

**Oakmont Village Association (OVA)**  
**Manager's Procurement & Purchasing Policy**  
**OVA Board Approved 2021-08-13**

**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:** Typically, OVA will make a best effort in time allowed to obtain two (2) or three (3) competitive bids/proposals from qualified vendors for OVA expenditures that are anticipated to exceed \$10,000.00. 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;
- (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 (a preferred vendor);
- (C) In cases where there are fewer sufficiently qualified vendors available to submit proposals for work required.
- (D) When a design/build approach is deemed appropriate where the general contractor is carefully selected early in the design process so that buildability and cost input can be given to OVA and the architect as the design is developed.

NOTE: The cost benefit and potential savings for the Design/Build approach occur in two ways.

1. The general contractor has a stable of subcontractors who provide multiple bids each trade used in the project. The best bid is chosen together by the GC and Oakmont as the client.
2. The plans being drawn by the architect /engineer/designer are reviewed by the GC at every stage of design for buildability, cost effectiveness and code issues. This saves time and money during the iterative design, engineering and pre-construction process.

Determination of Exceptions to Policy shall be established by the General Manager or Board of Directors.

## **Procedure A:**

- 1) When the Board or Management determines OVA requires goods and/or services which may exceed \$10,000, the Association's General Manager (in collaboration with the BCC and Facilities Manager when needed) to contact 2 or 3 qualified vendors for work to be performed.
- 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 General Manager shall forward best proposals (and Management and/or BCC recommendations) to the Board of Directors for its review unless instructed to forward first to the Finance Committee.
- 4) All bid proposals received shall be considered confidential until OVA awards the contract. No discussions, disclosure of price costing information and/or the relative position of bidders is permitted, except for Management, Finance Committee when applicable, and/or BCC bid evaluation prior to submission to the Board of Directors.
- 5) The Board of Directors shall review all bid proposals and recommendations from Management and/or the BCC. 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 any competitive price offerings; (d) the need for any supplemental information, and (e) included references if a new vendor to OVA. The Board of Directors need not award to the lowest bidder if the low bid is substantially lower than all other bids (bringing into question the vendor's historic competency) or the vendor has otherwise given the impression that the vendor will be unable to perform in a timely or adequate manner.

- 6) Generally, it is the policy of OVA to award its contracts to the lowest qualified bidder who meets the OVA's 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 (bringing into question the vendor's historic competency or Credentials) 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. Any purchase or contract must be signed by or approved by in writing by the OVA General Manager or Facilities Manager with prior approval by the General Manager.
- 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 \$10,000.00 (per month), but which are not part of OVA's duly adopted annual operating budget, OVA's General Manager is authorized to determine if competitive cost bids are warranted, is authorized to make such procurements and purchases, and shall report those procurements and purchases in writing to the Board.
- 2) For goods and/or services which can be associated with OVA operating budget categories, Management may proceed with procurement of such goods and/or services without prior Board approval, following OVA procurement guidelines. Where possible the OVA General 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.

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