

INDIGO  
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Indigo Community Development District was held Wednesday, January 24, 2018 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:

John McCarthy	Assistant Secretary
Donald Parks	Assistant Secretary
Mark McCommon	Assistant secretary

Also Present were:

James Perry	District Manager
Katie Buchanan	District Counsel
Kurt von der Osten	Field Operations Manager
Jayne Rountree	Team Rountree

**FIRST ORDER OF BUSINESS**

**Roll Call**

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

**SECOND ORDER OF BUSINESS**

**Audience Comments**

Mr. Perry stated I was here earlier and Mr. Cardino came in and wanted me to tell the board that he had a conflict and couldn't stay for the meeting, but he wanted to thank the board and Kurt for making the adjustments to the reflectors.

Mr. White stated I want to thank Kurt for putting the new sign up in front of our light. At the last meeting I attended one of the board members thought we ought to form a committee of the homeowners and try to look at amending the Interlocal agreement about maintenance and landscaping at the interchange. Since they are getting ready to redo the interchange it is probably the appropriate time to start work on that. If there is anybody here who is interested, see me after the meeting, I will get your name and contact information and maybe we can get some assistance with proper procedures or at least try to get something changed.

A resident stated you canceled a workshop. Are you going to have the workshop and what was it about?

Mr. Perry stated it was to be a presentation by FDOT and their consultants regarding the interchange and they asked that the board be present for that presentation and there were other local businesses they were inviting. The reason we canceled it is this is the only room we had available and we had gotten calls from a number of residents and we can't accommodate 50 or so people in this room. Toward the end of this meeting I am going to ask the board to consider approving a date and right now it is February 26<sup>th</sup> at the clubhouse. They have a charge for that and maybe one of the supervisors would have better luck than we do but the charge is \$500 and that is a lot. We also looked at different places to conduct it and the only other one that might be viable that Mr. McCarthy has experience with is the Daytona Beach Police Department has a meeting room. I don't know the capacity. We will have to advertise since more than two board members will be there.

Mr. McCommon stated that date works fine for me. The room is big enough the question would be is the room available on that date.

Mr. Perry stated I suggest a motion approving the FDOT meeting on February 26, 2018 at 1:00 p.m. with the first option being the City of Daytona Beach Police Department meeting room if it is available and the fallback would be the LPGA Clubhouse.

Mr. Parks stated I would be glad to speak with them.

On MOTION by Mr. McCommon seconded by Mr. Parks with all in favor a workshop on the I-95 interchange was scheduled with FDOT on February 26, 2018 at 1:00 p.m. at the Daytona Beach Police Department meeting room.

Ms. Davila asked why do we have such a problem, even the local HOAs in the LPGA community with using the clubhouse rooms for meetings? Sometimes there is a scheduling issue and other times there is not and I don't understand why they don't work with us. Is it because it is Consolidated Tomoka again that we have to deal with the I-95 Interchange and the agreement that they backed out of? Everything originally started with Consolidated Tomoka. Why is it that we don't get to work with the new owners now? It was the original owners in the beginning who are responsible for this community, LPGA, I don't understand where the problem is there working with us or the CDD.

Mr. Perry stated keep in mind that Consolidated Tomoka is a corporate entity and you had a lot of different players that were involved with Consolidated over the years that are no longer there. Whether that is good or bad I don't know and you can make your own decision on that but they are a private entity and they can work with us or not.

Ms. Davila stated I would like to thank Kurt for getting the community in shape a lot better and the mulch looks great. Thanks for everything.

Mr. von der Osten stated there are a few more things coming. We have three requests into public works.

Ms. Jenkins stated we used to rent the clubhouse and it was \$100.

Mr. von der Osten stated yes and they have always worked with us and we have always gotten reduced rates. We do have to talk with them.

**THIRD ORDER OF BUSINESS**

**Approval of the Minutes of the November 29, 2017 Meeting**

Mr. Perry stated next is approval of the minutes of the November 29, 2017 meeting and I did have Jennie Rountree listed instead of Jayne and we will make that change.

On MOTION by Mr. McCarthy seconded by Mr. McCommon with all in favor the minutes of the November 29, 2017 meeting were approved as amended.
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**FOURTH ORDER OF BUSINESS**

**Discussion of Hayman Wood Delinquent Properties**

Mr. Perry stated we have not had any interaction with them since the last meeting, over the holidays things slow down quite a bit. We have had some inquires in regard to some of the properties that Hayman Wood owns by different prospective purchasers and we referred all of them over to the bondholders and their consultants that are working on a workout deal that we have talked about before. There seems to be a lot of interest.

Mr. McCommon asked have the bondholders advised of anything that is pending or anything of that nature?

Mr. Perry stated no.

Mr. McCommon stated you mentioned at the last meeting that one of the checks we got from the county seemed to be inaccurate to our benefit.

Mr. Perry stated there was \$595,000 in total that was received from the county related to tax certificate sales and they were related to three parcels, NW 21, which is the resort parcel that you are familiar with, Parcel 32-1 and that is also owned by Hayman Wood and there were 51 single-family lots, Grayhawk II Land Trust so those three make up the payments on tax certificates of the \$595,000. Out of that there was \$95,000 in interest related to those. When I say the interest was unbudgeted we had not anticipated that amount in our budget and the tax certificates some of them are related to prior years. Those funds have been deposited, the district has access to them.

Mr. McCommon stated the major concern I had was whether there was an error.

Mr. Perry stated there doesn't appear to be. We have been through it and confirmed it with the county and they provided us a print-out detail of everything. It is very good news for the district so when we are doing our budgeting this year we will look at where we are going to come out on our cash balances. Don't hold me to it because I never like to promise something we can't do but we did a reduction last year in assessments and I'm sure we will probably to do another one this year but to what extent I can't tell you right now.

Mr. McCommon stated John had sent out an email to the supervisors related to looking for a rezoning of 300 lots. Obviously, it is something that will affect us if that rezoning is approved but what authority do we have over that since it is part of the CDD?

Mr. Perry responded you don't have any zoning authority at all; that is a City of Daytona Beach issue.

Mr. McCommon stated they want to reduce the lot sizes and that was the issue we ran into with what one of the buyers wanted to do with the resort area. Ultimately it is something that we ought to be either addressing or participating in that discussion, should we not?

Mr. Perry stated you can as an individual, but this board does not have the statutory authority over zoning within the district boundaries.

Ms. Buchanan stated Jim is correct. The reason that we would care is if somehow the new development mix didn't generate sufficient funds to pay the debt service but there is generally a true-up obligation in place.

Mr. McCommon stated one of the comments was if they divide that land up to 420 lots or whatever that it obviously needs a reassessment on our part as well.

Mr. Perry stated correct. If there is a material change we would have to recast the bonds, which we did a few years ago and that process would take several months but theoretically if they were to be granted that prior to us adopting the budget this year and we had 300 lots assigned to that parcel and now it is going to be a density of 450 we would recognize the 450 in our budgetary process. In theory that would reduce everyone's assessments if the expenditures stayed the same and you had a larger number of units to spread it over. Unfortunately, it is very clear when Chapter 190 was set up that CDDs did not have any authority over zoning issues; that remains with cities and/or counties depending on where you are and here it would be the city.

## **FIFTH ORDER OF BUSINESS**

### **Staff Reports**

#### **A. Attorney**

Mr. McCommon stated I received an email from someone who runs an organization that is a consulting group with CDDs.

Mr. Perry stated it is probably the Florida Association of Special Districts.

Mr. McCommon stated yes where he was talking about some potential change in the authority of CDDs.

Mr. Perry stated my understanding is the legislation that is proposed would affect special districts, which the CDD is and it wouldn't affect the CDDs because we assess on a non-ad valorem basis, the legislation that is proposed changes that the special districts that use ad valorem taxing would require a vote of the members within the taxing authority for a change greater than 10% or something like that. It is really geared at water management districts, special fire districts, mosquito control districts and those types of entities. We are wrapped up in it because we are a special district, but it should have no impact.

Ms. Buchanan stated I checked with our legislative affairs monitor and it is up for review tomorrow morning and the unofficial word is they feel like the bill is moving in a positive direction as far as making that clarification to ensure that the CDDs don't get wrapped up in this. Tomorrow is just one point if it does proceed there will be other opportunities to comment as well.

#### **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 we have three requests related to the CDD in with the City of Daytona Beach Public Works right now, one being the pavers being reset, one being the flooding on International Golf and Champions in front of the driving range and a new one that happened with the rain was a weir that failed several years ago on one of the lakes along Champions started to fail again and had a washout. The lake level dropped probably one to two feet rapidly because of it, it didn't drain like last time down to the bottom, but the city did come out and they have done the repair on the side and the weir has been addressed.

Some vehicle took out a streetlight post at the entrance to Champions and it is not repairable a replacement has been ordered and as soon as it is in it will go up. Also, it was mentioned that maybe we should look at relocating the streetlight at the intersection of Tournament and Champions. One is leaning right now where a tree was hit and fell over, which in turn knocked the streetlight. Everybody tells me that streetlight is not worth much, it is on the wrong side of the road, it is away from the intersection. On the opposite side of the road across the median on the corner of Tournament we do have electricity there. We could bring in an additional streetlight post and install it on one of those corners and illuminate the intersection at night like we have done the entryways. Having the electricity there all we have to do is buy the streetlight and have it installed. The streetlight is in the \$2,000 range and probably \$500 to connect it to the electricity. If that is something the board is interested in doing and having a streetlight installed there we will do that.

Mr. Perry stated if the board would like to you could approve a not to exceed amount.

Mr. McCommon stated I don't want to wait another 30 days or until the next meeting.

Mr. von der Osten stated we have to order these and there is a lead time on those.

Mr. McCommon asked is it appropriate to move that pole and use it as the new pole if it is not in a place of any value anyway?

Mr. von der Osten stated we can look into that but the lens is fogged on it like the old lights and it is 15 years old and it doesn't do much.

Mr. McCarthy asked would we consider cameras? We have had two monuments hit at the entrances, we have had two light poles hit and whoever is doing it never stops. I don't know how expensive the cameras would be.

Mr. McCommon stated it is not just the cameras but you have to have storage for them too.

Ms. Buchanan stated you have to get a really good camera because it is usually dark the photo is not necessarily good.

Mr. McCarthy stated it seems like we get hit a lot.

Mr. McCommon stated I'm okay if the total for the light and installation is below \$3,000.

<p>On MOTION by Mr. McCommon seconded by Mr. Parks with all in favor staff was authorized to proceed with the purchase and installation of a streetlight at the intersection of Tournament and Champions as outlined above in an amount not to exceed \$3,000.</p>
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Mr. von der Osten stated the only fountain with a big issue right now is we are replacing a motor in Grand Champion, the south section. The scheduled date is tomorrow for that.

We have had complaints and it is not necessarily CDD but I want to mention it and it is the resort parcel about the homeless encampment. I visited three times this month and haven't found anybody there yet but there is evidence that someone has been there. We are posting sheriff department approved "no trespassing" signs in several locations next week along that parcel along Champions Drive. I had to get permission from the owner to post the signs.

Pressure washing was scheduled when we had the freezing weather come in so it is postponed until next week.

Ms. Rountree stated they should be done by the end of this week. We have Tournament Drive completed, the front entrance is done except for the two top high points of the monument, they are bringing in a lift to finish that part and they are going to start working on International Golf and finish that before the end of the week and they are going to do Grand Champion hopefully by the end of the week. We have to get the lift over there to be able to do that as well. As long as the transporter is available to move it over there we will have it done.

Mr. von der Osten stated we tried a different reflector and I didn't order enough for the entire community. I was waiting for feedback and I had two positive comments. If you like I will hit the additional medians. "No fishing" signs are back in stock if any need replacing.

I have an item about adding small neighborhood pocket parks in the community and the reason for it is because of a city ordinance and when you have pocket parks up to 2,000 foot circumference it becomes a non-sexual offender zone so they cannot move into the community because of the playgrounds and parks. These are small pocket parks with locations to be identified in the community in cooperation with the HOAs and the question is, is the CDD willing to assist in funding these items. We have discussed that before and we were leaning towards a positive outcome. HOAs don't really have excess funds for this type of thing they are willing to assist but they wanted to know if the CDD would do this and there is a community that is willing to be the pilot program for this.

Mr. Parks asked is that Grand Champion?

Mr. von der Osten stated yes and I think if we could work with the Grand Champion HOA there is a lot of community support for it there.

Mr. McCommon asked who owns the property it is going to be located on?

Mr. von der Osten stated that was part of this. Was it going to be HOA property or CDD property and I would ask Katie on that, if the HOA would need to carve out that small piece of property and dedicate it to the CDD, if the CDD would contribute the equipment for the creation of this park.

Mr. Perry stated there are a lot of different ways to do it. You can have a license agreement for it.

Ms. Buchanan stated we need some sort of real estate interest whether it is an easement or we own it.

Mr. McCommon asked who is going to be liable if we were to put playground equipment in and some child hurt themselves seriously are we going to be legally liable for that?

Ms. Buchanan stated the district doesn't contribute improvements for private property like an HOA so it would ultimately need to be the district's park, so we would assume all the risk.

Mr. Perry stated we manage several CDDs that have extensive parks and facilities.

Mr. McCommon stated I wish we had those in the community.

A resident stated it was promised 17 years ago that they would put these little parks around the place and they were going to make a trail along the woods and the other side of the sidewalks so we would have running trails.

Mr. McCommon stated I like the idea but what is the cost going to be?

Mr. von der Osten stated right now we are talking about \$10,000 per park. Let's say the area is prepared and each year a piece could be added either by the HOA or the CDD but a minimum swing set or slide or chin-up bars anything in there that qualifies it as a park then you have accomplished that goal.

Mr. Perry stated for reference keep in mind we visited this two or three years ago and I think you have a map that had potential areas so maybe we ought to pull that back out and bring it to the board so they can get a better idea. Keep in mind that you are going to have a little park, even though it is a pocket park you have to meet ADA requirements, it is going to have to be engineered, the costs start going up. Not to say it is a bad idea but you are going to be exceeding that \$10,000 pretty quickly.

Mr. McCommon stated I think it certainly enhances the community as well outside of the issue of sexual predators. I'm in favor of it but would want to see a more defined budget, also understand who is going to maintain it and who is going to pay for that maintenance. If they want it in Grand Champion there should be some participation by the HOA too. I wouldn't think it should be our expense.

Mr. von der Osten stated before we jumped into a master plan and budgets first I wanted to see if it was something that would be considered by this board and the Grand Champion HOA board. I want to go back to them with the idea.

A resident asked what equipment is needed to be able to call it a park? Something smaller than \$10,000.

Mr. von der Osten stated we are looking into that.

A resident asked why can't you have trees and a mulch path going along there and substations for joggers, a chin-up bar or something like that?

Mr. von der Osten stated if you want it developed like that with a trail throughout the community it would be up to the board if they wanted to.



this time of year. After that is the debt service funds for the 1999A, 1999C and 2005 Bonds along with the capital projects funds, a month by month analysis of the revenues and expenditures and finally the assessment receipts schedule and that includes the receipts we discussed previously of \$595,000.

In January and February we will start getting more tax receipts in from the tax collector for the assessments and it will slow down until they do the tax certificate sales in the June/July timeframe. We are in good shape and are trending where we were other than that large deposit.

**NINTH ORDER OF BUSINESS**

**Other Business**

There being none, the next item followed.

**TENTH ORDER OF BUSINESS**

**Next Scheduled Meeting – March 28, 2018 at 1:00 p.m. @ Holiday Inn**

Mr. Perry stated the next scheduled meeting is March 28, 2018 at 1:00 p.m. in the same location. We are going to have a meeting for the sole purpose of listening to and discuss with FDOT and their consultants the I-95 interchange renovations. That meeting will be basically presentations of theirs and you are encouraged to interact with them and ask questions and so forth. We will be in communication prior to that and that meeting is going to be scheduled for the Daytona Beach Police Department.

Ms. Buchanan asked are you going to notice that as a workshop?

Mr. Perry stated we probably ought to discuss that. It probably should be a workshop rather than a regular meeting because we are not going to ask the board to do any other business. We can notice that as a workshop.

Mr. McCommon asked is FDOT presenting or is it the company they have hired to do the work?

Mr. Perry stated it is the company they hired to do the work. My understanding is they have invited other stakeholders in the area such as the Automall and Tangier but they definitely wanted the board members to be available for it. Previously the board had approved by motion to do a meeting on the 26<sup>th</sup> and I would like a motion to approve having a workshop on the 26<sup>th</sup> in lieu of a meeting.

On MOTION by Mr. McCommon seconded by Mr. Parks with all in favor staff was authorized to notice a workshop on the I-95 interchange for February 26, 2018 at the Daytona Beach Police Department.

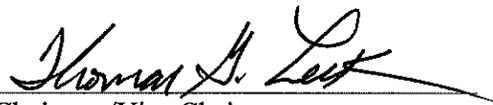
Mr. Perry stated the only difference is it is a little more informal and you can't take any action. It doesn't mean that you can't ask questions and give your opinions you just can't as a board take an official action.

A resident stated there is heavy equipment out there and they have made ruts in the median.

Mr. Perry stated if you have any remediation on that area please segregate those, if you have to sod and fill areas that are CDD so that we can ask for reimbursement by the contractor.

On MOTION by Mr. Parks seconded by Mr. McCarthy with all in favor the meeting adjourned at 1:48 p.m.

  
Secretary/Assistant Secretary

  
Chairman/Vice Chairman