

Industrialized Buildings Commission

◆ An Interstate Compact ◆

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MINUTES

Industrialized Buildings Commission Wednesday, July 21, 2010 Conference Call

Randy Vogt called the annual meeting of the Industrialized Buildings Commission to order on Wednesday, July 21, 2010, at 9:05 a.m. Attendance was taken as noted below:

Members Present: Michael Baier, State of New Jersey
Bob Blatchford, Dynamic Homes
Warren DuCharme, State of Rhode Island
Randy Vogt, State of Minnesota

Others Present: Debbie Becker, NCSBCS
N. Kevin Egilmez, NCSBCS

Approval of Minutes

On a motion by Bob Blatchford, seconded by Warren Ducharme, the minutes of the July 15, 2009, meeting were unanimously approved as submitted.

Correspondence

The secretariat noted that correspondence received since the last meeting was provided. Highlights were the approval of a new third party, Action Building Inspection; and Kevin Egilmez's meeting with Stephen Kennealy, a representative from Massachusetts while attending a NTA seminar. Warren Ducharme reported that in addition to Massachusetts, Maine and New Hampshire have also shown interest in the IBC program.

Kevin Egilmez briefed the Commission on his and Mike Baier's meeting with Pennsylvania on September 21, 2009. Pennsylvania recently passed legislation to regulate commercial modular buildings which included authorization to enter into interstate compacts. The original bill placed the program under the Department of Labor and Industry but was later amended to move it to the Department of Community and Economic Development. Pennsylvania had initially indicated that it was interested in participating in the Commission's program but later decided to expand their residential program to incorporate commercial buildings instead.

Randy Vogt and Bob Blatchford recommended the Commission contact Richard Bolten, Iowa State Fire Marshal about joining the compact. Randy Vogt said that he and Richard Bolten were scheduled to attend a conference in Arlington, Virginia and agreed to arrange a meeting with Kevin Egilmez.

Commissioners' Reports

Warren Ducharme reported that Rhode Island adopted the 2009 IBC, IRC, Plumbing, Mechanical, Property Maintenance, and Energy codes effective July 1, 2010.

Randy Vogt suggested the IBC post the codes, amendments, modular program regulations and contact information for all states on the IBC website. If the code information is not practical, Bob Blatchford suggested the IBC post links to every state's modular program. This would be useful to manufacturers and a marketing tool for the IBC.

The Commissioners discussed adoption of the July 2007 editions of the *Model Rules and Regulations* and *Uniform Administrative Procedures*. Warren Ducharme indicated that Rhode Island adopts the latest editions of the MRR and UAP. According to Mike Baier, New Jersey adopts the latest edition of the UAP but will need a rule proposal to amend the MRR. Minnesota's regulations identify the specific edition of the UAP and MRR and would have to be updated.

New Business

On a motion made by Randy Vogt, seconded by Warren Ducharme, the Commissioners unanimously reappointed Mark Blanke, Cal Steiner, Don Engle, and Barbara Bieganski to the RDC for three-year terms. Kevin Egilmez reported that there were several RDC vacancies including two residential and one commercial industry positions. Jim Rothman recommended contacting Deluxe Building Systems.

The Commission discussed extending North Dakota's reciprocity agreement. The initial five-year period was extended an additional two years in 2008. Kevin Egilmez noted that personnel changes and legislature's biennial schedule have delayed the introduction of the compact legislation. On a motion by Bob Blatchford, seconded by Warren Ducharme, the Commission unanimously agreed to extend North Dakota's reciprocity through their legislation process in 2011.

A resolution regarding the use of recycled shipping containers in industrialized/modular buildings was sent to all concerned parties on September 23, 2009 (attachment A). Kevin Egilmez reported that companies contact him regularly regarding recycled shipping containers. Few companies have proposed developing standards to address the Commission's concerns but none have been submitted to date.

Mike Baier made a motion, seconded by Warren Ducharme, to amend designation agreements by changing the expiration dates from 2010 to 2011 for HWC, Minnesota, MCC, NTA, PEI, PFS, Pyramid1, RADCO, TRA, and Vendola. The motion carried.

Financial Report and Approval of FY '10 Budget

The Commission's draft audited financial statement for FY 2009 was reviewed. The management letter contained three comments: Lack of supporting documentation for NCSBCS' monthly charges; accounting manual that has not been updated in several years; and a need to create an investment advisory committee for the purpose of establishing a formal investment policy. Kevin Egilmez agreed to draft an investment policy. A motion was made by Mike Baier, seconded by Bob Blatchford, and approved unanimously to accept the 2009 financial statement.

The Commission discussed support agreement with NCSBCS. The agreement extends automatically for three-month intervals and can be canceled by either party with written notice. It was suggested that the IBC and NCSBCS reverse roles, e.g., the IBC become the secretariat to NCSBCS. Kevin Egilmez was asked to provide the commissioners with copies of his previous correspondence with Richard Osworth regarding IBC's separation from NCSBCS.

The draft budget for fiscal year 2011 was discussed which projects a loss of approximately \$58,000. A motion was made by Mike Baier, seconded by Bob Blatchford, and approved unanimously to adopt the budget as proposed. A motion was made by Mike Baier, seconded by Bob Blatchford, and approved unanimously to reduce the amount designated for reimbursing start-up funds from \$ 365,547 to \$250,000.

Election of Officers

Mike Baier made a motion, seconded by Warren Ducharme, to reelect Minnesota commissioner as Chairman, New Jersey commissioner as vice-chairman, and Rhode Island commissioner as treasurer. The motion carried unanimously.

Secretariat's Work Assignments

Kevin Egilmez reviewed secretariat's work assignments:

1. Develop a webpage for state modular programs.
2. Notify RDC members of their reappointment.
3. Notify North Dakota regarding agreement extension.
4. Send agreements extending expiration date to 2011.
5. Draft an investment policy for Commission's review.
5. Forward copies of 2009 annual report and financial statements to Commissioners.
6. Provide copies of correspondence discussing IBC's separation from NCSBCS.

Date and Location of Next Meeting

The next annual meeting is tentatively scheduled for July 20, 2011. A decision will be made at a later date as to whether it will be a conference call or in person.

Bob Blatchford, seconded by Mike Baier, moved to adjourn the meeting and the motion carried. The meeting adjourned at 11:35 a.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*.