

ACTION ITEM

Emergency Board of Governors Teleconference Meeting
September 6, 2017

ACTION ID:	CATASTROPHE RESPONSE: HURRICANE IRMA MULTIPLE CONTRACTS AND VENDORS
BUDGETED ITEM	No
CONTRACT AMOUNTS	The scale of Citizens catastrophe response to Hurricane Irma is not presently known. Requirements for initial response will likely exceed \$50 million across multiple vendors and service categories. Total expenditures under this Action Item will be periodically provided to the Board.
PURPOSE / SCOPE	<p>This Action Item requests that Citizens' Board of Governors authorize Citizens staff to</p> <ol style="list-style-type: none">1) Use and amend current contracts and procure new contracts on an emergency basis, and2) Suspend or waive internal Citizens' policies consistent with the Governor's Executive Order Number 17-235. <p>On September 4, 2017 Governor Scott issued Executive Order Number 17-235 declaring a state of emergency and specifying that Hurricane Irma poses a severe threat to the entire State of Florida. The Governor's Order authorizes governmental entities to "suspend the provision of any regulatory statute prescribing the procedures for conduct of state business or the orders or rules of that agency, if strict compliance with the provisions of any such statute, order, or rule would in any way prevent, hinder, or delay necessary action in coping with the emergency. This includes, but is not limited to, the authority to suspend any and all statutes, rules, ordinances, or orders which affect leasing, printing, purchasing, travel, and the condition of employment and the compensation of employees."</p> <p>Accordingly, applicable statutes and Citizens policies that would in any way prevent, hinder, or delay necessary action by Citizens <u>in coping with the emergency</u>, as found in Executive Order Number 17-235, may be suspended for a period of 30 days unless otherwise extended, which affect printing, purchasing, travel, and conditions of employment and compensation of employees.</p> <p>In alignment with the Governor's Executive Order, Barry Gilway, President/CEO, invoked Citizens ability to utilize emergency procurement under s. 287.057(3)(a), Florida Statutes. See attached President Barry Gilway's Emergency Procurement Authorization - Hurricane Irma. This Action Item requests limited authority both in time and scope. The timeframe of this Action Item will not exceed the Governor's Executive Order, currently thirty days unless extended. Contracts will be entered and amended solely for the purposes of preparing for and responding to the effects of Hurricane Irma.</p>

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Upon approval of this Action Item, Citizens staff will pursue the following:

- Pursue new contracts to expand access to claims adjusting services
- Amend existing contracts to adjust payment and fee schedules to meet the changing market dynamic of the national catastrophe response environment
- Amend existing contracts to expand scope of services for the purpose of increasing access to loss estimation services
- Enter new contracts and contract amendments as needed to provide for support for Claims Catastrophe Operations, Emergency Operations Center, and business continuity needs. Such needs may include, but are not limited to, leases for office space and associated operational expenses, goods and services needed to stabilize and maintain existing office space, and providing for information technology needs
- Enter new contracts and contract amendments as needed to provide policyholder support, public outreach and communication initiatives
- Pursue new contracts, amend existing contracts and exceed originally approved contractual spend authority to the extent doing so is directly related to and necessitated by Citizens' Hurricane Irma response and recovery effort.

Consistent with Executive Order 17-235, this Action Item also requests that the Board authorize Citizens, via its President/CEO, to suspend or waive corporate policies "if strict compliance with the provisions . . . would in any way prevent, hinder, or delay necessary action in coping with the emergency." Such applicable policies include, but are not limited to, Citizens' Purchasing, Vendor Management, Emergency Office Closure, Catastrophe Pay, Alternative Work Arrangement, Business Travel, Purchasing Card (P Card), Expenses Not Related to Travel, and Vehicle Use Policies.

CONTRACT TERM(S)

Multiple contracts may be entered. Contract terms will vary.

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PROCUREMENT METHOD	Citizens will utilize all appropriate methods of procurement to cope with this emergency, including the following: <ul style="list-style-type: none">• Government contract vehicles (e.g., DMS, GSA, US Communities, NASPO ValuePoint);• Emergency procurement process; and• Amend existing contracts to modify agreement and expand scope of services.
RECOMMENDATION	Staff recommends that Citizens' Board of Governors: <ul style="list-style-type: none">a) Approve this Catastrophe Response Hurricane Irma Action Item;b) Authorize the President/CEO to suspend or waive applicable corporate policies;c) Authorize staff to enter and amend contracts in accordance with this Action Item including in amounts greater than \$100,000;d) Consistent with this Action Item, authorize Citizens to exceed contract amounts originally approved by the Board; and thate) The authority granted by this Action Item shall not exceed the timeframe of the Governor's Executive Order, as may be extended, modified or superseded.
CONTACTS	Jay Adams, Chief of Claims Kelly Booten, Chief of Systems and Operations Dan Sumner, Chief Legal Officer

CITIZENS PROPERTY INSURANCE CORPORATION
301 W BAY STREET, SUITE 1300
JACKSONVILLE, FLORIDA 32202-5142



DATE: September 6, 2017

FROM: Barry Gilway, President and Chief Executive Officer

RE: Emergency Procurement Authorization - Hurricane Irma

On September 4, 2017 Governor Scott issued Executive Order Number 17-235 declaring a state of emergency and specifying that Hurricane Irma poses a severe threat to the entire State of Florida. This storm requires that immediate and timely actions are taken to protect the policyholders, agents, employees, vendors, and all others involved with the provision of property insurance through Citizens Property Insurance Corporation.

I hereby determine in writing, and pursuant to s. 287.057(3)(a), Florida Statutes, and Citizens' Purchasing Policy 501, that Hurricane Irma presents an immediate danger to the public health, safety, welfare or other substantial loss to Citizens, an integral part of the State of Florida.

Citizens is authorized, to the extent necessary, to proceed with the Emergency Purchases procedure for the procurement of commodities and contractual services in accordance with s. 287.057(3)(a), Florida Statutes.

Done and Ordered this 6th day of September, 2017


Barry J. Gilway, President/CEO

Christopher B. Gardner, Chairman, Orange County • Gary Aubuchon, Lee County
Bette Brown, Monroe County • Blake Capps, Martin County • James Holton, Pinellas County
John McKay, Manatee County • Freddie Schinz, Okaloosa County
Barry Gilway, President/CEO and Executive Director