

**SHADOW CREEK RANCH MAINTENANCE ASSOCIATION  
GUIDELINES FOR BID SOLICITATION AND REVIEW PROCESS  
(Adopted, August, 2021)**

STATE OF TEXAS                   §  
   §                   KNOW ALL PERSONS BY THESE PRESENTS:  
COUNTY OF BRAZORIA       §

WHEREAS the SHADOW CREEK RANCH MAINTENANCE ASSOCIATION ("SCRMA") is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the recorded Declarations for the various sections of the community, and with managing, controlling, operating, maintaining, preserving, repairing and improving the common area and facilities; and

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

WHEREAS, the Board of Directors of SCRMA ("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 SCRMA 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 Service Contracts or Construction Projects over \$50,000.**
  - A. In accordance with Texas Property Code Section 209.0052(c), if SCRMA 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 Board of SCRMA.
  - B. The following **bid process** shall be used in such cases where SCRMA desires to contract for services or construction projects over \$50,000:
    1. SCRMA 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 SCRMA.
  - C. Exceptions:
    1. The board may waive the 2<sup>nd</sup> bid requirement in its discretion by a majority affirmative vote of the board in instances where no other contractor may be found or is willing to submit a bid.
    2. The board may waive the 2<sup>nd</sup> bid requirement in its discretion by a majority affirmative vote of the board in instances where specialty trades are needed for contracts in which:
      - a. the contractor would be the company maintaining the project after completion (i.e., the pool contractor that replastered the pool will be maintaining the pool chemicals or the landscape company that installed the plants will be maintaining the landscaping.), and

- b. getting another contractor to do the work would endanger the warranty.
- 3. This Section I does not apply if the contract is between SCRMA 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 SCRMA 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 SCRMA 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 SCRMA 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. SCRMA receives at least two other bids from persons not associated with the board member, relative, or company, if reasonably available, in the community;
  - 3. 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;
  - 4. the material facts regarding the relationship or interest with respect to the proposed contract are disclosed to or known by the SCRMA board;
  - 5. 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 SCRMA 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 Brazoria 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 SCRMA shall remain in full force and effect.

Approved and adopted by the Board on this 19 day of August 2021.

David Selsky, SCRNA  
President (Signature)

David Selsky, SCRNA  
Print Name



## FILED and RECORDED

Instrument Number: 2021055006

Filing and Recording Date: 08/20/2021 01:13:17 PM Pages: 8 Recording Fee: \$50.00

I hereby certify that this instrument was FILED on the date and time stamped hereon and RECORDED in the OFFICIAL PUBLIC RECORDS of Brazoria County, Texas.



A handwritten signature in black ink, appearing to read "Joyce Hudman".

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Joyce Hudman, County Clerk  
Brazoria County, Texas

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