

THE HOMEOWNERS ASSOCIATION OF HERITAGE RANCH

POLICY REGARDING SOLICITATION OF BIDS

WHEREAS, pursuant to Section 209.0052(c) of the Texas Property Code, an association that proposes to contract for services that will cost more than \$50,000 shall solicit bids or proposals using a bid process established by the association; and

WHEREAS, the Board of Directors of The Homeowners Association of Heritage Ranch (the "Association") is required to adopt a bid process for such contracts.

NOW, THEREFORE, IT IS RESOLVED, in order to comply with Section 209.0052(c) of the Texas Property Code, the Association hereby adopts the following policy to govern the solicitation of bids and proposals for service contracts over \$50,000, and the same is to be known as the Association's Policy Regarding Solicitation of Bids.

1. Except in the event of a need for work in the event of an emergency (as defined below), prior to entering into any contract for services that will cost more than \$50,000.00, the Board of Directors shall solicit bids from at least three (3) separate vendors/providers, if reasonably available. In the case of an emergency, the Board may enter into a contract for services without soliciting or obtaining multiple bids so long as the terms of the contract appear fair and reasonable to the Association in the Board's sole and absolute discretion.

2. The Board is excused from soliciting and/or obtaining at least three (3) bids in the event of an emergency or certain exigent circumstances, including the following:

- a. An emergency exists such that there is insufficient time to solicit and obtain multiple bids.
- b. The Association was not able to locate at least three (3) vendors/providers to provide the services.
- c. The Association solicited bids from at least three (3) vendors/providers, but not all vendors/providers responded to the request for a bid.

3. An emergency, as used in this policy, shall be defined as, but not be limited to, an unexpected occurrence, condition, or circumstance that requires immediate action in order to address the risk of harm to individuals and/or property damage, or to satisfy any local, state, federal or other governmental order. In addition, other unforeseen circumstances may be deemed by the Board to constitute an emergency as determined by the Board in its sole and absolute discretion.

4. Any and all decisions to award a service contract to a particular vendor or provider must be a sound business decision based upon what is in the best interest of the Association at the time. Nothing in this Policy Regarding Solicitation of Bids shall require the Board to award a service contract to the lowest bidder.

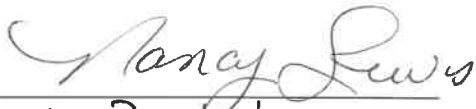
5. The Board may delegate the solicitation of bids procedures under this policy to the Association's management company as defined by Section 209.002 of the Texas Property Code.

6. In the event of any conflict between Section 209.0052(c) of the Texas Property Code and any restrictions contained in any dedicatory instrument of the Association, Section 209.0052(c) and this policy control.

IT IS FURTHER RESOLVED that this Policy Regarding Solicitation of Bids is effective upon adoption and recordation hereof, to remain in force and effect until revoked, modified or amended.

This is to certify that the foregoing policy was adopted by the Board of Directors at a meeting of same on August 27, 2021, and has not been modified, rescinded or revoked.

DATE: 8/27/2021


Secretary President