

December 18, 2003

**In the Matter of the  
Combined Trades license for  
HO Soderlin, Inc.  
3612 Cedar Avenue South  
Minneapolis, MN**

**Findings of Fact,  
Conclusions and**

This matter came to the attention of the License Division as result of a consumer complaint against HO Soderlin, Inc. The complaint remains in negotiation between the contractor and the homeowners. The licensee, John Arendt agreed to forego a Technical Advisory Committee hearing and resolve the issues as follows. The License Division makes the following findings of fact.

### **FINDINGS OF FACT**

1. Mr. Merle Shapiro, 3760 Calhoun Parkway, sent a complaint to the License Division concerning a boiler put into his home by HO Soderlin company. Mr. Shapiro alleged that the boiler was not heating his home when winter temperatures dropped to 0 degrees and that the boiler HO Soderlin put in his home was not the boiler in the contract. Mr. Shapiro provided the License Division with numerous pieces of correspondence to HO Soderlin concerning the lack of heat.
2. License Inspector Julie Casey arranged to have Heating Inspector Strohmeyer and District Supervisor Pat Higgins inspect Mr. Shapiro's boiler with HO Soderlin. The installation appeared to be competently performed. The real issue was if the heat loss study used to determine the size of the boiler was done appropriately. Inspector Strohmeyer did determine that the boiler in MR. Shapiro's home was a 232, 000 BTU model when the contract called for a 300,000 BTU model.
3. Mr. Shapiro hired an engineer to determine if the heat loss study was performed appropriately. It was the engineer's conclusion that HO Soderlin had failed to consider domestic hot water in their study and this could result in the wrong size boiler being placed in Mr. Shapiro's home.
4. A letter was sent to HO Soderlin requesting all materials in relation to Mr. Shapiro's complaint be sent to the License Division. John Arendt provided the License Division with a copy of invoices showing the cost to HO Soderlin of the

232,000 BTU boiler was more than the 300,000 boiler. Mr. Arendt admitted that there was no written change order.

5. HO Soderlin offered Mr. Shapiro his money back and removal of the boiler to resolve their complaint. Mr. Shapiro continues to negotiate the issues surrounding the inadequate installation of the boiler.
6. HO Soderlin agreed to settle the consumer protection issue arising out of Mr. Shapiro's complaint. They agreed to forego a hearing since it would have unduly delayed the issuance of their license.

### **CONCLUSION**

1. HO Soderlin, Inc violated MPLS ORD 156.10 by installing a boiler that was not the model specified in the contract.

### **RECOMMENDATION**

1. An administrative penalty in the amount of \$1000.00 is imposed due to the failure of HO Soderlin, Inc to abide by MPLS ORD 156.10. \$500.00 of the penalty is stayed pending no same or similar violations within a one-year period. \$500 is due and payable upon signing this agreement.
2. HO Soderlin agrees to establish an invoicing and estimate practice in compliance with MPLS ORD 158. A copy of their invoice and estimate procedures are to be sent to the City of Minneapolis License Division within 30 days of signing this agreement for review of compliance with MPLS ordinances.
3. HO Soderlin agrees that all further changes to estimates shall be done in change order format with a signature by the purchaser.
4. HO Soderlin agrees to allow the License Division to review their invoices and estimates for a one-week period following acceptance of this agreement. This period shall be used to correct any non-compliance of MPLS City Ordinances.
5. HO Soderlin agrees to honor the settlement agreement sent to the License Division on December 18, 2003 that states they will return Mr. Shapiro's funds in the amount of \$12,800 and the

removal of the boiler. If Mr. Shapiro rejects this agreement, HO Soderlin agrees to pay any court judgements after all appeals are exhausted.

**I have read the above report and recommendations. I agree with the report, and I agree with the above recommendations. I understand that failure on my part or the part of my company to adhere to this agreement with the Department of Regulatory Services may lead to further action against my license. I understand that this report must be accepted by the Minneapolis City Council and signed by the Mayor.**

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**John Arendt, HO Soderlin, Inc** **Date**

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**Witness** **Date**

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**Witness** **Date**