

Oakmont Village Association (OVA)
Manager's Procurement & Purchasing Policy
OVA Board Approved 2013-01-15

Objective: The practice of soliciting competitive bids/proposals is solely intended to enable the Oakmont Village Association (OVA) to receive necessary goods and services at a reasonable price while still ensuring that OVA and its members receive the highest possible quality and service. For the process to be successful, an adequate number of qualified vendors must exist.

Policy: A minimum of three (3) competitive bids/proposals will be solicited from qualified vendors for all OVA expenditures that are anticipated to exceed **\$5,000.00**. The Board reserves the right to request additional bids where it deems necessary or prudent, or to reduce the number of bids required upon presentation of reasonable rationale for reduction.

Exceptions to Policy: The OVA bid/proposal process does not need, or may not need, to be followed for the following: (a) Emergency situations that require immediate attention; and (b) Solicitations for goods and services which are identical or similar to previous work performed by a vendor with whom OVA already has established a good working rapport. Determination of Exceptions to Policy shall be established by the Board of Directors.

Procedure A:

1) When the Board or Management determines OVA requires goods and/or services which likely are to exceed **\$5,000.00**, the Board shall instruct the Association's manager to contact at least three (3) qualified vendors and request those qualified vendors to submit bid proposals. Where possible the field of qualified vendors shall be composed of vendors which are local to the Sonoma area and which are known to provide goods and services to homeowner associations.

2) When contacting qualified vendors to solicit bids, OVA's manager shall instruct vendors as to the deadline for receipt of all bid proposals. In addition, all qualified vendors shall be instructed that: (a) the OVA's solicitation is not a purchase order and is being sought for planning purposes; and (b) OVA is not responsible for any costs which may be incurred by a vendor while preparing that vendor's bid. To the extent available, OVA's manager also will provide any applicable specifications, OVA's contract terms and conditions, vendor qualification requirements, and/or contract forms, if any, which pertain to the scope of work and/or procurement needs.

3) Upon receipt of the bid proposals and/or passage of the bid proposal deadline, OVA's manager shall forward all bid proposals to the Board of Directors for its review unless instructed to forward first to the Finance Committee.

4) All bid proposals received shall be submitted as "sealed bids" and all bid proposals are to be considered confidential until OVA awards the contract. No discussions, disclosure of price costing information and/or the relative position of bidders is permitted.

5) The Board of Directors shall review all bid proposals. The review should, at minimum, include the following: (a) compliance with OVA's specifications; (b) terms and conditions of the bid proposal; (c) an analysis of competitive price offerings; (d) the need for any supplemental information, and (e) included references.

6) Generally, it is the policy of OVA to award its contracts to the lowest qualified bidder who meets the OVAs specifications and requirements. However, the Board of Directors need not award to the lowest bidder if the low bid is substantially lower than all other bids provided or the vendor has otherwise given the impression that the vendor will be unable to perform in a timely or adequate manner.

7) After completion of the review process, which may include review and vetting by Association Legal Counsel, and the award determination, the Board shall instruct the OVA's manager to forward the executed contract and/or a completed purchase order to the successful vendor along with any other instructions from the Association.

8) Copies of all executed contracts and/or completed purchase orders shall be maintained by the OVA Manager in the Association's records.

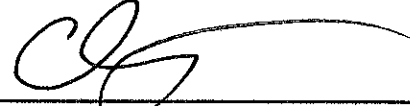
Procedure B:

1) When the Board or Management determines OVA requires goods and/or services the costs for which likely will not exceed **\$5,000.00**, but which likely will exceed **\$1,000** and the acquisition of which are not part of OVA's duly adopted annual operating budget, OVA's Manager is authorized to determine if competitive cost bids are warranted, is authorized to make such procurements and purchases, and is directed to report those procurements and purchases in writing to the Board. Where possible the OVA Manager will rely upon qualified vendors and services which are local to the Sonoma area and which are known to provide goods and services to homeowner associations.

Adopted this date, January 15, 2013 by the OVA Board of Directors



James K Kaiser, President



Charles N. Chenault, Treasurer



Barbara D Robinson, Secretary