

October 20, 2020

Via E-Mail & U.S. Mail

Nathan@callbrownies.com

Nathan Jones
Brownie's Septic and Plumbing, LLC
4949 N. Orange Blossom Trail
Orlando, FL 32810

Re: Deficiencies in Contracts with Harmony Community Development District/
Withholding of Final Payment to Address Deficiencies

Dear Mr. Jones:

Our firm represents the Harmony Community Development District ("District") who entered into two (2) agreements with your company, Brownie's Septic and Plumbing, LLC ("Brownie's"), regarding the investigation of a land depression ("First Contract") and repairs as to the cause ("Second Contract"). This letter concerns certain deficiencies in the delivery of services governed by the Second Contract. Our client has informed us that among other items, Brownie's invoiced unauthorized change orders, negligently damaged District property, and has not completed the work to the satisfaction of our client as required by the contracts.

Because of these deficiencies, which have been communicated previously, our client must obtain an estimate from an independent third-party as to the costs associated with correction of the deficiencies. Moreover, our client is entitled to withhold 150% of the amount necessary to address the deficiencies pursuant to the Government Prompt Payment Act in order to correct the deficiencies. Please see Exhibit A.

The District awarded Brownie's the Second Contract to repair the pipe for a cost of \$57,109.00, not-to-exceed \$75,000.00. One-third of the Second Contracts not-to-exceed amount has already been paid by the District to Brownie's. The remaining amount was to be paid by the District upon successful completion of the work to the satisfaction the District after receipt of a final invoice to the District Manager.

As a result of the outstanding deficiencies, please be advised that the District does not intend to remit the remaining funds to Brownie's until a proper invoice is received with the offsets and corrections noted in Exhibit A. These funds are needed in order to address and

correct the contractual deficiencies caused by Brownie's breach of contract. Please be advised that you have certain rights under the Procedural Rules governing the Harmony Community Development District, including the right to request a hearing related to this decision within fourteen (14) days of this letter. See Harmony CDD Rules & Policies Ch. 1, Section 6.

Sincerely,



Timothy R. Qualls, Esq.
Young Qualls, P.A.

TRQ/tal

Attachment – Exhibit A

cc: Harmony CDD Board of Supervisors; Kristen Suit

Exhibit A

48" Pipe Repair- Estimated Value of Pipe Backfill and Site Restoration

Description	Estimated Quantity		Unit Costs		Total Value
Compacted Fill Volume*	4800.00	CF			
Place and Compact	177.78	CY	\$	5.00	\$ 888.89
Fine Grade	45.00	SY	\$	15.00	\$ 675.00
Resod (Brownie's Estimate)					\$ 6,500.00
Compaction Testing	1.00	LS	\$	1,500.00	\$ 1,500.00
Total					\$ 9,563.89
150% =					\$ 14,345.83

* Compacted Fill Volume based on:

Backfill Area at Top of Trench	400	SF
Backfill Area at Bottom of Trench	200	SF
Backfill Depth	16	ft

Project Actual Time:	September 1 - September 25	
Liquidated Damages:	21 days over x \$ 250.00 =	\$ 5,250.00
Total Withheld:		\$ 19,595.83
Contract Total:		\$ 57,170.00
Dewatering change order:		Pending
Deposit:		\$(25,000.00)
Withholding:		\$(19,595.83)
Undisputed Amount Due:		<u>\$12,574.47</u>