



# Council Communication

Office of the City Manager

<b>Date</b>	April 7, 2008
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<b>Agenda Item No.</b>	<b>50</b>
<b>Roll Call No.</b>	<b><u>08-</u></b>
<b>Communication No.</b>	<b><u>08-206</u></b>
<b>Submitted by:</b>	<b>Larry Hulse, Community Development Director</b>

## AGENDA HEADING:

Approving Amendments to Various Chapters of the Municipal Code regarding Electrical, Mechanical, and Plumbing Licensing.

## SYNOPSIS:

Recommend Council approval of amendments to Chapter 26-160-164, 430, 431, and 575-580 of the Municipal Code regarding electrical, mechanical, and plumbing licensing. These amendments address the transitional period wherein the State of Iowa, under legislation passed by the Iowa General Assembly in 2007, would assume all electrical, mechanical, and plumbing licensing programs in Iowa. The amendments allow the State to establish the necessary boards and provide a transitional period for the state programs to become fully effective.

## FISCAL IMPACT:

Amount: The City will lose approximately \$89,000 in annual revenue because the State licensing programs will replace the City licensing programs. This estimate includes the immediate loss of revenue from the electrical licensing program, which the State began on January 1, 2008, and the projected loss in revenue from the mechanical and plumbing licensing programs, which will likely be initiated at the state level later this year.

Funding Source: Exam and license fees paid by the applicants. The loss of revenue from the electrical licensing program has been reflected in the Recommended 2008-09 Operating Budget.

Permit and Development staff will continue to oversee several other licensing programs (signs, power engineers, and, upon Council approval of this agenda item, grandfathered local licensed contractors with class B licenses). No cash savings are anticipated with the transfer of the electrical, mechanical, and plumbing licensing programs to the State; staff with reduced licensing duties will assist in the streamlining of City inspections procedures.

## ADDITIONAL INFORMATION:

At the December 13, 2007 meeting of the Building and Fire Appeals Board, a motion was made and passed by the Board to recommend changes to Chapters 26-160, 161, 162, 163, 164, 430, 431, 575, 576, 577, 578, 579, and 580, which structure the licensing programs for the City of Des Moines. The Board directed staff to draft language that would address the transitional period wherein the State would assume

all electrical, mechanical, and plumbing licensing programs. Included in this language is terminology that defines those class “B” electrical licenses to be recognized by the City of Des Moines.

On January 1, 2008, the State of Iowa began its electrical licensing program. The program consists of two classes of licenses, an “A” and a “B.” The “A” class license allows the holder to work anywhere in the State of Iowa without restriction. This class holder has passed a proctored third party exam and has an established history of hours in the trade. Full competency has been established. When reciprocity is established with other states, the class “A” license will be the only accepted criteria. Any class “A” electrical contractor within Iowa can obtain permits and work within the City of Des Moines.

The class “B” licensing program differs in that the exam taken was developed and given by the municipality; this is what Des Moines did in the years prior to 1997. There may or may not have been any tracking mechanisms in place to substantiate hours in the trade for the apprentices or journeymen. Included in this category are those individuals who were never tested nor had any established history of hours in the trade. Full competency is questionable. An exception would apply to those holders of Des Moines electrical licenses. Des Moines has always required work hour histories and has maintained accurate records of the currently licensed Des Moines electricians even those to be classed as “B.”

The ordinance amendments address class “B” licensing in that the “grandfathered” “B” licensees who currently hold a Des Moines license would be allowed to continue to work without restriction in the City of Des Moines until December 31, 2012. After December 31, 2012, only class “A” journeymen and master electricians would be allowed to conduct business in the City of Des Moines. Permits would only be issued to those firms that employ master electricians and have a contractor’s license.

The repeal of the existing licensing ordinances allows the State of Iowa to establish the necessary boards and provide a transitional period for the state programs to become fully effective. It is the intent of the State of Iowa to have the Plumbing and Mechanical Board seated sometime after July 1, 2008. It is anticipated that the State’s Plumbing Licensing program will start later this year.

#### **PREVIOUS COUNCIL ACTION(S):**

Date: August 20, 2007

Roll Call Number: 07-1629

Action: Amending Chapter 26 of the Municipal Code regarding the following:

- A) Building and building regulations. Moved by Vlassis that this ordinance do now pass, [#14,685](#). Motion Carried 7-0.
- B) The Licensing and Appeals Board. Moved by Vlassis that this ordinance do now pass, [#14,686](#). Motion Carried 7-0.

#### **BOARD/COMMISSION ACTION(S):** Building and Fires Appeals Board

Date: December 13, 2007

Roll Call Number: N/A

Action: Recommend Approval of Staff Changes to Chapter 26.

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

Future actions may be necessary pending the full implementation of the State licensing programs and necessary operational refinements to Chapter 26.

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