

**TOWN OF SEVERANCE
ORDINANCE NO. 2022-06**

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF SEVERANCE,
COLORADO, AMENDING CHAPTER 6 OF THE SEVERANCE MUNICIPAL CODE
REGARDING CONTRACTOR LICENSES**

WHEREAS, in general, licensing improves quality and protects the public against incompetent or dangerous practitioners; and

WHEREAS, in the context of building construction, it is difficult for consumers or homeowners to evaluate builder quality beforehand, and low-quality practitioners can potentially inflict serious harm; and

WHEREAS, licensing an occupation can confer legitimacy, increase social status for practitioners, building community and cohesiveness within an occupation, and can help to standardize work functions; and

WHEREAS, licensing incentivizes practitioners to meet certain quality benchmarks and to invest in training and skill development, thereby engendering increased consumer confidence in their services and, in turn, consumer demand for their products; and

WHEREAS, the Town Council finds and declares the regulation of building trades through licensing those who engage in it promotes the public health, safety, and welfare.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF SEVERANCE, COLORADO: ¹

Section 1. Chapter 6, Business Licenses and Regulations, of the Severance Municipal Code is amended by the addition of a new Article VI, entitled “Contractors,” to read as follows:

ARTICLE VI - CONTRACTORS

Sec. 6-6-10. Definitions.

Building official means the town’s chief building official or the chief’s designee.

Contractor.

- (1) The term “contractor” means any person who:
 - (a) Undertakes work with or for another person to build, construct, alter, remodel, repair, move, or wreck any building or structure, or any portion thereof, or any public utility system or public street, for which a permit from the town is required and which work is to be accomplished for any form of compensation; and

¹ Additions to the current text of the Code are indicated by underlining, and deletions are indicated by ~~striketrough~~.

- (b) Performs or holds themselves out to perform construction, remodeling, wrecking, demolition, grading, excavating, or house or building moving (the moving of buildings or structures from one location to another) services;
- (2) The term “contractor” does not include:
 - (a) Employees working for and under the supervision of a contractor
 - (b) A homeowner who builds, constructs, alters, repairs, adds to, moves, or wrecks any building or structure, or any portion thereof, which constitutes the owner's residence or a building or structure accessory thereto, and which is intended for the owner's personal use; except that any homeowner who performs such work at more than one residence within any given year will be deemed a contractor.

Qualified supervisor means any person who has passed the International Code Conference ("ICC") examination for construction supervisors.

Person means and includes a firm, co-partnership, corporation, association, or other organization, or any combination thereof.

Town Manager means the town manager or such person’s designee.

Sec. 6-6-20. License required.

- (a) It shall be unlawful for any contractor to perform work within the town without first having obtained a license from the town.
- (b) Any building permit(s) issued may be suspended at any time if those completing work on-site within the Town do not hold a valid contractor license.

Sec. 6-6-30. Supervision required.

It shall be unlawful for any contractor to cause or permit any work to be performed on a commercial project without the on-site presence of a qualified supervisor.

Sec. 6-6-40. Classification of licenses.

The following classes of contractors' license are established, and the indicated fees shall be required of contractors within the town:

- (a) *Class A.* This license shall entitle the holder to construct, alter, finish, or repair any type or size of structure permitted by the International Building Code or the International Residential Code as adopted by the town. Possession of a class "A" license permits the activities authorized by class "B" or "C" license.
- (b) *Class B.* This license shall entitle the holder to construct, alter, or repair one-family

and two-family residences of two stories or less permitted by the International Residential Code as adopted by the town. This contractor may not contract for public buildings or places of public assembly.

(c) *Class C (trade contractor)*. This license entitles the holder to perform work involving specialized trades, such as brick, mechanical-ventilation, carpentry, building insulation, fencing, plastering, framing, drywalling, glazing, irrigation systems, burglar alarms, swimming pools, and sheds, permitted by the town's building codes. Such license may include more than one such trade carried on by the licensee.

(d) *Commercial Roofing*. This license entitles the holder to engage in the installation of roofing materials on commercial building structures permitted by the town's building code. International Code Council, G14 certification

(e) *Residential Roofing*. This license entitles the holder to engage in the installation of roofing materials on residential building structures permitted by the town's building code.

Sec. 6-6-50. Contractor duties.

(a) *Workmanship*. The licensee shall be held responsible for performing the activity authorized by the license in a proficient, workmanlike manner consistent with acceptable building practice; the failure to comply with this requirement shall be cause for the denial, suspension, revocation, or restriction of the license or future licenses.

(b) *Incomplete work*. In the event a structure is not pursued to completion and work is stopped for any period exceeding one hundred eighty (180) days, the licensee shall notify the Building Official in writing of such stoppage and shall take reasonable steps to protect and to prevent the structure from deteriorating to the condition of a dangerous or unsafe building.

Sec. 6-6-60. License application.

(a) Applicants shall submit a written application to the building official that includes, but is not limited to, the following:

- (1) The applicant's name, address and telephone number. If the applicant is a corporation, evidence that the applicant is in good standing to conduct business within the state
- (2) A certificate of insurance from an agent or insurance company demonstrating that the applicant has workers' compensation insurance in the statutorily required amounts, general commercial or liability insurance with minimum limits of not less than \$100,000.00 each occurrence and \$300,000.00 general aggregate, and automobile liability insurance with minimum combined single limits for bodily injury and property damage of not less than \$300,000.00 for any occurrence. Such certificate shall also include an endorsement requiring that the building official be notified within ten days of any such policy's cancellation or nonrenewal

- (3) A listing of all other current contractor licenses or registrations for governmental entities in the State of Colorado and whether or not the applicant, has in the last five years, had any contractor license or registration denied, revoked, suspended or not renewed.
- (4) Applicants for class A, B, C, or D licenses must demonstrate competence through passage of an examination administered by the ICC or submittal of proof of current registration, or license of the same, or equivalent license classification, from a governmental entity that requires ICC testing as part of its registration or licensing process.

(b) *Classification upgrade.* Licensees wishing to upgrade their license to a higher classification must submit a new application showing qualifying documentation. No credit shall accrue toward the new classification fee for the unused term of the original license.

Sec. 6-6-70. Issuance or denial.

(a) Within 15 days of receipt of a complete application, the building official shall either issue or deny an application. If an application is denied, the building official shall send the applicant written notice of the denial setting forth the grounds for denial.

(b) The building official may deny an application if one or more of the following conditions exist:

- (1) The applicant has had any contractor's license or registration denied, revoked, suspended or not renewed within the last five years; or
- (2) The applicant has failed to comply with the town's ordinances, codes, rules or regulations pertaining to any contractor activities or duties regulated by this article; or
- (3) The applicant is delinquent in any fees, taxes, penalties or interest due the town, or
- (4) The applicant has failed to keep and maintain any necessary state licenses on three or more occasions during the preceding year; or
- (5) The applicant has failed to demonstrate the required competency as determined by the building official.

(c) An applicant may appeal a denial by the building official by providing a written notice of appeal and grounds therefor to the town manager within ten days of the building official's decision. Based upon the record and information provided in the appeal, the town manager shall, based upon a preponderance of the evidence either uphold or overturn the building official's decision. The town manager's decision shall be provided in writing to the applicant within 15 days of submittal of an appeal.

Sec. 6-6-80. Fees.

(a) In addition to a nonrefundable application fee, a licensee shall pay a license fee every three years due at the time of issuance or renewal of a license.

(b) *Investigation Fee.* Whenever any work for which a license is required by this article is performed without a license, or when work is complete and the license is expired, a special investigation shall occur before a license may be issued or renewed for such work, and an investigation fee, in an amount equal to the license fee, may be collected whether or not a contractor license is then or subsequently issued.

(c) All fees shall be established by resolution of the town council.

Sec. 6-6-90. Renewal; reapplication.

(a) All licenses shall expire three (3) years from the date of issuance, unless otherwise cancelled, suspended or revoked.

(b) Licenses must be renewed upon expiration or following the Town's adoption of a new building code.

(c) Licenses may be renewed upon application, payment of all fees and fulfillment of all terms and conditions set forth in this article.

(d) If a license has been denied or revoked, and in case of an appeal, if the denial or revocation has been affirmed, the applicant may reapply, but not sooner than ninety (90) days after the revocation, or in the case of an appeal, ninety (90) days after the decision affirming the revocation.

Sec. 6-6-100. Transferability.

No license issued under this article may be transferred or assigned.

Sec. 6-6-110. Suspension; revocation.

(a) The building official may, after notice to the licensee and a hearing, suspend or revoke any license upon finding, by a preponderance of the evidence, any of the following:

- (1) The licensee fails to meet or maintain the qualifications required of an applicant;
or
- (2) The licensee obtained the license by fraud or misrepresentation; or
- (3) The licensee is convicted (includes entry of plea of guilty or no contest) of an offense that would endanger the public health, safety, and welfare if the licensee were to engage in his or her desired trade; or
- (4) The licensee fails to keep or maintain any necessary state licensure; or

(5) The licensee violates any provision of this article, or any other ordinance, code, rule or regulation of the town governing the activities permitted by the license.

(b) The building official may without notice summarily suspend a license for not more than 30 days when the building official deems it necessary for the immediate protection of the public health, safety and welfare.

Sec. 6-6-120. Denial, suspension, or revocation procedures.

(a) The licensee shall be notified, in writing, by certified mail, mailed to the licensee's address of record with the building official, at least ten (10) days prior to the hearing on suspension or revocation. The building official may, if licensee's address is unknown and if possible, post a notice of the hearing at the work location for at least ten days prior to the hearing.

(b) The building official shall issue his or her decision in writing within ten business days of the hearing and provide a copy of same to the licensee.

(c) Decisions of the building official are final, subject to appeal to a court of competent jurisdiction.

Sec. 6-6-130. Violations.

It shall be unlawful for any contractor to violate any provision of this article and, upon conviction for any offense, shall be punished as set forth in section 1-4-20 of this code.

Section 2. The provisions of this ordinance and the moratorium imposed hereby shall not affect or otherwise prohibit the processing of applications for uses and proposals outside of the specific scope defined herein.

Section 3. If any article, section, paragraph, sentence, clause, or phrase of this ordinance is held to be unconstitutional or invalid for any reason, such decision shall not affect the validity or constitutionality of the remaining portions of this ordinance. The Town Council hereby declares it would have passed this ordinance and each part or parts hereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.

Section 4. All other ordinances or portions thereof inconsistent or conflicting with this ordinance or any portion hereof are hereby repealed to the extent of such inconsistency or conflict.

Section 5. This ordinance is deemed necessary for the immediate protection of the health, welfare and safety of the community.

Section 6. Violations of this ordinance shall be punishable in accordance with Section 1-4-20 of the Severance Municipal Code.

INTRODUCED, READ, ADOPTED, APPROVED, AND ORDERED PUBLISHED IN FULL this 22nd day of February, 2022.

TOWN OF SEVERANCE, COLORADO

Matthew Fries, Mayor

ATTEST:

Leah Vanarsdall, MMC, Town Clerk

APPROVED AS TO FORM:

Hayashi & Macsalka, LLC, Town Attorney