



April 26, 2021

Dear Owners,

Activity at Crystal Tower remains strong. Based on bookings, 2021 is shaping up to be a record year! Guests are booking far in advance and are paying higher rental rates. Earlier last week it was announced that 27% of the condominium complexes in the area remain closed from the damage caused by Hurricane Sally. Several complexes have extended their reopening schedule by several months, while other properties have had to shut down temporarily to recover from the hailstorm that passed through the area on April 10<sup>th</sup>. We are fortunate to be operating this season.

Most everyone is aware that there have been run issues with Car 3, which has taken it out of service at different times. The recurring problems have been related to the Elevator Brakes and Drive. This is where the Main Controls communicate with all of the components of the Car: when it needs to slow down and how fast; when it stops on the selected floor; when the doors need to open and how fast; how long they remain open; when they need to close and how fast; when the brake needs to be released; and when the Car is put back in motion and how fast. This work has to be completed for each floor (Floors 2-20, Lobby and Parking Level). The Elevators are highly technical and complex pieces of equipment and every component has to be programmed precisely in order for it to operate correctly.

The only way to determine if any issues were present on Car 3 was to place it back in service. During the past two weeks, several error codes were generated. In each case, TK has worked through each item to reduce the number of faults. Several factors that compounded the problem include: Car 3 sat idle for 6 months, there was increased Elevator demand with the influx of Owners and Guests and a major storm that hit the morning of April 10.

Currently Car 3 will run 1-3 days before shutting down. TK Elevator is committed in getting the issues resolved with Car 3. Whenever Car 3 is out of service due to run issues, whether during the day, evening or weekend, TK has always responded quickly to rectify the problem. Each time they are onsite, the settings on the Brake and Drive Systems are fine-tuned. If the settings are increased too much, this will make matters worse.

I received confirmation yesterday from David Eddy, TK's Branch Manager, that TK will have an IT Tech Specialist along with the Service Techs, at Crystal Tower working to resolve Car 3's issues starting today. The Tech will work closely with TK's Main Office IT Department to get the issues resolved. The Tech will remain on property until Car 3 is fully back in service.

As stated in my letter dated 08/12/20, the Board engaged the services of Dieter Consulting Services, Inc. in 2014. Bob Dieter has over 57 years of experience in the Elevator Industry. He is well aware of the current situation of Car 3 and has provided assistance. In my recent conversation with Bob, he stated, "There is only a handful of excellent and reliable Elevator Companies in the marketplace. TK Elevator is one of the best." He is very confident that this matter will be resolved.

This week TK will be reassessing their schedule for completion dates for Cars 2 and 1. Once this information is known, it will be shared. In the meantime if you would like to know the history of the Elevators at Crystal Tower, I would encourage everyone to reread the letter dated 08/12/20 (attached).

On Friday, April 16 DeAnn and the Board met with 6 TK Elevator associates, including the Branch, Mod Operations and Account Managers, and Lead Elevator and Service Techs. During the meeting, several items were discussed with the primary topics being completion date and Car 3. It was reiterated several times how important it is to get Car 3 back in service and completing the Elevator Modernization- Phase II prior to the peak season. As you can see, the Board has been working diligently to get the elevators back in operation.

Additionally, the Board met on Saturday, April 17 and wanted to share the following updates with you:

DeAnn and the Board met with Denise (Dee) Love and Edgardo Betancourt (Beta), with Jansen/Adjusters International, on Friday, April 16. Dee and Beta presented information on their findings as they continue to build their case on Wind Drive Rain from Hurricane Sally. They also shared GCI's Consultants' Proposal to inspect all of the Patio Doors and Windows at Crystal Tower. The Board discussed this at Saturday's Meeting. A follow up conference call will take place to determine how to best proceed. Jansen/Adjusters will be handling getting the unpaid insurance reimbursements from Hurricane Sally.

The Board approved the reroof of the Main Building with a Single Ply Membrane Roof System. The current roof is a Built-Up System that was installed when Crystal Tower opened in 2006. Willoughby Roofing and Sheet Metal was selected to remove the existing roof and install the new roof. The cost of this project will be approximately \$390k, which is \$442k less than a Built-Up Roof. It will take 3-4 weeks for material to be delivered and 6 weeks for the removal and installation. Willoughby will do all of their staging from the east side of the building. Willoughby also did a Roof Inspection and assembled a detailed report of their findings. This report has been submitted to Jansen/Adjusters International. Jansen/Adjusters will include this report with their submittal on Wind Driven Rain Review.

In regards to the SkyWalk, a darker color was selected and material ordered for the replacement Trim and Flashing. Once items have been fabricated, an installation date will be set. Shelby Kirk will be onsite this week to take photos of the peeling paint on the SkyWalk Structure. The photos will be sent to Jansen/Adjusters International and will be submitted with their report.

C-Sharpe Co., LLC is wrapping up the Stucco recoating of the North Entrance Exterior Walls by the Crystal Tower Signage and Indoor Pool (East Walls) and Entrance (North Wall), and restoration of the Crystal Tower signage. The week of May 3, they will be onsite to address the Soffit Portico area at the Main Entrance. C-Sharpe will repair the hole and repaint the entire soffit. If the weather cooperates, the project schedule should take 3 to 4 weeks to complete. They have also repaired the hole on the 13<sup>th</sup> Floor by the Maintenance Room.

During the storm of April 10, a large piece of marble was removed from one of the Entryway Columns due to the high winds. Fortunately there is one large piece in our inventory that can be used to replace the broken piece. DeAnn is looking for a company to do the repair work.

Sedgwick, who has taken over the Hurricane Sally claim from Civil Logistics, has hired Steve Mickelson, an outside Field Engineer from Halliwell Engineering Associates, Inc., to do a field inspection of Crystal Tower. He will be onsite on April 28<sup>th</sup> and 29<sup>th</sup>. Since the Insurance Adjuster has already been to the site prior to Remediation and Reconstruction and approved invoices, proposals and generated a Proof of Loss, Jansen/Adjusters say there is no real reason to do this review; however, the insurance company is proceeding. Steve will inspect the entire building exterior. Even with the Recovery completed on the interiors, he will inspect the individual Condos, which could be some or all units. Dee and Beta, along with DeAnn and Bill, will accompany Steve. If you come in contact with him, please do not interact with him.

Todd Dalton and Warren Hopper, with BXS Insurance, shared the Property Risk Assessment Report for Crystal Tower at the Board Meeting. The report is a detailed analysis with historical data. With the insurance renewal date of May 25 just around the corner, Todd is already working the market. The Board along with BXS Insurance will have a Zoom Meeting the week of May 17 to share information and answer any questions. A date and time will be communicated this week.

The Board discussed the South Pool House Gazebo, SkyWalk Columns and North Pool as a possible Fall/Winter 2020 Major Project. Since December, the current condition of the Pool House has worsened and is in dire need of repair and Stucco recoating. The proposal the Board received from C-Sharpe in September 2020 was \$432k. This included hiring a consulting firm to analyze the Pool House Roof Deck.

Another Major Project in the works is the Condo Front Entry Doors. The current doors have been repainted several times and are no longer weathertight. DeAnn is looking into other door options. If the doors are all purchased at once we can hopefully negotiate better pricing. Any cost savings that the Board is able to obtain will be passed along to the Owners, as it is each owner's responsibility to maintain a condo-compliant front entry door.

DeAnn is finishing her third week as Property Manager and has done an excellent job! If you have not yet met DeAnn, I recommend introducing yourself the next time you are on the property. Vonche (Von) Burt is the new Security Guard. Von will cover Wednesday to Sunday Nights. Bobby will continue to cover Monday and Tuesday nights. As always you can contact the IPSC guard on duty at (251) 597-2233 Cell or (251) 981-9955 Main Office.

The Board would like to thank all of the Owners who have paid their April Assessment Payment or paid in full. To date the Association has collected \$1,173k. This allows the Association to continue with the Recovery efforts. A "Big Thanks" to all Owners who have personally reached out to the Staff and Board thanking them for their accomplishments that have taken place at Crystal Tower during the past 7 months. As I mentioned before, we are all "One Team." Working all together will allow us to rebuild Crystal Tower back to being a "Premiere Vacation Destination!"

Regards,

Kevin  
President, Board of Directors

Attachment



August 12, 2020

Dear Owners,

I hope that this letter finds you all staying safe and healthy. I would like to update you on the next Major Project that has been scheduled.

The three Elevators are the primary mode of transportation that service all of the amenities at Crystal Tower. Even without The Hangout Festival and Student Life Groups, Crystal Tower hosted a record number of Owners and Guests in the months of May, June and July. With the increased number of passengers and Social Distancing Mandate, the Elevators were operating at maximum capacity. Keeping them up to date and having them operate efficiently is key to servicing our Owners and Guests.

Back in 2014, the Board hired Dieter Consulting Services, Inc. as Crystal Tower's Elevator Consultant. Bob Dieter comes with 57 years experience in the Elevator Industry. He has been a huge asset and played an integral role in selecting thyssenkrupp Elevator Corporation as the contractor to handle all of our Elevator needs. Since being on the property, TK has drastically reduced the amount of service calls and downtime.

To date, two Elevator Major Projects have been completed. The first was Rust Remediation, which occurred in 2014-2015. This entailed removing all of the rust from the Structural Steel Components in the Elevator Shaft, priming and repainting. In addition, all of the Travel Cables on all 3 Cars were replaced. Elevator Modernization- Phase I, which occurred in 2016-2017 involved replacing 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.

The next Major Project will be Elevator Modernization- Phase II. The current controls are analog, which in technological terms is an antiquated system that is 20 years old and very unreliable. Parts are becoming harder to find, with longer lead times and much more expensive to maintain. The new system will be digital with sealed controls that will last longer, be more reliable and better suited to our saltwater environment.

In Phase II the Main Controls, which are "The Brains" located in the Elevator Control Room that operate the three Cars will be replaced. A new Elevator Display Board will be installed in the Lobby Office. Each Car will be outfitted with a new LED Display and Operating Panel with Stainless Steel Buttons and LED Lights. These will replace the old outdated plastic buttons that have now become dimly lit and require more maintenance. 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. In addition, new Car Rollers will be installed on Cars 2 & 3. The Board is still in discussion on whether or not to update the Interior of the three Cars.

The Project will begin the week of September 12. The cost for Phase II will be \$790k. The overall replacement process will take 9 months, with the Tentative Completion Date in mid-June 2021. During this time, one Car will be out of service for a period of 12 weeks leaving two remaining Cars operational. As the Project progresses, Jay will provide you with more detailed updates.

Thanks in advance for your cooperation as the Board and Staff keep Crystal Tower a "Premier Vacation Destination!"

Regards,

Kevin  
President, Board of Directors