

**COUNCIL ACTION FORM**

**SUBJECT: ORDINANCE INCREASING INSURANCE REQUIREMENT FOR FIREWORKS**

**BACKGROUND:**

A meeting was recently held between City staff and Iowa State University (ISU) Office of Risk Management representatives concerning fireworks shoots on property owned by the University, but leased to the City. ISU Risk Management is now requesting that the City's insurance requirements match those of the University for displays on Iowa State's property before a Fireworks Permit is approved. Presently, the City requires the applicant for a Fireworks Permit to provide a Certificate of Insurance evidencing coverage in the amount of \$500,000 general liability combined single-limit per occurrence. The University requires \$1,000,000 general liability combined single-limit per occurrence and \$5,000,000 in excess liability. ISU also requests that it, as well as the City, be named as an additional insured on the Certificate of Insurance for any shoots located on University property.

Due to the nature of the business, pyrotechnicians usually have at least the amount of insurance being requested by ISU; therefore, it does not appear that the increased limits would cause any hardships for the City's customers. If the City wishes to continue to issue Fireworks Permits for property owned by the University, but leased to the City, it is advisable that it comply with ISU's insurance requirements.

**ALTERNATIVES:**

1. Adopt an ordinance increasing the insurance requirements for Fireworks Permits to \$1,000,000 general liability combined single-limit per occurrence and \$5,000,000 excess liability coverage, and requiring that, for any fireworks shoots on ISU property, the insurance certificate name the City of Ames and Iowa State University as additional insureds.
2. Do not change the insurance requirements.

**MANAGER'S RECOMMENDED ACTION:**

Many of the fireworks shoots held in the City are on land leased by the City from ISU. The proposed insurance requirements should not be onerous to pyrotechnicians and will provide adequate levels of insurance protection to both ISU and the City.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1 and increase the insurance requirements for Fireworks Permits to \$1,000,000 general liability combined single-limit per occurrence and \$5,000,000 excess liability coverage, and require that, for any fireworks shoots on ISU property, the insurance certificate name the City of Ames and Iowa State University as additional insureds.

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE TO AMEND THE MUNICIPAL CODE OF THE CITY OF AMES, IOWA, BY REVISION TO SUBSECTION 17.6 (1), (2) AND (4), THEREOF, FOR THE PURPOSE OF FIREWORKS, USE REGULATED; REPEALING ANY AND ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT TO THE EXTENT OF SUCH CONFLICT; PROVIDING A PENALTY; AND ESTABLISHING AN EFFECTIVE DATE.**

**BE IT ENACTED**, by the City Council for the City of Ames, Iowa, that:

Section One. The Municipal Code of the City of Ames, Iowa shall be and the same is hereby amended by revision to Subsection 17.6 (1), (2) and (4) as follows:

**“Sec. 17.6. FIREWORKS, USE REGULATED.**

(1) The outdoor use or exploding of "fireworks," as that term is defined by the Code of Iowa 1987, is prohibited except when done in accordance with a permit authorized by the City Council.

(2) The City Council for the City of Ames may, upon receipt of a written application, permit the outdoor display and exploding of fireworks by any group or organization if the fireworks will be handled by a competent operator.

(4) An insurance certificate naming the City of Ames, its officers, and employees as an additional insured with comprehensive general liability limits in the amount of \$1,000,000 combined single limit and with excess liability limits in the amount of \$5,000,000 shall be in full force and effect during the life of the fireworks permit. The coverage shall be at least as broad as the ISO Form Number CG0001 covering commercial general liability written on an occurrence basis only. For permits authorized by the City Council for the outdoor display of fireworks on the property of Iowa State University, the university must also be named as an additional insured. A copy of the current insurance certificate shall be maintained on file with the City Clerk.

*(Ord. No. 3746, 11-18-03)”*

Section Two. Violation of the provisions of this ordinance shall constitute a municipal infraction punishable by a penalty of \$500 for a first violation and \$750 for each repeat violation.

Section Three. All ordinances, or parts of ordinances, in conflict herewith are hereby repealed to the extent of such conflict, if any.

Section Four. This ordinance shall be in full force and effect from and after its passage and publication as required by law.

Passed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

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Diane R. Voss, City Clerk  
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Ann H. Campbell, Mayor