DRAFT

Industrialized Buildings Commission

An Interstate Compact

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MINUTES

Industrialized Buildings Commission Wednesday, July 15, 2009 Herndon, Virginia

Randy Vogt called the annual meeting of the Industrialized Buildings Commission to order on Wednesday, July 15, 2009, at 1:10 p.m. at the Sheraton Herndon Dulles Airport in Herndon, Virginia.

Members Michael Baier, State of New Jersey **Present:** Bob Blatchford, Dynamic Homes

Warren Ducharme, State of Rhode Island

Randy Vogt, State of Minnesota

Debbie Becker, NCSBCS **Others**

Present: Barbara Bieganski, Vanguard Modular Building Systems

> Ujjval K. Dave, State of Maryland N. Kevin Egilmez, NCSBCS Donald Engle, NRB USA, Inc. Bob Gorleski, PFS Corporation

Tom Hardiman, Modular Building Institute

Charles Osterday, NTA, Inc. Jim Rothman, PFS Corporation

Bob Tanger, T. R. Arnold & Associates

Approval of Minutes

On a motion by Bob Blatchford, seconded by Mike Baier, the minutes of the July 16, 2008, meeting were unanimously approved as submitted.

Correspondence

The secretariat noted that a list of correspondence received since the last meeting was available.

Commissioners' Reports

Mike Baier reported that New Jersey anticipates adoption of the 2009 codes by

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the end of 2009. The sprinkler requirements for single family dwellings (all residential) will be deferred until January 1, 2011.

Warren Ducharme reported that Rhode Island was just getting started on the adoption process of the 2009 ICC codes (IRC, IBC, Mechanical, Plumbing, Energy). The projected adoption date is July 2010. Rhode Island will also be looking at the Property Maintenance Code and Existing Building Code.

Jack Leyden, the Rhode Island State Building Commission, was recently elected to the New England Building Officials Association. He has been in contact with New Hampshire who has expressed an interest in the IBC.

Randy Vogt reported that Minnesota adopted a new energy code, effective 6/1/09. Minnesota will forego the 2009 ICC codes and is currently looking into adopting the 2012 ICC codes.

Kevin Egilmez provided an update on North Dakota. The five-year interim reciprocity agreement was extended an additional two years at last year's annual meeting. A letter was sent by the Commission informing North Dakota of the extension and asking whether it intended to become a full member by passing legislation. The Commission is waiting for their response.

The Commissioners discussed adoption of the July 2007 editions of the Model Rules and Regulations and Uniform Administrative Procedures. The Commission has issued public notices in all of the member states' official publications and did not receive any comments. Now, it is up to each member state to adopt the latest editions of the MRR and the UAP.

New Business

Kevin Egilmez noted that there are currently three vacancies on the RDC: two representing residential industry and one commercial industry. Tom Hardiman with the Modular Building Institute agreed to nominate a representative for the commercial industry position.

Jim Rothman reported on RDC recommendations to the Commission:

- Issue a bulletin addressing the application of building systems.
- Grant automatic three-year test limit waivers to first time applicants who possess current ICC certifications.
- Recognize ICC Residential Plans Examiner test as equivalent to those required for one- and two-family dwelling (Level I) plans examiner.
- Increase label fees for those manufacturers not located in a participating state sufficient to recover additional audit costs as determined by the Commission.
- Issue a bulletin informing manufacturers and third parties to specify ground snow load on data plates.

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 Issue a resolution/position paper from the Commission regarding use of recycled shipping containers.

New Business

Tom Hardiman with the Modular Building Institute agreed to provide the Commission with names of possible candidates for the RDC. Randy Vogt suggested that the manufacturer be familiar with both HUD code and industrialized/modular buildings.

A motion was made by Bob Blatchford and seconded by Mike Baier to issue a bulletin addressing the application of building systems. The motion was approved unanimously.

On a motion made by Mike Baier, seconded by Warren Ducharme, and approved unanimously, the Commission agreed to grant an automatic waiver of the three-year test limit requirement to first time applicants who possess current ICC certifications.

A motion made by Warren Ducharme, seconded by Bob Blatchford, to accept ICC Residential Plans Examiner test as equivalent to those required for one- and twofamily dwelling (Level I) plans examiner certification. The motion passed with a threeto-one vote.

A motion was made by Mike Baier to increase the label fee for those manufacturers not located in a participating state, seconded by Bob Blatchford, and approved unanimously. Secretariat was directed to provide an analysis based on audit costs and production data and recommend an appropriate fee. The Commission agreed to vote on the proposed label fee increase by letter ballot.

A motion was made by Mike Baier, seconded by Warren Ducharme, and approved unanimously, to issue a bulletin instructing manufacturers to document ground snow loads on data plates.

A motion was made by Bob Blatchford, seconded by Mike Baier, and approved unanimously, to pass a resolution regarding the use of recycled shipping containers (Attachment A). Mike Baier stated that the Commission should work to develop or adopt a standard since the use of recycled shipping containers is likely to continue. Bob Tanger reported that TRA is currently working on developing a standard with manufacturers in Asia.

Financial Report and Approval of FY '10 Budget

The Commission's draft audited financial statement for FY 2008 was reviewed. Kevin Egilmez pointed out that the management letter contained three comments going back to 2006: Supporting documentation is not provided to the Commission by NCSBCS for monthly charges; NCSBCS' existing accounting manual has not been updated in several years; and a recommendation was made to create an investment advisory

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committee for the purpose of establishing a formal investment policy. A motion was made by Warren Ducharme, seconded by Bob Blatchford, and approved unanimously to accept the financial statement as submitted.

The draft budget for fiscal year 2010 was discussed which projected a net loss of approximately \$50,000. Kevin Egilmez discussed some of the contingency plans should label revenues continue to decline including furloughs, cutting back on the use of IT and engineering consultants, renegotiating NCSBCS/IBC agreement. He also suggested delaying label fee reimbursements which was deemed unlikely given state's current financial difficulties. A motion was made by Bob Blatchford, seconded by Warren Ducharme, and approved unanimously to adopt the budget as proposed.

On a motion made by Bob Blatchford and seconded by Warren Ducharme, the Commission entered an executive session to discuss designated agency annual performance reports. A motion to reconvene into an open session, made by Warren Ducharme and seconded by Bob Blatchford, carried unanimously.

Bob Blatchford made a motion, seconded by Mike Baier, to redesignate HWC, Minnesota, MCC, NTA, PEI, PFS, Pyramid1, Radco, TRA and Vendola subject to limitations or conditions, if any, established during the executive session. The motion carried.

Election of Officers

On a motion made by Warren Ducharme, seconded by Bob Blatchford, and unanimously approved, Minnesota commissioner was elected IBC Chairman, New Jersey commissioner was elected Vice Chairman, and Rhode Island commissioner was elected Treasurer.

Secretariat's Work Assignments

- 1. Issue a bulletin addressing application of building systems.
- 2. Issue a bulletin regarding granting of automatic waivers to first time applicants who possess current ICC certifications.
- 3. Issue a letter ballot on the proposed label fee increase for those manufacturers that are not located in a participating state.
- 4. Issue a bulletin to all manufacturers and third parties stating that ground snow loads should be specified on data plates.
- 5. Issue Commission's resolution regarding use of recycled shipping containers.

Date and Location of Next Meeting

The next IBC annual meeting is tentatively scheduled for July 21, 2010. The secretariat reported that notice would be sent regarding the location.

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Mike Baier, seconded by Warren Ducharme, moved to adjourn the meeting and the motion carried. The meeting adjourned at 4:45 p.m.

Respectfully submitted,

N. Kevin Egilmez Secretary

Attachment

RESOLUTION ON USE OF RECYCLED SHIPPING CONTAINERS IN INDUSTRIALIZED/MODULAR BUILDINGS

On July 15, 2009, the Industrialized Buildings Commission passed the following resolution regarding the use of recycled shipping containers in industrialized buildings.

WHEREAS, shipping containers are manufactured at various locations throughout the world using construction materials, assembly methods and controls that cannot be readily verified;

WHEREAS, shipping containers are manufactured in such a manner that concealed parts or assembly methods cannot be evaluated without disassembly, damage or destruction;

WHEREAS, prior to being used as components of industrialized buildings, shipping containers are used to store and transport various cargos and are exposed to elements and stresses that are not within the scope of building codes;

WHEREAS, *Uniform Administrative Procedures* does not have a process for assuring participating states of the substantial compliance of used shipping containers with applicable construction standards;

THEREFORE BE IT RESOLVED, that Industrialized Building Commission's certification labels cannot be affixed to used shipping containers to evidence compliance with the *Uniform Administrative Procedures* and the *Model Rules and Regulations*.