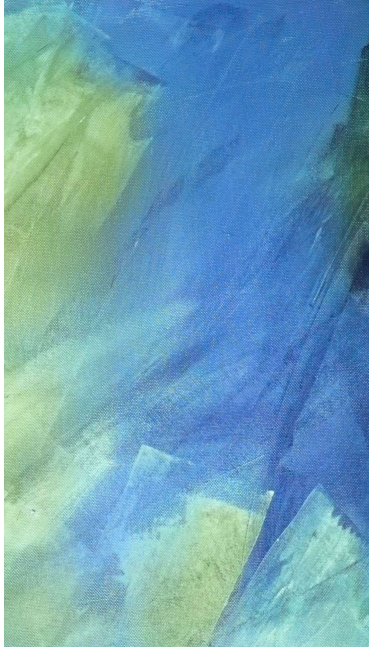


CRYSTAL TOWER PROJECTS AND MAINTENANCE 2015-2021

Prepared by Crystal Tower Board of Directors
July 26, 2021



CRYSTAL
TOWER

July 26, 2021



Dear Owners,

This has been a very challenging year, with the recovery efforts from Hurricane Sally and the restrictions from COVID-19 in place earlier in the year. Despite these obstacles, 2021 has been a major success with record rentals with many families making Crystal Tower the top pick for their vacation destination.

Since we are getting close to the Annual Owners' Meeting and have a lot of new Owners, the Board and Management team wanted to provide you with a recap of major and minor projects that have been completed at Crystal Tower. The following slides cover the last 6 years' activity. As you will see, it takes a lot to maintain a complex the size of Crystal Tower.

The Annual Owners' Meeting is scheduled on Saturday, September 11 at 9:00 a.m. at the Gulf Shores Activity Center. We hope you will all make every effort to attend this meeting in person. There will be a meet and greet on Friday evening at 5 p.m. at the same location. We look forward to seeing you all there!

The Association has accomplished a lot during the last 6 years by working together to maintain our property and our investment. In the end, our goal is to once again be a "Premier Vacation Destination."

Regards,
Kevin

President, Board of Directors

BOARD ACTIONS



CRYSTAL
TOWER

DREUX ISAAC & ASSOCIATES Reserve Study 09/27/2017

- 30-year plan outlining timing and anticipated costs for Maintenance, Repairs and Replacement of facilities and equipment at the complex
- Major projects include Elevator Modernization (Phase II), South Pool House Repair and Recoring and Elevator Car Refurbishment with Estimated cost for projects is \$2 million over the next 4 to 5 years (see letter dated 01/22/20)

HOA Dues History

- 2006 \$663/month at building opening
- 2007 \$563 effective 9/2007*
- 2009 \$500 effective 9/2009*
- 2010 \$450 effective 9/2010*
- 2015 increase by \$50 to \$500 effective 2/2015
- 2015 Increase by \$25 to \$525 effective 09/2015 (Voted and passed at Owners' Meeting)
- 2019 Increase by \$75 to \$600 effective 03/2019 to Fund Major Projects**

***Note: No major projects or major preventative maintenance was performed from 2006 to 2014 which required the Board to address significant amounts of deferred maintenance at the complex**

****Note: The current HOA Dues are still below when Crystal Tower opened in 2006**

Communication

- Multiple letters and emails detailing Board actions
- Zoom meeting for Storm Damage Update 12/2020
- Zoom meeting for Insurance Policy Renewal 05/2021
- Launched official **Crystal Tower HOA** Facebook Page in 08/2019***

Parking Pass/Wristband Revenue****

- implemented \$20/Parking Pass and \$1/Wristband (nets \$150,000/Year) in 2017
- Parking Pass and Wristbands Letter sent to remind Owners to purchase parking passes and wristbands in accordance with policy 01/2020

Owner Maintenance

- Required Braided Water Supply Lines to reduce leaks impacting units beside and below
- Approved use of Kaba Lock Model 660 to streamline guest check-in process
- Established Contractors Policy

***** Note: This Facebook page was designed to allow Owners to communicate with other Owners. The Board will not conduct business through Facebook**

******Note: This is a major funding source that aids in keeping the HOA Dues down**

BUILDING ENVELOPE

Page 1 of 2



CRYSTAL

2021	<ul style="list-style-type: none">Removed and Replaced Main Building Roof with Single Ply Membrane Roof 07/2021 (\$390,000)Repaired Main Entry Portico Soffit 05/2021 (\$54,000)SkyWalk Recovery 04/2021 (\$131,000)Installed Heat Detectors at all Elevator Landings Required by Code 04/2021Removal of Privacy Fence 04/2021Replaced SkyWalk interior door 03/2021Repaired North Building Entrance and East Walls (including brass lettering), Parapet and Pool Exterior Walls 03/2021 (\$14,000)
2020	<ul style="list-style-type: none">Installed Temporary Stairs Boardwalk 11/2020Replaced HVAC System Fitness Areas 10/2020Replaced North Pool Exterior Gutter 09/2020Replaced Circuit Breaker in Panel Car 4 08/2020Rerouted Dehumidifier Condensation Line South Elevator Control Room 08/2020Replaced Main Board Car 4 07/2020Installed motion sensor lighting in trash rooms to save energy 07/2020Painted West & South Exterior Pool Walls (Lower Band) 07/2020Replaced Main Lobby HVAC System 06/2020Recoated East and West Stairwell Towers 02/2020 (\$291,000)

2019	<ul style="list-style-type: none">Replaced North and South SkyWalk Entrance Doors 01/2019Replaced Dumpster HVAC System 07/20192nd Floor Breezeway is Recoated at no cost 12/2019Replacement of Breezeway Lighting to LEDs 11/2019Front Doors (Sanded, Removed Rust, Primed and Painted) 11/2019 (\$41,000)Recoated Elevator Breezeway Floors 3-20 Inhouse 12/2019Roof Repair 32 Blisters 03/2020Pressure Washed East and West Stairwell Interiors 20 to Ground LevelRecoated South Side and North Corner Units Exterior Ceilings, Walls, Floors and Slab Edges 03/2019 (\$356,000)Replace Load Weight Sensor on Car 2 due to corrosion 04/2019Elevator Roller Guides and Travel Cable Replaced Car 1 03/2019 (\$21,000)
2018	<ul style="list-style-type: none">SkyWalk Roof Repair 08/2018New South Pool House Pump Room Doors & North Pool Hallway Door 04/2018Remove Excess Post Tension Cables, Installed New Grease Caps and Grout on Building Exterior 04/2018 (\$29,000)Resurfacing 2nd Floor walkway 12/2018 (\$13,000)Replaced SkyWalk Window damaged by Vandals 02/2018Painted SkyWalk 02/2018 (\$25,000)Replaced Bearings on Domestic Water Pumps 02/2018Elevator Hoistway Doors Replaced Car 4 12/2018 (\$11,000)HVAC Replaced Elevator Control Room 05/2018

BUILDING ENVELOPE

(CONTINUED)



CRYSTAL
TOWER

Page 2 of 2

2017

- Sealant Replacement SkyWalk and West Wall Pool Area 03/2017
- East and West Wall Inspections 09/2017

2016

- Replaced Media Room HVAC 12/2016
- Fitness Room Air Handler Blower Wheel 07/2016

2015

- Recoated East, West & Elevator Tower Walls 08/2015 (\$779,000)
- Painted Front Doors 03/2015
- Painted South Pool House, Gazebo and SkyWalk Towers 08/2015
- Painted Elevator Breezeways Walls and Ceilings 11/2015
- Refinished Brass Crystal Tower Letters and Numbers 10/2015
- Replaced Car 4 Control Boards 08/2015 (\$15,200)
- Replaced Car 4 Sub Floor and Tile 11/2015
- Installed New Exhaust Fans in Cars 1, 2 & 3 09/2015
- Installed new wiring to improve elevator efficiency 09/2015
- Replaced HVAC South Elevator Control Room 07/2015
- Painted Breezeway Slab Edges (floors 2-20) 7/2015



COMMON AREA UPDATES



**CRYSTAL
TOWER**

First Floor Lobby Area

- Installed 55" Samsung LED 4K in Lobby for Messaging Guests
- Installed New Latches (Exterior & Interior) Entrance Doors North and Indoor Pools required by Code
- Installed New Flooring Front Desk and Break Room
- Replaced and Upgraded Lobby Furniture and Décor 09/2020

Media Room Area

- Installed 55" Samsung LED 4K with Soundbar in Media Room 11/2019
- Painted and Installed New Luxury Vinyl Plank Flooring in Media Room 11/2019
- New Ice Maker Media Room 09/2019

Parking Lot Area

- Added Concrete and new Composite Bike Rack and Benches with Table in covered Portico area 08/2021
- Replaced 8 luggage carts 06/2021
- Replaced 16 luggage/grocery carts 09/2020
- Ice Machine Installed at Parking Level 05/2019 (revenue generation)
- Added Additional Handicap Spaces by Parking Level Elevators and Pedestrian Walkway in Center of Parking Lot 03/2019
- LED Parking Lot Lights 11/2017
- Restriped Parking Lot 12/2015
- Installed Bollards Cart Area Parking Level 02/2015

Fitness Area

- Replaced Original Cardio Equipment with New Matrix Equipment (4 Treadmills, 2 Elliptical Cross Trainers, 1 Recumbent Bike and 1 Upright Bike with 900MHz Transmitter) 11/2020 \$30,000
- Negotiated 10% Discount and Signed Semi-Annual Service Agreement
- Installed (4) 43" Samsung LED 4K in Fitness Area 11/2019
- Retrofitted area to allow access to weight room and cardio equipment, painted space 11/2019
- Fitness Area New Weight Bench and Mats 11/2016
- Removed Arcade Games and expanded area into separate weight and cardio spaces 03/2015
- Replaced Sauna Control Panel 02/2015

Grounds Maintenance

- Contracted JubileeScape grounds maintenance company 07/2021
- Repurposed bench to add new new walking path in North parking lot 03/2021
- Replaced Two Dead Palm Trees with Six Sabal Palm Trees Main Entrance (Cluster of 3 Palms Each Side) 02/2019
- Installed Pet Stations South and North Parking Entrances 08/2016
- Removed and Replaced 6 dead Palm Trees 01/2016
- Repurposed North and South Rock Beds under Covered Portico with Rubber Mulch and Grass. Installed New Bike Rack North Side and Park Benches and Table South Side 11/2019
- Installed new Stainless Steel Grills with Covers and LED Light with Timer in Grill Area 10/2016

LETTER FROM DIETER CONSULTING SERVICES, INC. REGARDING ELEVATORS - FEBRUARY 2014 (1 OF 2)



CRYSTAL TOWER

Dieter Consulting Services, Inc.
Vertical Transportation Consultants

February 5, 2014

Board of Directors
Crystal Tower Condominium Association, Inc.
1010 West Beach Boulevard
Gulf Shores, Alabama 36542

RE: Recommended Elevator Repairs and Renovation Work

We hope this finds you doing well.

We are very familiar with the Schindler Elevator Corporation elevator systems installed at this property, and have examined the equipment on two (2) separate occasions, during May 2012 and April, 2013.

ThyssenKrupp Elevator Corporation, whom is locally able to provide a more aggressive maintenance program, and much better response times when emergency minor elevator repairs are needed, has made recent recommendations to Mr. David Bodenheimer, including the recommendation for certain remedial elevator work which needs to be performed on these elevators. Among the repairs are items involving elevator safety issues, reliability issues and work to extend the useful life of the equipment.

ThyssenKrupp Elevator Corporation has submitted an elevator maintenance contract agreement, based entirely on the comprehensive format that our firm has produced for this project. This elevator maintenance contract agreement is much more inclusive than the current format under which the Association has contracted with Schindler Elevator, and the new format includes 24/7 call-backs for emergency minor repairs, corrosion control responsibilities and a myriad of other benefits too numerous to describe in a few words. These benefits are intended to provide much better cost controls for the Association.

The remedial work recommended by ThyssenKrupp Elevator is necessary for them to take on the responsibility of maintaining the elevators under the new contract format that we produced. At the foundation of the contract arrangement is to keep the elevator in a condition similar to new equipment, and operating in a safe, reliable and dependable condition. At the same time, ThyssenKrupp would be

20 Avenue D, Suite 201 - P.O. Box 906, Apalachicola, Florida 32329-0806 Mobile No. 850.653.5365

Board of Directors, Crystal Tower Condominium Association, Inc.
RE: Recommended Elevator Repairs and Renovation Work
February 5, 2014

Page 2:

required, under the new maintenance contract format, to perform suitable preventive maintenance work aimed at extending the useful life of the equipment, which, otherwise, would continue to degrade at a rapid rate based on the current level of maintenance and environmental conditions.

As a result of the recent ThyssenKrupp Elevator evaluation of the elevator systems, we have identified remedial work which falls into the two (2) following categories:

1. Elevator Design and Maintenance Deficiencies on the part of Schindler Elevator.
2. Environmental Conditions that impact the Elevator Systems.

Attached is an outline of the work recommended by ThyssenKrupp Elevator, along with their estimated time requirement schedules, along with the associated costs for performing such work. All of the work they have recommended is necessary, in our professional opinion, and the costs appear to be in line.

The items listed on the TKE outline of recommended work under A. 2, a through d, are items that are either a result of design deficiency, or should have been provided by Schindler under the current maintenance program.

The recommended work necessary under A. 3, is necessary due to environmental conditions, and would normally be the responsibility of the Association. Having said that, it is in the professional opinion of this Elevator Consultant, Schindler Elevator should have pointed out the need for this work several years ago, before the conditions and resulting damage became so advanced. The rust and corrosion removal, and necessary protective work, would most likely have been less costly if the rust remediation program had been addressed several years ago.

The "other items," and potential costs, addressed by ThyssenKrupp Elevator on the outline of costs, are items that should be covered by the elevator maintenance contract; however, it is doubtful that Schindler would ever want to address these problems in the near term. Elevator no. 1 has apparently had a history of "slipping traction," due to poor maintenance issues on the part of Schindler Elevator. All of this lack of proper attention and preventive maintenance has led to the conditions that currently exist on this elevator, and the existing conditions will only get worse if left unattended. Safety of elevator operation is also of concern with respect to this elevator, due to the improper tensioning of hoist ropes and lack of adequate traction between the hoist ropes and drive sheave on the elevator machine.

We hope these explanations will be of help to the Board, while addressing the elevator systems. In the event any questions exist that have not been adequately covered herein, just let me know.

Kindest wishes and regards,

Robert F. Dieter

LETTER FROM DIETER CONSULTING SERVICES, INC. REGARDING ELEVATORS - FEBRUARY 2014 (2 OF 2)



CRYSTAL
TOWER

Crystal Tower Accelerated Maintenance Control Plan (AMP) and Proposed Repair Timeline Presented by ThyssenKrupp Elevator

- A. Start Date – Tentative March 1, 2014
1. TKE to begin AMP program – AMP program provides a seamless transition from your current service provider to TKE.
 2. Repairs to be completed within first 2 months of service. These items are considered to be safety related issues that should be completed as soon as possible.
 - a. Replace Damaged Hoist Rope Compensation Ropes & Add Anti-Sway Devices in Pit Area - \$13,371 (Work Would Require Approximately 66.6 Calendar Days)
 - b. Install New Electrical Traveling Cables on All Elevators - \$76,983 (Work Would Require Approximately 81.9 Calendar Days)
 - c. Examine and Properly Retention All Hoist Ropes on Traction Elevators Ropes - \$8,989 (Work Would Require Approximately 13.3 Calendar Days)
 - d. Install Three New Governor Ropes - \$12,538 (Work Would Require Approximately 20.2 Calendar Days)
 3. Repairs to be completed in September – October
 - a. Rust Remediation & Painting Work (all elevators) \$159,074 (Work Would Require Approximately 81.8 Calendar Days)

Other items:

- TKE believes that additional damage may exist to the hoist rope drive sheave on the driving machine of #1 elevator, and is unable to determine if the part needs to be replaced until the ropes are fully cleaned, examined and tensioned. The cost to replace the drive sheave is \$9,394. If TKE is the successful bidder for the maintenance contract and is awarded all of the repair work as proposed, TKE will offer to install the drive sheave for \$5,480, which is material cost only. Additionally, the hoist ropes would require replacement on this elevator in the event the drive sheave is not suitable for continued service. Both the drive sheave and ropes would require replacement at the same time. Added cost for replacement of the hoist ropes, if necessitated by sheave replacement, would be \$10,555, added to the cost of the drive sheave materials.
- TKE is flexible on the billing of repair work. We can accept a 35% down payment, and bill for the balance of the work as it is completed. The balance for each repair can be paid

over a period of 9 months in equal monthly payments. If Crystal Tower elects to provide TKE with 100% payment on any of the repairs, TKE will extend a 5% discount for payment in full.

CRYSTAL TOWER ELEVATOR SITE REVIEW - 06 / 15 / 2016
PREPARED BY DIETER CONSULTING SERVICES
PAGE 1 OF 2



CRYSTAL
TOWER

Executive Summary

It is most unfortunate that much of the elevator equipment is exposed to outside elements at all times. While the enjoyment of the Owners and guests is enriched by the atmosphere of outside exposure, those conditions are not good for the elevator equipment. These elevators were designed and intended for installation within a fully enclosed building.

By working together in the past, we have attempted to preserve the elevator equipment as much as possible; however, the ten (10) years of exposure to sometimes very harsh elements has not been kind to the equipment. Aside from the metals suffering from rust and corrosion, which occurs due to extensive moisture from rain and condensation, the various electronic components located in various locations within the elevator control systems are subjected to the same impacts as the metal. Electronic components are caused to fail due to excessive moisture, high heat conditions and other consequences which impact reliability and performance. How well do you think your computer or cell phone would react if dipped in water or salty spray? You now have the answer to the many and frequent elevator system failures. Many of the electronic boards are located inside the hoist way, which is outside the elevator machine room area.

Such components as those related to car and landing call systems, door operators, position indicators and the like are located inside the hoist way area. It is impossible to know when the next failure will occur, or when the elevators will suffer from electronic board failures or high resistance connections in the control circuits. The electronic boards operate on very low voltage, and only minor voltage related variations impact the viability of the components.

All of this leads us to possible solutions to the problems. While we cannot solve all of the problems, we can do things which will reduce the issues dramatically. We can do this by making "smart" decisions regarding replacement of elevator equipment and components. Collectively, we are unable to redesign the building to bring the elevator equipment inside, out of the heat, cold and wet conditions, but we can design equipment which will better accommodate the undesirable conditions which exist in terms of elevator systems.

Our first recommendation is to replace all of the door operator systems on all three (3) elevators, one at a time. All three (3) elevators have two (2) operators on each car. The front doors are all controlled by one operator system, and a second operator system only controls the rear door at the parking level. The door operator systems on all elevators are known to contribute 50%+ of the elevator outages, and door related equipment on these elevators are more likely than not to have similar impact. We would recommend that we start with elevator no. 3, which appears to be the most troublesome elevator in terms of door related issues. The work to replace all of the door related equipment, including car door panels, (hoist way door panels would not be replaced). The selection of more suitable components is extremely important at this time, in order to gain the most advantage possible in terms of ability to withstand the harsh elements which impact the elevators. Complete, highly detailed, technical specifications would need to be composed to achieve the highest possible results from the door operator equipment replacement. Additionally, the car door panels and electronic door safety edges would be replaced to achieve the most advanced, safest systems available at this time. While all of the door operator systems need to be replaced, a trial of installing the equipment on one (1) elevator would provide a good test to see if the expected results are as anticipated after the work has been accomplished.

CRYSTAL TOWER ELEVATOR SITE REVIEW - 06 / 15 / 2016
PREPARED BY DIETER CONSULTING SERVICES
PAGE 2 OF 2



CRYSTAL
TOWER

Executive Summary (continued)

The next major issue is that the Board of Directors should anticipate the complete replacement of all of the elevator controller systems in the next 4-5 years. This work would include replacing all of the sensitive components with a completely new control system wherein there would be no hoist way mounted electronic boards impacting elevator operation, as well as the replacement of all car and landing operating devices with those more able to accommodate the harsh conditions which exist many times per year. The goal – highest degree of reliability and safety of operation available on the market today. This can only be achieved by someone who is highly experienced in elevator design and operation. By working with ThyssenKrupp Elevator, these results can be achieved as anticipated.

The replacement of the entire elevator controller system will be expensive and takes a great deal of time to accomplish. Proper planning is paramount, in terms of down time and the ability to keep the building operational. One (1) elevator out of service at a time is the best approach but moving from car to car as rapidly as possible is necessary to keep the overall time required to a minimum. Fortunately, if we accomplish the door related equipment replacement as soon as possible, that completed work will not require replacement when the overall controller replacements are scheduled for replacement. This allows for an incremental type replacement process. The replacement of the elevator drive controls, car controls, landing controls and all of the necessary wiring in machine room and hoist will require approximately 32-34 weeks for the three (3) elevators. Once the work is started, we must complete the work since the new control systems will not be able to communicate with the existing systems.

The work being provided by ThyssenKrupp Elevator appears to be the best possible solution for the Board. The employees and management of ThyssenKrupp have been found to be talented, ambitious, and aimed at providing the best possible service on this equipment, even though they have spent a great deal of time, resources and energy trying to minimize the outages which the installing company neglected to consider when they designed and installed the equipment. The majority of the elevator related problems, in the opinion of this elevator consultant, are the result of advanced exposure and age of the various electronic components, which were not designed to operate in the environment in which Schindler Elevator installed them.

MAJOR ELEVATOR PROJECTS



CRYSTAL
TOWER

It is important to understand that the phased approach for these projects allowed the building to remain open and operating. If the work was done all at once, the building would have been closed for the nearly 2-year duration needed to complete the work and a significant one-time assessment (estimated \$10,535/unit) would have been required to cover the costs associated with this modernization. By completing these repairs in a phased approach, the Association was able fund the majority of the expense with the Reserve Fund. While no one likes the fact that the Elevators were not operating effectively earlier in 2021, the Board and Staff, as well as TK Elevators, were doing all they could to keep progress going. **The safety of Owners and Guests is the most important factor to consider.**

- **Rust Remediation (2014-2015) Completed (\$371,000)**
 - Project to remove all rust from the Structural Steel Components in the Elevator Shaft, priming and repainting. In addition, the Travel Cables on all 3 Cars were replaced.
- **Elevator Modernization- Phase I (2016-2017) Completed (\$566,000)**
 - Project to replace all of Door Operating Systems on the three Elevators. During this Phase, all of the Hoistway Door Guides and Hardware (3 Guides/Floor), Cab Door Stainless Steel Coverings and Door Sensors were replaced. (Note: \$50,000 savings to modernize all 3 cars at once)
- **Elevator Modernization- Phase II (2020-2021) Ongoing – expected completion 4Q 2021 (\$854,000)**
 - Project to replace analog controls with digital system with sealed controls that will last longer, be more reliable and better suited to our saltwater environment
 - Main Controls, which are “The Brains” located in the Elevator Control Room that operate the three Cars will be replaced. **Completed for Cars 2 and 3**
 - A new Elevator Display Board will be installed in the Lobby Office. **Completed**
 - Each Car will be outfitted with a new LED Display and Operating Panel with Stainless Steel Buttons and LED Lights. On every floor, New Hall Stations with Stainless Steel Buttons, and Position and Floor Jamb Indicators all with LED Lights will be installed. One added feature will be a second Hall Station on each floor. **Completed for Cars 2 and 3**
 - In addition, new Car Rollers will be installed on Cars 2 & 3. **Completed**

Note: Phase II project was scheduled to begin September 12 with a 9-month completion target (mid-June 2021). However, Hurricane Sally as well as the global health pandemic impacted the timeline for this project. Work began in October 2020 and the updated controls were installed in cars 2 and 3. However, the Board made the decision to delay work on Car 1 until after high season to allow Owners and Guests to have access to all three elevators. Work on Car 1 will begin again in late August and all 3 Car Interiors will be updated with new Walls, Lighting and Flooring. The Board was able to renegotiate the cost of the project, saving approximately \$60,000. Even with the extra cost to remobilize and any unforeseen expenses from the Elevator Modernization, the Board was able to successfully negotiate with TK to hold their original contract pricing.

SECURITY AND EMERGENCY MANAGEMENT



CRYSTAL
TOWER

Fire Protection Services

- Annual Fire Inspection and 5 Year Testing Program and Replacement Parts 05/2020 (\$8,657)
- Replace Boards and Reprogram Modules in Fire Plan 01/2019 (\$9,782)
- Annual Fire Inspection and Deficiency Repairs 04/2019 (\$4,523)
- Annual Fire Inspection and Deficiency Repairs 04/2018 (\$1,910)
- Replaced Impeller and Gaskets on all Water Pumps 11/2018
- Switched Vendor from Hunter's Security to VPF Fire Systems
- Annual Fire Inspection and Deficiency Repairs and replaced 43 Fire Extinguishers 04/2017 (\$4,427)
- Annual Fire Inspection and Deficiency Repairs 04/2106
- Annual Fire Inspection and Deficiency Repairs 04/2015
- Conducting review to determine cost to replace Current Fire Panel (estimated \$100,000 to \$150,000). Our current fire plan is at maximum capacity

Disaster Recovery Plan

- Board is developing and documenting a hurricane and tropical storm disaster plan

Security Guard Services

- Added additional security support on Sat/Sun (11a to 7p) during high season to enforce the pool rules and check for wristbands 5/2021
- Implemented enhanced Security Digital Guard Tracking Service 12/2019
- Security Monitoring System Installed 08/2016

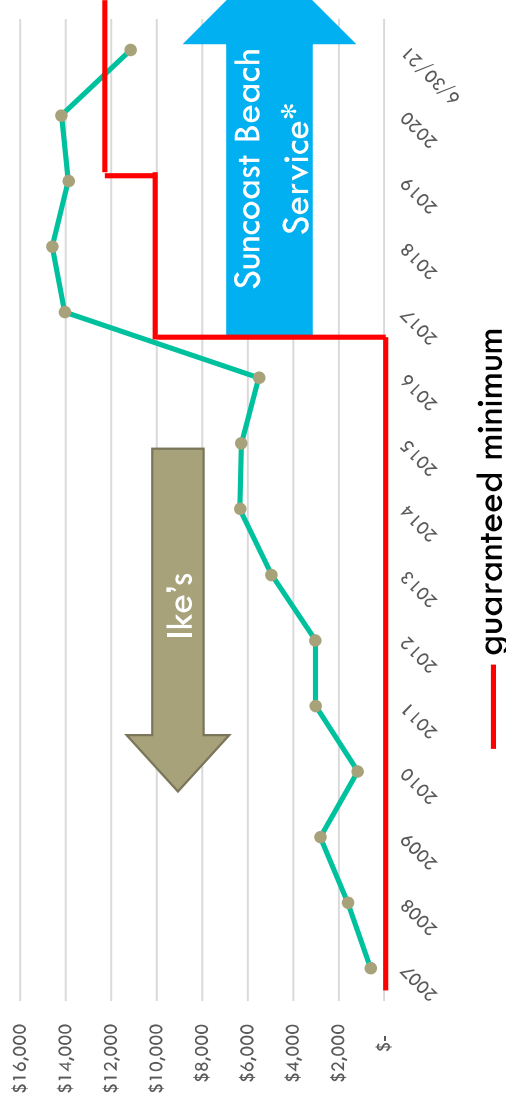
BEACH SERVICE AND SECUREVISION



CRYSTAL
TOWER

Beach Service Contract and Revenue

- Contracted with Suncoast Beach Chair Service 12/2016
- Associates receives 25% of Total Sales with \$10k Guarantee (Increased income by 100%)
- Renewed Beach Chair Agreement with Suncoast 12/2019
- Increased minimum to \$12k in 12/2019
- New beach chairs and umbrella 03/2021



*Suncoast Beach Service is not affiliated with Young's Suncoast Vacation Rentals

SecureVision

- Initial SecureVision Contract signed 2008
- 5-year term for \$49.99/unit per month
- internet speed 2mbps/1mbps
- Renegotiated contract with SecureVision in 2015
- Upgraded to Dish Satellite Basic Plus HD with 120 channels/Digital Local Channels, new cable receiver and new digital phone in all units
- Improved internet speed to 12mbps/3mbps
- \$65.00/unit per month
- Renegotiated contract with SecureVision in 2019
- Upgraded to Dish Expanded Park with 200 Channels
- Installed new Dual Band Routers in all units
- 9 Security Cameras Installed around property and monitor in office
- 55' 4K LED TV in Lobby Area
- Added (5) cable outlets and receivers in Fitness Area and Office
- improved internet speed to 100Mbs/50Mbs
- \$75.00/unit per month

POOLS & SPAS



CRYSTAL
TOWER

<p>Ongoing Pool Maintenance</p> <ul style="list-style-type: none"> • Pools cleaned and serviced daily • Paint Pool Coping Annually • Level Brick Pavers around Pool and Spa Areas Annually • Recondition Pool Chair Strapping as needed <p>2021</p> <ul style="list-style-type: none"> • Installed Temporary Stairs to Boardwalk 01 /2021 • Installed Temporary Fence Support for Southwest Fence 05/2021 <p>2020</p> <ul style="list-style-type: none"> • Recoated West Gate 02/2020 (\$500) • South and North Hot Tub Tile Repair 05/2020 • New Dehumidification & Heat System Indoor Pool (\$53,500) • New Pad for HVAC Condensing Unit Repair Pavers for East Side of Indoor Pool <p>2019</p> <ul style="list-style-type: none"> • Replaced North and South Pool Lights to Color Changing LED Lights 02/2019 • Replaced South Pool/Spa Light Fixtures and replace with LED 03/2019 • Replaced South Pool Furniture 02/2019 (\$18,100) • Indoor Pool Heater Replaced 02/2019 • Two North Spa Heating Elements Replaced 02/2019 • Replaced Boardwalk Flooring, Railing, Spindles and Shoe Caddy with Composite and Pressure Treated Wood. Added new Wash Station 03/2019 • Installed New Emergency Phones South & North Pool Areas 07/2019 • South Pool Main Filter Replaced 09/2019 • Replaced Two Trash Cans South Pool 03/2019 • Rebuilt South Pool Main Pump 07/2019 	<p>2018</p> <ul style="list-style-type: none"> • Removed and Installed New Drain in South Pool Wash Station Area 08/2018 • Replaced Sand Filter South Spa 02/2018 • Repaired South Pool Leak 02/2018 • Replaced South Pool Large Pump 10/2018 • Renovation of Wash Station Area Composite Decking and Spray Wash Stations 03/2018 • Added Ramp to Boardwalk 04/2018 • Impeller and Gaskets Replaced on all Spa Water Pumps 11 /2018 • Replaced North Pool Furniture Phase I of II (Price Locked through 2020 for Phase II) 04/2018 (\$4,300) <p>2017</p> <ul style="list-style-type: none"> • Installed Shoe Caddy on Boardwalk 08/2017 • Concrete Slab and Paver Repair 10/2017 • Recoated Gate and Fencing at South Beach Entrance and Gate at North Pool Entrance 10/2017 <p>2016</p> <ul style="list-style-type: none"> • New Shower Stations at South Pool 08/2016 • North Pool Spa Repair & Tile Replacement (Diamonds in Seat) 09/2016 <p>2015</p> <ul style="list-style-type: none"> • Refilled Exterior and Interior South Hot Tub 04/2015 • Replaced Lazy River Pump Motor 04/2015 • Replaced Indoor Pool Dehumidifier Motor 11 /2015
--	---

COVID-19 IMPACT TO OPERATIONS



CRYSTAL
TOWER

- Board was proactive with the unknowns of COVID-19, the Board and Staff were proactive in implementing safety measures to reduce the risk of spread of the virus on the property.
 - Pools, Carpet runners, Trash Pick-Up services were reduced to save expense dollars due to reduced capacity
 - Purchased Misting Machine to spray common areas to reduce the risk of spread
 - Implemented Enhanced Cleaning protocols
 - Approved Summer Bonuses for CT Staff from extra responsibilities due to COVID-19 and Staff Shortages
- Board quickly responded to State Health Department mandates
 - Closed Pools, Fitness Centers, Hot Tubs
 - Beaches closed
- Annual Owners' Meeting Postponed due to COVID-19 situation
 - Updates provided by letter and email
 - Complex was closed to guests in April, but quickly reopened when the State of Alabama lifted restrictions

HURRICANE SALLY RECOVERY



CRYSTAL
TOWER

- Remediation invoice for SERVPRO Services \$2.1 million **(paid)**
- Final loss report of \$2.1 million (November 2020) was fully approved by Insurance Adjuster giving the Board the ability to renegotiate the invoice. The Board was successful in lowering the invoice amount to \$1.7 million resulting in savings of \$400,000. Negotiations were conducted without an attorney/public adjuster, saving 30% (\$120,000) in fees which would have reduced the \$400,000 savings to \$280,000.
- **Savings generated from SERVPRO were used to replace the original Built-Up Roof System. During Jansen/Adjusters and Willoughby's Roof Inspection, it was determined there was damage caused by Hurricane Sally and they recommended a 100% Replacement. The new Roof is a Single Ply Membrane which has a 20-year warranty and cost \$390,000. This is about 50% less than cost to replace the Built-Up Roof System. The new Roof also resulted in savings for the new 2021-22 Insurance Policy.**
- Reconstruction invoice for work performed by Upland Hospitality Group \$1.2 million **(paid)**
- Lodging, travel and per diems totaling \$350,000 was not going to be covered by the Insurance Adjuster; Board was able to negotiate with carrier to cover these costs and approve the full amount of \$1.2 million, resulting in no expense to the Association. In addition, Board negotiated to reduce the profit and overhead charges on these items resulting in an additional savings of \$50,000 allowing the Association to self-fund additional in-flight projects.
- Outstanding Balance on Centennial Bank Line of Credit is \$400,000
- Several complexes in GSA/OBA are still closed for repairs. Fortunately, Crystal Tower has made significant progress on the recovery effort and is one of the very few complexes that reopened soon after Hurricane Sally. The Wind Driven Rain Review is still underway (see next slide).

WIND DRIVEN RAIN REVIEW



CRYSTAL
TOWER

As was shared at the Hurricane Salley Information Meeting on December 7, 2020, the total claim for damage related to Hurricane Sally was \$3,992,128. To date, the Association has received \$2,462,428 from insurance proceeds. The additional hurricane-related expenditures of \$418,300, plus the WDR shortfall, total \$1,870,000 or \$11,000/unit assessment.

- Signed Agreement through Craven & Perry, PLLC to use Jansen/Adjusters International to review the Wind Driven Rain Shortfall [12/2020]
- Willoughby Roofing and Sheet Metal performs a Main Building Roof Inspection with Jansen/Adjusters Field Engineer and determine damage caused by Hurricane Sally and recommends a 100% Roof Replacement [02/2021]
- Several Jobsite Trips made by Jansen/Adjusters Team [03/2021-05/2021]
- GCI Consultants make jobsite visit to perform a Visual Inspection of the Patio Doors and Windows on 5 Condos [03/2021]
- Several discussions take place between Jansen/Adjusters and Sedgwick (Insurance Adjuster) to obtain additional information on the Hurricane Sally Claim and status of payment of Supplemental Claims that were approved [03/2021-05/2021]
- C-Sharpe assembles actual costs to repair the East and North Walls, North Front Entrance East, Parapet and Pool Exterior Walls and Main Entrance Portico Soffit. Estimate is submitted to Insurance Adjuster for review and is approved [04/2021]
- Site Meeting held with Board, Management & Jansen/Adjusters to discuss status of Wind Driven Rain Review [04/2021]
- Sedgwick hired a Field Engineer to perform a Field Inspection at Crystal Tower [04/2021]
- GCI Consultants hired to perform an in-depth Inspection of Patio Doors and Windows on all 170 units. Report will be available in 3Q 2021
- Jansen/Adjusters continues to have conversations with Sedgwick to obtain Field Engineer's Field Report [07/2021]
- The Association has not received any additional proceeds from the claim under review by Jansen, but we are hopeful that we will have additional information to share at the Annual Owners' Meeting on September 11

2021 - 2022 PROPOSED PROJECTS

- Stucco Repair and Recoating/Repainting of South Pool house, Gazebo, Skywalk Towers and North Pool Perimeter and Parapet Wall – Fall 2021
- Repaint Elevator Breezeway Walls and Ceilings - Fall 2021
- Complete Elevator Modernization Phase II and Update Cars 1, 2 & 3 Interiors - Fall 2021
- Skywalk Repainting – File Supplemental Claim with Insurance Company
- Tile Replacement in North and South Spas – Fall/Winter 2021-2022
- Front Condo Entry Door Replacement – Fall/Winter 2021-2022
- Sealcoat and Restripe Main Parking Lot and Horseshoe Driveway – Fall/Winter 2021-2022
- Repair South Spa Drainage – Fall/Winter 2021-2022

Other Projects on the Table

- Recoat East and North Exterior Walls
- Retrofit East Unit Exhaust Fans
- Reconditioning Shrub Areas around the Complex
- Renegotiate or Replace Waste Disposal Contract

