(Published in The Morning Sun October 30, 2026)

ORDINANCE NO. G-1414

AN ORDINANCE amending Section 18-531 and Section 18-534 of the Pittsburg City Code removing the requirement that damage or loss to a building or other structure be caused by or arise out of any fire, explosion or windstorm.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF PITTSBURG, KANSAS:

Section 1. Section 18-531 of the Pittsburg City Code is amended to read as follows:

Sec. 18-531. Creation of lien.

The Governing Body 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, where the amount recoverable for the loss or damage to the building or other structure under all policies is in excess of 75 percent (75%) of the face value of the policies covering such building or other insured structure. The lien arises upon any unpaid tax, special ad valorem levy, special assessment, or any 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 year prior to the filing of a proof of loss.

Section 2. Section 18-534 of the Pittsburg City Code is amended to read as follows:

Sec. 18-534. Procedures.

The City is hereby authorized to utilize the procedures established by K.S.A. ch. 40, art. 39 (K.S.A. 40-3901 et seq.), whereby no insurance company shall pay a claim of a named insured for loss or damage to a building or other structure located within the City, 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 policies covering such building or other insured structure unless there is compliance with the following procedures:

(1) When final settlement on a covered claim has been agreed to or arrived at between the named insured and the company and such final settlement exceeds 75 percent of the face value of the policies covering any building or other insured structure, and when all amounts due the holder of a first real estate

mortgage against the building or other insured structure, pursuant to the terms of the policies and endorsements thereto, shall have been paid, the insurance company shall execute a draft payable to the Director of Finance, in an amount equal to the sum of 15 percent of the covered claim payment, unless the Building Official of the City has issued a certificate to the insurance company that the insured has removed the damaged building or other structures, as well as associated debris, or repaired, rebuilt or otherwise made the premises safe and secure.

(2) Such payment of insurance proceeds 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.

(3) Upon payment of the funds to the City as required in subsection (1) of this Section, each insurance company shall provide the City with the name and address of the named insured, the total insurance coverage applicable to such building or other structure, and the amount of the final settlement agreed to or arrived at between the insurance company and the insured, whereupon the Building Official shall contact the named insured by restricted mail to notify them that such insurance proceeds have been received by the City, and apprise them of the procedures to be followed under this Section.

Section 2. This Ordinance shall take effect and be in force following its passage and publication of its summary in the official City newspaper.

PASSED AND APPROVED BY THE GOVERNING BODY ON THIS 27th

DAY OF OCTOBER, 2026.

Chuck Munsell

Mayor – Chuck Munsell

ATTEST:

Tammy Nagel

Tammy Nagel - City Clerk

CITY OF PITTSBURG
CITY CLERK
CRAWFORD COUNTY KANSAS