

**CHAPTER 4**  
**CONTRACTOR REGISTRATION<sup>5</sup>**

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2-4-1: **LEGISLATIVE PURPOSE:** The purpose of this Chapter is to establish a contractor licensing program which will ensure that the persons responsible for the erection, construction, enlargement, alteration, repair moving, removal, or conversion of buildings and other structures in the Town of Lyons register with the Town and perform building contracting work in a manner that promotes the public health, safety, and welfare.

2-4-2: **DEFINITION OF CONTRACTOR:**

- (A) For the purpose of this Chapter, a "contractor" is any person, firm, partnership, corporation, association, or organization, or any combination thereof, who excavates, builds, constructs, renovates, alters, repairs, adds to, demolishes, or moves any building or structure, or any portion thereof, or performs or supervises any work for which a building permit or other license is required within the Town of Lyons and who performs such work for a fixed sum, price, fee, percentage, trade-in-kind, or other compensation including the cost of materials of labor or any combination thereof.
- (B) The following are not contractors within the meaning of this Chapter:
  - (1) Employees working for and under the supervision of a contractor or subcontractor licensed with the Town of Lyons as required by this Chapter.
  - (2) A person who excavates, builds, constructs, alters, repairs, adds to, or demolishes any building or structure or any portion thereof which is, or which

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<sup>5</sup> Entire Chapter added Ord. 612, 1996.

is intended to be, the person's residence or an accessory structure thereto that is intended for the owner's personal residential use. A building, structure, or accessory structure shall be presumed to be a person's residence or intended for the person's residential use if that person occupies the dwelling a minimum of one year after the certificate of occupancy is issued.

- (3) Employees of public utility companies engaged in the installation, operation, and a maintenance of utility facilities or equipment used for the production, generation, or distribution of the utility, product, or service through the facilities owned or operated by the utility company to the point of customer service.

**2-4-3: CONTRACTOR LICENSE REQUIRED:**

- (A) No person shall perform any work as a contractor in the Town of Lyons without being licensed with the Town of Lyons. All contractors performing work within the Town of Lyons shall maintain at all times during all periods of such work a current and approved license on file with the Town Clerk.
- (B) No building permit shall be issued for any work to be performed by a contractor who has not licensed with the Town as required by this Chapter.
- (C) No certificate of occupancy shall be issued for work performed by a contractor who was not licensed with the Town as required by this Chapter.

**2-4-4: LICENSING PROCESS:** To obtain a license as a contractor in the Town of Lyons or to renew a previously approved and current license within the Town of Lyons, a contractor shall:

- (A) Submit a completed license application to the Town Clerk. A completed application form shall contain a fully completed and signed contractor's information form, payment of licensing fees, and a copy of a certificate(s) of insurance as required by paragraph (B)(2) of this section. The contractor's information form shall be provided by the Town Clerk and shall require information sufficient to identify the contractor, the contractor's qualifications, experience, and job references. The licensing fee shall be in an amount adopted by resolution of the Board of Trustees.
- (B) Every contractor licensed under the provisions of this Chapter shall be required to maintain public liability insurance of a minimum of not less than \$150,000 for any one person, and \$600,000 for an accident and combined single limit. Contractors shall be required to provide proof of Workers' Compensation Insurance, when applicable, with the license application.
- (C) Within seven (7) business days following submission of a completed license application, including the payment of all applicable license fees, the Building Inspector or the Inspector's designee shall verify the information contained in the contractor's license application and verify that the contractor's license, if any, is not currently under suspension or revocation. by the Town of Lyons. Following

verification of such information, the Building Inspector shall approve the license or approve the renewal of the license, as the case may be, and a certificate of such license shall be provided to the contractor.

2-4-5: **TERM OF LICENSE:** All contractor licenses shall expire on December 31 of each year. It shall be the responsibility of the contractor to renew the contractor's license prior to its expiration.

2-4-6: **LICENSING AND OTHER FEES:** Fees for contractor licensing, licensing application, and review fees shall be established and from time-to-time revised by resolution of the Board of Trustees. All fees shall be paid by the contractor.

2-4-7: **CHANGES IN INFORMATION:** A change of the contractor's name, business name, or business address shall be reported in writing by the contractor to the Town Clerk within seven (7) business days of such change. The dissolution of a corporation or partnership which has been licensed shall terminate the license and no person may operate under any previously approved license.

2-4-8: **DENIAL OF ISSUANCE OF LICENSE:**

- (A) The Town may deny issuance of a license upon a finding of any of the following:
  - (1) The applicant has failed to provide all information requested on the application form;
  - (2) The applicant has failed to obtain or to provide evidence of the required insurance;
  - (3) The applicant has failed to pay any required fees;
  - (4) The applicant has previously had a contractor's license revoked or suspended in this or another jurisdiction;
  - (5) The applicant has previously failed to comply with the ordinances and regulations of the Town relating to conducting any building or contracting business.
  - (6) The applicant's license issued by the Town of Lyons is currently revoked or under suspension.
- (B) If the Building Inspector denies a license application, the Inspector shall provide a written notification to the applicant of the specific grounds for the denial.
- (C) The applicant may appeal the Building Inspector's denial of a license application by submitting a written request for review to the Town Clerk within ten (10) days of the applicant's receipt of the written denial. Upon receipt of a timely written request for review, the Town Clerk shall schedule such request for review for a hearing at a regular meeting of the Board and shall notify the applicant in writing of the date and time of the review hearing. Such notice shall be provided to the applicant at least five (5) days before the hearing. The Board shall hear the matter

and either ratify the Inspector's decision or reject the Inspector's decision and approve the license application. The decision of the Board of Trustees shall be final and any appeal of the Board's decision shall be made pursuant to Rule 106(a)(4), Colorado Rules of Civil Procedure.

**2-4-9: REVOCATION OR SUSPENSION OF LICENSE:**

- (A) Upon a written complaint or report of a party contracting for construction services with a licensed contractor, the Building Inspector, or Town Administrator, the Building Inspector shall require any licensed contractor to appear before the Board of Trustees for a hearing on the suspension or revocation of the contractor's license. The contractor shall be given a copy of the complaint and a written notice of the time and place of the hearing before the Board at least twenty (20) days prior to the hearing. The written notice shall be served personally or shall be sent, first class mail postage pre-paid to the mailing address shown on the contractor's license application. At the hearing before the Board, the contractor shall have the right to present the contractor's case by oral and documentary evidence, to submit rebuttal evidence, to conduct such cross-examination as may be required for a full and true disclosure of the facts. The contractor may be assisted by legal counsel at the contractor's expense.
- (B) After review of the evidence presented, the Board of Trustees shall have the power and authority to suspend or revoke the contractor's license if, in the opinion of four (4) or more members of the Board of Trustees, the evidence supports a finding that the contractor committed one or more of the following acts or omissions:
  - (1) Willful departure or deviation from approved building plans or specifications without authority from the Building Inspector;
  - (2) Willfully violating any provisions of the Lyons Municipal Code related to building requirements or business regulations, including any building, fire, or safety codes which are adopted by reference;
  - (3) Failure to comply with one or more lawful orders of the Building Inspector or any other authorized representative of the Town pertaining to the administration of the Town's building, safety, or fire codes;
  - (4) Willful use of a contractor's license to obtain permits required under the applicable building codes for any person, corporation, or legal entity not licensed in accordance with this Chapter;
  - (5) Misrepresentation by a contractor of a material fact when applying for Town licensing;
  - (6) Commitment of any act of gross negligence in the conduct of the contractor's specific trade of business on work done by the contractor which is regulated by the provisions of the Town's building codes;
  - (7) Failure to obtain a proper permit for any work for which a permit is required by virtue of the Lyons Municipal Code.

- (C) A decision of the Board of Trustees to suspend or revoke a license shall be final and any appeal of the Board's decision shall be pursuant to Rule 106(a)(4), Colorado Rules of Civil Procedure.

2-4-10: **DENIAL OR REVOCATION--REAPPLICATION:** If a license is denied or revoked by the Town as provided in this Chapter, and in the case of an appeal, if the denial or revocation has been affirmed by the Board of Trustees, the applicant may reapply for a license, but not sooner than one hundred eighty (180) days after the denial or revocation, or in the case of an appeal, after the order of the Board of Trustees affirming the denial or revocation. Such re-application period shall be extended an additional one hundred and eighty days for each previous revocation by the Town within the past five (5) years.

2-4-11: **DEFINITIONS:** For purposes of this Chapter, the following terms shall have the meanings indicated:

- (A) "Gross negligence" is defined as negligence which consists of an affirmative act purposefully committed, or the purposeful failure to an act which the contractor was under a duty to perform, which act or omission the contractor knew was dangerous to another person or property and which he performed or omitted heedlessly without regard to the consequences or of the rights, health, safety, or welfare of another person or property.
- (B) "Willfully" is defined as designed, intentional, not accidental or involuntary, proceeding from a conscious motion of the will. A willful act may be described as one done intentionally, knowingly, and purposely, without justifiable excuse, as distinguished from an act done carelessly, thoughtlessly, heedlessly, or inadvertently.

2-4-12: **PENALTIES:** Any person, firm, or corporation violating or failing to comply with any of the provisions of this Chapter shall, upon conviction thereof, be punished by a fine not less than \$200.00 and not to exceed \$1000.00 or by imprisonment not to exceed ninety (90) days, or both fine and imprisonment. Each day or portion thereof during which any violation is permitted to continue shall constitute a separate violation of this Chapter.

2-4-13: **CONFLICTS WITH OTHER PROVISIONS:** Nothing contained herein shall be deemed a waiver of the provision of any other ordinance or regulation applicable to contractors, applicable to any construction business or contractor's operation, or the construction industry. If there is a conflict between this Chapter and any other ordinance or regulation, the more stringent requirement shall apply. (Ord. 612, 1996)