

**September 11, 2019****24400 Perdido Beach Blvd, Orange Beach, AL 36561****Attention: Mr. James Redwine****Subject: Sliding Glass Door and Roof Walkthrough with Comments**

Pursuant to your request, Thompson Engineering is providing this written observation report concerning the recent walkthrough of specific building envelope subjects on the Phoenix V building located at 24400 Perdido Beach Blvd, Orange Beach, AL 36561.

The report observations below are results of notes made on 9/6/19 by Bryce Moore (Senior Consultant), representing the Thompson Engineering Building Envelope & Roofing Services Department.

OBSERVATIONS

Units 1413 and 1006 were visited to observe recent service/remediation's performed on sliding glass door units as part of a proposed preventative maintenance program. The walk through was led by Mr. Bryan Morrison from TRI CITY GLASS, Inc. and attended by board members, Brett/Robinson representatives and myself.

Mr. Morrison explained the process of removing and cleaning the exterior sliding door sill that accepts the track and rollers of the door along with replacing gasketing, fasteners and striker/door lock fastener components. Mr. Morrison focused on the exterior sill and its ability to weep water that may sheet down the doors glass and frame during rain events along with possible internal condensation. The door sills that his company had previously removed were found to be full of debris to the point of disrupting or clogging the weep system. Sills were also found to be damaged by previously installed fasteners and some were internally corroded to the point of sill damage, both conditions allowing water to leak beneath the sill.

The current in place style of door frames observed do not allow the holding of bulk water nor do they implement end dams at the doors sill to jamb rough in abutments. The door sill weeps along with both internal and topical sealants are the first and last line of moisture intrusion defense on these type doors. The door frames are also mounted directly to the finished floor slab that is equal to the exterior deck and interior floor elevations. In this situation trapped water could build

a head pressure that forces the water beneath the doors threshold into the interior space and/or into the cavities of the exterior wall. The intruding water is typically salt laden due to the environment and proximity of the building to the Gulf of Mexico in turn causing corrosion to the wall, floor and in some cases the door components such as (rebar, rebar rod chair legs, metal studs, metal stud tracks, door sill plates, fasteners, etc....) that by design were not meant to be exposed to these harsh elements after substantial wall and floor completion.

The Phoenix board members had some detailing requests/questions for Mr. Morrison concerning horizontal pile weather stripping, aesthetic coating of the frames and options for new locking mechanisms that will need some discussions and cost analysis by TRI CITY GLASS, Inc., but as for the operation components of the doors, cleanliness of the frames/sills and maintenance/replacement of sealants and waterproofing gasket components Thompson Engineering agrees with Mr. Morrison's preventative maintenance program. The door sills should be cleaned and sealed to allow for the weeps to properly function and to minimize moisture intrusion into the door and rough in.

The roof was walked and the granulated modified bitumen cap sheets along with the foil faced flashing sheets were observed to be in good physical condition with little to no wear or ultraviolet damage.

There were signs of ultraviolet damage observed on the majority of the roofing sealant applications including pitch pan fillers, coping cap sealants at their abutments to walls and additional metal caps, through wall drain scupper perimeter sealants, etc.

The pitch pans travel to the roof deck level and roofing would need to be disturbed to fully remove the pan filler and replace it. It is Thompson Engineering's recommendation that a capping layer of filler be applied where the current filler has shrank and sunk into the pan while protecting the new filler level with a flashing around the penetrating component that acts as an ultraviolet umbrella.

The damaged and retired sealants at coping metal to adjacent components should be removed and the substrate properly cleaned. A new commercial grade low modulus sealant should be properly applied. Areas that currently have a negative pitch and hold water atop a sealant bead should be repaired before sealant remediation. These areas will pond and accelerate the deterioration of the new sealant application if the substrate is not addressed first.

All top flanges of all through wall scupper penetrations should be cleaned and sealed. Shrinking, adhesive and cohesive sealant damage was observed at many of these areas.

There was also an abnormally large amount of debris on the roof (fasteners, wire, metal banding straps, etc.) that could pose a roof penetration threat. The granulated cap sheet would typically be the sheet that could be penetrated and would not cause a leak to the roof deck or the interior of the building but could cause a blister between the cap and intermediate roofing plies causing stress and uplift to the roof area. Thompson Engineering recommends the debris be removed from the roof top as soon as possible.

The HVAC unit attachments were discussed. The units currently sit atop large parallel lumber

beams supported off of the roof plies via vertical metal struts that more than likely attach to the structural roof deck. With the utilization of such a strong base the actual attachment of the unit to the lumber beams was deemed weak and was discussed. The current attachment was achieved by short, thin metal banding material with a nail or screw at either end into the unit and wooden beam. An affordable application that would cause the unit to become more rigid to the base structure but not cause mechanical damage to the units or cause technicians to experience extended repair times was suggested. Brett/Robinson representative Mr. Pat Clay suggested ratchet type strapping. Thompson Engineering agreed that ratchet type strapping would be able to maneuver behind piping and electrical without causing damage while wrapping over the unit and securing it to the base all while being removable/replaceable when needed.

Thompson Engineering can recommend sealant types, flashing suggestions, etc. if needed by Phoenix V. This may help the association or Brett/Robinson to compare repair materials and bids for repair work.

GENERAL

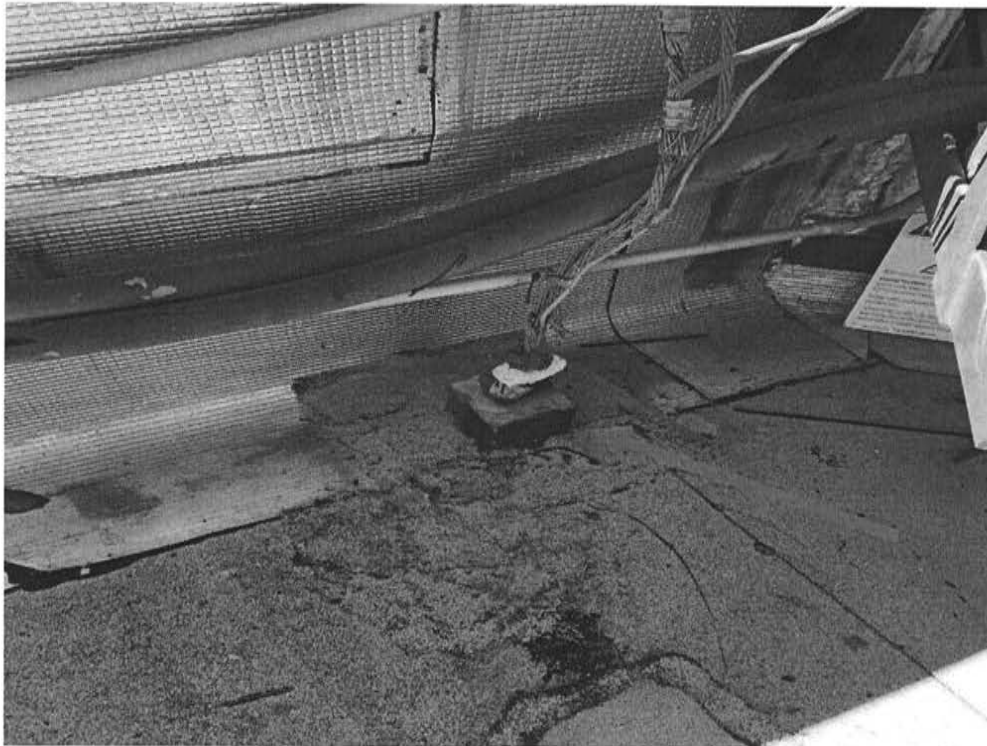
Thompson Engineering appreciates the opportunity to provide our professional services to the Phoenix V Association. If there are any questions regarding this report or if additional information is required, please advise.

Respectfully,

THOMPSON ENGINEERING, INC.

Bryce Moore

Bryce Moore
Staff Consultant
Thompson Engineering



Photograph No.1- Example of a pitch pan.



Photograph No.2- Close up of ultraviolet damaged pan filler.

PHOENIX V ASSOCIATION, INC.
BOARD MEETING TELECONFERENCE BOARD MEETING

Date: Monday, October 7, 2019

Time: 4:00 PM (CST)

Roll Call of Board Members for Quorum (via phone):

President: James Redwine, Present
Secretary/Treasurer: Tom Brecciaroli, Present
Director: Wendel Behel, Present
Director: Ted Sendak, Present

Vice President: Gary Reno, Present
Director: Clay Smilie, Present
Director: Lauren Bethancourt, Present

Owners Present: Lorraine Pickett (# 1115)

Brett/Robinson Association Members Present (via phone):

Keith Jiskra-Association Director
Christi Johnson-Association Assistant
Pat Clay- Director of Facilities
Randy Brown- Director of Security
Joe Beaulieu, Facilities Operations Manager

Hugh Gither- Association Manager
Randy Wood- Vice President of Operations
Brandy Smith- OPS Manager
Ryan Carmean- Facilities Manager
Bill Brett, President of Brett Robinson Gulf Corp.

CALL TO ORDER

Board President James Redwine called the meeting to order at 4:00 p.m. All persons could hear and be heard by each other.

Mr. Redwine explained this was not an official Board meeting but was requested by the Board to allow Brett Robinson to explain the changes to the maintenance program and for the building for Brett Robinson to meet the significant deficiencies previously noted.

ORDER OF BUSINESS

Randy Wood provided an overview of the information presented explaining the roles, various shifts as well as the assigned tasks and duties.

- **Section 1 - Tasks**
 - Custodian - 1st and 2nd shift
 - Pool Technician
 - Facility Technician
 - Facility Manager
 - Preventative Maintenance

Pat Clay stated the Preventative Maintenance checklist pertains to multiple buildings and further noted work is performed and scheduled depending on each building's needs.

The Board expressed concern of the Splash Pad not being customized on the checklist.

- **Section 2 – Inspections**
 - Facility Manager Daily Checklist
 - Facility Manager Work Order Review – Asgard management system
 - Weekly On-Site Meeting/Walkthrough
 - Monthly Scorecard – New process in place to score various areas of the building.
 - Scheduled Inspections

Mr. Clay explained all inspections are stored and kept for historical data. All details, including the name of the technician who completed the inspection have been saved.

The Board requested the Asgard inspections and monthly scorecards be saved in the Phoenix V Dropbox on a monthly basis.

Further concern was expressed, largely due to outside temporary staff hired for custodial and maintenance staff.

Mr. Wood assured the Board that moving forward, the checklists will be utilized, procedures and protocols will be followed and work orders are being completed in a timely fashion.

Ryan Carmean confirmed he walks (5) floors per day from 7:00-9:30 a.m.

With no other questions from the Board, Mr. Wood continued to Section 3.

- **Section 3 – Requested Procedures**

- Custodial Manual
- Certified Pool Operator Handbook
- Open Door Policy
- Security Post Orders- Building
- Security Post Orders- Gate House
- Unit Entry/Exit Procedure
- Incident Report Procedure
- Housekeeping Inspection Checklist- completed electronically effective May 2019

Randy Brown explained the security officer is required to walk the entire building at the beginning of his/her shift. If an open door is found, he rings the doorbell, knocks on the door, opens the door, announces himself and makes sure door is locked upon exiting the unit. This is followed by an incident report filed with the unit # of the door ajar. Mr. Wood further noted the procedure, if possible, is for this to occur one additional time in the duration of a security officer shift.

Mr. Wood explained housekeepers followed by QA inspectors have a 100-point score inspection and the final step is to ensure that all windows and doors are closed and locked. The same procedures for entering and exiting a unit is in place as a security officer or facility technician would. He further stated this only pertains to a Brett Robinson rental unit following a departure clean. Electronic inspections are saved in the software.

Bill Brett noted 169 units are currently in the Brett Robinson rental portfolio.

The Board expressed concern of the doors being left unsecured after vendor access and felt a secondary inspector should verify the doors are secured.

Brandy Smith explained a situation that had been posted on Facebook which entailed confusion of a past bathroom repair the Owner's brother had completed and had not communicated with the Unit Owner, leaving the unit in the condition that was reflected on Facebook. When brought to our attention, Brett Robinson assisted the Owner by correcting the previous repair.

The Board further discussed the need to incorporate inspecting lobby furniture on a more detailed procedure list.

- **Section 4 – Water Events**

- YTD All-In-Claims with Rental Revenue Impact - \$6,219 (BR rentals only)
- Water Events by Type (2018 and 2019) - largely due to toilet overflows
- Toilet Overflow Reduction Recommendation - installing toilets with a higher flushing capacity.

Mr. Wood explained the most common cause for water events in Phoenix V has been toilet over flows and further noted Brett Robinson recommends replacing the commodes with a higher flush capacity to significantly reduce the toilet overflows. The average cost is approximately \$300 vs. a standard commode at \$60-\$70. Both would have to be replaced by a licensed plumber.

Mr. Clay discussed the procedures in place to responding to water events.

- Find the source
- Remediate secondary damage from occurring
- Move forward with water remediation contractors
- Follow up with drywall/sheetrock repairs

Mr. Clay confirmed maintenance utilizes an on-site shop vac to extract water in attempts to stop secondary damage from occurring.

Mr. Brett emphasized prevention is key and discussed an electronic automatic shut off system being tested at Phoenix II that detects moisture and shuts the water off to the unit and avoids further water intrusion. The cost is approximately \$300 per unit.

The Board suggested researching work order history and previous housekeeping inspections when a leak occurs.

The Board further requested a meeting with the water remediation contractors to discuss utilizing shop vacs and dehumidifiers, purchased by Phoenix V, to help minimize water event expenses.

- **Section 5- Staffing**
 - Current Staffing Overview
 - 2020 Facilities Staffing Recommendations
 - Job Descriptions:
 - Facility Manager
 - Custodian
 - Facility Technician
 - Security Officer

The Board discussed the need to hire a full-time painter for Phoenix V. Mr. Clay noted the available position is posted and further stated he will provide a rate comparison of a staffing agency employee vs. Brett Robinson employee for the Board to review. Mr. Brett noted, once a full-time painter is secured, Brett Robinson will need guidance from the Board on the priority of various projects at hand. He further shared B/R advertises on NAS Pensacola.

The Board discussed the transition (13 weeks) from a contract employee to a full time Brett Robinson hire. Mr. Clay explained the rate comparison and noted he will provide the percentage mark up to the Board for review.

The Board discussed the recommended increase in staffing for 2020. Mr. Wood explained the current budget allows (4) out of (7) days, Phoenix V to have only one custodian. Mr. Brett noted Phoenix V cannot be kept clean with only (1) custodial person during the day. Mr. Carmean stated he's struggling to get what is necessary to be completed on a daily basis and is unable to attend to preventative cleaning, etc. The Board feels the current staffing is sufficient for now and feels the building was unattended for some time prior to the recent change in management.

- **Section 6- Feedback on Board Requested Projects**
 - Pool Deck Railing
 - Sliding Glass Doors- 522 sliding glass doors
 - Painting Frames

- Preventative Maintenance

Mr. Redwine expressed his disappointment that Brett Robinson felt the projects above needed to be contracted out.

Mr. Wood explained frame painting: One employee working an 8-hour day can paint (2) doors (3.5 hours each). The time frame to accomplish this work, working 5 days a week, would take a single employee a little over a year.

Mr. Redwine thanked everyone for their time and effort in compiling the information and wants to be sure the efforts are sustainable. The Board expressed Mr. Carmean has made a lot of headway in a short amount of time and wants it to continue.

ADJOURNMENT

With no further business to conduct, Tom Brecciaroli, moved to adjourn the meeting. The meeting was adjourned at 5:47 p.m.

Thomas P. Brecciaroli
APPROVED

11/8/19
DATE



thompson ENGINEERING

Master Agreement General Terms and Conditions

This Agreement is made by and between Thompson Engineering, Inc. (hereinafter Thompson Engineering) and the undersigned Client ("referred to herein as the "Client"). In consideration of the mutual covenants to be performed by the parties pursuant to this Agreement, each party hereby represents warrants and agrees as follows:

1. TERM & APPLICABILITY

The term of this Agreement shall be for one year from the date of full execution hereof and shall automatically renew for successive one (1) year periods at the end of each prior term unless one party notifies the other party in writing prior to the expiration of the then current term of its intent not to renew the Agreement. This Agreement shall apply to all work performed at the request of the Client or for the benefit of the Client during the term hereof (the "Work") unless both parties agree in writing that the terms and conditions hereof shall not apply.

2. SCOPE OF WORK

Thompson Engineering shall perform such Work as the Client may direct from time to time during the term hereof and which Thompson Engineering agrees to perform, which agreement will be within its sole discretion.

3. INVOICES

The Client shall pay Thompson Engineering for the Work performed under this Agreement a sum to be calculated as described on Exhibit A or, if no such description is provided or any portion of the Work is not specifically provided for in said description, at the rates shown on Thompson Engineering's standard fee schedules which are in effect as of the time of execution hereof, or as may be otherwise specifically described herein. Thompson Engineering will submit invoices to Client no more than monthly and a final bill upon completion of the Work. Invoice will show charges for different personnel and expense classifications. A more detailed separation of charges and back-up data will be provided at Client's request. Payment is due upon presentation of invoice and is past due thirty (30) days from invoice date. Client shall pay a finance charge of one and one-half percent (1 1/2 %) per month, or the maximum rate allowed by law, on past due accounts.

In the event this agreement is terminated before the completion of all services, unless Thompson Engineering is responsible for such termination, Client agrees to release Thompson Engineering from all liability for services performed. In the event all or any portion of the services by Thompson Engineering are suspended, abandoned, or otherwise terminated, Client shall pay Thompson Engineering all fees and charges for services provided prior to termination. If Thompson Engineering's services are suspended and restarted, Thompson Engineering will be entitled to additional compensation for extra services pursuant to the provisions of paragraph 2 of this agreement.

Client agrees that if it requests services not specified in the scope of services described in this agreement, Client will pay for all such additional services as extra services, in accordance with Thompson Engineering's usual and customary billing rates. If any staking or monuments are damaged, removed or destroyed by anyone other than Thompson Engineering, the entire cost of new staking or monumentation shall be paid for by Client as extra services in accordance with section 2.

If Thompson Engineering personnel are called or subpoenaed for depositions, examinations, or court appearances in any dispute arising out of any project on which Work was performed, Thompson Engineering shall be reimbursed on a time and material basis in accordance with Thompson Engineering's then current, standard billing rates for such matters, including all out-of-pocket costs incurred in connection with such matters.

4. RIGHT OF ENTRY

The Client will provide for right of entry of Thompson Engineering personnel and all necessary equipment, in order to complete the Work.

While Thompson Engineering will take all reasonable precautions to minimize any damage to Client's property, it is understood by the Client that in the normal course of Work some damage may occur, the correction of which shall not be Thompson Engineering's responsibility.

5. UTILITIES

In the execution of its Work, Thompson Engineering will take all reasonable precautions to avoid damage or injury to subterranean structures or utilities. The Client agrees to hold Thompson Engineering harmless for any damages to subterranean structures or utilities which are not called to Thompson Engineering's attention and correctly shown on the plans furnished by the Client.

If field services (i.e. survey, geotechnical) services are included in the scope of work, Thompson Engineering is not responsible for any determination or location of any underground conditions not visible and obvious by inspection of the premises, including, but not limited to, soils, geological conditions, physical devices and facilities, pipelines or buried cables unless specifically included in writing in this agreement, and shall not be responsible for any liability that may arise out of the making of or failure to make such determination or location of any subsurface condition. Client acknowledges that the services performed pursuant to this agreement are based upon field and other conditions existing at the time these services were performed. Client further acknowledges that field and other conditions may change at any time, and clarification, adjustments, modifications and other changes may be necessary to reflect changed field or other conditions. Such clarifications, adjustments, modifications and other changes, shall be paid for by Client as extra services in accordance with section 2.

6. SAMPLES

Thompson Engineering will retain all samples for thirty (30) days. Further storage or transfer of samples can be made at Client's expense upon written request.

7. OWNERSHIP OF DOCUMENTS

All reports, boring logs, field data, field notes, laboratory test data, calculations, estimates and other documents prepared by Thompson Engineering, as instruments of service, shall remain the property of Thompson Engineering. Client agrees that all reports and other work furnished to the Client or his agents, which are not paid for, will be returned upon demand and will not be used by the Client for any purpose whatsoever.



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Thompson Engineering will retain all pertinent records relating to the services performed for a period of five (5) years following submission of the report, during which period the records will be made available to the Client at all reasonable times.

All documents are for the exclusive use and benefit of the Client only. Others who use the documents do so at their own peril. Thompson Engineering consents that its information and reports may be furnished to and used by others participating in the financing and/or development of the project (and for reports involving real property transactions, other parties of the transaction), but only in the same manner and extent as if such others were the addressee and the Client. The terms, conditions, and limitations of liability contained in the Agreement shall apply to others to whom Client furnishes such information and reports. No one other than the Client is authorized to rely, in any way, on any information or reports issued pursuant to this Agreement. Client further agrees that final plats, specifications, drawings, reports or other documents are for the exclusive use of Client and may be used by Client only for the project described in this agreement. Such final plats, specifications, drawings, reports or other documents may not be changed or used on a different project without written consent of Thompson Engineering.

8. DISPUTES

In the event that a dispute should arise relating to the obligations of the parties under this Agreement, the prevailing party shall be entitled to recover all reasonable costs incurred in connection with such dispute, including staff time, court costs, attorney's fees and other related expenses.

9. PROFESSIONAL RESPONSIBILITY

Thompson Engineering represents that the Work shall be performed in a manner consistent with that level of care and skill ordinarily exercised by other professionals under similar circumstances at the time services are performed. No other representation to the Client, expressed or implied, and no warranty or guarantee is included or intended hereunder, or in any work performed under this Agreement.

Client recognizes that subsurface conditions may vary from those encountered at the location where borings, surveys, or explorations are made by Thompson Engineering and that the data interpretations and recommendations of Thompson Engineering's personnel are based solely on the information available to them. Thompson Engineering will be responsible for those data interpretations, and recommendations, but shall not be responsible for the interpretation by others of the information developed.

10. LIMITATION OF LIABILITY

A. This Agreement shall exclude all losses of all types including but not limited to property damage, bodily injury, third party liability or any other claim, cost or expense directly or indirectly arising out of, resulting from, or relating to mold, mildew, fungus, spores or other microorganisms of any type, nature, or description or any by-product thereof including but not limited to any substance whose presence poses an actual or potential threat to human health.

B. For claims not excluded by Paragraph A, the Client agrees to limit Thompson Engineering's liability to the Client for any and all claims, losses, costs, or damages whatsoever on any project arising

from this Agreement and/or performance of the work by Thompson Engineering, such that the total aggregate liability of Thompson Engineering to the Client shall not exceed \$50,000 or Thompson Engineering's total fee for the services rendered on the project, whichever is less. The Client further agrees to require of any contractor and subcontractors an identical limitation of liability to Thompson Engineering, which liability may arise on account of Thompson Engineering's performance of services or its acts, errors and omissions.

As used in this article 9, the term Thompson Engineering shall mean to include any parent, subsidiary or affiliated companies of Thompson Engineering and any directors, officers and employees of any of the same.

11. INSURANCE

Thompson Engineering represents and warrants that it and its agents, staff and consultants employed by it is and are protected by worker's compensation insurance and that it has such coverage under public liability and property damage insurance policies which Thompson Engineering deems to be adequate. Certificates for all such policies of insurance shall be provided to Client upon request in writing. Thompson Engineering shall not be responsible for any loss, damage or liability arising from any acts by Client, its agents, staff or other consultants employed by Client.

12. INDEMNIFICATION

The Client shall indemnify and hold Thompson Engineering harmless from and against any and all losses, claims (including third party claims), damages, judgments, fees, fines, penalties and other amounts (including, without limitation, any with respect to sickness, bodily injury, wrongful death and property damage), including attorneys fees and court costs, arising directly or indirectly out of or alleged to have arisen out of the performance of Work under this Agreement or any breach by Client of its obligations hereunder, which indemnity shall not be limited by reason of the existence or nonexistence of any insurance.

As used in this paragraph, the term Thompson Engineering shall mean to include any parent, subsidiary or affiliated companies of Thompson Engineering and any directors, officers and employees of any of the same.

13. ASSIGNS

Neither the Client nor Thompson Engineering may delegate, assign sublet or transfer his duties or interest in this Agreement without the written consent of the other party.

14. SAMPLING OR TEST LOCATION

Client may be charged additional fees for costs associated with surveying of the site for the accurate horizontal and vertical locations of any tests. Field tests or boring locations described in Thompson Engineering's report or shown on sketches will be based upon information furnished by others or estimates made in the field by Thompson Engineering's representatives. Such dimensions, depths or elevations should be considered as approximations unless otherwise stated. If the Client specifies a test or boring location,



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Thompson Engineering reserves the right to deviate a reasonable distance from the location specified. Thompson Engineering reserves the right to terminate its obligation to perform any Work if site conditions prevent drilling at or near the designated boring locations and these conditions were not revealed to Thompson Engineering prior to agreeing to perform the Work. If, in order to complete the borings to their designated depths, a re-drilling is necessitated by encountering impenetrable subsurface objects, this will be charged to Client at the appropriate rates contained in Thompson Engineering's standard fee schedule.

15. RIGHT TO STOP WORK

Stopping the construction work is an extreme action which should be taken only by the Client after giving serious consideration to the effects of such an order. Under no circumstances will Thompson Engineering take the initiative in issuing this order. Thompson Engineering will only provide data and recommendations.

16. ROOF CUTS

To obtain accurate information in a roof investigation, roof cuts may be necessary. It is the responsibility of our Client to make the appropriate repairs to these roof cuts using materials consistent with the roofing system and in accordance with any existing material manufacturer's warranties. A roofing contractor or maintenance personnel selected by Client should be on the roof to make repairs at the time the samples are obtained. Thompson Engineering can make temporary repairs at the time of Thompson Engineering's inspections, but additional charges may be incurred. Although every attempt will be made to make these repaired areas water tight, Thompson Engineering will in no way be responsible for any water damage to the roofing system, building, or its contents resulting from Thompson Engineering's temporary repairs.

17. FIELD MONITORING AND TESTING

If the Scope of Work in Exhibit A includes construction field monitoring and/or testing, Thompson Engineering shall visit the project site at intervals appropriate to the stage of construction or as agreed to in writing by the Client and Thompson Engineering, in order to observe the progress and quality of the work completed by the contractor. Such visits and observations are not intended to be an exhaustive check or a detailed inspection of the contractor's work but rather are to allow Thompson Engineering to become generally familiar with the work in progress and to determine in general if the work is proceeding in accordance with the contract documents.

Thompson Engineering shall not supervise, direct or have control over the Client's work nor have any responsibility for the construction means, methods, techniques, sequences or procedures selected by the contractor nor for the contractor's safety precautions or programs in connection with the work. These rights and responsibilities are solely those of the contractor in accordance with the contract documents. Thompson Engineering shall not be responsible for any acts or omissions of the contractor, subcontractor, and any entity performing any portion of the work, or any agents or employees of any of them. Thompson Engineering does not guarantee the performance of the contractor and shall not be responsible for the contractor's failure to perform its work in accordance with the contract documents or any applicable laws, codes, rules or regulations.

18. SAFETY

Should Thompson Engineering provide observations or monitoring services at the job site during construction, Client agrees that, in accordance with the generally accepted construction practice, the contractor will be solely and completely responsible for working conditions on the job site, including the safety of all persons and property during the performance of the work, and for compliance with OSHA regulations. These requirements will apply continuously and will not be limited to normal working hours. Any monitoring of the contractor's procedures conducted by Thompson Engineering does not include review of the adequacy of the contractor's safety measures in, on, adjacent to, or near the construction site.

19. HAZARDOUS SUBSTANCES

Client agrees to advise Thompson Engineering, prior to beginning work, of any hazardous substance on or near the site. In the event that test samples obtained during our work contain substances hazardous to health, safety or the environment, these samples remain the property of the Client. Likewise, any equipment contaminated as a result of the Work which cannot be reasonably decontaminated shall become the property and responsibility of the Client. Client agrees to pay transportation costs for samples and equipment and the fair market value of contaminated equipment.

20. REUSE OF DOCUMENTS AND ELECTRONIC MEDIA

Any and all documents and electronic media including Drawings, CADD files and Specifications prepared or furnished by Thompson Engineering (and Thompson Engineering's independent professional associates and consultants) pursuant to this Agreement are instruments of service of the Project and Thompson Engineering shall retain an ownership and property interest therein whether or not the Project is completed. Information contained in signed or sealed drawings should be deemed to be correct and superior to electronic information. Client may make and retain copies for information and reference in connection with use and occupancy of the Project by Client and others; however, such documents are not intended or represented to be suitable for reuse by Client or others on extensions of the Project or on any other project. Any reuse without written authorization or adaptation by Thompson Engineering for the specific purpose intended will be at Client's sole risk and without liability or legal exposure to Thompson Engineering, or to Thompson Engineering's subsidiaries, holding company, independent professional associates or consultants, and Client shall indemnify and hold harmless Thompson Engineering and Thompson Engineering's subsidiaries, holding company, independent professional associates and consultants from any and all claims (third party or otherwise), damages, losses and expenses, including attorney's fees, arising out of or resulting therefrom.

21. GOVERNING LAW

This agreement shall be governed by the laws of the State of Alabama and the United States.

22. ENTIRE AGREEMENT

This Agreement represents the entire agreement between Client and Thompson Engineering and supersedes all prior negotiations,



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representations and agreements, either oral or written. No modification to the terms hereof shall be made unless agreed to in writing by both parties.

23. SEVERABILITY

In the event any provision, or any portion of any provisions of this Agreement is held invalid, the other provisions of this Agreement and the remaining portion of said provision, shall not be affected thereby and shall continue in full force and effect.

Project: _____

Proposal No: _____

Terms: (insert fee amount here)

(Insert proposal reference or scope on attached ex. A)

Approved and Authorized by:

Phoenix V. Kusanin, Inc.
(Client)

By: _____
As its: President
Date: 7/6/19

Address: 2440 Perdido Beach Blvd
Orange Beach, AL 36554

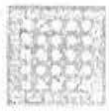
Thompson Engineering, Inc.

By: Byron Moun
As its: Project Manager
Date: 9/6/19

Address: 2970 Cottage Hill Rd. Suite 190
Mobile, AL 36606

Individual with authority and the company responsible for payment of Thompson Engineering, Inc.'s services.

Please return executed copy of these terms and conditions to the attention of:
{Thompson Project Manager}
(251) 666-2443
(251) 666-6422



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General Terms and Conditions

**EXHIBIT A
DETAILED DESCRIPTION OF SCOPE OF WORK AND ASSOCIATED FEES AND COSTS**