

# Executive Summary

Claims Committee Meeting, June 13, 2024

Board of Governors Meeting, July 10, 2024

## Mobile Home Demolition Services

### Topic

This Action Item requests approval to contract with five (5) primary and five (5) contingent vendors to provide timely delivery of Mobile Home Demolition Services. Services include the demolition, removal, and disposal of mobile homes, including the fixtures attached thereto, within the State of Florida for Citizens' policyholders who have sustained total losses from non-catastrophic and catastrophic residential property insurance claims. Approval is requested for a three (3) year base term with one (1) three (3) year optional renewal term, for an amount not to exceed \$1.3 million for the life of the contracts.

### History

Florida Statute 319.30 requires Citizens to obtain the title to any mobile/manufactured home that has been determined by a Claims' Adjuster to be a total loss. It is Citizens' responsibility to ensure proper removal and destruction of all mobile/manufactured homes that have been determined to be a total loss. The services include:

- Demolition – The systematic, appropriate, and safe destruction of a mobile/manufactured home structure.
- Removal – The safe and lawful removal of all mobile/manufactured home debris and remnants from a property.
- Disposal – Ensure the safe, proper, and legal disposal of all mobile home debris and remnants in accordance with state and local laws, regulations and/or restrictions.

Citizens is currently contracted with three (3) vendors for Mobile Home Demolition Services. The existing contract (18-18-0026) was approved by the Board on September 26, 2018, for a three (3) year base term and three (3) optional one (1) year renewal terms for a total of \$2,814,048. In March 2023, the Board approved to increase the spend amount to \$27,814,048. The additional funds allowed Citizens to handle the increased volume of mobile home demolition services needed because of Hurricane Ian, as well as to anticipate any daily and/or 2023/2024 catastrophe volume that may arise. To date, \$5,113,948.42 has been spent under the expiring program handling 638 number of assignments.

With the current agreement expiring on October 17, 2024, Citizens posted a Request for Proposals (RFP) No: 23-0019 for Mobile Home Demolition Services on December 4, 2023. Twelve (12) Proposals were independently scored by members of the Evaluation Committee from responsive and responsible Vendors. On April 8, 2024, the Evaluation Committee recommended awarding the following ten (10) Vendors:

Primary Contract to:

- Iron Dog, Inc. (Incumbent Vendor)
- Tropical Demolition (Incumbent Vendor)
- JF Gator Construction Co LLC
- Watco
- WHM Services (Incumbent Vendor)

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In addition, on an as needed basis for potential future capacity, secondary Contracts to:

- Miniopolis
- Arwood Site Services
- R&C Construction & Sitework
- Pilar Air Conditioning & Contracting
- Michael McCormick

These new contracts will replace expiring contracts and will continue delivery of mobile home demolition services while increasing the vendor pool to ensure adequate coverage for these services. The same compensation schedule is used across all vendors and was established based upon current contract pricing and inflation.

Due to the unpredictability of a catastrophe, catastrophe-related costs associated with the contracts have not been calculated into the total contract spend requested for approval. Of the approximately \$5,113,948 spent under the current agreement, Citizens paid \$578,956 for 94 non-catastrophe assignments, averaging \$6,159.11 per assignment. As of April 31, 2024, Citizens' mobile home policies in force were 86,208 with a projection that this may increase to 103,000 policies during the term of the new agreement. Using the historical non-catastrophe claims volume and estimated spend with consideration to the projected policies in force, contract spend is not anticipated to exceed \$1.3 million across the base and renewal terms for non-catastrophe claims.

In the event of a catastrophe, the requested Board approved spend could be depleted before the contract life has ended. If this occurs during the life of the contract, Citizens staff will need to seek approval from the Board to seek approval for additional funding.

## Recommendation

The recommendation is listed in the attached Action Item.

## Mobile Home Demolition Services

**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.

<p><b>Item Description</b></p>	<p><b>Mobile Home Demolition Services</b>                  RFP-23-0019                  MULTIPLE VENDOR AWARD – SEE ATTACHMENT A</p>
<p><b>Purpose/Scope</b></p>	<p>This Action Item seeks approval to contract with five (5) primary and five (5) secondary vendors to provide timely delivery of Mobile Home Demolition Services. These services include the demolition, removal, and disposal of mobile homes, including the fixtures attached thereto, within the state of Florida for Citizens’ policyholders who have sustained total losses from non-catastrophic and catastrophic residential property insurance claims. These contracts will replace expiring contracts and increase the number of available vendors providing these Services.</p> <p>Florida Statute 319.30 requires Citizens to obtain the title to any mobile/manufactured home that has been determined by a Claims’ Adjuster to be a total loss. It is Citizens’ responsibility to ensure proper removal and destruction of all mobile/manufactured homes that have been determined to be a total loss.</p> <p>Approval is requested for a three (3) year initial term with one (1) three (3) year optional renewal term, not to exceed \$1.3 million across the initial and renewal terms.</p>
<p><b>Contract ID</b></p>	<p><b>Mobile Home Demolition Services</b>                  RFP 23-0019                  MULTIPLE VENDOR AWARD – LISTED IN ATTACHMENT A</p>

## Mobile Home Demolition Services

<p><b>Budgeted Item</b></p>	<p><input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No</p> <p>The estimated cost for this contract is a budgeted expense under the policy and paid as an expense to the claim.</p>
<p><b>Procurement Method</b></p>	<p>On December 4, 2023, Citizens issued a Request for Proposals (RFP) 23-0019 for Mobile Home Demolition Services. Twelve (12) Proposals were independently scored by members of the Evaluation Committee from responsive and responsible Vendors. On April 8, 2024, the Evaluation Committee recommended awarding contracts to the top ten (10) ranked vendors; five (5) Primary Vendors and, on an as needed basis for potential future capacity, to five (5) Secondary Vendors.</p>
<p><b>Contract Amount</b></p>	<p>Approval is requested for an amount not to exceed \$1.3 million across the base and renewal terms.</p>
<p><b>Contract Terms</b></p>	<p>The contracts include a three (3) year initial base term with one (1) three (3) year renewal option.</p>
<p><b>Committee Recommendation</b></p>	<p>Staff proposes that the Claims Committee review, and if approved recommend the Board of Governors:</p> <ul style="list-style-type: none"> <li>a) Approve Mobile Home Demolition Services contracts with the ten (10) vendors as indicated in Attachment A, for an initial term of three (3) years, with one (1) three (3) year renewal option, for an amount not to exceed \$1.3 million, as set forth in this Mobile Home Demolition Services Action Item; and</li> <li>b) Authorize staff to take any appropriate or necessary action consistent with this Action Item.</li> </ul>
<p><b>Board Recommendation from Committee</b></p>	<p>If approved at its June 13, 2024, meeting, the Claims Committee recommends that the Board of Governors:</p> <ul style="list-style-type: none"> <li>a) Approve Mobile Home Demolition Services contracts with the ten (10) vendors as indicated in Attachment A, for an initial term of three (3) years, with one (1) three (3) year renewal option, for an amount not to exceed \$1.3 million, as set forth in this Mobile Home Demolition Services Action Item; and</li> <li>b) Authorize staff to take any appropriate or necessary action consistent with this Action Item.</li> </ul>
<p><b>Contacts</b></p>	<p>Jay Adams, Chief Insurance Officer</p>

**Attachment A**



**NOTICE OF INTENT TO AWARD  
REQUEST FOR PROPOSALS NO. 23-0019  
MOBILE HOME DEMOLITION SERVICES  
APRIL 8, 2024**

Citizens Property Insurance Corporation (“Citizens”) intends to award a primary Contract to the following five (5) Vendors:

- Iron Dog, Inc.
- Tropical Demolition
- JF Gator Construction Co LLC
- Watco
- WHM Services

In addition, on an as needed basis for potential future capacity, Citizens intends to award a secondary Contract to the following five (5) Vendors:

- Miniopolis
- Arwood Site Services
- R&C Construction & Sitework
- Pilar Air Conditioning & Contracting
- Michael McCormick

Citizens will undertake efforts to finalize and sign a contract with the above Vendors.

All Contracts are subject to approval by Citizens’ Board of Governors.

***FAILURE TO FILE A PROTEST WITHIN THE TIME PRESCRIBED IN SECTION 627.351, F.S., CONSTITUTES A WAIVER OF PROCEEDINGS. SEE SECTION 3.7, PROTESTS, WITHIN THE SOLICITATION DOCUMENT FOR DETAILS REGARDING HOW AND WHERE TO FILE A PROTEST.***