

MEMORANDUM

To: City of Seguin Mayor and Council

From: Pamela Centeno, Director of Planning & Codes

Subject: Amendments to Contractors' Roles and Licensing Requirements

Date: February 15, 2017

In accordance with Section 18-40 of the Seguin Code of Ordinances, licensed contractors are prohibited from lending or permitting the use of their license to persons not entitled to it. City staff has found on numerous occasions that licensed contractors have pulled building permits for others' construction projects. This is a clear violation of the ordinances and results in unlicensed contractors and property owners conducting work on projects under someone else's license. This activity has been used to avoid the licensing requirements of the city of Seguin. City staff is continually monitoring construction activity and citing violations of the city's ordinances but is often met with strong resistance, resulting in numerous meetings and staff time spent clarifying the city's ordinances, processes, and policies.

To address the increasing number of violations and to improve the existing ordinances for contractors' licensing in Seguin, staff is proposing the following amendments:

1. Redefine a General Contractor as a Commercial contractor, which more clearly describes their function.
2. Define a new classification of contractor, Residential Restricted Contractor. This will relax the licensing requirements for contractors that specialize in the installation and setup of prefabricated residential structures- modular homes, manufactured homes, and portable storage buildings. This classification also includes contractors that install awnings and fences on residential properties. Residential restricted contractors will not be required to pass the ICC exam, but will still be required to attend the annual continuing education classes provided by the city.
3. Remove reciprocal licenses. The city has found that verification of a passing exam score is quicker and easier for the customer than contacting an eligible reciprocating city for licensing information. Currently, the city of San Marcos has the same testing requirements as Seguin, but has eliminated the reciprocal licenses for the same reason.
4. Add a new section regarding the roles and responsibilities of licensed contractors. This new section is being proposed in order to prevent any further misconceptions about the city's licensing requirements and the roles of licensed contractors. Adding this section to the Code of Ordinances is intended to provide the public with clearly defined regulations based on the existing policies and will allow stricter enforcement of these requirements.

Attached please find a copy of the proposed amendments to Chapter 18 as described above.