

MINUTES OF MEETING
INDIGO EAST
COMMUNITY DEVELOPMENT DISTRICT

The regular meeting of the Board of Supervisors of the Indigo East Community Development District was held on Tuesday, February 19, 2019 at 9:00 a.m. at the Circle Square Commons, Cultural Center, 8395 SW 80th Street, Ocala, Florida 34481.

Present and constituting a quorum were:

John Gysen	Chairman
Harold Brouillard	Assistant Secretary
Terry Solan	Assistant Secretary
Donald G. Barnes	Assistant Secretary

Also present were:

George Flint	District Manager
Gerald Colen	District Counsel
Lynette Vermillion	On Top of The World Communities
Rachel Wagoner	Colen and Wagoner
Keith Kirchoff	Earthscapes

FIRST ORDER OF BUSINESS

Roll Call

Mr. Flint called the roll, Mr. DiPiero is absent but four Board Members were present constituting a quorum.

SECOND ORDER OF BUSINESS

Public Comment Period

Mr. Flint: Any there any members of the public that would like to provide comment to the Indigo East Community Development District?

Mr. Brouillard: Does that include Board Members? I have a question, along 79th Terrace Road according to my map here, there is a series of hedges between 83rd Place and 84th Place that don't appear to have been trimmed in awhile and they are starting to look kind of shabby.

Mr. Flint: Yes, I got an email from Mr. DiPiero concerning that as well. Why don't we take that up under Other Business? This is Public Comment. I know Phil Hisey is out of town, but Lynette is here. She might be able to help address that for us.

Mr. Kirchoff: We are in the process of trimming there now. We will be back next week and our plan is to finish it next week and be done.

Mr. Brouillard: How about 8368 SW 79th Circle?

Mr. Kirchoff: I can double check that on, like I said we will be back next week to finish trimming and we should be done in your area.

Mr. Brouillard: It's basically across the street from the club house there.

Mr. Solan: You've got a group of Crape Myrtles between 80th Place and the dog park. They're reaching for the sky.

Keith Kirchoff: We are in the process of trimming them now. Our goal is to be wrapped up in Indigo East by the end of the month.

Mr. Flint: Thank you.

THIRD ORDER OF BUSINESS

Notice of Meeting

Mr. Flint: You have the affidavit of publication in your agenda package with the annual meeting dates which includes today. That was advertised in the Ocala Star Banner.

FOURTH ORDER OF BUSINESS

Organizational Matters

A. Appointment of Individuals to Fulfill the Board Vacancy in Seats 2 & 5 with Terms Ending November 2022

Mr. Flint: Mr. Gysen, we need to go ahead and swear you in. Actually, we need to appoint you and Mr. DiPiero as you are performing as hold over seats for seat 2 and seat 5. So, if it's the Board's pleasure, we would suggest you go ahead and reappoint Mr. Gysen and Mr. DiPiero.

On MOTION by Mr. Barnes, seconded by Mr. Brouillard, with all in favor, Appointment of Individuals to Fulfill the Board Vacancy in Seats 2 & 5 with Terms Ending November 2022, was approved.

B. Administration of Oath of Office to newly Appointed Supervisor

Mr. Flint: Mr. Gysen, as a citizen of the state of Florida and of the United States of America and as an officer of the Indigo East Community Development District and a recipient of public funds as such officer, do you hereby solemnly swear or affirm that you will support the Constitution of the United States and of the state of Florida?

Mr. Gysen: I do.

Mr. Flint: If you would sign where it says Board Supervisor for me, then just print your name here at the top. Thank you, sir.

C. Election of Officers

Mr. Flint: After each election, the Board is required by statute to elect officers and we have a resolution in your agenda packet that would do that. We can take each seat individually or if a Board Member wants to make a motion to elect a slate of officers, you can also handle it in one motion.

D. Consideration of Resolution 2019-01 Electing Officers

Currently, Mr. Gysen is the Chairman. Mr. DiPiero was Vice Chairman, and the other 3 Board Members were Assistant Secretaries. I was the Secretary and the District Accountant, Ariel Lovera was Treasurer. What's the Board's preference on how you would like to handle it?

On MOTION by Mr. Barnes, seconded by Mr. Brouillard, with all in favor, consideration of Resolution 2019-01 Electing the same slate of Officers, was approved.

FIFTH ORDER OF BUSINESS

Approval of Minutes of the November 20, 2018 Meeting

Mr. Flint: Did the Board have any comments on those? If not, is there a motion to approve them?

On MOTION by Mr. Solan, seconded by Mr. Barnes, with all in favor, the minutes of the November 20, 2018 meeting were approved, as presented.

SIXTH ORDER OF BUSINESS

Consideration of Resolution 2019-04 Ratifying and Approving Past Board Actions

Mr. Flint: This is a resolution ratifying the actions the Board took at your last meeting since we had two hold over Board Members. We didn't have three existing Board Members to appoint the two hold over Board Members. In abundance of caution we're just having the Board

to adopt a resolution ratifying all the votes you took at your last meeting. Any questions on the Resolution?

On MOTION by Mr. Gysen, seconded by Mr. Barnes, with all in favor, Resolution 2019-04 Ratifying and Approving Past Board Actions, was approved.

SEVENTH ORDER OF BUSINESS

Consideration of Proposal with VGlobalTech Regarding ADA Website Compliance

Mr. Flint: The Board may have heard the discussion at the Candler Hills East CDD meeting. This is a proposal from VGlobalTech to review and convert the District's website to be ADA compliant. As a result of some lawsuits that have been filed with in the last 12 months or so, it became apparent that all of the CDD's in Florida as well many cities, counties, school Boards and other government entities, their websites were not technically ADA compliant. So, this company will go in and review it and basically rewrite the website so that it is ADA compliant. There's a one-time fee of \$1,975 and then there's an optional annual maintenance fee after of \$1,350. We would suggest the Board just approve the one time fee and we will evaluate the ongoing maintenance to see if that is something that can be done under our existing contract with no additional expense. If we deem we can't, then we will just come back to you later. Any questions?

Mr. Gysen: Yes, I do. On page 3, The Law, the names, official addresses and official email addresses, who are those?

Mr. Flint: No, it's the official name of the District is the Indigo East Community Development District. The official address for the District is our office in Orlando.

Mr. Gysen: Okay, thank you.

On MOTION by Mr. Gysen, seconded by Mr. Solan, with all in favor, the Proposal with VGlobalTech for a one-time website compliance conversion, was approved.

EIGHTH ORDER OF BUSINESS

Ratification of Agreement for Transfer of Environmental Resource Permit

Mr. Flint: The next item is the ratification of a request for transfer of what's called an Environmental Resource Permit or ERP to the perpetual operating and maintenance entity. This is the Water Management District Permit associated with the Indigo South improvements storm water system that has been recently constructed and completed. The Water Management District requires that the permit be transferred to the perpetual operating entity, which is the Community Development District and these are done as a matter of course. To be able to close out their Water Management permit and transfer it, we needed it executed in advance of today. So, I am asking the Board to ratify that action. In addition to that, I have a letter from On Top of The World. It was dated the 15th, so I didn't have it at the time the agenda went out. Basically as part of transferring the permit, we agree we are going to take on the maintenance responsibility. My conversation with On Top of The World was we could take on transferring it to the maintenance entity, but because the District has not had an opportunity to budget for the maintenance of those areas, we would either need On Top of The World to continue maintaining it until September 30 or they would need to provide the District funding necessary to pay for the maintenance between now and September 30. That is the end of our current fiscal year. They've agreed that they are going to continue to maintain it through the end of the current fiscal year to allow the District to budget for that maintenance expense. In exchange for that, they've agreed to indemnify the District in the event they don't properly maintain it or something happens, etc. So, this letter from On Top of The World indicates that you all are going to ratify the transfer the permit, and that there will be a special warranty deed actually conveying the underlying property. The plat that was recorded shows the District as being the owner, but it's actually conveyed. There needs to be acceptance, so there would be a warranty deed prepared conveying the land formally to the District. Then On Top of The World would indemnify the District during the period they're maintaining it on our behalf. Are there any questions on the transfer the permit or the letter from On Top of The World?

Mr. Solan: This concerns the water retention?

Mr. Flint: Yes, these are the dry retention areas and any other portions of the storm water system that the District owns with in Indigo. By taking it over is the perpetual operating entity, we're assuming the mowing and other maintenance in those areas.

Mr. Solan: Starting on October 1st, we need to budget for that?

Mr. Flint: Correct, between now and October 1st they've agreed to continue to pay that and do it directly. Then on October 1, we would have to take that over. Unfortunately, the bad news here is that when you all consider your annual budget in May, that's your proposed budget and you usually adopt your final budget in August, you're going to see these additional expenses in there. Everyone within the District currently pays operating and maintenance expenses. You don't have off setting units coming on to pay those costs. Those units are already paying. So, you're going to have an increase in expense which is going to put pressure on your per unit assessment amount to cover. We will be dealing with that on the budget process. You've had the benefit up to this point of On Top of The World paying assessments on that south piece when it was undeveloped. Now it has to be maintained and it's going to put pressure on your per unit assessments.

Mr. Gysen: It may go up?

Mr. Flint: It will go up. If there are any questions we can discuss those, if not I would just ask for a motion to ratify the execution of the transfer of the ERP.

On MOTION by Mr. Gysen, seconded by Mr. Brouillard, with all in favor, the Agreement for Transfer of Environmental Resource Permit, was ratified.

NINTH ORDER OF BUSINESS

Staff Reports

A. Attorney

There not being any, the next item followed.

B. District Manager

1. Approval of Check Register

Mr. Flint: You have the check register for the General Fund and payroll for the period November 13th, 2018 through February 12th, 2019 totaling \$104,308.97. The detailed register is contained behind the summary. A lot of the expenses you will see are associated with transfers of debt service assessment revenue to US Bank as the Trustee. Any questions on the Check Register? If not, is there a motion to approve it?

On MOTION by Mr. Solan, seconded by Mr. Barnes, with all in favor, approving the Check Register totaling \$104,308.97, was approved.

2. Balance Sheet and Income Statement

Mr. Flint: Next is the unaudited financial statements through January 31st. There is no action required by the Board. If you have any questions, we can discuss those.

TENTH ORDER OF BUSINESS

Other Business

There being none, the next item followed.

ELEVENTH ORDER OF BUSINESS

Supervisors Requests

Mr. Brouillard: I have one other thing. I would like to go back to water for a moment. Myself and several of my neighbors received these new water meters to control the water. As they installed it, no complaints. The guy did a nice job. My question is, he asked me what I wanted the water set to and are you looking to reduce. So, I think some place along the line we need an explanation of what it should be set to, not what I want it set to. That will give you water reduction, Bryan.

Mr. Schmalz: The time that it should be set to is the time necessary to provide a ½ inch to ¾ inch of water. Each system is different. As an example, we are installing these units in homes that are constructed prior to 2012. So, perfect example, depending on the spray heads every yard is a little bit different and depends on what type of rotors, sprays, if you have drip irrigation and how each system is actually set up and how long the run time should be. You also run into the issue of, if he sets it wrong for you because it's what he thinks is right then your grass dies or your plants die then he and I am responsible for it. You're going to come to me if something does go wrong. So, that's the only issue is that there is that fine line of making sure that we're not changing it from what you want it set at. So, if something does go wrong at that location we're not held liable for it.

Mr. Brouillard: You said something about a class, will that be open to anybody who's got one of these new things? I'd love that.

Mr. Schmalz: I do that, On Top of The World currently provides a class done a couple of times a year for how the irrigation controller works and how the Solar Sync works. I know they

do a rain version and hunter version. The program I was speaking of earlier in the Bay Laurel meeting was in reference to a workshop necessary for anybody in the future that participates in the program, that they have to do that training course. We would love to do it, just obviously staffing is always an issue with time. We could do something with that later, we will definitely let you know. I always recommend to all of our customers to take the free rain gages. Come to our customer service office, pick them up, put them in your yard and see what your application rate is. If you're getting an inch and ½ of water every time your irrigation systems runs, then that's the perfect opportunity for you to turn down your run times and save that water.

Mr. Brouillard: Okay, thank you.

Mr. Schmalz: You're welcome.

Mr. Gysen: Thank you.

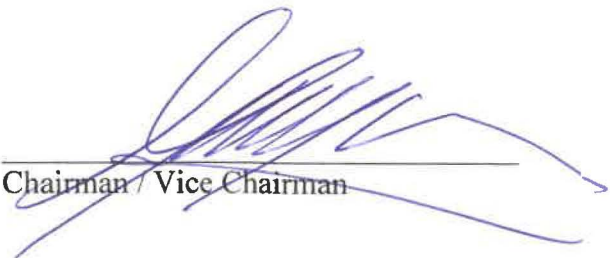
Mr. Flint: Any other comments or requests?

TWELFTH ORDER OF BUSINESS

Adjournment

On MOTION by Mr. Gysen, seconded by Mr. Barnes, with all in favor, the meeting was adjourned.



Secretary / Assistant Secretary

Chairman / Vice Chairman