

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

Director of the Manufactured Housing
and Modular Units Program of the
Missouri Public Service Commission,

Complainant,

v.

Brookside Homes, Inc.,
2455 US Highway 67 South,
Festus, Missouri 63028,

And

Steven G. Warren, an individual
2455 US Highway 67 South
Festus, Missouri 63028

Respondents.

Case No. MC-2009-0127

NOTICE OF COMPLAINT

Issue Date: October 9, 2008

Brookside Homes, Inc.
2455 US Highway 67 South
Festus, Missouri 63028

CERTIFIED MAIL

Steven G. Warren, an individual
2455 US Highway 67 South
Festus, Missouri 63028

CERTIFIED MAIL

On October 7, 2008, the Director of the Manufactured Housing and Modular Units Program of the Missouri Public Service Commission filed a complaint with the Commission against Brookside Homes, Inc. and Steven G. Warren, an individual. A copy of the Complaint is enclosed. Under Commission Rule 4 CSR 240-2.070, Brookside Homes and Steven G. Warren have 30 days from the date of this notice to file an answer or to file notification that the complaint has been satisfied. Brookside Homes is reminded that, as a corporation, it cannot appear before the Commission unless it is represented by an attorney licensed to practice law in Missouri. Therefore, its answer must be signed by a Missouri attorney.

All pleadings must be filed in the Commission's Electronic Filing and Information System (EFIS), accessible through the Commission's web page (www.psc.mo.gov), or mailed to:

Secretary of the Public Service Commission
P.O. Box 360
Jefferson City, Missouri 65102-0360

A copy shall be served upon the Complainant at the Complainant's address as listed within the enclosed complaint. A copy of this notice has been provided to the Complainant.

BY THE COMMISSION



Colleen M. Dale
Secretary

(S E A L)

Dated at Jefferson City, Missouri,
on this 9th day of October, 2008.

Dippell, Deputy Chief Regulatory Law Judge

Copy to: Steven C. Reed and Jennifer Heintz
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102-0360
ATTORNEYS FOR THE DIRECTOR OF THE MANUFACTURED
HOUSING AND MODULAR UNITS PROGRAM

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

Director of the Manufactured Housing and)	
Modular Units Program of the Missouri)	
Public Service Commission,)	
)	
Complainant,)	
)	
v.)	
)	
Brookside Homes, Inc.,)	
2455 US Highway 67 South)	Case No. MC-2009-
Festus, MO 63028)	
)	
And)	
)	
Steven G. Warren, an individual)	
2455 US Highway 67 South)	
Festus, MO 63028)	
)	
Respondents.)	
)	

COMPLAINT

COMES NOW the Director of the Manufactured Homes and Modular Units Program of the Missouri Public Service Commission (Director), by and through the Missouri Public Service Commission's ("Commission") Office of General Counsel, pursuant to Sections 386.390 and 700.040, 700.470 and 4 CSR 240-2.070 and 120.060 and for his Complaint against Brookside Homes, Inc. and Steven G. Warren states as follows:

ALLEGATIONS COMMON TO ALL COUNTS

1. The Commission has jurisdiction over manufactured homes and manufactured home dealers pursuant to Chapter 700 RSMo 2000.¹

2. Respondent, Brookside Homes, Inc., (Brookside) is a manufactured home dealer as defined in Section 700.010(4).

3. Steven G. Warren is an individual and the sole shareholder, officer and director of Brookside exercising complete domination and control over the affairs of Brookside.

COUNT I – PENALTIES FOR REFUSAL TO ALLOW INSPECTIONS

4. Section 700.040 provides that the Commission shall inspect dealer premises to ensure dealer compliance with the Code, defined by rule 4 CSR 240-120.100 as the federal standards found at 24 CFR Part 3280 and the manufacturer's installation instructions.

5. Rule 4 CSR 240-120.060 provides that the books, records, inventory and premises of manufacturers and dealers shall be subject to inspection by the Director to determine compliance with Chapter 700, the Code, and Commission rules.

6. On July 24, 2008, the Director sent authorized representatives to inspect the premises of Brookside Homes, Inc. located at 2455 US Highway 67 South, Festus, MO 63028. Inspectors Tim Haden and Gene Winn requested to review the files relating to the following homes sold by Brookside between January 2007 and July 24, 2008. The homes were sold to or identified as:

¹ All references to the Revised Statutes of Missouri will be to RSMo 2000 as currently supplemented unless otherwise noted.

Winston and Edna Albert

Billy M. Cook

Charles and Leigh Skiles

Jeremy and Casey Dement

Michael and Nancy Daugherty

Steve and Heather Schmidt

Patricia Naïve

Sylvia Walton

Fleetwood serial numbers 2562N and TNFL527

Champion serial numbers 14224 and 14168.

7. On July 24, 2008, Brookside and Steven G. Warren failed and refused to allow the Director's representatives to review and inspect the records requested.

8. On July 24, 2008, the Director issued the attached letter demanding access to the requested records. See Exhibit A.

9. Brookside and Warren again failed and refused to provide the requested records.

10. On July 28, 2008, the attorney for the Director issued the attached letter again demanding to review the records. See Exhibit B.

11. To date, Brookside and Warren have failed and refused to allow the Director to inspect the requested records.

12. Every violation of Chapter 700 and Chapter 120 constitutes a separate violation with respect to each manufactured home or refusal to allow or perform an act required by Chapter 700. Section 700.115. Brookside's and Warren's refusal to provide

access to books and records calls for a civil penalty against each of them up to \$1000 per day since July 24, 2008, per manufactured home identified in paragraph 6 above. In addition and alternatively, section 386.570 provides for penalties of up to \$2000 per day per occurrence for Brookside's and Warren's violations of the law.

**COUNT II – REFUSAL, NON-RENEWAL AND REVOCATION OF
REGISTRATION AND PENALTIES**

13. The Director realleges the allegations set forth in paragraphs 1 through 3 above.

14. Brookside's registration expired on January 15, 2008, and was not renewed by the Director.

15. Since January 15, 2008, Brookside and Warren have been holding forth as a dealer by selling and offering for sale new manufactured homes.

16. Under Section 700.470 it is unlawful for any person to hold forth as a dealer who is not currently registered as a dealer with the Commission.

17. Under 700.045 it is unlawful for a dealer to sell or offer for sale any manufactured home unless it has a registration in effect with the Commission.

18. Refusal to register, non-renewal of registration, and revocation of registration are authorized when an applicant or dealer violates section 700.045 or fails to comply with sections 700.450 to 700.470.

19. Pursuant to section 700.115.2, each violation of a provision of chapter 700 is a separate offense and renders Brookside and Warren liable for a penalty of up to \$1,000 per day since January 15, 2008.

COUNT III – REFERRAL FOR PROSECUTION UNDER 386.580

20. The Director realleges and incorporates herein paragraphs 1 through 19 above.

21. Steven G. Warren's actions violating the law and aiding and abetting Brookside's violations of the law constitute a crime under section 386.580.

22. Steven G. Warren's interference with and obstruction of the Director and his authorized representative's performance of the Director's duties constitutes a crime under section 700.045(6).

23. Brookside and Warren's violation of section 700.045(1) by selling and offering manufactured homes for sale is criminal behavior.

WHEREFORE, the Director prays that the Commission provide notice to the Respondent of this action and, after hearing, affirm, authorize, and approve the Director's actions and formally refuse to register, refuse to renew, and revoke Brookside's dealer registration, authorize the General Counsel to seek penalties in Circuit Court, and direct the General Counsel to refer this matter for prosecution.

Respectfully submitted,

/s/ Steven C. Reed

Steven C Reed
Missouri Bar No. 40616

Eric Dearmont
Missouri Bar No. 60892

Attorneys for the Director of the Manufactured
Housing and Modular Units Program of the
Missouri Public Service Commission
P. O. Box 360
Jefferson City, MO 65102
(573) 751-3015
(573) 751-9285 (Fax)



Commissioners

JEFF DAVIS
Chairman

CONNIE MURRAY

ROBERT M. CLAYTON III

TERRY JARRETT

KEVIN GUNN

Missouri Public Service Commission

POST OFFICE BOX 360
JEFFERSON CITY MISSOURI 65102
573-751-3234
573-751-1847 (Fax Number)
<http://www.psc.mo.gov>

WESS A. HENDERSON
Executive Director

DANA K. JOYCE
Director, Administration and
Regulatory Policy

ROBERT SCHALLENBERG
Director, Utility Services

NATELLE DIETRICH
Director, Utility Operations

COLLEEN M. DALE
Secretary/Chief Regulatory Law Judge

KEVIN A. THOMPSON
General Counsel

July 24, 2008

Steve Warren
Brookside Homes, Inc.
2455 US HWY 67 South
Festus, MO 63028

RE: Records Requests

Dear Mr. Warren:

As authorized inspectors of the Manufactured Housing and Modular Units Program, Mr. Tim Haden and I requests to review and copy files of the following homes sold by your dealership from January 2007 to present including but not limited to the following: homes sold to Winston & Edna Albert, Billy M. Cook, Charles & Leigh Skiles, Jeramy & Casey Dement, Michael & Nancy Daugherty, Steve & Heather Schmidt, Patricia Naïve, Sylvia Walton and homes installed as reported by licensed installers, Fleetwood, serial numbers 2562N & TNFL527 and Champion serial numbers 14224, 14168o.

This request is pursuant to section 700.040.1 RSMo, which states in part, "The commission shall, through its own inspection service or through a public or private inspection service acting as its authorized representative, perform sufficient inspections of manufacturing and dealer premises and manufactured homes and modular units to ensure that the provisions of the code are being observed", additionally regulation, 4 CSR 240-120.060 Inspections states, The books, records, inventory and premises of manufacturers and dealers of new manufactured homes from time to time during normal business hours shall be subject to an inspection by the director to ascertain if a manufacturer or dealer is complying with Chapter 700". Further, according to 700.045 RSMo: It shall be a misdemeanor: (6) To interfere with, obstruct, or hinder any authorized representative of the commission in the performance of his or her duties.

Therefore, you are requested to furnish the files to any and all homes that are requested by this department for review or to copy.

Also attached to this letter is a copy of a letter sent to Brookside Homes dated March 21, 2007 regarding Dealer Monthly sales reports and rule 4 CSR 240-120.130.

Thank you for your cooperation in this matter, if you have any questions you may contact me at 800-819-3180.

Respectfully,

Gene Winn, Inspector Supervisor
Manufactured Housing & Modular Units Program

Refused to give any files.
Brookside Homes Representatives

Date 7/24/08

Exhibit A



Commissioners

JEFF DAVIS
Chairman

CONNIE MURRAY

ROBERT M. CLAYTON III

TERRY JARRETT

KEVIN GUNN

Missouri Public Service Commission

POST OFFICE BOX 360
JEFFERSON CITY MISSOURI 65102
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Director, Utility Services

NATELLE DIETRICH
Director, Utility Operations

COLLEEN M. DALE
Secretary/Chief Regulatory Law Judge

KEVIN A. THOMPSON
General Counsel

July 28, 2008

Robert W. Bilbrey
Thurman Howald Weber Senkel & Norrick LLC
P.O. Box 800
301 Main Street
Hillsboro, MO 63050

Re: Brookside Homes
Matter: Production of Documents

Dear Mr. Bilbrey:

We spoke last week about the documents that the Director had requested from Brookside Homes. The attached letter dated July 24, 2008, requested copies of all documents in Brookside's possession concerning the following:

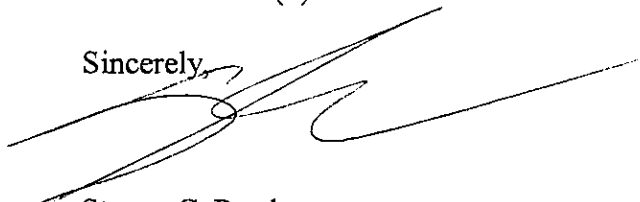
Home sold to Winston and Edna Albert
Home sold to Billy Cook
Home sold to Charles and Leigh Skiles
Home sold to Jeramy and Casey Dement
Home sold to Michael and Nacy Daugherty
Home sold to Steve and Heather Schmidt
Home sold to Patricia Naïve
Home sold to Sylvia Walton
Homes identified as Fleetwood, serial nos. 2562N and TNFL527
Homes identified as Champion, serial nos. 14224 and 14168o

Brookside refused to provide these documents to the Director. Demand is hereby made for Brookside to make available the above documents within 14 days of this letter pursuant to 4 CSR 240-120.060. The books, records, inventory and premises of manufacturers and dealers of new manufactured homes shall be subject to an inspection by the director to determine compliance with Chapter 700 and the HUD code.

Exhibit B

If arrangement is not made for the Director's access to the above records within 14 days, legal action will be taken against Brookside and any officers or directors who interfere with, obstruct, or hinder the Director and his Staff in their duties. Section 700.045(6).

Sincerely,

A handwritten signature in black ink, appearing to be 'Steven C. Reed', written over a horizontal line.

Steven C. Reed
Litigation Counsel
573-751-3015 (telephone)
573-751-9285 (facsimile)
steven.reed@psc.mo.gov

encl.

cc: Ron Pleus, Director, Mfg. Housing Program
Peter Lyskowski, Assistant Attorney General