

SORANO (FRISCO) HOMEOWNERS' ASSOCIATION

SEEKING PROPOSALS FOR PROFESSIONAL PROPERTY ASSOCIATION MANAGEMENT SERVICES FROM QUALIFIED INDIVIDUALS AND FIRMS

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| PROPOSAL CALL DATE: | October 12, 2018 |
| PROPOSAL CLOSE DATE: | October 26, 2018 |
| PRIMARY CONTACT: | James Nunn Board President Sorano (Frisco) Homeowners' Association (214) 868-4701 |
| SEND ELECTRONIC PROPOSAL TO: | james@soranofrisco.com |

| DATE | MILESTONE |
|----------|--|
| 10/12 | RFP issued |
| 10/19 | Submit questions |
| 10/26 | Proposal deadline Date |
| 11/7 | Board meeting - attendance by invitation |
| 11/12-19 | Notice of awarded proposal |

INSTRUCTIONS:

- Services:** This Request for Proposal (RFP) is issued by the board of directors of the Sorano (Frisco) Homeowners' Association (Sorano HOA) for professional management of the day-to-day needs of our community.
- Submission:** Proposals received after the date specified above shall be considered late and may be rejected. Supplier shall provide its response in the format specified herein. Proposals must be submitted as follows:
 - One (1) electronic copy delivered to the contact above.
- Receipt of Proposals:** All proposals and evaluations will be kept strictly confidential. Only the members of the board of directors will be provided access to the proposals and evaluation results. Incomplete proposals may be grounds for disqualification. Details, including time and location, for the board meeting on November 7, 2018 will be provided to the finalists.

4. **Pricing:** Supplier shall submit a price for each item on the basis indicated herein including whether sales or other taxes are applicable.
5. **Term of Contract:** The initial contract resulting from this RFP will be effective after approval by the HOA Board to start on **January 1, 2019** for a period not to exceed three (3) years, with annual renewal contingent upon contractual requirements being satisfied based on a mid-year review and an end-of-year review by the HOA Board. The contract must not include any provisions for automatic increases in services or fees.
6. **Evaluation Criteria:** Proposals will be evaluated based on the criteria relevant to the RFP, including, as applicable:

| Criteria | Definitions |
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| Ability to provide | Supplier's viability as a company, past provider of the services, organizational structure, references and any other relevant information. |
| Quality | Supplier's capability to provide the services which meet POA requirements. |
| Services | Specific services available for successful management of the POA's property, finances and homeowner needs. Feedback from references. Response times. Tools and methodologies for performing services. |
| Cost | Pricing for each service as listed in the response section below. Any incentive discount offerings. |
| Innovation | Information regarding less costly and less time consuming approaches or solutions to meet the requirements related to this RFP. |

A. GENERAL REQUIREMENTS AND BACKGROUND INFORMATION:

- The Sorano HOA is seeking the full array of property management services including financials, ACC management, CC&R compliance, etc.
- Sorano HOA consists of **130 lots** including existing homes and HOA lots (i.e. greenspace, entrances, etc.).
- The entire subdivision is within the boundaries of **Collin County** and inside of the **City of Frisco, TX**.
- Amenities include a park with a pavilion, seating, and entry features.
- Current services under third party contract with HOA include insurance agent, tax services, landscape maintenance, and legal services.

B. RESPONSE TEMPLATE:

Please provide information in the format below (please answer all questions, or note why a section cannot be completed).

| Evaluation Criteria | Supplier Response |
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| ABILITY TO PERFORM | |
| Business name and headquarters address | |
| Federal tax ID | |
| Type of business entity (Corporation/LLC/LP/LLP/franchise/other) | |
| Number of years in business | |
| Is business or parent publicly traded? | |
| Full legal name of parent or holding company, if any | |
| Other locations in Texas? | |
| Ever engaged in litigation? If yes, provide details. | |
| Has a management contract ever been terminated for cause? | |
| Does the management company carry errors & omissions insurance? What is the policy limit? | |
| Provide company mission or principles | |
| Member of the BBB? | |
| What is minimum length of agreement? | |
| How many days notice is required for termination by either party? | |
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| QUALITY | |
| Provide total number of properties currently managed | |
| Provide percentage of properties managed including single family homes, condos, town homes, leased, etc. | |
| Provide quantity of units or homes in largest property currently managed | |

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| Provide ratio of property manager to properties | |
| Provide number of local employees | |
| Provide minimum experience required for property managers | |
| What continuing education is provided to managers and other staff members? | |
| Is the POA allowed to view resumes and interview prospective property manager? | |
| How are service providers screened? | |
| Are there any companies related to your firm that will provide services to the associations? | |
| Please describe your mechanism for logging, tracking and responding to concerns from the board or from the homeowners | |
| Amount of time needed to complete transition from previous supplier? | |
| What transition activities are anticipated? | |
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| Reference 1 | |
| Reference 2 | |
| Reference 3 | |
| | |
| SERVICES - ADMINISTRATIVE | |
| Arrange, schedule and attend annual, organization and bi-monthly board meetings? | |
| Prepare documentation for board meeting agendas, management reports, and meeting minutes? | |
| Maintain files, records and minute book for the association? | |
| Post minutes, announcements, notices, newsletters to website? | |
| Preparation and presentation of administrative reports and business correspondence? | |
| How soon are calls returned? | |

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| How soon are emails returned? | |
| How are after-hours calls handled (i.e. pager, answering service, etc.)? | |
| How are emergency calls handled? | |
| What are preferred methods of communicating with homeowners? | |
| How is correspondence with homeowners logged and filed? | |
| Does supplier provide a website for homeowners? | |
| Does supplier provide a separate website for board members? | |
| Does supplier provide newsletter services? | |
| Provide third-party contract administration? | |
| Process and coordinate ACC requests? | |
| Monthly ACC status report provided? | |
| Provide frequency of onsite inspection for deed restriction violations and who conducts inspection? | |
| Provide frequency of onsite inspection for unapproved ACC projects and who conducts inspection? | |
| Coordination with legal counsel for enforcement of deed restrictions? | |
| What is the process for obtaining approval/disapproval for deed restriction variances? | |
| Is deed restriction section number referenced in the violation letter? | |
| What is process for repeat deed restriction violations at the same location? | |
| What is included in welcome package? | |
| Review and recommend modifications to POA documents to meet current needs? (i.e. bylaws, resolutions, etc.) | |
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| SERVICES - FINANCIAL | |

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| Who performs financial management? | |
| Describe the credentials of the accountant and/or accounting staff | |
| Does the same accountant or staff person handle the day-to-day financial data? | |
| Are financial statements reviewed prior to submission to the board? | |
| List accounting software used in preparation of HOA financials | |
| On what date each month are financial reports completed and provided to the board? | |
| Are financial reports electronically archived and delivered to the board? | |
| List financial reports produced on a monthly basis | |
| List financial reports produced on an annual basis | |
| Are federal tax returns filed on or before April 15? | |
| What bank is used? | |
| Any monthly bank charges for association accounts? | |
| Preprinted checks or blank check stock used? | |
| Board member signature required on expense checks? | |
| Monthly reconciliation of all bank accounts? | |
| Are invoices paid at net 30 or longer? | |
| When are expenses posted? | |
| Invoice backup provided (i.e. receipts, etc.)? | |
| Any invoice threshold for board approval? | |
| Monitor expenses for unexplained increases? | |
| Monthly schedule of accounts payable provided? | |
| What methods are available for collecting assessments? (i.e. lockbox, manually, ACH, credit card) | |

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| Capable of collecting quarterly/annual assessments? | |
| What is process for handling delinquent accounts? | |
| How are collections of overdue accounts handled? | |
| Monthly delinquency report provided? | |
| Budget creation for operational and reserve? | |
| When is annual budget required to be completed? | |
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| COSTS | |
| Setup charge waived? | |
| What are minimum monthly service fees? | |
| What are optional services and corresponding fees? | |
| What are collection fees? | |
| What are late fees? | |
| Hourly rate for maintenance | |
| Cost for resale certificate | |
| Cost for transfers | |
| Cost for website management fees | |
| Cost for newsletter production, print, and mailing | |
| Costs for printing and mailing letter, flyer, and postcard | |
| Is a master insurance policy available to the HOA? | |
| Costs for event planning | |
| Are office supplies, copies, postage, and other such materials charged on an 'as used' basis, percentage of contract amount, or per lot basis? | |
| Provide a detailed list of any and all additional charges which have not already been provided herein. | |

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| Do you receive advertising revenue from newsletter advertisers? | |
| Do you receive financial incentives from contractors? | |
| INNOVATION | |
| Describe why your company is right for our community | |
| What makes your company unique among property management providers | |
| Recommendations to avoid manual assessment processing | |
| What has supplier experience been in imposing fines on homeowners? | |
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| RFP ENCLOSURES | |
| Certification of insurance enclosed | Y/N |
| Management agreement enclosed | Y/N |
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