

MINUTES OF MEETING
PINE RIDGE PLANTATION COMMUNITY DEVELOPMENT DISTRICT

The audit committee meeting of the Board of Supervisors of the Pine Ridge Plantation Community Development District was held Thursday, January 13, 2010 at 3:00 p.m. at the Ryland Homes, 1845 Town Center Boulevard, Suite 200, Orange Park, Florida 32003.

Present were:

Brad Paullin	Vice Chairman
Levi Ritter	Supervisor
Chris Middleton	Supervisor
John Blanton	Supervisor
Jim Oliver	District Manager
Jason Walters	District Counsel
Peter Ma	District Engineer

FIRST ORDER OF BUSINESS

Roll Call

Mr. Oliver called the meeting to order at 3:00 p.m.

SECOND ORDER OF BUSINESS

Review and Ranking of Audit Proposals

Mr. Oliver stated at the last meeting you authorized staff to issue a request for proposals for audit services, as well as approve the evaluation criteria. We prepared the request for proposal and published it. In front of you are the four proposals that were received. Those were proposals from Grau & Associates, Keefe, McCullough, Berger Toombs and Carr, Riggs & Ingram. I will give you my scoring of those and you can choose to accept that scoring or you can score them individually as a committee. There are five criteria and four are subjective. They are ability of personnel, proposer's experience, understanding the scope of work and ability to furnish the required services and then the objective criteria is price. They are all good firms and they all do audits in the CDD realm. The first firm is Grau & Associates and I gave them 20's across the board for the first four categories. They are the biggest firm in terms of the number of CDD's that they audit. They specialize in that. They scored 80's right there, however, their annual price was \$4,200 and as compared to the lowest price of \$3,600 the points they got of the 20 points was 17.14, so they had a total of 97 points. I nixed Keefe, McCullough along the way

because they have a history of having audits come in late. The earlier you get the audit in the better it is. For ability of personnel I gave them an 18, for proposers experience I gave them a 19, ability to furnish the required services an 18. Again this is not because they don't have the ability to perform audits but they have a track record of being late with the audits. Berger, Toombs was strong across the board with all 20's, except for proposers experience I gave them 19 because compared to Grau & Associates they are not as strong. They did have the lowest price of \$3,600, so I gave them 20 points and that gives them a total of 99 points. Carr, Riggs & Ingram had a price of \$5,000. They are a relatively new firm in the audit world for CDD's. They started doing CDD audits about three years ago. A matter of fact they have done audits for this particular District but they tend to have the audits come in at the end of September and sometimes into October. It is a requirement to the Auditor General by September 30th.

Mr. ___ asked who did our audit last year?

Mr. Oliver responded Carr, Riggs did. The prices of \$3,600 and \$4,200 are tremendously good prices for Districts that have issued bonds. My recommendation to the board would be to rank the firms with Berger, Toombs as number one, Grau & Associates as number two, Keefe, McCullough as number three and then Carr, Riggs & Ingram as number four.

Mr. ___ asked what do we have budgeted?

Mr. Oliver responded \$6,000.

Mr. ___ asked when does the audit need to be started?

Mr. Oliver responded this will happen and then we will get an audit engagement letter and then it will take them two months to do it.

Mr. ___ asked can we issue something that says the low bid was \$3,600, so can you bid again?

Mr. Oliver responded you are not going to get a lower price than \$3,600.

Mr. ___ stated he is probably meaning to get the other ones down.

Mr. ___ asked is there any value in using the same one we used last year?

Mr. ___ responded it should be cheaper because they should have less time to understand the scope of our work.

Mr. Oliver stated they are not going to go below \$3,600. You are not going to get a better price among these four competitors and not to mention there is probably a violation of Chapter 218.

Mr. Walters stated you can back out for bid but you can't negotiate.

Mr. ___ asked why can't you say when you go out for bid that the lowest bid the first time was \$3,600?

Mr. Walters responded the problem is we are going to be two more months out waiting on these bids to come back. The two options are to include price, which we did. If we do this again next year we can go without pricing and then you rank the proposals based on all the other criteria and then negotiate the price.

Mr. ___ asked what if we give them a three contract and you do it for \$3,000 a year?

Mr. Walters responded we can do a three year agreement with pricing for the first year and prices for years two and three to be negotiated.

Mr. Oliver stated I can tell you from experience that it is a good price because you can see audits going for \$7,500. The audit firms have the financials and they know what they are dealing with. Now if all of a sudden they weren't aware that this District issued some series of bonds we didn't tell them about then that would be different but they know going into.

Mr. Ritter asked is it a lump payment?

Mr. Oliver responded yes. It is a not to exceed amount of \$3,600 but you can assume they are going to spend all the \$3,600.

On MOTION by Mr. Ritter seconded by Mr. Middleton with all in favor Berger Toombs Ranked Number One Audit Firm, Grau & Associates Number Two Audit Firm, Keefe, McCullough Number Three Audit Firm and Carr, Riggs & Ingram Number Four Audit Firm was approved.

THIRD ORDER OF BUSINESS **Other Business**
There being none, the next item followed.

FOURTH ORDER OF BUSINESS **Adjournment**

On MOTION by Mr. Paullin seconded by Mr. Ritter with all in favor the meeting was adjourned.