

# Executive Summary

Claims Committee Meeting, March 6, 2025

Board of Governors Meeting, March 12, 2025

## Court Reporting Services

### Topic

This Action Item seeks Board approval of \$10,000,000 in spend authority to renew Court Reporting Services contracts through April of 2026.

### History

The Court Reporting Services Program provides Citizens with a network of experienced and credentialed vendors capable of providing court reporting, transcription and video services in support of Citizens' Litigated Claims Department. Although litigation frequency continues to decline, Citizens currently has over 15,000 open litigation claims assigned to the Claims Litigation Department. As part of the coordinated defense of its litigated claims, Citizens contracted outside counsel routinely to engage these court reporters throughout the state to provide critical court reporting and transcription services. Through the Court Reporting Services contracts, these vendors provide quality resources and services while utilizing a uniform and economical pricing structure based on a fixed scope of work.

On November 12, 2019, Citizens issued Request for Proposals (RFP) 19-0020 for Court Reporting Services. Nineteen (19) proposals were reviewed and scored by an evaluation committee who ultimately recommended contracts to all nineteen (19) of the vendors on January 30, 2020. These contracts were approved by the Board on March 25, 2020. On March 15, 2023, the Board approved total spend authority of \$36,000,000 to cover the estimated cost of these services through April 2025. This Action Item seeks \$10,000,000 in spend authority to cover court reporting services through April 2026, for a total spend authority of \$46,000,000.

Due to the high volume of claims-related catastrophe litigation, the need for additional remote services at the outset of the agreement, and Citizens' intent to execute the final one (1) year renewal option, spend authority is needed. The previously approved spend amount of \$36,000,000, which was intended to cover these services through April 2025, has been exhausted and \$10,000,000 in spend authorization is requested. This spend is intended to cover the remainder of the first renewal term, set to expire in April 2025, and the remaining one (1) year renewal option which will extend the contract through April 2026.

### Recommendation

The recommendation is listed in the attached Action Item.

## Court Reporting Services

**ACTION ITEM**

**New Contract**

**Contract Amendment**

**Other** \_\_\_\_\_

**CONSENT ITEM**

**Contract Amendment**

**Existing Contract Extension**

**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 Consent Index.

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

<b>Item Description</b>	<b>Court Reporting Services</b>
<b>Purpose/Scope</b>	This Action Item seeks Board approval for an additional \$10,000,000 in spend authorization under the Court Reporting Services contracts.
<b>Contract ID</b>	<b>Court Reporting Services</b> 20-19-0020-01 (Multiple Vendors)
<b>Budgeted Item</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Procurement Method</b>	On November 12, 2019, Citizens issued RFP 19-0020 for Court Reporting Services. Nineteen (19) proposals were reviewed and scored by an Evaluation Committee who ultimately recommended contracts to all nineteen (19) vendors on January 30, 2020. These contracts were approved at the March 25, 2020 Board of Governors meeting. A twentieth (20th) vendor was added to the panel through the legal services exemption in Section 287.057(3), Florida Statutes, which was approved at the July 13, 2022 Board of Governors meeting.
<b>Contract Amount</b>	The current approved contract amount is \$36,000,000 which was approved in three parts: (1) \$18,500,000 approved on March 25, 2020, (2) \$2,500,000 approved on July 13, 2022, and \$15,000,000 approved on March 15, 2023. Citizens staff is requesting an additional \$10,000,000 to cover estimated expenses through April 1, 2026.

## Court Reporting Services

<b>Contract Terms</b>	<p>The contracts have a three (3) year base term and include two optional renewal terms, the first for two (2) years and the second for one (1) year. The total term of the contracts including all renewal options is six (6) years.</p> <p>The base term expired on April 1, 2023. Citizens staff exercised the first renewal option of two (2) years and intends to exercise the second renewal option of one (1) year to allow the contracts to run to April 1, 2026.</p> <p>The contracts pre-qualify vendors to be on Citizens' panel of court reporting vendors but do not guarantee any volume of assignments or compensation.</p>
<b>Committee Recommendation</b>	<p>Staff proposes that the Claims Committee review, and if approved recommend the Board of Governors:</p> <ul style="list-style-type: none"><li>a) Authorize additional spending authority of \$10,000,000 under the Court Reporting Services contracts, for a total of \$46,000,000 in authorized spend; and</li><li>b) Authorize staff to take any appropriate or necessary action consistent with this Action Item.</li></ul>
<b>Board Recommendation from Committee</b>	<p>If approved at its March 6, 2025 meeting, the Claims Committee recommends that the Board of Governors:</p> <ul style="list-style-type: none"><li>a) Authorize additional spending authority of \$10,000,000 under the Court Reporting Services contracts, for a total of \$46,000,000 in authorized spend; and</li><li>b) Authorize staff to take any appropriate or necessary action consistent with this Action Item.</li></ul>
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