

CONSENT ITEM

Claims Committee Meeting, September 6, 2017
Board of Governors Meeting, September 27, 2017

CONTRACT ID:	Property Loss Estimating Software ITN 14-0006
BUDGETED	Yes. However, with the utilization of the Xactware reporting service, current estimates indicate the initial approved contract spend will be depleted by year 2023 of the contract term.
CONTRACT AMOUNT	On February 6, 2015 the Board approved \$13,000,000 with the initial Action Item. This Consent Item is requesting approval for an additional \$2,175,000 in contract spend.
CONTRACT HISTORY	This contract is a result of ITN 14-0006, and took effect March 1, 2015. Xactware provides a claims estimation software that supports the functional requirements of both the daily and catastrophe claims operations.
CONTRACT TERM(S)	The contract has a base term of 5 years, with one 3 year renewal option and one 2 year renewal option, for a total of ten years.
PURPOSE/SCOPE	This Consent Item seeks approval to increase total contract spend from \$13,000,000 to \$15,175,000. This increase in authorized spend is necessary for Citizens to utilize the roof and property reporting service provided by Xactware. While reporting services are included in the contract, it is not a service Citizens has utilized to this point and therefore the spend associated with this service was not accounted for in the initial authorized spend approved by the Board of Governors.
PROCUREMENT METHOD	On April 1, 2014, Citizens issued Invitation to Negotiate (ITN) 14-0006, for Property Loss Estimating Software. Xactware Solutions, Inc. was the awarded vendor.
RECOMMENDATION	Staff recommends the Citizens' Board: a) Approve the recommended increase of the total contract authority by \$2,175,000, from \$13,000,000 to a total of \$15,175,000 for Property Loss Estimating Software, ITN 14-0006; b) Authorize staff to take any appropriate or necessary action consistent with this Consent Item; and c) Approve the contract not to exceed \$15,175,000.
CONTACTS	Jay Adams, Chief of Claims