BEFORE THE PUBLIC SERVICE COMMISSION STATE OF MISSOURI

| The Manager of the Manufactured Homes and |) |
|--|--------------------------|
| Modular Units Program of the Missouri Public |) |
| Service Commission, |) |
| Complainant, |))) |
| v. |) Case No.: MC-2020-0135 |
| Charles W. Brune and Anna G. Brune, |))) |
| Respondents. |) |

ANSWER

COME NOW Respondents Charles W. Brune and Anna G. Brune, and for their Answer to the Complaint filed by the Manager of the Manufactured Homes and Modular Units Program, do state as follows:

- 1. Respondents lack sufficient information to admit or deny the allegations in Paragraph 1 of the Complaint, and therefore deny the same.
- 2. Respondents lack sufficient information to admit or deny the allegations in Paragraph 2 of the Complaint, and therefore deny the same.
- 3. Respondents deny that the Certificates as alleged list an established place of business at 901 N. Kingshighway, Perryville, MO 63775 and that Brune Mobile Sales does business under the name "Brune Mobile Homes RV & Cargo," and affirmatively state that said Certificates list an established place of business at 913 N. Kingshighway, Perryville, MO 63775, and that the Kasten's receipt listed "Brune Mobile Homes RV & Cargo" because it was an old form used when Respondent Charles Brune did business and was properly licensed by the Public

Service Commission under that name. Respondents admit all other allegations of Paragraph 3 of the Complaint.

- 4. Respondents deny that the Certificates as alleged list an established place of business at 901 N. Kingshighway, Perryville, MO 63775, and affirmatively state that said Certificates list an established place of business at 913 N. Kingshighway, Perryville, MO 63775. Respondents admit all other allegations of Paragraph 4 of the Complaint.
 - 5. Respondents admit the allegations of Paragraph 5 of the Complaint.
- 6. Respondents deny that the Applications as alleged list an address for the dealership at 901 N. Kingshighway, Perryville, MO 63775, and affirmatively state that said Applications list an address for the dealership at 913 N. Kingshighway, Perryville, MO 63775. Respondents admit all other allegations of Paragraph 6 of the Complaint. Respondents affirmatively state that Charles W. Brune is the sole owner of the dealership as listed in December 3, 2018 Application for Manufactured Home or Modular Unit Certificate of Dealer Registration.
- 7. Paragraph 7 of the Complaint is a legal conclusion and not an allegation of fact.

 Respondents assert that Chapter 700 RSMo. speaks for itself with respect to the issues alleged in Paragraph 7.
- 8. Respondents admit the allegations of Paragraph 8 of the Complaint with respect to Charles W. Brune, but deny the same with respect to Anna G. Brune.
- 9. Paragraph 9 of the Complaint is a legal conclusion and not an allegation of fact. Respondents assert that Chapter 700 RSMo. speaks for itself with respect to the issues alleged in Paragraph 9.

10. Paragraph 10 of the Complaint is a legal conclusion and not an allegation of fact.

Respondents assert that Chapter 700 RSMo. speaks for itself with respect to the issues alleged in Paragraph 10.

James Armstrong Home

- 11. Respondents admit the allegations of Paragraph 8 of the Complaint with respect to Charles W. Brune, but deny the same with respect to Anna G. Brune. Respondents affirmatively state that all written waivers were reviewed and signed by homeowners prior to or at closing of the sale of the home or shipping of the home, and that all matters alleged in Paragraph 8 were performed by request, and at the direction, of the homeowner.
 - 12. Respondents admit the allegations of Paragraph 12 of the Complaint.
- 13. Respondents lack sufficient information to admit or deny the allegations in Paragraph 13 of the Complaint, and therefore deny the same.
- 14. Respondents lack sufficient information to admit or deny the allegations in Paragraph 14 of the Complaint, and therefore deny the same.
- 15. Respondents admit the allegations of Paragraph 15 of the Complaint with respect to Charles W. Brune, but deny the same with respect to Anna G. Brune.
- 16. Respondents lack sufficient information to admit or deny the allegations in Paragraph 16 of the Complaint, and therefore deny the same. Respondents affirmatively state that James Armstrong passed away June 23, 2018, and therefore all of the purported reinspections were performed after the homeowner died, and that the home was foreclosed upon and sold on January 15, 2019.
- 17. Respondents admit the allegations of Paragraph 17 of the Complaint with respect to Charles W. Brune, but deny the same with respect to Anna G. Brune. Respondents affirmatively

state that the homeowner assumed responsibility for installing his manufactured home, and Respondents are not responsible for correcting any deficiencies.

Allen and Lori Kasten Home

- 18. Respondents deny that Benton Welker and John Reynolds anchored the home to the ground, and affirmatively state that Welker and Reynolds anchored the home to a concrete slab constructed by Allen Kasten. Respondents admit all other allegations of Paragraph 18 of the Complaint with respect to Charles W. Brune, but deny the same with respect to Anna G. Brune. Respondents affirmatively state that all written waivers were reviewed and signed by homeowners prior to or at closing of the sale of the home or shipping of the home, and that all matters alleged in Paragraph 18 were performed by request, and at the direction, of the homeowner.
 - 19. Respondents admit the allegations of Paragraph 19 of the Complaint.
- 20. Respondents lack sufficient information to admit or deny the allegations in Paragraph 20 of the Complaint, and therefore deny the same.
- 21. Respondents lack sufficient information to admit or deny the allegations in Paragraph 21 of the Complaint, and therefore deny the same.
- 22. Respondents lack sufficient information to admit or deny the allegations in Paragraph 22 of the Complaint, and therefore deny the same.
- 23. Respondents admit the allegations of Paragraph 23 of the Complaint with respect to Charles W. Brune, but deny the same with respect to Anna G. Brune.
- 24. Respondents lack sufficient information to admit or deny the allegations in Paragraph 24 of the Complaint, and therefore deny the same.
- 25. Respondents admit the allegations of Paragraph 25 of the Complaint with respect to Charles W. Brune, but deny the same with respect to Anna G. Brune. Respondents affirmatively

state that the homeowner assumed responsibility for installing his manufactured home, and Respondents are not responsible for correcting any deficiencies.

Aaron and Michelle Orf Home

- 26. Respondents deny that Benton Welker and Michael Baker, Jr. anchored the home to the ground, and affirmatively state that Welker and Baker anchored the home to a concrete slab. Respondents admit the allegations of Paragraph 26 of the Complaint with respect to Charles W. Brune, but deny the same with respect to Anna G. Brune. Respondents affirmatively state that all written waivers were reviewed and signed by homeowners prior to or at closing of the sale of the home or shipping of the home, and that all matters alleged in Paragraph 26 were performed by request, and at the direction, of the homeowner.
 - 27. Respondents admit the allegations of Paragraph 27 of the Complaint.
- 28. Respondents lack sufficient information to admit or deny the allegations in Paragraph 28 of the Complaint, and therefore deny the same.
- 29. Respondents lack sufficient information to admit or deny the allegations in Paragraph 29 of the Complaint, and therefore deny the same.
- 30. Respondents admit the allegations of Paragraph 30 of the Complaint with respect to Charles W. Brune, but deny the same with respect to Anna G. Brune.
- 31. Respondents lack sufficient information to admit or deny the allegations in Paragraph 31 of the Complaint, and therefore deny the same.
- 32. Respondents admit the allegations of Paragraph 32 of the Complaint with respect to Charles W. Brune, but deny the same with respect to Anna G. Brune. Respondents affirmatively state that the homeowner assumed responsibility for installing his manufactured home, and Respondents are not responsible for correcting any deficiencies.

Elizabeth Schemel and Debbie Fox Home

- 33. Respondents admit the allegations of Paragraph 33 of the Complaint with respect to Charles W. Brune, but deny the same with respect to Anna G. Brune. Respondents affirmatively state that all written waivers were reviewed and signed by homeowners prior to or at closing of the sale of the home or shipping of the home, and that all matters alleged in Paragraph 33 were performed by request, and at the direction, of the homeowner.
- 34. Respondents admit the allegations of Paragraph 34 of the Complaint with respect to Charles W. Brune, but deny the same with respect to Anna G. Brune. Respondents affirmatively state the City of Perryville does not have a permit form for mobile homes, that the Residential Modification Permit Application was the form utilized and required by the City, and that all matters alleged in Paragraph 34 were performed by request, and at the direction, of the homeowner, and in accordance with the Municipal Code and Regulations of the City of Perryville.
 - 35. Respondents admit the allegations of Paragraph 35 of the Complaint.
- 36. Respondents lack sufficient information to admit or deny the allegations in Paragraph 36 of the Complaint, and therefore deny the same.
- 37. Respondents lack sufficient information to admit or deny the allegations in Paragraph 37 of the Complaint, and therefore deny the same.
- 38. Respondents admit the allegations of Paragraph 38 of the Complaint with respect to Charles W. Brune, but deny the same with respect to Anna G. Brune.
- 39. Respondents lack sufficient information to admit or deny the allegations in Paragraph 39 of the Complaint, and therefore deny the same.
- 40. Respondents admit the allegations of Paragraph 40 of the Complaint with respect to Charles W. Brune, but deny the same with respect to Anna G. Brune. Respondents affirmatively

state that the homeowner assumed responsibility for installing his manufactured home, and Respondents are not responsible for correcting any deficiencies.

Robert and Joyce Thomas Home

- 41. Respondents admit the allegations of Paragraph 41 of the Complaint with respect to Charles W. Brune, but deny the same with respect to Anna G. Brune. Respondents affirmatively state that all written waivers were reviewed and signed by homeowners prior to or at closing of the sale of the home or shipping of the home, and that all matters alleged in Paragraph 41 were performed by request, and at the direction, of the homeowner.
 - 42. Respondents admit the allegations of Paragraph 42 of the Complaint.
- 43. Respondents lack sufficient information to admit or deny the allegations in Paragraph 43 of the Complaint, and therefore deny the same.
- 44. Respondents lack sufficient information to admit or deny the allegations in Paragraph 44 of the Complaint, and therefore deny the same.
- 45. Respondents admit the allegations of Paragraph 45 of the Complaint with respect to Charles W. Brune, but deny the same with respect to Anna G. Brune.
- 46. Respondents lack sufficient information to admit or deny the allegations in Paragraph 46 of the Complaint, and therefore deny the same.
- 47. Respondents admit the allegations of Paragraph 47 of the Complaint with respect to Charles W. Brune, but deny the same with respect to Anna G. Brune. Respondents affirmatively state that the homeowner assumed responsibility for installing his manufactured home, and Respondents are not responsible for correcting any deficiencies.

Count I

Failure to Arrange for Proper Initial Setup

- 48. Respondents reallege and incorporate herein their allegations in Paragraphs 1 through 47 of their Answer.
 - 49. Respondents admit the allegations of Paragraph 49 of the Complaint.
 - 50. Respondents admit the allegations of Paragraph 50 of the Complaint.
 - 51. Respondents admit the allegations of Paragraph 51 of the Complaint.
 - 52. Respondents admit the allegations of Paragraph 52 of the Complaint.
 - 53. Respondents admit the allegations of Paragraph 53 of the Complaint.
 - 54. Respondents admit the allegations of Paragraph 54 of the Complaint.
- 55. Respondents admit that Brune Mobile Sales obtained five (5) lawful written waivers of installation of service in compliance with the Chapter 700, RSMo., were notified of multiple alleged deficiencies related to the installation of Purchaser's manufactured home units, and failed to perform repairs Brune Mobile Sales was instructed to perform by the Manufactured Housing and Modular Unit Program, but denies all remaining allegations in Paragraph 55 of the Complaint.
- 56. Respondents lack sufficient information to admit or deny the allegations in Paragraph 56 of the Complaint, and therefore deny the same.

WHEREFORE, having fully answered Count I of the Complaint, Respondents respectfully request the Commission find in favor of Respondents and dismiss Count I of the Complaint, and for such other and further relief as the Commission deems just and proper.

Count II

Failure to Correct Defects Within 90 Days

57. Respondents reallege and incorporate herein their allegations in Paragraphs 1 through 56 of their Answer.

- 58. Respondents assert that Chapter 700 RSMo. speaks for itself with respect to the issues alleged in Paragraph 58.
- 59. Respondents lack sufficient information to admit or deny the allegations in Paragraph 59 of the Complaint, and therefore deny the same.
- 60. Respondents lack sufficient information to admit or deny the allegations in Paragraph 60 of the Complaint, and therefore deny the same.
- 61. Respondents lack sufficient information to admit or deny the allegations in Paragraph 61 of the Complaint, and therefore deny the same.
- 62. Respondents lack sufficient information to admit or deny the allegations in Paragraph 62 of the Complaint, and therefore deny the same.
- 63. Respondents lack sufficient information to admit or deny the allegations in Paragraph 63 of the Complaint, and therefore deny the same.
- 64. Respondents lack sufficient information to admit or deny the allegations in Paragraph 64 of the Complaint, and therefore deny the same.
- 65. Respondents admit that Charles W. Brune did not address the violations alleged in Paragraphs 60-64 of the Complaint, but deny the remaining allegations of Paragraph 65 with respect to Charles W. Brune and deny all the allegations of Paragraph 65 with respect to Anna G. Brune. Respondents affirmatively state that the homeowners at issue assumed responsibility for installing their manufactured homes, and that Respondents are not responsible for correcting any deficiencies.

WHEREFORE, having fully answered Count II of the Complaint, Respondents respectfully request the Commission find in favor of Respondents and dismiss Count II of the Complaint, and for such other and further relief as the Commission deems just and proper.

Count III

Engaging in Installation of Home(s) Without a License

- 66. Respondents reallege and incorporate herein their allegations in Paragraphs 1 through 65 of their Answer.
 - 67. Respondents admit the allegations of Paragraph 67 of the Complaint.
- 68. Respondents admit that Brune Mobile Sales hooked up the water, sewer, and electric utilities; placed on blocks; and anchored to the ground the Elizabeth Schemel and Debbie Fox Home, but deny all remaining allegations of Paragraph 68 of the Complaint. Respondents affirmatively state that the homeowners executed a valid written waiver for having a licensed installer install their manufactured home and assumed responsibility for the same, and that all matters alleged in Paragraph 68 were performed by request, and at the direction, of the homeowners.
 - 69. Respondents admit the allegations of Paragraph 69 of the Complaint.

WHEREFORE, having fully answered Count III of the Complaint, Respondents respectfully request the Commission find in favor of Respondents and dismiss Count III of the Complaint, and for such other and further relief as the Commission deems just and proper.

Count IV

Failure to Employ or Subcontract with Licensed Installer

- 70. Respondents reallege and incorporate herein their allegations in Paragraphs 1 through 69 of their Answer.
 - 71. Respondents admit the allegations of Paragraph 71 of the Complaint.
 - 72. Respondents admit the allegations of Paragraph 72 of the Complaint.

- 73. Respondents deny the allegations of Paragraph 73 of the Complaint. Respondents affirmatively state that Brune Mobile Sales hired individuals to perform various work limited to joining manufactured homes' sections, placing the homes on blocks, anchoring the homes to the ground, and on one occasion connecting utilities for the home to existing lines.
- 74. Respondents lack sufficient information to admit or deny the allegations in Paragraph 74 of the Complaint, and therefore deny the same.

WHEREFORE, having fully answered Count IV of the Complaint, Respondents respectfully request the Commission find in favor of Respondents and dismiss Count IV of the Complaint, and for such other and further relief as the Commission deems just and proper.

Count V

Failure to File Monthly Sales Reports

- 75. Respondents reallege and incorporate herein their allegations in Paragraphs 1 through 75 of their Answer.
- 76. Respondents lack sufficient information to admit or deny the allegations in Paragraph 76 of the Complaint, and therefore deny the same.
- 77. Respondents lack sufficient information to admit or deny the allegations in Paragraph 77 of the Complaint, and therefore deny the same.
- 78. Respondents lack sufficient information to admit or deny the allegations in Paragraph 78 of the Complaint, and therefore deny the same.
- 79. Respondents lack sufficient information to admit or deny the allegations in Paragraph 79 of the Complaint, and therefore deny the same.
 - 80. Respondents admit the allegations of Paragraph 80 of the Complaint.
 - 81. Respondents admit the allegations of Paragraph 81 of the Complaint.

82. Respondents admit the allegations of Paragraph 82 of the Complaint.

83. Respondents admit the allegations of Paragraph 83 of the Complaint.

WHEREFORE, having fully answered Count V of the Complaint, Respondents respectfully request the Commission find in favor of Respondents and dismiss Count V of the Complaint, and for such other and further relief as the Commission deems just and proper.

AFFIRMATIVE DEFENSES

84. Complainant fails to state a claim upon which relief may be granted.

85. No licensed installer was required to install the manufactured homes at issue in this matter because all homeowners executed valid written waivers pursuant to Section 700.100.3(6),

RSMo., and installed their manufactured homes pursuant to Section 700.656.5, RSMo.

86. The violations of law as alleged by Complainant are preempted by other local, state,

or federal law.

WHEREFORE, having fully answered the Complaint, Respondents respectfully request the Commission find in favor of Respondents and dismiss Count V of the Complaint, and for such other and further relief as the Commission deems just and proper.

Respectfully submitted,

/s/ Thad M. Brady

Thad M. Brady, #59659

Lichtenegger Law Firm

2480 East Main Street, Suite E

Jackson, Missouri 63755

Phone: 573-243-8463

Fax: 573-243-3946

thad@semolawfirm.com

ATTORNEYS FOR

RESPONDENTS

Respectfully Submitted,

Charles W. Brune

Anna G. Brune

Certificate of Service

I hereby certify that on December 18, 2019, the foregoing Answer was sent via U.S. mail to Alexandra L. Klaus, Senior Counsel, PO Box 360, Jefferson City, MO 65102

By: <u>/s/ Thad M. Brady</u> Thad M. Brady

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