

**MINUTES OF MEETING**

Each person who decides to appeal any decision made by the Board with respect to any matter considered at the meeting is advised that the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based.

**STERLING HILL  
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of Sterling Hill Community Development District was held on **Thursday, December 17, 2015 at 8:36 a.m.** at the Sterling Hill North Clubhouse located at 4411 Sterling Hill Boulevard, Spring Hill, Florida, 34609.

Present and constituting a quorum:

Christina Miller	<b>Board Supervisor, Chairman</b>
Sandra Manuele	<b>Board Supervisor, Vice Chairman</b>
Frances Krause	<b>Board Supervisor, Assistant Secretary</b>
Cassi Harbuck	<b>Board Supervisor, Assistant Secretary</b>
Louis Peters	<b>Board Supervisor, Assistant Secretary</b>

Also present were:

Clif Fischer	<b>District Manager, Rizzetta &amp; Company, Inc.</b>
John Vericker	<b>District Counsel, Straley &amp; Robin</b> <i>(via speakerphone)</i>
John Toborg	<b>Field Operations Manager, RASI</b>
Jason Pond	<b>Amenity Management</b>
Brian Dory	<b>Amenity Management</b>
Scott Campbell	<b>Representative, Lerner Real Estate Advisors</b> <i>(via speakerphone)</i>
David Jae	<b>Representative, Lerner Real Estate Advisors</b> <i>(via speakerphone)</i>
Audience	

**FIRST ORDER OF BUSINESS**

**Call to Order and Pledge of Allegiance**

Mr. Fischer called the meeting to order and performed the roll call confirming a quorum for the meeting. He asked all those in attendance to stand and recite the Pledge of Allegiance.

**SECOND ORDER OF BUSINESS**

**Audience Comments on Agenda Items**

There were no audience comments put forward at this time.

**THIRD ORDER OF BUSINESS**

**Consideration of Minutes of the Audit Committee Meeting on November 19, 2015**

On a Motion by Ms. Manuele, seconded by Ms. Krause, with all in favor, the Board of Supervisors approved the minutes of the Audit Committee meeting held on November 19, 2015, as presented, for Sterling Hill Community Development District.

**FOURTH ORDER OF BUSINESS**

**Consideration of Minutes of the Board of Supervisors' Meeting on November 19, 2015**

On a Motion by Ms. Manuele, seconded by Mr. Peters, with all in favor, the Board of Supervisors approved the minutes of the Board of Supervisors' meetings held on November 19, 2015, as presented, for Sterling Hill Community Development District.

**FIFTH ORDER OF BUSINESS**

**Consideration of Operation and Maintenance Expenditures for November 2015**

On a Motion by Mr. Peters, seconded by Ms. Harbuck, with all in favor, the Board of Supervisors accepted the operation and maintenance expenditures for November (\$70,675.38), as presented, for Sterling Hill Community Development District.

**SIXTH ORDER OF BUSINESS**

**Consideration of Audit committee recommendations**

Mr. Fischer stated that the audit committee met prior to the Board of Supervisors' meeting and ranked the proposals from Berger, Toombs, Elam, Gaines, & Frank (453 points) and McDirmit Davis (463 points). The Committee is recommending that the Board enter into an agreement with McDirmit Davis, as the highest ranked bidder, to provide auditing services for the fiscal years 2015/2016, 2016/2017, and 2017/2018.

On a Motion by Ms. Krause, seconded by Ms. Manuele, with all in favor, the Board of Supervisors approved the Audit Committee's recommendation and authorized Staff to obtain an engagement letter from McDirmit Davis for auditing services for the fiscal years 2015/2016, 2016/2017, and 2017/2018 for Sterling Hill Community Development District.

**SEVENTH ORDER OF BUSINESS**

**Staff Reports**

A. District Counsel

Mr. Vericker reviewed the reimbursement notice that was sent to the District and touched briefly on the status of the foreclosure.

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A brief discussion ensued regarding the Bond Holders request to have the O & M payments deferred for the next three years. Mr. Campbell spoke regarding the details of the request relative to the undeveloped land associated with the 2006 bond issuance, explaining that the District would collect the assessments once the land is sold. Staff responded to Board questions on the matter. It was stated that Finance has done an analysis on the impact of this request on the District and it was found to be minimal at this time and Counsel is recommending that the Board approve the deferment. Discussion was held regarding whether or not it would be beneficial to place the land on the tax roll , as well as other options available to the District.

The Board indicated that it was not comfortable with granting the deferment at this time. Mr. Fischer asked that the Board be provided with additional information/financial data supporting the request so that a more informed decision can be made next month.

B. District Engineer

No report.

C. Field Operations Manager

Mr. Toborg reviewed his latest Field Inspection Report and a lengthy discussion ensued regarding the continued issues with the landscaping maintenance throughout the community, the lack of a presence on property, and an overall lack of response from the vendor. A recommendation was made to terminate the contract. Mr. Vericker confirmed that the District would be well within its rights to terminate and go with the second ranked vendor (Sunrise Landscape) from the last RFP for landscape services. Mr. Toborg reviewed the pricing that was submitted by Sunrise. Additional discussion was held on the topic and the following Board action taken:

On a Motion by Ms. Manuele, seconded by Mr. Peters, with all in favor, the Board of Supervisors authorized Staff to notify Luke Brothers, Inc. that they are exercising their right to terminate the contract for Landscape Maintenance Services under the 30-day termination clause and offer the contract to Sunrise Landscaping as the second ranked bidder on the last RFP for Sterling Hill Community Development District.

On a Motion by Mr. Peters, seconded by Ms. Krause, with all in favor, the Board of Supervisors approved the proposal from Murphy's Sod for lot Clearing in Windance totaling \$4,320.00 for Sterling Hill Community Development District.

D. Amenity Management

Mr. Pond touched briefly on his report and asked if there were any questions. There were none. Discussion was held regarding a request the was made during last month's meeting to install a white PVC fence. Mr. Pond stated that he has determined that the area is not owned or maintained by the District and he does not recommend proceeding. The Board concurred.

Mr. Pond reviewed proposals for pressure washing the Northside sidewalks and the Southside sidewalks and curbing. The Board inquired about other options that might be available at a substantial savings to the District. It was stated that Mr. Pond is in the process of hiring the second maintenance person approved by the Board during the budget process. The Board indicated that it would prefer to wait for the second maintenance person to start.

E. District Manager

A question was raised regarding the term MIP in the financial statement and Mr. Fischer stated that he would ask that Mr. Kennedy send out an email explaining the term.

**TWELFTH ORDER OF BUSINESS**

**Supervisor Requests and Audience Comments**

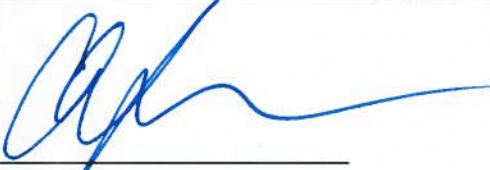
Discussion was held regarding the status of the sale of the lots by D.R. Horton.

Audience comments were entertained regarding any funds that were left over from last year's budget and whether the excess could be used to cover the expense of pressure washing. Mr. Fischer responded to questions regarding what happens to the excess funds, noting that it is typically moved to a reserve account or rolled over into the next year's budget to offset increases in assessment levels.

**THIRTEENTH ORDER OF BUSINESS**

**Adjournment**

On a Motion by Mr. Peters, seconded by Ms. Harbuck, with all in favor, the Board of Supervisors adjourned the meeting at 9:48 a.m. for Sterling Hill Community Development District.

  
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Secretary/Assistant Secretary

  
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Chairman/Vice Chairman