



111 NORTH CANAL STREET SUITE 950 CHICAGO, IL 60606-7270  
TEL: (312) 930-0070 (800) 444-4554 FAX: (312) 930-0017

January 6, 2011

Mr. Chris Kukulski, City Manager  
City of Bozeman  
P.O. Box 1230  
121 N. Rouse Ave  
Bozeman, MT 59771

RE: Building Code Effectiveness Grading Schedule Classification Results  
Bozeman, Gallatin County, MT

Dear Mr. Kukulski:

We wish to thank you and Mr. Bob Risk for the cooperation given to us during our recent Building Code Effectiveness Grading Schedule (BCEGS) survey. Insurance Services Office, Inc. (ISO) is the leading supplier of statistical data, underwriting information, and actuarial analysis to the property/casualty insurance industry in the United States. The BCEGS classifications are distributed by ISO for use by property/casualty insurers to assist in their insurance underwriting and premium development programs for residential and commercial properties. Insurers can use the BCEGS classification number to offer insurance premium discounts to eligible properties in Bozeman.

ISO has completed its analysis of the building codes adopted by your community and the effort put forth to enforce those codes. The resulting BCEGS Classification is a Class 4 for 1& 2 family residential property and a Class 3 for commercial and industrial property.

The new Classification is a regression from the former Class 3 for 1& 2 family residential property. The principal reasons contributing to this regression are:

- Jurisdiction did not adopt the residential sprinkler section of the 2009 international residential code which weakens and modifies the code.
- Jurisdiction did not adopt the full code in a timely unamended manner.
- Reduction in inspection staff since last evaluation

A revised BCEGS classification would apply to new buildings receiving a Certificate of Occupancy during or after the calendar year in which the revision takes place.

Before we re-classify your community to reflect this change, we would like to know if Bozeman desires to develop a program to regain PL Class 3. If this letter is acknowledged by February 6, 2011 advising us that this matter will be reviewed within the next three months we will postpone the implementation of the classification changes.

Mr. Chris Kukulski, City Manager  
1/6/2011  
Page 2

After review, if it is your decision to begin an improvement program to regain PL Class 3, we will need to receive, by April 6, 2011 a list of the changes you intend to make. Additionally, we would appreciate your estimate of the amount of time which will be needed to complete each item. No re-classifying action will be taken if changes are implemented to regain the current classification within one year of the receipt of this letter.

" "

We have attached a copy of our report which will provide you additional information about the classification process and how we evaluated various aspects of your community's building codes and their enforcement. We want to highlight the fact that the ISO Building Code Effectiveness Grading program is an advisory insurance underwriting information and rating tool. It is not intended to analyze all aspects of a comprehensive building code enforcement program. It is not for purposes of determining compliance with any state or local law nor is it for making loss prevention or loss safety recommendations.

If you have any questions about the classification that was developed, please let us know.

Sincerely,

**BCEGS** Building Code Department  
(800) 930-1677 Ext. 6204 FAX: (312) 930-0038

cc: Mr. Bob Risk

enclosure