

CONSENT ITEM

Claims Committee Meeting, September 19, 2018
Board of Governors Meeting, September 26, 2018

CONTRACT ID:	Commercial Adjusting Services RFP 15-0018 VENDORS: BRADLEY STINSON & ASSOCIATES, INC., BRIGHTCLAIM, LLC, QUALITY ASSURANCE ADJUSTING SERVICES, INC. AND NATIONAL CATASTROPHE ADJUSTERS, LLC
BUDGETED	Yes, however, current estimates indicate the initial approved contract spend will be depleted by approximately February 2019. In the event resources are deployed for a 2018 storm event, contract spend will be depleted prior to February 2019.
CONTRACT AMOUNT	The Board of Governors approved a total initial contract spend of \$16,800,000 on September 30, 2015. This Consent Item is requesting an additional \$15,000,000 in funds be approved to cover expenses for the remaining contract term and renewals.
CONTRACT HISTORY	The Board previously approved the total initial contract spend of \$16,800,000 in September 2015. As of August 31, 2017, prior to Hurricane Irma, total spend under the contract totaled \$2,365,263.06. However, as noted by the Consent Item approved by the Board on September 27, 2017, fee schedules were increased by approximately eighteen percent to be in alignment with the then-current Residential and Litigated Adjusting Services contracts. With the increase in rates to attract resources with consideration to Hurricane Harvey, and as a result of increased assignment volume due to Hurricane Irma, the contract spend as of the end of July 2018 totaled \$16,169,083.92.
CONTRACT TERM(S)	The current contract has a four-year base term, with three optional one-year renewal terms.
PURPOSE/SCOPE	This Consent Item seeks Board approval to increase the total contract spend from \$16,800,000 to \$31,800,000. This increase in authorized spend is necessary to cover expenses associated with the increased volume of commercial adjusting assignments as a result of Hurricane Irma, as well as to maintain non-catastrophe business operations.
PROCUREMENT METHOD	On June 24, 2015, Citizens issued Request for Proposals (RFP) 15-0018 for Commercial Adjusting Services. Vendor responses were due by August 7, 2015 and seven proposals were timely submitted. Those proposals were reviewed and scored by an Evaluation Committee who recommended to award contracts to six vendors on August 26, 2015. Currently, there are four remaining vendors contracted to perform services under RFP 15-0018.
RECOMMENDATION	Citizens' Claims Committee approved and recommends the Board of Governors: <ul style="list-style-type: none">a) Approve the recommended increase of the total contract authority by \$15,000,000 from \$16,800,000 to a total of \$31,800,000 for Commercial Adjusting Services, RFP 15-0018 for the remaining contract term and renewals; andb) Approve staff to take any appropriate or necessary actions consistent with this Consent Item.

CONSENT ITEM

2 | PAGE

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CONTACTS

Jay Adams, Chief Claims Officer