ORDINANCE NO. 19-14

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF CASTLE PINES, COLORADO, REPEALING AND REPLACING ARTICLE 1 OF CHAPTER 6 OF THE MUNICIPAL CODE CONCERNING GENERAL REQUIREMENTS FOR CITY LICENSES AND ADDING A NEW ARTICLE 7 TO CHAPTER 6 OF THE MUNICIPAL CODE CONCERNING CONTRACTOR LICENSING

WHEREAS, the City of Castle Pines (the "City") is a home rule municipality authorized to exercise its police powers to promote and protect the public health, safety and welfare; and

WHEREAS, the City currently has combined regulations for business licenses and contractor licenses codified at Article 1 of Chapter 6 of the City's Municipal Code; and

WHEREAS, the City is considering adoption of new sales and use tax regulations, which include updated business license requirements located in a different section of the Municipal Code; and

WHEREAS, the City Council desires to amend Chapter 6 such that Article 1 contains general licensing provisions for ease of adoption of new licensing regulations and other future Municipal Code amendments; and

WHEREAS, the City Council further desires to amend Chapter 6 to move the City's contractor licensing requirements to a new, separate Article 7 to accommodate the changes created by the City's new sales and use tax regulations.

THE CITY COUNCIL OF THE CITY OF CASTLE PINES, COLORADO, ORDAINS:

Section 1. Repeal and Replace Article 1. Article 1 of Chapter 6 of the Municipal Code is hereby repealed and replaced in its entirety to read in full as follows:

ARTICLE 1 - General Licensing

Sec. 6-1-10. - Applicability.

The provisions of this Article 1 shall apply to all licenses issued by the City unless otherwise specified by this Code or an ordinance of the City.

Sec. 6-1-20. - Definitions.

As used in this Article, unless otherwise noted:

Applicant means a person who has filed an application for a license.

Application means an application for a license.

License means a license issued by the City.

License fee schedule means a fee schedule adopted by City Council by resolution, as amended from time to time.

License officer means the representative or agent of the City appointed by the City Manager to administer the licenses provided herein.

Licensee means the holder of an unexpired license.

Sec. 6-1-30. - License term and renewal.

- (a) Upon application approval, the license officer shall issue an appropriate license for a term of up to two (2) years. All licenses shall expire no later than December 31 of the succeeding calendar year following the first calendar year covered by the license.
- (b) A licensee seeking to renew a license shall apply for renewal no fewer than thirty (30) days before the license expiration date. An applicant applying for a renewal license shall be required to submit, on forms preapproved by the license officer, information necessary to determine compliance with this Article and shall also be required to pay the applicable renewal license fee, if any, as set out in the license fee schedule.
- (c) Licenses that are expired are not subject to renewal and must be processed and approved as a new license.

Sec. 6-1-40. - License fees.

Each application for a license shall be accompanied by a license fee, as set forth in the license fee schedule.

Sec. 6-1-50. - License officer.

The license officer shall:

- (a) Enforce all reasonable rules and regulations approved by the City Manager and adopted by the license officer as necessary to the operation and enforcement of this Article;
- (b) Adopt and, as needed, amend all documents necessary to implement this Article;
- (c) Review license and renewal applications;
- (d) Investigate and determine the eligibility of any applicant for a license;
- (e) Keep confidential all proprietary, confidential or privileged information provided by an applicant or licensee (such information shall not be subject to public inspection except for that information available to the public under the Colorado Open Records Act, Section 24-72-201, et seq., C.R.S., or through a court order);
- (f) Notify applicants of the approval or denial of their applications;
- (g) Issue licenses and renewals to all qualified applicants;
- (h) Collect license fees; and
- (i) Maintain records of all licenses purchased and revenues received.

Sec. 6-1-60. - Application for license.

Each applicant for a license must submit, on forms preapproved by the license officer, information necessary to determine compliance with this Article.

Sec. 6-1-70. - License information changes.

A licensee shall report in writing any change in information contained in his or her last application within thirty (30) days of such change, and a supplemental license shall be issued at the discretion of the license officer. Additional fees may be collected or refunded where appropriate.

Sec. 6-1-80. - Approval or denial of license.

- (a) The license officer shall approve or deny an application for a license in writing within thirty (30) days of receipt of a completed application and fee. Approval of a license application shall not constitute land use or zoning approval of any business. Applicants and licensees are required to confirm or obtain land use approval for their businesses through the City's Community Development Department.
- (b) An application for a license may be denied for any of the following reasons:
 - (1) The required fee has not been paid in full; or
 - (2) The application is incomplete or contains false, misleading or fraudulent statements; or
 - (3) The applicant does not meet any applicable ordinances, regulations or eligibility requirements.
- (c) If the license officer denies an application, the license officer shall provide written notice of such denial and a description of the appeal process.

Sec. 6-1-90. - Appeals; Hearings.

- (a) An applicant or licensee may appeal a denial of his or her license application or renewal application to the City Manager and shall be entitled to a hearing before the City Manager. The appeal shall be made in writing, stating the grounds for appeal, within five (5) working days of the date of the decision of the license officer.
- (b) The City Manager shall have the power to administer oaths, issue subpoenas and, when necessary, grant continuances. Subpoenas may be issued to require the presence of persons and production of papers, books and records necessary for the determination of any hearing that the City Manager conducts. It is unlawful for any person to fail to comply with any subpoena issued by the City Manager. A subpoena shall be served in the same manner as a subpoena issued by the Municipal Court.
- (c) All hearings held before the City Manager or his or her designee regarding denial of a license shall be recorded by electronic recording device. Any person requesting a transcript of such record shall post a deposit in the amount required by the City Manager and shall pay all costs of preparing such record.

- (d) At the hearing, the City Manager shall hear such statements and consider such evidence as is offered that is relevant to the grounds alleged for denial. The City Manager shall make findings of fact from the statements and evidence offered as to whether such grounds exist. If the City Manager determines by a preponderance of the evidence that cause for denial exists, he or she shall issue a written order affirming the license officer's denial of the license within ten (10) days after the hearing is concluded, based on the findings of fact. If the City Manager determines that cause for a denial does not exist, he or she shall issue a written order within ten (10) business days of the hearing date directing the license officer to issue the applicable license. A copy of the order shall be mailed and, if an appellant's e-mail address has been provided to the City, sent by electronic mail to the applicant or licensee at the applicable address on the license or application.
- (e) The order of the City Manager made pursuant to Subsection (b) affirming the denial of an application or license above shall be a final decision and may be appealed to the District Court in accordance with Rule 106(a)(4) of the Colorado Rules of Civil Procedure. Failure to appeal said order within ten (10) business days of the date of the order constitutes a waiver by the applicant or licensee of any right he or she may otherwise have to contest the denial of the license.
- (f) All references to City Manager in this section 6-1-90 shall mean the City Manager or his or her designee, which may include a designated hearing officer.

Sec. 6-1-100. - Duties of licensee.

All licensees shall comply with the following requirements:

- (a) Refrain from operating the licensed businesses or performing work requiring a license during the period the license is denied or upon expiration of the license, unless renewed.
- (b) Post and maintain such license upon the licensed premises in a place visible at all times and, when working outside the licensed premises, carry a copy of the license at all times. If a licensee has no business premises, the licensee shall carry such license on his or her person when conducting business or work for which the license was issued.
- (c) Comply with all federal, state and City laws and regulations, including, without limitation, City tax ordinances and resolutions.

Sec. 6-1-110. - Nontransferability.

No license may be transferred or assigned, and no license is valid as to any person other than the person named thereon.

Sec. 6-1-120. - Late fees.

If a license has not been renewed by the expiration date, late fees, as noted in the license fee schedule, shall apply.

Sec. 6-1-130. - Enforcement.

- (a) In the event of a violation of this Article or any other applicable provision of this Code, the City may suspend or revoke the license after the licensee has been given notice and hearing, substantially in accordance with Section 6-1-90 of this Article. A license may be summarily suspended for no more than thirty (30) days by the City Manager when required for the immediate protection of the public health, safety and welfare. A hearing shall be scheduled as soon as may be reasonably possible following the issuance of such temporary suspension. When deciding whether to suspend or revoke a license, the City may consider the following factors:
 - (1) The nature and circumstances of the violation;
 - (2) Corrective action, if any, taken by the licensee;
 - (3) Prior violations, if any, by the licensee;
 - (4) The likelihood of recurrence of the violation;
 - (5) Whether the violation was knowing or willful; and
 - (6) Previous suspensions, revocations, penalties, fines or other sanctions, if any, imposed on the licensee.
- (b) Following the public hearing, if the City finds that grounds for suspension or revocation of a license exist, the City shall issue to licensee a written notice of such suspension or revocation. Written notice of the suspension or revocation shall include the reason(s) for suspension or revocation and shall be sent to licensee by mail and, if licensee has provided the City with an e-mail address, electronic mail. For suspensions, the written notice may include any reasonable conditions the licensee must satisfy to reinstate the license, the time period the licensee has to comply and correct any violations, or the length of the suspension.
- (c) The City may withhold issuance of a building permit and/or certificate of occupancy if a contractor, subcontractor or supplier which has worked or is working on the subject property has not obtained the necessary license from the City.
- (d) When violations occur on job sites where a building permit is valid and effective, the Chief Building Official shall have full authority to issue a stop work order, to remain in effect until a licensee has complied with all rules and regulations set forth in this Article.
- (e) Any person in violation of any requirements of this Article shall be guilty of a violation of this Code. This Article may be enforced in the Municipal Court, or any court of competent jurisdiction.

Sec. 6-1-140. - Effect of compliance.

Compliance with this Article is not intended to be, nor shall it be interpreted as, proof of compliance by any licensee with any other rule, regulation, ordinance or resolution governing business activity within the City, including, without limitation, the requirement to obtain a sales tax license, if required.

Section 2. Add a New Article 7. Chapter 6 of the Municipal Code is hereby amended to add a new Article 7 to read in full as follows:

ARTICLE 7 – Contractor Licenses

Sec. 6-7-10. - Definitions.

Building Code means the building codes adopted by the City Council by ordinance, as amended by the City from time to time.

Contractor means any person who performs work on real property located within the boundaries of the City for another party under the terms of an agreement. Contractor shall include, without limitation, building contractors; road, grading and excavating contractors; electrical, plumbing and heating contractors; and any other persons engaged, under a contractual arrangement, in the construction, reconstruction or repair of any building, bridge or structure. A subcontractor is included in the definition of contractor.

Contractor license means a license issued under this Article to a contractor.

Sec. 6-7-20. - Contractor license required.

It is unlawful for any person to perform any work as a contractor within the City without first obtaining a contractor license pursuant to this Article, unless otherwise provided herein, or exempted pursuant to City Council resolution or ordinance. No permits shall be issued for work to be done by an unregistered contractor.

Sec. 6-7-30. - General.

- (a) Proof of competency. In order to obtain a contractor license, an applicant shall prove competency in the specific areas as defined in Section 6-7-40 below. Such proof of competency shall be determined by testing or certification by a recognized model code agency as determined by the license officer through equivalent licensure from another jurisdiction within the State in which attest or certification form by a recognized model code agency is required. Each class of contractor license requires a separate contractor license and fee.
- (b) In addition to the information required by Subsection (a) above, the applicant for a contractor license must provide the license officer with the class of contractor license desired, in addition to all other information as may be required on preapproved forms by the license officer, including but not limited to the street address, if any, where the work is to be carried on or a general description of the work to be performed by the applicant within the boundaries of the City. All work done pursuant to a contractor license shall be in conformance with the building code as adopted by the City, all laws, ordinances and regulations of the City and all state or federal laws.

- (c) Insurance requirements.
 - (1) Insurance required. Every contractor granted a license under the terms of this Article shall be required to maintain at all times workers' compensation insurance in the statutorily required amounts in conformance with the Worker's Compensation Act of Colorado, and comprehensive general liability insurance with minimum limits of not less than one hundred fifty thousand dollars (\$150,000.00) (each person) and six hundred thousand dollars (\$600,000.00) (each occurrence).
 - (2) Certificate of insurance. At the time the application is made, and before a license can be issued, the contractor shall file with the license officer a certificate, naming the City as certificate holder, signed by a qualified agent of an insurance company. The certificate shall contain the following items, together with a statement and a copy of an endorsement placed on each policy requiring ten (10) days' written notice to the license officer if it becomes necessary to cancel the policy for any reason:
 - a. The policies required by this Section have been issued to the licensee for workers' compensation insurance and general liability insurance;
 - b. The minimum limits of each policy;
 - c. The policy numbers;
 - d. The name of the company;
 - e. The effective dates of the policies; and
 - f. The expiration dates of the policies.
 - (3) Cancellation. In the event of a cancellation of a policy, the licensee shall be required to furnish a new certificate in full compliance with the terms of this Section within ten (10) days; otherwise the license or registration shall be automatically revoked. The license shall be reinstated when the licensee has furnished a certificate of insurance in compliance with this Section unless such license is suspended for reasons other than the failure to file a proper certificate of insurance.
- (d) The provisions of Article 1 of this Chapter shall apply to contractor licenses except as may be otherwise specified in this Article.

Sec. 6-7-40. - Classification of contractor licenses.

- (a) The following classes of contractor licenses are hereby established:
 - (1) Class A Contractor. Entitles the licensee to contract for and/or perform the work of building, altering or adding to buildings, structures or portions thereof of Types I, II, III, IV or V construction in any and all occupancy group classifications, where such work requires a permit.

- (2) Class B General Contractor (Residential). Entitles the licensee to contract for and/or perform the work of altering or adding to buildings, structures and portions thereof of Types III, IV and V construction in occupancy groups A, B, M, R, S and U.
- (3) Class C General Contractor (Basements/Remodels/Decks). Entitles the licensee to contract for and/or perform the work of altering or adding to buildings, structures and portions thereof, of Types III, IV and V construction in Group R, Division 3, and Group U for residential purposes. Work includes steam and hot water, asphalt paving, concrete and form, demolition, excavating, house and building movers, masonry, mobile home installer, special inspectors and utility.
- (4) Class D Single Trade. Entitles the licensee to contract for and perform the work of a particular trade or job connected with the building industry, including but not limited to carpenter, drywall, framing, insulation, painting, roofing, siding, windows, doors, flooring, cabinets, counter tops, fencing, structural steel, welding, fire protection, access control, security systems, landscaping, lawn sprinkler systems, retaining walls, signs, swimming pools, elevators and escalators, caulking, and waterproofing.
- (5) Class E Electrical. Entitles the licensee to perform any functions as permitted under the licensure of the Colorado Electrical Board, and such licensee shall be licensed by the Colorado Electrical Board.
- (6) Class F Plumbing. Entitles the licensee to contract for and install all sanitary plumbing and potable water supply piping for which a permit is required. Master plumbers must provide a copy of a current master plumber license issued by the Colorado Plumbing Board.
- (7) Class G Mechanical/HVAC/Heating, Warm Air and Ventilation. Entitles the licensee to contract for and install warm-air heating and ventilation and their appurtenances. All electric work shall be performed by a holder of an electrical license.
- (b) It shall be the duty of every contractor to exhibit his or her contractor license upon request of the Chief Building Official, his or her authorized representative or any law enforcement officer of the City.

Sec. 6-7-50. - Exemptions.

- (a) The license officer may, with the approval of the City Manager, waive the contractor license requirement for the following:
 - (1) Public utility and communication companies, water and sanitation districts, metropolitan districts and mutual companies when engaged in the installation, operation and maintenance of equipment which will be used for the production, generation or distribution of the utility, product or service from their source through the facilities owned or operated by the company or district to the point of the customer service, other than utility company or district buildings. This exemption shall only apply when work is performed completely by employees of the utility company or district and the total cost is paid exclusively from funds of these companies.

- (2) An owner or occupant making ordinary repairs to the building he or she owns or occupies, which repairs do not involve the structure of the building, when the owner or occupant furnishes all materials and labor.
- (3) A homeowner who constructs his or her own residence or a building or structure accessory thereto which is intended for his or her own personal use. This exemption shall be permitted only once within a period of twenty-four (24) months; otherwise, application for a contractor license shall be required.
- (4) The City, its officers, employees and agents.
- (5) Any contractor performing work in accordance with a construction contract between the contractor and the City, unless such contract requires licensure.
- (b) The exemption from contractor licensing requirements does not waive applicable permit requirements.
- <u>Section 3.</u> Severability. If any portion of this Ordinance is found to be void or ineffective, it shall be deemed severed from this Ordinance and the remaining provisions shall remain valid and in full force and effect, in accordance with Section 6.8 of the Charter.
- Section 4. No Existing Violation Affected. Nothing in this Ordinance shall be construed to affect any suit or proceeding pending in any court, or any rights acquired, or liability incurred, or any cause or causes of action acquired or existing, under any ordinance hereby repealed or amended by this Ordinance, or any just or legal right or remedy of any character be lost, impaired, or affected by this Ordinance.
- Section 5. Repeal of Previous Ordinances. Any and all ordinances or codes or parts thereof in conflict or inconsistent herewith are, to the extent of such conflict or inconsistency, hereby repealed; provided, however, that the repeal of any such ordinance or code or part thereof shall not revive any other section or part of any ordinance or code heretofore repealed or superseded and this repeal shall not affect or prevent the prosecution or punishment of any person for any act done or committed in violation of any ordinance hereby repealed prior to the effective date of this Ordinance.
- <u>Section 6.</u> Codification Amendments. The codifier of the City's Municipal Code is hereby authorized to make such numerical and formatting changes as may be necessary to incorporate the provisions of this Ordinance within the Castle Pines Municipal Code.
- Section 7. Safety Clause. The City Council hereby finds, determines, and declares that this Ordinance is promulgated under the general police power of the City of Castle Pines, that it is promulgated for the health, safety, and welfare of the public, and that this Ordinance is necessary for the preservation of health and safety and for the protection of public convenience and welfare. The City Council further determines that the Ordinance bears a rational relation to the proper legislative object sought to be obtained.
- <u>Section 8.</u> **Publication and Effective Date.** The City Clerk is hereby directed to cause publication of this Ordinance in accordance with Section 6.5 of the Charter. This Ordinance shall be effective thirty (30) days after final publication on the City's official website and posted at the City Clerk's office pursuant to Section 1-3-40 of the Municipal Code.

INTRODUCED, READ, AND PASSED ON FIRST READING, AT REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF CASTLE PINES, COLORADO, THE 22ND DAY OF OCTOBER, 2019.

READ, PASSED, AND ADOPTED ON SECOND READING, FOLLOWING A PUBLIC HEARING, AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF CASTLE PINES, COLORADO THE 12TH DAY OF NOVEMBER, 2019.

Tera Stave Radloff, Mayor Tobi Basile, CMC, City Clerk Approved as to form: DocuSigned by: Linda C. Michow Linda C. Michow, City Attorney

CERTIFICATION OF PUBLICATION

I hereby attest and certify that the within and foregoing Ordinance was introduced and read on first reading on October 22, 2019; published by title only in the Douglas County News-Press, together with the statement that "[t]he complete text of the ordinance is available through the City Clerk's office and on the City's official website with second reading and public hearing to be held on November 12, 2019"; and finally passed and adopted by the City Council on November 12, 2019, following a duly noticed public hearing and published on the City's official website and posted at the City Clerk's office on October 23, 2019.

ATTEST:

goodswile

Tobi Basile, CMC, City Clerk