

Policy resolution of the Board of Directors of BellaVita at Green Tee Homeowners Association, Inc.

August 1, 2016

Policy

It is the policy of the BellaVita (BV) HOA Board that products and services shall be contracted for in a manner that will provide the optimal product or service to the HOA for the funds expended.

Scope

This contracting policy applies to both the Operating Fund and the Reserve Fund and the major procurements from those funds. Projects and services shall be implemented and conducted in accordance with the “BellaVita at Green Tee Homeowners’ Association Maintenance Policy” filed with the County Clerk on January 3, 2012 (see BV Website).

Bid and Contract subcommittee of the BV Board

By this policy the BV Board establishes a subcommittee of the Board which is appointed by the Board and serves to the pleasure of the Board. The board retains the ultimate authority to award and manage all contracts and utilizes this subcommittee to assist in review and selection of awards for contracts of products and services.

Objectives

- Ensure that optimal value is achieved in the acquisition of goods and services
- Achieve competition for materials, equipment and services required by BV Committees and staff
- Establish a consistent, transparent and equitable process in the acquisition and contracting of goods and services
- Mitigate the potential for collusion, favoritism

Guiding Principles

- Committee shall manage all sourcing and contracting for goods and services required by BV by Board, Committees and Staff:
 - Excludes purchases of utilities, governmental payments and related expenditures.
 - Excludes emergency purchases/services under the delegated purview of the Club Managers scope which is limited to \$5000.00 without board approval.
 - Includes annual contracts, long term contracts, and one-off purchases, as well as contract renewals.
- Establish Annual contracts, (i.e. cover setting up contracts with preferred contractors such as lake management, electrician, roofer, plumber) through competitive bidding for repetitive required purchases or services.
- Minimize one off purchases
- Aggregate common requirements to leverage our purchase volumes
- Establish and maintain a list of approved suppliers for use in BV. This would include developing a process for qualifying suppliers.
- Required bid threshold of \$3500.00 with an option to utilize bidding under \$2500.00 as requested by the Board or a Committee.

Accountabilities

- Establish bidding processes and controls subject to Board approval
- Establish and maintain the approved bidders list
- Develop bid packages and solicit bids as requested by the Board, Committees and BV Staff in line with bid requirements
- Establish bid evaluation criteria in order to evaluate bids through a transparent and equitable process
- Make bid award recommendations to Board/Committee for approval
- Negotiate/establish contracts

Subcommittee Membership (recommended definitions)

Subcommittee members may vary by the particular contract scope and will consist of no less than four standing members plus one Ex-Officio member and two Ad Hoc members.

Membership will be appointed on a yearly basis with exception of the “ad hoc” positions.

Subcommittee members should have the following background or qualifications:

- Subcommittee chair should be required to have with significant sourcing, contracting experience or commercial experience.
- Other 3 standing subcommittee members should have sourcing, contracting experience or commercial experience and have the time to commit to supporting the various requests as they arise.
- One Ad Hoc position is reserved to represent the requesting committee and provides the technical input for the request.
- The second Ad Hoc position would be held for an individual from the community that is an expert in the field for the contracted effort. This position is not mandatory position and is on an as needed and as available basis.
- One Ex-Officio member which is the BV Board Treasurer. (This allows the treasurer to participate as desired instead of mandatory).

Schedule of operations and results of Subcommittee

The subcommittee shall convene within 10 days at the request of the board or a committee, when a sourcing or contracting requirement is identified. The requesting committee or manager shall provide the specifications, statement of work, and schedule, which will start the process. The subcommittee should commence with the necessary sourcing and contracting process at that time. The subcommittee should endeavor to complete the tasks in an expeditious manner in order to support the individual project objectives and needs. The subcommittee shall produce a report to the board of its recommendation for a selection and an award to the most qualified bidder with a ranking of bids and rationale for the selection.