

Texas Industrialized Housing and Builders Council Meeting
Licensing Statistics
June 20, 2019

Manufacturers	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
New Registrations Issued	26	32	27	38	34
Renewed Registrations Issued	125	134	147	144	90
Total Population	152	165	172	189	219

To Date
2
23
219

Builders	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
New Registrations Issued	54	45	94	84	44
Renewed Registrations Issued	281	311	304	293	179
Total Population	325	341	383	403	385

To Date
10
61
385

Third Party Inspectors	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
New Registrations Issued	9	8	6	3	0
Renewed Registrations Issued	44	46	51	46	5
Total Population	58	58	62	53	56

To Date
1
26
56

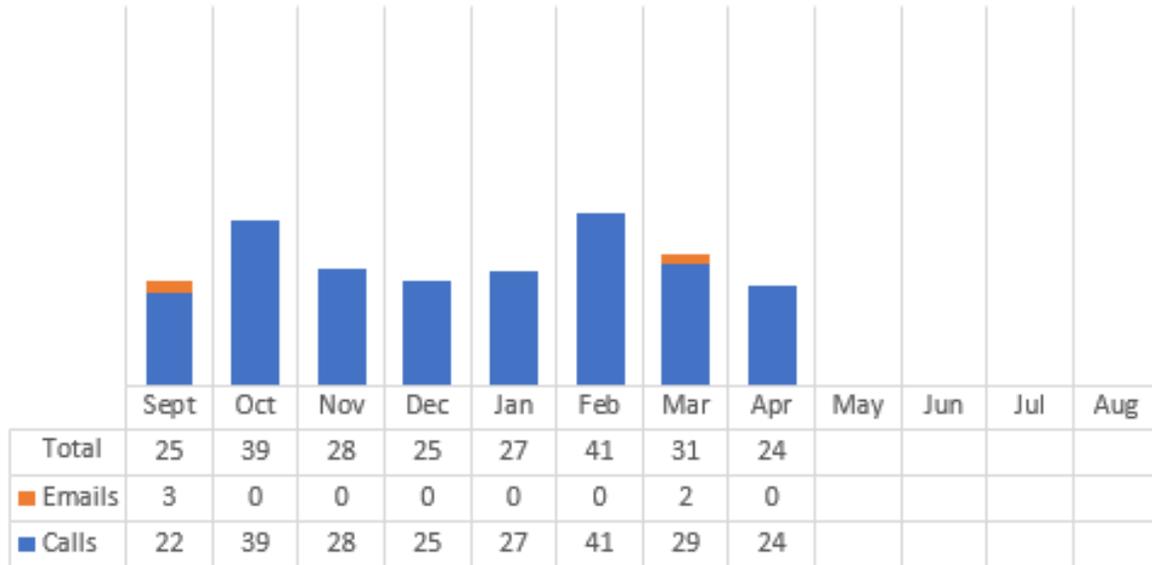
Third Party Inspection Agencies	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
New Registrations Issued	0	1	0	0	0
Renewed Registrations Issued	8	9	7	7	6
Total Population	8	9	9	9	9

To Date
0
3
9

Design Review Agency	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
New Registrations Issued	1	2	0	0	0
Renewed Registrations Issued	8	6	8	8	8
Total Population	9	8	8	8	8

To Date
0
3
8

INDUSTRIALIZED HOUSING AND BUILDINGS CUSTOMER SERVICE CONTACTS FISCAL YEAR 2019



TEXAS INDUSTRIALIZED BUILDING CODE COUNCIL

Enforcement Division Staff Report June 20, 2019

Case Highlights

- In September 2016, the Department received a complaint from a consumer that the industrialized built home she had purchased had multiple issues. A final inspection of the home had occurred on or about July 18, 2016. After the Department conducted an inspection at the Complainant's home, the Department issued a Notice of Alleged Violation in February 2018 seeking \$15,000 in penalties against the home's certified manufacturer, Oak Creek Homes, LLC. Oak Creek Homes, LLC signed a settlement agreement and an Agreed Order issued on August 14, 2018 for \$11,520, which was paid in full.
- In May 2018, the Department received a complaint from a consumer that the industrialized built home she had purchased had multiple issues. A final inspection of the home had occurred on or about February 28, 2017. After the Department conducted an inspection at the Complainant's home, the Department issued a Notice of Alleged Violation in February 2019 seeking \$18,000 in penalties against the home's certified manufacturer, Platinum Homes, LLC. Platinum Homes, LLC signed a settlement agreement and an Agreed Order issued on April 9, 2019 for \$13,500, which was paid in full.

Key Statistics – Fiscal Year 2018

Shown below are key statistics for the Industrialized Housing and Buildings program and for all TDLR programs combined through Fiscal Year 2018.

<u>Statistic</u>	<u>IHB</u>	<u>TDLR</u>
• Number of cases opened:	18	10,585
• Number of cases resolved:	24	9,833
• Number of Final Orders:	3	2,037
• Total amount of penalties assessed:	\$15,250	\$3,209,055
• Total amount of penalties collected:	\$15,250	\$1,528,594

Key Statistics – Fiscal Year 2019 through April

Shown below are key statistics for the Industrialized Housing and Buildings program and for all TDLR programs combined through April of Fiscal Year 2019.

<u>Statistic</u>	<u>IHB</u>	<u>TDLR</u>
• Number of cases opened:	19	7,137
• Number of cases resolved:	11	6,613
• Number of Final Orders:	1	1,137
• Total amount of penalties assessed:	\$13,500	\$1,906,570
• Total amount of penalties collected:	\$13,500	\$956,162



Industrialized Housing & Buildings

Regulatory Program Management

Staff Report

Texas Industrialized Building Code Council

June 20, 2019

Personnel Update

June 20, 2019 - TDLR



Component Presentation



June 20, 2019 - TDLR

MODULAR COMPONENTS

Presentation to the
**Texas
Industrialized
Building Code
Council**

June 20, 2019





What *are* MODULAR COMPONENTS?



June 20, 2019 - Presentation to TIBCC

COMPONENTS

- A sub-assembly, subsystem, or combination of elements
- For use as a part of a building system or part of a modular component
- Is generally not structurally independent
- May be part of structural, plumbing, mechanical, electrical, fire protection, or other systems affecting life safety

MODULE

- A three dimensional section of industrialized housing or buildings
- Designed and approved to be transported as a single section independent of other sections
- To a site for on-site construction
- With or without other modules or modular components



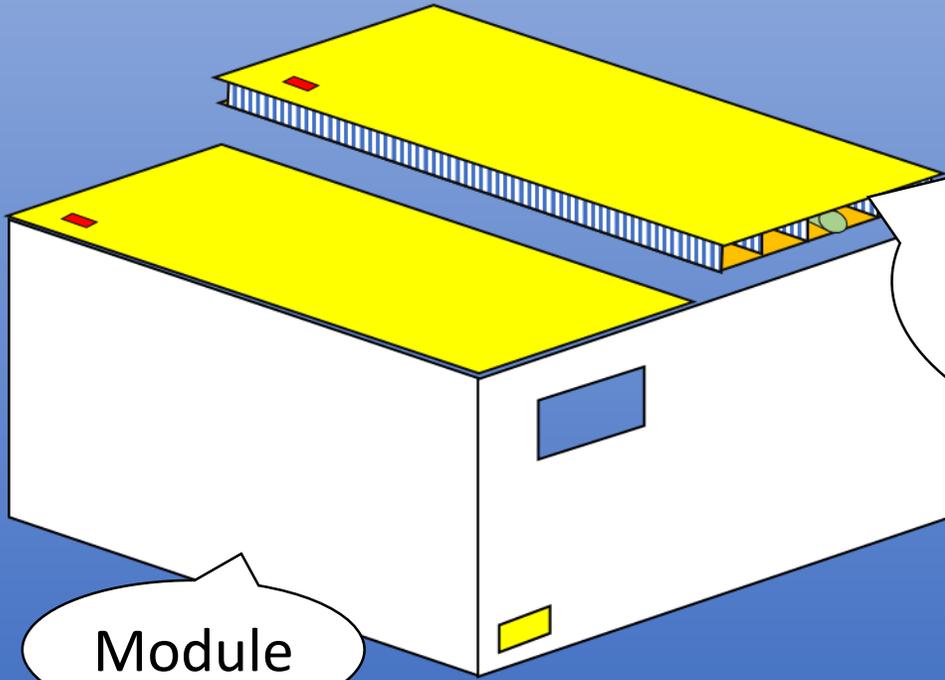
MODULES VS MODULAR COMPONENTS

Modules - a three dimensional section of a house or building

- Industrialized house
- Industrialized building
- Relocatable educational facility (REF)
- Each piece of an industrialized house or building is also a module

Modular Components - used as a building component in a module or a site-built structure

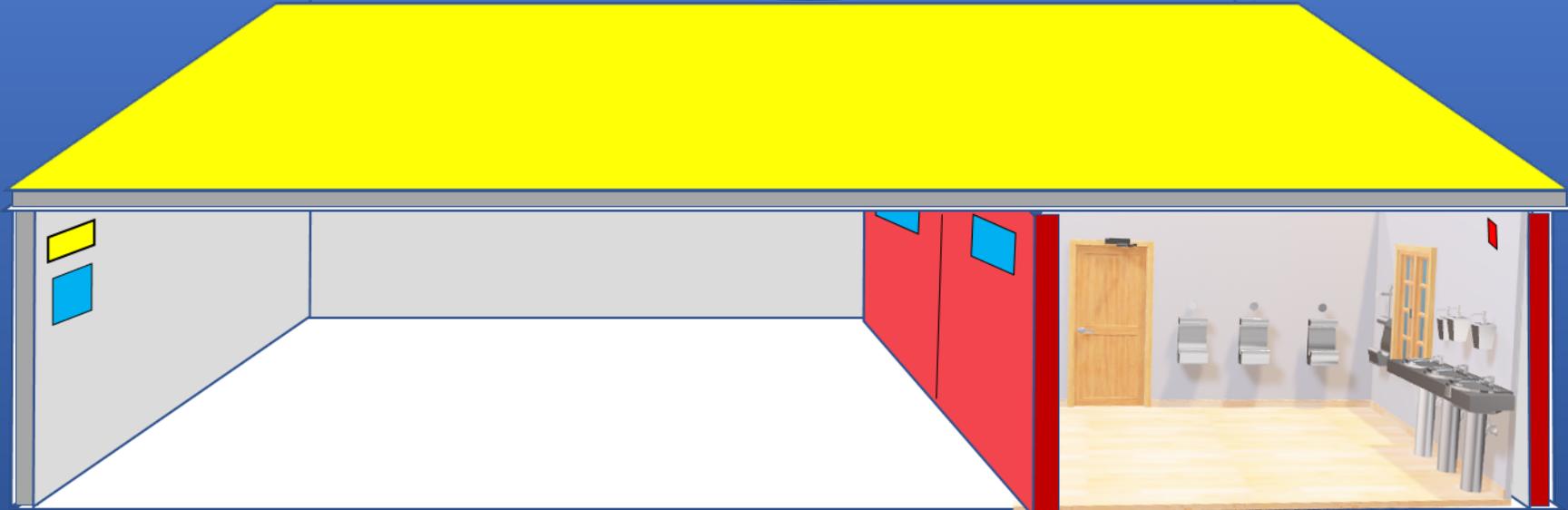
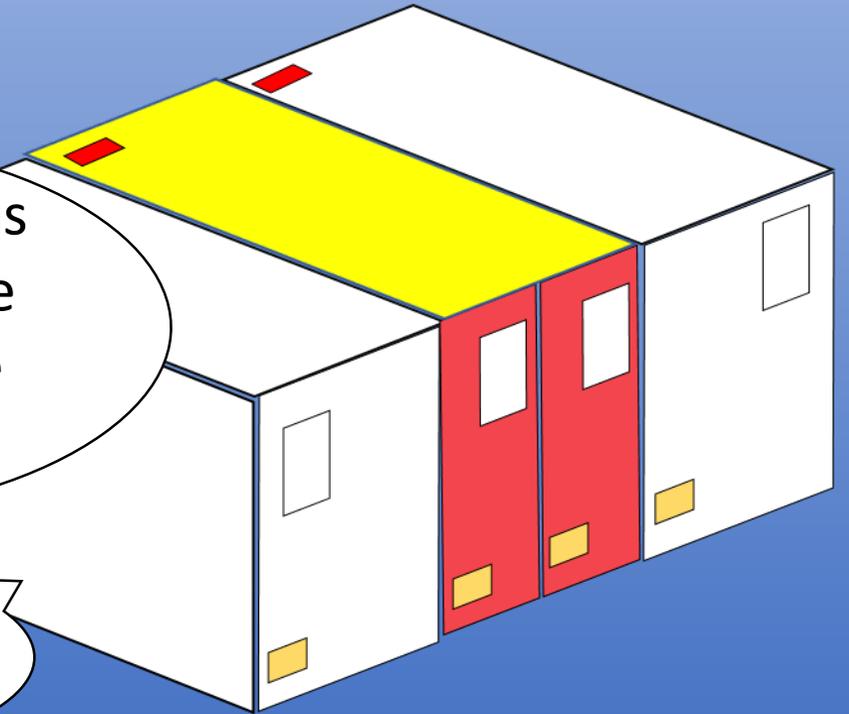
- Wall panel
- Roof panel
- Bathroom pod
- Kitchen pod
- Equipment building shell
- Jail cells

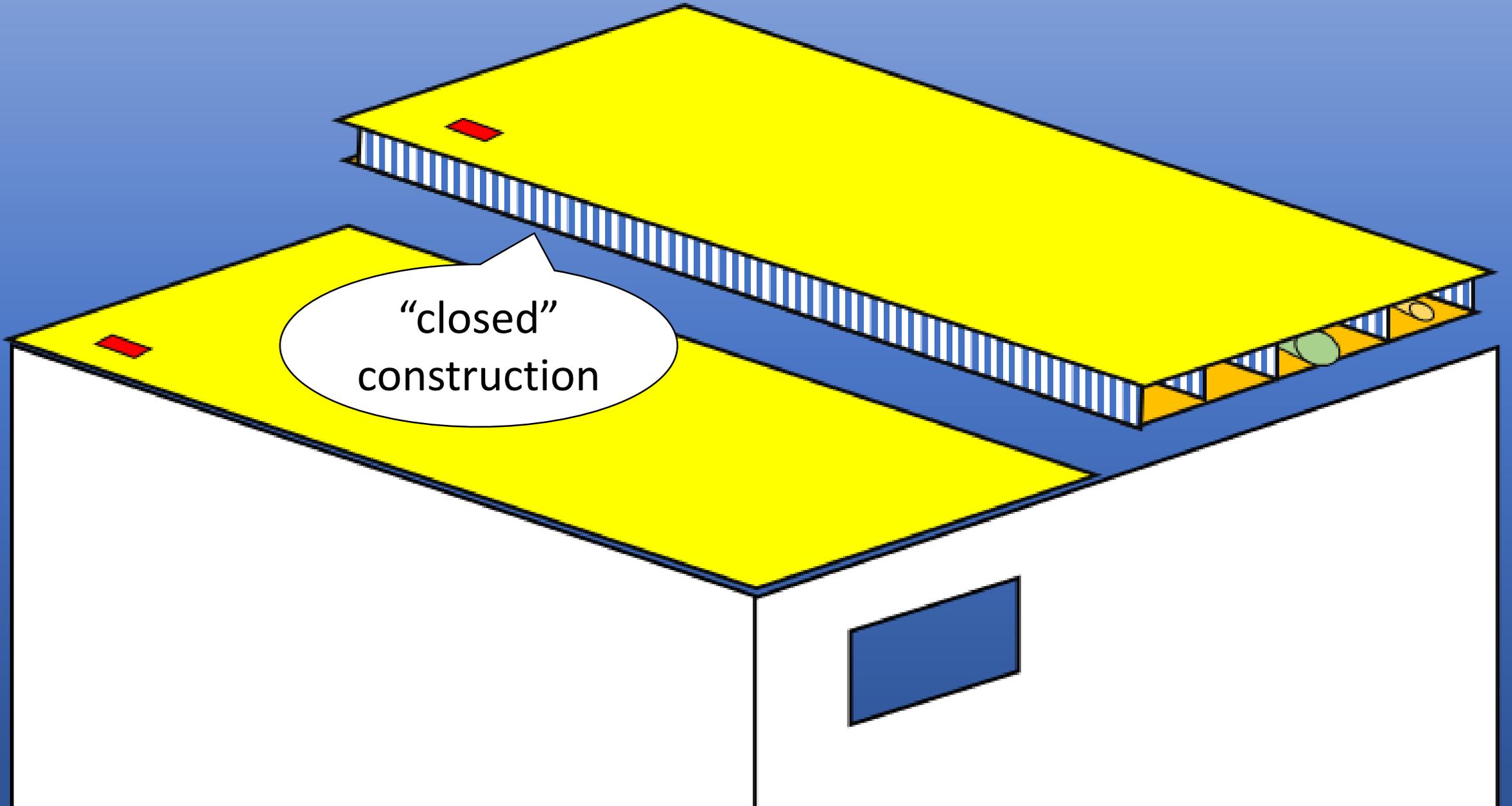


Module

This roof assembly is a component of the module or of a site constructed bldg.

Building made of modules.





"closed"
construction

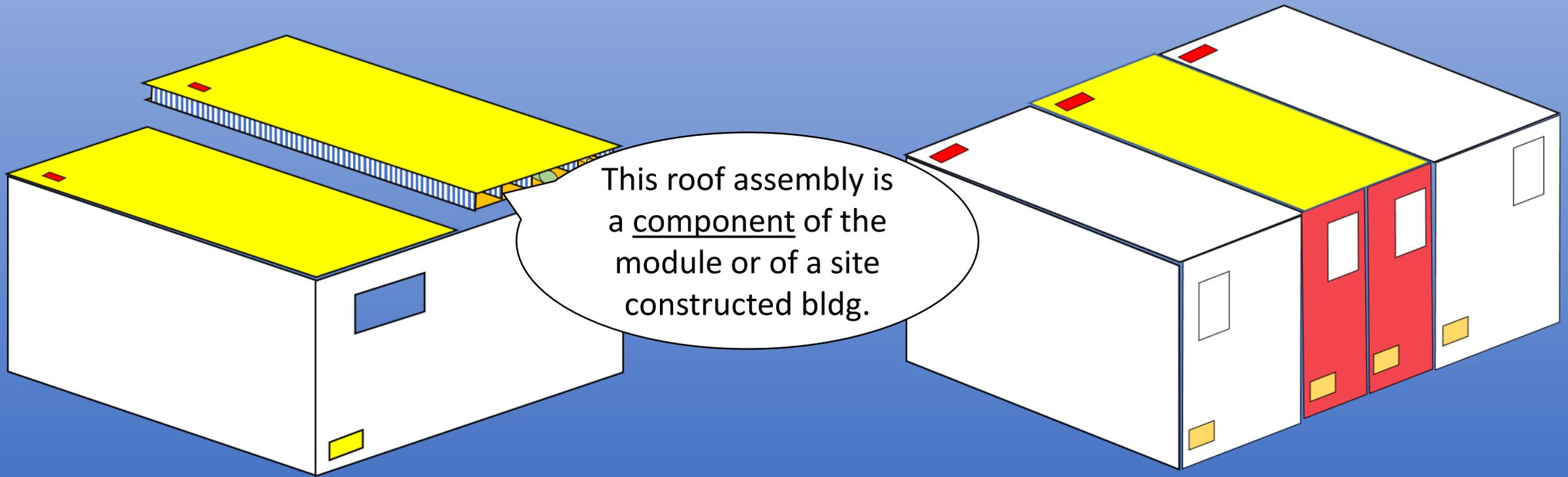
OPEN CONSTRUCTION

- That condition where any house, building, or portion thereof
- Is constructed in such a manner that all parts or processes of manufacture
- Can be readily inspected at the building site
- Without disassembly, damage to, or destruction thereof

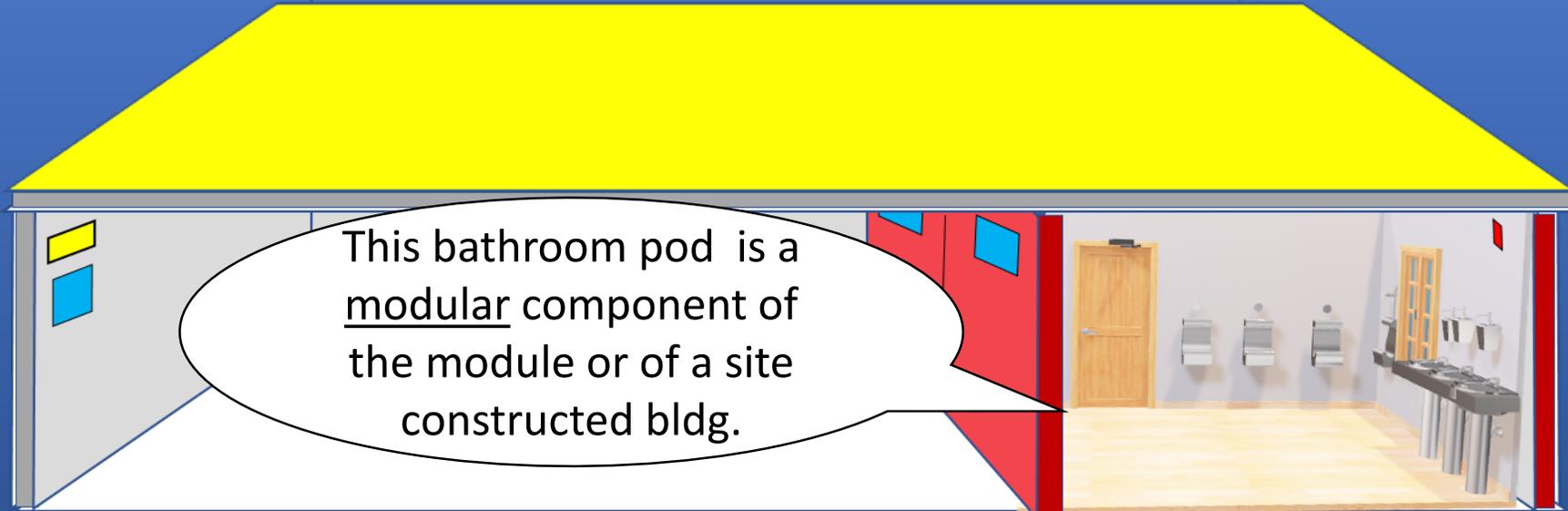


OPEN CONSTRUCTION



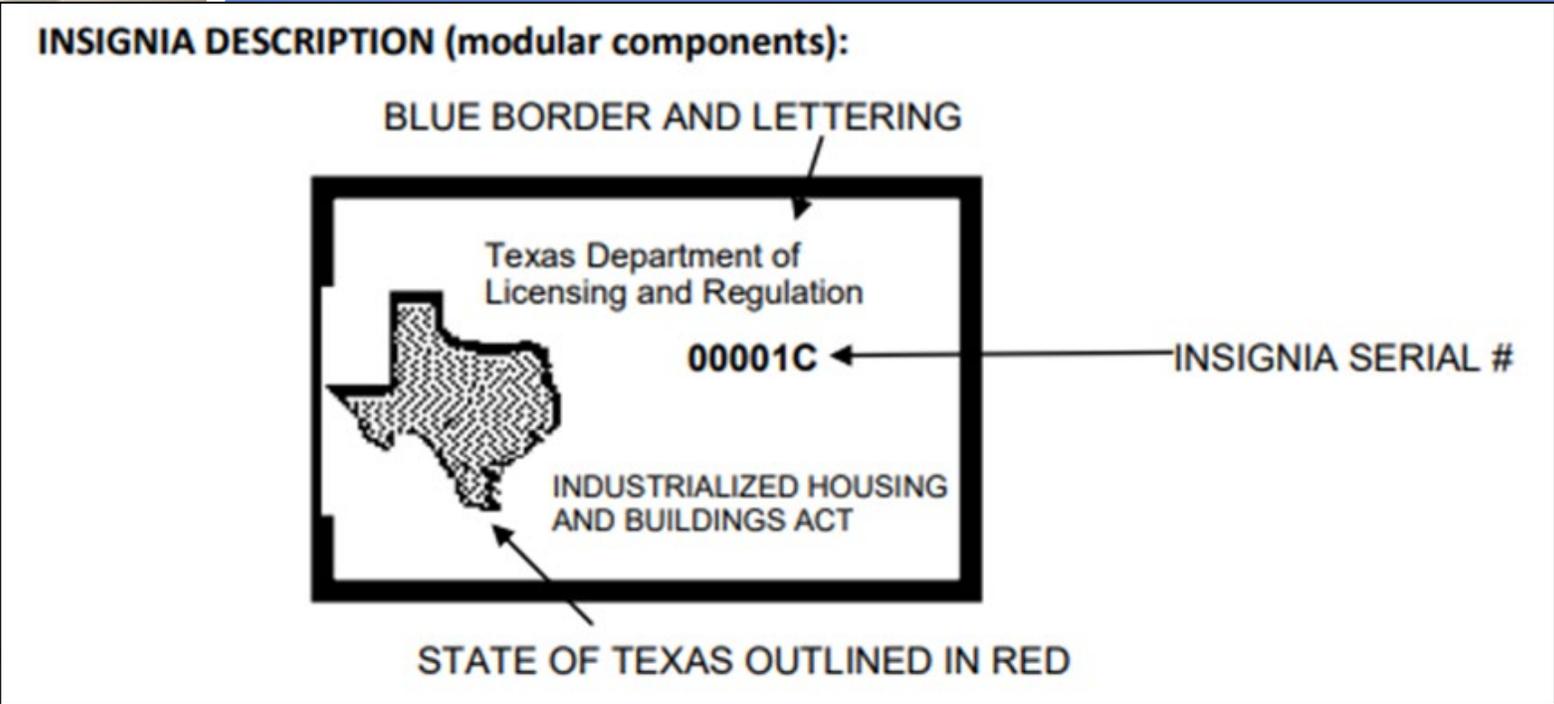


This roof assembly is a component of the module or of a site constructed bldg.



This bathroom pod is a modular component of the module or of a site constructed bldg.

Each modular component has an insignia.



Each module of the building has a decal.



DECAL DESCRIPTION (Current – beginning with decal #78947):



This label certifies that this module has been manufactured in accordance with the requirements of Chapter 1202 of the Occupations Code and the Texas Industrialized Building Code Council.

78947

BEGINNING
NUMBER

TEXAS DEPARTMENT OF LICENSING AND REGULATION

COLORS: White background, blue star, blue lettering. **SIZE:** 2" X 4"

If product is tampered with the label will chip away in tiny pieces. Permanent acrylic adhesive used. Material is 3.5 mil thick. Five-year exterior application warranty. Temperature range -30 deg. F to 245 deg. F. Minimum application temperature is 50 deg. F.

The decal and insignia issued by the IHB Program assure local officials and end users that the construction was inspected and meets the applicable building codes – an assurance similar to that offered by a product listing.



COMPONENT DATA PLATE

- Manufacturer's name and registration number
- State insignia number and serial number of the component
- Name and date of applicable mandatory building codes
- Design limitations on the component (if any)
- Conditions of use of the component (such as might be found in a listing).

Examples include:

- Types of construction can be used in
- How many can be stacked (jail cells are a good example)
- Fire rating of component



BUILDING DATA PLATE

- Manufacturer's name and registration number
- State decal number and serial number of each unit/module
- Name and date of applicable mandatory building codes
- Structural design info such as wind speed, live load, snow load
- Occupancy group and construction type
- Special conditions and/or limitation notes on building use
 - These notes alert the local officials or end users of items that may require verification at the installation site (such as location on the property, roof ventilation requirements, blower door testing)

Example of a Data Plate

Service Panel:		200 AMP; 120/240 V; Single Phase; 3 Wire; 60 Hertz	
Factory Installed Appliances	Manufacturer	Model	
Fireplace			
Walloven / Microwave			
Range / Cooktop			
Water Heater			
Dishwasher			
Garbage Disposal			
Refrigerator			
Smoke Detector			
Type of Gas Used:			
Design Conditions			
Building Area (SF):		Max Wind Speed (MPH):	
Max Snow Load (PSF):		Risk Category (Wind):	
Roof Dead Load (PSF):		Wind Exposure Category:	
Floor Live Load (PSF):		Seismic Design Category:	
Floor Dead Load (PSF):		Risk Category (Seismic):	
Fire Rating - Ext Walls (HR):		Building Height (stories):	
Gross Unit Weight		Use Group:	
Distance to Lot Line (FT):		Construction Type:	
Heating			
	Design Temperatures	Thermal Transmittance Values	
Indoor:		Uo Value or R-Value Floor:	
Outdoor:		Uo Value or R-Value Wall:	
Degree Days:		Uo Value or R-Value Roof:	
Special Environmental Factors:		Minimum BTU's:	
Code Compliance			
2015 International Residential Code w TX Amendments			
16 TAC, Chapter 70, Industrialized Housing and Buildings Administrative Rules			

Blox:

<http://www.bloxbuilt.com/>

Neopod Systems:

<http://www.neopodsystems.com/#>

Pivotek:

<http://pivotek.net/>

Steel Cell of North America

<http://www.steelcell.com/>

Tindall Corporation:

<https://tindallcorp.com/>

Examples of
Texas certified
modular
component
manufacturers



Neopod Systems and Pivotek are TDLR
certified component manufacturers.

Neopod Systems YouTube video:

<https://youtu.be/gJ9IRHNIQpl>

Pivotek YouTube video:

<https://www.youtube.com/watch?v=hrN3vCkTmzY>



Our email address:

IHBtech@tdlr.Texas.gov

Our website:

<https://www.tdlr.texas.gov/ihb/ihb.htm>



2019 Legislative Session

June 20, 2019 - TDLR

Legislation that affects the IHB Program

- HB 1385 – Signed by Governor on 5/24/2019 – Eliminated height limits for industrialized housing and buildings
- HB 2546 – Sent to Governor on 6/29/2019 – Added new §1202.1536, which allows manufacturers and builders of single-family industrialized housing to choose to use either:
 - The energy code adopted by the Council (currently 2015 IECC); or
 - The energy code in this state for any single-family residential construction with any local amendments or alternative compliance paths described in Section 388.003, Health and Safety Code if amendments have been found by the TX Energy Systems Laboratory as equally or more stringent than the energy code adopted by SECO
- HB 852 – Effective 5/21/2019 – Does not allow a municipality to ask the value of a house in order to issue a permit
 - Note that §1202.253 allows a municipality to adopt an ordinance requiring that modular housing installed in a neighborhood must have a value equal to or greater than the median values of house within 500 feet of the installation site



AN ACT

relating to the regulation of industrialized housing and buildings.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 1202.002(c), Occupations Code, is amended to read as follows:

(c) Industrialized housing does not include:

(1) [~~a residential structure that exceeds four stories or 60 feet in height;~~

~~[-2)]~~ housing constructed of a sectional or panelized system that does not use a modular component; or

(2) [~~3)~~] a ready-built home constructed in a manner in which the entire living area is contained in a single unit or section at a temporary location for the purpose of selling and moving the home to another location.

SECTION 2. Section 1202.003(d), Occupations Code, is amended to read as follows:

(d) An industrialized building includes a permanent commercial structure and a commercial structure designed to be

transported from one commercial site to another commercial site but does not include [÷

~~[(1) a commercial structure that exceeds four stories or 60 feet in height; or~~

~~[(2)] a commercial building or structure that is:~~

(1) ~~[(A)]~~ installed in a manner other than on a permanent foundation; and

(2) ~~[(B)]~~ either:

(A) ~~[(i)]~~ not open to the public; or

(B) ~~[(ii)]~~ less than 1,500 square feet in total area and used other than as a school or a place of religious worship.

SECTION 3. This Act takes effect September 1, 2019.

President of the Senate

Speaker of the House

I certify that H.B. No. 1385 was passed by the House on April 3, 2019, by the following vote: Yeas 149, Nays 0, 1 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 1385 was passed by the Senate on May

10, 2019, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED:

Date

Governor

AN ACT

relating to the energy efficiency performance standards for construction of certain industrialized housing.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter D, Chapter 1202, Occupations Code, is amended by adding Section 1202.1536 to read as follows:

Sec. 1202.1536. OPTION TO CONSTRUCT CERTAIN INDUSTRIALIZED HOUSING IN ACCORDANCE WITH CERTAIN ENERGY EFFICIENCY PERFORMANCE STANDARDS. (a) Notwithstanding any other provision of this subchapter related to energy efficiency performance standards, a manufacturer or builder of industrialized housing may construct single-family industrialized housing in accordance with the energy efficiency performance standards outlined in:

(1) the energy code adopted by the council; or

(2) the energy code in this state for single-family residential construction with any local amendments or alternative compliance paths described by Section 388.003, Health and Safety Code, that are:

(A) requested by a municipality, county, or group of counties located in the climate zone in which the single-family

industrialized housing will be located; and

(B) determined by the laboratory, as defined by Section 388.002, Health and Safety Code, to be equally or more stringent than the energy code described by Section 388.003(a), Health and Safety Code.

(b) A manufacturer or builder of industrialized housing shall maintain and, on request, make available to the department, to a design review agency, or to another entity authorized to evaluate industrialized housing under this chapter all documentation necessary to evaluate single-family industrialized housing constructed by the manufacturer or builder in accordance with the energy efficiency performance standards described by Subsection (a).

SECTION 2. This Act takes effect September 1, 2019.

President of the Senate

Speaker of the House

I certify that H.B. No. 2546 was passed by the House on April 25, 2019, by the following vote: Yeas 121, Nays 15, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 2546 on May 24, 2019, by the following vote: Yeas 123, Nays 18, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 2546 was passed by the Senate, with amendments, on May 22, 2019, by the following vote: Yeas 30, Nays 1.

Secretary of the Senate

APPROVED: _____

Date

Governor

Projects

June 20, 2019 - TDLR

Projects - Manufacturers Certified Since Last Meeting

Mfg. Reg. #	Mfg. Name	City	Date Started	Date Certified	Type of Building	1st Inspector	2nd Inspector
515	Hunter Buildings	Houston, TX	4/30/2018	7/24/2018	Equipment Building	Kelly Kelly	Chris Reininger (NTA)
513	IMCOR	Phoenix, AZ	4/9/2018	8/31/2018	Equipment Building	Mark Feighner	David Hamm (NTA)
494	TPMG	Houston, TX	4/4/2018	10/26/2018	Equipment Building	Kelly Kelly	
485	Valiant Equipment	Ormond Beach, FL	2/7/2017	11/1/2018	Commercial Other	Brian Ledbetter	David Hamm (NTA)
542	Madison Industries	Conyers, GA	10/15/2018	11/28/2018	Commercial Other	Brian Ledbetter	
537	Englobal U.S.	Houston, TX	8/20/2018	12/27/2018	Integrator	Brian Ledbetter	
551	Custom Touch Homes	Madison, SD	11/12/2018	1/10/2019	Commercial Other	Kelly Kelly	Carmon Marshall
540	Crown Texas	Garland, TX	9/10/2018	1/18/2019	Equipment Building	Kelly Kelly	Carmon Marshall
518	Richard Automation	Huffman, TX	7/23/2018	2/6/2019	Equipment Building	Kelly Kelly	
484	Wingfield Engineering	Goodwater, AL	4/23/2018	2/26/2019	Equipment Building	Brian Ledbetter	
525	Riverwood Cabins	Himrod, N Y	7/23/2018	2/27/2019	Housing	Brian Ledbetter	Carmon Marshall
553	Pivotek	West Chester, OH	2/25/2019	4/24/2019	Bathroom components	Kelly Kelly	Carmon Marshall
565	AZZ	Millington, MD	4/9/2019	5/17/2019	Equipment Building	Kelly Kelly	Carmon Marshall

Projects – Manufacturer Certification Inspections in Process or Scheduled

Mfg. Reg. #	Manufacturer Name	Location	Date Started	Type of Bldg.	1st Inspector	2nd Inspector
522	Done Group, IHM-522	Knoxville, TN	12/10/2018	Commercial Housing	Brian Ledbetter	Carmon Marshall
557	Ritz-Craft Corporation	Hamlet, NC	12/10/2018	Housing	Kelly Kelly	Crisi Cooper
503	JoaQuin Manufacturing	Commerce City, CO	2/4/2019	Equipment Building	Brian Ledbetter	
490	Brodie Builders	San Antonio, TX	2/4/2019	Housing	Kelly Kelly	Crisi Cooper
575	Custom Power Enclosures	Houston, TX	3/11/2019	Equipment Building	Kelly Kelly	Crisi Cooper
521	Zachary Industrial	Lubbock, TX	3/18/2019	Equipment Building	Brian Ledbetter	Crisi Cooper
588	Shelter One Inc	Grants Pass, OR	5/6/2019	Equipment Building	Kelly Kelly	Carmon Marshall
572	Contech Control Services	LaPorte, TX	6/3/2019	Integrator	Kelly Kelly	Crisi Cooper
573	Eaton Corporation	Omaha, NE	6/10/2019	Equipment Building	Crisi Cooper	Andy Carlson (P1)
560	ABB	Houston, TX	6/10/2019	Integrator	Kelly Kelly	
547	Redguard LLC	Wichita, KS	6/24/2019	Equipment Building	Crisi Cooper	TPI

As of 5/30/2019

June 20, 2019 - TDLR

100% Inspections

Mfg. Reg. #	Mfg. Name	City	Date Started	Date Completed	Type of Building	Team Leader	2 nd Inspector
568	AMR Pemco	Bluefield, VA	3/7/2019	4/5/2019	Equipment Building	Brian Ledbetter	RADCO
539	Englobal U.S.	Henderson, TX	11/5/2018	3/13/2019	Equipment Buildings	Kelly Kelly	Crisi Cooper

AMR Pemco was a one-time project, using the one building exemption from the requirements for certification. IHB staff provided oversight on the project, but inspections were performed by their TPIA, RADCO.

Englobal completed buildings that were started by Koontz-Wagner in Houston. Koontz-Wagner was a Certified IHB manufacturer who filed bankruptcy and Englobal acquired the incomplete buildings from the bankruptcy court. Englobal was granted an exemption to complete these buildings under the “other extenuating circumstances” exception from the requirements for certification.



Reasons Why Registered Manufacturers Haven't Completed the Certification Process (some or all may apply)

- Compliance Control Programs not adequate during initial inspection
- First unit too far along to fully witness some areas of construction and Compliance Control procedures in full
- Revisions to Compliance Control manual not completed
- Follow up required after Compliance Control manual revisions completed
- Certification units still under construction
- Outstanding unpaid inspection fees

Trends & Statistics

June 20, 2019 - TDLR

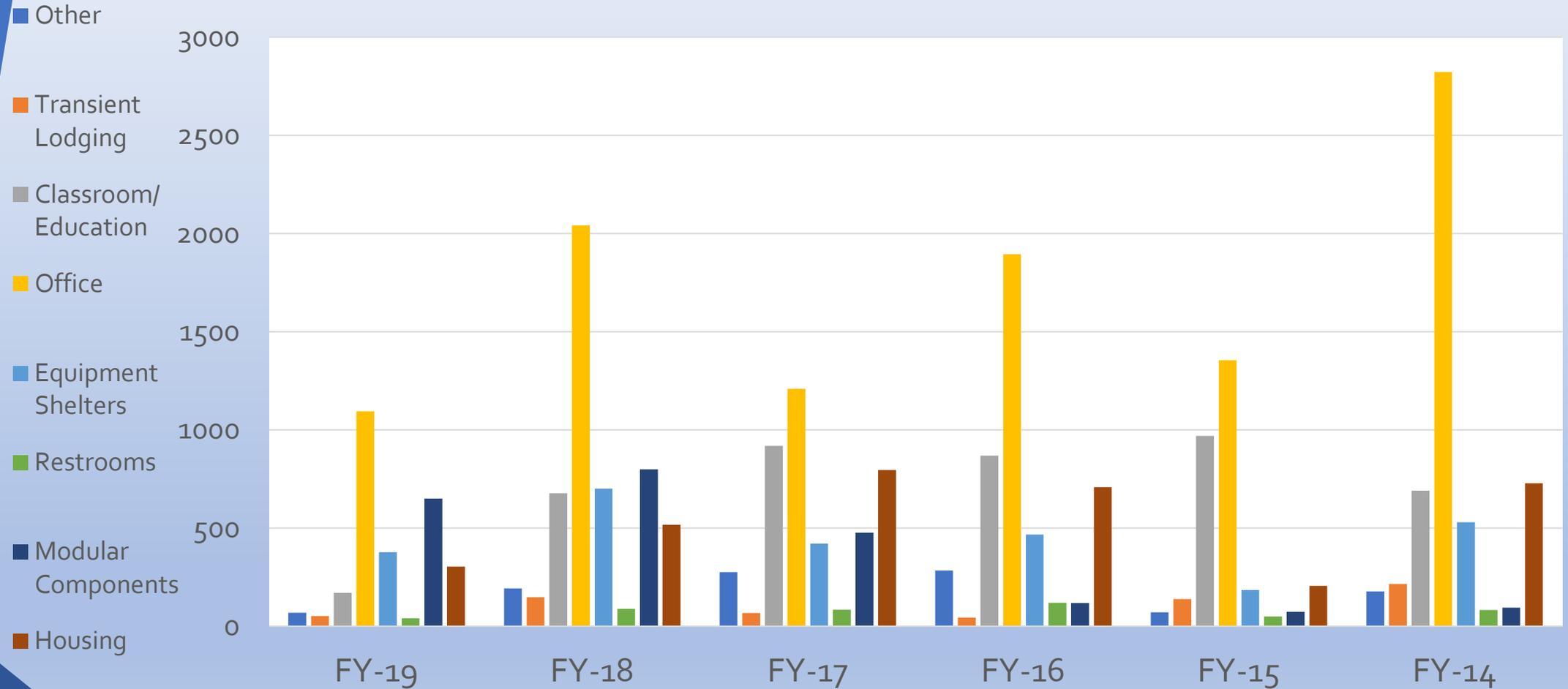
Total Modular Units Constructed by Use

Building Type/FY	Other	Transient Lodging	Classroom/ Education	Office	Equipment Shelters	Restrooms	Modular Components	Housing	Totals
*FY-19	69	52	170	1,095	377	41	650	304	2,758
FY-18	193	148	677	2,041	701	89	799	517	5,165
FY-17	276	68	919	1,209	421	84	476	796	4,249
FY-16	284	44	869	1,895	467	120	118	708	4,385
FY-15	71	138	969	1,355	185	50	73	206	3,047
FY-14	177	215	690	2,823	530	83	95	728	5,341

*Through February 2019.

Other includes banks, churches, coffee shops, stores, guard houses, clinics and other uses; Equipment shelters include storage buildings & hazardous storage; Transient lodging includes dorms, dining halls, rec centers & other types of buildings associated with temporary housing for oil field projects and beyond; Classroom/Education includes site-built REFs; ND = No data available

Total Modular Units Constructed by Use



Total Modular Units not Shipped

Equipment Shelters	Other Commercial	Housing
202	1,608	62

Through February 28, 2019

Number of Inspections By Third Parties – FY 2013 through FY 2019

	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Facilities Inspected	842	1,063	1,146	1,038	1,055	1,222	766
Units Inspected	5,458	7,397	7,117	5,897	5,813	7,325	4,840

FY 2019 through April 2019

Builder Audits

Fiscal Year	# BLDS AUDITED	# RES UNITS	# COM UNITS	TOTAL # UNITS AUDITED	# COM COMPLAINTS	# RES COMPLAINTS
FY-19	56	291	0	291	0	2
FY-18	82	485	1	486	0	8
FY-17	104	770	133	903	0	4
FY-16	86	581	22	603	0	2
FY-15	171	943	16	959	0	5
FY-14	207	704	377	1081	0	6

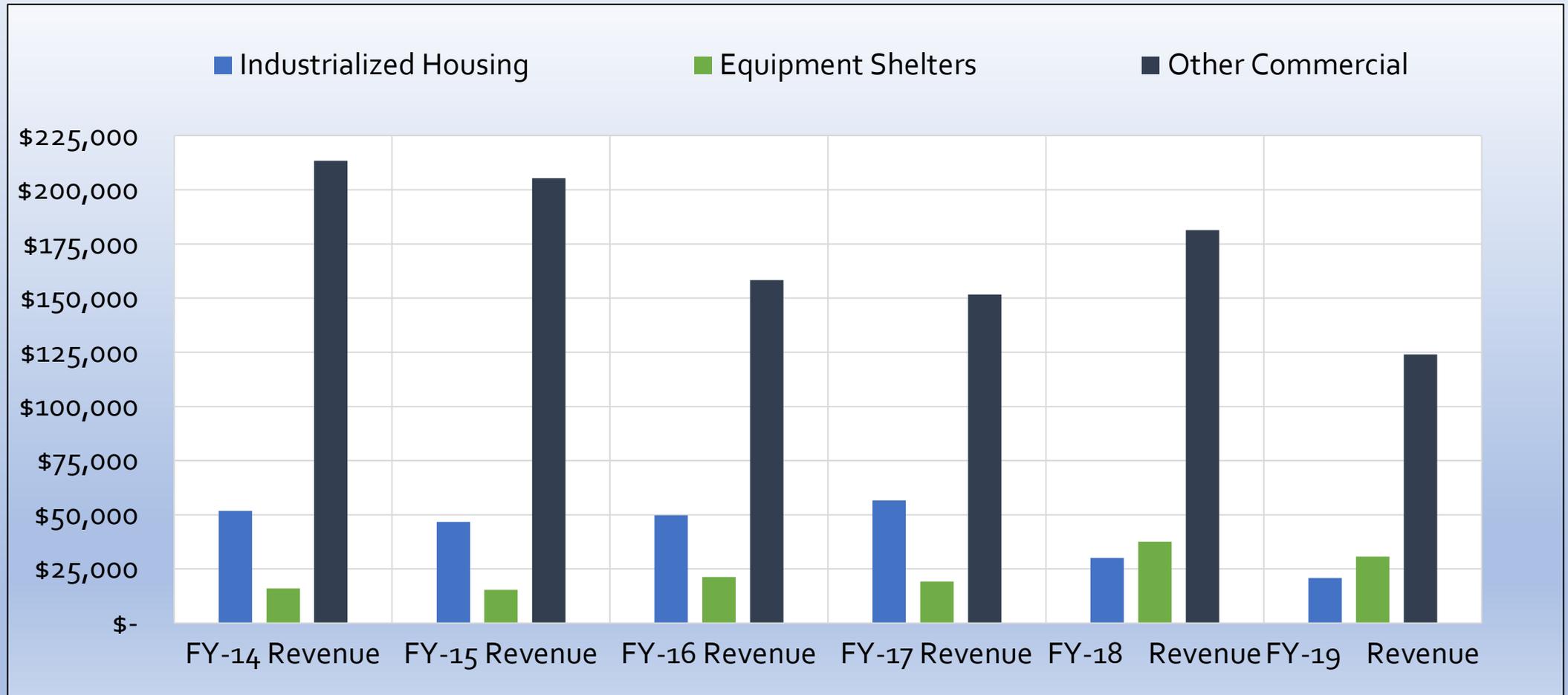
FY 19 through May 15, 2019

Decal Sales – Total Revenue

Building Type	FY-14 Revenue	FY-15 Revenue	FY-16 Revenue	FY-17 Revenue	FY-18 Revenue	FY-19 Revenue
Industrialized Housing	\$ 51,879.98	\$ 46,702.33	\$ 49,787.50	\$ 56,632.57	\$ 30,055.40	\$ 20,825.70
Equipment Shelters	\$ 15,966.25	\$ 15,313.68	\$ 21,195.24	\$ 19,112.04	\$ 37,606.53	\$ 30,702.75
Other Commercial	\$ 213,348.32	\$ 205,329.13	\$ 158,259.26	\$ 151,702.08	\$ 181,358.13	\$ 124,046.21
Site Built REF	\$ 107.52	\$ 623.00	\$ 215.04	\$ -	\$ -	\$ -
Replacement Decals	\$ 1,299.00	\$ 3,394.09	\$ 2,378.88	\$ 1,023.26	\$ 264.40	\$ 562.60
Total Commercial	\$ 229,422.09	\$ 221,265.81	\$ 179,669.54	\$ 170,814.12	\$ 218,964.66	\$ 154,748.96
Total (All)	\$ 282,601.07	\$ 271,362.23	\$ 231,835.92	\$ 228,469.95	\$ 249,284.46	\$ 176,137.26

FY 2019 is through May 1, 2019

Decal Sales – Total Revenue



FY 2019 is through May 1, 2019

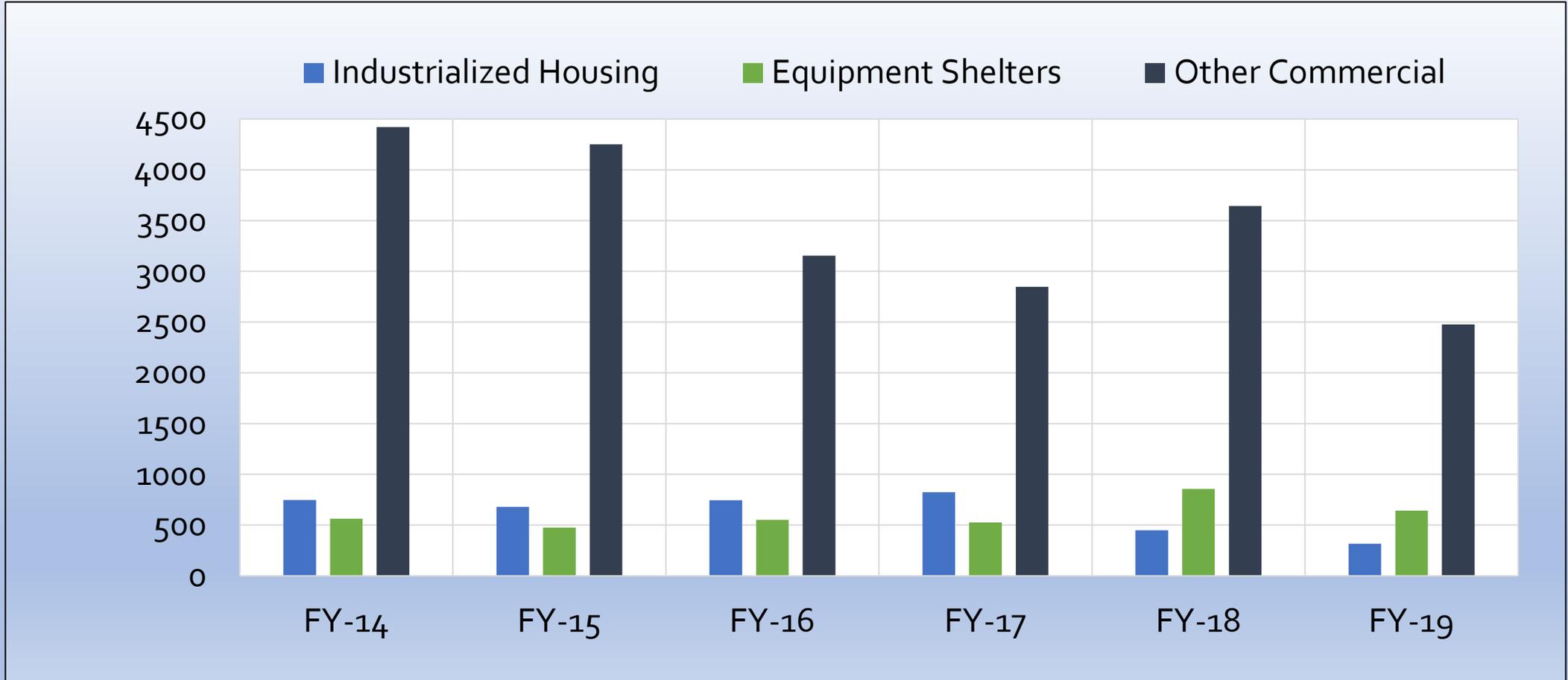
Decal Sales – Total Decals Sold

Building Type	FY-14 Total Decals	FY-15 Total Decals	FY-16 Total Decals	FY-17 Total Decals	FY-18 Total Decals	FY-19 Total Decals
Industrialized Housing	747	680	745	824	448	317
Equipment Shelters	563	474	551	525	857	642
Other Commercial	4421	4252	3155	2847	3644	2478
Site Built REF	1	10	2	0	0	0
Replacement Decals	28	42	46	21	4	11
Total Commercial	4985	4736	3708	3372	4501	3120
Total (All)	5760	5458	4499	4217	4953	3448

FY 2019 is through May 1, 2019

June 20, 2019 - TDLR

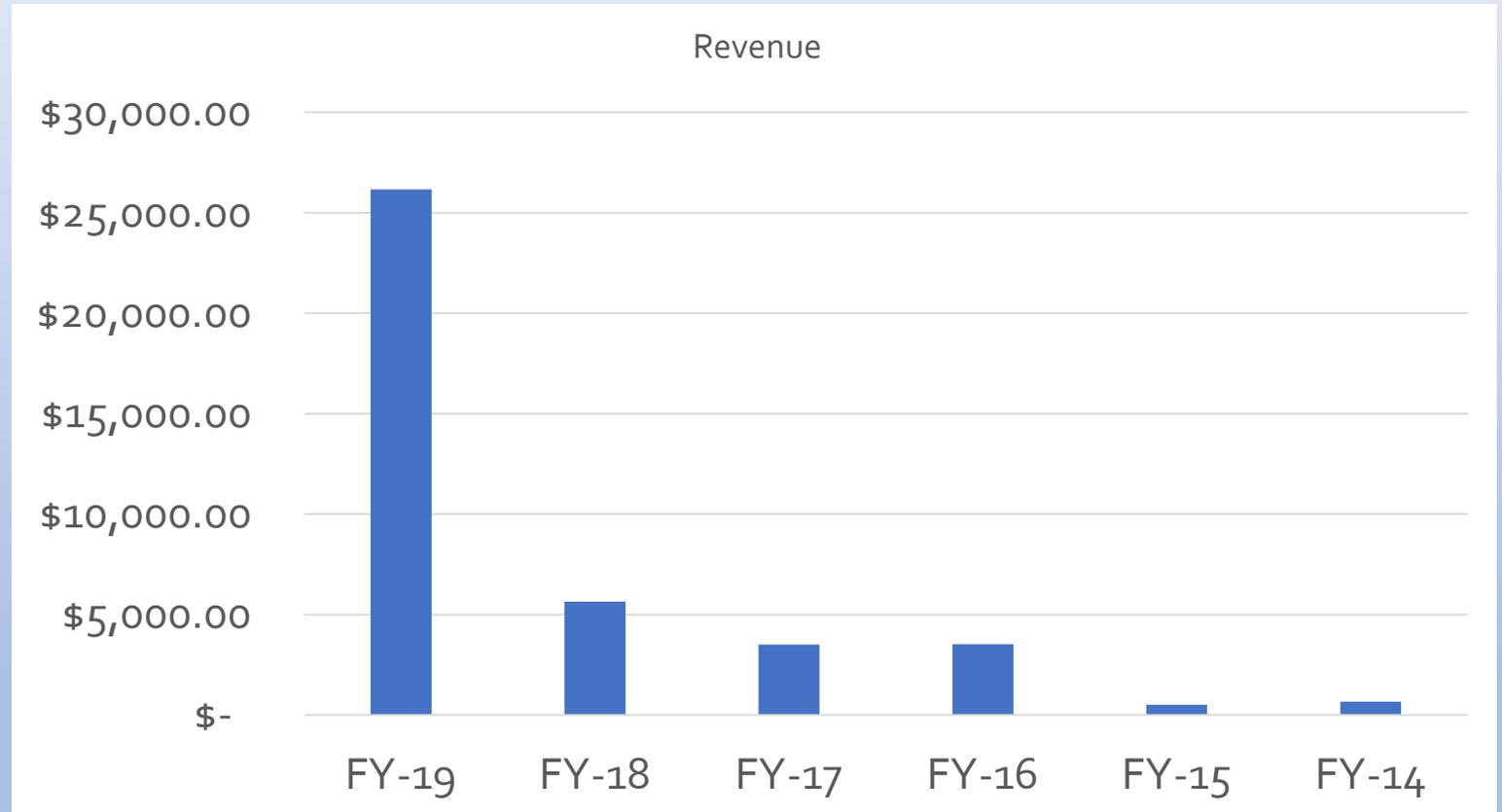
Decal Sales – Total Decals Sold



FY 2019 is through May 1, 2019

Insignia Sales – Total Revenue

Fiscal Year	Revenue
FY-19	\$ 26,159.58
FY-18	\$ 5,647.74
FY-17	\$ 3,513.88
FY-16	\$ 3,520.40
FY-15	\$ 521.48
FY-14	\$ 672.79

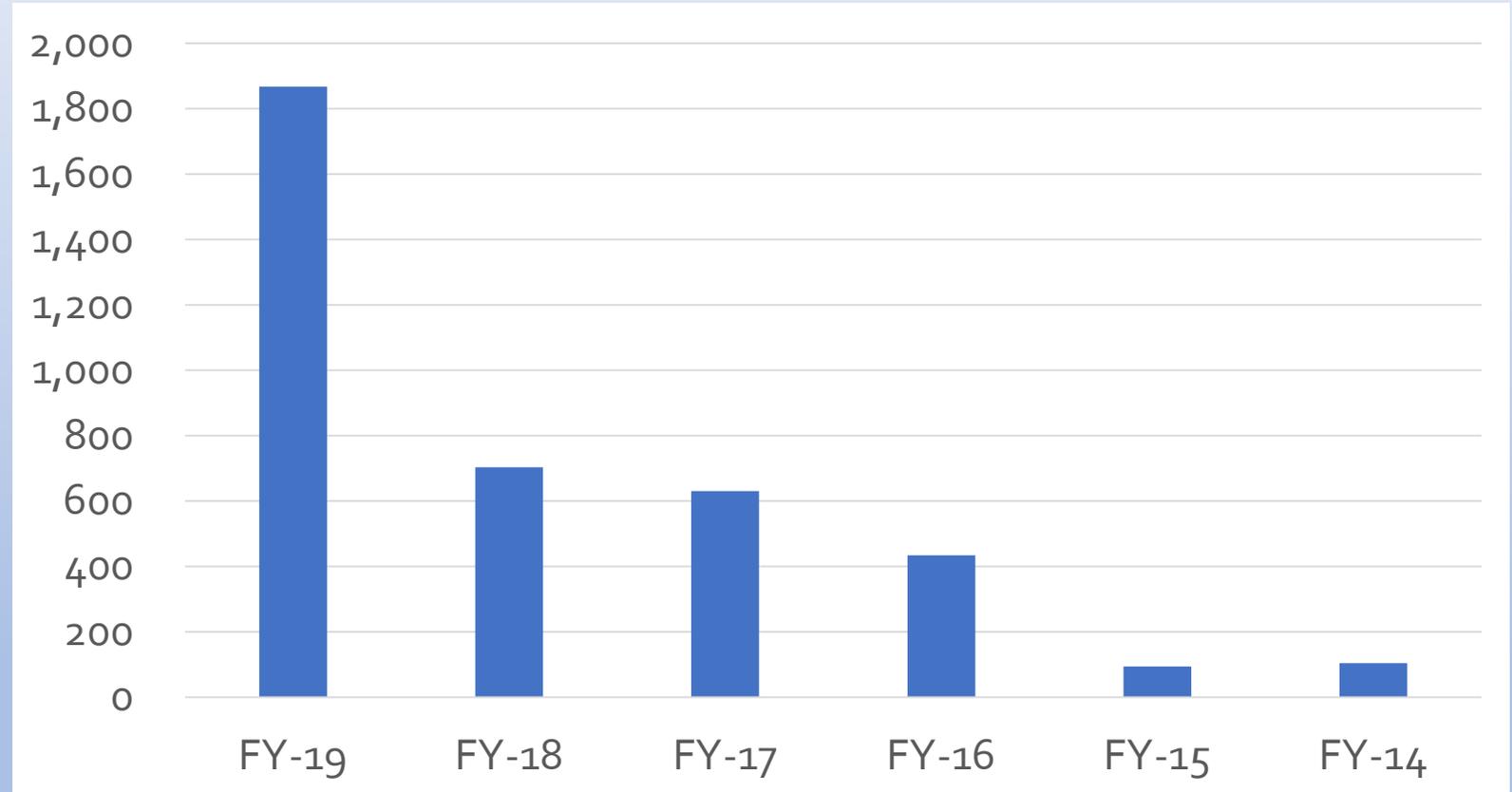


FY 2019 is through April 30, 2019

June 20, 2019 - TDLR

Insignia Sales – Total Number Sold

Fiscal Year	# Sold
FY-19	1,867
FY-18	703
FY-17	631
FY-16	434
FY-15	94
FY-14	105



FY 2019 is through April 30, 2019