

CONSENT ITEM

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

<p>CONTRACT ID:</p>	<p>(Compensation for Civil Proceeding Preparation & for Travel) – Deposition Guidelines Independent Adjusting Services – Non-Litigated/Catastrophe, RFP 17-17-0006; Independent Adjusting Services – Catastrophe RFPs 17-17-0020, 18-18-0027; Fast Track Adjusting Services – RFP 18-18-0025; Field Inspection Services – RFP 18-18-0023; and Commercial Adjusting Services – RFP 15-15-0018</p>
<p>BUDGETED</p>	<p>Yes. This Consent Item is not requesting additional funds. The requested amendments are not expected to require an increase to previously approved funds.</p>
<p>CONTRACT AMOUNT</p>	<p>The estimated contract amount is anticipated to remain at \$343,900,000 for the following contracts. The Board previously approved these contracts under this shared funding limit on the following dates:</p> <ul style="list-style-type: none"> - Independent Adjusting Services – Non-Litigated/Catastrophe, 17-17-0006 (06/20/2017) - Independent Adjusting Services – Catastrophe, 17-17-0020 (09/06/2017) - Independent Adjusting Services – Catastrophe, 18-18-0027 (06/20/2018) - Fast Track Adjusting Services, 18-18-0025 (06/20/2018) - Field Inspection Services, 18-18-0023 (06/20/2018) <p>The estimated contract amount is anticipated to remain at \$31,800,000 for Commercial Adjusting Services, 15-15-0018. The Board approved an initial contract spend of \$16,800,000 on September 30, 2015. An additional \$15,000,000 was approved on September 26, 2018.</p>
<p>CONTRACT HISTORY</p>	<p>These contracts were approved by the Board on the dates provided above.</p>
<p>CONTRACT TERM(S)</p>	<p>The six contracts listed below have five (5) year base terms, with five (5) optional, one-year renewal terms:</p> <ol style="list-style-type: none"> 1. Independent Adjusting Services – Non-Litigated/Catastrophe, 17-17-0006: 08/04/2017 through 08/03/2022 2. Independent Adjusting Services - Catastrophe, 17-17-0020: 08/07/2017 through 09/06/2022 3. Field Inspection Services, 18-18-0023: 09/13/2018 through 09/12/2023 4. Fast Track Adjusting Services, 18-18-0025: 09/11/2018 through 09/10/2023 <p>The contract listed below has a five (5) year base term, with four (4) optional, one-year renewal terms:</p> <ol style="list-style-type: none"> 5. Independent Adjusting Services – Catastrophe, 18-18-0027: 09/27/2018 through 09/26/2023 <p>The Commercial Adjusting Services contract listed below has a four (4) year base term, with three (3) optional, one-year renewal terms.</p>

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	6. Commercial Adjusting Services, 15-15-0018: 10/23/2015 through 10/22/2020
PURPOSE/SCOPE	<p>This Consent Item requests approval to amend these contracts to provide a flat fee for time spent preparing and attending civil proceedings as a fact witness in Citizens' matters. Given the frequency of the requirement for adjusters to provide testimony as fact witnesses during civil proceedings and the varying methods of compensation invoiced, Citizens has determined that there is a need to provide standardized, clearly defined billing guidelines for these services. Citizens anticipates that implementing flat fee compensation and billing guidelines will provide benefits in the form of an overall cost savings to the organization, increased operational efficiency as it relates to the processing of invoices, and improvement in the ability to forecast projected costs associated with these services.</p> <p>Under the proposed amendment, preparation and attendance at a civil proceeding as a fact witness will be compensated at a flat fee of \$525.00 for time spent preparing for testimony, and an additional flat fee of \$525.00 per day for time spent traveling to and from and testifying at the proceedings.</p>
PROCUREMENT METHOD	Amendments to existing, previously competitively procured, contracts.
RECOMMENDATION	<p>Citizens' Claims Committee approved and recommends the Board of Governors:</p> <ul style="list-style-type: none">a) Approve contract amendments to the six contracts listed above, <i>adding a flat fee of \$525.00 for time spent preparing</i> for attendance at a civil proceeding;b) Approve the contract amendment to <i>add a flat fee of \$525.00 per day to be paid for time spent traveling</i> to and from and testifying at a civil proceeding; andc) Authorize staff to take any appropriate or necessary actions consistent with this Consent Item.
CONTACTS	Jay Adams, Chief Claims Officer