

Executive Summary

Actuarial and Underwriting Committee Meeting, June 25, 2025

Board of Governors Meeting, June 25, 2025

GIS and Location Data Services

Topic

This Action Item requests Board approval to contract with Insurance Services Office, Inc. (“ISO”) for GIS and Location Data Services. Approval is requested for an initial term of three (3) years with three (3) optional one (1) year renewal terms. Based on current projections the average annual spend is estimated to be \$547,490. The requested spend for the contract’s base and renewal terms with contingency spend is an estimated \$4,000,000. Actual spend will depend on transaction volume and underlying market conditions.

History

GIS and Location Data Services are a critical part of risk-based underwriting. These services provide the identification of geographic location-related risk characteristics for commercial and residential properties as part of the underwriting process. As a part of the underwriting process, Citizens initiates two types of requests (“transactions”) for property data: (1) All-Inclusive Requests: these requests are used to determine eligibility and premium for Citizens’ residential and commercial insurance policies; and, (2) Wind-Only Requests: these requests are used to determine proper rating and eligibility for Citizens. These risk characteristics, combined with other data services such as replacement cost estimating are used to obtain a holistic understanding of the property, determine eligibility and assist with the underwriting of policies.

The proposed contract will replace Citizens’ current contract with ISO that expires May 15, 2026. This new contract reflects an estimated 8% decrease in fees per transaction, and a \$4,755,043 decrease in spend over the six (6) year term as compared to the expiring contract.

Citizens procured the contract through ITN 24-0016. Six vendors responded to the ITN. A Citizens evaluation committee advanced three vendors to negotiations. The negotiation team recommended ISO for award as best value after negotiating with the three vendors for best capabilities, function and overall value to Citizens.

Recommendation

The recommendation is listed in the attached Action Item.

GIS and Location Data Services

ACTION ITEM

CONSENT ITEM

New Contract

Contract Amendment

Contract Amendment

Existing Contract Extension

Other _____

Existing Contract Additional Spend

Previous Board Approval

Other _____

Action Items: Items requiring detailed explanation to the Board. When a requested action item is a day-to-day operational item or unanimously passed through committee it may be moved forward to the board on the Action Index.

Move forward as Action: This Action item is a day-to-day operational item, unanimously passed through committee or qualifies to be moved forward on the Action Index.

Consent Items: Items not requiring detailed explanation to the Board of Governors. Consent items are contract extensions, amendments or additional spending authorities for items previously approved by the Board.

Purpose/Scope	This Action Item requests Board approval to contract with Insurance Services Office, Inc. ("ISO") for GIS and Location Data Services. These services provide the identification of geographic location-related risk characteristics for commercial and residential properties as part of the underwriting process.
Contract ID	GIS and Location Data Services Contract number: 2524001600 Vendor: Insurance Services Office, Inc.
Budgeted Item	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Procurement Method	On October 29, 2024, Citizens issued Invitation to Negotiate No. 24-0016 for Data and Location Data Services. Six vendors responded and three were advanced to negotiations. On April 17, 2025, Citizens recommended ISO for contract award based on best value to Citizens.
Contract Amount	Based on current projections the average annual spend is estimated to be \$547,490. The requested spend for the contract's base and renewal terms with contingency spend is an estimated \$4,000,000. Actual spend will depend on transaction volume and underlying market conditions.
Contract Terms	Three (3) year base term with the option to renew for three (3), one (1) year renewal periods.

GIS and Location Data Services

Committee Recommendation	Staff propose that the Actuarial and Underwriting Committee review, and if approved, recommend the Board of Governors: a) Authorize the GIS and Location Data Services contract with ISO for an initial term of three (3) years with three (3) optional one (1) year renewal terms. b) Authorize staff to take any appropriate or necessary action consistent with this Action Item.
Board Recommendation from Committee	If approved at its June 25, 2025, meeting, the Actuarial and Underwriting Committee recommends that the Board of Governors: a) Authorize the GIS and Location Data Services contract with ISO for an initial term of three (3) years with three (3) optional one (1) year renewal terms. b) Authorize staff to take any appropriate or necessary action consistent with this Action Item.
CONTACTS	Jay Adams, Chief Insurance Officer