

SUBJECT: CONTRACTOR LICENSING

- i. ORDINANCE NO. 1895, SERIES 2025 – AN ORDINANCE AMENDING LOUISVILLE MUNICIPAL CODE CHAPTER 5.12 CONCERNING CONTRACTOR LICENSES – 2nd READING AND PUBLIC HEARING (advertised City of Louisville Website 05/09/2025)**
- ii. RESOLUTION NO. 34 SERIES 2025 – A RESOLUTION ESTABLISHING INSURANCE REQUIREMENTS FOR CONTRACTOR LICENSES**

DATE: MAY 20, 2025

**PREPARED BY: ROB ZUCCARO, AICP, COMMUNITY DEVELOPMENT DIRECTOR
CHAD ROOT, CHIEF BUILDING OFFICIAL**

PRESENTED BY: ROB ZUCCARO, AICP, COMMUNITY DEVELOPMENT DIRECTOR

SUMMARY:

Presented for Council approval is an ordinance amending the City's contractor licensing requirements outlined in Louisville Municipal Code (LMC) Chapter 5.12 and a resolution establishing minimum insurance coverage amounts for contractors. The amendments include the following changes:

- Requires submittal of proof of general liability insurance with City listed as a certificate holder and proof workers comp insurance.
- Sets a minimum amount required for general liability insurance, adopted by City Council resolution. Minimum coverages are:
 - General Contractors: \$1,000,000 per occurrence/\$2,000,000 aggregate
 - Single Trade Contractors: \$500,000 per occurrence/\$1,000,000 aggregate
- Updates the license testing requirements to reference the 2018 International Code Council test version or later version.
- Allows the City to require that the license supervisor be on-site during scheduled inspections if needed.
- Requires licensed contractors to have a copy of their State license available during inspections.
- Grant the building official the authority to issue a stop work order for any violations of the licensing requirements.

BACKGROUND / PRIOR DISCUSSIONS:

City Council 1st Reading Review – May 6, 2025

City Council approved the ordinance on first reading on May 6, 2025 and asked staff to bring back amendments to:

- Require submittal of proof of general liability insurance; and
- Set a minimum amount of required general liability insurance.

The 1st Reading version of the ordinance reflected the City's current standard of not requiring proof of general liability insurance at the time of license application, but included a proposed amendment giving the City the authority to request proof of general liability insurance at any time that the contractor holds a city license. The reasons for not requiring proof of general liability insurance were to limit the administrative burden on the City streamline the licensing process.

Prior Code Development

The City began requiring contractor licensing in 2006. In 2013, the City adopted the current contractor licensing regulations by Ordinance No. 1653, Series 2013. There have been no changes to the licensing regulations since their adoption in 2013.

ANALYSIS:

The proposed amendments will provide updates and clarifications to the City's contractor licensing standards. The City maintains minimum licensing standards to protect property owners and business owners who hire contractors by ensuring that contractors hold minimum qualifications, have appropriate supervision of subcontractors, operate in accordance with adopted laws, and maintain general liability insurance. The City's Building Code Board of Appeals has the authority to review and revoke licenses if there are violations of the City's codes or licensing standards by a licensed contractor.

The original staff proposal was to allow the City to require proof of general liability insurance upon request and maintain the current process whereby the applicant certifies that they have proof of insurance at the time of application for a license but does not require submittal of proof of insurance. The original proposal was meant to maintain the current limitation on administrative requirements while adding an additional layer of protections for property owners and business owners if an issue arises.

Based on Council direction, the proposal now would require that an applicant for a contractor license or renewal submit an insurance certificate demonstrating compliance with minimum coverage amounts approved by City Council resolution. This process would provide additional protections to property owners and business owners by setting minimum standards providing more opportunities for enforcement by the City. This would also align with the practice of the majority of other local municipalities, as summarized in Table 1 below.

Of the seven jurisdictions noted, only Golden does not require proof of general liability insurance, which is most consistent with Louisville's current practice. Superior requires registration rather than licensing (no testing standards) and proof of insurance, but without minimum coverage amounts. The other five jurisdictions require proof of insurance with minimum coverage amounts. All jurisdictions that require proof of insurance also require that they are certificate holders. Thus, the jurisdictions will be notified if the insurance is cancelled, changed, or expires. Longmont has adopted different minimum coverage amounts for general contractors and single trade contractors. Many of the jurisdictions also require proof of workers comp insurance.

Table 1: Comparison of Insurance Requirements

Jurisdiction	Proof of Insurance	General Contractor	Single Trade
Golden	Does Not Require Insurance		
Superior	Provide w/ Application (registration only required)	No Minimum Amounts	Same as General
Lafayette	Provide w/ Application	\$100,000 per person, \$300,000 per accident, \$50,000 property for any one accident	Same as General
Wheatridge	Provide w/ Application	\$300,000 per Occurrence, \$600,000 Aggregate	Same as General
Boulder County	Provide w/ Application	\$600,000 Occurrence, No Aggregate	Same as General
Longmont	Provide w/ Application	\$1,000,000 per Occurrence, \$2,000,000 Aggregate	\$500,000 per Occurrence, \$1,000,000 Aggregate
Boulder	Provide w/ Application	\$1,000,000 per Occurrence, \$2,000,000 Aggregate	Same as General

The proposed ordinance also grants authority to the City to ask for proof of electrical and plumbing licenses during inspections. Based on State Plumbing Board and Electrical Board regulations, the City is obligated to ensure that contractors hold appropriate State electrical and plumbing licenses. Additionally, the proposed ordinance requires a designated supervisor to be on-site during an inspection, if requested by the City. This

requirement will help ensure better communication between the City's inspectors and the licensed contractor responsible for the work.

Another update will align the testing standards for licensing with the current code series adopted by the City. At first reading, a question was raised as to why the proposal is not to always require the testing to be based on the most recent versions of the building code. The code series are updated every three years and many contractors' testing will lag behind and create issues with the amount of non-compliant contractors in the City. The proposed approach would require updates to the minimum standards from time to time to stay current, but staff does not recommend adopting a testing standard at the 2024 code series for these reasons.

2025 COUNCIL WORK PLAN:

Consideration of updates to the City's contractor licensing standards was not identified in the City Council's 2025 Workplan. From an EDI lens, this amendment will help to ensure all residents have access to licensed contractors with minimum qualifications and liability insurance.

FISCAL IMPACT:

Budgeted?: No

Fees are collected for contractor licensing to cover the cost of administration. In 2024, the City issued/renewed 1,509 contractor licenses and collected \$128,319 in fees. These fees are meant to cover the direct cost of staff in the Building Division administering the licensing program, as well as other overhead and support costs, such as software and city clerk support services for record keeping.

The process for applying for or renewing a contractor license is submittal through the Citizen Self Service (CSS) online permitting portal linked on the City's website. Staff is responsible for reviewing proof of testing uploaded through the CSS portal when applicable for certain licenses, verifying payment, issuing the license, communicating with contractors that have not submitted the correct information, and responding to contractor inquiries. Currently, Building Division staff estimate that they spend 5-10 hours a week on contractor licensing duties.

With the proposal to require submittal of proof of general liability insurance and workers comp insurance, city staff estimates that an additional 20-25 hours a week on average of staff time would be spent on contractor licensing duties. This estimate includes 15-20 hours for administrative staff and approximately 5 hours for other Building Division staff. Administrative staff would need to review each certificate for compliance and communicate with license applicants when the insurance certificates do not meet the City's adopted standards. In addition, as a certificate holder, the City would be notified each time an insurance policy expires or changes. Staff would then need to communicate to license holders, and in some cases, issue and resolve stop work orders on projects if the

contractor was not in compliance. Staff estimates the majority of time would be spent on communications around incomplete applications and non-compliance.

Based on the time needed to administer the licensing program, staff believe that a part-time building permit tech position is needed. Without additional staff capacity, other Building Division functions would be delayed, impacting customer service. The cost for this position is estimated at \$40,000 to \$50,000 for salary and overhead. This is not an anticipated or budgeted position. As workload varies for the licensing program, this position could also help support other administrative work in the Building Division.

An alternative is adding overtime expenses to the budget to cover additional administrative staff costs. However, the fiscal impact could be similar to hiring a part-time position and the overtime demand on the Department's existing staff could be excessive. An unmitigated and significant addition to the workload demand on the existing staff could negatively impact job satisfaction and lead to staff turnover.

Fiscal Impact Estimate: \$40,000 to \$50,000 annual recurring expense for staffing

ALTERNATIVE(S):

Alternatives Include:

1. Adopt the code as drafted, which includes the City requiring submittal of insurance certificates as part of contractor licensing and enforcing the minimum insurance coverage amounts. This option includes a recommendation to hire a part-time building permit tech.
2. Adopt requirements for minimum insurance amounts and allow the City to request proof of insurance when needed, but not require submittal of proof of insurance with a license application or make the city a certificate holder. This option would help to minimize the administrative burden on the city while still improving the current ordinance standards.
3. Maintain the current code language with no changes.
4. Direct staff on different amendments desired by Council.

RECOMMENDATION:

Staff recommends one of the following two options:

1. With approval of a new part-time permit tech position to address the additional workload, approval of Ordinance 1895, Series 2025 and Resolution 34, Series 2025 as drafted.
2. Without approval of a new part-time permit tech position, staff recommends approval of Ordinance 1895, Series 2025 and Resolution 34, Series 2025 with an amendment to remove the requirement for submittal of proof of insurance as part of a contractor license application.

SUBJECT: ORDINANCE NO. 1895, SERIES 2025 & RESOLUTION NO. 34, SERIES 2025

DATE: MAY 20, 2025

PAGE 6 OF 6

ATTACHMENT(S):

1. Ordinance No. 1895, Series 2025
2. Resolution No. 34, Series 2025
3. Staff Presentation

Second Reading Amendments

Ordinance No. 1895, Series 2025 is revised to read as follows (second reading amendments are shown in **bold underline** and ~~**bold strikeout**~~):

ORDINANCE NO. 1895 SERIES 2025

AN ORDINANCE AMENDING LOUISVILLE MUNICIPAL CODE CHAPTER 5.12 CONCERNING CONTRACTOR LICENSES

WHEREAS, the City previously adopted Chapter 5.12 of the Louisville Municipal Code, which sets forth requirements concerning the licensing of contractors performing work in the City; and

WHEREAS, City Council desires to make certain amendments to the City's contractor licensing requirements.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOUISVILLE, COLORADO:

Section 1. Section 5.12.010.C of the Louisville Municipal Code is hereby amended to read as follows (words added are underlined; words deleted are ~~stricken~~):

Sec. 5.12.010. License or registration required.

C. *Contractor defined.* For purposes of this chapter, "contractor" means a person, corporation, limited liability company, partnership, association or other organization or entity of any type, or any combination thereof, who, by themselves or by or through others, and for a fixed fee, sum, price, percentage, bonus or compensation of any kind other than actual wages paid by a licensed contractor authorized to perform the work involved, undertakes or offers to undertake or purports to have the capacity to undertake any work requiring a building permit. ~~described under section 15.17.070, classification of licenses and registration.~~ Homeowners residing onsite and doing work on their personal, primary residence are not considered contractors and are not required to obtain a contractor license.

Section 2. Section 5.12.020.D of the Louisville Municipal Code is hereby amended to read as follows (words added are underlined; words deleted are ~~stricken~~):

Sec. 5.12.020. Application and fee.

D. ~~The City does not require proof of general liability insurance at~~
At the time of initial license application and license renewal, the contractor

shall provide a certificate of insurance, with the City listed as a certificate holder, providing evidence of active insurance policies of types and in amounts as the City Council shall establish by resolution. but the The City may also reserves the right to require a licensee to submit a current certificate of proof of general liability insurance at any time during the term of the license. By signing the contractor's license application, the applicant ~~is stating~~ shall attest that they will maintain such general liability insurance, as will the subcontractors they hire.

Section 3. Sections 5.12.040.A and C of the Louisville Municipal Code are hereby amended to read as follows (words added are underlined; words deleted are ~~stricken~~):

Sec. 5.12.040. General contractor license (A, B and C).

A. A general contractor license (A, B or C) is authority to perform certain skills and is issued by the City upon receipt of the successful completion of an examination administered by the International Code Council covering the 2000 2018 Edition or later codes. This license is not transferable.

C. Examinations. All applicants for General A, B, and C license will be required to take and pass the International Code Council test covering the 2000 2018 Edition or later codes.

Section 4. Section 5.12.050 of the Louisville Municipal Code is hereby amended to read as follows (words added are underlined; words deleted are ~~stricken~~):

Sec. 5.12.050. Licensed supervisors.

A. Every supervisor ~~required~~ for a particular license in section 5.12.070 shall, upon demonstrating successful completion of an examination administered by the International Code Council covering the 2000 2018 Edition or later codes, be specified on the license as the supervisor. Said supervisor shall be entitled to perform and supervise the work in the particular skill for which ~~he~~ the supervisor is qualified. The license shall be specific to that supervisor and shall not be transferable to another person.

B. The supervisor shall actively supervise the workers of the licensee for whom the holder is employed in accordance with this chapter.

C. The supervisor must be on the job site during scheduled inspections if requested by the City.

Section 5. Section 5.12.060 of the Louisville Municipal Code is hereby amended to read as follows (words added are underlined; words deleted are ~~stricken~~):

Sec. 5.12.060. Supervisor required.

A. ~~Where required for the specific classification of licensure~~ When the licensee is not an individual, each licensee shall have in its employ a supervisor who holds the requisite qualifications for that particular license.

B. The license shall be valid only as long as the named supervisor remains in the employ of the licensee in an active, full-time capacity. "Active, full-time capacity" shall mean that the supervisor shall be available at the local office of the company, at home, or at the job site within a reasonable period of time.

C. The supervisor shall take an active role in supervising and reviewing all work performed and materials used by the licensee in the process of construction. If the supervisor leaves the employ of the licensee, the licensee shall notify the city within three working days. Failure of the licensee to so notify the city shall be cause for suspension or revocation of the license. The licensee shall be required to obtain a qualified supervisor within 30 working days after the date the supervisor leaves the employ of the licensee. If a supervisor is not obtained within the 30-working-day period, the license shall be deemed suspended until the supervisor is obtained and the city notified.

D. ~~If the licensee is an individual, the licensee also may qualify as the supervisor for that license, after any required examination.~~

Section 6. Section 5.12.060.A of the Louisville Municipal Code is hereby amended to read as follows (words added are underlined; words deleted are ~~stricken~~):

Sec. 5.12.070. Classification of licenses and registration.

The City does not have reciprocating licensing agreements with other jurisdictions. The City will honor and does require test results from a national test (International Code Council ~~2000~~ 2018 or better) for General Building Contractor Class A, B, or C. The classifications of licenses and registrations, their requirements and the privileges thereunder are as follows:

TYPE	CLASS	REQUIREMENTS	ALLOWED TO PERFORM
GA G11- N	General Building Contractor CLASS "A" <u>– Commercial and Multi Family</u>	Provide passing test results of the ICC National Standard Building Contractor "A";	Unlimited Construction

		<u>maintain general liability insurance</u>	
<u>GB G12- N</u>	General Building Contractor CLASS "B" – <u>Commercial and Multi Family</u>	Provide passing test results of the ICC National Standard Building Contractor "B"; <u>maintain general liability insurance</u>	Limited Commercial including New and Additions under 5,000 sq. ft. and all Tenant Finishes Unlimited Residential
<u>GC G-13- N</u>	General Building Contractor CLASS "C" – <u>Residential</u>	Provide passing test results of the ICC National Standard Building Contractor "C"; <u>maintain general liability insurance</u>	Residential One and Two Family New, Remodeling and additions
D	General Building Contractor CLASS "D"	<u>Maintain general liability insurance</u>	All other contractors doing work including but not limited to; excavating, decks, pergolas, fences, roofing, windows, siding, <u>insulation, Energy Raters</u> , concrete, masonry, elevators and signs
P	Plumbing Contractor	Provide copy of Colorado Masters Plumbing License State and Driver's Licenses ; <u>maintain general liability insurance</u>	Unlimited Plumbing and Gas Piping Installation
<u>M G31- N</u>	Mechanical Contractor	No requirements <u>Provide passing test results of the ICC Journeyman Mechanical-G31-N; maintain general liability insurance</u>	Unlimited Mechanical installation including water heater replacement
PM	Plumbing and Mechanical Contractor	Provide copy of Colorado Masters Plumbing License; State and Driver's Licenses ; <u>and passing test results of the ICC- Journeyman Mechanical G31-N; maintain general liability insurance</u>	Unlimited Plumbing and Gas Piping installation and Mechanical installation.

S	Solar Contractor	Must have licensed electrician with copy of Masters, State and Driver's Licenses Provide a <u>copy of Colorado Masters Electrical License; maintain general liability insurance</u>	Solar installation and repair
E	Electrical Contractor	Provide copy of Colorado Masters Electrical License State and Driver's Licenses ; <u>maintain general liability insurance</u>	Unlimited Electrical

Section 7. Section 5.12.100.B of the Louisville Municipal Code is hereby amended to read as follows (words added are underlined; words deleted are ~~stricken~~):

Sec. 5.12.100. Safety standards generally.

B. It shall be unlawful for a contractor to be careless or negligent in ~~obtaining~~ implementing minimum safety measures, including appliances, apparatus, ~~and~~ equipment, and cleanliness, to protect workers and the public.

Section 8. Chapter 15.12 of the Louisville Municipal Code is hereby amended by the addition of a new Section 15.12.115 to read as follows:

Sec. 5.12.115. Proof of State license required.

Contractors who are required to have a State license shall have a copy of their State license in their possession during scheduled inspections and shall present the license when requested by the building official or designee. Failure to provide such proof will result in a failed inspection and the assessment of a re-inspection fee in accordance with the fee schedule adopted by resolution of the City Council.

Section 9. Chapter 15.12 of the Louisville Municipal Code is hereby amended by the addition of a new Section 15.12.135 to read as follows:

Sec. 5.12.135. Stop work order.

The building official or designee may issue a stop work order to any contractor who is in violation of any provision of this chapter. After a stop work order is issued, no work shall be commenced until all required licenses, permits, and inspections have been obtained or the required proof of general liability insurance has been provided. The City may assess a fee for working without a permit in accordance with the fee schedule adopted by resolution of the City Council.

Section 10. Section 5.12.140.B of the Louisville Municipal Code is hereby amended to read as follows (words added are underlined; words deleted are ~~stricken~~):

Sec. 5.12.140. Suspension and revocation.

B. The building official may upon the building official's ~~his~~ own motion, and shall upon the verified complaint in writing of any person, require any person licensed or registered under this chapter to appear before the building code board of appeals for a hearing upon a minimum of five days written notice, which notice shall be personally served or mailed to the last known address of the person as set forth in the records of the city.

Section 11. If any portion of this ordinance is held to be invalid for any reason, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance and each part hereof irrespective of the fact that any one part be declared invalid.

Section 12. The repeal or modification of any provision of the Municipal Code of the City of Louisville by this ordinance shall not release, extinguish, alter, modify, or change in whole or in part any penalty, forfeiture, or liability, either civil or criminal, which shall have been incurred under such provision, and each provision shall be treated and held as still remaining in force for the purpose of sustaining any and all proper actions, suits, proceedings, and prosecutions for the enforcement of the penalty, forfeiture, or liability, as well as for the purpose of sustaining any judgment, decree, or order which can or may be rendered, entered, or made in such actions, suits, proceedings, or prosecutions.

Section 13. 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.

**INTRODUCED, READ, PASSED ON FIRST READING AND ORDERED
PUBLISHED THIS 6TH DAY OF MAY, 2025.**

PUBLIC HEARING AND SECOND READING WILL BE THE 20th DAY OF MAY, 2025, AT 6:00 P.M. AT LOUISVILLE CITY HALL, 749 MAIN STREET, LOUISVILLE, CO 80027.

Christopher M. Leh, Mayor

ATTEST:

Genny Kline, Interim City Clerk

APPROVED AS TO FORM:

KELLY PC

By: _____
Kathleen Kelly, City Attorney

PASSED AND ADOPTED ON SECOND AND FINAL READING, THIS ____ DAY OF ____, 2025.

Christopher M. Leh, Mayor

ATTEST:

Genny Kline, Interim City Clerk

**RESOLUTION NO. 34
SERIES 2025**

**A RESOLUTION ESTABLISHING INSURANCE REQUIREMENTS FOR
CONTRACTOR LICENSES**

WHEREAS, by Ordinance No. 1895, Series 2025, the City Council amended the Louisville Municipal Code to require licensed contractors to maintain during the term of such license insurance policies of types and in amounts as established by resolution of the City Council; and

WHEREAS, by this resolution the City Council desires to establish such insurance requirements.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOUISVILLE, COLORADO:

Section 1. Pursuant to Section 5.12.020.D of the Louisville Municipal Code, contractors licensed or registered by the City of Louisville shall maintain the following minimum insurance coverages:

TYPE	CLASS	ALLOWED TO PERFORM	INSURANCE REQUIREMENTS
G11-N	General Building Contractor CLASS "A" – Commercial and Multi Family	Unlimited Construction	\$1,000,000 single occurrence, \$2,000,000 aggregate Workers' Compensation insurance, in amount required by state law
G12-N	General Building Contractor CLASS "B" – Commercial and Multi Family	Limited Commercial including New and Additions under 5,000 sq. ft. and all Tenant Finishes Unlimited Residential	\$1,000,000 single occurrence, \$2,000,000 aggregate Workers' Compensation insurance, in amount required by state law
G-13-N	General Building Contractor CLASS "C" – Residential	Residential One and Two Family New, Remodeling and additions	\$1,000,000 single occurrence, \$2,000,000 aggregate Workers' Compensation insurance, in amount required by state law
D	General Building Contractor CLASS "D"	All other contractors doing work including but not limited to; excavating, decks, pergolas, fences, roofing, windows, siding, insulation,	\$500,000 single occurrence, \$1,000,000 aggregate Workers' Compensation insurance, in amount required by state law

		Energy Raters, concrete, masonry, elevators and signs	
P	Plumbing Contractor	Unlimited Plumbing and Gas Piping Installation	\$500,000 single occurrence, \$1,000,000 aggregate Workers' Compensation insurance, in amount required by state law
G31-N	Mechanical Contractor	Unlimited Mechanical installation including water heater replacement	\$500,000 single occurrence, \$1,000,000 aggregate Workers' Compensation insurance, in amount required by state law
PM	Plumbing and Mechanical Contractor	Unlimited Plumbing and Gas Piping installation and Mechanical installation.	\$500,000 single occurrence, \$1,000,000 aggregate Workers' Compensation insurance, in amount required by state law
S	Solar Contractor	Solar installation and repair	\$500,000 single occurrence, \$1,000,000 aggregate Workers' Compensation insurance, in amount required by state law
E	Electrical Contractor	Unlimited Electrical	\$500,000 single occurrence, \$1,000,000 aggregate Workers' Compensation insurance, in amount required by state law

PASSED AND ADOPTED this 20th day of May, 2025.

Christopher M. Leh, Mayor

ATTEST:

Genny Kline, Interim City Clerk

CITY COUNCIL REVIEW

May 20, 2025

**ORDINANCE NO. 1895, SERIES 2025, AN ORDINANCE
AMENDING LOUISVILLE MUNICIPAL CODE CHAPTER
5.12 CONCERNING CONTRACTOR LICENSING –**

**RESOLUTION 34, SERIES 2015, A RESOLUTION
ESTABLISHING INSURANCE REQUIREMENTS FOR
CONTRACTOR LICENSES**



Background

- City began contractor licensing program in 2006
- Last updated licensing code in 2013
- Proposed amendments are to address staff-identified issues with current licensing process and improve inspection processes



Background

- City Council 1st Reading Direction:
 - ✓ Require submittal of proof of general liability insurance; and
 - ✓ Set a minimum amount of required general liability insurance.

Proposal

- Require submittal of proof of insurance with City as certificate holder.
- Set Minimum Insurance Amounts by Resolution
 - ✓ General Contractors: \$1,000,000 per occurrence/\$2,000,000 aggregate
 - ✓ Single Trade Contractors: \$500,000 per occurrence/\$1,000,000 aggregate
- Updates licensing test requirements to 2018 International Code Series or later
- Requires licensees supervisor to be on site for inspections
- Requires State-licensed electrical and plumbing contractors to have their State license available during inspections
- Authorizes the Building Official to issue a stop work order if there is a violation of licensing requirements

Analysis

Jurisdiction	Proof of Insurance	General Contractor	Single Trade
Golden	Does Not Require Insurance		
Superior	Provide w/ Application (registration only required)	No Minimum Amounts	Same as General
Lafayette	Provide w/ Application	\$100,000 per person, \$300,000 per accident, \$50,000 property for any one accident	Same as General
Wheatridge	Provide w/ Application	\$300,000 per Occurrence, \$600,000 Aggregate	Same as General
Boulder County	Provide w/ Application	\$600,000 Occurrence, No Aggregate	Same as General
Longmont	Provide w/ Application	\$1,000,000 per Occurrence, \$2,000,000 Aggregate	\$500,000 per Occurrence, \$1,000,000 Aggregate
Boulder	Provide w/ Application	\$1,000,000 per Occurrence, \$2,000,000 Aggregate	Same as General

Analysis

- Golden does not require proof of insurance; Superior does not have minimum amounts
- Other jurisdictions have minimums and require city as certificate holder, and some require proof of workers comp
- Longmont has different standard for General Contractors vs. Single Trade Contractors
- Draft code would provide additional protections to property owners and business owners by setting minimum standards providing more opportunities for enforcement by the City
- Original staff proposal was intended to limit administrative costs and burden

Fiscal Impact

- In 2024, City issued/renewed 1,509 contractor licenses and collected \$128,319 in application fees
- Current staff time administering licensing program is 5-10 hours/week
- With current draft to require submittal of proof of insurance and city enforcement of minimum insurance standards, staff estimates an additional 20-25 hours of staff time
 - ✓ Additional communication on noncompliance
 - ✓ Issuing and resolving stop work orders for noncompliance
- Staff recommends a half-time Permit Tech is needed to administer the new requirements = Fiscal Impact of \$40,000-\$50,000 for salary and overhead

Alternatives

- Adopt the code and resolution as drafted, which includes the City requiring submittal of insurance certificates as part of contractor licensing and enforcing the minimum insurance coverage amounts. This option includes a recommendation to hire a part-time building permit tech.
- Adopt requirements for minimum insurance amounts and allow the City to request proof of insurance when needed, but not require submittal of proof of insurance with a license application or make the city a certificate holder. This option would help to minimize the administrative burden on the city while still improving the current ordinance standards.
- Maintain the current code language with no changes.
- Direct staff on different amendments desired by Council.

Staff Recommendation

- With approval of a new part-time permit tech position to address the additional workload, approval of Ordinance 1895, Series 2025 and Resolution 34, Series 2025 as drafted.
- Without approval of a new part-time permit tech position, staff recommends approval of Ordinance 1895, Series 2025 and Resolution 34, Series 2025 with an amendment to remove the requirement for submittal of proof of insurance as part of a contractor license application.