

The Manager requests that the Commission suspend Respondents' license for at least two years; order Respondents to complete repairs of all deficiencies by licensed installers; find Respondents liable for one thousand dollars (\$1,000) for each home where a violation occurred to be paid to the Public School Fund pursuant to § 386.600, RSMo; order Respondents to pay \$1800 to the Commission for reinspection fees; and authorize its General Counsel to file a petition in the Circuit Court seeking statutory penalties for the violations.²

2. Did the Brunes engage in conduct in violation of § 700.045(5), RSMo for failing to correct code violations within 90 days after being ordered to do so by the Commission's authorized representative in the five manufactured homes which are the subject of this complaint?

Staff's Position: Yes. Section 700.045(5), RSMo states that it is a misdemeanor to fail to correct a code violation within a reasonable time, not to exceed 90 days, after being ordered to do so by the Commission's authorized representative.

Respondents were notified of code violations at the Armstrong home by letters dated March 6, 2018; August 1, 2018; September 24, 2018; and January 16, 2019. Respondents were notified of code violations at the Kasten home by letters dated March 1, 2018; July 10, 2018; September 24, 2018; and January 16, 2019. Respondents were notified of code violations at the Orf home by letters dated March 5, 2018; October 2, 2018; and January 16, 2019. Respondents were notified of code violations at the Schemel/Fox home by letters dated March 1, 2018; August 1, 2018; October 2, 2018; and January 17, 2019. Respondents were notified of code violations at the Thomas house by letters dated March 5, 2018; August 1, 2018; October 2, 2018; and January 17, 2019.

² *Direct Testimony of Justin Smith*, P. 6-7 (Apr 3, 2020).

Respondents were notified of code violations multiple times for each house, and continue to fail to correct them well beyond 90 days after being ordered to do so.³

The Manager requests that the Commission suspend Respondents' license for at least two years; order Respondents to complete repairs of all deficiencies by licensed installers; find Respondents liable for one thousand dollars (\$1,000) for each home where a violation occurred to be paid to the Public School Fund pursuant to § 386.600, RSMo; and authorize its General Counsel to file a petition in the Circuit Court seeking statutory penalties for the violations.⁴

3. Did the Brunes violate § 700.656.1, RSMo by installing a home without holding a valid installer's license issued by the Commission pursuant to § 700.650, RSMo to § 700.680, RSMo?

Staff's Position: Yes. Section 700.656.1, RSMo states that no person shall install a manufactured home without a valid installer license issued by the Commission. Respondents, who did not have a valid installer's license, installed the Schemel/Fox home.⁵

The Manager requests that the Commission suspend Respondents' license for at least two years; order Respondents to complete repairs of all deficiencies by licensed installers; find Respondents liable for one thousand dollars (\$1,000) for each home where a violation occurred to be paid to the Public School Fund pursuant to § 386.600, RSMo; and authorize its General Counsel to file a petition in the Circuit Court seeking statutory penalties for the violations.⁶

³ *Direct Testimony of Justin Smith*, P. 5-7 (Apr 3, 2020).

⁴ *Direct Testimony of Justin Smith*, P. 6-7 (Apr 3, 2020).

⁵ *Surrebuttal Testimony of Justin Smith*, P. 2 (May 1, 2020).

⁶ *Direct Testimony of Justin Smith*, P. 6-7 (Apr 3, 2020).

4. Did the Brunos violate § 700.656.3, RSMo by hiring unlicensed individuals to install the five manufactured homes which are the subject of this complaint?

Staff's Position: Yes. Section 700.656.3 requires manufactured home dealers to hire either licensed contractors or licensed employees to install homes. Respondents hired unlicensed contractors to install the five homes which are the subject of this complaint.⁷

The Manager requests that the Commission suspend Respondents' license for at least two years; order Respondents to complete repairs of all deficiencies by licensed installers; find Respondents liable for one thousand dollars (\$1,000) for each home where a violation occurred to be paid to the Public School Fund pursuant to § 386.600, RSMo; and authorize its General Counsel to file a petition in the Circuit Court seeking statutory penalties for the violations.⁸

5. Did the Brunos violate § 700.096.1, RSMo and 20 CSR 4240-120.130(1) by failing to file monthly sales reports with the Commission?⁹

Staff's Position: Yes. Section 700.096.1, RSMo and 20 CSR 4240-120.130(1) require manufactured home dealers to file monthly sales reports with the Commission. In 2018 Respondents sold a multi-section Manufactured Housing Enterprises home with serial number MO40688.2AB, but Respondents' property locators and 2018 monthly dealer reports show no 2018 sales of multi-section manufactured homes.¹⁰

⁷ *Direct Testimony of Justin Smith*, P. 2-4 (Apr 3, 2020) and *Surrebuttal Testimony of Justin Smith*, P. 1-2 (May 1, 2020).

⁸ *Direct Testimony of Justin Smith*, P. 6-7 (Apr 3, 2020).

⁹ The original fifth issue was: "Did the Brunos violate § 700.096.1, RSMo and 20 CSR 4240-120.130(1) by failing to file monthly sales reports with the Commission for the five manufactured homes which are the subject of this complaint?" This issue was misstated, because it is unrelated to the homes which are the subject of the prior four issues. Staff revises the question above.

¹⁰ *Direct Testimony of Justin Smith*, P. 6 (Apr 3, 2020).

The Manager requests that the Commission suspend Respondents' license for at least two years; find Respondents liable for one thousand dollars (\$1,000) to be paid to the Public School Fund pursuant to § 386.600, RSMo; and authorize its General Counsel to file a petition in the Circuit Court seeking statutory penalties for the violation.¹¹

Respectfully submitted,

/s/ Karen E. Bretz

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CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing have been electronically mailed to all parties and/or counsel of record on this 20th day of May, 2020.

/s/ Karen E. Bretz

¹¹ *Direct Testimony of Justin Smith*, P. 6-7 (Apr 3, 2020).