OF BUSINESS

Audience Comments

There being none, the next item followed.

THIRD ORDER OF BUSINESS

Approval of the Minutes

A. May 22, 2019 Board of Supervisors Meeting

Mr. Leek stated there were some blanks in Katie's statement that need to be filled in.

Mr. Perry stated I will get with Katie and fill in the blanks.

On MOTION by Mr. Leek seconded by Mr. Parks with all in favor the minutes of the May 22, 2019 board of supervisors meeting were approved.

B. May 22, 2019 Audit Committee Meeting

On MOTION by Mr. Parks seconded by Mr. Leek with all in favor the minutes of the May 22, 2019 audit committee meeting were accepted.

FOURTH ORDER OF BUSINESS

Acceptance of the Audit Committee's Recommendation

Mr. Perry stated the committee met just prior to the regular meeting and they ranked Grau & Associates number 1, Berger Toombs number 2 and Carr Riggs number 3.

On MOTION by Mr. Parks seconded by Mr. Leek with all in favor the recommendation of the audit committee of Grau & Associates being ranked no. 1, Berger Toombs no. 2 and Carr Riggs no. 3 was accepted and staff was authorized to enter into an agreement for services with Grau & Associates.

FIFTH ORDER OF BUSINESS

Discussion of the FY20 Budget

Mr. Perry stated this is a placeholder at this point in time. We are still looking at reducing the assessments and we will have a better idea at the next meeting as to what that is going to be. We will have the public hearing and have the July financials done by that time and a good idea of where we are going to end up at the end of August and we will be proposing a rate reduction in the O&M assessments. We didn't schedule a July meeting but if something comes up in regard to the foreclosure process we can handle that with the chair and if not we could call a special meeting.

SIXTH ORDER OF BUSINESS

Staff Reports

A. Attorney

Ms. Buchanan updated the board on the foreclosure and stated we have a default judgment as the parties have chosen not to respond. We also have had one motion to dismiss that indicates this party has a new owner and they could likely challenge the litigation.

Mr. Leek stated I didn't understand very much of that. What is the foreclosure status?

Mr. Perry stated one party has a parcel that has petitioned for a motion to dismiss the case and there is another one that has indicated that they will probably challenge the foreclosure.

Ms. Buchanan stated right now we just have one party that looks like they are in a position to fight.

B. Engineer

There being none, the next item followed.

C. Manager

Mr. Perry stated we are going to be talking about some additional items that could impact the budget.

D. Field Operational Manager

Mr. von der Osten stated Jamie and I compiled a list and it is basically an a la carte listing of potential projects, it might not be all-inclusive if you have something you want to add. There are a couple with estimates and if you are interested, I can get more detailed bids. We have been patching the lighting at the Grand Champion entrance; it is original and they are deteriorating. We have received a few remarks lately on the I-95 interchange.

Mr. Parks stated I think the rock needs to be replaced.

Mr. von der Osten stated there is some money in the budget that we can utilize this year.

Mr. Parks asked what is the jasmine?

Mr. Rountree stated if you look at the north side, which is in the shade the bulk of the day that entire embankment is beautiful, green and lush because past 10:30 a.m. that part is in the shade. On the south side, the southwest and southeast quadrants they get cooked in the sun all day. When DOT or the contractor came through and did all those new street lights they just butchered our irrigation system and that entire side of the overpass cooks in the summertime and we have lost about 80% of our jasmine. Now you see letters and on the southside they look terrible with weeds right now, but you see letters then sporadic jasmine. Anything green on that side is weeds and I told the guys not to kill them because that is the only green we have. We tried diligently to not spend a dime on the overpass that we didn't have to. We are at the point that if we don't start spending some money we are going to start getting washouts when it rains then we are going to have to shore it up. That embankment is at a 45° angle and is hardly walkable.

Mr. Parks asked what about the company that installed the lighting?

Mr. Rountree stated the problem is everything up there is very much like our commercial stuff at LPGA when it is in an easement they have the right to go in and make changes. Technically it is their property and in their easement and we put stuff on top of it.

Mr. Leek asked has the irrigation been repaired?

Mr. Rountree stated some of it, the center medians have been done, which is where our high dollar plant material is. On the north side we might run the irrigation twice a week for 20 minutes, on the south side in the summer we are running it four times a week for about 30 minutes, it needs that much more water. Along the embankments we removed the cord grass and crown grass and haven't replaced it. We spent virtually nothing on the overpass per the board's direction, but we are getting to the point where we have to or we are going to start having bigger problems.

Mr. von der Osten stated you have replaced jasmine before. Is jasmine the right plant to have on the south side?

Mr. Rountree stated we can put a grass of some sort down, but the problem is mowing. The beauty of jasmine is it can just grow but if you put turf up there how am I going to mow it because the angle is so severe? Juniper is the same thing it doesn't like the heat. You can edge jasmine just like grass so keeping it away from the letters is very simple.

Mr. Perry stated if you look at the proposed improvements and take out the update signage and install pocket parks we have about \$250,000 all together and maybe the board wants to consider an amount of \$100,000 this year. We do have money available to move forward with that amount of projects.

Mr. Leek stated when I asked about this last meeting I was looking for one-time projects that have a longer life than this next year. As I went through the list I think that 8 and 9 re-stuccoing and updating signage can wait and see what happens with the club. Replacing weirs on the CDD lakes looks to be a problem that creates something worse than just a weir, there would be washouts.

Mr. von der Osten stated we had that in one tropical storm a few years ago.

Mr. Leek stated as I look through this the high priority is a one-time thing, I think the same about the lighting at Grand Champion Entrance and replacing the white rock on the

embankment. I also think irrigation upgrades are something we have been working on over time and would this be a one-time project?

Mr. Rountree stated several years ago we upgraded the system to a two-wire system and we now only have three timers that basically run the entire north and one timer that ran the south. The problem we have with the south is when AT&T or whoever it was had their people go through and do underground wiring they completely chopped up our two-wire system. We go four to eight feet, find a break and fix it and go four to eight feet and it is everywhere you turn you have to stop. We put battery operated timers out there until such time as we can get the funds to run new wire. Rain sensors only last two to three years anyway and they all need to be upgraded. Right now our rain sensor is us, when we get too much rain we physically shut the system down. It would be nice to have that back. Valves are a constant and we use reclaimed water, which is twice as hard on valves as potable water so we end up installing scrubber valves so as time goes on as we replace the older valves we are now using scrubber valves. They cost a little more, but they last twice as long. We would like to finish that upgrade and knock them all out at one time, so you have the rain sensors, scrubber valves and there was one other item that accounted for about \$25,000 of the \$55,000. The rewiring and reconnection on the south portion was the other \$30,000 of that. A lot of the damage was done by a subcontractor who was contracted by somebody else.

Mr. Perry stated I feel comfortable where you are in a cash position for the three projects you just talked about; replace weir, replace lighting on Grand Champion and the irrigation.

Mr. Parks stated I just did some calculations and if we did the stone replacement, lighting, repair the weirs and irrigation upgrades that is about \$93,200.

Mr. Rountree stated if that is the case I request that we add the lake bank mowing to go back to the normal regimen. When you cut that only every thirty days the grass gets too high. It costs me twice as much to cut it when it is high than if we had a more regular mowing schedule.

Mr. Parks stated that would put us at \$103,000.

Mr. Leek stated that \$10,000 is an ongoing expense. We have extra funds, but will we have it next year? If we approve something that is going to be ongoing we don't know if we are going to have those funds. I would look at one-time projects that are going to have a long life. Items 8 and 9 we need to do those but just not yet. I wanted to ask about pruning the oaks and how important that is, how long has it been since it has been done.

Mr. Parks stated we did that three or four years ago.

Mr. Rountree stated it is longer than that. I can find out and have the answer for the next meeting or prior to and I can send it to Mr. Perry and he can send it out. Regular tree trimming we do on a regular basis, constantly ongoing to keep that canopy to 16 feet so semi-trucks can go under them without breaking their limbs. You end up with all the inner growth and when you get those big storms it acts like a big sail and now we get big trees down versus just small trees. By thinning the canopies we can keep more from going down in a storm. We are very comfortable making that a next year type project because it is not good for the tree to do it in the heat of the summer. It would be after the new budget would kick in anyway.

On MOTION by Mr. Welsh seconded by Mr. Parks with all in favor staff was authorized to move forward with items 1-4 on the project list being repair weirs in the amount of \$16,500, replace lighting at Grand Champion Entrance in the amount of \$12,500, I-95 replace white rock in the amount of \$9,200 and irrigation upgrades in the amount of \$55,000.

Mr. Welsh asked the entrances to Acclaim those three big palm trees coming down Champions as you go in, who trims those?

Mr. Rountree stated if it is in the Acclaim entrance it is Lionspaw Community. Their board has a proposal in front of them, they are contemplating the idea of changing those out. It didn't make sense for me to trim trees that are going to be taken out.

Mr. Perry asked are you talking about Washingtonians or the Medjools?

Mr. Rountree stated the Medjools.

Mr. von der Osten stated those are actually behind the entry monuments.

Mr. Rountree stated as they have grown up and the oaks have grown they have started to grow together.

Mr. Perry stated I know they are super expensive. Are they salvageable when you take those out?

Mr. Rountree stated yes and we will prepare a better report for those. Part of the problem is they are getting to where you can't maintain them between the height of them and getting to them. We will have to come up with a complete plan on each individual item that is left for

example, we will take all the maintenance items and make those a single proposal, the palms a single proposal and so forth.

SEVENTH ORDER OF BUSINESS **Supervisors Requests and Audience Comments**

There being none, the next item followed.

EIGHTH ORDER OF BUSINESS **Approval of Check Register**

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

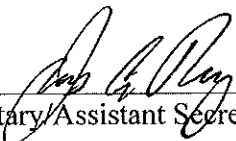
NINTH ORDER OF BUSINESS **Financial Statements as of May 31, 2019**

A copy of the financial statements was included in the agenda package.

TENTH ORDER OF BUSINESS **Next Scheduled Meeting – August 28, 2019 at 1:00 p.m. @ Holiday Inn**

Mr. Perry stated the next scheduled meeting is August 28, 2019 at 1:00 p.m. There is no July meeting but if we need it we will contact you.

On MOTION by Mr. Welsh seconded by Mr. McCarthy with all in favor the meeting adjourned at 1:37 p.m.


Secretary/Assistant Secretary


Chairman/Vice Chairman