

# **NORTHTOWN HOMEOWNERS ASSOCIATION, INC.**

## **Policy and Procedure**

### **BIDS AND CONTRACTS (Sept 2013)**

- 1) Contracts for ongoing maintenance requirements (pool, landscape, cleaning, etc.) shall be written for a period not to exceed two (2) years. Contracts may be renewed without competitive bidding if new rates and charges do not increase more than three (3) percent over the life of the new agreement. If this limited increase is not negotiable, the contract must be submitted for bids by no less than three (3) qualified providers. The Board may select the provider based on references, equipment, personnel or other factors in addition to actual costs and charges in the quotes. Although the costs and charges are the primary consideration in these contracts, the Board is not bound to select the lowest submitted bid.

Whenever applicable, the vendor or service provider shall be licensed and insured for both liability coverage and workman's compensation. Proof of insurance shall be presented along with quotes, estimates, or bids; otherwise, the provider's quote will not be accepted. The Board member or manager in charge of the facilities involved shall assure the compliance with these standards.

- 2) Individual services or projects that are required either infrequently or on a one-time basis shall be submitted for estimate or bids under the guidelines above provided that the expenditure exceeds \$500 (five hundred). In the event that the service or product is unexpectedly required again within a twelve (12) month period, the same provider may be used without obtaining new bids.
- 3) Any project that is expected to cost less than \$500 (five hundred) and is NOT an ongoing expense, may be approved by the Board without competitive bidding based on the advice of the Board member or manager in charge of the project.
- 4) In addition to the above guidelines, the provisions of the Procedure for Bill Payment Authorization and the restrictions of the Common Area Use Permit form shall apply to all projects undertaken.