

**Crystal Tower Condominium Association, Inc.**  
**Homeowners Association Meeting**  
**September 11, 2021**

Board President Kevin Logsdon called the meeting to order at 9:10 AM.

Introductions were made, Board members present included, Kevin Logsdon, President, Kris Bishop, Secretary/Treasurer and Robert Monsein, Director. Shelby Kirk, Vice President was unable to attend. Representing Young's Suncoast were David Bodenhamer and Property Manager, DeAnn Duhon. Also present were Daniel Craven of Craven & Perry, LLPC, Attorney for the HOA and Robert Dieter of Dieter Consulting Services. Ron Sikes, Owner of 2009 and Sharri Logsdon, Owner of 1203,1609, and 1709 assisted with the Zoom presentation of the meeting to Owners unable to attend in person.

Kevin Logsdon opened the floor for final approval of the 2019 Homeowners Association Meeting minutes. All were in favor and the 2019 Homeowners Association Meeting minutes were approved.

Kevin Logsdon introduced Denise (Dee) Love of Jansen/Adjusters International who addressed the meeting via Zoom. Mrs. Love presented information regarding the Hurricane Sally Wind Driven Rain Review. She gave a brief overview of Jansen/Adjusters International and the services they provide. Mrs. Love reviewed the Crystal Tower Statement of Loss and explained how the supplemental claim amount was determined to be \$6,003,393.98. A timeline was presented to show the actions and progress of Jansen/Adjusters International on behalf of Crystal Tower which concluded with the information that a "hostile" POL has been created and will be sent to Thomas Caldwell (Sedgwick) by Attorney Craven along with making all the supporting documentation available to them. It was explained that if negotiations with Sedgwick do not go well there would be two options for the claim, either Arbitration or a Lawsuit.

Daniel Craven then spoke about wind driven rain, the cap on the Wind Driven Rain portion of the Insurance Policy and how the studies that have been conducted at Crystal Tower are to prove that there was a breach of the building due to the storm. Mr. Craven explained that Crystal Tower's Insurance Policy allows for Arbitration

and that the Arbitration would occur in Nashville, Tennessee. Mr. Craven reviewed the position of Crystal Tower in comparison to other properties in Gulf Shores and Orange Beach. He also explained that the Insurance Contract indicates it is up to the Insured to prove their loss. The “hostile” POL has been created and will be submitted in the coming week. The POL indicates the loss amount demanded by Crystal Tower and provides 30 days for payment or negotiation by the Insurance Company. If after 30 days payment has not been made, then Crystal Tower can proceed to activate the Arbitration clauses. The floor was opened for discussion.

An owner asked how long Arbitration would last. Mr. Craven stated that he expected it to last 1 year. The same owner asked if fees for Jansen/Adjusters International and Attorneys could be included in the claim and be reimbursed. Mr. Craven stated it could be requested but most likely would be considered the cost of doing business and would not be reimbursed.

An owner asked if there would be a need for litigation if Crystal Tower had a larger insurance policy for wind driven rain. Mr. Craven explained that it is very difficult to get increased coverage for wind driven rain and that even with an increased amount there would still be a need for litigation.

David Bodenhamer reviewed the current financials and stated that Crystal Tower was in decent financial shape. Kevin Logsdon noted that there is an outstanding invoice from Willoughby Roofing for approximately \$440,000.00 that will be paid once the Warranty Inspection of the Main Roof and Skywalk are complete. The other large expense remaining to be paid is to ThyssenKrupp Elevator for the Elevator Modernization that is approximately \$71,000.00.

Robert Dieter provided an overview of the elevator system at Crystal Tower. He explained why the switch from Schindler Elevator to ThyssenKrupp Elevator was a needed transition. Mr. Dieter briefly spoke about the maintenance contract Crystal Tower has with ThyssenKrupp Elevator. He also discussed the performance of the elevator equipment in a Coastal environment. Mr. Dieter discussed the installation of the new control systems and the recent door equipment replacement. He noted there will be an upcoming need to have the door panels replaced. Mr. Dieter discussed the benefit of modernizing and maintaining the elevators vs. purchasing

brand new elevators. He stated that currently new elevators generally have a 10-year life and are “throw away” which means they would be discarded and replaced at a current approximate cost of \$1 million dollars per elevator. Mr. Dieter stated that Crystal Tower has the bones of something that would last much longer than 10 years. The floor was opened for discussion.

An owner asked what is inspected during the annual elevator inspection and why were the poor insulation techniques not have been addressed sooner? Mr. Dieter explained that only the safety components of the elevator are checked by an Official of the State or a 3<sup>rd</sup> Party Representative of the State and not failure or poor workmanship of the elevator.

Kevin Logsdon noted that the Crystal Tower HOA has saved significant amounts of money by completing the elevator modernization in phases and that the actual structural portion of the doors would be the next major project regarding the elevators. Mr. Dieter noted they would most likely need to be replaced in the next five years. Kevin Logsdon also discussed issues with Elevator Car 4 located at the South Pool House and that there are pending proposals from ThyssenKrupp to perform needed updates to that elevator as well. Mr. Logsdon also explained that when ThyssenKrupp returns for set up to complete the modernization of Elevator Car 1 there will be no additional charges for set up and that ThyssenKrupp will be reducing their monthly service fee by 10 to 15 percent over the next 6 months. Mr. Logsdon also stated that safety is always the number one priority of the Crystal Tower HOA.

Mr. Dieter discussed the need to be proactive in maintaining an elevator system and how in a coastal environment it is a battle against the elements and the resulting rust. An owner asked if the elevator control room was climate controlled and Mr. Dieter answered yes. He stated it is a clean and climate-controlled environment with a small opening for the elevator cables. There was discussion about the different coatings on the elevator components to prevent and control rust.

An owner inquired about enclosing the elevator landing at the parking level and it was explained all the elevator landings of the building would have to be enclosed in order for that to be a solution which would not be feasible.

An owner asked if Crystal Tower could staff a maintenance person with elevator repair cross training and Mr. Dieter explained that elevator trade companies do not offer courses to anyone outside of their profession that would enable them to work on an elevator and that is most likely due to liability. Mr. Dieter explained that the best Crystal Tower could do was to find an elevator company that does a good job and maintain costs by having an elevator maintenance contract. Mr. Dieter noted that elevators are typically designed to only last 20 years. The floor was closed for discussion regarding elevators so the meeting could continue in a timely manner, but it was noted that Mr. Dieter would be available to answer questions afterward and that his presentation would be emailed to the Owners.

Kevin Logsdon presented an overview of the revenue generated from the agreement between Crystal Tower and Suncoast Beach Service. It was noted that as of July 31, 2021, \$15,861.00 had been generated from beach chair revenue during 2021 and that the contract with Suncoast Beach Service for 2022 would be negotiated in December 2021.

Kevin Logsdon discussed Guest Reservation Certificate (Parking Pass) revenue. It was noted that GRC sales generate approximately \$150,000.00 in revenue each year for the HOA and assist in keeping HOA dues low and with other expenditures. Mr. Logsdon discussed the number of parking violations that are being issued by Security and possible options for a consequence of not having a GRC or a properly filled out GRC such as towing or booting vehicles.

David Bodenhamer provided an Insurance update. Mr. Bodenhamer stated the Crystal Tower Insurance was renewed in May 2021 as it is done in May of every year. It was noted that the Crystal Tower documents provide that every three years the building is to be reappraised for replacement cost to ensure the proper level of coverage is purchased for replacement should there be a loss. Mr. Bodenhamer reviewed the Coverage, Companies and Amounts of Coverages and Premiums. He provided the contact information for BXS Insurance who is the Agent for the Windstorm/Property Insurance and for Marengo Insurance who is the Agent for the Flood Insurance. Mr. Bodenhamer noted there was an increase in the cost of the insurance due to numerous storms on the Gulf Coast in 2020. Mr. Bodenhamer explained that Crystal Tower has good coverages and explained the differences in coverages for the HOA Master Policy and Individual Owner Policies. He

encouraged Owners to review their individual policies and ensure they have adequate coverage. The Floor was opened for discussion.

An owner asked that since there was an increase in the cost of coverage how that cost would be covered? He asked if the budget would be trimmed, if there would be an increase in monthly HOA fees or if there would be an assessment? Mr. Bodenhamer answered that when the budget was adopted in January 2021, he recommended that the Board maintain the same budgeted amount for insurance, which they chose to do, and wait to see exactly what the increase would be at the time of the insurance renewal. In January 2022 a decision will have to be made to address the shortage.

An owner had a question via Zoom regarding GRCs and if those could be sold at Crystal Tower instead of purchased at the Young's Suncoast office in Gulf Shores. Mr. Bodenhamer noted that decision would have to be made by the Board of Directors. Kevin Logsdon stated it could be a possibility and the Board would look at a future meeting.

Another owner expressed their frustration via Zoom about the parking violations and asked for details of how violations are currently issued and addressed and what might be done to prevent violations in the future. DeAnn Duhon explained the current system in place and that other options were being explored to ensure the HOA is receiving all the revenue from GRC sales

Daniel Craven expressed that in his experience it seemed most violations come from guests of Owners who do not use a Property Management Rental Program but are managing the rental of their condos themselves. He noted that he represents many HOAs in the area and that an Owner of another Association recently received a large fine for grossly violating policy by reusing GRCs. Mr. Craven suggested implementing a fine for an owner who violates the policy.

Kris Bishop presented information regarding the Management Agreement between Crystal Tower and Young's Suncoast Management. It was noted that Young's Suncoast has provided management services for Crystal Tower since the building came online in 2006. Kevin Logsdon explained that all staff at Crystal Tower are employed by Young's Suncoast Management or a Staffing Company such as Premiere Staffing Services. He also stated that Security Services are provided by

IPSC. Kris Bishop noted that the HOA does not have employees. The floor was opened for discussion.

An owner stated they have seen items thrown from the south balconies since their arrival and questioned what is being done to address this issue. Kevin Logsdon replied that the HOA has been in negotiations with Verkada to purchase additional cameras that would allow Staff or Security to identify where items may be being thrown from and address the violation appropriately.

An owner asked the question of how Security addresses people in the Crystal Tower Common Areas that are not wearing wristbands and if non guests are being allowed to use the Common Areas is there a way to collect revenue from those people. Kevin Logsdon replied that if an owner observes someone in the Common Areas not wearing a wristband and unable to produce a wristband to contact Management or Security so the issue may be addressed appropriately. Mr. Logsdon also stated that due to liability issues only owners and guests of Crystal Tower should be using the Common Area facilities.

DeAnn Duhon provided an overview of the Crystal Tower Staff. She provided introductions, hours and contact information for the Crystal Tower personnel and the IPSC Security Guard.

Kevin Logsdon provided a Crystal Tower 6-Year Project Recap and Proposed Project presentation. This recap was provided to the Owners via email on July 26, 2021. It was noted that the Board has completed over 160 projects and has saved the Association over \$1.9 Million without a special assessment or HOA Dues increase. Mr. Logsdon provided an overview of the 2021-2022 Proposed Projects as well as other Projects on the table. He also discussed the Hurricane Sally Recovery and how the Board was able to negotiate a reduction of \$400,000.00 from the Servpro invoice. After receiving the Statement of Loss from the Insurance Adjuster on 11/19/2020 the Board assembled an Action Plan that increased the Line of Credit by \$500,000.00 to \$1 Million. The total amount needed was \$1.870 Million which resulted in an \$11,000 per Condo Assessment. The Hurricane Sally project was completed in 60 days which was a month earlier than the initial 90 day estimate.

The Crystal Tower Association has a Facebook group page that is listed as Crystal Tower HOA. It was created to allow CT Owners to share information, seek advice and get to know each other in a safe environment. It was noted that the Board does not conduct business on Facebook and Owners with any concerns should reach out to Management or the Board.

Mr. Logsdon expressed that the number one objective of the Board is the efficient operation of the Association and the safety of Owners, Guests and Staff. He encouraged teamwork and communication and how working together will create a positive experience at Crystal Tower for Owners and Guests. The floor was opened for discussion.

An owner questioned why information regarding a Bed Bug Preventative Maintenance program was emailed to owners by Management and if Crystal Tower had a bed bug issue? DeAnn Duhon replied that the information was shared proactively and not because Crystal Tower has a problem with bed bugs. Kevin Logsdon stated that the same information had previously been shared with Owners in 2018. David Bodenhamer also shared that many Associations and Rental Management Programs in the area use this preventative treatment program which, for a yearly fee, provides quarterly preventative treatment and Thermal Treatment if ever needed for no additional fee.

An owner inquired via Zoom about reconditioning of the shrub areas and if it would be possible to remove the live oak tree near the South Pool? Kevin Logsdon replied that the reconditioning of the shrub area would be done in phases and that there had been a recent transition of the landscape maintenance contract to Jubileescape. He explained that the reconditioning was a work in progress and would move forward as time progresses.

An owner had a question about which Proxy forms would be accepted since a Proxy form was sent to Owners by Management and a second Proxy form was created by an Owner and sent out to other Owners. Kevin Logsdon replied that all Proxy forms would be counted at today's meeting but that going forward the Board would like for all Owners to submit the same "Official" Proxy form provided by Management to reduce confusion and ensure all Owners' votes are being counted.

An owner had a question about staff retention and if staff salary was competitive enough to encourage retention? David Bodenhamer replied that Young's policy is to retain the employees in place especially in the current labor market. He stated that Young's salaries are competitive if not above what the average is for the area.

An owner asked how often the pools are cleaned and the pH level of the pool is checked. Kevin Logsdon responded that the pools are cleaned daily usually first thing in the morning and the pH level is checked at that time. Only when there is an incident, such as glass or bodily fluids being released into the pool, would it require special cleaning or require the pH level to be checked again. DeAnn Duhon added that Crystal Tower follows the pool/spa requirements provided by the Baldwin County Health Department.

An owner expressed her concern of seeing Crystal Tower Guest Wristbands on the wrists of servers in local restaurants. She expressed that she feels the Crystal Tower Wristbands have been circulated throughout the community and suggested swapping to disposable plastic bands like are used at waterparks. Kevin Logsdon replied that the topic would be discussed at the next Board meeting.

An owner asked if the Association had ever considered having access control to the South Pool and Beach via the South SkyWalk door. DeAnn Duhon replied it is something that has been discussed but would most likely be expensive but could possibly be put in place in the future. Robert Monsein stated that having the Seasonal Weekend Pool Security Guard seemed to be a great success in monitoring who was accessing the pool and beach area and restricting usage to Crystal Tower Owners and Guests only. Kevin Logsdon requested that any Owner who has any items of concern regarding security to please list those items in an email and send to DeAnn Duhon so they may be addressed at the next Board meeting. Mr. Logsdon noted that the color of wristbands was changed every two years and it may be necessary to rotate them more often.

An owner asked about the pool lights and the parking lot lights not being fully lit and how the issue was being addressed. Kevin Logsdon responded that Maintenance is working on having all the pool lights replaced and all areas well lighted. DeAnn Duhon responded regarding the parking lot lights and stated that

the drivers had been ordered and once received the burned-out bulbs would be replaced.

The Election of Directors was held. David Bodenhamer explained that Proxy forms were attached to ballots and handed out to those designated on the Proxy forms. Ballots were handed out to all owners present and returned to David Bodenhamer. There was a quorum with the Owners present and Proxies received. Kris Bishop, Ron Sikes and Kevin Logsdon were elected by the Owners as the Board Members with a two year term.

The meeting was adjourned at 11:45 AM.