

Crystal Tower Condominium Association, Inc.
Board of Directors Meeting
March 18, 2022

Kevin Logsdon called the meeting to order at 1:00 PM.

Present were Board members Kevin Logsdon, Shelby Kirk, and Robert Monsein. David Bodenhamer and Property Manager, DeAnn Duhon represented Young's Suncoast. Board members Kris Bishop and Ron Sikes joined the meeting via teleconference.

Major Projects were discussed beginning with the Elevator Modernization Phase II. Punch list items and cab door issues were discussed. DeAnn Duhon reported that ThyssenKrupp elevator will be dedicating a technician to Crystal Tower beginning the first week in April to address the manufacturer defective door contacts. The tech will be working at Crystal Tower 2 to 3 days per week changing the current contacts out to the new model until the swap is complete. The manufacturer or possibly ThyssenKrupp will be absorbing the cost of the swap. Wind causing issues with the elevators was also discussed and the need to replace a vent for Car 3 in the elevator hoist way. Also, looking at the Lobby entrance doors and possible ways to adjust their closure was discussed. David Eddy with ThyssenKrupp is supposed to follow up with Taylor Services (generator) do they may work together to correct the issue of the elevators not functioning during the most recent power loss at Crystal Tower. DeAnn Duhon reported that the new boxes for the floor indicators in the lobby have not been installed. ThyssenKrupp reported that the boxes are being fabricated and they would be installed as soon as they are available.

The Gazebo and Pool House recoating project was discussed. C-Sharpe has reported to management that the project is on schedule to be completed by the target date of April 1st except for the metal roofing which will not be available until sometime Mid-April. Management and Robert Monsein reported the tile installation looks fantastic.

The South Spa Retiling and Plaster was discussed. The project stalled due to issues with LA Pools and a new contractor was hired to complete the job. The

project is moving along well and is scheduled to be completed before the April 1st target date for reopening the south side amenities. Kevin Logsdon reported that due to the issues with LA Pools the pool service was also transitioned to O'Neal Pool Services who began servicing Crystal Tower on March 1st. Management reported the blower motor for the North Spa was recently rebuilt with a 1 year warranty and discussed the need for a heater for the North Spa. A heater was ordered by LA Pools and placed on back order. Management will follow up with LA Pools to determine the status of that order and possible need to source from another vendor. Management also reported that plaster is falling from the south area of the island located in the lazy river and that there is a crack in the plaster in that area. Bill King, Maintenance, is of the opinion it may be the landscaping may be causing the issue. Management will follow up with Jubileescape to see if the palm trees could be transplanted to another area and with O'Neal Pools regarding repair of the area later in the year. There was discussion of removing the landscape and finding an attractive replacement like possibly a water feature.

The Verkada security camera installation was discussed. Management reported that the camera installation has been delayed due to the weather and that there is an electrical issue that is tripping the breaker and causing the cameras facing the north side of the building to go offline. The installer is to return on Monday to complete the installation and address the electrical issue. Management reported the cameras should be fully functioning by the end of the next week.

The SkyWalk roof and repainting was discussed. Management reported that a claim has been opened with the TPO membrane manufacturer, GAF, due to the continuing issue of the SkyWalk roof leak. Willoughby Roofing did send a crew to Crystal Tower to address the reported leak, but Management reported the crew had never been on site at Crystal Tower and reported they were not familiar with the Crystal Tower SkyWalk roof. Management reported that Bill King took photos of the work that was done and it looked to be inconsistent and had issues. Management will follow up with the GAF Claim representative regarding the repair. The interior repairs of the SkyWalk roof will be postponed until the slower Fall/Winter season. Management has instructed Staff to clean the SkyWalk and make minor repairs to help the SkyWalk look as presentable as possible. Kris Bishop stated that he would like to see the Board move forward with having Craven & Perry send a letter to Willoughby Roofing and start the legal process of determining a completion date. The SkyWalk roof warranty was discussed and

that Willoughby Roofing is responsible for repairs done to roof for two years in order to maintain the roof warranty. Management reported there is also yearly maintenance that Crystal Tower is responsible to complete in order to maintain the warranties on the Main Roof and SkyWalk. Kevin Logsdon reported that bids have not yet been submitted for the SkyWalk exterior repaint. Kevin reported that Thompson Engineering is recommending the SkyWalk be taken down to bare metal and the repainted which will most likely be very costly. The topic of repainting will be revisited once the bids have been received.

The North Pool South Wall repair and recoating was discussed. C-Sharpe evaluated the cracks in wall and reported the higher portion near the Fitness Center windows could pose a hazard to anyone walking or lounging underneath. C-Sharpe provided a bid for repair for \$28,000.00. The wall would be demolished to the concrete and recoated. The repair may require the North pool area to be closed for one day during the demolition and the time frame is late April or beginning of May for a start date. Kevin Logsdon made the motion to proceed with hiring C-Sharpe for \$28,000.00 to address this issue. Shelby Kirk seconded the motion, with all in favor.

The common area door replacement for the South Pool House and Main Roof was discussed. The doors have been ordered and have a lead time of 10 to 12 weeks. Management will follow up with Brabnor & Hollon on Monday for an update on arrival and installation timeframe.

Kevin Logsdon provided an update of the Hurricane Sally Claim. Childress Engineering has submitted their invoice of approximately \$21,000.00. Kevin stated their report would be used as additional information to support the Crystal Tower insurance claim. Kevin stated he has not been informed of any new response from Sedgewick but is hopeful that the claim will be settled in mediation and that it will not require arbitration.

Parking Passes, wristbands, wheel locks and the Square Payment system was discussed. Management stated that the wheel locks and Square Terminal Credit Card Machine had been ordered and the Square account had been set up. The parking violation notices have also been ordered and discussed with IPSC Security. Signs and posts have been ordered for the 3-hour parking that will be available in the East parking lot. Management reported that Vendor passes have been being issued and their had been no issues to date.

Management reported that the Crystal Tower staff has been working on the cleaning and maintenance of the North and South pool and spa areas. Staff is cleaning the beach chairs and working hard to get both areas clean and ready for the South side amenities to reopen on April 1st. Staff has deep cleaned the trash room and a spray deodorizer that is set up on a timer has been sourced from Arrow. The product is shipped based on usage and is being monitored by the Arrow representative. Management reported that the transition to BCC for sanitation services has gone well. BCC is having an issue sourcing the size containers Crystal Tower needs and has provided six (6) smaller containers to use in the meantime. Management reported that BCC will be providing plastic instead of aluminum containers due to sourcing and cost but that if there were any issues with the plastic, Management advised BCC they would need to provide the aluminum containers as previously agreed upon.

Beach Chair service was discussed due to the beach erosion that Crystal Tower has experienced due to Hurricane Sally and Winter storms. Management reported that Jason with Suncoast Beach Chair Service advised that chairs will be set up and the number will be dictated by the amount of beach front that is available. Jason also advised that there will most likely be a decrease in revenue in comparison to last year's revenue. The City of Gulf Shores has released a statement that the Beach Nourishment Project will begin this Fall and continue until March of 2023.

Malicious activity in the elevator and items being thrown from balconies was discussed. Previous letters sent out by Management were discussed and it was decided that Ron Sikes would review and assist in providing an updated policy and fine for addressing malicious activity in the elevators and items being thrown from the balconies.

Staff at Crystal Tower was discussed. Jeff Moser submitted his resignation as Crystal Tower Assistant Property Manager. Management has interviewed several candidates and contacted Von Burt, who had previously worked at Crystal Tower and Boardwalk as a Security Guard. Von would like to accept the position and Management and the Board would like to hire Von but he would require full time hours and has a salary requirement of \$18 per hour. David Bodenhamer and the Board discussed how Von could be utilized at that rate at other properties managed by Young's Suncoast to provide Von with a full-time schedule. David advised the Board to hire Von if that was their decision, and he would work out the logistics of Von's schedule. Kevin Logsdon made a motion to hire Von Burt as the Crystal

Tower Assistant Property Manager. Shelby Kirk seconded the motion, with all in favor. Kevin Logsdon expressed the Board's appreciation to David Bodenhamer for his assistance with the hiring of Von Burt.

Security of Crystal Tower was discussed. Management reported that IPSC continues to provide security at Crystal Tower. The need for security to reevaluate security once the amenities at the South pool are reopened on April 1st.

Management reported that an order for left-handed door sweeps has been submitted to Rayford & Associates but that no eta had been provided yet. Management will follow up with the sales representative on Monday for an update. Management also reported that Owners are being encouraged to install interior sweeps of their choice as well due to the exterior sweep not always providing a tight seal. The seal may be compromised due to the unevenness of the floor or the age of the door and it needing to be replaced or repaired. The interior seal can provide additional barrier and Management reported some owners had already installed an interior seal and were pleased with the result. Management reported that the current installation of exterior sweeps was being tracked and the cost of additional sweeps and installation should be passed along to the Owner as well as the cost and installation of interior sweeps.

Providing electric car charging stations at Crystal Tower was discussed. It was noted this was not an immediate need, but it is something that will become more common and will need to be addressed soon. Robert Monsein shared his research regarding the subject and Management shared information that was provided to her from a property in Orange Beach that had recently installed a charging station. This subject will be revisited at a later date, and it was noted that as time passes incentives may become available that would assist in the cost of installing electric car charging stations at Crystal Tower.

Management reported there were no Owner issues to discuss.

The other items that was discussed was updating the Crystal Tower Dog Leash available for Owners to purchase when registering their pets. The current leash that is available is canvas and many Owners have reported they are difficult to use and would prefer a retractable leash. Management reported that the recent reorder of the canvas leash was more expensive than the cost of purchase for the Owner. Management provided samples of a retractable leash that is available for order on

Amazon and that a vinyl Crystal Tower emblem can easily be applied to the leash. The leash is available in blue and in sizes x-small to large so it may accommodate all sizes of pets. The cost of leashes ranges from \$11.00 to \$19.00, depending on the size. The cost of the vinyl emblem has not been provided yet. It was decided not to reorder the canvas leash and if an Owner requires a replacement retractable leash the cost would be the Owner's expense to replace. Kevin Logsdon made a motion to replace the current canvas Crystal Tower dog leash with a retractable leash and to increase the fee from \$10.00 to \$30.00. Ron Sikes seconded the motion, with all in favor.

Finances, budgeting, and Insurance were discussed. Kevin Logsdon reviewed the insurance shortfall for 2020 and 2021 and stated that Crystal Tower funded the shortfall from the Reserve Fund with the plan to pay that money back. Todd Dalton with BXS Insurance has advised the Board to expect a 35% increase for insurance costs this year and that other properties have experienced as much as a 50% increase. Mr. Dalton advised the Board that having a new roof installed and completing repairs at the South Pool House and any updates to the property will be beneficial in lowering the increased cost of insurance coverage. Kevin estimated the shortfall for insurance coverage for 2020, 2021 and 2022 to be \$593,000.00 and that a special assessment would be required to fund the shortfall. There were also extra expenses of approximately \$170,000.00 for repairs to the South Pool House that included a change order from C-Sharpe for replacing deteriorated metal studs, replacing the tile, and common area doors and frames. Kevin noted operating expenses including cost of labor, Security, sanitation service, landscaping, and pool services have all increased at the estimated cost of \$87,000.00 for a shortfall total of \$850,000.00. A \$5,000.00 special assessment was proposed to fund these costs that would be split into two payments of \$2,500.00 and that the line of credit would also be utilized if needed to pay invoices and fund operations until the special assessment payments are received. Ron Sikes stated that his feeling was that ongoing expenses such as insurance and increased operating costs should be funded by the ongoing monthly assessment. There was discussion of increasing the monthly assessment amount in 2023 and that there may still be a need for a special assessment to cover the cost of insurance in 2023. There was also discussion of maintenance projects that will need to be completed in the coming months such as sealing the concrete breezeways and replastering the South Pool. It was decided to request the first \$2,500.00 installment of the proposed special assessment be due on May 1st to coincide with

the 2022 insurance renewal date and the second payment be due in July. David Bodenhamer updated the Board on the status of the line of credit renewal. There has been a delay due to changes with Centennial Bank but there will be a renewal of \$1 million but is unclear if it will be a one or two year renewal. David will be following up with Centennial Bank on Monday. Kevin Logsdon made the motion to proceed with a special assessment of \$5,000.00 to cover the insurance shortfall for 2020, 2021 and 2022, to cover the extra expenses of repairing the South Pool House and the wall at the North Pool, and the extra operating costs for 2022. The first \$2,500.00 installment will be due on May 1st and the second \$2,500.00 installment will be due on July 1st. Shelby Kirk seconded the motion, with all in favor. David Bodenhamer suggested the Board designate \$2,500.00 of the special assessment for the insurance shortfall and \$2500.00 for the extra cost of repairs and operating expenses and that he would prefer to set up a separate account for insurance funds. Kevin stated he would draft a letter that would be sent to all Owners notifying them of the special assessment and the increase in operating and insurance costs.

The meeting was adjourned at 3:03 PM.