



# HOME ON THE ROAD

Voice of West Virginia's factory-built housing



WEST VIRGINIA HOUSING INSTITUTE, INC.

JUNE, 2006

## DOL meet set June 15

CHARLESTON – State regulators have scheduled a meeting June 15 with retailers in Charleston to discuss changes in procedures because of legislative action, plus exemption contract policy and new installation standards.

(continued on p. 5)



Gary Player-designed Raven Golf Course at Snowshoe

## Woodrum offers – Change for random audit nixed by board

CHARLESTON – The state board that regulates the factory-built housing industry failed to reduce a recommended \$250 fine to a reprimand under its random audits procedure.

The director of the Division of Labor's Manufactured Housing Section asked the West Virginia Manufactured

(continued on p. 5)

## Lawsuit ends against DOL

CHARLESTON — Factory-built housing leaders have voted to end a lawsuit with the Division of Labor over the issue of random audits.

“Essentially, we were told by our lawyer we can't win,” said Kevin Wilfong, co-president of the West Virginia Housing Institute Inc.

The vote by the WVHI board of directors came after Jason Stemple, WVHI's attorney in the lawsuit, advised the board against continuing the action.

DOL employs random audits as part of its

(continued on p. 4)

## Beaver retailer wins national award

BEAVER – “We sell satisfaction!” says Rocky Mills, general manager of Freedom Homes in Beaver, as he accepts a national award for 2006 Retail Sales Center of the Year for the Northeast/Mid-Atlantic Region from the Manufactured Housing Institute, our national trade association located in Arlington, Va.

“It all comes down to service. It doesn't matter where you purchase or what you pay for your home, if you didn't end up happy, you didn't get a good deal,” remarked Mills. This philosophy has guided him and his Freedom Homes sales center to score a perfect 100 percent in Freedom's parent company's Clayton Homes Customer Satisfaction Index program. Freedom Homes, under Mills' guidance, can boast that 104 of 104 home-buying customers responded that they would buy another home from his sales center.

According to MHI, “This year's regional winners of MHI's Retail Sales Center of the Year have centered their business model on exceeding the expectations of the customer.” Mills embodied this business philosophy throughout his sales career and has been responsible for

(continued on p. 5)

## Convention Primer

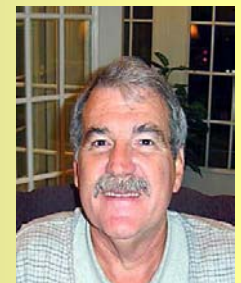
SNOWSHOE – A potential speaker of the House of Delegates, an expert in manufactured home air conditioning, the state's top regulator, a law professional and the head of the state's largest housing group highlight this year's July 19-21 convention at Snowshoe Mountain Resort.

Registration forms are on page 6.

(continued on p. 3)



Rick Thompson



Paul Hodge

# THE PODIUM

It was with serious reservations, I can assure you, that the board of directors of the West Virginia Housing Institute Inc. voted recently to end our lawsuit over random audits.

But we had no choice.

In fact, the West Virginia Manufactured Housing Construction and Safety Standards Board has been told by the legislative auditor's office it needs to increase audits to meet compliance requirements. The legislative auditor checks on state agencies to ensure they are doing what they are paid to do.

Furthermore, a state Supreme Court decision issued earlier this year clearly said that a circuit court is powerless to tell a state agency to change its rules and regulations.

Additionally, the industry has good reason to believe the Office of Manufactured Housing Programs in the U.S. Department of Housing and Urban Development will be issuing standards soon that will require EVERY home to be inspected.

Many of you know me. I don't shy from a fair fight. But in this case, we were clearly outnumbered and outgunned. We were going to lose this battle, but that does not mean we are going to lose the war. Our industry must join together with our association to work on a set of standards that are acceptable to the state board and to us. I believe our litigation got the attention of the state board. I believe sincerely that Mitch Woodrum, the head of the manufactured housing section in the state Division of Labor, is making a serious effort to improve relations with our members and to work cooperatively with us.

Mr. Woodrum will be no pushover for anyone and he is a stickler for details. However, that does not mean he is unwilling to work with us on a joint effort to reach an accommodation acceptable to us both.

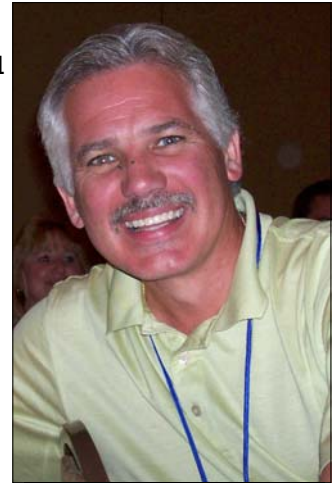
To make a point, we instituted litigation over random audits. We did what we had to do. However, legal action should be the last step in our effort to improve things for our industry.

We met recently with our fellows at a regional meeting in Fairmont and began discussions on how we can make recommendations to the state board to improve our lot while ensuring they are doing their duty. We hope to continue those discussions over the summer and into the fall.

What do you think about random audits and fines? How would you like to see the inspection process changed? Would you agree we should have every home inspected as it is sold and set? What about third-party inspections that are paid for by a fee?

A wide range of issues comes to mind when I begin to ponder our future. But remember it will be our future only as long as we start providing solid and positive input to our state regulators and work to suggest changes that we can live with and so can they.

WVHI's board is working for you, but we cannot do it alone. Let us know what you think. Call Andy or Beth at (304) 346-8985 or email them at [andy\\_wvhi@verizon.net](mailto:andy_wvhi@verizon.net).



Steve Brown

Co-President



Want to keep up on the latest with the factory-built housing industry in West Virginia?

Want to be listed on our website or linked to it?

You will find the West Virginia Housing Institute Inc. at [www.wvhi.org](http://www.wvhi.org). Take a look at what we have on the site. Tell us what you want added or improved.

The inside scoop is in the members only section. And you only have to call Beth O'Dell at (304) 346-8985 to join.

WVHI recently activated the website and we hope you like it.

## Health Insurance?

West Virginia Housing Institute Inc. is interested in the welfare of our membership.

We know health insurance can be a costly venture for any company. We might have a solution.

Would you be interested in trying to get a group rate for health insurance purposes?

It might be possible for the Institute to act as a clearinghouse to get a group rate on health insurance for our members, if enough members are interested.

In addition to membership, the key appears to be having a central location with which the insurance underwriter can deal. In other words, the Institute would act as the overall program to see coverage for those interested in joining the plan. The more the better and the lower the rates.

So if you think this is something feasible we ought to pursue, let us hear from you.

Email us or write WVHI and give us your contact person and number and email; the number of employees who might be interested in signing up for health insurance; and the name of your company



## Fairmont regional meeting a success

FAIRMONT — House of Delegates member Tim Manchin encouraged members of the manufactured housing community they were a key link in providing for the growth of home ownership in West Virginia.

The Marion County Democrat and cousin of Gov. Joe Manchin spoke to a well-attended regional meeting in Fairmont on May 10.

Manchin, a lawyer, has been a longtime advocate of the industry while a member of the Legislature. He recently won re-nomination to his seat.

The meeting attendees discussed a number of issues, including how to address matters of contention with the Division of Labor, the future of floodplain legislation, and the WVHI statewide convention at Snowshoe Mountain Resort July 19-21.

The members also were encouraged to recommend to the WVHI the names of candidates the association should support in the general election, other legislative proposals the group should promote, and how to improve communications between WVHI and the membership.

Several retailers and their staff members were present, as were community owners and Krista M. Fernandez of United Bank in Morgantown and Ronald Smith of US Bank in San Diego, Calif.



Manchin



Snowshoe Village

“It was a sound meeting with a good dialogue,” said WVHI Co-President Kevin Wilfong of Fairmont.

“We were encouraged by the number of people who turned up,” agreed WVHI Co-President Steve Brown of Hurricane, Putnam County.

WVHI hopes to have its next regional meeting in June in the Martinsburg area. Its first regional meeting was last year in Beckley.

“The issues we are trying to focus on are vital to the development of the industry,” Wilfong said.

“We want to ensure these regional meetings are well attended and that everyone is given an equal opportunity to present his or her position,” said Brown.

Nearly 40 people attended the Fairmont meeting.

## Conference, from p. 1

They are:

--Delegate Rick Thompson, who could be the next speaker. Speaker Bob Kiss did not choose to seek re-election. Thompson is a Wayne County Democrat.

--Paul Hodge, SEER expert with Nordyne. He works the East Coast from Georgia to Maine, calling on businesses about their air conditioners.

--Mitch Woodrum with the state regulatory board. Woodrum heads up the manufactured housing section for the DOL and is the industry's prime regulator.



John Teare

--John Teare, WVHI general counsel and Charleston lawyer. Teare, a longtime supporter of the industry, is a partner with the law firm of Bowles Rice McDavid Graff & Love.

--Joe Hatfield, executive director of the West Virginia Housing Development Fund. Hatfield has been an outstanding leader of the state's largest housing finance group and is a strong advocate for factory-built housing.

“This promises to be our best program ever,” WVHI Co-President Steve Brown said.

“It's going to be a super event, no matter how you look at it,” said WVHI Co-President Kevin Wilfong.

## Industry donates to gov's housing confab

CHARLESTON — The factory-built housing industry has donated \$1,000 to help sponsor the Governor's Conference on Housing scheduled for Sept. 27-29 in Charleston.

The statewide conference has been called by Gov. Joe Manchin and organized by the West Virginia Housing Development Fund to align housing growth with economic

development for a plan that will mean jobs for the future and also homes for workers who fill those positions.

The conference will be held at the Charleston Marriott Town Center. A limited number of positions are available for those who wish to attend.

Originally scheduled for May, the conference was postponed because of the large number of attendees expected.

The conference will concentrate on code-related issues, the question of the disappearance of affordable housing, and smart-growth issues.

This is the first statewide conference on housing in West Virginia since 1990.



Gov. Manchin



Hatfield

Lawsuit ends, from page 1

enforcement techniques.

Inspectors call a homeowner and offer to inspect the home to determine if it is properly sited.

The industry, contending state law requires a homeowner to make a written complaint to the DOL before inspections are done, filed a lawsuit in Cabell County Circuit Court over the random audits.

The legislative auditor's office, which studies whether state agencies are performing their duties, told DOL in 2002 that the agency ought to increase the number of inspections it was doing of homes, even using random audits, Stemple told WVHI.

While the Manufactured Housing Construction and Safety Standards Board never voted to allow random audits, the Legislature was aware of the procedure and effectively sanctioned them since it did nothing to stop them, Stemple said.

Additionally, the state Supreme Court this year ruled circuit courts could not force DOL to enact certain rule changes to end random audits.

The U.S. Department of Housing and Urban Development is about to complete action on rules changes that may require the inspection of every manufactured home as it is installed. While the process still is being refined, the industry expects the rule changes to result in increased inspections of some sort as soon as January 2006.



Stemple

### **Home on the Road Newsletter**

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Quarter page: \$60

Classified: \$30 for each 3 lines



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### **Manufactured Home Community Living DVD!!!!**

Promoting the Community  
Living Lifestyle!

**Manufactured Home Community Living**, a production of the MHI National Communities Council, is a four-minute DVD targeted at

the consumer promoting the manufactured home community lifestyle. The DVD discusses the benefits of both owning a manufactured home and living in a community. It discusses the wide range of services and amenities that can be found in both all-age and age-restricted communities. The DVD also highlights the tax and financial benefits of living in a community, as well as the benefits of professional community management and secure living arrangements.

The cost is \$10 each, plus shipping. Payments can be made by check or credit card.

Please make check payable to:

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## DOL meet, from page 1

The West Virginia Manufactured Housing Construction and Safety Standards Board will have a brief meeting, then will discuss with retailers:

--Changes made by the Legislature in the recovery fund language as of March 10.

--Rule changes that will be effective July 1.

--Amended 10B3 requirements, 10B4, 10B5 & 10B6 forms to be used starting on July 1, due to rule changes.

--A memo regarding the exemption contract policy and an example of a written contract regarding hiring a subcontractor that is properly licensed under 21-11 and will be exempt from licensure with the board. This contract is an **example and not required by the policy**, but can be used.

The memo was created by Mitch Woodrum, director of the manufactured housing section of the Division of Labor, to help licensees understand what is required. A licensee that creates a written contract meeting the criteria set by the board will be OK.

If changes are made because of federal requirements, this exemption contract can be used only until the effective date of the changes during the 2007 Legislature, Woodrum said.

--Information regarding acquiring a copy of the new installation standard NFPA 225 which replaces ANSI A225.1.

Woodrum and his staff continue to encourage members of the regulated community to contact his office for assistance, guidance and information. He maintains an open-door policy with members of the industry and has pressed for more open communications between state staff and members of the industry.

## Mitch offers, but board says no, from page 1

Housing Construction and Safety Standards Board in April to consider changing its standard \$250 fine to a reprimand when a dealer uses an unlicensed subcontractor that is discovered during a random audit.

Board member Jack Albert disagreed. "I think we should not make a blanket change now," Albert told the board.

"I think we ought to look at each case as it comes along. Let's take each case individually," board member Bob Miller said.



Woodrum

The board took no vote on Woodrum's suggestion.

WVHI has complained about random audits, contending they are illegal. State law calls for inspections of manufactured housing only when a complaint is received in writing by the Division of Labor.

However, as part of its enforcement duties, DOL instituted a policy of contacting a limited number of homeowners monthly for permission to inspect their home and site to confirm the method of installation, documented in the records, was the method used to install the home.

Currently, Woodrum said, all record infractions are issued to the licensee as an advisory letter. The only time a violation is issued stemming from a random audit is if a dealer utilizes an unlicensed contractor or a serious problem is discovered. There are very few audits that result in an immediate citation being issued. "The industry is doing a much better job," Woodrum said.



Albert



Miller

## Rocky , from page 1



Rocky Mills

innovative techniques that have become accepted practice for the entire industry.

Proud of his sales center and staff, when potential homebuyers enter the Freedom Homes office they have an opportunity to read letters from enthusiastic customers that instill trust and confidence in the entire home-buying process.

This policy, along with an attractive, well planned display area maintained in top condition with pride from each member of the sales center team sharing responsibility, has spurred a reputation in local and surrounding communities for honesty, integrity and excellent service.



Award winning service doesn't just happen. It's planned, stressed and fostered from dedicated sales associates, and managers to the general manager that brings it all together. Congratulations Rocky Mills on this latest award winning performance by you and your entire sales force. — **By Beth O'Dell, WVHI deputy director**





**2006 annual meeting and convention**  
**Snowshoe Mountain Resort**  
**Wednesday, July 19, 2006**

- 1:00 p.m.**                    **Registration Desk Opens**
- 1:00 – 3:30 p.m.            WVHI Inc Executive Board Meeting
- 4:00 p.m.                    Check-in Time at Snowshoe
- 5:00 – 5:30 p.m.**        **Welcome session:**
- Featured speaker Delegate Rick Thompson, a Democrat and lawyer from Wayne County. *Rick is considered the frontrunner in the race next January to replace longtime Speaker Bob Kiss at the helm of the House of Delegates.* If so, the industry will have a strong friend in the House of Delegates.
- 5:30 – 9:30 p.m.**        **Welcome reception.** Ride the ski lift to our lakeshore barbeque with hot dogs, hamburgers and all the fixins – bring your appetite!.

**Thursday, July 20, 2006**

- 9:00 – 9:15 a.m.**        **Annual meeting** with election of officers
- 9:30 –10:15 a.m.**        **Morning session:**
- Paul Hodge** of Nordyne will focus on the extremely topical subject SEER 13 and what it means for air conditioning efficiency in the industry.
- 10:15-10:45 a.m.**        **Joe Hatfield**, executive director of the West Virginia Housing Development Fund's remarks will center on programs his agency and others have that benefit the factory-built housing industry.
- 10:45-11:30 a.m.**        **Mitch Woodrum**, director of the manufactured housing section of the WV Division of Labor. Mr. Woodrum, who heads our regulatory program, will discuss proposed legislative changes and entertain your concerns at a question & answer session immediately following
- Noon**                        Lunch - at your convenience
- 12:15 p.m.**                **Golf Tournament begins.** First tee time at Snowshoe's Gary Player-designed Raven Golf Course, just down the mountain from the lodge.
- Free Time**                Not a player – check out the number of other possibilities at the Snowshoe from recreation to a multitude of restaurants and shops along the central parkway. If that doesn't interest you, take a ski lift to the far summits and explore the best skiing paths in the East. Nearby are Cass Scenic Railroad and Green Bank's big ear into outer space.
- 6:00 p.m. – Midnight**        **Reception and banquet.** Celebrate the success of meeting the challenges 2005-2006. Get your bets in with Sandy Sowell of Charleston, who has horse racing as our evening entertainment. Judy Ritchie will be repeating our political action committee-fundraising auction.

**Friday, July 21, 2006**

- 9:00 –10:30 a.m.**        **Legal Forum.** Hosted by, John Teare, Bowles Rice McDavid Graff & Love, PLLC. This is your opportunity for the best legal advice the industry can offer at a price you can't afford to miss.
- Registration remains an affordable \$125.00 per person

**Room Reservations**

Contact Snowshoe: (877) 536-9757.

[www.snowshoemtn.com](http://www.snowshoemtn.com)

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General Welfare of  
The Factory-built Housing Industry

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