

## **Chapter 7**

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**Part 1****Volunteer Fire Company****A. Recognition****§7-101. Recognition.**

The Borough of Chalfant hereby recognizes the Chalfant Borough Volunteer Fire Company which has been organized by residents of said Borough.

(*Ord. 328, 12/12/1984, §7-201*)

**§7-102. Authority.**

The Chalfant Borough Volunteer Fire Company is hereby given all power, so far as the Borough has power to grant the same, to enact such rules and regulations for the management and government of individual members thereof as shall be necessary for the proper maintenance and control of said Volunteer Fire Company. Neither the grant of the aforesaid power nor the recognition set forth in §7-101 shall be construed as constituting the Chalfant Borough Volunteer Fire Company as an agent, department, or employee of the Borough except insofar as such effect is provided under the provisions of the Act of June 2, 1915, P.L. 736, No. 338, known as the "Pennsylvania Workers' Compensation Act," 77 P.S. §1 *et seq.*, or the Act of October 5, 1980, P.L. 693. No. 142, 42 Pa.C.S.A. §8541.

(*Ord. 328, 12/12/1984, §7-202; as amended by Ord. 408, 8/11/2011*)

**§7-103. Officers.**

The members of Chalfant Borough Volunteer Fire Company may elect from their number such officers as may be provided by the bylaws of the Fire Company.

(*Ord. 328, 12/12/1984, §7-203*)

**§7-104. Control of Equipment and Funds.**

All appropriations made by the Borough to or for the use of said Fire Company, whether of money or property, and all equipment purchased by the Borough for the Fire Company shall continue to be the property of the Borough. None of the fire apparatus or equipment so belonging to the Borough of Chalfant shall be permanently removed from the Borough without consent of the Borough Council thereof.

(*Ord. 328, 12/12/1984, §7-204*)



**Part 2****Fire Insurance Proceeds Escrow****§7-201. Use of Fire Insurance Proceeds.**

1. No insurance company, association or exchange (hereinafter "insurer") doing business in the Commonwealth of Pennsylvania shall pay a claim of a named insured for fire damage to a structure located with the Borough where the amount recoverable for the fire loss to the structure under all policies exceeds \$7,500, unless the insurer is furnished by the Borough with a certificate pursuant to §508(b) of the Insurance Company Law of 1921, as amended by Act 98 of 1992 and Act 93 of 1994 (collectively, the "Act") and unless there is compliance with the procedures set forth in §508(c) and (d) of the Act.

2. Where there are delinquent taxes, assessments, penalties or user charges against the property ("municipal claims"), or there are expenses which the Borough has incurred as a cost of the removal, repair or securing of a building or other structure on the property (collectively "municipal expenses"), a designated official of the Borough shall immediately render a bill for such work, if he has not already done so. Upon written request of the named insured specifying the tax description of the property, the name and address of the insurer and the date of receipt by the insurer of a loss report of the claim, the Treasurer shall furnish a certificate within 14 working days after the request, to the insurer, a certificate (or at his discretion an oral notice confirmed in writing) either:

- A. Stating that there are no unpaid municipal claims or municipal expenses against the property.
- B. Specifying the nature and amount of such claims or expenses, accompanied by a bill for such amounts.

Taxes, assessments, penalties and user charges shall be deemed delinquent for this purpose if a lien could have been filed for claims under applicable law. Upon receipt of a certificate and bill pursuant to paragraph .A of this subsection, the insurer shall transfer to the Treasurer an amount from the insurance proceeds sufficient to pay such sums prior to making payment to the named insured, subject to the provisions of subsection .3 hereof.

3. When all municipal claims and municipal expenses have been paid pursuant to subsection .2 of this Section, or where the Treasurer has issued a certificate described in subsection .2.A indicating that there are no municipal claims or municipal expenses against the property, the insurer shall pay the claim of the named insured; provided, however, that if the loss agreed upon by the named insured and the insurer equals or exceeds 60 percent of the aggregate limits of liability on all fire policies covering the building or structure, the following procedures must be followed:

- A. The insurer shall transfer from the insurance proceeds to the Treasurer, in the aggregate, \$2,000 for each \$15,000 of such claim or fraction thereof.
- B. If at the time a loss report is submitted by the insured, such insured has submitted to the insurer, with a copy to the Borough, a contractor's signed estimate of the cost of removing, repairing or securing the building or structure in an

amount less than the amount calculated under the foregoing transfer formula, the insurer shall transfer to the Treasurer from the insurance proceeds the amount specified in the estimate. If there is more than one insurer, the transfer of proceeds shall be on a pro rata basis by all insurers insuring the building or other structure.

C. Upon receipt of the above described portion of the insurance proceeds, the Treasurer shall do the following:

(1) Place the proceeds in a separate fund to be used solely as security against the total municipal expenses anticipated by the Borough to be required in removing, repairing or securing the building or structure as required by this Part. Such costs shall include, without limitation, any engineering, legal or administrative costs incurred by the Borough in connection with such removal, repair or securing or any proceedings related thereto.

(2) Mail to the named insured, at the address received from the insurer, a notice the proceeds have been received by the Borough and that the procedures under this paragraph shall be followed.

(3) After the transfer, the named insured may submit to the Borough a contractor's signed estimate of the cost of removing, repairing or securing the building or other structure, in which event the Treasurer shall, if such estimate is deemed by the Treasurer to be reasonable, return to the insured the amount of the funds transferred to the Borough in excess of that required to pay the municipal expenses; provided, the Borough has not commenced to remove, repair or secure the building or other structure, in which case the Borough will complete the work.

(4) Pay to the designated official, for reimbursement to the Borough general fund, the amount of the municipal expenses paid by the Borough.

(5) Pay the remaining balance in the fund (without interest) to the named insured upon receipt of a certificate issued by the designated official that the repair, removal or securing of the building or other structure has been completed in accordance with all applicable codes and regulations of the Borough.

4. Nothing in this Section shall be construed to limit the ability of the Borough to recover any deficiency in the amount of municipal claims or municipal expenses recovered pursuant to this Part, or to insurance proceeds, by an action at law or in equity to enforce the codes of the Borough or to enter into an agreement with the named insured with regard to such other disposition of the proceeds as the Borough may deem responsible.

*(Ord. 408, 8/11/2011)*

### **§7-202. Limits of Liability.**

Nothing in this Part shall be construed to make an insurance company, association or exchange liable for any amount in excess of proceeds payable under its insurance policy or for any other act performed pursuant to this Part or to make the Borough, any Borough official, a municipal or public official an insured under a policy of insurance or to create an obligation to pay delinquent property taxes or unpaid removal liens or expenses other than as provided in this Part.

(*Ord. 408, 8/11/2011*)

**§7-203. Insurance Company Rights Reserved.**

An insurance company, association or exchange making payment of policy proceeds under this Part for delinquent taxes or structure removal liens or removal expenses incurred by the Borough shall have a full benefit of such payment including all rights of subrogation and of assignment.

(*Ord. 408, 8/11/2011*)

**§7-204. Construction.**

This Part shall be liberally construed to accomplish its purpose to deter the commission of arson and related crimes, to discourage the abandonment of property and to prevent urban blight and deterioration.

(*Ord. 408, 8/11/2011*)

**§7-205. Notification of Pennsylvania Department of Community and Economic Development.**

The Secretary of the Borough shall transmit a certified copy of this Part promptly to the Pennsylvania Department of Community and Economic Development.

(*Ord. 408, 8/11/2011*)

**§7-206. Penalty.**

Any person, firm, or corporation who shall violate any provision of this Part, upon conviction thereof, shall be sentenced to a fine of not more than \$1,000 plus costs and, in default of payment of said fine and costs, to a term of imprisonment not to exceed 30 days. Each day that a violation of this Part continues shall constitute a separate offense.

(*Ord. 408, 8/11/2011*)



**Part 3****Recoupment of Expenses Due to Emergency, Accident, or Other Event****§7-301. Short Title.**

This Part shall be known as the “Public Emergency and Accident Compensation Ordinance.”

(Ord. 370, 3/12/1997, §1)

**§7-302. Definitions.**

Where used in this Part the following words and phrases shall have the meaning ascribed to them herein:

*Emergency*—includes a motor vehicle accident, any type of accident or misadventure, a fire, a false alarm, a spillage of any type of material affecting public property, the commission of or the attempt to commit a crime, an authorized call for police, fire or emergency assistance or any event of any nature whereby police, fire or emergency personnel are summoned or utilized.

*Emergency service provider*—the ambulance service provider authorized and approved by Chalfant Borough Council from time to time.

*Emergency services*—the “Fire Department,” the “Police Department” and the “Emergency Service Provider.”

*Entity causing an emergency*—one or more of the following or any combination thereof: a person, corporation, limited partnership, partnership, association, or their agents, servants, employees, and insurers which are involved in the circumstances which necessitate the assistance or summoning of “emergency services.”

*Fire Department*—the Chalfant Volunteer Fire Company which is the authorized firefighting entity by Chalfant Borough.

*Instrumentality causing or involved in an emergency*—the personal or real property involved in an event giving rise to the circumstances which necessitate the assistance or summoning of “emergency services.”

*Police department*—the Chalfant Borough police.

(Ord. 370, 3/12/1997, §2)

**§7-303. Responsibility of Payment of Emergency Services.**

From the effective date of this Part all entities, and any and all insurance carriers for such entities, causing an emergency or owning any of the instrumentalities causing or involved in an emergency shall be jointly and severally responsible for payment of the expense of all emergency services utilized as a result of the emergency.

(Ord. 370, 3/12/1997, §3)

**§7-304. Governing Body Authorized to Demand and Seek Compensation.**

The governing body of any emergency service provider shall hereinafter be

authorized to demand and seek compensation in any legal manner it sees fit to collect such reasonable sums due on account of emergency services it provides for an emergency from any entity responsible for such fire or emergency services either provides pursuant to this Part.

*(Ord. 370, 3/12/1997, §4)*

**§7-305. Authorizing the Borough of Chalfant to Demand and Seek Compensation.**

The Borough of Chalfant shall hereinafter be authorized to demand, seek compensation in any legal manner it sees fit to collect such reasonable sums due on account of emergency services it provides for an emergency from any entity responsible for police services pursuant to this Part.

*(Ord. 370, 3/12/1997, §5)*

**§7-306. Municipal Claim.**

Any claim made by the Borough of Chalfant shall be deemed to be a municipal claim for municipal services rendered.

*(Ord. 370, 3/12/1997, §6)*

**§7-307. Effective Date.**

This Part shall become effective on April 1, 1997.

*(Ord. 370, 3/12/1997, §8)*