

President's Report
October 12, 2018

There are several updates I am pleased to be able to pass on to the owners.

SUB METERING

I have finished negotiations on the Sub Metering Billing Contract. I believe that I have secured a strong position that protects the association and individual owners on many levels. All at a very attractive price. The billing contract has now been executed. With a few exceptions, due to minor glitches, owners will be able to view their electrical consumption via the system portal. We will present this "How To" info at the board meeting. Monthly meter billing will cost \$6.00/unit. *(I have recently received notice that the Maui County Electrical Inspector is requiring a few changes, but this is good news as we caught the same issues when we had NPC stop work earlier in the year)*

Now, to dispel a rumor that I have heard, "**Running up your electrical usage prior to the meters going live will somehow lower your rates when the billing starts**". This is pure Nonsense!

Another rumor, "**The billing averages the bills between 2nd and 3rd floor units.**" **This is also Nonsense!** One 2nd floor gauge meter **DOES** collect info for both 2nd and 3rd floors, but it is designed to do so and collects the data separately for both units. This is a design used to lower the costs of the system by not having to install a meter in the 3rd floor units.

My recommendation is to focus on LED lights, EnergyStar refrigerators, and energy efficient fans. I think there is still an EnergyStar rebate for refrigerators.

Highlights are below

"5-year contract term with very low fee and it removes the Wavecrest office personnel from the collection process.

"\$5.00 per unit/month for billing + \$1.00 per unit/month for meter maintenance (\$3,500 total per year, with a 2 year rollover in case we have an issue that exceeds the yearly \$3,500 amount in one year). Yearly fee increase tied to CPI increase with a minimum 2.5% CPI."

This section addresses contested billing without penalizing an owner. Renters do not receive this courtesy.

"Client is able to request service fees fee refund on a unit by unit basis due to communication issues between Property and MUC. These will be reviewed and approved on a case by case basis by MUC."

This section limits excessive late fees for disputed bills.

"Client shall notify in writing within thirty (30) business days of receipt of any invoice or any portion of the invoiced amount that it has a reasonable basis to dispute and the basis for the dispute. The contested portion of any invoiced amount shall not relieve Client of its obligation to pay the uncontested portion of such invoice when due. MUC shall not apply late charges or exercise other remedies while any invoices amounts are in dispute."

This item keeps MUC from delayed payments to us.

"If the client registers for Electronic Reimbursement, and the Reimbursement arrives more than 15 days after the Residential Invoices are Locked, then MUC will pay a penalty of \$25 per occurrence."

Courtesy no fee for the first 2 months billing cycle.

"No fees for the mock billing cycle set up time."

WASHER AND DRYERS

As of October 8, both Ted and I walked through an inspection of all washers and dryers with the vendor repair representative. There were a few misconnected wires and an adjustment was needed for one machine. Credit card readers are all working correctly. There are a few nuances to their use. For instance, I swiped my card and the reader said, "Off Line." I reset the modem and swiped it again. This resulted in two charges to my card. But 6 minutes passed before it came back on line or before starting the wash, so it canceled the charge the next day. The use of coins will be phased out as coin use raises the amount we have to charge for each wash and dry.

NEW MANAGER

New manager, Ted Johns, was officially hired and has made many improvements to the overall position, as well as adding other much needed components to his duties. We are appreciative of his efforts and the fresh prospective he brings to the position. Welcome Ted.

NEW BOARD MEMBER APPOINTEE

A new board member will be appointed to fill the current vacancy until the next March meeting. Thank you in advance for those owners who expressed an interest in serving as a volunteer for Wavecrest.

HUGE DEBT OF GRATITUDE

We all owe Neil Strock a huge dept of gratitude for helping me with all the extremely technical and difficult work behind the scenes on Sub Meters, Washer/Dryer installation, and other upcoming issues we will be facing. He has helped me keep our vendors honest, happy, and has not let them get by with substandard work, even at times trouble shooting issues they were experiencing and guiding them to the proper fix. Thanks Neil!

PS: Martha says thanks too (for keeping newly retired Neil busy).

ON THE HORIZON...

New beta website

HRS Act 195

Professional Reserve Study

Other items I may have omitted...

As always, the board accepts written input as well as (respectful) verbal input at all board meetings. Written input is accepted at any time and does not have to be turned in prior to or at the time of the board meeting.

All errors are mine and I apologize for them in advance.

Best regards,

Jack Thornton