

CONSENT ITEM (Contract Amendment)

1 | PAGE

Claims Committee Meeting, December 4, 2019
Board of Governors Meeting, December 11, 2019

CONTRACT ID:	Contractor Managed Repair Program, ITN 15-0011 for Contractor Repair Services Program Vendor: Contractor Connection
BUDGETED	Yes.
CONTRACT AMOUNT	<p>On March 16, 2016, the Board of Governors approved this contract with spend of \$15,000,000 (estimated) for the life of the contract.</p> <p>This Consent Item is not requesting additional funding. Under the existing Contract, a mechanism is needed to compensate the Vendor for water remediation efforts, related to a claim, which do not result in a signed contract with the policyholder. This will be consistent with existing compensation for repair efforts, related to a claim, which do not result in a signed contract with the policyholder.</p> <p>The Boards' approval for this amendment is requested in accordance with Citizens Purchasing Policy 501, as this amendment will increase compensation to the Vendor.</p>
CONTRACT HISTORY	<p>On May 22, 2017 the Contractor Managed Repair Program (CMRP) Contract was executed based on the September 9, 2015 Invitation to Negotiate No. 15-0011 for Contractor Repair Services Program.</p> <p>Contractor Connection currently manages a credentialed network of independent general contractors who provide a variety of emergency mitigation and repair services as a part of Citizens' Contractor Managed Repair Program established by Citizens.</p>
CONTRACT TERM(S)	The current contract has a five (5) year base term, expiring May 2022, with two (2), two (2) year renewal periods.
PURPOSE/SCOPE	<p>Currently when a CAIS Network Contractor is unable to receive a signed contract from the Policyholder for Repair Services following a program assignment, and the CAIS Network Contractor has submitted a complete estimate approved by Citizens, the CAIS Network Contractor is compensated for efforts toward repair services not being contracted. The amount of compensation is variable, based on current language in the Contract (Section 14.6).</p> <p>Citizens has determined there is a similar operational need to provide compensation resulting from Emergency Water Mitigation Services not being contracted when the CAIS Network Contractors are assigned and visit a Loss Location without having the opportunity to perform Emergency Water Remediation Services.</p> <p>This contractual amendment will allow for CAIS Network Contractors to be compensated based on the Task Assignment Fee Schedule in the amount of \$325.00 for each Emergency Water Remediation Services unable to be performed following a program assignment.</p> <p>Currently the CAIS Network Contractors are not compensated for these efforts. Citizens anticipates this amendment will provide benefits to Citizens in the form of increased enrollment of CAIS Network Contractors into the program.</p>

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2 | PAGE

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PROCUREMENT METHOD	This is an amendment to the existing contract.
RECOMMENDATION	Staff recommends the Citizens' Claims Committee approve and recommends the Board of Governors: a) Approve the amendment to the current contract for the Contractor Managed Repair Program, ITN 15-0011 for the Contractor Repair Services Program to include a \$325.00 compensation resulting from each Emergency Water Mitigation Services not being contracted; and b) Authorize staff to take any appropriate or necessary actions consistent with this Consent Item.
CONTACTS	Jay Adams, Chief Claims Officer