

**White Bluff Property Owners Association**  
**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 hereby 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 \$50,000.00, the association or the managing agent shall solicit bids or proposals for such services contract as outlined below. The following criteria apply to determine whether a services contract will cost more than \$50,000.00:

1. The bid process applies to service contracts which requires the Association to pay more than \$50,000.00 during the initial term of the contract.
2. The Association or managing agent shall attempt to obtain a total of three bids or proposals from contractors for the services desired.
  - a. If the association or managing agent cannot obtain three bids or proposals within 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 contact potential contractors and solicit bids or proposals.
  - c. In all cases, at least three contractors shall be contacted and bids or proposals solicited. In the event there are not three 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 \$50,000.00 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 \$50,000.00.
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.

