

DRAFT

ARIZONA BOARD OF MANUFACTURED HOUSING

ABBREVIATED MINUTES

APRIL 16, 2014 BOARD MEETING

CALL TO ORDER

Chairman Sam Baird called the meeting to order at 1:09 pm.

ROLL CALL

Board Members present: Chairman Samuel Baird, Arthur Chick, Paul DeSanctis (*telephonic*), Terry Gleeson, Neal Haney, Joe Hart, Everette Hoyle and Zeek Ojeh (*telephonic*).

Department of Fire, Building and Life Safety (“Department”) Staff: Director Gene Palma; Deputy Director Debra Blake; Assistant Attorney General, Bridget Harrington; and Board Secretary Ayde Marquez.

Public/Industry Members present: Ken Anderson, President Arizona Housing Association; Dave Arfin, Pac-Van; Tom Frederick, Arizona Modular, LLC; Dave Jones, Modular Space Corporation; Knute Knutson, Design Modular’s, Inc; Marci Mitchell, Ameri Fab LLC; Michael J. Minnaugh, new Board member; and Gary Wheeler, Sun West Mobile Modular Inc.

APPROVAL OF JANUARY 15, 2014 BOARD MINUTES

Chairman Baird entertained a motion to accept the prior Board Meeting Minutes; Board member Hart made motion to accept; motion seconded by Board member Gleeson; and the Board voted unanimously to accept.

DEPARTMENTAL INFORMATION

Legislative Update: Governor Brewer has signed the state budget. The Department’s eight year continuation bill is in the final steps in the senate process to be transmitted to the Governor for signature.

AMHO’s bill to increase the current \$1,000 amount available from Relocation Fund to assist in the rehabilitation of a mobile home to \$1,500 is making its way through the final legislative process.

Board/Staff Changes:

- Governor Brewer appointed Michael Minnaugh to the open public seat on the Board. The Department is waiting for his loyalty oath so he can participate as a Board member at the next quarterly meeting.
- Tucson Installation Inspector position was posted in March. The Department is in the process of completing the second interviews in the upcoming week and hoping to finalize the decision shortly thereafter.

Recap of Action Items from previous Board Meeting

2014 Installation Training

The 2014 Installation Training schedule was completed and posted on the Department's website in January. Training schedule was emailed to all Installer licensees and all Registrar of Contractor licensees currently participating in the Installation Certificate Program. An invitation was also emailed to all manufacturers, dealers and salespersons encouraging them to attend a training session at no cost.

Financial Reports

As requested in the previous Board meeting, Marquez removed the new business licensee information as it is currently being emailed every month to all board members. Monthly pie charts have also been removed except for the most current quarterly charts. June 2013 financial report (end of fiscal year FY13) was included in the packet as a point of reference for the fee schedule discussion.

Recovery Fund

US Homes is the responsible licensee for the \$15,000 recovery fund payout reported in the last Board meeting. US Mobile's license was suspended on July 15th and remains suspended due to its failure to reimburse the recovery fund for the payout.

Action Item: Department to provide it's current process for recovering bond claims.

FINANCIAL REPORT

Blake presented the December 2013, January and February 2014 financial reports. Baird pointed out to the Board members that the production for manufactured homes is significantly higher than last year.

FEE STRUCTURE

Blake presented the cost analysis summary FY13 compared to FY14.

Board member Gleeson entertained a motion to leave all FY15 fees the same; motion seconded by Board member Hoyle; and Board voted unanimously to accept. Installation Training fees previously approved by the Board are to be included in the published FY15 fee schedule and going forward.

Board discussion regarding changing the fee calculation for commercial FBB permit fee from linear foot to square foot to be more consistent with commercial measurements. Board member Chick made a motion to leave the commercial FBB permit fee the same, as linear feet; motion seconded by Board member Hoyle; and Board voted unanimously to accept.

RECOVERY FUND

Blake provided an update on the Recovery Fund balance of \$206,000; at this time there are no claims pending hearing and no claims waiting to be scheduled to go to hearing.

LICENSING

Board discussion on changing the annual renewal cycle to bi-annual or a different cycle. Any change would require legislative change as the cycle is a statutory requirement. In addition the fees would need to be re-reviewed and addressed at the time of the change if pursued.

Hart posed to the Board the possibility for the Department to allow a master license classification to install commercial modular buildings. Blake informed the Board members that in order to do that it would require a change to the existing rules and that the Department is currently preparing a rule packet which would include this suggestion; however, at this time the Governor's moratorium on rule making is still in effect.

RECOVERY FUND

Blake provided an update on the Recovery Fund; at this time there are no claims pending hearing and no claims waiting to be scheduled to go to hearing.

CALL TO PUBLIC

Wheeler and Jones approached the Board Members and the Department in regards to the inspection process and issues with the number of re-inspections. Blake agreed to meet with the contractors to better understand the issues they have and discuss the Department's current policies.

NEXT BOARD MEETING DATE

Wednesday, July 16, 2014

ADJOURNMENT

The meeting was adjourned at 2:36 p.m.