

## MINUTES

### VIRGINIA MANUFACTURED HOUSING BOARD MEETING

VHC Conference Center  
4224 Cox Road  
Henrico Room #2  
Glen Allen, VA 23060  
November 17, 2011

10:00 A.M.

**Board Members Present** : James W. Roncaglione, Chairman  
Walter K. Hughes, Sr., Vice Chairman  
Eric C. Anderson  
Ben Flores  
Earl T. (Tom) Satterwhite  
Jim Carver  
Lorenzo E. Dyer, Secretary to the Board

**Board Members Absent** : Michael C. Nickell  
William H. Moody  
Gina M. Burgin

<b>Public Representation</b>	:	Tyler Craddock	<u>Staff</u>
		Margaret Bien	Elizabeth Myers, OAG
		Richard Bien	Larry Brock
		Violet Liles	Debra Winston-Bowles
		Paul Liles	Eric Leatherby
		Patty Anderson	Valrae Negley
		James Coleman	Jim Davidson

#### **A. Call to Order/Roll/Determination of a Quorum.**

The Virginia Manufactured Housing Board meeting was held in Richmond, Virginia, Thursday, November 17, 2011. Chairman Roncaglione called the meeting to order at 10:00 a.m. Lorenzo Dyer, Secretary to the Board, performed the roll call and a quorum was present.

#### **B. Approval of the Minutes.**

A motion was made by Walter K. Hughes, Sr. and seconded by Ben Flores to accept the Minutes from the Board's meeting of July 21, 2011. The Minutes were accepted as written by a unanimous vote.

**C. Public Comment.**

None.

**D. Committee Reports.**

1. Meeting with Media Relations, Amanda Pearson regarding developing Virginia Manufactured Housing Board PSA's.

A report was made to the Board concerning discussion of PSA's with Amanda Pearson by staff. The Chairman recommended the Education Program Committee to consist of the following members: Ben Flores, Walter K. Hughes, Sr., Earl T. (Tom) Satterwhite, and Tyler Craddock, Executive Director of the Virginia Manufactured and Modular Housing Association. A telephone conference meeting will be scheduled to include all members of the Education Program Committee to discuss the utilization of PSA's.

2. Report of Committee regarding discussions of Policies and Procedures of the Board.

Eric Anderson made a motion to move Agenda Item G, New Business to follow under Agenda Item C, Public Comment and Earl T. (Tom) Satterwhite seconded the motion. Chairman Roncaglione called the question and the motion was carried by a unanimous vote.

A proposed amendment was presented to the Board for changes to be made to the policies and procedures of the By-Laws for the minutes. There was discussion concerning the proposed amendment.

Walter K. Hughes, Sr. made a motion to forward the proposed amendment of changes to the By-Laws in regard to the minutes to be submitted to the Attorney General's Office for review and Eric Anderson seconded the motion. Chairman Roncaglione called the question and the motion was carried by a unanimous vote.

**E. Report of the Secretary/Associated Director/Deputy Director Reports.**

A report was provided to the Board from Jim Davidson, Business Manager for the Division of Building and Fire Regulations.

Currently the number of licensees are as follows: 6 brokers, 169 dealers, 26 manufacturers and 428 salespersons in the program.

The cash balance in the Transaction Recovery Fund Account is approximately \$682,000.

Effective in 2012 an online system will be available for manufacturers, dealers, salespersons and brokers to be able to renew and purchase licenses online.

**F. Old Business.**

None.

**G. New Business.**

1. Lisa Raqusa v Virginia Mobile Homes, Inc., Case Number 2011-15 (Disciplinary).

The original purchase agreement was received from Virginia Mobile Home, Inc. for Ms. Lisa Raqusa dated May 6, 2003 and the original Certificate of Origin from the Manufacturer. On May 14, 2003, the complaint was received indicating that the home had been purchased for a price of \$34,075.00, taxes and insurance had been performed and paid in that amount of \$975.00, \$350.00 for insurance and \$250.00 for the cost of Title and Processing fees. It was found that Virginia Mobile Homes, Inc. failed to pay the monies to DMV and it is recommended that Virginia Mobile Homes, Inc. is found in violation of the following regulation:

**13 VAC 6-20-170 (A)** Prohibited conduct; grounds for denying, suspending or revoking license.

Count 1: **13 VAC 6-20-170 (A) (22)**

“Failing to comply with the regulations of State and Federal agencies regarding the financing, titling, taxation or transporting of manufactured homes.”

Staff, therefore recommends that Virginia Mobile Homes, Inc. be found in violation of Board Regulation **13 VAC 6-20-170 (A) (22)** and that the regulant be assessed a monetary penalty of \$250.00.

Count 2: **13 VAC 6-20-170 (A) (7)** “Knowingly failing or refuse to account for or pay over money or other valuables belonging to others which have come into the regulants possession due to the sale of a manufactured home.”

Staff, therefore recommends that Virginia Mobile Homes, Inc. be found in violation of Board Regulation **13 VAC 6-20-170 (A) (7)** and that the regulant be assessed a monetary penalty of \$250.00.

Count 3: **13 VAC 6-20-170 (A) (21)** “Failing to comply with any provisions of this chapter.”

Staff therefore recommends that Virginia Mobile Homes, Inc. be found in violation of Board Regulation **13 VAC 6-20-170 (A) (21)** and that the regulant be assessed a monetary penalty of \$250.00.

Eric Anderson made a motion that Virginia Mobile Homes, Inc. be found in violation of Count #1, **13 VAC 6-20-170 (A)** for failing to comply to **13 VAC 6-20-170 (A) (22)**.

Eric Anderson made a motion that Virginia Mobile Homes, Inc. be found in violation of Count #2 of **13 VAC 6-20-170 (A) (7)**.

Eric Anderson made a motion that Virginia Mobile Homes, Inc. be found in violation of Count #3, **13 VAC 6-20-170 (A) (21)**.

Walter K. Hughes, Sr. seconded the motion(s) made for Count #1, Count #2 and Count #3. Chairman Roncaglione called the question and the motion was carried by a unanimous vote.

Eric Anderson made a motion for Count #1 to accept staff’s recommendation that a monetary penalty of \$250.00 to be assessed.

Eric Anderson made a motion for Count #2 to accept staff's recommendation for a monetary penalty of \$250.00 to be assessed.

Eric Anderson made a motion for Count #3 to accept staff's recommendation for a monetary penalty of \$250.00 to be assessed.

Walter K. Hughes, Sr. seconded the motion for Count #1, Count #2, and Count #3. Chairman Roncaglione called the question and the motion was carried by a unanimous vote.

2. Lisa Ragusa v Virginia Mobile Home, Inc., Case Number 2011-19 (Transaction Recovery) was presented to the Board. The Board found the Regulant in violation of the following regulation:

**13 VAC 6-20-170 (A) Prohibited conduct; grounds for denying, suspending or revoking license.**

Count 1: **13 VAC 6-20-170 (A) (22)**

“Knowingly failing or refusing to account for or pay over money or other valuables belonging to others which have come into the regulant's possession due to the sale of a manufactured home.”

Therefore, it is recommended by staff that the Dealer, Virginia Mobile Homes, Inc. pay the Sales Tax of \$975.00 and the various fees and insurance of \$250.00 to Ms. Lisa Ragusa.

Walter K. Hughes, Sr. made a motion that the Board accepts staff's recommendation that the dealer, Virginia Mobile Homes, Inc pay the sales tax of \$975.00 and the fees of \$250.00.

Eric Anderson seconded the motion. Chairman Roncaglione called the question and the motion was carried by a unanimous vote.

3. Richard and Margaret Bien v Creative Homes dba Enterprises, Case Number 2011-10 (Disciplinary)

According to documents received in the State Building Code Administrative Office, the following items were discovered:

1. Complaint received from Richard and Margaret Bien receipt dated May 27, 2011 regarding home purchased from Creative Homes dba Enterprises; manufactured by Southern Energy Homes, Double Spring, AL.
2. According to the owner, the dealer informed and notified the buyer that any non-complaint conditions in the home would be addressed by the manufacturer as warranty issues. During an On-site Investigation conducted June 27, 2011, items of noncompliance were identified; some resulting from transit damage from the dealer's lot to the homeowner location.

It is staff's recommendation based upon information submitted for review, other investigation activity, as well as the IFF Conference, the following is recommended regarding the Counts as outlined in the Report of Findings as follows:

**13 VAC 6-20-170 A. Prohibited conduct; grounds for denying, suspending or revoking license.**

Count 1 **13 VAC 6-20-170 (A) (5)**

“Failing to comply with warranty service obligations and claims procedures required by this chapter.”

Staff, therefore, recommends that the dealer, Creative Homes be found in violation of Board Regulation **13 VAC 6-20-170 (A) (5)** and that the regulant be ordered to act immediately to correct all non-complaint items concerning this complaint within thirty-days (30) regarding the following dealer issues:

- a. The front portion of the roof regarding repairs of leaks and mold accumulation be addressed as the dealer’s responsibility for all evaluation and correction.
- b. Front/rear storm/screen doors improperly installed by dealer outside manufacturer specifications.
- c. Correct installation of trim at eaves that is not properly installed by the dealer as necessary.
- d. Nonconforming Spark arrestor on fireplace/chimney extension installed by the dealer is not the factory authorized part and needs to be replaced with factory-authorized part.
- e. Ridge cap is not properly installed at the mating line. The ridge cap is not straight with some buckling throughout and is required to be reinstalled.
- f. Additional water damage exists, resulting in ceiling panels needing to be replaced.

Walter K. Hughes, Sr. made a motion to accepted staff recommendation that the Regulant be found in violation Board of regulation **13 VAC 6-20-170 (A) (5)**. The motion was seconded by Jim Carver. Chairman Roncaglione called the question and the motion was carried by a unanimous vote.

Count #2: **13 VAC 6-20-80 (A)**

“The dealer shall inspect every new manufactured home unit upon delivery from a manufacturer. If a dealer becomes aware of a noncompliance or an imminent safety hazard, as defined in **13 VAC 5-95-10** of the Manufactured Home Safety Regulations, in a manufactured home, the dealer shall contact the manufacturer; provide full information concerning the problem, request appropriate action by the manufacturer. No dealer shall sell a new manufactured home if he becomes aware that it contains a noncompliance or an imminent safety hazard.”

Staff therefore recommends that there is no violation regarding this regulation and that no action be taken against the dealer regarding the Count #2 **13 VAC 6-20-80**. It was found that at the time of the sale, documents in the file and testimony during the IFF Conference show the home to be in compliance.

Walter K. Hughes, Sr. made a motion to accept staff’s recommendation for Count #2 and Jim Carver seconded the motion. Chairman Roncaglione called the question and the motion was carried by 4 voting yes and 1 opposed. It was requested that 1 yes vote was with a purpose of bringing this matter back to the Board.

After much discussion, Eric Anderson made a motion to reconsider the action for staff’s recommendation for Count #1. The motion failed for a lack of second.

#### **H. Future Meeting Date and Location.**

Ben Flores made a motion to schedule the next board meeting for January 19, 2012 but subject to change due to any unforeseen circumstances and Eric Anderson seconded the motion. Chairman Roncaglione called the question and the motion was carried by a unanimous vote.

The next meeting date and location is scheduled for Thursday, January 19, 2012 at 10:00 a.m., at the Department of Professional and Occupational Regulation, Perimeter Center, 9960 Mayland Drive, Second Floor, Richmond, VA 23233.

Eric Anderson made motion to schedule a next meeting for February 16, 2012 in the event that the January 19, 2012 meeting is cancelled and Earl T. (Tom) Satterwhite seconded the motion. Chairman Roncaglione called the question and the motion was carried by a unanimous vote.

That meeting date and location is scheduled for Thursday, February 16, 2012 at 10:00 a.m., VHC Conference Center, 4224 Cox Road, Henrico, Glen Allen, VA 23060.

#### **I. Adjournment.**

The Virginia Manufactured Housing Board Meeting adjourned at 1:30 p.m.