



ADMINISTRATIVE RESOLUTION NUMBER 2021 - 02

PROCUREMENT AND COMPETITIVE BID POLICY

WHEREAS, Article VI, Section 6.2, Board of Directors and Officers, of the Amended and Restated Declaration of Protective Covenants, Conditions and Restrictions for Vistoso Community Association (the “Association”), and Section 1.4, Association Responsibilities, of the Amended and Restated Bylaws of the Association, provide for the management of the affairs of the Association;

AND WHEREAS, Article X, Section 10.1, Use of Association Funds, of the Amended and Restated Declaration of Protective Covenants, Conditions, and Restrictions, the Board is authorized to use Association funds for the common good and benefit of the property, the owners, and the occupants, and the funds may be used, among other things, to insure, acquire, construct, alter, maintain, provide and operate, in any manner whatsoever, programs, studies and systems, within the Covered Property and the Common Areas, which may be necessary, desirable or beneficial to the general common interests of the Owners and the Occupants;

AND WHEREAS, Article IV, Section 4.7, Powers and Duties, of the Amended and Restated Bylaws of the Association gives the Board of Directors of the Association powers and duties that are enumerated in detail, including engaging in the management of the business affairs of the Association, using and disbursing the proceeds of the Assessments and Special Use Fees in the exercise of its powers and duties, maintaining, repairing and replacing the Common Areas, and reconstructing improvements after casualty loss and making further improvements to Ranch Vistoso;


NOW, THEREFORE, BE IT RESOLVED THAT the attached Procurement and Competitive Bid Policy is adopted as Administrative Resolution Number 2021-02 by the Board of Directors.

This Administrative Resolution is adopted the 29th day of July 2021 by the Board of Directors of the Association.

ATTEST:

8-4-2021

Date



VCA Secretary

Approved on: July 29, 2021

This document is located at



PROCUREMENT & COMPETITIVE BID POLICY

PURPOSE: To establish a policy for Vistoso Community Association (VCA) procurements in order to obtain required goods and/or services based on competition, best value, price, quality, delivery and/or performance, and to control the expenditure of VCA funds.

APPROVAL AUTHORIZATION: General Manager, Treasurer/Finance Committee and Board of Directors.

APPROVAL LEVELS: In order to ensure the most effective use of our resources the following procurement approval levels and mandatory required bids are established:

<u>Amount of Procurement</u>	<u>Minimum # of Bids Required</u>	<u>Authorization</u>
0 to \$2,500	No bids required <i>(but may be solicited)</i>	General Manager
\$2,501 to \$10,000	No bids required <i>(but may be solicited)</i>	GM, President, or Board
\$10,001 to \$25,000	Two Bids <i>(unless Sole Source)</i>	GM and (President or Treasurer), or Board <i>(unless unbudgeted, which requires FC review and board approval)</i>
\$25,001 +	Three Bids <i>(unless Sole Source)</i> <i>(Competitive Bid Procedure required)</i>	Board of Directors <i>(unless unbudgeted, which requires FC review and board approval)</i>

PURCHASES: VCA will select the lowest evaluated bid representing the **best combination of service, quality, delivery and performance** from the group of bidders. VCA is under no obligation to select the lowest bid. Monthly utility bills, professional and contract services under contract do not require prior authorization.

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COMMUNITY ASSOCIATION

SOLE SOURCE PROCUREMENT: It is recognized that in some few and unusual procurements, obtaining competitive bids may not be practical. On this basis, procurement may be obtained from a Sole Source only if written Sole Source justification is submitted to, and approved by, the VCA President and Treasurer for purchases up to \$10,000. The Finance Committee shall review, and the Board of Directors must approve all Sole Source procurements over \$10,000 prior to contracting with the vendor.

INSURANCE REQUIREMENTS: Proof of General Liability Insurance in the amount of \$1,000,000 (naming VCA additional insured) and Worker's Compensation Insurance for contractors must be provided.

EMERGENCY PROCUREMENTS: If an emergency procurement is required, the General Manager of VCA may authorize the repair or procurement. See section 2.6 in the FirstService Residential contract.

MULTIPLE PURCHASES: The intent of this policy is that only one purchase per procurement is authorized. The issuance of several purchases to circumvent a procurement level not authorized, (e.g., three (3) separate approvals for \$3,500.00 each for goods/services costing \$10,500.00), in effect bypassing a Procurement Policy approval by the VCA Board of Directors, is not permitted.

BIDS: Once a bid has been accepted by the Board and the project begun, additional expenses incurred due to unforeseen circumstances cannot exceed 10% of the original bid price or \$10,000, whichever of the two amounts is smaller, unless approved by the President and Treasurer. If the overrun exceeds \$10,000, the Finance Committee must review, and the Board of Directors must approve of the additional expenditure.

COMPETITIVE BID PROCEDURE: In cases where a Bid or Request for Proposal (RFP) is being required, the following procedure must be followed:

- A formal bidding process will take place with prospective vendors. A specific date and time will be set as to when the bid must be received.
- Specifications, plans and/or qualifications will be provided to the prospective bidders.
- Bids must describe in detail the equipment or service to be provided.
- Bidders may be asked to participate in a formal interview to discuss the equipment or service to be rendered to the Association.
- All bids will be opened as specified in the Bid/RFP document. The bids will be opened at the same time, **and no sooner than the deadline for receiving bids**, by the General Manager in the presence of the Treasurer and/or President.

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COMMUNITY ASSOCIATION

- **Submitted bids are final. No bids may be amended after the deadline for receiving bids. No contact with bidders by any employee or board member of the association for the purpose of soliciting an amended bid is permitted.**
- The General Manager will make a recommendation to the President, Treasurer and/or Board on the basis of the lowest or best bid. If the lowest bid is not selected, reasons justifying the selection of “best bid” must be documented.
- If the purchase requires Board approval, the General Manager will prepare the required documentation for presentation to the Board.

Any authorizations/bids/ purchases made are subject to detailed scrutiny by the Finance Committee, the Architectural and Landscape Review Committee, and the Vistoso Community Association Board of Directors. Unbudgeted expenditures, Delegation of Authority, Contracting, and Check Signing Authority are governed by separate resolutions.

Approved on: July 29, 2021

This document is located at

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