

**ORDINANCE NUMBER 1338**  
**TO AMEND CHAPTER 5.12 CONTRACTORS**

**BE IT ORDAINED** by the Deadwood City Commission of the City of Deadwood, that Chapter 5.12 be amended as follows:

**5.12.010 Definitions.**

A. For the purposes of this chapter, the term “contractor” means any individual, partnership or corporation who, for payment in money or other valuable services or property, contracts with real property owners or their agents for the enlargement, alteration, repair, improvement, conversion or new construction or for which a building permit is required under the ordinances of the city. The terms shall include entities who perform work in the categories of awnings; carpentry; cement; chimney cleaning and repair; concrete and ready mix concrete; crane services; drilling; blasting; drywall; electrical services; elevator installation, maintenance or repair; excavation and heavy equipment; trucking gravel, fill or ready mix to or from a construction site; fencing; fire sprinklers and extinguishers; floor installation; glass and glazing; gutters; house moving; HVAC and related mechanical work; insulation; landscaping and irrigation; masonry; painting; plumbing; roofing; sand or soda blasting; power wash; siding; signing or structural steel. The term “contractor” shall also mean “sub-contractor”.

B. An “employee,” as opposed to a contractor, means a person whose compensation for construction work is reported by his or her employer on an Internal Revenue Service W-2 form and who is otherwise considered an employee under workers compensation and other applicable law.

**5.12.020 License requirements.**

A. All contractors as defined in Section 5.12.010 must obtain a license in order to do business in the city. License applications shall be on a form which shall contain such information as the ~~city building inspector~~ official may require, copies of which may be obtained from the planning and preservation office.

B. A contractor submitting an application must also show proof of compliance with all tax laws of the state of South Dakota, provide a certificate of liability insurance in an amount of at least one million dollars (\$1,000,000.00) per occurrence and at least two million dollars (\$2,000,000.00) aggregate naming the city as certificate holder, ~~verification of workers compensation insurance~~, proof of a state excise tax number and proof of a state license where one is required by state law. A contractor holding only a restricted license issued by the South Dakota Plumbing Commission per chapter 36-25 of SDCL and article 20-53 of the ARSD, is not eligible for a contractor’s license for the purpose of performing plumbing work required by this chapter.

C. An application must be accompanied by the appropriate fee.

D. Additionally, before any contractor doing any work for the city on any street or highway or on any building or premises owned by the city commences work, they shall file with the building official a certificate showing workers compensation insurance complying

with state law governing workers compensation limits and naming the city as a certificate holder. This insurance shall be maintained for the duration of employment by the city. Alternatively the contractor shall provide to the city a certificate of exemption issued by the South Dakota Department of Labor and Regulation.

#### **5.12.030 License fees.**

The annual fee for a contractor's license ~~shall be seventy-five dollars (\$75.00) per year~~ is listed in the city fee schedule which is set and amended by resolution. Holders of a license for the previous year shall be entitled to renew the license for a fee ~~of fifty dollars (\$50.00)~~ listed in the city fee schedule which is set and amended by resolution if the application for renewal together with the required proof and fee ~~shall be~~ is received by the city on or before February 15th. The fee for a contractor to obtain a license who is found to be working without a license is listed in the city fee schedule which is set and amended by resolution.

#### **5.12.050 Contractor responsible for building permit.**

It shall be the responsibility of every contractor operating within the city to determine whether a building permit is necessary by checking with the ~~city building inspector~~ official and to obtain any building permit that may be required.

#### **5.12.070 Exemptions from license requirements.**

An individual, partnership or corporation shall not be required to have a contractor's license to perform work on its own property. This section does not exempt such individual, partnership or corporation from the requirement to have a building permit or to follow all applicable state laws, city ordinances and codes.

#### **5.12.080 Violation—Penalty.**

A. Any contractor or owner who violates any provision of this chapter shall be subject to the general penalty provisions contained in Chapter 1.12 of this code.

B. Any contractor who has more than two (2) violations of any provisions of this chapter in any twelve (12) month period may have his or her license revoked, provided however that such a contractor shall be entitled to a hearing before the city commission to determine if such revocation is appropriate. Notice of revocation and right to a hearing shall be provided to the contractor in writing by the building official. A contractor whose license shall have been revoked under this section shall not be entitled to apply for a contractor's license in any subsequent year until he or she has appeared before the city commission and demonstrated to the commission's satisfaction that the violations leading to the license revocation are not likely to be repeated.

Dated this 6th day of December, 2021

CITY OF DEADWOOD

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David Ruth Jr., Mayor

ATTEST:

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Jessica McKeown, Finance Officer

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Second Reading: December 6, 2021  
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