

**ORDINANCE NO: 2017-O-143**

**AN ORDINANCE AMENDING THE CITY OF LAREDO CODE OF ORDINANCES, CHAPTER 7, "BUILDINGS & BUILDING REGULATIONS," BY AMENDING ARTICLE II. "REGISTRATION OF GENERAL CONTRACTORS AND SUBCONTRACTORS," SECTION 7-20 THROUGH SECTION 7-31, MODIFYING THE MUNICIPAL REGISTRATION OF GENERAL CONTRACTORS AND SUBCONTRACTORS; PROVIDING FOR THE COLLECTION OF FEES; ENFORCEMENT TO INCLUDE FINES AND CRIMINAL PENALTIES; A SEVERABILITY CLAUSE; A PUBLICATION CLAUSE; AND AN EFFECTIVE DATE.**

**WHEREAS** the City of Laredo seeks to provide for safe and orderly construction activities within its corporate limits; and

**WHEREAS** the City of Laredo is authorized to regulate construction pursuant to Texas Local Government Code Chapters 51, 54 and 217; and

**WHEREAS**, the City of Laredo finds that the mandatory registrations of contractors and subcontractors is necessary for the public health, safety and general welfare.

**NOW THEREFORE BE IT ORDAINED, BY THE CITY COUNCIL OF THE CITY OF LAREDO, TEXAS THAT:**

**SECTION 1:** Amending Chapter 7, Article II. Section 7-20 through Section 7-31 of the City of Laredo Code of Ordinances, to read as follows:

**ARTICLE II.**

**REGISTRATION OF GENERAL CONTRACTORS AND SUBCONTRACTORS**

**Section 7-20 Administration**

The City Manager is the principal city official responsible for the regulation of the same and ordinances regulated; therefore the City Manager will delegate any and all duties hereunder to the Building Development Services Director. The Building Development Services Director will instruct the Building Official or their designees to enforce said ordinance.

**Section 7-21 Registration**

All General Building Contractors and Sub Contractors, including but not limited to the following trades: mechanical, electrical, plumbing, wood framing, steel framing, concrete, masonry, and roofing, must have approved registrations on file with the City in order to do any construction, alteration or remodeling work on any building in the City. A Contractor for

purposes of this Ordinance shall be defined as an individual or entity [~~person~~], other than a homeowner, who is required to obtain a permit from the city before beginning construction or repair work on any residence or commercial establishment within the city limits. Applications for approval of registrations shall be made to the Laredo Building Development Services Department, which shall be responsible for the review and approval or denial of such applications, as well as continually maintaining a list of approved registrations.

All contractors and subcontractors must submit a completed application including the issued background check (Criminal History Arrest Background Check) from City of Laredo Police Department. Please note there is a separate fee to process the Criminal History Arrest Background Check. Contractor's name must be name listed on submitted background check.

If any person(s) other than registration holder will be authorized to obtain permits under the registration number assigned as part of this application, the following is required:  
A letter of authorization on company letterhead, listing the individual(s) authorized to act as an agent of the registration holder. OR in absence of a company letterhead, a notarized letter may be submitted. A Government issued photo ID must be presented when applying for a permit.

All letters must be signed by the registration holder. Changes in the list of individuals authorized as agents of the registration holder must be resubmitted in a letter to Building Development Services Department.

#### **Section 7-22 Procedure**

All contractors shall complete a registration form provided by the city and provide copies of a government issued photo ID, appropriate home based or state license, the documents listed below, as well as any other documentation requested by the city.

Information required by the Contractor shall include, but is not limited to, the name of business, address, mailing, address, city, telephone, e-mail, fax number, tax identification number, name of contact, telephone number and cellular phone number. Failure to provide this information, or update same, shall constitute cause for denial or revocation of such registration.

#### **Section 7-23 Approval**

Review and approval of registration applications shall include a verification of credentials and a criminal background check. Applicants that show a clean verification of credentials, have never been subject to a court judgment regarding quality of work, and have a clean criminal background check shall be approved by the Building Development Services Director or their designee.

#### **Section 7-24 Denial or Revocation**

- (a) Any business or individual may be denied registration or renewal by the Building Development Services Director if their application contains false or misleading information, their information cannot be verified, they have one or more court judgments against them, or they have a conviction for any crime of moral turpitude that involves dishonesty, fraud, deceit, misrepresentation, or that reflect adversely on a person's honesty or trustworthiness.
- (b) An applicant's permit, license, endorsement, or registration privileges under this Chapter may be revoked temporarily for providing false or misleading information; failing to provide updated information within 30 days of such change; failing to maintain trade licensure from the appropriate agency having licensing authority; suspension of licensure; transferring or allowing another person, firm, or corporation to use registration or permit; failing to maintain general liability insurance; being convicted of at least one violations of this Article or any other Ordinance of the City within a 12- month period, including but not limited to, convictions arising from failing to obtain required permits, failing to request required inspections and failing to correct code violations.
- (c) A person whose permit, license, endorsement, or registration has been revoked for the first violation, may not apply for a new permit, license, endorsement, or registration before six (6) months from the date of revocation. A person whose permit, license, endorsement, or registration has been revoked for a subsequent violation within the 12-month period following the initial revocation, may not apply for a new permit, license, endorsement, or registration before one (1) from the date of the subsequent revocation.
- (d) Appeal from revocation of a permit, license, endorsement, or registration may be made by filing a written protest to the City Manager.

### **Section 7-25 Renewal**

Registration of any business or individual is for one year and must be renewed on or before the anniversary date. Registration renewal may be denied or suspended for any of the reasons set forth in Section 7-24 above or due to the following:

- (A) Failure to secure permits for construction project.
- (B) Failure to perform or finish work if confirmed by the Building Development Services Department after investigation. More than two complaints of failure to perform shall constitute confirmation.
- (C) Failure to follow the approved plans, specifications and scope of the work.

### **Section 7-26 Appeal**

An applicant may appeal the determination of the Building Development Services Director to the City Manager. The City Manager shall have full authority to review and overrule the Director's decision if the City Manager affirmatively finds that approval of the registration is in the best interest of the City and its citizens.

### **Section 7-27 Permit Required**

It is unlawful for any person, its agents, servants, or employees to construct or alter any building or structure without securing a permit from the Building Development Services Department. Before issuing a permit, the director shall have been provided a written application on a form furnished by the director setting forth the name and residence or business address of the application and the location. The application form shall include plans prepared in accordance with the International Residential or Building Codes.

### **Section 7-28 Registration Fee**

All general contractors and subcontractors except licensed electricians and plumbers shall be required to pay an annual administrative fee of fifty dollars (\$50.00) prior to undertaking work within the city limits which will be collected upon registration.

### **Section 7-29 Insurance**

(A) General contractors and subcontractors will be required to furnish an original certificate of general liability insurance with the City of Laredo as certificate holder or the City's standard certificate of insurance form to the City Building Development Services Department which shall be completed by an agent authorized to bind the named underwriter(s) and their company to the coverage, limits, and termination provisions shown therein. The original certificate or form must have the agent's original signature, including the signer's company affiliation, title and phone number. The city shall have no duty to pay or perform under this ordinance with such certificate shall had been delivered to the Building Developing Services Department. The individual or business name and address listed on the certificate of liability insurance must match the individual or business name and address listed on the registration application.

(B) General Contractors and Subcontractors will maintain reasonable deductibles in such amounts as approved by the City and shall obtain and maintain in full force for the duration of registration at the contractor and subcontractors sole expense. All contractors and/ or subcontractors will be required to have commercial general liability insurance for bodily injury and property damage of a minimum of \$300,000 per occurrence, \$300,000 general aggregate or its equivalent in umbrella of excess liability insurance to include coverage for the following:

- (1) Premises/ operations
- (2) Independent contractors
- (3) Products/ completed operations
- (4) Contractual liability
- (5) Personal injury
- (6) Bond from property damage, to include fine legal liability.
- (7) Business Automotive Liability. Single limit for bodily injury and property damage of \$300,000 per occurrence or its equivalent.

### **Section 7-30 Penalties.**

Any person, contractor, subcontractor, or agents, servants, or employee violating or failing to comply with any of the provisions of this article shall be deemed guilty of a Class C misdemeanor and upon conviction in the Municipal Court shall be punished by a fine not to exceed two thousand dollars (\$2000.00). Each day a violation or non compliance continues constitutes a separate offense. The penalty provided herein shall be cumulative of other remedies provided by, state law, and the power of injunction as provided in Local Government Code Section 54.012 and as may be amended, may be exercised in enforcing this article whether or not there has been a complaint filed. False or incorrect information will be grounds for permit to be denied or revoked. Providing false information on a government document is considered a Class A misdemeanor under Section 37.10 of the Texas Penal Code. Upon conviction, this offense carries a penalty of a fine of up to \$4,000.00 and possible confinement in jail for up to (1) one year.

**Section 7-31 Effective Date**

This article shall take effect immediately from and after its passage and publication of the caption as the law and chapter in such cases provide.

**SECTION 2: SEVERABILITY.** If for any reason any section, paragraph, subdivision, clause, phrase, word or provision of this ordinance shall be held invalid or unconstitutional by final judgment of a court of competent jurisdiction, it shall not affect any other section, paragraph, subdivision, clause, phrase, word or provision of this ordinance, for it is the definite intent of the City Council that every section, paragraph, subdivision, clause, phrase, word or provision hereof be given full force and effect for its purpose.

**SECTION 3: PUBLICATION.** This Ordinance shall be published in a manner by section 2.09 (D) of the charter of the City of Laredo

**SECTION 4: EFFECTIVE DATE.** This Ordinance shall become effective from and after its adoption and publication required by the City Charter and by state law.

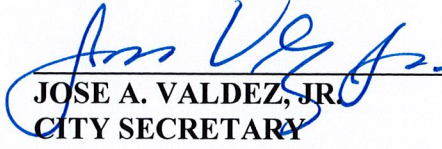
**PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR ON THIS**

6<sup>th</sup> DAY OF October, 2017.

  
\_\_\_\_\_  
**PETE SAENZ**  
**MAYOR**



ATTEST:

  
\_\_\_\_\_  
**JOSE A. VALDEZ, JR.**  
**CITY SECRETARY**



APPROVED AS TO FORM:

  
\_\_\_\_\_  
**BY: KRISTINA K. LAUREL HALE**  
**ACTING CITY ATTORNEY**

**Final Reading of Ordinances 9.**

**City Council-Regular**

**Meeting Date:** 10/02/2017

**Initiated By:** Horacio A. De Leon, City Manager

**Staff Source:** Ramon E. Chavez, P.E. Building Development Services Director

---

**SUBJECT**

**2017-O-143** An ordinance amending the City of Laredo Code of Ordinances, Chapter 7, "Buildings & Building Regulations," by amending Article 11, "Registration of General Contractors and Subcontractors," Section 7-20 through Section 7-31, modifying the Municipal Registration of General Contractors and Subcontractors; providing for the collection of fees; enforcement to include fines and criminal penalties; a severability clause; a publication clause; and an effective date. **(AS AMENDED)**

**PREVIOUS COUNCIL ACTION**

On September 18, 2017, City Council approved the introductory ordinance for this item. On February 21, 2012, the City Council approved Ordinance 2012-O-21 for registration for general contractors and subcontractors.

**BACKGROUND**

The City of Laredo, a home rule city, is permitted to issue building permits and regulate all construction activity. The registration of construction contractors and sub-contractors will ensure that all work done in the City is performed by a registration or subcontractor.

**COMMITTEE RECOMMENDATION**

n/a

**STAFF RECOMMENDATION**

Staff recommends City Council approves of this ordinance.

---

**Fiscal Impact**

**Fiscal Year:**

**Budgeted Y/N?:**

**Source of Funds:**

**Account #:**

**Change Order: Exceeds 25% Y/N:**

**FINANCIAL IMPACT:**

Building revenues will be affected by proposed changes.

---

## Attachments

2017-O-143

---