

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 **Tuesday, May 7, 2013 at 6:00 p.m.** at the Sterling Hill North Clubhouse located at 4411 Sterling Hill Boulevard, Spring Hill, Florida, 34609.

Present and constituting a quorum:

Christina Miller	Board Supervisor, Chairman
Sandra Manuele	Board Supervisor, Vice Chairman
Frances Krause	Board Supervisor, Assistant Secretary
Jo-Ann Polletta	Board Supervisor, Assistant Secretary
John Blakley	Board Supervisor, Assistant Secretary

Also present were:

Scott Brizendine	District Manager; Rizzetta & Company, Inc.
John Vericker	District Counsel; Straley & Robin <i>(via speakerphone)</i>
Jason Pond	Club Manager
Audience	

FIRST ORDER OF BUSINESS

Call to Order and Pledge of Allegiance

Ms. Miller called the meeting to order. Mr. Brizendine performed the roll call confirming a quorum for the meeting.

Ms. Miller asked all those in attendance to stand and recite the Pledge of Allegiance.

SECOND ORDER OF BUSINESS

Consideration of Minutes of the Budget Workshop Held on April 2, 2013

<p>On a Motion by Ms. Polletta, seconded by Ms. Krause, with all in favor, the Board approved the minutes of the budget workshop held on April 2, 2013 as presented for Sterling Hill Community Development District.</p>

THIRD ORDER OF BUSINESS

**Consideration of Minutes of the Board of
Supervisors' Meeting Held on April 9,
2013**

On a Motion by Mr. Blakley, seconded by Ms. Manuele, with all in favor, the Board approved the minutes of the Board of Supervisors' meeting held on April 9, 2013 as presented for Sterling Hill Community Development District.

FOURTH ORDER OF BUSINESS

**Consideration of Operation and
Maintenance Expenditures for April 2013**

There were no questions regarding any of the expenses paid this month.

On a Motion by Ms. Polletta, seconded by Ms. Manuele, with all in favor, the Board approved the Operation and Maintenance expenditures for April 2013 totaling \$127,460.68 for Sterling Hill Community Development District.

FIFTH ORDER OF BUSINESS

**Presentation of Fiscal Year 2011/2012
Financial Audit**

Mr. Brizendine touched briefly on the financial audit, noting that there were some deficiencies found associated with non-payment of the interest payments on certain bonds and the inability of the auditor to obtain documentation from the SPE regarding payments made out of the Trust accounts. He explained that Counsel for the Trustee, bondholders and SPE have taken the position that those funds are no longer the Districts and as such the SPE is not required to provide the requested documents. Mr. Brizendine explained that once the bondholders take over control of the bonds due to a foreclosure, the District no longer has a say in how those funds are spent; therefore the auditors comment regarding obtaining bond consent for certain expenditures is really outside of the District's authority as the Trust Indenture Agreement is no longer applicable. He recommended that the Board review the audit at its own leisure and contact him with any questions they might have. He asked for a motion accepting the audit and authorizing Staff to file it.

On a Motion by Ms. Polletta, seconded by Ms. Krause, with all in favor, the Board of Supervisors accepted the fiscal year 2011/2012 financial audit and authorized Staff to submit it to the appropriate governmental entities for Sterling Hill Community Development District.

SIXTH ORDER OF BUSINESS

**Discussion Regarding Fiscal Year 2013/2014
Operating Budget**

Mr. Brizendine distributed a first draft of the budget based on discussions from the budget workshop. He stated that he included contractual accounts and the road reserve funds based on District Engineer's comments, as well as estimated utility and insurance costs based on actuals for this year and a small percentage of increase. A brief discussion ensued regarding various line items; with modifications being made to a few of them.

Mr. Pond reviewed pricing that he obtained for fencing in the Basketball Court for various options. He recommended that the Board go with the third option, which includes a 12' foot fence with a curved top at a cost of \$13,849. He stated that he also obtained pricing for installing a swipe card system for the gate and an additional camera, but he would prefer that individuals wishing to use the courts be required to come into the clubhouse and leave an access card or ID to obtain the key to get in. A brief discussion ensued regarding whether there would be limits set on how many people can use the courts at one time. The possibility of limiting the number of guests an individual can bring with them was put forward and will be discussed further if warranted.

Mr. Pond stated that based on last month's meeting he obtained a proposal to repair the pedestrian gates at \$1,635. Ms. Miller asked that he research the timing for the last repairs to determine if any of the work could be under warranty. He also stated that he has had requests from residents to put in two shuffleboard courts, so he obtained pricing for that expense of \$17,500 for consideration for next year's budget. Mr. Brizendine asked if the Board would like him to obtain pricing for a District wide contract for trash pickup and they indicated that they would be in favor of that.

Mr. Brizendine responded to questions from the audience on the budget regarding off roll billing, decorative lighting, special events, capital outlay projects, various maintenance line items, and the reserve schedule. Residents requested that the playground area be fenced off with the only access being through the clubhouse to eliminate non-resident usage, for additional "No Trespassing" signs in Haverhill, installing a flag pole at the South Clubhouse, and fencing for the ball field as right field is very short before it goes down hill, which creates a liability concern. The Board asked that pricing be obtained to fence in the playground.

Mr. Brizendine stated that he would update the budget based on discussions this evening and bring it back to the June meeting for approval for purposes of the TRIM notices and scheduling the public hearing for the August meeting.

SEVENTH ORDER OF BUSINESS

Staff Reports

A. District Counsel

Mr. Vericker stated that he had nothing new to report on the lots that are going through the foreclosure process or the sale of any of the lots. He noted that they have had calls asking about them, but no offers have been made.

Mr. Vericker responded to a question regarding the service provided on a particular invoice, stating that it relates to a discussion regarding the ability of individuals to serve on multiple Boards given the requirements of the Sunshine Law.

B. District Engineer

Not present

C. Field Operations Manager

Mr. Brizendine stated that Mr. Toborg asked him to relay to the Board that he has had his first inspection and is addressing his concerns with the performance of the new landscaper. A brief discussion ensued regarding the condition of the landscaping when the new contractor took over and the fact that there is always a learning curve. Mr. Brizendine stated that the situation bears watching and confirmed that there is a cancellation clause in the contract if improvement is not seen over the next few months. He explained that the contractor would be given a verbal warning and then a written warning giving them a particular time frame within which to correct the noted deficiencies.

D. Amenities Management

Mr. Pond informed the Board of the status of the gate repairs due to the accident, explaining that U-Haul's insurance company will be covering the costs of the repairs. He stated that the new gate motor installation is going well.

A brief discussion ensued regarding concerns with the number of children being picked up at the Brackenwood gate. Mr. Pond stated that he would contact the School District regarding this matter since the bus stop is supposed to be at the clubhouse. He noted that he has arranged for three extra sheriff details to address ongoing issues with behavior and parking at the bus stops.

Mr. Pond confirmed that the insurance check from USAA has been received and the power washing is progressing nicely but going slowly. He stated that once the sidewalks are completed he will begin working on the curbing. Mr. Brizendine stated that he had a company in another District do the curbing and it was very reasonably priced. The Board asked that he obtain a proposal to do the curbs in Sterling Hill.

E. District Manager

Mr. Brizendine provided a brief overview of the District's financial status report, stating that it has collected \$1,114,410 or roughly 81% of the budgeted amount. He touched briefly on the various account balances and projected that based on current trends the District would be about 7% under budget for the year. A brief discussion ensued regarding how the projections are calculated.

Mr. Brizendine announced that as of April 15, 2013 there were 1848 registered voters residing within the District. He explained that he is required to announce the number of registered voters on an annual basis as it determines the eligibility of the District to participate in the general election process after its sixth year of existence. He noted that the District is well over the required minimum of 250.

Mr. Brizendine stated that he would be presenting the proposed budget at the June meeting, which will start the 60 daily cycle, before the public hearing at the August meeting. A brief discussion ensued regarding whether the meeting will need to be moved since it is an evening meeting.

On a Motion by Ms. Polletta, seconded by Mr. Blakley, with all in favor, the Board of Supervisors approved moving the August meeting to August 6, 2013 at 6:00 pm. at the same location and authorized Staff to submit the required advertisement for Sterling Hill Community Development District.

EIGHTH ORDER OF BUSINESS

**Supervisor Requests and Audience
Comments**

Audience

Audience concerns were addressed regarding concerns with construction vehicles leaving oil on the streets. It was noted that the District has not had much luck in the past requiring companies to clean up after themselves.

Supervisors


Ms. Krause expressed concern with the lack of a “No Outlet” sign at the beginning of her street. Mr. Pond stated that he would contact the County regarding the matter.

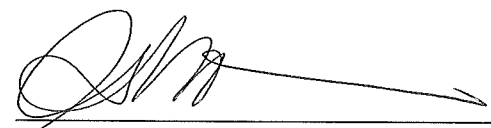
Mr. Brizendine explained to the Board that Rizzetta Amenity Services was asked to provide salary information on it’s employees to the Board. However, technically Rizzetta Amenity Services is a vendor for the District and can not share this type of information as it is confidential in nature.

NINTH ORDER OF BUSINESS

Adjournment

On a Motion by Ms. Polletta, seconded by Ms. Krause, with all in favor, the Board of Supervisors adjourned the meeting at 7:05 p.m. for Sterling Hill Community Development District.


Secretary/Assistant Secretary


Chairman/Vice Chairman