

AGENDA STATEMENT

City of Bellaire

MEETING: Building Standards Commission

PREPARED BY: Kevin Taylor

DEPARTMENT: Development Services

ITEM TITLE:

Consideration of proposed amendments to Chapter 9, Article II, Building Codes to amend the following section: *Section 9-17 Amendments to the Building Code, Section 105.1.b.4 to increase the minimum required insurance for building contractors within in the City of Bellaire.*

RECOMMENDATION:

The Building Official recommends approval of the proposed changes to Chapter 9, Building Codes, of the City of Bellaire Code of Ordinances to increase insurance requirements for contractors.

BACKGROUND/SUMMARY:

The City of Bellaire's Building Ordinance requires contractors performing work within the City to have liability insurance. The City has been experiencing new single-family home construction with larger and more expensive home construction. The City currently requires \$300,000 per occurrence of property damage. With the increased cost of construction, high property values and possible damage during an event, staff is recommending this amount be increased to \$500,000 per occurrence. This increase will provide additional assurance during the construction of new homes, but also all construction projects including residential additions and commercial construction projects.

Red lines of the Code are attached.

105. Section 105, Permits, of the Building Code is hereby amended by adding a new subsection thereto, numbered and reading as follows:

Sec. 105.1.b.

...

4. No building permit shall be issued to any building contractor until he shall have arranged to carry the following insurance or, having been issued, may be revoked if such insurance is not kept in force:

(a) Worker's compensation insurance on each and every one of his employees and this insurance shall be in accordance with the provision of the Worker's Compensation Act of the state;

(b) Bodily injury liability insurance to the extent of ~~\$3~~500,000.00 for any one occurrence and ~~\$3~~500,000.00 in the aggregate;

(c) Property damage insurance to the extent of ~~\$4~~1,000,000.00 for any one occurrence and ~~\$5~~1,000,000.00 in the aggregate; or a combined single limit of ~~\$3~~1,000,000.00 per occurrence and in the aggregate;

(d) Such insurance shall be written by an admitted company under the supervision of the State Board of Insurance of the state.

Evidence of the compliance with the above insurance requirements shall be considered as having been met when the policy, a copy thereof or a certificate of insurance has been filed with and approved by the building official. Such policy shall include an endorsement thereon that the building official will be notified at least ten days in advance in the event the policy or policies are canceled or expire before the expiration of the license.