



Fire & Rescue
Phone: 810.664.0833
Fax: 810.664.3141
E-mail: lapeerfd@ci.lapeer.mi.us

Terry Kluge
Fire Chief

June 30, 2017

Lapeer Township Board
1500 Morris Road
Lapeer, MI 48446

Re: Improvement to ISO Rating

Dear Board Members,

After over a year of meetings, collecting information, inspections, testing, and reviews, I am happy to report that the Public Protection Classification (PPC) rating for our fire area has improved from a Class 5 to Class 4/4Y.

As you may already know, Insurance Services Office (commonly known as ISO) is an independent company that provides risk related information to insurance companies, communities, and others. They evaluate a community's ability to deliver structural fire suppression services, and the information obtained is used to establish the PPC grade from 1 to 10. The lower the grade, the better for a community as it represents a higher level of fire protection. The PPC grade/rating is used by most insurance companies to determine the costs of business and homeowner policies.

ISO began a survey of our fire protection service area in April of 2016. Historically, ISO had evaluated each municipality as a separate unit even though our department provided fire protection. This resulted in multiple ratings in each township (5, 8b, or 10), depending on the distance from the fire station and a credible water source. ISO now looks at our response area as a single "Lapeer Fire Protection Service Area". As a result, the new classification could result in significant savings to many businesses and homeowners.

While individual insurance companies determine the actual cost of each policy, this improvement in our rating means that those properties within 5 road miles from our station and within 1,000 feet of a fire hydrant or credible water supply should receive

2300 W. Genesee Street • Lapeer, MI 48446
Website: www.ci.lapeer.mi.us



Printed On Recycled


credit for the Class 4. For those within 5 road miles from our station but more than 1,000 feet from a water source, the 4Y classification should apply. If a property is more than 5 road miles from the closest fire station (ours or one of our automatic aid partners), the rating will remain at a 10. That said, if a property is more than 5 but less than 7 miles from a station and has a credible water source within 1,000 feet, they would qualify for a rating of 10W, which indicates to the insurance companies that there is a potential for reduced loss due to the available water.

Components of the review that determine a classification rating include Emergency Communications (10%), Water Supply (40%), and the Fire Department (50%). All areas saw improvement from the City's previous rating which was last done in 1995. At that time, the overall credits earned were 53.72, which is about the middle of Class 5. The credits earned in the current review totaled 69.10, putting us only 9/10 of a point from achieving Class 3. Our apparatus, equipment, training, fire inspection programs (City, Lapeer and Mayfield Townships), as well as improvements to the City's water system, and the installation of additional dry hydrants and identifying other water supply sites in the townships were all significant elements that led to the improved rating.

This review was long overdue and took a considerable amount of time to complete, however I believe that it was worth all of the effort. As we move forward, we will continue to work to improve our rating and the service we provide to our citizens.

If you have any questions regarding this matter or would like additional information, please contact me.

Respectfully,


Terry Kluge
Fire Chief