

**CITY OF LAKE ELMO
COUNTY OF WASHINGTON
STATE OF MINNESOTA**

ORDINANCE NO. 08-069

**AN ORDINANCE AMENDING THE LAKE ELMO CITY CODE OF ORDINANCES BY
ESTABLISHING LICENSING REQUIREMENTS FOR CONTRACTORS TO ENSURE
COMPETENCY AND PROFESSIONALISM IN CONSTRUCTION ACTIVITIES IN LAKE ELMO,
MINNESOTA.**

**SECTION 1. The City Council of the City of Lake Elmo hereby amends Title XI:
Business Regulations; Chapter 115: Building Contractors, by adding the following
language:**

§115.01 POLICY. It is deemed in the interest of the public and the residents of the city that the work involved in building, alteration, construction, and the installation of various appliances and service facilities in and for such buildings be done only by individuals that have demonstrated or submitted evidence of their competency to perform such work in accordance with applicable codes and ordinances of the city regulating the same.

§115.02 LICENSE AND PERMIT REQUIRED

A. License Required

1. No person, firm or corporation shall operate, maintain, conduct or engage in the following businesses or work, except in accordance with state statutes, this code and other applicable ordinances of the city.

- a. Demolition- Residential Dwelling, Commercial Structure
- b. Driveway
- c. Excavation
- d. HVAC
- e. Irrigation
- f. Sewer line installer
- g. Water line installer

h. Sign Installer

i. Right of way

2. This subsection shall not be construed as preventing any such qualified licensee from performing the work by an employee under his/her supervision and control, or by contract with another person qualified to perform the same; provided that the contractor is subject to the control of the licensee, and the licensee is at all times responsible for the work performed. A contractor not subject to the control of a licensee shall be required to obtain a license.

B. *Permit Required.* For each of the businesses or occupations listed in subsection A1 of this section for which the State of Minnesota provides for the registration thereof, permits shall be granted only to holders of a state or city license; except that the owner of any property may perform work when work is performed in accordance with the codes and ordinances of the city, and for such purpose, a permit may be granted to such owner without a licensed obtained.

§115.03 APPLICATION FOR LICENSE; INSURANCE REQUIREMENTS; ISSUANCE OR DENIAL

A. Contents of Application; Insurance:

1. Applications for a license shall be made on forms provided by the city clerk. On such form, the applicant shall state the following information:
 - a. His/her name, and business and home address; and if the application is made on behalf of a partnership, association or corporation, the name and address of such partnership, association or corporation, and the phone number of the contact person.
 - b. If the proposed licensee is a partnership, the name and home addresses of all partners; or if the proposed licensee is an association or corporation, the names and home addresses of its principal officers and managers and of the owners (not to exceed 10) or the largest shareholders of the business or enterprise.
 - c. Such information as is required to be furnished by ordinance or is reasonably required by the city clerk or other applicable city departments.
2. The application shall include documentation indicating insurance coverage, which shall remain in effect during the license term, and non-cancellation provisions, which provide a minimum of thirty (30) days' notice to the City prior to cancellation, as follows:

- a. Comprehensive general liability insurance not less than one hundred thousand dollars (\$100,000.00) for injuries including accidental death to any one person, and subject to the same limit for each person in an amount of not less than three hundred thousand dollars (\$300,000.00) on account of any one accident;
 - b. Property damage insurance not less than fifty thousand dollars (\$50,000.00) for each accident and not less than one hundred thousand dollars (\$100,000.00) aggregated; and
 - c. Workers compensation insurance coverage of employees as required by State law.
- B. *Signatures Required.* The proposed licensee shall sign the application; or if the proposed licensee is a partnership, an association or corporation, at least one person having power under its bylaws to execute contracts of the association or corporation shall sign.
- C. *Renewal Applications.* Applications for renewals of licensee may, in the interest of brevity, substitute for any required information a reference to statements contained in previous applications, which are on file with the city.
- D. *Issuance of License.* The license shall be granted by the city clerk, after positive recommendations from applicable city staff, upon proof of the applicant's qualifications, and compliance with section 115.04 of this chapter.
- E. *Denial of License; Appeal.* In the event the city clerk determines that the application does not comply with the ordinance criteria, the report and recommendation of the city clerk and applicable staff shall be referred to the city council, together with the reason or reasons for the proposed denial. A copy of the recommendation shall be supplied to the applicant. The applicant may appear before the city council to respond to the recommendation of denial. The city council shall make the appropriate findings and either issue or deny the license application.

§115.04 STANDARDS FOR LICENSE ISSUANCE; TERM

- A. *Standards for Issuance Generally; Term.* Licenses and renewals thereof shall be issued after a verification of the applicant's qualification and record in the performance and operation of the types of work for which the applicant seeks a license. Licenses shall be issued for one calendar year from January 1 through December 31. New licenses will run from date of issuance through December 31.

B. *Standards for Denial.* Licenses and renewals therefore may be denied by the city council for any of the following reasons:

1. Failure to complete the application or file the required license fee or insurance policy.
2. Misstatement in the application.
3. Failure to comply with special conditions required by statute or ordinance for issuance of a license.
4. Violations of licensing ordinances by applicant, or suspension or revocation licenses held by the applicant in the city or elsewhere.
5. Violation of any state statute or city code provision which creates a threat to the public peace, health, safety and welfare.
6. Disregard and violation of the building, housing, sanitary, health, and fire laws of the state, county, or city.
7. Any conduct which is contrary to the public interest, including, but not limited to, fraud, misrepresentation, or other dishonest or deceitful conduct.

§115.05 LICENSE FEE; EXEMPTION. The annual fee for license shall be established by ordinance of the city council from time to time. No license fee shall be required of any person, firm or corporation, pursuant to this section, who, by state law, is required to attain standards of competency or experience as a prerequisite to engaging in such craft or profession; provided that the person shall provide evidence to the city that the individual, firm or corporation has a license in good standing from the state, and further provides proof of insurance in effect through the term of license issued by the state.

§115.06 SUSPENSION OR REVOCATION OF LICENSE

A. *Grounds for suspension or revocation.* If any licensee violates or is in default of complying with any condition, requirement, duty or rule of conduct imposed on him/her by any statute or ordinance, or if any one or more of the following conditions exist, the city clerk may initiate proceedings before the city council to suspend or revoke the licensee's license:

1. If the applicant for a license or renewal thereof knowingly made any false statements in the application for a license.
2. When the applicant has violated any state statute or city code provision which creates a threat to the public peace, health, safety and welfare.

3. When there is disregard and violation of the building, housing, sanitary, health and fire laws of the state, county or city.
4. For failure to notify the city of any change in control of ownership, management or business name or location within thirty (30) days of such change.
5. Conducting a building contracting business in any name other than the one for which the contractor is licensed.
6. Any conduct which is contrary to the public interest, including, but not limited to, fraud, misrepresentation or other dishonest or deceitful act.

B. *Procedures for Suspension or Revocation.* Procedures for suspension or revocation shall be as follows:

1. The licensee shall be provided with notice of the reasons for any proposed suspension or revocation. The notice shall provide the licensee with an opportunity to explain the rationale for the proposed suspension or revocation.
2. The licensee shall be notified in advance of the date, time, place and purpose of the council meeting where the action on the license will be considered. The licensee shall have an opportunity to be heard at the meeting. After making appropriate findings, the council may continue the license in effect, impose conditions on the license or revoke the license.

§115.07 EXEMPTIONS FROM PROVISIONS. No license will be required under this chapter in the following circumstances:

- A. For public service corporations performing work upon or in connection with their own property, except as may be provided by other provisions of this code.
- B. For manufacturers for work incorporated with equipment as a part of the manufacturing, except as provided in other provisions of this code.

§115.08 EFFECT ON LIABILITY. This chapter shall not be construed to affect the responsibility or liability for any party owning, operating, or installing the work described in this chapter for damages to persons or property caused by any defect therein, nor shall the city be held as assuming any such liability by reason of the licensing of persons engaged in such work.

SECTION 2. Effective Date. This ordinance shall become effective immediately upon adoption and publication in the official newspaper of the City of Lake Elmo.

SECTION 3. Adoption Date. This Ordinance 08-069 was adopted on this 19th day of February 2013, by a vote of ____ Ayes and ____ Nays.

LAKE ELMO CITY COUNCIL

Mike Pearson, Mayor

ATTEST:

Adam Bell, City Clerk

This Ordinance 08-069 was published on the ____ day of _____, 2013.