

ORDINANCE NO. 762

AN ORDINANCE AMENDING TITLE 5 BUSINESS LICENSES AND REGULATIONS, BY AMENDING CHAPTER 5.06 CONTRACTOR LICENSE BY AMENDING DEFINITIONS, AMENDING LICENSE REQUIRED, AND ADJUSTING LICENSING FEES OF CONSTRUCTION CONTRACTORS.

BE IT ORDAINED by the Common Council of the City of Custer, Custer County, South Dakota:

Section 1. That Title 5, Chapter 5.06 of the Custer Municipal Code of the City of Custer, South Dakota is hereby amended to include the following:

5.06.010 Definitions.

“Residential Construction” means the enlargement, alteration, repair, improvement, conversion or new construction of any one or two- family dwelling or townhome, or any part thereof, and any accessory building, structure, or improvement associated with any such structure for which a building permit is required.

“Commercial Construction” means the enlargement, alteration, repair, improvement, conversion or new construction of any structure other than a one or two-family dwelling or townhome, or any part thereof, and any accessory building, structure, or improvement associated with any such structure for which a building permit is required.

“Construction” shall include, but is not limited to, cement or concrete contracting except for flat-work; masonry contracting; carpenter contracting; excavation contracting; demolition; all building trade contracting which includes roofing, remodeling, siding, rough framing; all phases of new construction, alterations, additions, repairs and demolition of structures; and asphalt pavement contracting and any items requiring a building permit within the licensing jurisdictional limits of the City of Custer.

“Contracting” means entering into a binding agreement, either written or verbal, between two or more persons or parties to provide and/or receive specific services, to include, but is not limited to, trades associated with the construction industry.

“Contractor, General” shall mean the prime contractor hired by the consumer to be responsible for overseeing the entire construction project. The General Contractor is the contractor named on the building permit application as the General Contractor. The General Contractor pays the 2% state excise tax for the project and is responsible for issuing the excise tax exemption certificate to the sub-contractors.

“Sub-Contractor” means a contractor who is hired by the General Contractor for special or specific jobs on a project which the sub-contractor has been listed as a sub-contractor on the building permit application and who receives an excise tax exemption certificate from the General Contractor. Sub-contractors who are not exempted by the General Contractor are considered a general contractor for their portion of that project.

“Class A Commercial/Residential Contractor” means any individual, firm, company or corporation that is the General Contractor, Project Administrator or Project Manager in charge of any residential or commercial construction project, or the prime contractor for any portion thereof, including spec homes, for which a building permit is required.

“Class B Residential Contractor” means any individual, firm, company or corporation that is the General Contractor, Project Administrator or Project Manager in charge of any residential construction project, or the prime contractor for any portion thereof, including spec homes, for which a building permit is required.

“Class C Contractor” means any individual, firm, company or corporation who is not a Class A or Class B contractor who enters into a contract with another party, or hires out any service that is required to be licensed for under this section.

“Flat-work” shall mean concrete sidewalks or driveways not more than thirty inches (30”) above grade, not over any basement or story below, and not more than six inches (6”) in thickness.

“Speculation Home or ‘Spec Home’” shall mean:

- A. New residential construction or the remodeling of an existing structure by the person who owns the land with the intent that upon completion of the project the property will be sold.
- B. New residential construction or the remodeling of an existing structure by the person who owns the land where the structure is not occupied by the owner and is used for rental or income purposes.
- C. New residential construction or the remodeling of an existing structure by the person who owns the land, where the structure is sold within three (3) years of completion of the project.

5.06.020 License Required.

It shall be unlawful for any person or persons representing or operating under the auspices of a firm or corporation to conduct, carry on or engage in the business of residential or commercial contracting work which requires that a building permit be obtained from the City of Custer without first being approved by the City of Custer and having had issued to them a valid contractor’s license by the City.

The following are exempt from the requirements of this section:

- A. W-2 employees of any individual, firm, company or corporation that is licensed in accordance with this chapter when they are under the direction and control of that entity.
- B. A dwelling owner for work to be done on his or her property which he or she occupies as his or her own home or will occupy as his or her own home when the dwelling owner is acting as his or her own building contractor.
- C. A landlord or his or her agent for work to be done on his or her property when the landlord is acting as his or her own building contractor. (Ord. 679 (part), 2010)
- D. Home repair or handyman service which provides services which are exempt from requiring a building permit or services otherwise exempted from the licensing requirements.

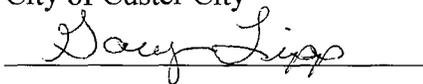
5.06.070 License Fee.

Class A Commercial/Residential Contractor-	\$200 (\$100 annual renewal)
Class B Residential Construction Contractor-	\$100 (\$ 50 annual renewal)
Class C Contractor – Contracted Services	\$ 50 (\$ 25 annual renewal)

Licenses that lapse a complete license year shall not be considered ‘annual renewal’.

NOW BE IT ORDAINED that all ordinances or parts thereof in conflict with this ordinance are hereby repealed. Should any section or part of this ordinance be determined to be invalid, the same shall not invalidate the remaining section(s) of this Ordinance.

Dated this 6th day of April, 2015

City of Custer City


 Gary Lipp, Mayor

Attest 

 Woodward, Finance Officer



First Reading: March 16th, 2015
 Second Reading: April 6th, 2015
 Publication: April 15th, 2015

Vote:
 Schleining: Yes Maciejewski: Yes
 Heinrich: Absent Herman: Yes
 Fischer: Yes Kothe: Yes