

Final Minutes  
HUD Manufactured Housing Consensus Committee  
Marriott Hotel and Marina  
San Diego, CA  
November 30 – December 2, 2004

Tuesday, November 30, 2004

1. Chairman Roberts called the meeting to order at 8:00 a.m. Mr. Toner called the roll; a quorum was present. Mr. Roberts noted that there are currently three vacancies on the committee – 2 users and 1 general interest. Mr. Solomon reported that Alan Youse has resigned. The guests introduced themselves.

Mr. Roberts noted that there have been requests for an early start for the meeting on Thursday so the start time was advanced to 7:00 a.m. The agenda was approved. Mr. Weinert requested that, in the future, a list of documents to be discussed at the meeting be included with the agendas.

Mr. Toner reported that Mr. Zieman has submitted a correction on page 9 of the minutes of the August meeting. The HUD response was on the first group of standards, not the second. Mr. Ghorbani asked why there were two sets of minutes for that meeting. Mr. Roberts indicated that the first set were those sent to HUD for clearance. The second set is the final. Mr. Matchneer noted that the HUD changes were made to more fully record HUD's comments at the meeting. The minutes as amended by Mr. Zieman were approved.

2. Mr. Matchneer reported on the manufactured housing program activities.

The first group of 20 proposed standard changes will be published in the Federal Register on December 1, 2004. The second group of changes that were accepted without modification is being held for additional justification for the changes to complete the preamble. A copy of the draft standards has been provided to the MHCC.

Comments on the model installation standard have been received from HUD's Policy Development and Research staff that have generated a few new questions for the preamble. OMB has agreed to begin the 90-day review while the rule is in internal HUD clearance. Mr. Cunningham indicated that the proposed standard would go to OMB this week. After OMB clearance it goes to Congress for 15-day review prior to publication in the Federal Register. He noted that, at this stage in the process, the proposal cannot be distributed externally but he indicated that the proposal is essentially the August 19, 2004 draft with the MHCC recommended changes. He also noted that HUD is working on a simplified clearance process. Ms. Cocke noted that there would be a 45-day public comment period on the proposed rule and then HUD would have to develop a response to the public comments to accompany publication of the final rule.

Mr. Lagano asked what happens once the model installation standard has been finalized. Mr. Matchneer noted that HUD is working on getting a contractor in place to handle those activities that HUD cannot handle. The procurement process has just started.

Mr. Ghorbani asked what would happen if the final rule was not published by December 27, 2005. Mr. Cunningham noted that the proposed rule would have been published and he expected that the “rule of reason” would apply.

Mr. Matchneer noted that an outline of the proposed installation program will be circulated soon, and the expectation is to have a complete rule ready for clearance in late January.

Mr. Matchneer reported that the Department is working with COSAA on a spring meeting to roll out the elements of the proposed installation program.

Mr. Vogt questioned the timing of the COSAA meeting. Mr. Matchneer indicated that HUD was working on a contract for a March meeting. Mr. Vogt noted that the proposed rule would likely be published in April. Mr. Matchneer indicated that an outline of the rule would be presented. Mr. Cunningham noted that ideally the meeting would be held after the proposed rule is published but postponing the meeting runs into summer. Bullet points of the proposal would be presented; another meeting in the fall could be considered. HUD recognized that this is a critical item for HUD and the states. Mr. Roberts noted that the states need a proposal in writing in order for them to take it to the state legislature.

The proposed dispute resolution rule is in the final stages of development. The completed proposed rule is expected to be completed by the end of the year.

Mr. Roberts asked if the MHCC would have an opportunity to see the proposed rules. Mr. Cunningham responded “if time permits”. He noted the good experience with the proposed installation standard.

Mr. Matchneer indicated that program staff and the Office of General Counsel are working on the on-site rule to tie it together with the installation standard and the dispute resolution rule. He expects a draft rule will be ready to go through the clearance process by late January.

Ms. Cocke noted that OMB does not want draft rules circulated while they are under OMB review. Mr. Matchneer indicated that summaries can be prepared.

Mr. Matchneer reported that the two rules on payments to states – locking in the guaranteed payment of \$9.00 and \$2.50, and, raising the fee for in-state production from \$2.50 to \$5.00 are still being reviewed within the Department. Mr. Cunningham indicated that the review would be finished shortly and then go to OMB for review. He indicated that the first rule is viewed as an equity issue and HUD is going ahead as proposed.

Mr. Matchneer reported that HUD and NFPA have discussed the process for handling the proposed standards changes. Mr. Solomon noted that it has been a challenge. The first 20 proposed changes were developed in early 2003 and they are just now being published. The second and third sets of proposed changes are being worked on now. He noted that Danner and Associates draft the proposed changes into regulatory language. NFPA will provide justification for each of the changes. Mr. Matchneer noted that in the preamble usually needs to be rewritten.

Mr. Ghorbani noted that these initial changes are based on the changes to the NFPA standard and that future proposed changes would have justification provided by the proponent. Mr. Solomon indicated that the AO would ensure that proposed changes include justification. Proposals without

justification will be returned to the proponent with a request for the justification. Mr. Roberts noted that justifications have been included with the next 80 proposed changes.

Mr. Zieman asked whether only the "latest" change need be considered. Mr. Solomon indicated that he has been trying to do that but some need to be considered in sequence.

Ms. Cocke indicated that the contract for the COSAA meeting has been executed. Topics for discussion will be the installation standard, the installation program, dispute resolution and the fee issues. HUD has been working with the COSAA steering committee on dates for the meeting and a draft agenda. A conference call will be held to finalize plans. The meeting will be in Washington, D.C. with a Tuesday, Wednesday, Thursday morning format. Mr. LaMont asked if TEG, DETAG and PIA would meet. Ms. Cocke indicated that it was up to COSAA. Her understanding is that there would not be any technical meetings.

The Committee recessed at 9:45 a.m. for subcommittee meetings.

The Committee reconvened at 4:00 p.m.

Ms. Cocke reviewed the HUD budget for the manufactured housing program. She distributed the House and the Senate recommendations for funding and the 2005 HUD Departmental Summary for the program. She also discussed the 2004 income and expenditures and the proposed budget for 2005. She noted that there are three new budget line items - the COSAA meeting and training, a contract for the installation program, and a contract for the dispute resolution program. Mr. Cunningham noted that a fiscal crunch would occur in 2006. He stated that an increase in label fees is not on the table at this time. Ms. Cocke noted that fiscal 2005 ends September 30, 2005. Mr. Roberts suggested that an increase in fees might be considered for 2006. Mr. Roberts thanked HUD staff for the overview.

3. Mr. Roberts assigned initial reviews of the upcoming HUD proposals as follows:

Model Installation Standard	Installation Subcommittee
Standards Changes	Standards Subcommittee
Dispute Resolution	Dispute Resolution Subcommittee
Installation Program	Regulatory Enforcement Subcommittee
On-site Rule	Regulatory Enforcement Subcommittee

A decision as to whether the MHCC should comment on the proposals will be made after the review.

The Committee adjourned at 5:10 p.m.

Wednesday, December 1, 2004

4. The Committee reconvened at 8:00 a.m. Mr. Roberts distributed copies of the minutes of the September 1, 2004 conference call.

Mr. Solomon reported that he has emailed the 12/1/04 Federal Register notice with the first 20 proposed standards changes. There is a 60-day comment period.

Mr. Roberts noted that accessibility will be discussed at the Dispute Resolution Subcommittee. He also noted that the Regulatory Enforcement Subcommittee will meet again at 7:00 a.m. on Thursday.

The Committee recessed at 8:15 a.m. for Subcommittee meetings.

Thursday, December 2, 2004

5. Mr. Roberts called the meeting to order at 8:00 a.m. Mr. Toner called the roll. A quorum was present.

There were no requests to make public comments.

6. Mr. Zieman reported that the Standards Subcommittee had begun the review of HUD draft of the second group of standards. A conference call has been scheduled for December 15, 2004 to complete the review. The Subcommittee also reviewed the HUD August 2, 2004 letter on proposed standards changes to the AO. He distributed the minutes of the meeting that contained the actions taken on HUD's comments. He moved that the report be accepted. Motion seconded and carried.

Mr. McHale noted that Mr. Matchneer had reported that the proposed dispute resolution rule is nearly complete. He also noted that HUD will provide the Subcommittee with an outline of the proposed rule for review. He reported that a Task Force has been appointed to develop a position/recommendation on how manufacturers should address accessibility. HUD will provide the Task Force with background information on accessibility. The Task Force will have a conference call on to discuss the information.

Mr. Lagano noted that the Installation Subcommittee would be receiving outlines of the proposed model installation standard and the proposed on-site rule for review. He reported that the Subcommittee heard a presentation by Foundation Works on an alternate foundation system. The Subcommittee has received a proposed ground anchor test protocol from the Ground Anchor Task Force (GATF). Two conference calls - December 14, 2004 and January 18, 2005 - have been scheduled, jointly with the GATF, to review the protocol. A notice for the calls will be sent to all MHCC members as well as the GATF.

Mr. Gorman reported that the draft Subpart I document review has been completed and it has been approved for forwarding to the full MHCC. The draft, as modified, will be circulated to the MHCC.

7. Mr. Roberts indicated that an MHCC conference call will be necessary in January to approve the draft Subpart I revision and to hear a recommendation for an MHCC response to the first 20 proposed standards changes. The call was set for 11:00 a.m. – 4:00 p.m., EST, January 27, 2005.

The next meeting of the MHCC was set for April 26 - 28, 2005 in Washington, D.C. The meeting will adjourn by 10:00 a.m. on the 28<sup>th</sup>.

Mr. Roberts reported that HUD has indicated that the vacancies on the MHCC should be filled by the next meeting. Ms Cocke noted that, while the AO has a "queue" of recommendations for members, anyone can submit a suggestion at any time. She encouraged members to seek other qualified individuals for membership on the MHCC. The form for requesting membership is on the MHCC website.

8. Mr. Roberts thanked the members and HUD staff for their efforts. He especially thanked HUD for their willingness to work with the MHCC on Subpart I.

The meeting adjourned at 9:20 a.m.

**HUD MANUFACTURED HOUSING CONSENSUS COMMITTEE  
ATTENDANCE**

**San Diego Marriott Hotel & Marina  
November 30, 2004 - December 2, 2004**

**STATUS: M=MEMBER; NVM=NON VOTING MEMBER; AO= ADMINISTERING ORGANIZATION;  
SEC=SECRETARY**

NAME	STATUS	ORGANIZATION	Tuesday 11-30-04	Wednesday 12-1-04	Thursday 12-2-04
Dana Roberts	M	Oregon Manufactured Homeowners Assoc.	X	X	X
Pat Toner	Sec	NFPA	X	X	X
Karl Braun	M	NAMH – MHOAA	X	X	X
Susan Brenton	M	Manufactured Housing Communities of Arizona (MHCA)	X	X	X
C. Edgar Bryant	M	Champion Enterprises	X	X	X
Mark Conte	M	State of PA	X	X	X
William Farish	M	Fleetwood Homes	X	X	X
Danny Ghorbani	M	MHARR	X	X	X
Doug Gorman	M	Home – Mart, Inc.	X	X	X
William J. Lagano	M	Commonwealth Consulting Corp.	X	X	X
Ronald V. LaMont	M	Alpine Engineering Products	X	X	X
Jerome L. McHale	M	Federation of Manufactured Home Owners of Florida	X	X	X
Nader Tomasbi	M	Liberty Homes, Inc.	X	X	X
Randy E. Vogt	M	State of MN – Dept. of Administration	X	X	X
Frank Walter	M	MHI	X	X	X
Richard Weinert	M	State of CA	X	X	X
Mike Zieman	M	RADCO	X	X	X
William W. Matchneer	DFO	HUD	X	X	X
Robert Solomon	AO	NFPA	X	X	X

**HUD MANUFACTURED HOUSING CONSENSUS COMMITTEE**  
**GUEST ATTENDANCE**  
**San Diego Marriott Hotel & Marina**  
**November 30, 2004 - December 2, 2004**

<u>NAME</u>	<u>ORGANIZATION</u>	<u>Tuesday</u> <u>11-30-04</u>	<u>Wednesday</u> <u>12-1-04</u>	<u>Thursday</u> <u>12-2-04</u>
Liz Cocke	HUD	X	X	X
Gary Cunningham	HUD	X	X	
Elsie Draughn	HUD	X	X	X
Timothy Gearan	AARP	X	X	X
Frank Harrison	Golder Associates (for Foundation Works)	X	X	X
Joan Kayagil	HUD	X	X	X
Bert Kessler	Palm Harbor Homes		X	
Lon Larson	Oliver Tec.		X	X
Mike Mafi	IBTS	x	X	
Jason Matthews	Foundation Works		X	X
Rick Mendlen	HUD	X	X	X
Mark A. Nunn	MHI	X	X	X
Gary Pritchard	Fleetwood Enterprises, Inc.	X	X	X
Al Preusch	Foundation Works, Inc.	X	X	X
Peter Race	HUD	X	X	X
Boone Smith Morris	TieDown Engineering	X	X	X
Chris Stinebert	MHI	X	X	X
Mark Weiss	Weiss & Wilson, P.C.		X	X