

**FORREST LAKE TOWNHOUSE ASSOCIATION, INC.**  
**BID PROCESS & CONTRACT FOR SERVICES POLICY**

STATE OF TEXAS                   §  
  §  
COUNTY OF HARRIS           §

WHEREAS, Forrest Lake Townhouse Association, Inc. (the “Association”) is the governing entity for Forrest Lake Townhouses, a planned unit development in Harris County, Texas, according to the map or plat thereof, recorded in Volume 222, Page 102 of the Map Records of Harris County, Texas, along with any amendments, supplements or replats thereto (collectively referred to as the “Subdivision”); and

WHEREAS, Section 209.0052(c) of the Texas Property Code was recently amended to require if the Association 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, this Dedicatory Instrument represents Restrictive Covenants as those terms are defined by Texas Property Code Section 202.001, et. seq, and the Association shall have and may exercise discretionary authority with respect to these Restrictive Covenants.

NOW, THEREFORE, in accordance with the foregoing and as evidenced by the Certification hereto, the Board of Directors hereby adopts the following:

- 1.) The Association general manager will establish and maintain a Preferred Vendor List. The Preferred Vendor List shall consist initially of all of the vendors that the Association has conducted business in the past three (3) years since September 30, 2021. Additional vendors may be added to the Preferred Vendor List from time to time at the discretion of the Board of Directors.
- 2.) If the identified Board member determines that a vendor present on the Preferred Vendor List can best meet the requirements, then the identified Board member will make such a recommendation to the Board of Directors for its approval of the use of the preferred vendor. The bid process as described in items 6-8 is not required.
- 3.) The steps of the Bid Process are:
  - a. A Board member will be assigned and will identify the need(s),
  - b. The Board member will present the need(s) to the Board of Directors a meeting of the Board for approval to proceed with identification of the requirements to satisfy the need,
  - c. The Board member and the appropriate committee, shall develop the business requirements,
  - d. Develop the Request for Proposal (RFP),
  - e. Bring the completed RFP to Board for review and approval and then release the approved RFP to desired vendors,
  - f. Receive the completed responses from the vendors including the cost to resolve the need,

- g. Present the recommended vendor to the Board of Directors for approval,
  - h. In accordance with the governing documents of the Association, issue the contract to the approved vendor and commence work based upon the approved timeline.
- 4.) All requests for services shall have all requirements identified and documented by the member of the Board and appropriate committee, if one exists, identified by the Board of Directors. The requirements should inform prospective vendors about the problem(s) to be resolved. The requirements should also state the purpose, goals, evaluation criteria, and additional requests. It is in the best interest of the Association to make the requirements as clear as possible. The more information provided, the more accurate the responses from prospective vendors.
  - 5.) The identified Board member, working with the Association general manager and any other Board members assigned by the Board of Directors; e.g., Treasurer, Secretary, etc. as required by the Association governing documents shall develop the RFP. The RFP shall clearly define the work and desired outcomes. It may also include a proposed solution if known. The RFP shall also include a deadline for the receipt of responses from the vendors.
  - 6.) The Association general manager, in coordination with the identified Board member, shall submit the RFP to at least three (3) vendors for responses including the expected costs and timeline to resolve the need. If at least three (3) vendors cannot be identified, the identified Board member shall present the rationale for why at least three (3) vendors cannot be identified including a sole source justification to the Board of Directors. The Board of Directors shall either approve or deny the request for less than three (3) vendors and may at their discretion terminate the bid process for the identified need.
  - 7.) The Association general manager will provide the responses from the vendor(s) to the identified Board member and appropriate committee, if one exists, shall review the responses from the vendors and compare the responses to the evaluation criteria previously identified. They shall make a recommendation to the Board of Directors as to the vendor that can best provide a solution to the need and a summary of their rationale.
  - 8.) The identified Board member shall present the recommendation to the Board of Directors for their approval or at their discretion terminate the bid process for the identified need.
  - 9.) If the recommendation of the vendor is approved by the Board of Directors, the general manager of the Association in coordination with the identified Board member and any other Board members assigned by the Board of Directors; e.g., Treasurer, Secretary, etc. as required by the Association governing documents, shall enter into contract discussion with the selected vendor.
  - 10.) Upon completion of the contract discussions, the completed contract will be submitted to the Board of Directors for approval and shall be executed in accordance with the governing documents of the Association. Or the Board of Directors may at their discretion terminate the process for the identified need.

**CERTIFICATION**

I, the undersigned, being the President of the Forrest Lake Townhouse Association, Inc., hereby certify that the foregoing Policy was adopted by at least a majority of the Forrest Lake Townhouse Association, Inc.'s Board of Directors.

Approved and adopted by the Board of Directors on the 19<sup>th</sup> day of August 2021.

A handwritten signature in blue ink, reading "Philip A. Salerno", is written over a horizontal line.

Philip A. Salerno, Vice President  
Forrest Lake Townhouse Association, Inc.