Chapter 3.44 - FIRE INSURANCE PROCEEDS

Sections:

3.44.010 - Scope-Application.

The city is authorized to utilize procedures established by KSA 40-3901 et. seq. whereby no insurance company shall pay a claim of a named insured for loss or damage to any building or structure located within the city arising out of any fire, explosion or windstorm where the amount recoverable for the loss or damage to the building or other structure under all policies is in excess of 75 percent of the face value of the policy covering such building or other insured structure unless there is compliance with the procedures set out in this chapter.

(Ord. 2436 §1, 1998: Ord. 2313 §1, 1987).

3.44.020 - Lien created.

The governing body of the city creates a lien in favor of the city and the proceeds of any insurance policy based upon a covered claim payment made for damage or loss to a building or other structure located within the city caused by or arising out of any fire, explosion or windstorm where the amount recoverable for all the loss or damage to the building or other structure under all policies is in excess of 75 percent of the face value of the policy(s) covering such building or other structure. The lien arises upon any unpaid tax, special ad valorem levy or other charge imposed upon real property by or on behalf of the city which is an encumbrance on real property whether or not evidenced by written instrument or such tax levy assessment, expense, or other charge that has remained undischarged for at least 1 year prior to the filing of a proof of loss.

(Ord. 2436 §2, 1998: Ord. 2313 §2, 1987).

3.44.030 - Lien-Incumbrances.

Prior to final settlement on any claim covered by Section 3.44.020 the insurer or insurers shall contact the county treasurer, Neosho County, Kansas, to determine whether any such incumbrances are presently in existence. If the same are found to exist the insurer or insurers shall execute and transmit in an amount equal to that owing under the incumbrances a draft payable to the county treasurer, Neosho County, Kansas.

(Ord. 2313 §3, 1987).

3.44.040 - Lien-Pro rata basis.

Such transfer of proceeds shall be on a pro rata basis by all insurance companies insuring the building or other structure.

(Ord. 2313 §4, 1987).

3.44.050 - Transfer of funds-Procedure.

A. When a final settlement on a covered claim has been agreed to or arrived at between the named insured or insureds and the company or companies, and the final settlement exceeds 75 percent of the face value of that policy covering any building or other insured structure, and when all amounts due to the holder of a first real estate mortgage against the building or other structure pursuant to the terms of the policy and endorsements thereto, shall have first been paid, the insurance company or companies shall then withhold and execute a draft payable to the city treasurer in the amount of 15 percent of the proceeds based upon a covered claim payment unless the city manager or his or her designee of the city has issued a certificate to the insurance company or companies that the insured has removed the damaged building or other structure as well as all associated debris, or repaired or rebuilt or otherwise made the premises safe and secure.

B. Such transfer of funds shall be on a pro rata basis by all companies insuring the building or other structure. Policy proceeds remaining after the transfer to the city shall be disbursed in accordance with the policy terms.

C. Upon the transfer of funds required by subsection A of this section the insurance company or companies shall provide this city with the name and address of the named insured or insureds, the total insurance coverage applicable to said building or structure and the amount of the final settlement agreed to or arrived at between the insurance company or companies and the insured or insureds, whereupon the city manager or his or her designee shall contact the named insured or insureds by registered mail, notifying them that such insurance proceeds have been received by the city and appraise them of the procedures to be followed under this chapter.

(Ord. 2436 §3, 1998: Ord. 2313 §5, 1987).

3.44.060 - Fund created-Deposit of moneys.

The city treasurer is directed to create a fund to be known as the "fire insurance proceeds fund." All moneys received by the city treasurer as provided for by this chapter shall be placed in that fund and deposited in an interest-bearing account.

(Ord. 2313 §6, 1987).

3.44.070 - Building investigation-Removal of structure.

A. Upon receipt of moneys as provided for by this chapter, the city treasurer shall immediately notify the city manager or his or her designee of the receipt and transmit all documentation received from the insurance company or companies to the city manager or his or her designee.

B. Within 20 days of the receipt of the moneys, the city manager or his or her designee shall determine, after prior investigation, whether the city shall instigate proceedings under the provisions of KSA 12-1750, et. seq., as amended.

C. Prior to expiration of the 20 days established by subsection B of this section, the city manager or his or her designee shall notify the city treasurer whether he or she intends to initiate proceedings under KSA 12-1750, et. seq., as amended.

D. If the city manager or his or her designee has determined that proceedings under KSA 12-1750, et. seq., as amended, shall be initiated, he or she will do so immediately but no later than 30 days after receipt of the moneys by the city treasurer.

E. Upon notification to the city treasurer by the city manager or his or her designee that no proceedings shall be initiated under KSA 12-1750, et. seq., as amended, the city treasurer shall return all such moneys received, plus accrued interest, to the insured or insureds as identified in the communication from the insurance company or companies. Such return shall be accomplished within 30 days of the receipt of the moneys from the insurance company or companies.

(Ord. 2313 §7, 1987).

3.44.080 - Removal of structure—Excess moneys.

If the city manager or his or her designee has proceeded under the provisions of KSA 12-1750, et seq., as amended, all moneys in excess of that which is ultimately necessary to comply with the provisions for the removal of the building or structure, less salvage value, if any, shall be paid to the insured.

(Ord. 2313 §8, 1987).

3.44.090 - Removal of structure—Disposition of funds.

If the city manager or his or her designee, with regard to a building or other structure damaged by fire or explosion, determines that it is necessary to act under KSA 12-1756, any proceeds received by the city treasurer under the authority of Section 3.44.050A relating to that building or other structure shall be used to reimburse the KSA 12-1756. Upon reimbursement from the insurance proceeds, the city manager or his or her designee shall immediately effect the release of the lien resulting therefrom. Should the expenses incurred by the city exceed the insurance proceeds paid over to the city treasurer under Section 3.44.050A the city manager or his or her designee shall publish a new lien as authorized by KSA 12-1756, in an amount equal to the excess expenses incurred.

(Ord. 2313 §9, 1987).

3.44.100 - Effect upon insurance policies.

This chapter shall not make the city a party to any insurance contract, nor is the insurer liable to any party for any amount in excess of the proceeds otherwise payable under its insurance policy.

(Ord. 2313 §10, 1987).

3.44.110 - Insurers—Liability.

Insurers complying with this chapter or attempting in good faith to comply with this chapter shall be immune from civil and criminal liability and such action shall not be deemed in violation of KSA 40-2404 and any amendments thereto, including withholding payment of any insurance proceeds pursuant to this chapter, or releasing or disclosing any information pursuant to this chapter.

(Ord. 2313 §11, 1987).

(Published in The Chanute Tribune November 20, 1987)

ORDINANCE NO. 2313

AN ORDINANCE RELATING TO STRUCTURES DAMAGED BY FIRE OR EXPLOSION CREATING A LIEN UPON INSURANCE PROCEEDS WITH RELATION TO SAID STRUCTURE, PROVIDING FOR THE DISBURSEMENT OF SAID INSURANCE PROCEEDS; CREATING A FIRE INSURANCE PROCEEDS FUND; PROVIDING FOR A LIEN FOR CERTAIN TAXES DUE ON STRUCTURES DAMAGED BY FIRE OR EXPLOSION; AND REPEALING ORDINANCE NO. 2310.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF CHANUTE, KANSAS:

SECTION 1.

SCOPE AND APPLICATION. The City is hereby authorized to utilize the procedures established by K.S.A. 40-3901, et seq., whereby no insurance company shall pay a claim of a named insured for loss or damage to any building or other structure located within the City, arising out of any fire or explosion, where the amount recoverable for the loss or damage to the building or other structure under all policies is in excess of seventy-five percent (75%) of the face value of the policy covering such building or other insured structure, unless there is compliance with the procedures set out in this ordinance.

SECTION 2.

LIEN CREATED. The Governing Body of the City hereby creates a lien in favor of the City on the proceeds of any insurance policy based upon a covered claim payment made for damage or loss to a building or other structure located within the City, caused

by or arising out of any fire explosion, where the amount recoverable for all the loss or damage to the building or other structure under all policies is in excess of seventy-five per cent (75%) of the face value of the policy(s) covering such building or other insured structure. The lien arises upon any unpaid tax, special ad valorem levy, or any other charge imposed upon real property by or on behalf of the City which is an incumbrance on real property, whether or not evidenced by written instrument, or such tax, levy, assessment, expense or other charge that has remained undischarged for at least one year prior to the filing of a proof of loss.

SECTION 3.

SAME; INCUMBRANCES. Prior to final settlement on any claim covered by Section 2, the insurer or insurers shall contact the County Treasurer, Neosho County, Kansas, to determine whether any such incumbrances are presently in existence. If the same are found to exist, the insurer or insurers shall execute and transmit in an amount equal to that owing under the incumbrances a draft payable to the County Treasurer, Neosho County, Kansas.

SECTION 4.

SAME; PRO RATA BASIS. Such transfer of proceeds shall be on a pro rata basis by all insurance companies insuring the building or other structure.

SECTION 5.

PROCEDURE. (a) When final settlement on a covered claim has been agreed to or arrived at between the named insured or insureds and the company or companies, and final settlement exceeds seventy-five percent (75%) of the face value of the policy covering any building or other insured structure, and when all amounts due to the holder of a first real estate mortgage against the building or other structure, pursuant to the terms of

the policy and endorsements thereto, shall have been paid, the insurance company or companies shall execute a draft payable to the City Treasurer in an amount equal to the sum of Five Thousand Dollars ($5,000.00) or ten percent (10%) of the covered claim payment, whichever is less, unless the City Manager or his or her designee of the City has issued a certificate to the insurance company or companies that the insured has removed the damaged building or other structure, as well as all associated debris, or repaired, rebuilt or otherwise made the premises safe and secure.

(b) Such transfer of funds shall be on a pro rata basis by all companies insuring the building or other structure. Policy proceeds remaining after the transfer to the City shall be disbursed in accordance with the policy terms.

(c) Upon the transfer of the funds as required by subsection (a) of this section, the insurance company shall provide the City with the name and address of the named insured or insureds, the total insurance coverage applicable to said building or other structure, and the amount of the final settlement agreed to or arrived at between the insurance company or companies and the insured or insureds, whereupon the City Manager or his or her designee shall contact the named insured or insureds by registered mail, notifying them that said insurance proceeds have been received by the City and apprise them of the procedures to be followed under this ordinance.

SECTION 6.

FUND CREATED; DEPOSIT OF MONEYS. The City Treasurer is hereby directed to create a fund to be known as the "Fire Insurance Proceeds Fund." All moneys received by the City Treasurer as provided for by this ordinance shall be placed in that fund and deposited in an interest bearing account.

SECTION 7.

BUILDING INVESTIGATION AND REMOVAL OF STRUCTURE. (a) Upon receipt of moneys as provided for by this ordinance, the City Treasurer shall immediately notify the City Manager or his or her designee of the receipt and transmit all documentation received from the insurance company or companies to the City Manager or his or her designee.

(b) Within twenty (20) days of the receipt of the moneys, the City Manager or his or her designee shall determine, after prior investigation, whether the City shall instigate proceedings under the provisions of K.S.A. 12-1750, et seq., as amended.

(c) Prior to the expiration of the twenty (20) days established by subsection (b) of this section, the City Manager or his or her designee shall notify the City Treasurer whether he or she intends to initiate proceedings under K.S.A. 12-1750, et seq., as amended.

(d) If the City Manager or his or her designee has determined that proceedings under K.S.A. 12-1750, et seq., as amended, shall be initiated, he or she will do so immediately but no later than thirty (30) days after receipt of the moneys by the City Treasurer.

(e) Upon notification to the City Treasurer by the City Manager or his or her designee that no proceedings shall be initiated under K.S.A. 12-1750, et seq., as amended, the City Treasurer shall return all such moneys received, plus accrued interest, to the insured or insureds as identified in the communication from the insurance company or companies. Such return shall be accomplished within thirty (30) days of the receipt of the moneys from the insurance company or companies.

SECTION 8.

REMOVAL OF STRUCTURE; EXCESS MONEYS. If the City Manager or his or her designee has proceeded under the provisions of K.S.A. 12-1750, et seq., as amended, all moneys in excess of that which

is ultimately necessary to comply with the provisions for the removal of the building or structure, less salvage value, if any, shall be paid to the insured.

SECTION 9.

SAME; DISPOSITION OF FUNDS. If the City Manager or his or her designee, with regard to a building or other structure damaged by fire or explosion, determines that it is necessary to act under K.S.A. 12-1756, any proceeds received by the City Treasurer under the authority of Section 5(a) relating to that building or other structure shall be used to reimburse the City for any expenses incurred by the City in proceeding under K.S.A. 12-1756. Upon reimbursement from the insurance proceeds, the City Manager or his or her designee shall immediately effect the release of the lien resulting therefrom. Should the expenses incurred by the City exceed the insurance proceeds paid over to the City Treasurer under Section 5(a), the City Manager or his or her designee shall publish a new lien as authorized by K.S.A. 12-1756, in an amount equal to the excess expenses incurred.

SECTION 10.

EFFECT UPON INSURANCE POLICIES. This ordinance shall not make the City a party to any insurance contract, nor is the insurer liable to any party for any amount in excess of the proceeds otherwise payable under its insurance policy.

SECTION 11.

INSURERS; LIABILITY. Insurers complying with this ordinance or attempting in good faith to comply with this ordinance shall be immune from civil and criminal liability and such action shall not be deemed in violation of K.S.A. 40-2404 and any amendments thereto, including withholding payment of any insurance proceeds pursuant to this ordinance, or releasing or disclosing any information pursuant to this ordinance.

SECTION 12.

REPEALER. Ordinance No. 2310 of THE CITY OF CHANUTE is hereby repealed.

Passed and adopted by the Governing Body of THE CITY OF CHANUTE, KANSAS, this 16th day of November, 1987.

JAMES R. CHAPPELL, Mayor

ATTEST:

JAMES D. YOUNGBERG, City Clerk

APPROVED AS TO FORM:

ROBERT PENNINGTON, City Attorney

Affidavit of Publication

STATE OF KANSAS, NEOSHO COUNTY, ss:

Fred M. Harris III, being first duly sworn,

deposes and says: That He is President

and Publisher of THE CHANUTE TRIBUNE, a daily newspaper printed in the State of Kansas, and published in and of general circulation in Neosho County, Kansas, with a general paid circulation on a daily basis in Neosho County, Kansas, and that said newspaper is not a trade, religious or fraternal publication.

Said newspaper is a daily published at least weekly 50 times a year; has been so published continuously and uninterruptedly in said county and state for a period of more than five years prior to the first publication of said notice; and has been admitted at the post office of Chanute, in said County as second class matter.

That the attached notice is a true copy thereof and was published in the regular and entire issue of said newspaper for 1 consecutive Day (Weeks - Days), the first publication thereof being made as aforesaid on the 20 day of Nov., 19 87 with subsequent publications being made on the following dates:

_____, 19____ _____, 19____

_____, 19____ _____, 19____

_____, 19____ _____, 19____

Fred M. Harris III

Subscribed and sworn to before me this 20th day of Nov., 19 87.

Brenda C. Ryan
Notary Public

My commission expires: May 12, 1990

Printer's Fee ..... $ 111.36

Affidavit, Notary's Fees . $_____

Additional Copies..... $_____

Total Publication Fees ..... $ 111.36

NOTARY PUBLIC - State of Kansas
BRENDA C. RYAN
My Appt. Exp.

(Published in The Chanute Tribune November 20, 1987)

ORDINANCE NO. 2313

AN ORDINANCE RELATING TO STRUCTURES DAMAGED BY FIRE OR EXPLOSION CREATING A LIEN UPON INSURANCE PROCEEDS WITH RELATION TO SAID STRUCTURE, PROVIDING FOR THE DISBURSEMENT OF SAID INSURANCE PROCEEDS; CREATING A FIRE INSURANCE PROCEEDS FUND; PROVIDING FOR A LIEN FOR CERTAIN TAXES DUE ON STRUCTURES DAMAGED BY FIRE OR EXPLOSION; AND REPEALING ORDINANCE NO. 2310.

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SECTION 1.

SCOPE AND APPLICATION. The City is hereby authorized to utilize the procedures established by K.S.A. 40-3901, et seq., whereby no insurance company shall pay a claim of a named insured for loss or damage to any building or other structure located within the City, arising out of any fire or exposion, where the amount recoverable for the loss or damage to the building or other structure under all policies is in excess of seventy-five percent (75%) of the face value of the policy covering any building or other insured structure, and when all amounts due to the holder of a first real estate mortgage against the building or other structure, pursuant to the terms of the policy and endorsements thereto, shall have been paid, the insurance company or companies shall execute a draft payable to the City Treasurer in an amount equal to the sum of Five Thousand Dollars ($5,000.00) or ten percent (10%) of the covered claim payment, whichever is less, unless the City Manager or his or her designee of the City has issued a certificate to the insurance company or companies that the insured has removed the damaged building or other structure, as well as all associated debris, or repaired, rebuilt or otherwise made the premises safe and secure.

(b) Such transfer of funds shall be on a pro rata basis by all companies insuring the building or other structure. Policy proceeds remaining after the transfer to the City shall be disbursed in accordance with the policy terms.

(c) Upon the transfer of the funds as required by subsection (a) of this section, the insurance company shall provide the City with the name and address of the named insured or when final settlement on a covered claim has been agreed to or arrived at between the named insured or insureds and the company or companies, and final settlement exceeds seventy-five

OPPORTUNITY

Under new management Westridge Apartments. 1 and 2 bedroom units now available, 1209 S. Plummer. Call 431-1906/431-3943 or stop by our office at 426 W. 14th (2:30pm-6:00pm).

FOR Rent: Large 2 bedroom apartment, upstairs. $200. Water paid. $100. deposit. No Pets. Grimm 431-1764 if no answer 431-7160.

For Rent: One and Two bedroom apartments. Call Evelyn Boone, 431-7160. Evenings 431-3809.

Furnished-Clean-Available Seth Gray Realty-431-0270

In Humboldt for rent: 2 bedroom Duplex Apartment. Stove & Refrigerator furnished. No Pets. Leonard Ford, 1019 Signor. 473-3274.

NICE Large 2 bedroom, furnished. Close to schools. Ideal for roommates. 431-6521 or 431-2786.

NICELY Furnished single bachelor apartment. Utilities paid. $110-$180. 431-7856.

74. Houses for Rent

2-3 bedroom with range and refrigerator; C.H. & A; Garage; NO PETS. SETH GRAY REALTY. 431-0270.

2 Bedroom, unfurnished. No Pets. For infomation call 431-0294. 206 N. Malcolm.

P26 8745283

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—
NOT FOR INTERNATIONAL MAIL
(See Reverse)

SENT TO Fletcher Bell
Commissioner of Insurance
STREET AND NO
420 SW 9th Str.
P.O. STATE AND ZIP CODE
Topeka, Ks 66612

POSTAGE		$ 39
CONSULT POSTMASTER FOR FEES	CERTIFIED FEE	75
OPTIONAL SERVICES	SPECIAL DELIVERY	¢
	RESTRICTED DELIVERY	¢
	RETURN RECEIPT SERVICE — SHOW TO WHOM AND DATE DELIVERED	70 ¢
	RETURN RECEIPT SERVICE — SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY	¢
	RETURN RECEIPT SERVICE — SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	¢
	RETURN RECEIPT SERVICE — SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	¢
TOTAL POSTAGE AND FEES		$ 184

POSTMARK OR DATE
11/30/87

PS Form 3800, Apr. 1976

PS Form 3811, July 1983

SENDER: Complete items 1, 2, 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

1. ☒ Show to whom, date and address of delivery.
2. ☐ Restricted Delivery.

3. Article Addressed to:
Honorable Fletcher Bell
Commissioner of Insurance
420 S.W. 9th Street
Topeka, Kansas 66612

4. Type of Service:
☒ Registered ☐ Insured
☒ Certified ☐ COD
☐ Express Mail

Article Number
P26 8745283

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature — Addressee
X

6. Signature — Agent
X Fletcher Bell

7. Date of Delivery
DEC 0 1 1987

8. Addressee's Address (ONLY if requested and fee paid)
SAME AS ABOVE

DOMESTIC RETURN RECEIPT

Tribune classifieds and legals

Legal Notices

(First published in The Chanute Tribune November 20, 1987; Last published November 27, 1987)

ADVERTISEMENT TO BIDDER

SEALED BIDS FOR:

TREE AND STUMP REMOVAL 1987

for the City of Chanute, Kansas, will be received by the Engineer, at the office of the City Engineer, Chanute, Kansas until—

10:00 A.M., Wednesday, December 16, 1987

and then in the City Engineer's Office, publicly opened and read aloud at—

10:00 A.M., WEDNESDAY, DECEMBEWR 16, 1987

Unit Price Contract Proposal, Agreement, Plans and Specifications, and any other Contract Documents may be examined at the City Engineer's Office. Copies of Plans and Specifications may be obtained at the office of the City Engineer.

The Owner reserves the right to waive any irregularities or to reject any or all bids.

Attention of bidders is particularly called to the requirements as to conditions of employment to be observed under the contract.

No Bidder may withdraw his bid within 30 days after the actual date of the opening thereof.

DATE: 11-13-87

THE CITY OF CHANUTE, KANSAS
/s/
Robert Walker
City Manager

(Published in The Chanute Tribune November 20, 1987)

ORDINANCE NO. 2313

AN ORDINANCE RELATING TO STRUCTURES DAMAGED BY FIRE OR EXPLOSION CREATING A LIEN UPON INSURANCE PROCEEDS WITH RELATION TO SAID STRUCTURE, PROVIDING FOR THE DISBURSEMENT OF SAID INSURANCE PROCEEDS; CREATING A FIRE INSURANCE PROCEEDS FUND; PROVIDING FOR A LIEN FOR CERTAIN TAXES DUE ON STRUCTURES DAMAGED BY FIRE OR EXPLOSION; AND REPEALING ORDINANCE NO. 2310.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF CHANUTE, KANSAS:

SECTION 1.
SCOPE AND APPLICATION. The City is hereby authorized to utilize the procedures established by K.S.A. 40-3901, et seq., whereby no insurance company shall pay a claim of a named insured for loss or damage to any building or other structure located within the City, arising out of any fire or exposion, where the amount recoverable for the loss or damage to the building or other structure under all policies is in excess of seventy-five percent (75%) of the face value of the policy covering such building or other insured structure, unless there is compliance with the procedures set out in this ordinance.
SECTION 2.
LIEN CREATED. The Governing Body of the City hereby creates a lien in favor of the City of the proceeds of any insurance policy based upon a covered claim payment made for damage or loss to a building or other structure located within the City, caused by or arising out of any fire explosion, where the amount recoverable for all the loss or damage to the building or other structure under all policies is in excess of seventy-five percent (75%) of the face value of the policy(s) covering such building or other insured structure. The lien arises upon any unpaid tax, special ad valorem levy, or any other charge imposed upon real property by or on behalf of the City which is an incumbrance on real property, instrument, or such tax, levy, assessment, expense or other charge that has remained undischarged for at least one year prior to the filing of a proof of loss.
SECTION 3.
SAME; INCUMBRANCES. Prior to final settlement on any claim covered by Section 2, the insurer or insurers shall contact the County Treasurer, Neosho County, Kansas, to determine whether any such incumbrances are presently in existence. If the same are found to exist, the insurer or insurers shall execute and transmit in an amount equal to that owing under the incumbrances a draft payable to the County Treasurer, Neosho County, Kansas.
SECTION 4.
SAME; PRO RATA BASIS. Such transfer of proceeds shall be on a pro rata basis by all insurance companies insuring the building or other structure.
SECTION 5.
PROCEDURE. (a) When final settlement on a covered claim has been agreed to or arrived at between the named insured or insureds and the company or companies, and final settlement exceeds seventy-five percent (75%) of the face value of the policy covering any building or other insured structure, and when all amounts due to the holder of a first real estate mortgage against the building or other structure, pursuant to the terms of the policy and endorsements thereto, shall have been paid, the insurance company or companies shall execute a draft payable to the City Treasurer in an amount equal to the sum of Five Thousand Dollars ($5,000.00) or ten percent (10%) of the covered claim payment, whichever is less, unless the City Manager or his or her designee of the City has issued a certificate to the insurance company or companies that the insured has removed the damaged building or other structure, as well as all associated debris, or repaired, rebuilt or otherwise made the premises safe and secure.

(b) Such transfer of funds shall be on a pro rata basis by all companies insuring the building or other structure. Policy proceeds remaining after the transfer to the City shall be disbursed in accordance with the policy terms.

(c) Upon the transfer of the funds as required by subsection (a) of this section, the insurance company shall provide the City with the name and address of the named insured or insureds, the total insurance coverage applicable to said building or other structure, and the amount of the final settlement agreed to or arrived at between the insurance company or companies and the insured or insureds, whereupon the City Manager or his or her designee shall contact the named insured or insureds by registered mail, notifying them that said insurance proceeds have been received by the City and apprise them of the procedures to be followed under this ordinance.
SECTION 6.
FUND CREATED; DEPOSIT OF MONEYS. The City Treasurer is hereby directed to create a fund to be known as the "Fire Insurance Proceeds Fund." All moneys received by the City Treasurer as provided for by this ordinance shall be placed in that fund and deposited in an interest bearing account.
SECTION 7.
HOLDING PERIOD; DISPOSITION AND REMOVAL OF STRUCTURE. (a) upon receipt of moneys as provided for by this ordinance, the City Treasurer shall immediately notify the City Manager or his or her designee of the receipt and transmit all documentation received from the insurance company or companies to the City Manager or his or her designee.

(b) Within twenty (20) days of the receipt of the moneys, the City Manager or his or her designee shall determine, after prior investigation, whether the City shall instigate proceedings under the provisions of K.S.A. 12-1750, et seq., as amended.

(c) Prior to the expiration of the twenty (20) days established by subsection (b) of this section, the City Manager or his or her designee shall notify the City Treasurer whether he or she intends to initiate proceedings under K.S.A. 12-1750, et seq., as amended.

(d) If the City Manager or his or her designee has determined that proceedings under K.S.A. 12-1750, et seq., as amended, shall be initiated, he or she will do so immediately but no later than thirty (30) days after receipt of the moneys by the City Treasurer.

(e) Upon notification to the City Treasurer by the City Manager or his or her designee that no proceedings shall be initiated under K.S.A. 12-1750, et seq., as amended, the City Treasurer shall return all such moneys received, plus accrued interest, to the insured or insureds as identified in the communication from the insurance company or companies. Such return shall be accomplished within thirty (30) days of the receipt of the moneys from the insurance company or companies.
SECTION 8.
REMOVAL OF STRUCTURE; EXCESS MONEYS. If the City Manager or his or her designee has proceeded under the provisions of K.S.A. 12-1750, et seq., as amended, all moneys in excess of that which is ultimately necessary to comply with the provisions for the removal of the building or structure, less salvage value, if any shall be paid to the insured.
SECTION 9.
SAME; DISPOSITION OF FUNDS. If the City Manager or his or her designee, with regard to a building or other structure damaged by fire or explosion, determines that it is necessary to act under K.S.A. 12-1756, any proceeds received by the City Treasurer under the authority of Section 2(a) relating to that building or other structure shall be used to reimburse the City for any expenses incurred by the City in proceeding under K.S.A. 12-1756. Upon reimbursement from the insurance proceeds paid over to the City Treasurer under Section 5(a), the City Manager or his or her designee shall publish a new lien as authorized by K.S.A. 12-1756, in an amount equal to the excess expenses incurred.
SECTION 10.
EFFECT UPON INSURANCE POLICIES. This ordinance shall not make the City a party to any insurance contract, nor is the insurer liable to any party for any amount in excess of the proceeds otherwise payable under its insurance policy.
SECTION 11.
INSURERS; LIABILITY. Insurers complying with this ordinance or attempting in good faith to comply with this ordinance shall be immune from civil and criminal liability and such action shall not be deemed in violation of K.S.A. 40-2404 and any amendments thereto, including withholding payment of any insurance proceeds pursuant to this ordinance, or releasing or disclosing any information pursuant to this ordinance.
SECTION 12.
REPEALER. Ordinance No. 2310 of THE CITY OF CHANUTE is hereby repealed.

Passed and adopted by the Governing Body of THE CITY OF CHANUTE, KANSAS, this 16th day of November, 1987.

/s/
JAMES R. CHAPPELL, Mayor

/s/
JAMES D. YOUNGBERG, City Clerk

APPROVED AS TO FORM:
/s/
ROBERT PENNINGTON,
City Attorney

13. Card of Thanks

The family of Geneva Ford wishes to express their appreciation and thanks to all the friends and neighbors for the flowers, food and many acts of kindness shown her and us at this time. Thanks to Doctors Maben, Gehrt, Thomen, Neef and the Neosho Memorial Hospital staff for her care during the last weeks. Also, Johnson Mortuary, Rev. McCollough, Jodi Lucke and Melody Adwell for the comforting service and beautiful music. May God bless all of you.

To our children, their spouses, grandchildren, friends and relatives for calls, cards, gifts and for taking time to share our golden wedding anniversary.

To Susan & Hilary Haddan & H.H. Stockebrand for the beautiful music.

We enjoyed the day very much & will cherish the precious memories for years.

God bless you all
Paul & Ruth Wood

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(Published in The Chanute Tribune 6/18, 1998)

ORDINANCE NO. 2436

AN ORDINANCE AMENDING CHANUTE MUNICIPAL CODE SECTIONS 3.44.010, 3.44.020 AND 3.44.050 REGULATING INSURANCE PROCEEDS

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF CHANUTE, KANSAS:

SECTION 1.

Chanute Municipal Code Section 3.44.010 is hereby amended to read and provide as follows:

"3.44.010 Scope Application. The City is authorized to utilize procedures established by K.S.A. 40-3901 et. seq. whereby no insurance company shall pay a claim of a named insured for loss or damage to any building or structure located within the city arising out of any fire, explosion or windstorm where the amount recoverable for the loss or damage to the building or other structure under all policies is in excess of 75% of the face value of the policy covering such building or other insured structure unless there is compliance with the procedures set out in this chapter."

SECTION 2.

Chanute Municipal Code Section 3.44.020 is hereby amended to read and provide as follows:

"3.44.020 Lien Created. The Governing Body of the City creates a lien in favor of the city and the proceeds of any insurance policy based upon a covered claim payment made for damage or loss to a building or other structure located within the city caused by or arising out of any fire, explosion or windstorm where the amount recoverable for all the loss or damage to the building or other structure under all policies is in excess of

75% of the face value of the policy(s) covering such building or other insured structure. The lien arises upon any unpaid tax, special ad valorem levy or other charge imposed upon real property by or on behalf of the city which is an encumbrance on real property whether or not evidenced by written instrument or such tax levy assessment. expense, or other charge that has remained undischarged for at least one (1) year prior to the filing of a proof of loss.

SECTION 3.

Chanute Municipal Code Section 3.44.050 is hereby amended to read and provide as follows:

"3.44.050 Transfer of Funds Procedure. A) When a final settlement on a covered claim has been agreed to or arrived at between the named insured or insureds and the company or companies, and the final settlement exceeds seventy-five percent (75%) of the face value of that policy covering any building or other insured structure, and when all amounts due to the holder of a first real estate mortgage against the building or other structure pursuant to the terms of the policy and endorsements thereto, shall have first been paid, the insurance company or companies shall then withhold and execute a draft payable to the City Treasurer in the amount of fifteen percent (15%) of the proceeds based upon a covered claim payment unless the City Manager or his or her designee of the City has issued a certificate to the insurance company or companies that the insured has removed the damaged building or other structure as well as all associated debris, or repaired or rebuilt or otherwise made the premises safe and secure.

B) Such transfer of funds shall be on a pro rate basis by all companies insuring the building or other structure. Policy proceeds remaining after the transfer to the City shall be disbursed in accordance with the policy terms.

C) Upon the transfer of funds required by subsection A of this section the insurance company or companies shall provide this City with the name and address of the named insured or insureds, the total insurance coverage applicable to said building or structure and the amount of the final settlement agreed to or arrived at between the insurance company or companies and the insured or insureds, whereupon the City Manager or his or her designee shall contact the named insured or insureds by registered mail, notifying them that said insurance proceeds have been received by the City and appraise them of the procedures to be followed under this Chapter.

This ordinance shall take effect upon its publication in the official City newspaper.

Passed and adopted by the Governing Body of THE CITY OF CHANUTE, KANSAS, this 8th day of June, 1998.

Doug Klaassen

Doug Klaassen, Mayor

ATTEST:

JAMES D. YOUNGBERG, City Clerk

APPROVED AS TO FORM:

DAVID S. BRAKE, City Attorney

(Published in The Chanute Tribune June 18, 1998)

ORDINANCE NO. 2436

AN ORDINANCE AMENDING CHANUTE MUNICIPAL CODE SECTIONS 3.44.010, 3.44.020 AND 3.44.050 REGULATING INSURANCE PROCEEDS

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF CHANUTE, KANSAS:

SECTION 1.

Chanute Municipal Code Section 344.010 is hereby amended to read and provide as follows:

"3.44.010 Scope Application. The City is authorized to utilize procedures established by K.S.A. 40-3901 et. seq. whereby no insurance company shall pay a claim of a named insured for loss or damage to any building or structure located within the city arising out of any fire, explosion or windstorm where the amount recoverable for the loss or damage to the building or other structure under all policies is in excess of 75% of the face value of the policy covering such building or other insured structure unless there is compliance with the procedures set out in this chapter."

SECTION 2.

Chanute Municipal Code Section 344.020 is hereby amended to read and provide as follows:

"3.44.020 Lien Created. The Governing Body of the City creates a lien in favor of the city and the proceeds of any insurance policy based upon a covered claim payment made for damage or loss to a building or other structure located within the city caused by or arising out of any fire, explosion or windstorm where the amount recoverable for all the loss or damage to the building or other structure under all policies is in excess of 75% of the face value of the policy covering such building(s) or other insured structure. The lien arises upon any unpaid tax, special ad valorem levy or other charge imposed upon real property by or on behalf of the city which is an encumbrance or real property whether or not evidenced by written instrument or such tax levy assessment, expense, or other charge that has remained undischarged for at least one (1) year prior to the filing of a proof of loss.

SECTION 3.

Chanute Municipal Code Section 344.050 is hereby amended to read and provide as follows:

"3.44.050 Transfer of Funds Procedure. A) When a final settlement on a covered claim has been agreed to or arrived at between the named insured or insureds and the company or companies, and the final settlement exceeds seventy-five percent (75%) of the face value of that policy covering any building or other insured structure, and when all amounts due to the holder of a first real estate mortgage against the building or other structure pursuant to the terms of the policy and endorsements thereto, shall have first been paid, the insurance company or companies shall then withhold and execute a draft payable to the City Treasurer in the amount of fifteen percent (15%) of the proceeds based upon a covered claim payment unless the City Manager or his or her designee of the City has issued a certificate to the insurance company or companies that the insured has removed the damaged building or other structure as well as all associated debris, or repaired or rebuilt or otherwise made the premises safe and secure.

B) Such transfer of funds shall be on a pro rate basis by all companies insuring the building or other structure. Policy proceeds remaining after the transfer to the City shall be disbursed in accordance with the policy terms.

C) Upon the transfer of funds required by subsection A of this section the insurance company or companies shall provide this City with the name and address of the named insured or insureds, the total insurance coverage applicable to said building of structure and the amount of the final settlement agreed to or arrived at between the insurance company or companies and the insured or insureds, whereupon the City Manager or his or her designee shall contact the named insured or insureds by registered mail, notifying them that said insurance proceeds have been received by the City and appraise them of the procedures to be followed under this Chapter.

This ordinance shall become effective on its publication in the official City newspaper.

Passed and adopted by the Governing Body of THE CITY OF CHANUTE, KANSAS, this 8th day of June, 1998.

/s/
DOUG KLAASSEN, Mayor

ATTEST:
/s/
JAMES D. YOUNGBERG,
City Clerk

APPROVED AS TO FORM:
/s/
DAVID S. BRAKE,
City Attorney

Affidavit of Publication

STATE OF KANSAS, NEOSHO COUNTY, ss:
JoAnne D. Edwards, being first duly sworn, deposes and says: That *she* is *Advertising Director* of *THE CHANUTE TRIBUNE*, a daily newspaper printed in the State of Kansas, and published in and of general circulation in Neosho County, Kansas, with a general paid circulation on a daily basis in Neosho County, Kansas, and that said newspaper is not a trade, religious or fraternal publication.

Said newspaper is a daily published at least weekly 50 times a year: has been so published continuously and uninterruptedly in said county and state for a period of more than five years prior to the first publication of said notice; and has been admitted at the post office of Chanute, in said county as second class matter.

That the attached notice is a true copy thereof and was published in the regular and entire issue of said newspaper for 1 consecutive DAY, the first publication thereof being made as aforesaid on the 18 day of JUNE. 1998, with subsequent publications being made on the following dates:

_____, 1998 _____, 1998

_____, 1998 _____, 1998

JoAnne Edwards

Subscribed and sworn to and before me this 18TH day of JUNE, 1998

Bruce A Royse
Notary Public

My commission expires: May 12, 2002

Printer's Fee ..... $ 102.00

Affidavit, Notary's Fee ..... $ 3.00

Additional Copies ..... $ _____

Total Publication Fees ..... $ 105.00

NOTARY PUBLIC - State of Kansas
BRUCE A. ROYSE
My Appt. Exp. _____