

**WOODLANE FOREST CIVIC ASSOCIATION
GUIDELINES FOR BID SOLICITATION AND REVIEW PROCESS**

STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

KNOW ALL PERSONS BY THESE PRESENTS:

WHEREAS, the WOODLANE FOREST CIVIC ASSOCIATION (“Association”) is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the recorded Declarations for the various sections of the community (referred to collectively as “Declarations”), including maintenance of the common areas; and

WHEREAS, Section 209.0052 of the Texas Property Code was amended by the 87th Texas Legislature dealing with the regulation of association contracts and the bid process; and

WHEREAS, the Board of Directors of the Association (“Board”) has determined that in connection with maintaining the residential plan, procedures, and harmony of the community, and to provide clear and definitive guidance regarding Association contracts and the bid process, it is appropriate for the Association to adopt guidelines regarding the bid process within the community.

NOW, THEREFORE, the Board has duly adopted the following *Guidelines for Bid Solicitation and Review Process* within the community:

Guidelines for Bid Solicitation and Review Process

I. Bid Process for Services over \$50,000.

- A. In accordance with Texas Property Code Section 209.0052(c), if the Association proposes to contract for services that will cost more than \$50,000, it shall solicit bids or proposals using a bid process established by the association.
- B. The following **bid process** shall be used in such cases where the Association desires to contract for services over \$50,000:
 - 1. The Association shall solicit **no fewer than two bids** for services, **if reasonably available**.
 - 2. The Board of Directors shall evaluate such bids and make their decision based on what is in the best interest of the Association.
- C. This Section I does not apply if the contract is between the Association and: 1) a board member, 2) his relative or 3) his or his relative’s company in which he or his relative has a financial interest in at least 51% of the profits. If that is the case, then the Association must get **at least two other bids** per Section 209.0052(b)(1) if reasonably available. (Please see Section II below.)

II. Bid Process for Contracts with a Current Association Board Member, Relative, or Related Company.

- A. In accordance with Texas Property Code Section 209.0052(b), the Association may only enter into an enforceable contract with the following parties if the procedure outlined in Section II. B below is followed:

1. a current association board member,
 2. a person related to a current association board member within the third degree by consanguinity or affinity, as determined under Chapter 573, Government Code,
 3. a company in which a current association board member has a financial interest in at least 51 percent of profits, or a company in which a person related to a current association board member within the third degree by consanguinity or affinity, as determined under Chapter 573, Government Code, has a financial interest in at least 51 percent of profits.
- B. The following **bid process** shall be used in cases where the Association desires to enter into a contract with the parties listed in Section II. A. above:
1. the board member, relative, or company bids on the proposed contract;
 2. the association receives ***at least two other bids*** from persons not associated with the board member, relative, or company, if reasonably available, in the community;
 4. the board member:
 - (A) is not given access to the other bids;
 - (B) does not participate in any board discussion regarding the contract; and
 - (C) does not vote on the award of the contract;
 5. the material facts regarding the relationship or interest with respect to the proposed contract are disclosed to or known by the association board;
 6. the board, in good faith and with ordinary care, authorizes the contract by the affirmative vote of a majority of the remaining board members who do not have an interest governed by this subsection; and
 6. the association board certifies that the other requirements of this subsection have been satisfied by a resolution approved by the affirmative vote of a majority of the board members who do not have an interest governed by this subsection.

III. Applicability.

The above Bid Solicitation and Review Process does not apply to a contract entered into by an association during the development period.

The guidelines are effective upon recordation in the Public Records of Montgomery County, and supersede any guidelines for bid solicitation and review which may have previously been in effect. Except as affected by Section 209.0052 and/or by these guidelines, all other provisions contained in the Declarations or any other dedicatory instruments of the Association shall remain in full force and effect.

Approved and adopted by the Board on this _____ day of _____ 2021.

WOODLANE FOREST CIVIC ASSOCIATION

Signed: _____

Name: _____

Position: _____