

January 14, 2004

In the Matter of the Combined Trades license for Midland Heating and Air Conditioning, Inc 6442 Penn Avenue South Richfield, MN 55423	Findings of Fact, Conclusions, and Recommendations
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This matter came to the attention of the Department through a complaint from a Minneapolis homeowner. Through telephone conversations, the president of Midland Heating, Tom Snuggerud agreed to forego a hearing and reached the following findings of fact.

FINDINGS OF FACT

1. In November 2003, the homeowner at 5132 Park Avenue South hired Midland Heating to install ductwork to finish a new space in his home. The homeowner was acting as his own general contractor so he understood that all trade activity was required to have a licensed contractor. He also understood that all licensed trade contractors must obtain construction permits for the work they install.
2. In early December the homeowner questioned whether a permit had been obtained for the work at his home. Tom Snuggerud, Midland Heating and Air Conditioning, Inc. told the homeowner that he wasn't going to obtain a permit for running ductwork in the City of Minneapolis. The homeowner alleges that Mr. Snuggerud stated, "We typically try to fly underneath the radar screen and not pull permits." The homeowner insisted that Mr. Snuggerud obtain the required permits. A permit was subsequently issued.
3. The homeowner was at the point in his construction that he was going to close the walls. He wanted all rough-in inspection completed. The homeowner went to the Inspections Department permit counter. He made sure the permit was issued and called the Inspector to obtain the required inspection. Some minor corrections were noted and the homeowner finished those corrections.
4. The homeowner at 5132 Park Avenue South sent a complaint to the License Department concerning the lack of permits, effort to obtain inspections, and the loss of faith in the professionalism of the contractor.

5. In response to the complaint, Inspector Julie Casey noted that the contractor had not renewed his combined trade licenses. A call to the business found that the company had been sold and was under new corporate ownership. The company had been operating without a business license since December 1, 2003.
6. Mr. Snuggerud agreed that his company had failed to obtain their license in a timely manner. He disagreed that he had not obtained permits on a regular basis in the past. He did confirm that he performed contracting work at 5132 Park Avenue South on November 28, 2003 and that he did not have a permit when the work was performed. He agreed to settle this issue with the Business License Department without a hearing.

CONCLUSIONS

1. Midland Heating and Air Conditioning, Inc operated without a license in the City of Minneapolis after December 1, 2003.
2. Midland Heating and Air Conditioning, Inc operated without a permit at 5132 Park Avenue South.
3. Midland Heating and Air Conditioning, Inc failed to timely notify the Business License Department after a change in the ownership of the business in September 2003.

RECOMENDATIONS

Tom Snuggerud, president of Midland Heating and Air Conditioning, Inc. agree to the following recommendations:

1. Assessment of a \$250 administrative fine for operating without a license in the City of Minneapolis, a \$100 administrative fine for failing to obtain a permit before the work was performed, and a \$100 administrative fine for failing to call for the required inspections. Total administrative fines in the amount of \$450 are due upon signing this agreement.
2. Midland Heating and Air Conditioning, Inc. agrees that all future worked performed in the City of Minneapolis will have permits as stipulated by city ordinances. Emergency work must have permits obtained within 24 hours.

3. All inspections shall be scheduled with the Inspections Department within twenty-four hours of the completion of work that is required to be inspected. Failure to obtain required inspections shall result in addition administrative fines starting at the amount of \$100 and doubling on each occurrence.
4. Midland Heating and Air Conditioning, Inc agrees to honor all inspection orders by the date specified on the order unless they request and receive an extension date on the order.
5. Midland Heating and Air Conditioning, Inc understands that they cannot work under a homeowner obtained permit at any time. If any more complaints are made in the future, Midland Heating and Air Conditioning, Inc. understands that their combined trades would be considered for license revocation.

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 of the part of my business to adhere to this agreement with the Department 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. I understand that future violations may put my license in jeopardy.

Midland Heating and Air Conditioning, Inc.	Date
Witness	Date
Witness	Date