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Requirements
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d/b/a Brune Mobile
Sales
Case No.: MC-2020-0135
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MISSOURI PUBLIC SERVICE COMMISSION
INDUSTRY ANALYSIS DIVISION
MANUFACTURED HOUSING DEPARTMENT

REBUTTAL TESTIMONY
OF
CHARLES BRUNE

CHARLES W. BRUNE AND ANNA G. BRUNE
d/b/a BRUNE MOBILE SALES
CASE NO. MC-2020-0135

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2 **REBUTTAL TESTIMONY**

3 **OF**

4 **CHARLES BRUNE**

5 **CHARLES W. BRUNE AND ANNA G. BRUNE**
6 **d/b/a BRUNE MOBILE SALES**

7 **CASE NO. MC-2020-0135**

8 Q. Please state your name and business address.

9 A. Charles Brune. The address of my business is 913 North Kingshighway, Perryville,
10 Missouri 63775.

11 Q. What is the name of your business?

12 A. Brune Mobile Sales.

13 Q. Do you own and operate that business as a sole proprietorship or is there another
14 legal entity that owns it?

15 A. I own and operate it as a sole proprietorship.

16 Q. What role does Anna Brune have with Brune Mobile Sales?

17 A. None. In the past she was listed on some of the registration paperwork but since
18 2018 she has not been affiliated with the business and I have owned and operated the business on
19 my own.

20 Q. What type of business is Brune Mobile Sales?

21 A. I sell used and new mobile homes and modular homes.

22 Q. How long have you been in business?

23 A. 47 years. Since 1973.

1 Q. Other than this case, have you had any alleged violations of the rules and
2 regulations of the Public Service Commission in relation to your business?

3 A. No. This is the first time in over 30 years I have had alleged violations of their
4 rules.

5 **USE OF LICENSED INSTALLERS**

6 Q. With regard to the allegation you failed to arrange for proper initial setup of 5
7 homes by using licensed installers to setup the homes, were licensed installers used in setting up
8 the homes?

9 A. No.

10 Q. Can a purchaser of a manufactured home take responsibility for installing their own
11 home?

12 A. Yes. Under section 700.656.5, RSMo, a person can install a manufactured home
13 on their own property for their own occupancy of the home.

14 Q. Is that what was done here?

15 A. Yes. Each purchaser wanted to be responsible for setting up their own home.

16 Q. Did you obtain written waivers from these purchasers waiving installation by
17 licensed installers?

18 A. Yes. In each instance, the purchaser signed a written waiver under section
19 700.100.3(6), RSMo, stating they would be installing their own home and waiving proper initial
20 setup pursuant to section 700.100.3(6).

21 Q. How would you respond to the Staff's claim that you failed to arrange for the proper
22 initial setup of these five homes by a licensed installer as outlined in Staff's complaint?

1 A. Each purchaser elected to be responsible for the installation of their own home on
2 their own property, and signed a written waiver to that effect as required by law. As far as I was
3 concerned, the purchaser could then install the home however they wanted and hire whomever
4 they wanted to assist them to install their homes. James Armstrong and Aaron and Michelle Orf
5 installed their own homes with the assistance of Benton Welker and Michael Baker, Jr. Allen and
6 Lori Kasten and Robert and Joyce Thomas installed their homes with the assistance of Benton
7 Welker and John Reynolds. Elizabeth Schemel and Debbie Fox installed their home with the
8 assistance of Benton Welker, Michael Baker, Jr., and Roger Richardet. Each step of installation
9 was either performed by the homeowners themselves or under their direction and supervision.

10 Q. Did Program Manager Justin Smith discuss the waivers for these homes with you
11 on February 28, 2018?

12 A. Yes, but he never told me the waivers did not meet the statutory requirement.
13 However, at that meeting we did discuss using a licensed installer or sending an employee or
14 contractor to be trained and obtain a license. Contrary to Mr. Smith's testimony, I did send two
15 individuals to the class and began using one as a licensed installer.

16 Q. Why is this important to correct from Mr. Smith's testimony?

17 A. Because it shows that even though I maintain my position that the written waivers
18 I obtained from these homeowners were satisfactory, out of an abundance of caution I started using
19 licensed installers in case I had misinterpreted the statute. This is the first time I have heard from
20 Mr. Smith that he believes my waivers were not valid.

21 **ALLEGED SETUP DEFICIENCIES**

22 Q. What effect do these waivers have on any alleged setup deficiencies?

1 A. Since the homeowner elected to be responsible for installation, any alleged
2 deficiencies would be the responsibility of the homeowner. If the deficiency were caused by
3 someone the homeowner had hired to assist with the installation, resolving the deficiency would
4 be between the homeowner and the person hired by the homeowner. As Mr. Smith stated in his
5 testimony, the Manufactured Housing and Modular Units Program would have no jurisdiction
6 since the homeowner took responsibility, signed a waiver, and opted not to use a licensed installer.

7 Q. Are the setup deficiencies alleged by Staff accurate?

8 A. First of all, I strongly dispute the accuracy of the deficiencies Mr. Smith has
9 identified. Mr. Smith did not inspect any of these homes and is relying solely on Inspector David
10 Freeman's reports. Freeman's credibility on these deficiencies is suspect at best. His work
11 throughout the process was sloppy. He came to my office twice to pull documents and make
12 copies because he had either lost the first copies or failed to copy all of the correct documents.
13 Several of the dates Freeman claimed to have inspected or re-inspected homes were later
14 determined to be wrong and had to be corrected. Furthermore, he claims to have entered into
15 James Armstrong's home on July 24, 2018, September 18, 2018, and January 14, 2019, to perform
16 re-inspections. However, Mr. Armstrong, who went by "Mike," died on June 23, 2018. Mr. Smith
17 was notified of his passing by a facsimile I sent on October 4, 2018. Armstrong was a widow and
18 the home was unoccupied, so it would have been impossible for Freeman to enter into the home
19 on these dates to re-inspect it. The home was foreclosed upon on January 18, 2019, so his last
20 purported re-inspection would have even taken place four days before the foreclosure sale in an
21 unoccupied home!

22 I have only been able to gain access to one of the homes, the Kasten home, to inspect it
23 myself and verify the accuracy of Freeman's report. I was able to get into the home on December

1 9, 2019 and take photographs. The floor on the marriage line was not uneven as Freeman claimed,
2 and there was a dryer vent installed outside of the block foundation, when he had claimed there
3 was not. I also noted that Freeman had neglected to report that the electric box installed by Ameren
4 UE was on the exterior wall of the home, when it is required to be five feet away from the home.

5 Another example of Freeman's slipshod work was that one of his initial reports on the
6 Thomas home was that it was installed on dirt! This was false, as his later corrected reports reflect
7 that it was installed on a concrete slab.

8 I would also point out that Freeman did these inspections several months and in some cases
9 years after installation. To my knowledge he did not verify whether the homeowners had made
10 any changes to the homes either themselves or by third parties which could account for any alleged
11 deficiencies. Without knowing this Freeman cannot with certainty claim any of the homes were
12 improperly installed.

13 Finally, Freeman engaged in behavior outside the scope of his job responsibilities which
14 was very unprofessional, and questions his motives and credibility in all this. For example, he
15 advised Elizabeth Schemel to not pay me the remaining balance on her home, and she did not. To
16 date, she still owes me \$2,822.34 because of Freeman's "advice." I reported this to Mr. Smith,
17 and Freeman's response was "all buyers are liars." On other occasions, he falsely claimed to
18 several of my customers that he was going to take my license and put me out of business. Freeman
19 also went so far as to contact First State Community Bank, the mortgage lender foreclosing on the
20 Armstrong home, that the bank could not sell the home because of the alleged deficiencies and
21 told a potential buyer that the bank could not legally sell the home. On the Kasten home, he
22 interfered with the manufacturer repairing a defect in the floor because he apparently wanted to
23 put responsibility for repairing the defect on me, when the manufacturer had accepted

1 responsibility and was going to repair it. All of this behavior suggests to me that Freeman wanted
2 to drive me out of business for personal reasons, and that this undermines the credibility of the
3 deficiencies he claims.

4 ARMSTRONG HOME

5 Q. What is your response to the specific deficiencies alleged to need repair regarding
6 the Armstrong home?

7 A. I will respond in the order of the alleged deficiencies that need repair as listed on
8 page 1 of Staff's Attachment JS-d1:

9 c. The site was prepared to divert water away from the home using rain gutters,
10 downspouts, and culverts. This is permissible by the Commission's own document
11 entitled "Site Preparation Guidelines."

12 d. The concrete slab was a monolithic pour which incorporated frost grade
13 footers as part of the pour, as opposed to making two pours—one for the slab and
14 one for the footers.

15 e. Wedges were installed where needed and were done in compliance with the
16 manufacturer's instruction manual.

17 f. Cap block materials used were in compliance with the manufacturer's
18 instruction manual.

19 g. All marriage line piers were installed correctly, in the proper locations, and
20 in accordance with the manufacturer's instruction manual.

21 h. The marriage line bolting was done using the materials provided by the
22 manufacturer and were secured in compliance with the manufacturer's instruction
23 manual.

1 i. Door piers were installed as required by, and in compliance with, the
2 manufacturer's instruction manual.

3 j. The homeowner hooked up the water or had someone else do it. To my
4 knowledge, there is a water shut-off valve on the property at the well that services
5 the home.

6 k. The homeowner hooked up the sewer line or had someone else do it.

7 l. Anchors were installed in compliance with the manufacturer's instruction
8 manual, with additional anchoring added beyond what was required by the manual.

9 m. The homeowner hooked up the electric or had someone else do it.

10 n. The water heater drip pan is the responsibility of the manufacturer who built
11 the home and not the installer.

12 o. The A/C system and lines were installed by a third party the homeowner
13 hired after installation was completed.

14 p. The holes in the bottom board and at utility drops did not exist when
15 installation was completed, and were therefore put there by the homeowner or other
16 third parties the homeowner hired.

17 q. The 4x6 piece of lumber was not present when installation was completed
18 and must have been placed there by the homeowner or a third party. In any event,
19 the presence of the piece of lumber is not a defect and is harmless.

20 r. The ridge peak was installed in compliance with the manufacturer's
21 instruction manual.

22 This home was foreclosed on by the bank in January 2019. It has since been resold. According to
23 the bank, a home inspection was performed as part of the sale and no defects were found that

1 needed repair. Staff recently reached out to Dennis Bohnert at First State Community Bank which
2 foreclosed on the home, and Mr. Bohnert reported to Staff that the bank inspected the Armstrong
3 home and did not find any defects it wanted repaired, and that the home had been sold to a third
4 party which had done its own inspection and found no defects needing repair.

5 KASTEN HOME

6 Q. What is your response to the specific deficiencies alleged as needing repair
7 regarding the Kasten home?

8 A. I will respond in the order of the alleged deficiencies that need repair as listed on
9 page 2 of Staff's Attachment JS-d1:

10 c. The site was prepared to divert water away from the home using rain gutters,
11 downspouts, and culverts. This is permissible by the Commission's own document
12 entitled "Site Preparation Guidelines."

13 d. The homeowners poured the concrete slab themselves.

14 e. All piers were installed and configured according to the manufacturer's
15 instruction manual.

16 f. Wedges were installed where needed and were done in compliance with the
17 manufacturer's instruction manual.

18 g. Cap block materials used were in compliance with the manufacturer's
19 instruction manual.

20 h. All marriage line piers were installed correctly, in the proper locations, and
21 in accordance with the manufacturer's instruction manual.

22 i. The floor on the marriage line is in fact level, which I confirmed upon visual
23 inspection on December 9, 2019.

1 j. The marriage line bolting was done using the materials provided by the
2 manufacturer and were secured in compliance with the manufacturer's instruction
3 manual.

4 k. The homeowner installed their own electric service or hired a third party to
5 install the electric service. The bonding wire is a ground wire that would have been
6 the responsibility of the person installing the electric service.

7 l. Door piers were installed as required by, and in compliance with, the
8 manufacturer's instruction manual.

9 m. The homeowners hooked up the water line themselves and so I cannot
10 account for how they installed it.

11 n. The homeowner hooked up the sewer line themselves or hired a third party
12 to do it.

13 o. Anchors were installed in compliance with the manufacturer's instruction
14 manual, with additional anchoring added beyond what was required by the manual.

15 p. Ameren UE, the utility provider, installed the electric service. Any
16 deficiency in the electric hookup is their responsibility.

17 q. The water heater drip pan is the responsibility of the manufacturer who built
18 the home and not the installer.

19 r. Air filters for the A/C system are the responsibility of the homeowner or the
20 person homeowner hired to hook up the A/C system. I am not responsible for this.

21 s. The holes in the bottom board and at utility drops did not exist when
22 installation was completed, and were therefore put there by the homeowner or other
23 third parties the homeowner hired.

1 t. Dryer vent is installed to the outside of the block foundation. I confirmed
2 this by visual inspection December 9, 2019.

3 The Kasten home was foreclosed upon by First State Community Bank, and the bank still owns
4 the property. Staff recently reached out to Dennis Bohnert at the bank, and Mr. Bohnert reported
5 to Staff that the bank had inspected the Kasten home and did not find any defects needing repair.

6 ORF HOME

7 Q. What is your response to the specific deficiencies alleged as needing repair
8 regarding the Orf home?

9 A. First, I dispute whether the Commission should even be regulating this home. This
10 home was initially designated a modular home by Mr. Smith, which is not subject to Commission
11 regulation. For some unknown reason, he later changed the designation to a manufactured home.
12 With that in mind, I will respond in the order of the alleged deficiencies that need repair as listed
13 on page 3 of Staff's Attachment JS-d1:

14 c. The site was prepared to divert water away from the home using rain gutters,
15 downspouts, and culverts. This is permissible by the Commission's own document
16 entitled "Site Preparation Guidelines."

17 d. The concrete pad was poured using 2x6 boards for the concrete form and
18 was poured to the requisite depth. To my knowledge, Freeman did not core drill
19 the concrete as part of his inspection, so he could not have accurately measured the
20 actual depth of the slab.

21 e. The concrete slab was a monolithic pour which incorporated frost grade
22 footers as part of the pour, as opposed to making two pours—one for the slab and
23 one for the footers.

1 f. According to Freeman's re-inspection on September 25, 2018, this issue has
2 been corrected.

3 g. Wedges were installed where needed and were done in compliance with the
4 manufacturer's instruction manual.

5 h. Cap block materials used were in compliance with the manufacturer's
6 instruction manual.

7 i. According to Freeman's re-inspection on September 25, 2018, this issue has
8 been corrected.

9 j. The marriage line bolting was done using the materials provided by the
10 manufacturer and were secured in compliance with the manufacturer's instruction
11 manual.

12 k. The marriage line gasket used was provided by the manufacturer. A portion
13 of the gasket was missing, which was a defect of the manufacturer. Another
14 material was used to fill in the gap caused by the missing gasket.

15 l. King posts were installed in compliance with the manufacturer's instruction
16 manual.

17 m. The attic was constructed in compliance with the manufacturer's instruction
18 manual and in communication with the manufacturer directly. Any defect is the
19 responsibility of the manufacturer.

20 n. The homeowner's father, a licensed electrician, hooked up the electric
21 services.

1 o. This was done at the homeowner's request to add a faucet to the front of the
2 home. Homeowners have reported no leakage due to the water line crossover
3 connection.

4 p. PVC Schedule 40 pipe was used for the sewer drain line. It is considerably
5 stronger than DWV PVC pipe typically used for sewer drains, and therefore does
6 not need to be strapped as frequently along its line.

7 q. Anchors were installed in compliance with the manufacturer's instruction
8 manual, with additional anchoring added beyond what was required by the manual.

9 r. The water heater drip pan is the responsibility of the manufacturer who built
10 the home and not the installer.

11 s. Any holes have been fixed.

12 t. Homeowners requested that the outside lights not be installed, as they were
13 installing their own lights.

14 u. The attic vent was a manufacturer defect and not the responsibility of the
15 dealer or installer.

16 SCHEMEL/FOX HOME

17 Q. What is your response to the specific deficiencies alleged as needing repair
18 regarding the Schemel and Fox home?

19 A. I will respond in the order of the alleged deficiencies that need repair as listed on
20 page 4 of Staff's Attachment JS-d1:

21 c. The homeowners were given the setup manual and homeowner manual June
22 3, 2019.

1 d. The site was prepared to divert water away from the home using rain gutters,
2 downspouts, and culverts. This is permissible by the Commission's own document
3 entitled "Site Preparation Guidelines."

4 e. The concrete pad was poured using 2x6 boards for the concrete form and
5 was poured to the requisite depth. To my knowledge, Freeman did not core drill
6 the concrete as part of his inspection, so he could not have accurately measured the
7 actual depth of the slab. It was a monolithic pour which incorporated frost grade
8 footers to the requisite depth.

9 f. Concrete block piers were installed in accordance with the manufacturer
10 instruction manual.

11 g. Door piers were installed as required by, and in compliance with, the
12 manufacturer's instruction manual.

13 h. A water shut-off valve is located under the home.

14 i. The skirting is made of corrugated metal. The wavy design causes the
15 skirting to protrude out from under the home every several inches, which
16 adequately vents the underside of the home.

17 j. Anchors were installed in compliance with the manufacturer's instruction
18 manual, with additional anchoring added beyond what was required by the manual.

19 k. The home was installed within the city limits of the City of Perryville. The
20 home and electric hookup was installed in compliance with Perryville's city code.
21 To my knowledge, the Commission's rules and regulations do not override local
22 housing authority jurisdiction. The electric service hookup was inspected and

1 approved by the utility company, Citizens Electric, prior to turning on electrical
2 service.

3 l. The furnace and A/C hookup was performed either by homeowners or a
4 third party hired by homeowners.

5 m. Homeowners hired a third party to install the washer and dryer. The dryer
6 vent would be the responsibility of this third party.

7 n. The water heater drip pan is the responsibility of the manufacturer who built
8 the home and not the installer.

9 o. The holes in the bottom board and at utility drops did not exist when
10 installation was completed, and were therefore put there by the homeowner or other
11 third parties the homeowner hired.

12 THOMAS HOME

13 Q. What is your response to the specific deficiencies alleged as needing repair
14 regarding the Thomas home?

15 A. I will respond in the order of the alleged deficiencies that need repair as listed on
16 page 5 of Staff's Attachment JS-d1:

17 c. The site was prepared to divert water away from the home using rain gutters,
18 downspouts, and culverts. This is permissible by the Commission's own document
19 entitled "Site Preparation Guidelines."

20 d. The concrete pad was poured using 2x6 boards for the concrete form and
21 was poured to the requisite depth. To my knowledge, Freeman did not core drill
22 the concrete as part of his inspection, so he could not have accurately measured the
23 actual depth of the slab.

- e. The concrete slab was a monolithic pour which incorporated frost grade footers as part of the pour, as opposed to making two pours—one for the slab and one for the footers.
- f. Concrete block piers were installed in accordance with the manufacturer instruction manual.
- g. Door piers were installed as required by, and in compliance with, the manufacturer's instruction manual.
- h. All piers were installed as required by, and in compliance with, the manufacturer's instruction manual.
- i. The heat tape used on the water line was a type that did not require being wrapped and insulated.
- j. The sewer drain line was installed either by homeowners or a third party they hired.
- k. There were no water pipe deficiencies listed in Freeman's inspection report.
- l. Anchors were installed in compliance with the manufacturer's instruction manual, with additional anchoring added beyond what was required by the manual.
- m. The homeowner hooked up the electric themselves or had someone else do it.
- n. The homeowner hooked up the electric themselves or had someone else do it.
- o. The holes in the bottom board and at utility drops did not exist when installation was completed, and were therefore put there by the homeowner or other third parties the homeowner hired.

1 **REQUIRED REPORTS**

2 Q. What about the allegation about not turning in property locators?

3 A. I acknowledge that I had not been turning in property locators. This was an
4 oversight on my part. When they brought it to my attention, I took corrective action and have been
5 submitting the property locators ever since.

6 Q. What about the allegation that you failed to submit monthly sales reports?

7 A. I have submitted all my monthly sales reports as required. I understand the
8 allegation to be that in one monthly sales report I failed to include a home I had sold to a person
9 in Illinois. This was an oversight on my part. Because the home was going to Illinois and not a
10 location in Missouri, I mistakenly believed the sale did not need to be reported to the State of
11 Missouri. When it was brought to my attention I submitted a corrected sales report for that month.

12 **CONCLUSION**

13 Q. What are you requesting of the Commission?

14 A. I am asking that no action be taken against me for the claims that I failed to arrange
15 for proper initial setup of these homes and caused the alleged setup deficiencies. Each homeowner
16 waived setup by a licensed installer and opted to take responsibility for their own setup of their
17 homes. Therefore, the homeowners would be responsible for correcting any deficiency by
18 repairing it themselves if they caused it, or by having any third party they hired repair the
19 deficiency.

20 Regarding the property locators and failure to disclose the sale of a home, I acknowledge
21 I inadvertently neglected my duties but took action to correct this once I was notified of my error.
22 I would ask the Commission to take this into account, along with my many years as a manufactured
23 home dealer without any complaints or reported violations. I have a long track record of satisfying

1 my customers and performing excellent work for them. As such, I would request the Commission
2 limit any punishment to a reprimand or a minimal fine.

3 Q. Does this conclude your testimony?

4 A. Yes.

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

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,)
d/b/a BRUNE MOBILE SALES,)


Respondents.)

AFFIDAVIT OF CHARLES BRUNE

STATE OF MISSOURI)
)
COUNTY OF PERRY) ss.

COMES NOW CHARLES BRUNE and on his oath declares that he is of sound mind and lawful age; that he contributed to the foregoing Direct Testimony of Charles Brune; and that the same is true and correct according to his best knowledge and belief, under penalty of perjury.

Further, Affiant sayeth not.



Charles Brune