

**SORANO (FRISCO) HOMEOWNER'S ASSOCIATION, INC.
LARGE CONTRACT BID SOLICITATION POLICY**

All terms used herein that are defined in Chapter 209 of the Texas Property Code shall have the meaning as defined in the statute, Section 209.0052 of the Texas Property Code.

Section 209.0052 of the Texas Property Code was amended to require that property owners associations establish a bid process for any proposed contract for services that will cost more than \$50,000.00.

The Association here adopts and imposes on the Subdivision and the Association the following policies, rules and regulations.

If the Association proposes to contract for services that will cost more than \$10,000.00, the Association or the managing agent shall solicit bids or proposals for such services contract as outline below. The following criteria apply to determine whether a service contract will cost more than \$10,000.00:

1. The bid process applies to service contracts which requires the Association to pay more than \$10,000.00 during the initial term of the contract.
2. The Association or managing agent shall attempt to obtain a total of three (3) bids or proposals from contractors for the services desired.
 - (a) If the Association or managing agent cannot obtain three (3) bids or proposals within thirty (30) days, the Board may consider the bids or proposals received and award the contract.
 - (b) The Association may determine the specific steps it will use to contract potential contractors and solicit bids or proposals.
 - (c) In all cases, at least three (3) contractors shall be contacted, and bids or proposals solicited. In the event there are not three (3) qualified contractors for a particular service in the market area, the Association may limit the process to those contractors that are qualified.
3. Contractors solicited will be insured for liability and worker's compensation, licensed as required, and be a professional of the skill or trade of the service needed.
4. Costs under a contract which are variable shall be estimated. Amounts under a contract that are conditional are not included in determining the amount the contract will cost.
5. The ability of the Association to terminate a services contract without cause prior to incurring costs in excess of \$10,000.00 does not relieve the Association of the

obligation to follow the bid process of this policy if the contract is for a stated term and the total cost of the contract during that initial term is greater than \$10,000.00.

6. Amounts that may be incurred in the future under a services contract, such as would occur upon the renewal of the contract, are not to be included in determining the amount the contract will cost.
7. In the case of emergencies, the Association may employ a contractor to best resolve the emergency without following the bid/proposal process.
8. The Board will use due diligence in considering all relevant factors regarding the contractor and their proposal. The Board is not required to award contracts to the lower bid.

If a proposal is from a board member or related person or entity as defined by the Texas Property Code 209.0052, the additional procedures provided by Property Code 209.0052 will be applicable.

CERTIFICATION

“I, the undersigned, being a Director of the Sorano (Frisco) Homeowner’s Association, Inc., hereby certify that the foregoing was adopted by at least a majority of the Sorano (Frisco) Homeowner’s Association, Inc. board of directors, at an open and properly noticed meeting of the board held on November 16, 2021, at which a quorum of the board was present.”

By: _____
Print name: James Nunn
Position: Board Secretary

ACKNOWLEDGEMENT

STATE OF TEXAS §
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COUNTY OF COLLIN §

BEFORE ME, the undersigned authority, on this day, personally appeared the person whose name is subscribed to the foregoing instrument and acknowledged to me that they executed the same as the act of the Association for the purpose and consideration therein expressed and, in the capacity, therein stated.

Given under my hand and seal of office this ____ day of _____, 2021.

Notary Public, State of Texas

After Recording Return to:
Principal Management Group of North Texas
12700 Park Central Drive Ste 600
Dallas, Texas 75251