

INDIGO  
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Indigo Community Development District was held Wednesday, January 26, 2022 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	Chairman
Robert E. Welsh	Assistant Secretary
Kevin Kilian	Assistant Secretary

Also Present were:

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

**FIRST ORDER OF BUSINESS**

**Roll Call**

Mr. Perry called the meeting to order and Mr. Perry called the roll.

**SECOND ORDER OF BUSINESS**

**Public Comments**

There being none, the next item followed.

**THIRD ORDER OF BUSINESS**

**Approval of the Minutes of the November 17, 2021 Meeting**

On MOTION by Mr. Kilian seconded by Mr. McCarthy with all in favor the minutes of the November 17, 2021 meeting were approved as presented.
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**FOURTH ORDER OF BUSINESS**

**Ratification of Revised Engagement Letter from Grau & Associates for the Fiscal Year 2021 Audit**

Mr. Perry stated the next item is ratification of the revised engagement letter with Grau & Associates for the fiscal year 2021 audit. They have been our auditor for the last three years and

January 26, 2022

Indigo Community Development District

we will have another action item right after this, but we have signed that agreement so they could get started.

On MOTION by Mr. Kilian seconded by Mr. Welsh with all in favor the revised engagement letter with Grau & Associates to perform the fiscal year 2021 audit in an amount not to exceed \$6,100 was ratified.

**FIFTH ORDER OF BUSINESS**

**Selection of Audit Committee**

Mr. Perry stated now we go through the process of having an audit committee established by the board. At our next meeting we will have a meeting of the audit committee, select the criteria then go out for proposals and once those come in, we will rank them. We ask that you appoint the standing board as the audit committee.

On MOTION by Mr. McCarthy seconded by Mr. Welsh with all in favor the board members were appointed to sit as the audit committee.

**SIXTH ORDER OF BUSINESS**

**Staff Reports**

**A. District Counsel**

Ms. Buchanan stated as you will recall we issued bonds in 2021 related to the Lennar project. I heard from Lennar that they are in the process of completing the improvements that would be eligible for reimbursement. I'm working with the district's engineer on this project as well as Lennar to make sure that we have the certificate that the improvements are in good condition, that we have a release and waiver of the liens from all of the contractors to make sure there is no money owed on the work and we would have a bill of sale to convey the improvements to the district. All of this is already contemplated in the bond documents, and I wanted to give the board an update to understand that this is in process. Since it may likely need to happen between board meetings, I will advise that I will work with the chair to make sure he feels comfortable with all of the consulting and expert signoffs. Assuming that is the case we can move forward between meetings and have that action ratified at the next board meeting. Are there any concerns on doing it as I described?

Mr. Perry stated none from the board members.

January 26, 2022

Indigo Community Development District

Ms. Buchanan stated there has been some pieces of litigation that we have been involved in over the years and my partner Doug Smith handles litigation for the firm. As you know Hopping split and Kutak Rock is encompassing of the special district practice, but I still don't do litigation and I request that you authorize Doug to continue to handle the matter, he has already been involved at the rate you approved. Essentially it would not be a change in the sense that you still get the same person at the same rate, but unfortunately it is a different firm. Are there any concerns or comments on that proposal?

Mr. Perry stated it is pretty standard.

**B. District Engineer**

There being none, the next item followed.

**C. District Manager**

There being none, the next item followed.

**D. Field Operational Manager – Update on Replacement of Pavers at LPGA Entrance**

Mr. von der Osten stated I had a conversation with the City of Daytona Beach's technical services project director, Brian Woodworth, and we covered three different areas. One would be how to initiate discussions between the CDD and the city, we discussed some concerns that would probably need to be discussed between the two parties and basically the overall status of LPGA Boulevard. As far as initiating discussions he recommended a letter from the CDD requesting that this discussion begins and provide a little bit of background and I did offer to Brian that we could include several documents back from the initial construction of the entrance and Champions Boulevard and how it all operated between the CDD, the city, the dedication to the city, the city accepting it and responsibility of certain parts and the CDD having responsibility of certain parts. Many of these people from the city are not here when this transpired initially. We have a little bit of an education to go through but that shouldn't be a problem, I have a lot of these original documents that can be provided and they are very appreciative that we can provide these documents rather than them having to go through their files to find them. As far as putting this letter together I can draft it. I don't know if it is better to come from the engineer or Katie, that can be decided how to handle that now and in the future. They are open to these discussions.

January 26, 2022

Indigo Community Development District

Brian stated that we need to consider what is going to go on with LPGA Boulevard as we start to perform improvements to the entrance. Obviously, it is going to be widened, it is going to have an impact and we don't want to spend money knowing that in the future things may be damaged, destroyed, removed that type of thing. If we see that we might want to time it to where it occurs simultaneously or concurrently or after those improvements. Another question is there are multiple layers of pavers. Are we going to address all the pavers in the community, the other entrances or simply the ones at Champions entrance? The city said they didn't want to replace any pavers; they would certainly look to alternatives that require less maintenance over time. Brian specifically mentioned stamped concrete approach, that it has the best lifespan than the alternatives for that area. It sounds like the neighborhood, LPGA International, wants to have input and understand what is going on the LPGA Boulevard widening and the entrances. It is best to engage the city now with this type of discussion. It is a good chance that the LPGA Boulevard at the Champions entrance is going to be six-lanes wide and most likely will mirror the lanes coming over the overpass over the new bridge and in order to not create bottlenecks keep the same lanes as you can go west from the Champions entrance and then maybe taper down. What is occurring at the moment is the PDE Study, planning design and engineering study, is underway and the PDE Project stands for ISP, International Speedway Boulevard, up north around the curve. As this progresses there will be a preliminary design presented and Brian is projecting mid to late summer when that design is available for review. That will be the first draft and there will be revisions but at least at that time you can see what is happening at our entryways. We have turn lanes, deceleration lanes, all those types of things are coming into these intersections. What they are doing now on the PDE they are currently also designing the new bridge, basically to save time and cut the schedule down because they are aware of the massive problems they have out there. Most likely that bridge will also be six-lanes wide and two separate structures.

It would be a great idea to initiate these discussions, not just for replacing the paver material but for the district and community to possibly have input on how your entrances are affected by all of this.

We discussed how the district would like to engage the city, who wants to be points of contact, those types of things and maybe Jim and Katie can chime in on how to approach this.

Mr. Welsh asked do they anticipate how long before the bridge is started?

Mr. von der Osten stated he could not say.

January 26, 2022

Indigo Community Development District

Mr. McCarthy stated I don't think they have money for the bridge, or the widening of LPGA and I don't anticipate they will have anything for five or ten years. I think it is a good idea in the interim to engage the city into some discussion, but it also may be helpful if they could give us a quick fix that would at least improve those pavers or that area. Even if LPGA is six lanes, I can't see it encroaching onto where the pavers are. Engaging the city is a great idea but keep in mind from everything I have heard this is five to ten years down the road.

Mr. Kilian asked would it be possible to set up a committee to work with the city from the board of directors?

Mr. Perry stated you will have to advertise public meetings and it is kind of an unwieldy process. You probably don't want to do down that road. You could have one member of the board designated if you want.

Mr. Kilian stated one member of the board working with you and Kurt and reporting back to us would be the best.

Mr. Perry stated Kurt, if you want to go ahead and draft that since you have already made the contacts and have so much background, draft the letter and we will designate the chair, yourself and me as representatives of the district to work with the city.

Mr. von der Osten stated I will draft it and send it to you and Katie.

Mr. Kilian stated the city since it is their responsibility, they should come up with a band aid to help us now or let us do it and reimburse us or split the cost with us. I think we even talked about funding it ourselves.

Mr. Perry stated yes, depending on the cost.

Mr. von der Osten stated there was mention about construction traffic through LPGA especially with the new developments and neighborhoods coming online and what we are going to have in the future. Along with Champions Drive just having been resurfaced and reconstructed, possibly the home builders could potentially use International Golf Drive, which is yet to be reconstructed versus bringing in hundreds and potentially thousands of dump trucks and everything else through our new road. I'm not sure how that would be approached but certainly that is another item we could bring up and ask assistance from the city on designating the entrance for these construction vehicles.

Mr. Welsh stated Richard Wolf and Ronald May have the houses on Zaharias where the lake is, and it is covered with algae. Are we responsible for that pond?

January 26, 2022

Indigo Community Development District

Mr. von der Osten stated there are two or three small ponds there, but I would have to know which lake it is.

Mr. Welsh asked do we have somebody to take care of the algae?

Mr. Perry stated we have a contract with a company.

Mr. von de Osten stated every lake has a number and we can put in service request based on the number of the lake as an identifier.

Mr. Welsh asked the preserve in back of Acclaim you can't go in there 50 feet and clear debris, can you?

Mr. von der Osten stated that preserve belongs to the CDD and basically anybody going into that area clearing they are encroaching on CDD property.

Mr. Welsh stated okay. I wanted to be right when I tell him he has to stop that.

Mr. von der Osten stated the homeowner in Acclaim has decided to claim part of that maybe for their backyard.

Mr. Welsh stated that is correct.

Mr. Perry stated we are going to need to address that if you can document what is going on. We will need to send a legal letter to them.

Mr. Welsh stated Kurt, I will give you the address and walk over with you.

**SEVENTH ORDER OF BUSINESS**

**Supervisors Requests and Public Comments**

Mr. McCarthy asked is there any progress on the bonds?

Mr. Perry stated there has been some discussion, there is an attorney that has put together a number of these workouts that you had over the last couple of years with the trustee. We are trying to finalize some of that. Hopefully, the 1999C bonds we can pursue refinancing along with the 2005s, but there is still a lot of work to do.

There are a number of districts refinancing or closing new bonds and some of rates have gone down from what was projected. There are still financings less than 4%.

**EIGHTH ORDER OF BUSINESS**

**Approval of Check Register**

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

January 26, 2022

Indigo Community Development District

**NINTH ORDER OF BUSINESS**

**Financial Statements as of December 31, 2021**

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

**TENTH ORDER OF BUSINESS**

**Next Scheduled Meeting – March 23, 2022 at 1:00 p.m. @ Holiday Inn**

Mr. Perry stated the next scheduled meeting is March 23, 2022 at 1:00 p.m. in the same location. We might have to get together with Mr. McCarthy in regard to the requisitions for that one bond.

On MOTION by Mr. Welsh seconded by Mr. McCarthy with all in favor the meeting adjourned at 1:24 p.m.

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*Jim Perry*  
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Secretary/Assistant Secretary

DocuSigned by:  
*John McCarthy*  
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Chairman/Vice Chairman