



PHOENIX V ASSOCIATION, INC.

January 4, 2021

CERTIFIED MAIL

RECEIPT NO. 7015 3010 0001 8193 4704

Brett/Robinson Gulf Corp.
P. O. Box 4009
Gulf Shores, Alabama 36547

Gentlemen:

Brett-Robinson Gulf Corp. ("you") currently is the provider of various services to Phoenix V Association, Inc. (the "Association")¹. The frustration of the members of the Association with the poor quality of many of those services has grown to the point where permanent changes need to be made. It is not now our intention to terminate your services entirely. Rather, the Association wants to explore options to improve services to an acceptable level, including how we might incentivize you to efficiently and effectively perform your duties to the Association to provide appropriate attention to our building's needs.

Over the past two (2) years, we have discussed a wide variety of shortcomings in the management and maintenance of the building, including, but not limited to, the following:

- 1) Poor quality custodial and security services;
- 2) Poor or non-existent maintenance programs, including preventative maintenance, resulting in the building not being maintained properly, also including those identified in the Association's recent building envelope inspection / assessment;
- 3) A "procurement system" that seemingly rewards vendors who do not fulfill their obligations to the Association;
- 4) The building was significantly underinsured;
- 5) The Association had grossly inadequate capital reserves;
- 6) Failure to inform the Board of incidents at the building on a timely basis;
- 7) Failure to observe the Association's By-laws resulting in unauthorized costs to Association members; and

¹ The Condominium Management Agreement ("Agreement") is dated September 7, 2018, and pursuant to ¶ 1 was to run from January 1, 2016 to December 31, 2018, but the cover sheet to the Agreement states that it is to run from January 1, 2019 to December 31, 2021. Brett-Robinson was notified of the expiration of the Agreement by email dated May 11, 2019. The Association reserves any and all rights or claims as to the continuing effect of the Agreement.

- 8) Failure to acknowledge or inform the Association of a variety of deficiencies in the Declaration making administration more costly, confusing, and cumbersome, which include, but are not limited to, Declaration provisions that have been in violation of the law since the condominium was created and lack of notice of changes in the condo law (§35-8A-313) resulting in modification to casualty loss assessments under Section 14.4 of the Declaration.

The building is 20 years old and, thus, has maintenance needs that must be proactively addressed. Your service over the past year has been uneven. While many issues remain unresolved, there are a few areas in which the Association has been pleased with some of the changes made such as Mr. Lipinsky's innovative use of shims to secure the sliding doors during wind events, and the prompt re-opening of building following Hurricane Sally.

Unfortunately, we continue to discover multiple circumstances where the building's needs have not been met, and despite our exhortations, many of these items remain uncorrected. Indeed, the problems that led to you granting us a \$20,000 credit in December 2019 have continued, seemingly unabated. These continuing issues include, but are not limited to, your failure:

- 1) To maintain the building's Cooling tower after the Association refurbished it in 2019;
- 2) To maintain the building stairwells resulting in repeat handrail and fire main corrosion;
- 3) To maintain the building's fire control system, including the failure to check the system resulting in its corrosion and the need for urgent repairs;
- 4) To maintain the building's stairwell pressurization fans and vents;
- 5) To supervise and inspect the work of subcontractors;
- 6) To fix the pool deck expansion joints, resulting in a person injury claim against the building and the near cancellation of the Association's insurance policies; and
- 7) To fix the garage.

Poor quality custodial and security services is a frequent complaint from Association members as it is readily apparent to people visiting the property. You have been unable to resolve the complaints to date. The Association is now exploring other alternative providers for custodial and security services. As such, please accept this as notice of termination of those services (and the Agreement to the extent it may still be in force) on the 120th day from the date of this letter, which will be May 4, 2021 (the "Effective Date"). We will advise you when alternative custodial and security services providers are identified in order to schedule an orderly transfer of these services effective no later than the Effective Date. We will also co-ordinate a 45-day transitional period; thus, we will identify new service providers and expect to meet with you no later than March 20, 2021 to ensure that the transition process is well planned and timely.

In addition, we are sending you concurrently herewith, a letter enumerating in detail long-standing issues with the building's parking garage resulting from failures by you and vendors recommended by you. The Association must be made whole for issues such as the garage and other problems that the Association has borne that clearly could have been avoided.

Again, it is not now our intention to terminate your services entirely. But, for a successful, continuing relationship, the needs of operations and maintenance must be timely and effectively fulfilled at a fair and reasonable cost. Please advise as to when you are available to meet and begin

those discussions as to how to make that happen for our mutual benefit, hopefully during January 2021.²

Yours Truly,

A handwritten signature in black ink, appearing to read 'J. Redwine', with a stylized flourish at the end.

James M. Redwine,
President
Phoenix V Association, Inc.

cc: Bill Brett
Randy Wood
Hugh Gither

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² Nothing herein is intended or should be construed as a waiver or release of any right, claim, or benefit inuring to Association.