

May 1, 1977

Mr. Sherman Gardner
President
Association of HUD
Management Agents
G&K Management Co., Inc.
1309 Wilshire Boulevard
Suite 250
Los Angeles, California 90010

Dear Mr. Gardner:

This refers to your letter of March 4, 1977, in which you suggest that since the enforcement activities of this Office are directed to a lesser degree to master meter operators, the deadline for compliance with 49 CFR 192.457 should be extended to allow HUD-insured developments time to obtain appropriate funding for compliance activities.

After consideration of the argument presented in your letter, this Office does not feel that you have presented any additional information that would justify amending the cathodic protection deadline under Section 192.457 for HUD-insured developments. Our policy with respect to enforcement is not founded on the appropriateness of the legal requirement, and should not be construed as such. We have discussed the issue of notice in previous correspondence and in the absence of any showing that HUD developments in general were unable to secure funding during the 5-year lead time provided for compliance, we do not feel that the requirement is unreasonably applied to those developments. We would of course consider individual applications for waiver of the requirement, based on evidence of a good faith effort to comply within the 5-year period and an inability to secure funding in that period.

With regard to any development which is now operating in violation of the requirement, our enforcement policy takes into account all timely efforts made to achieve compliance and any extenuating circumstances involved.

Sincerely,

Cesar DeLeon
Acting Director
Office of Pipeline
Safety Operations

March 4, 1977

Mr. Cesar DeLeon, Acting Director
Office of Pipeline Safety Operations
Department of Transportation
Materials Transportation Bureau
Washington, D.C. 20590

Dear Mr. DeLeon:

Although I have appreciated your correspondence regarding the Cathodic Protection deadline, it is our hope you will address our dilemma more succinctly.

You indicated in your most recent letter of January 26, 1977 that your enforcement activities are primarily directed toward public utilities, and to a lesser degree--master meter operators.

Since you indicate in your letter that Cathodic Protection enforcement for public utilities will be addressed to a different degree than master meter operators, it would equitably follow that a revised implementation date for small firms such as those in our Association would be appropriate. I specifically refer to the three-year extension we originally requested, which would enable owners of HUD-insured developments time to collaborate with HUD to determine how such funding is to be achieved.

I would like to point out that since 1972 we have built numerous apartment complexes in accordance with and subject to HUD specifications. Never was cathodic protection implementation enforced.

As you know, the nature of federally subsidized housing is such that funding solicitation, if not already contractual, is a most tedious and slow bureaucratic process.

It is hoped that, based on the above, there will be a reevaluation of the implementation deadline through the knowledge that the public utilities are better equipped to facilitate funding for such a formidable endeavor, and are entirely different entities from small management firms whose complex fundings are subject to HUD specifications.

Most sincerely,

Sherman Gardner

President
ASSOCIATION OF HUD MANAGEMENT AGENTS
G&K MANAGEMENT CO., INC.