

# Executive Summary

Board of Governors Meeting, May 18, 2022

## Enterprise Litigation Management System

### Topic

This Action Item seeks Board approval for a new contract with Mitratesch Holdings, Inc. to continue services providing Citizens' Enterprise Litigation Management System ("ELMS"), set to expire on June 18, 2022. Approval is requested for a three (3) year contract term with the right to terminate after year two (2).

### History

In advance and anticipation of the expiring agreement, Citizens initially issued ITN 20-0011 on July 24, 2020, seeking competitive replies from firms capable of providing a web-based SaaS to replace the current Acuity ELM Essentials system. On December 17, 2020, prior to contract award, that solicitation was cancelled to allow for completion of an operational assessment and to incorporate feedback from the Board. On March 15, 2021, Citizens issued a second solicitation, ITN 21-0007, and sought to contract with a vendor whose system provided overall enhanced capabilities within the areas of performance/data analytics and legal invoice review. Based on the resulting demonstrations and negotiations, the Negotiation Team met in a public meeting on October 21, 2021, where the team unanimously recommended that Citizens award the contract for ELMS to Mitratesch Holdings, Inc. The recommendation to award a contract to Mitratesch Holdings, Inc. was brought forth through Action Item 06C titled "Enterprise Litigation Management Solution – ELMS" at the December 15, 2021 Board of Governors meeting, where it was approved by the Board.

After receiving Board approval to contract with Mitratesch Holdings, Inc. for ELMS, Citizens' Staff immediately entered the contract finalization stage, which included a detailed scope review with Mitratesch Holdings, Inc. Through the scope review/finalization process, it became clear that Mitratesch Holdings, Inc. would be unable to deliver Citizens' desired scope for the new ELMS. At Citizens' request, Mitratesch Holdings, Inc. agreed to provision the version of the ELMS currently used by Citizens for up to five-years, so as to allow Citizens to pursue and implement a long-term solution. We are requesting a three (3) year term, with the right to terminate following year two (2).

The ELMS is used by both Citizens' internal staff and contracted outside defense counsel to facilitate the management of all activity on claims related litigation matters. This includes data analysis and reporting, management and auditing of all law firm and litigation vendor billing, storage of all litigation related documents and communication between Citizens and its contracted outside defense counsel. Citizens currently houses data and documents associated with over 110,000 combined historical (closed) and active (open) litigated matters. The ELMS system is used by more than 3,000 combined users made up of Citizens' internal resources and contracted outside defense counsel and is used to process approximately \$100,000,000 of annual litigation related spend. This is a most critical and essential information technology part of Citizens' Claims Litigations operations. Citizens' current contract for ELMS is with a Software-as-a-Service ("SaaS") solution called Acuity ELM Essentials. This solution was competitively procured in 2012 and the agreement, including all renewal terms, will expire on June 18, 2022. During this agreement, on September 29, 2020, Mitratesch, a leading global provider of legal and compliance software, acquired Acuity ELM.

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Given the criticality of ELMS in Citizens' Claims Litigation operations, together with the time and process required to transition to a new ELMS, the attached Action Item seeks Board approval for Citizens to contract with the current ELMS provider to continue services on the existing ELMS platform for a period of up to three (3) years with the right to terminate after year two (2).

## Recommendation

The recommendation is listed in the attached Action Item.

## Enterprise Litigation Management System

 **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>	Enterprise Litigation Management System
<b>Purpose/Scope</b>	This Action Item seeks Board approval to contract with Mitrtech Holdings, Inc. to provide an Enterprise Litigation Management System, Acuity ELM Essentials, to replace the existing contract for Enterprise Litigation Management Solutions set to expire on June 18, 2022. The Enterprise Litigation Management System is used by both Citizens' internal staff and contracted outside defense counsel to facilitate the management of all activity on claims related legal matters, including: data analysis and reporting, management and auditing of all law firm and litigation vendor billing, storage of all litigation related documents and communication between Citizens and its contracted outside defense counsel.
<b>Contract ID</b>	Enterprise Litigation Management System Acuity ELM Essentials provided by Mitrtech Holdings, Inc.
<b>Budgeted Item</b>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<b>Procurement Method</b>	Single Source 22-2003 was publicly posted on May 12, 2022. An opportunity for vendor inquiry and protest is being provided in accordance with Citizens' Purchasing Policy and s. 287.057, Florida Statutes. Mitrtech Holdings, Inc. is the only vendor capable of providing the required services while a substitute system is procured and implemented.

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<b>Contract Amount</b>	The estimated contract amount is \$1,950,000.00 for the recommended three (3) year contract period and includes all costs associated with ongoing maintenance/license fees throughout the contract term. This estimate is based on certain assumptions pertaining to data/file size and litigation spend. If additional funds are required, Citizens' staff will request authorization for additional funds through a separate Action Item.
<b>Contract Terms</b>	The contract will have a three (3) year term with the option to terminate after year two (2).
<b>Board Recommendation</b>	<p>Citizens' Staff proposes that the Board of Governors:</p> <ul style="list-style-type: none"> <li>a) Authorize Citizens to contract with Mitrastech Holdings, Inc. for a term of three (3) years with the option to terminate after year two (2), for an amount not to exceed \$1,950,000.00, as set forth in this Enterprise Litigation Management System Action Item; and</li> <li>b) Authorize staff to take any appropriate or necessary action consistent with this Action Item.</li> </ul>
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