

CONSENT ITEM

Claims Committee Meeting, June 15, 2017
Board of Governors Meeting, June 20, 2017

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| CONTRACT ID: | Water Mitigation Estimate Review Program RFP No. 16-0007 RECOMMENDED VENDOR: LYNX SERVICES, LLC |
| BUDGETED ITEM | Yes. However, current estimates indicate initial approved contract spend will be depleted by approximately June 2019. |
| CONTRACT AMOUNT | The Board of Governors approved a total initial contract spend of \$1,829,065 in July 2016. This Consent Item is requesting an additional \$1,590,935 in funds be approved to cover expenses for the life of the contract. |
| CONTRACT TERM(S) | The current contract has a three (3) year base term, with two (2) optional, one-year renewal terms. |
| PURPOSE/SCOPE | This Consent Item seeks Board approval on the following: <ol style="list-style-type: none">1) To increase the total contract spend from \$1,829,065 to \$3,420,000. This increase in authorized spend is necessary to cover expenses associated with the increased volume of non-weather water related losses as well as the rise in non-weather water related claims that go into litigation; and2) To amend the terms of the current contract to include Resolution Support Services as a billable item. Resolution Support Services associated with vendor resolution support with respect to explaining and justifying vendor's assessment and findings to Citizens' outside defense counsel. Of the total \$1,590,935 of additional contract spend being requested, approximately \$144,000 is associated with this Resolution Support Services. |
| PROCUREMENT METHOD | On March 16, 2016, Citizens issued Request for Proposals (RFP) No. 16-0007 for Water Mitigation Estimate Review. Responses were received and scored by an Evaluation Committee. The Evaluation Committee recommended primary award to one (1) vendor on June 9, 2016, with one (1) contingent vendor. |
| RECOMMENDATION | Staff recommends the Citizens' Board: <ol style="list-style-type: none">a) Approve the recommended increase of the total contract authority by \$1,590,935 from \$1,829,065 to a total of \$3,420,000 for Water Mitigation Estimate Review Program, RFP 16-0007;b) Approve the contract amendment to provide Resolution Support Services as a billable item;c) Authorize staff to take any appropriate or necessary actions consistent with this Consent Item; andd) Approve this amendment not to exceed \$3,420,000. |
| CONTACTS | Jay Adams, Chief of Claims |