

**INDIGO
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Indigo Community Development District was held Wednesday, May 27, 2020 at 1:00 p.m. using Zoom media technology pursuant to Executive Orders 20-52, 20-69 and 20-123 issued by Governor DeSantis, including any extensions or supplements thereof, and pursuant to Section 120.54(5)(b)2., Florida Statutes.

Present and constituting a quorum were:

Thomas G. Leek	Chairman
Robert E. Welsh	Vice Chairman
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
Jamie Rountree	Team Rountree

FIRST ORDER OF BUSINESS

Roll Call

Mr. Perry called the meeting to order at 1:00 p.m. and stated this meeting is being conducted via Zoom, then called the roll.

SECOND ORDER OF BUSINESS

Audience Comments

There being none, the next item followed.

THIRD ORDER OF BUSINESS

Affidavits of Publication

Included in the agenda package are the affidavits of publication of the public hearings.

FOURTH ORDER OF BUSINESS

**Approval of the Minutes of the December 19,
2019 Meeting**

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On MOTION by Mr. Parks seconded by Mr. McCommon with all in favor the minutes of the December 19, 2019 special meeting were approved as presented.

FIFTH ORDER OF BUSINESS

Ratification of Change of Date of Public Hearing for the Purpose of Adopting Amended and Restated Rules of Procedure from March 25, 2020 to May 27, 2020, Consideration of Resolution 2020-03

Mr. Perry stated item five is ratification of change of date of public hearing for the purpose of adopting amended and restated rules of procedure from March 25th to May 27, 2020.

On MOTION by Mr. McCommon seconded by Mr. Leek with all in favor Resolution 2020-03 was approved.

SIXTH ORDER OF BUSINESS

Public Hearing to Consider the Adoption of Amended and Restated Rules of Procedure, Consideration of Resolution 2020-04

On MOTION by Mr. Parks seconded by Mr. McCommon with all in favor the public hearing was opened.

Mr. Perry stated all the districts are updating the rules of procedure, which govern the operations of the district. Most of the changes deal with procurement and purchasing of goods and services. There are some other cleanup items, but this brings your rules of procedure in line and conformance with current Florida statutes. Hopping, Green and Sams goes through and does this every three or four years and modifies the rules to reflect any changes in statutes.

On MOTION by Mr. Parks seconded by Mr. McCommon with all in favor the public hearing was closed.

On MOTION by Mr. McCarthy seconded by Mr. Parks with all in favor Resolution 2020-04 was approved.

SEVENTH ORDER OF BUSINESS

Consideration of Resolution 2020-05 Adopting an Internal Controls Policy

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Mr. Perry stated this is a statutory change in regard to having a formalized internal controls policy. The district has always had internal controls and they are reviewed as part of the fiscal year audit; however, the legislature did pass a statute that requires that you formally adopt an internal controls policy. It doesn't impact this district at all; it is a formality.

On MOTION by Mr. Parks seconded by Mr. McCommon with all in favor Resolution 2020-05 was approved.

Mr. Welsh joined the meeting at this time.

EIGHTH ORDER OF BUSINESS

Acceptance of the Draft Fiscal Year 2019 Audit

Mr. Perry stated next is acceptance of the draft fiscal year 2019 audit. We are finishing a few things on it, but I don't believe there are any material items that have changed. This is what is referred to as a clean audit; there were no issues noted by the independent auditor. The one thing that is in there is the issue of the bonds not being fully paid each fiscal year and as a result of that they did note that in the report to management. It is the same type of reporting that has happened for the last several years with regard to the series 1999 C Bonds and the 2005 Bonds. We are in compliance with the other items with the auditor general. The only issue noted is related to the bonds.

On MOTION by Mr. Parks seconded by Mr. McCommon with all in favor the fiscal year 2019 audit was accepted in substantial form and staff authorized to transmit the final audit to the State of Florida.

NINTH ORDER OF BUSINESS

Consideration of Resolution 2020-06 Approving a Proposed Budget for Fiscal Year 2021 and Setting a Public Hearing Date for Adoption

Mr. Perry stated item nine is consideration of Resolution 2020-06 approving a proposed budget for fiscal year 2021 and setting a public hearing date for adoption. A copy of the budget is included in the agenda package and as you know this is the start of the budget process. We are looking for approval of the budget and proposed the public hearing be August 26, 2020 meeting. The budget before you keeps the assessments at the same level that we have this year, however,

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this district is in very good financial shape at this time and looking where we will probably end up at the end of the year we are looking to do another reduction in assessments. I can't give you a range right now, but we will try to keep it somewhat near the same level or more than we did last year. We have been able to keep costs relatively stable, there are no major changes from last year to this year. Probably the biggest change is the assumption of less interest income as a result of the yields we are currently able to get.

Mr. McCommon stated due to our current economic situation I don't know what impact we may or may not have coming into next year related to our maintenance especially and I want to get everybody's read on that if you think that is going to be an impact negatively or not and if so we ought to keep an eye on that for the next few months before we formally adopt any changes to assessments.

Mr. Perry stated that is a good question. Your district is fortunate in that a lot of community development districts have extensive amenities, maintenance of parks, playgrounds, swimming pools, tennis courts, basketball courts and a lot of those districts are faced with Covid-19 issues. They are looking at increased costs for cleaning, cleaning supplies and maintenance of those items, but I don't see that with this district. We will monitor and look at it.

Mr. McCommon asked I wonder if there is going to be a downturn in real estate and therefore, potential foreclosures increasing, which could mean we have issues with any funds we get for next year.

Mr. Perry stated we have been pretty conservative over the last several years of maintaining quite a bit of a cash reserves because of the outcomes we have had in 2008 and onward. We are in very good financial shape in this district with your cash reserves.

Mr. Leek stated this might be a lean year for cities and counties and the state collecting revenue. If we are in good financial shape, we ought to come in as low as we possibly can to offset other increases.

Mr. Perry stated we will give those options to the board in our recommendation when we are close to adopting the budget. We have a couple months to sort that out.

<p>On MOTION by Mr. Welsh seconded by Mr. McCommon with all in favor Resolution 2020-06 approving the proposed budget and setting the public hearing for August 26, 2020 at 1:00 p.m. was approved.</p>

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TENTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

Ms. Buchanan stated I don't have a specific report, but I would like to tell you that things on the litigation front with foreclosures slowed down significantly with Covid-19, a lot of courts have paused their operations. I will keep you informed as things begin to open.

We had proposed a rate increase that was sent out in February and given the economic uncertainty I'm happy to wait on that.

Mr. Perry stated it is not on the agenda. I don't recall if we sent it to the board or not.

Ms. Buchanan stated it's okay. In the past I usually try to rotate it every three or four years. I think the last time we did it here was in 2015 and the proposed rate would have been from \$245 per hour to \$290 and that is a 10% discount from my regular rate. Again, I'm happy to hold tight right now given the situation that is out there.

Mr. McCommon asked what is the typical number of hours of service per month?

Ms. Buchanan stated your district is peculiar in that you have one of the few deals where I do a meeting on a flat rate and it is \$1,200 and that includes all of my meeting prep, travel and meeting attendance time. The only other items that would not be included in that would be matters relating to some of the default work that is outside the litigation by the trustee and your maintenance contracts. It is pretty limited outside of your meetings.

Mr. Leek stated thanks for holding the price, we appreciate it.

B. District Engineer

There being none, the next item followed.

C. District Manager – Report on the Number of Registered Voters – 1,781

Mr. Perry stated we have to report the number of registered voters within the district boundaries each year and you have 1,781 voters within the district boundaries.

D. Field Operational Manager

Mr. von der Osten stated it has been a while since we spoke about the issue with the LED lights. We originally purchased an addition 100 several months ago and we have used all of those

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and we ordered some additional in the interim. We have another 50 ordered and installed and another 50 on the way. That will bring the total to 200 that we purchased and installed in the last six months, which should take care of the problem back there.

The Champions Drive Entrance coming off of LPGA, you have all noticed the trees are down, it is very open right now. We haven't replanted it. I wanted to come to the board and have a little more discussion. We approved the Queen Palms and a few other items. Now that the trees are out, I have had several comments that people like it open or would like something smaller. Jamie had proposed an alternative planting plan to present to the board and that was to go with more Magnolia and Crape Myrtle look instead of additional palms. How do you feel about it?

Mr. Rountree stated hopefully everybody can see what I'm holding up. The advantage of the Little Gem Magnolia is that it is more of an upright growth pattern. It keeps that area more open it doesn't get clogged and crowded. The back one is a Black Diamond Crape Myrtle, it a dwarf version of the Crape Myrtle and puts out a beautiful white flower against that dark lavender leaf. It is not your typical Crape Myrtle, something a little fancier. The biggest feedback we got since we took the trees down was how much better it looked open. We would like to do something along those lines. It doesn't increase our cost. When we go to a hardwood we won't use as many as we would on the palms. The cost comes out about the same. If anything, it might allow us to do a little more ground cover underneath, which is something we didn't put a whole lot in on the original proposal. We have a ton of palm trees already I think it is a little over 804. We certainly don't want to go with more oak trees, and we thought this might be a good opportunity to dress it up a little. We have Washingtonians at the back entrance, there is no need to take them out because they are perfectly healthy, that was never part of it anyway. The really tall Washingtonians were taken out and we would utilize the Crape Myrtles there as well. Plus Team Rountree donated to the cause two really nice Sylvester Palms that I came across in some work we were doing for someone else that as long as Mr. von der Osten gives me approval are going to be right in front of some of the up lighting shining up on these big beautiful Sylvester Palms.

Mr. Parks asked is there a cost in the maintenance?

Mr. Rountree stated there is no real cost it is going to be a break even. It is a Magnolia so there are going to be leaf debris we will have to pick up more often than normal, but they aren't going to fall any more than the oak trees already do. The only thing we are going to cut out is the

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trimming twice a year that we normally do on the palms. We will have to do some trimming, but it won't be near as drastic as the palms.

Mr. Parks stated I don't like the open area the way it is now. I could be supportive of the trees you suggested. Are you going to put any ground cover or just mulch?

Mr. Rountree stated it definitely needs ground cover. One of the things you can see that we have already started doing is shrinking that bed with St. Augustine sod it keeps the mulch from falling out and shrinks the overall size of the bed. There are less weeds to maintain, less shrubs to maintain. If we do something on the ground my suggestion would be jasmine. The idea of using the plants is they are focal plants they draw your attention to those trees and the openness.

Mr. McCarthy stated I like the open idea as long as we can keep it open and not turn it into a forest.

Mr. McCommon asked how big do these get?

Mr. Rountree stated they will go in at about 8 feet and top out at about 22 – 24 feet but it will take a while to get there. When I planted the ones in Lionspaw Grand it has taken them 20 years to get to the size that they are now.

Mr. Leek stated I can go either way.

Mr. von der Osten stated they seem a little dark.

Mr. McCommon stated that area is shaded anyway, and they may be too dark.

Mr. Rountree stated I can send you another option, which is Camelias. The upside to Camelias is large glossy leaves and a huge bloom almost like a giant rose bloom and they bloom in the fall and winter, which is when most folks are in town. I did not have a picture of that one, but I will get that to Kurt and Jim and get it out to you and those are readily available. When everything else is not blooming this will be. It matches with the magnolia as well.

Mr. Leek stated I prefer the Camelia as opposed to the Black Diamond Crape Myrtle.

Mr. McCommon asked do we need to make a decision today?

Mr. Rountree stated as long as the board is okay with me making that change without there being any monetary change for what we have already approved then I can get it over and get it in the ground. Until we get the new plant material in the ground, they will not do the lighting.

Mr. McCommon stated I have a lot of confidence and trust in your work and I would like to get it done sooner rather than later, but I would like to see the pictures.

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Mr. Leek asked can you do a simulation of what it would look like so we would have an idea?

Mr. Rountree stated yes, I have a program and the picture of the magnolia is going to be whatever that program has of a magnolia, but it is not going to necessarily be that one that goes in. I will forward this to Jim and Kurt, and they can distribute that to the board.

Mr. McCommon stated we are making a change and if we don't like it, we have to live with it for 15 more years. I feel that I need a little bit more view of things to feel more comfortable.

Mr. Rountree stated the smaller bed will only have about 10 plants in there and in the overall cost of this project that is a very nominal amount whereas the magnolias are going to be much larger portion of that because there is a lot more of them and they cost more.

Mr. Perry stated we will forward that to the board.

Mr. Rountree asked since this project has been approved if I send these changes to Jim to distribute is that something, they can say yay or nay in an email?

Mr. Welsh stated we could have a Zoom meeting in two weeks.

Mr. Perry stated we would have to advertise it and everything else. We have a meeting scheduled for June 24th. The only thing I can suggest is if the board feels comfortable delegating the chair to make the final decision.

Mr. McCommon stated I'm good with that.

Mr. Leek stated we can designate Mark to do that.

Mr. Perry stated you can do that.

On MOTION by Mr. Leek seconded by Mr. Parks with all in favor Mr. McCommon was authorized to make the final decision on the plant material to go in the LPGA Champions Drive Entrance in median no. 2.

Mr. von der Osten stated I have a couple other items. There is a weir along Champions and the city did a repair a few years ago on one and it has begun to fail already. I have been in contact with the city to come out and repair it once again. The CDD replaced one many years ago and that one is operating fine; the city did a different method and it is not holding up so well.

In Grand Champion I need to replace several street trees, the oaks, that have never recovered from hurricanes and a few of them never took off to begin with. I have been in contact

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

THIRTEENTH ORDER OF BUSINESS Financial Statements as of April 30, 2020

A copy of the financials was included in the agenda package.

FOURTEENTH ORDER OF BUSINESS Next Scheduled Meeting – June 24, 2020 at 1:00 p.m. @ Holiday Inn

Mr. Perry stated the next scheduled meeting is June 24, 2020 at 1:00 p.m. and we currently have it at the Holiday Inn, but we are going to change that to be a Zoom meeting. We can do those through July 7th; this will be the last Zoom meeting we will be conducting on June 24th.

On MOTION by Mr. Welsh seconded by Mr. Leek with all in favor the meeting adjourned at 1:47 p.m.

DocuSigned by:
Jim Perry
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Secretary/Assistant Secretary

DocuSigned by:
Thomas G. Leek
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Chairman/Vice Chairman