



Texas Department of Housing and Community Affairs
Manufactured Housing Board Meeting
on December 19, 2001

Don Stouder, Chair

Jack Davis, Member
Clement "Pete" Moreno, Member

Joan Tavarez, Member
Cary Yates, Member

**Texas Department of Housing and Community Affairs
Manufactured Housing Board Meeting**

December 19, 2001

ROLL CALL

	<u>Present</u>	<u>Absent</u>
Don Stouder, Chair	_____	_____
Jack Davis, Member	_____	_____
Clement "Pete" Moreno, Member	_____	_____
Joan Tavarez, Member	_____	_____
Cary Yates, Member	_____	_____
Number Present	_____	
Number Absent		_____

_____, Presiding Officer

**MANUFACTURED HOUSING BOARD MEETING
TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
507 Sabine, Room 437, Austin, Texas 78701
December 19, 2001 9:00 a.m.**

AGENDA

**CALL TO ORDER, ROLL CALL
CERTIFICATION OF QUORUM**

Don Stouder
Chair

PUBLIC COMMENT

The Board of the Manufactured Housing Division of the Texas Department of Housing and Community Affairs (TDHCA) will meet to consider and possibly act upon:

ACTION ITEMS

- Item 1. Discussion and Possible Approval to continue contracting with the TDHCA to loan or assign TDHCA department employees, equipment, and facilities.

Don Stouder

EXECUTIVE SESSION

Don Stouder

Personnel Matters under Sec. 551.074, Texas Government Code
Personnel Matters on Executive Director Position under
Sec. 551.074, Texas Government Code
The Board may discuss any item on this agenda in Executive Session.

OPEN SESSION

Action in Open Session on Items Discussed in Executive Session

ADJOURN

Don Stouder
Chair

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Individuals who require auxiliary aids, services or translators for this meeting should contact Gina Esteves, ADA Responsible Employee, at 512-475-3943 or Relay Texas at 1-800-735-2989 at least two days before the meeting so that appropriate arrangements can be made.

Action Item No. 1

ADMINISTRATIVE SERVICES AND COST REIMBURSEMENT AGREEMENT

This Administrative Services and Cost Reimbursement Agreement ("Agreement") is made effective as of September 1, 2001 by and between the **Texas Department of Housing and Community Affairs**, a public and official department of the State of Texas ("TDHCA"), and the **Manufactured Housing Division** of TDHCA.

RECITALS

WHEREAS, newly enacted Subchapter AA, Sections 2306.6001 through 2306.6023 of the Texas Government Code, requires:

- (1) that beginning September 1, 2001, TDHCA is to administer and enforce the Texas Manufactured Housing Standards Act (Article 5221f, Vernon's Texas Civil Statutes) through the Manufactured Housing Division ("MH Division");
- (2) that the MH Division be governed by a five member board that is to be an independent entity within TDHCA, administratively attached to TDHCA, and not an advisory board to TDHCA ("MH Board");
- (3) that the MH Board and the division director of the MH Division are to exercise authority and responsibilities assigned to them under the Texas Manufactured Housing Standards Act (Article 5221f, Vernon's Texas Civil Statutes); and
- (4) that the MH Board shall develop a budget for the operations of the department relating to the MH Division and shall reduce administrative costs by entering into an agreement with TDHCA to enable the sharing of department personnel, equipment, and facilities.

WHEREAS, in the interim period prior to the appointment of the MH Board and the employment by the MH Board of a division director to act as the chief executive and administrative officer of the MH Division, TDHCA has agreed to provide for indirect and direct administrative services as hereinafter provided for a monthly administrative fee described herein to be paid by the MH Division to TDHCA;

NOW THEREFORE, for and in consideration of the mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by TDHCA and the MH Division, the parties agree as follows:

1. ADMINISTRATIVE SERVICES AND REIMBURSEMENT OF OPERATING COSTS

1.1 Scope of Services

During the term of this Agreement, TDHCA shall continue to provide for the budgeted costs and expenses set out on the annual operating budget for the MH Division attached as Exhibit "A" in the manner contemplated by the annual operating budget for TDHCA and to account for all such actual payments and receipts. In addition, TDHCA will provide indirect support through the provision of the services of TDHCA personnel for a total agreed annual administrative cost of \$659,460. These services, will include, but not be limited to, administrative support services from TDHCA's Executive Office; Legal Services; Internal Audit; Governmental Communications; Human Resources; Facilities and Support; Information Systems; and Financial Services (collectively the "Services").

2. TERM

2.1 Term

This Agreement shall be effective September 1, 2001 and shall continue in full force and effect until August 31, 2002, unless sooner terminated pursuant to Section 4.1 of this Agreement.

3. ADMINISTRATIVE SERVICES FEES AND COST REIMBURSEMENTS

3.1 Reimbursement to TDHCA for Operating Costs

TDHCA shall be reimbursed by the MH Division for all operating costs incurred by TDHCA on their behalf out of budgeted receipts attributable to the MH Division as set out on Exhibit "A".

3.2 Payments to TDHCA for Services

As compensation for the Services performed by TDHCA personnel pursuant to this Agreement, TDHCA shall be paid \$54,955 monthly by the MH Division (or a total annual amount not to exceed \$659,460) for each month during the term of this Agreement.

4. TERMINATION OF AGREEMENT

4.1 Early Termination

Either party and the duly constituted MH Board contemplated by Sections 2306 once appointed may terminate this Agreement prior to the August 31, 2002 term provided in Section 2.1 upon 30 days' written notice to the other party. Administrative fees due for Services provided up to and including the date of such early termination shall be prorated and shall be payable in full to TDHCA upon such early termination. If this Agreement is terminated by an MH Board, TDHCA agrees to take all actions necessary to deliver to the MH Board possession or control of all books, records, and property of the MH Division in TDHCA's possession in an orderly manner and without interruption of the MH Division's business.

5. FORCE MAJEURE

5.1 Force Majeure

In the event that performance by a party of any of its obligations under the terms of this Agreement shall be interrupted or delayed by an act of God, by acts of war, riot, or civil commotion, by an act of State, by strikes, fire, or flood, or by the occurrence of any other event beyond the control of such party, such party shall be excused from such performance during the period of time when the interruption occurred and for such period of time as is reasonably necessary after such occurrence abates for the effects thereof to have dissipated.

6. MISCELLANEOUS

6.1 Notices

All notices, requests, demands and other communications under this Agreement shall be deemed to be duly given if delivered or sent and effective in accordance with this Section 6.1 and all of its subsections and if addressed as follows:

If to TDHCA to:

Texas Department of Housing & Community Affairs
507 Sabine Street, Suite 900
Austin, Texas 78701
ATTENTION: Michael Jones, TDHCA Board Chair
FAX: (512) 472-8526

If to the Manufactured Housing Division to:

Manufactured Housing Division
507 Sabine Street, Suite 1000
Austin, Texas 78701
ATTENTION: Daisy A. Stiner , TDHCA Executive Director
FAX: (512) 472-8526

or to such other address or to the attention of such other person as the recipient party has specified in accordance with this Section 6.1 by prior written notice to the sending party. Every notice required or contemplated by this Agreement to be given, delivered or sent by any party may be delivered in person or may be sent by courier, telecopy, express mail, telex, telegraph or postage prepaid certified or registered air mail (or its equivalent under the laws of the country where mailed), addressed to the party for whom it is intended, at the address specified in this Agreement. Any party may change its address for notice by giving notice to the other parties of the change. Any written notice will be effective no later than the date actually received. Unless otherwise provided in this Agreement, notice by courier, express mail, certified mail, or registered mail will be effective on the date it is officially recorded as delivered by return receipt or equivalent and in the absence of such record of delivery it will be presumed to have been delivered on the fifth business day after it

was deposited, first-class postage prepaid, in the United States first class mail. Notice by telex or telegraph will be deemed given at the time it is recorded by the carrier in the ordinary course of business as having been delivered, but in any event no later than one business day after dispatch. Notice not given in writing will be effective only if acknowledged in writing by a duly authorized officer of the party to whom it was given.

6.2 Entire Agreement

This Agreement contains the entire agreement of the parties with respect to the matters covered by its terms. Any written or oral representations, promises, agreements or understandings concerning the subject matter of this Agreement that is not contained in this Agreement shall be of no force or effect. No change, modification or waiver of any of the terms of this Agreement shall be binding unless reduced to writing and signed by authorized representatives of both parties.

6.3 Assignment

This Agreement shall be binding upon and inure to the benefit of the parties hereto, and the legal representatives, successors in interest and assigns, respectively, of each such party.

Notwithstanding the preceding sentence, this Agreement shall not be assigned in whole or in part by either party without the prior written consent of the other party.

6.4 Governing Law

This Agreement shall be construed under and governed in all respects, including without limitation issues of validity, interpretation, performance and enforcement, by the laws, and not the conflicts law, of the State of Texas.

6.5 No Waiver

The failure of any party hereto at any time to require performance of any provision of this Agreement shall in no way affect the right of such party to require performance of that provision.

Any waiver by any party of any breach of any provision of this Agreement shall not be construed as

a waiver of any continuing or succeeding breach of such provision, a waiver of the provision itself or a waiver of any right under this Agreement.

6.6 Partial Invalidity

If any one or more of the provisions of this Agreement should be ruled wholly or partly invalid or unenforceable by a court or other government body of competent jurisdiction, then:

- (A) the validity and enforceability of all provisions of this Agreement not ruled to be invalid or unenforceable will be unaffected;
- (B) the effect of the ruling will be limited to the jurisdiction of the court or other government body making the ruling;
- (C) the provision(s) held wholly or partly invalid or unenforceable will be deemed amended, and the court or other government body is authorized to reform the provision(s), to the minimum extent necessary to render them valid and enforceable in conformity with the parties' intent as manifested herein; and
- (D) if the ruling, and/or the controlling principle of law or equity leading to the ruling, is subsequently overruled, modified, or amended by legislative, judicial, or administrative action, then the provision(s) in question as originally set forth in this Agreement will be deemed valid and enforceable to the maximum extent permitted by the new controlling principle of law or equity.

6.7 Multiple Counterparts

This Agreement may be executed in multiple counterparts, each of which shall be considered a true and original copy of this Agreement and all of which shall be deemed one and the same document.

6.8 Time

Time is of the essence under this Agreement. If the last day permitted for the performance of any act required or permitted under this Agreement falls on a Saturday, Sunday, or legal holiday in the State of Texas, the time for such performance shall be extended to the next succeeding business day that is not a legal holiday.

6.9 Jurisdiction and Venue

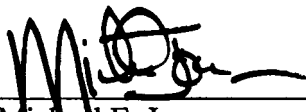
Suit to enforce this Agreement or any provision thereof will be brought exclusively in the state or federal courts located in Austin, Travis County, Texas.

6.10 Section Headings

The article and section headings contained in this Agreement are for reference purposes only and shall not in any way control the meaning or interpretation of this Agreement. Each person signing below represents that he or she has read this Agreement in its entirety (including any and all Schedules and Exhibits); understands its terms; is duly authorized to execute this Agreement on behalf of the party indicated below by his name; and agrees on behalf of such party that such party will be bound by those terms.

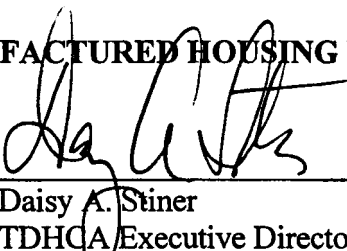
IN WITNESS WHEREOF, the parties have signed this Agreement to be effective as of September 1, 2001.

**TEXAS DEPARTMENT OF HOUSING AND
COMMUNITY AFFAIRS**

By: 

Michael E. Jones
TDHCA Chairman of the Board

MANUFACTURED HOUSING DIVISION

By: 

Daisy A. Stiner
TDHCA Executive Director

EXHIBIT ATEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS
MANUFACTURED HOUSING DIVISION
ANNUAL OPERATING BUDGET
SEPTEMBER 01, 2001 thru AUGUST 31, 2002

BUDGET CATEGORIES	BUDGETED	APPROP. RECEIPTS	GENERAL REVENUE	FEDERAL
Salaries	3,328,100	955,548	1,544,073	828,479
Payroll Related Costs	392,486	210,221		182,265
Travel	221,324	88,530	132,794	
Professional Fees	247,000	98,800	148,200	
Materials/Supplies	85,471	34,188	51,283	
Repairs/Maintenance	45,762	18,305	27,457	
Printing and Reproduction	47,006	18,802	28,204	
Rental/Lease	356,965	142,786	214,179	
Membership Dues	1,000	400	600	
Registration Fees	58,018	23,207	34,811	
Employee Tuition	2,500	1,000	1,500	
Advertising	3,000	1,200	1,800	
Freight/Delivery	70,000	28,000	42,000	
Temporary Help	117,456	46,982	70,474	
Furniture/Equipment	12,550	5,020	7,530	
Communications/Utilities	207,565	83,026	124,539	
Capital Outlay	112,366	89,893	22,473	
Office	41,292	16,517	24,775	
Renovation/Consolidation				
Subtotal, Division	5,349,861	1,862,425	2,476,692	1,010,744
Indirect Support	659,465	659,465		
Total	6,009,325	2,521,889	2,476,692	1,010,744

Note: Indirect Support includes partial salary and wages for FTEs in Executive, Legal, Internal Audit, Governmental Communications, Human Resources, Facilities and Support, Information Systems and Accounting.

EXECUTIVE SESSION

Don Stouder

Personnel Matters under Sec. 551.074, Texas Government Code
Personnel Matters on Executive Director Position under
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OPEN SESSION

Action in Open Session on Items Discussed in Executive Session

ADJOURN

Don Stouder
Chair

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