

WILLIAMS SCOTSMAN, INC.
Williams Scotsman Field Support Center
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August 22, 2014

Pennsylvania Department of Community and Economic Development 400 North Street, 4th floor Harrisburg, PA 17120-0225

Att: Mark A. Conte, Chief

RE: Regulation #3063 Industrialized Housing Components

Dear Mr. Conte,

As a global industry leader in the modular building market, we fully understand the challenges of balancing state building official regulations, local authority concerns, protecting the well-being of the building occupants, and meeting the demands of our customers that operate business within the State of Pennsylvania. We routinely communicate with state and local code officials regarding modular unit construction and the associated approval processes throughout the countries we transact business in.

We are requesting the current proposed regulations are withheld until amended. The response during the regulatory analysis was not accurate, as this will have significant impact on our ability to provide leased units to our customers in the State of Pennsylvania without modification of the current proposed regulations.

Our business model is based on the ability to lease quality relocatable space, generally for 24 months or less. Some longer term bridge and infrastructure projects may remain on lease as long as 60 months. Regardless of the term, at the end of the project the buildings are removed, and leased again to another client needing space.

Our current average lease term for our fleet of over 2,000 units utilized in the Pennsylvania market is twenty three months. Imagine if every time we relocate a unit we have to bring the unit into current code compliance? The ability to deliver existing units promptly, is a significant factor when responding to client needs.

The current language prohibits the use of existing units that do not bear an insignia. As soon as these regulations are enacted if not modified, our existing fleet of over 2000 commercial industrialized units previously approved for the PA market prior to publishing this regulation, will basically become obsolete.

Local officials will be seeking an insignia. Existing units must be addressed by the State of Pennsylvania prior to an insignia program being enacted. As the regulation is intended for newly manufactured units produced after the regulations are published, it needs to state so, and provide a provision or means to address existing fleet units. Existing relocatable commercial modular units are not able to be brought into current building codes.

The financial impact to our customers, vendors as well as branch operations in Pennsylvania and the surrounding areas will be substantial. Williams Scotsman locations currently in the State of Pennsylvania, have operational expense in excess of five million dollars. We annually pay near one million dollars in real property, sales and use taxes.

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Several states in the vicinity (Virginia, New Jersey) have provisions to provide insignias on existing fleet units as well as re-certify units within their programs. Not only would this approach provide additional revenue to the State of Pennsylvania, it allows a means to provide reassurances to the local officials through the third party inspection network and insignias provided.

Other state programs, (LA for example) has separate insignias to differentiate between an existing unit approved versus the newly manufactured unit approved.

We request additional investigation into the cost of implementing this regulation and consideration for amending the regulation further to include a process for existing fleet units.

If you have any additional questions or need further assistance, please reach our office below.

Sincerely,

Denise Beer

NA Fleet Manager

Williams Scotsman-An Algeco Scotsman Company

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Williams Scotsman, an Algeco Scotsman company is headquartered in historic Fell's Point, with over 200 employees currently employed in the State of Maryland. Williams Scotsman offers space solutions for the construction, education, energy, industrial, commercial/retail, healthcare, and government markets, with operations in the United States, Mexico, and Canada. Williams Scotsman has been solving space needs since 1955 with a fleet of approximately 100,000 units.

Algeco Scotsman is the leading global business services provider focused on modular space and secure portable storage solutions. Operating as Williams Scotsman in North America, Algeco in Continental Europe, Elliott in the United Kingdom, Eurobras in Brazil, Ausco in Australia, and Portacom in New Zealand, the company manages a fleet of more than 340,000 units, with operations in 38 countries including Australia, Austria, Belgium, Brazil, Canada, China, Czech Republic, Finland, France, Germany, Hungary, Italy, Lithuania, Luxembourg, Mexico, Netherlands, New Zealand, Poland, Portugal, Romania, Russia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Ukraine, United Arab Emirates, United Kingdom, and United States.