



INDUSTRIALIZED HOUSING & BUILDINGS

Certification Inspections

Purpose

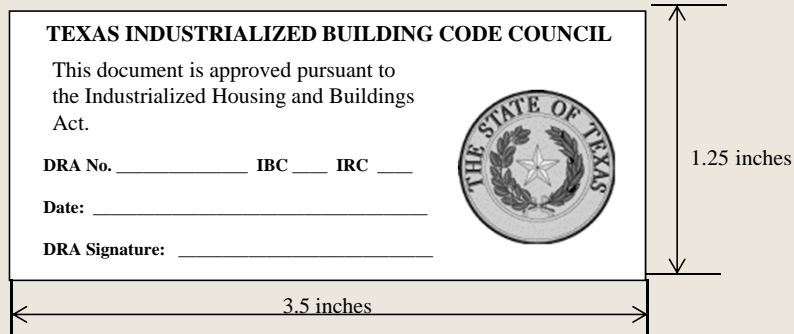
- Verify that the manufacturer is capable of producing modules or modular components that comply with the law and rules, mandatory building codes, and approved design package
- Verify that the manufacturer's approved compliance control (CC) program will ensure compliance now and in the future
 - *Do the CC personnel have the authority to ensure code compliance on the units?*
 - *Are personnel following procedures?*
 - *Do personnel understand the procedures?*
 - *Are the procedures well defined and easy to follow?*
 - *Are personnel identifying problems on the units and having those problems corrected?*

Registration and Plan Approval

- Register as a manufacturer in accordance with rule §70.20
- Notify TDLR in writing of what agency will be providing design review services and inspection services
- Submit plans for review and approval to an approved design review agency (DRA)
 - *Rule 70.70(b) – minimum submittal requirements for construction in plant*
 - *Rule 70.70(c) – minimum submittal requirements for compliance control program (generally called “Quality Control” or “Quality Assurance” by manufacturer)*
 - *Rule 70.70(d) – minimum submittal requirements for site construction and installation details*
- DRA approves and affixes the Council stamp of approval to documents that comply with the mandatory building codes and IHB rules
- DRA keeps one copy for file and sends one copy to the Department and one to the manufacturer

Council Stamps of Approval – New Construction

Original design

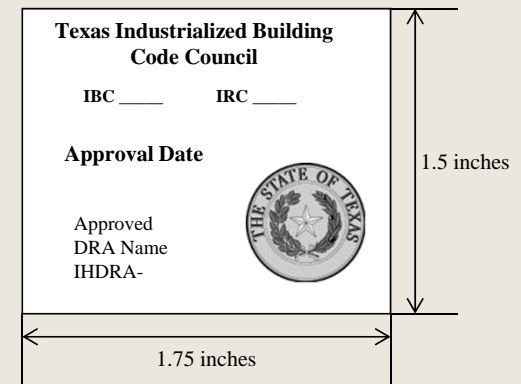


SIGNATURE STAMP

Signature of DRA manager required on stamp

Stamp required on all cover pages, index pages, and table of content pages

Alternate design



May be used on pages other than cover page, table of contents pages or index pages

Scheduling of Certification Inspections

- Manufacturer sends a request for inspection to ihbtech@tdlr.texas.gov
 - *Manufacturer must be registered in order to be placed on the schedule*
 - *Inspection will not be scheduled until approved compliance control manual and approved plans, specifications, calculations, and other supporting documentation (design package) have been received*
- Actual date scheduled will be:
 - *A minimum of 2 weeks after receipt of the approved design package;*
 - *A minimum of 2 weeks after the written request for inspection; and*
 - *Dependent on what inspections are already on the calendar*

Certification Inspection Team

- Team is generally composed of two people:
 - *A team leader who must be a department employee, engineer, or other qualified person*
 - *A qualified inspector*
- Team members may not be employees of the TPIA or DRA that work for the manufacturer
- Criteria that must be met by team members can be found in the *Certification Inspection Program* procedures.

Responsibilities of Team

- Team leader directs all activities, determines manpower requirements, and answers questions or resolves problems that may arise during the course of the inspection
- Evaluates the manufacturer's construction practices and determines if the manufacturer is capable of producing units that comply with the law and rules, the mandatory building codes, and the approved design package
- Evaluates the manufacturer's compliance control program to verify that those procedures are adequate to ensure code compliance of all units constructed

Pre-certification Review

- Review of approved compliance control procedures and design package is performed
- Report is prepared of:
 - *Procedures that are not clear or which do not appear to meet the requirements of the IHB rules*
 - *Construction documentation that appears to be missing or that could not be found*
 - *Construction details that do not appear to meet the mandatory building codes*
 - *Potential problem areas that could hold up the certification inspection process*
- Report is sent to DRA and manufacturer prior to the start of the inspection

The Inspection – Part I

- Entrance interview performed
 - *Review inspection procedures and the purpose of inspection*
 - *Have manufacturer sign the “Manufacturer’s Acknowledgment”*
 - *Review contents of “Red Book”*
 - *Determine status of TX units in production*
- Tour the plant, familiarize team with plant layout, identify TX units
- Inspect all phases of construction (includes system testing) for compliance with mandatory building codes, approved design package, and law and rules
 - *Evaluate effectiveness of plant’s in-plant inspection checklist*
 - *Allow the plant’s personnel to identify problems before team steps in*
- Document problems identified during inspection and bring to the attention of Compliance Control (CC) personnel
- Team will review progress of inspection with CC personnel (daily)

The Inspection – Part II

- One or more team members may have to return to continue the inspection if not able to observe/inspect all construction in one week
- Team will work with plant personnel to determine approximate dates for team to return
- Inspection will conclude when:
 - *All phases of construction have been witnessed*
 - *Team has witnessed and accepted all corrective action necessary to clear deviations*
 - *Revisions to approved documents to clear deviations have been reviewed and accepted*
 - *Team has enough data to evaluate performance of plant's CC program*

Post Inspection

- After each inspection trip, including the final inspection trip, the team will evaluate the process and provide a report on the progress to the plant and for the certification file
 - *Report will detail all deviations to date that haven't been cleared*
 - *Report may show steps that plant is taking to correct deviations, including plans for revisions to the approved documents*
 - *Report will show revisions that have been reviewed and if the revisions adequately cleared the deviations*
- Plant has 6 months to clear all deviations and meet requirements to become certified
- Team will issue either a non-compliance report or a certification report

Release of Certification Labels

- Certification labels are released to a manufacturer once they are certified
- Team may release certification labels prior to certification of the plant if the following conditions are met:
 - *The team finds that each unit was constructed in compliance with the mandatory building codes. This means that all existing deviations on the units have been cleared, including revisions to the approved construction documents*
 - *All inspection fees have been paid*
 - *Evidence that the person or persons receiving the units are registered as industrialized builders or have obtained installation permits*

**IHB Compliance Report
d. Projects**

Manufacturers Certified Since Last Meeting and Manufacturer Certifications that are In Progress

Manufacturer Name/registration #	Plant location	Codes	Date Started	Date Certified	1st Inspector	2nd Inspector
A-1 Sheet Metal, IHM-461	Tulsa, OK	2009 I and 2011 NEC	6/6/2016	8/29/2016	Mark Feighner	Brian Ledbetter
Southeast Modular Mfg, IHM-469	Ellaville, GA	2009 I and 2011 NEC	9/19/2016	10/31/2016	Mark Feighner	Chris Reininger, NTA
Sunshine homes, IHM-450	Red Bay, AL	2009 I and 2011 NEC	7/11/2016	11/3/2016	Mark Feighner	Brian Ledbetter
Protect Controls, IHM-353	Houston, TX	2009 I and 2011 NEC	6/13/2016	1/9/2017	Kelly Kelly	Carmon Marshall
Crown Technical Systems, IHM-480	Fontana, CA	2009 I and 2011 NEC	1/2/2017	1/18/2017	Kelly Kelly	Carmon Marshall
Neopod Systems, IHM- 454	New Braunfels, TX	2009 I and 2011 NEC	8/29/2016	1/19/2017	Bian Ledbetter	Mark Feighner
Legacy Housing, IHM-444	Ft. Worth, TX	2009 I and 2011 NEC	3/14/2016	1/24/2017	Kelly Kelly	Adam Homan - PFS
Mecart Inc., IHM-463	St Agustin-De-Desmaures CAN	2009 I and 2011 NEC	11/14/2016	1/26/2017	Kelly Kelly	Mark Feighner
Space Fabrication, IHM-481	Cincinnati, OH	2009 I and 2011 NEC	1/9/2017	4/5/2017	Mark Feighner	Rick Holman, PFS
All American Space Solutions, Inc. IHM-489	Baxley, GA	2015 I and 2014 NEC	3/13/2017	4/6/2017	Mark Feighner	Chris Reininger, NTA
Elkhorn Construction dba HOAD, IHM-459	Longmont, CO	2009 I and 2011 NEC	10/3/2016	5/18/2017	Mark Feighner	Bian Ledbetter
Stellar Energy, IHM-456	Jacksonville, FL	2009 I and 2011 NEC	9/12/2016		Kelly Kelly	Adam Holman, PFS
E3 NV, IHM-474	Mound House, NV	2009 I and 2011 NEC	11/28/2016		Andy Carlson	Jeremiah Hunley
Point Eight Power, IHM-466	Belle Chasse, LA	2009 I and 2011 NEC	11/28/2016		Bian Ledbetter	David Hamm, NTA
ESS Metron, IHM-476	Denver, CO	2009 I and 2011 NEC	12/5/2016		Mark Feighner	Rick Holman

**IHB Compliance Report
d. Projects**

Manufacturer Name/registration #	Plant location	Codes	Date Started	Date Certified	1st Inspector	2nd Inspector
Powell Electrical Systems, IHM-464	Houston, TX	2009 I and 2011 NEC	12/12/2016		Bian Ledbetter	Ron Batts, NTA
Powell Electrical Systems, IHM-465	Houston, TX	2009 I and 2011 NEC	12/12/2016		Kelly Kelly	Ron Batts, NTA
Valiant Equipment, IHM-485	Ormond Beach, FL	2015 I and 2014 NEC	2/7/2017		Bian Ledbetter	David Hamm, NTA
Ameri-can Engineering, IHM-471	Argos, IN	2009 I and 2011 NEC	5/1/2017		Mark Feighner	Josh Hozey, PEI
Kasita Operations LLC, IHM-467	Austin, TX	2015 I and 2014 NEC	5/16/2017		Donna Lipke/Brian Ledbetter	Kelly Kelly/Mark Feighner
Parkline Buildings, IHM-482	Hitchcock, TX	2015 I and 2014 NEC	5/30/2017		Bian Ledbetter	Mark Feighner

IHB Compliance Staff Report

d. Projects

Builder Audits

FY	# BLDS AUDITED	# RES UNITS	# COM UNITS	TOTAL # UNITS AUDITED	# COM COMPLAINTS	# RES COMPLAINTS
FY-17 (thru 5/15/17)	82	509	70	579	0	1
FY-16	86	581	22	603		2
FY-15	171	943	16	959	0	5
FY-14	207	704	377	1081	0	6
FY-13	190	841	257	1098	0	2
FY-12	297	756	224	980	0	4
FY-11	532	944	742	1686	1	3
FY-10	232	594	58	652	0	10
FY-09	362	711	55	766	0	11
FY-08	283	945	36	981	0	24
FY-07	298	709	103	812	1	6
FY-06	329	1107	61	1168	0	22
FY-05	359	921	493	1414	7	17
FY-04	360	1206	0	1206	0	23

IHB Compliance Report
e. Trends and Statistics in the IHB Program

Number of Modular Units Constructed by Type

Bld Type/FY	Other	Man Camps	Classroom/Education	Office	Equipment Shelters	Restrooms	Modular Components	Housing	Totals
FY-17	203	30	601	976	283	43		500	2,636
FY-16	284	44	869	1,895	467	120		708	4,387
FY-15	1,046	138	867	2,387	404	92	125	664	5,723
FY-14	177	215	690	2,823	530	83	ND	728	5,246
FY-13	202	818	518	1,335	398	63	ND	701	4,035
FY-12	195	517	409	1,140	294	57	ND	829	3,441
FY-11	181	67	586	1,288	296	56	ND	582	3,056

This table gives the number of units, not the number of buildings. Each building may consist of one or more units.

FY-17 is through March 31, 2017

"Other" includes jails, banks, churches, coffe shops, guard houses, clinics and other types of buildings not listed in the chart above.

Equipment shelters include storage buildings and hazardous storage buildings

"Man Camps" include any buildings associated with temporary housing facilities for workers, numbers shown are an estimate based on use reported

Housing includes single-family, duplexes, townhouses, apartments and other types of housing

"Classroom/Education" includes site-built REFs

ND = No data

Number of Inspections by Third Parties - FY-11 through FY-17

	FY-17	FY-16	FY-15	FY-14	FY-13	FY-12	FY-11
Facilities Inspected	703	1,038	1,146	1,063	842	743	465
Units Inspected	3,765	5,897	7,117	7,397	5,458	4,602	3,420

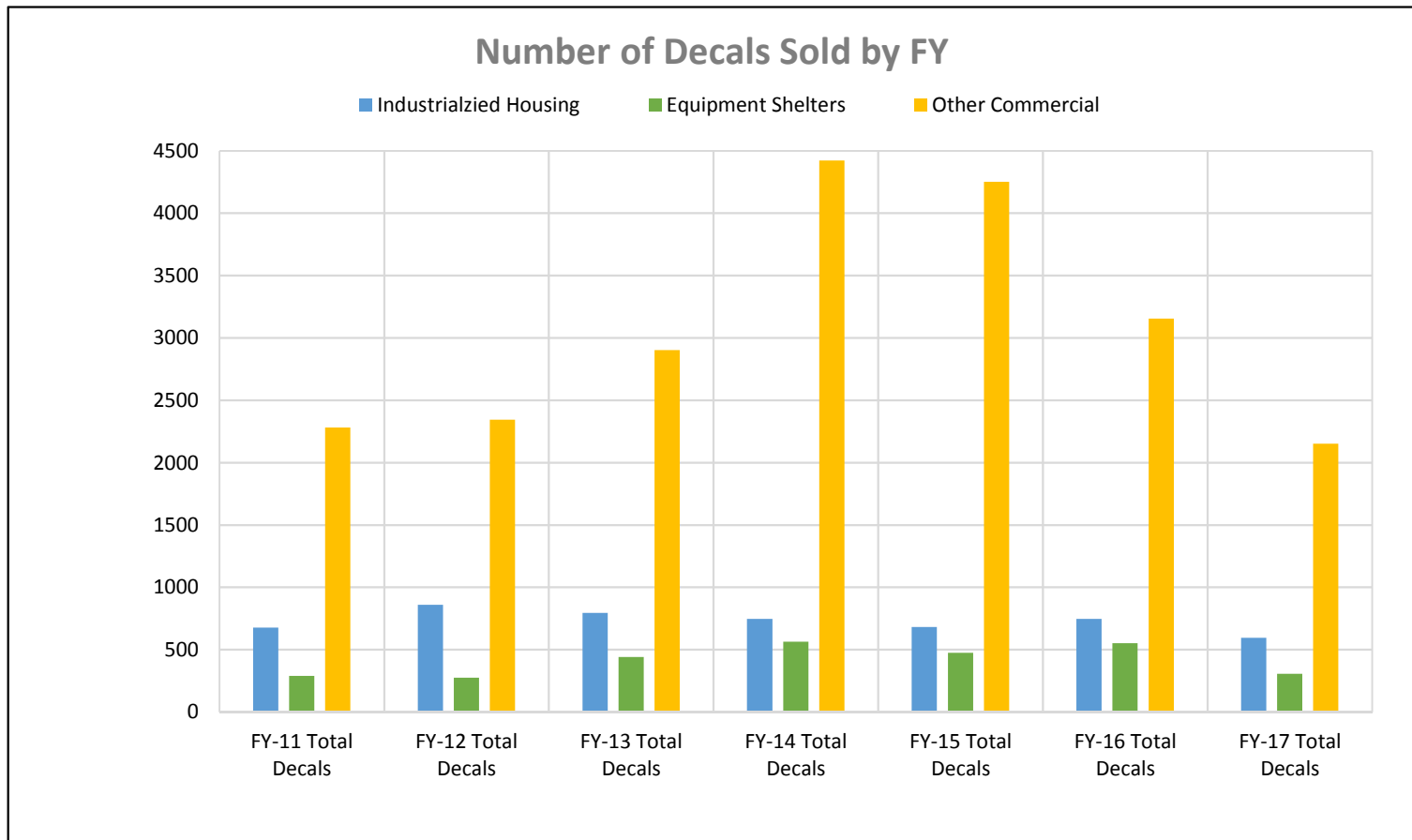
FY-17 through April 30, 2017

IHB Compliance Report
e. Trends and Statistics in the IHB Program

Decal Sales - Total Number Sold

Data from FY 2010 through FY 2017 -- Fy 2017 is current through May 23, 2017 (note FY starts September 1st of previous year)

Building Type	FY-11 Total Decals	FY-12 Total Decals	FY-13 Total Decals	FY-14 Total Decals	FY-15 Total Decals	FY-16 Total Decals	FY-17 Total Decals
Industrialized Housing	676	860	793	747	680	745	595
Equipment Shelters	288	274	441	563	474	551	306
Other Commercial	2280	2343	2901	4421	4252	3155	2152
Site Built REF	8	24	19	1	10	2	0
Replacement Decals	4	27	12	28	42	46	1
Total Commercial	2580	2668	3373	5013	4778	3754	2459
Total (All)	3256	3528	4166	5760	5458	4499	3054

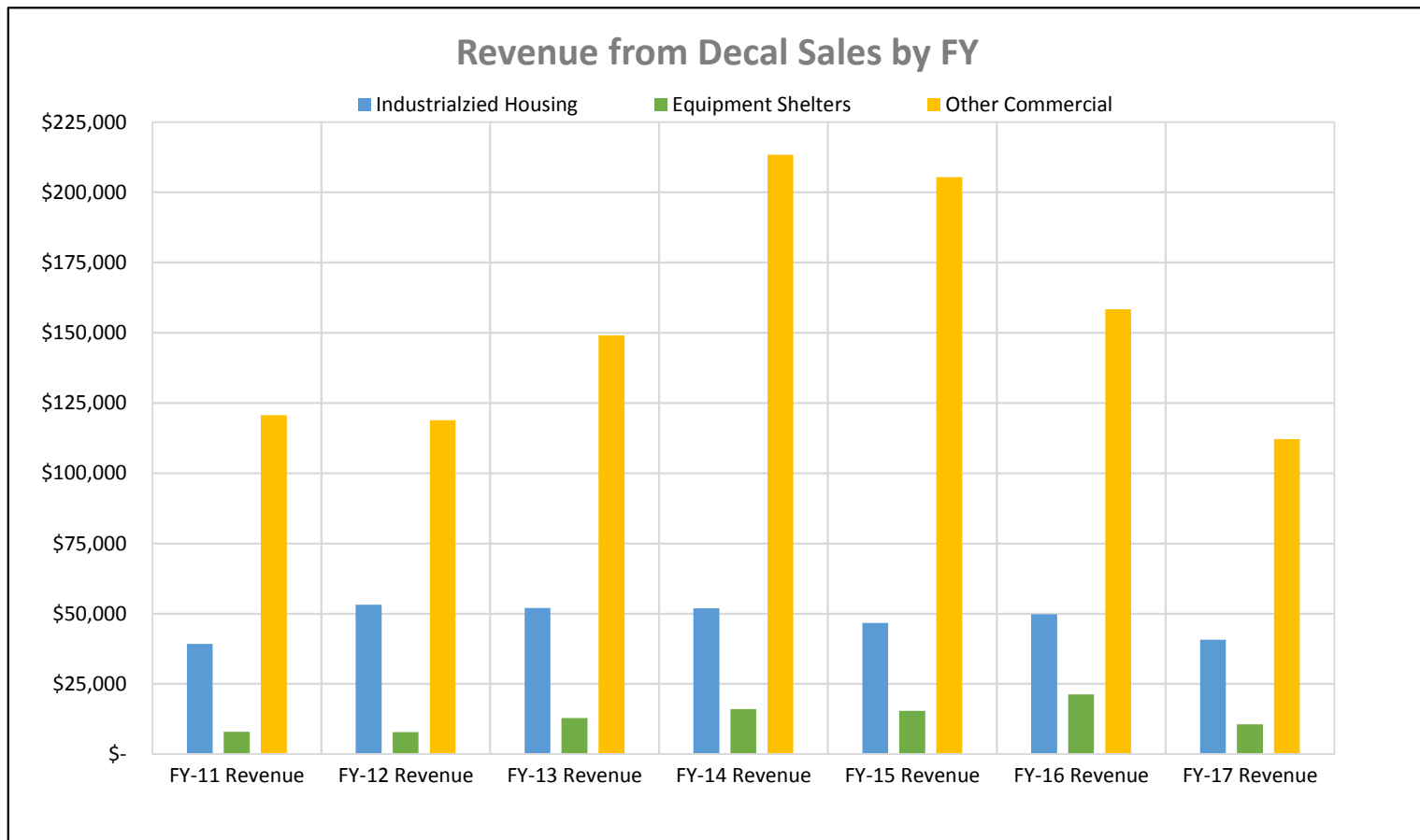


IHB Compliance Report
e. Trends and Statistics in the IHB Program

Decal Sales - Total Revenue

Data from FY 2010 through FY 2017 -- Fy 2017 is current through May 23, 2017 (note FY starts September 1st of previous year)

Building Type	FY-11 Revenue	FY-12 Revenue	FY-13 Revenue	FY-14 Revenue	FY-15 Revenue	FY-16 Revenue	FY-17 Revenue
Industrialized Housing	\$ 39,162.38	\$ 53,117.41	\$ 51,923.85	\$ 51,879.98	\$ 46,702.33	\$ 49,787.50	\$ 40,721.26
Equipment Shelters	\$ 7,930.74	\$ 7,853.15	\$ 12,753.32	\$ 15,966.25	\$ 15,313.68	\$ 21,195.24	\$10,584.19
Other Commercial	\$ 120,677.19	\$ 118,863.02	\$ 149,021.92	\$ 213,348.32	\$ 205,329.13	\$ 158,259.26	\$112,083.60
Site Built REF	\$ 782.88	\$ 2,491.86	\$ 1,585.92	\$ 107.52	\$ 623.00	\$ 215.04	\$0.00
Replacement Decals	\$ 164.01	\$ 1,368.08	\$ 581.49	\$ 1,299.00	\$ 3,394.09	\$ 2,378.88	\$55.30
Total Commercial	\$ 129,554.82	\$ 130,576.11	\$ 163,942.65	\$ 230,721.09	\$ 224,659.90	\$ 182,048.42	\$ 122,723.09
Total (All)	\$ 168,717.20	\$ 183,693.52	\$ 215,866.50	\$ 282,601.07	\$ 271,362.23	\$ 231,835.92	\$ 163,444.35



TEXAS INDUSTRIALIZED BUILDING CODE COUNCIL

Enforcement Division Staff Report June 23, 2017

Case Highlights

- On December 7, 2016, an agreed order was entered against CMH Homes, Inc., d/b/a Clayton Homes #269, assessing an administrative penalty of \$1,125.00 for failing to have a required inspection performed by a Council-approved third-party inspector for industrialized housing located outside a municipality.
- On January 18, a default order was entered in a consolidated case against Melinda Reed and Academy Management Services, LLC d/b/a Academy Homes of Marshal, Ltd. a/k/a Academy Homes, assessing an administrative penalty of \$15,000 for violating mandatory building codes and \$2,000 for failing to make records available to the Department when requested, for a total administrative penalty of \$17,000.
- On March 1, an agreed order was entered against CMH Homes, Inc., d/b/a Clayton Homes #269, assessing an administrative penalty of \$4,500.00 for three violations of the 2009 International Residential Code and for failing to execute the correct sales contract for Industrialized Housing.

Key Statistics – Fiscal Year 2017

Shown below are key statistics for the Industrialized Housing and Buildings program and for all TDLR programs combined through April of Fiscal Year 2017.

<u>Statistic</u>	<u>IHB</u>	<u>TDLR</u>
• Number of cases opened:	10	8,361
• Number of cases resolved:	10	7,959
• Number of Agreed Orders:	2	1,594
• Total amount of penalties assessed:	\$22,625	\$3,771,509
• Total amount of penalties collected:	\$5,625	\$1,642,258

Texas Industrialized Housing and Builders Council Meeting
Licensing Statistics
June 23, 2017

Manufacturers	FY 2016	FY 2017
New Registrations Issued	32	14
Renewed Registrations Issued	134	98
Total Population	165	170

To Date
3
39
170

Builders	FY 2016	FY 2017
New Registrations Issued	45	44
Renewed Registrations Issued	311	197
Total Population	341	353

To Date
11
52
353