

**WATERGATE AT LANDMARK CONDOMINIUM  
UNIT OWNERS ASSOCIATION**

ADMINISTRATIVE RESOLUTION NO. 122

**CONTRACTING PROCEDURES**

JANUARY 31, 2017

WHEREAS, Article 3, Section 3.2 of the Bylaws assigns the Board of Directors with "all powers and duties necessary for the administration of the affairs of the Condominium" and further states that the Board "may do all such acts and things as are not directed to be exercised and done by the Unit Owners Association"; and

WHEREAS, it is in the best interest of the Association to provide the General Manager clearly defined contracting guidelines and to establish procedures to ensure that the Association signs the best value contracts within acceptable legal and good business practices.

Now therefore, be it resolved that the following policies and procedures are hereby adopted:

**I. OBJECTIVES**

- a) To establish minimum Procedures for Bidding/Contract Selection, and;
- b) To establish Effective Contract Administration.

**II. COMMITTEES**

- a) Watergate at Landmark's Board of Directors and the General Manager shall utilize the Project Review Committee and/or an ad hoc committee, depending on the type of contract, to recommend appropriate contractors and oversee the selection process for Watergate at Landmark.
- b) When an ad hoc Committee shall be designated by the Board of Directors, depending on the contract to be awarded, all members of the contract review process must sign and abide by the Code of Conduct which includes a confidentiality agreement.
- c) The ad hoc committee shall consist of the General Manager, one to three Board members, the chair of the committee involved with the project; the chair of the Budget Committee, and, if necessary, one or more other resident unit owner(s) with expertise in either contracting or the specific contract area. The members of each ad hoc committee shall be appointed by the President with concurrence of the majority of the Board of Directors.
- d) The ad hoc committee or the Project Review Committee shall be referred to as "the Committee" throughout this document.

### III. PROCEDURES

A. Contracts for \$100,000 or more for either the Operating and/or Reserve Budgets shall;

1. Utilize the appropriate committee as discussed above.
2. The General Manager shall present a Request for Proposal (RFP) to the committee for comment and approval. As needed, the committee may assist in the creation of the RFP.
3. An RFP will be sent to no less than three (3) qualified contractors. The RFP package shall include Watergate at Landmark specifications, Scope of Work, Standard Watergate at Landmark Contract Service Agreement, a request for at least three past performance recommendations, and if applicable, a request for alternative proposals, not based on the RFP specifications, and a cover letter which identifies the Watergate at Landmark representative, a date for a pre-bid meeting and site visit, and any special requirements.
4. Sole Source Contracts can be authorized under the following circumstances. All relevant contracts must be approved by the Board of Directors.
  - a) Vendor has a proven record of performance and stability and going out to bid would only be a waste of resources, or
  - b) Vendor has kept the contract price the same, and going out for bid could possibly force him to raise his prices due to the costs of the bidding process, or
  - c) No other qualified vendors, or
  - d) Time is of the essence.
5. Contractor qualifications and experience should match the scope of the project. The General Manager shall:
  - a) Check contractor references;
  - b) Check the Better Business Bureau and other online resources for a record of complaints and company tenure; and
  - c) Ensure that the contractor is properly insured, bonded and licensed; and
  - d) When advisable, conduct a site visit at a past contractor worksite to check the quality of work.
6. Review of the bids. The offers shall be reviewed by the Committee, which shall ensure the following:
  - a) That all proposals meet the specifications, are like in kind; and are consistent with the RFP.
  - b) That the materials to be used identify quantities, manufacturer, and all appropriate characteristics such as weight, finish, and available colors to the maximum extent reasonably possible.
  - c) The proposal properly identifies the scope and limit of the work to be performed. The scope of work shall also include unit prices for known conditions typical to

the project estimated on a time and material basis, or a fixed price basis such as square foot costs for replacement of concrete steps.

- d) That the proposal identifies all warranty of work and material provided by the contractor and/or manufacturer.
- e) That the proposal includes the required dates for start and completion.
- f) The offers shall be returned in the format specified in the RFP.

7. Each vendor may be invited to interview with the Committee and may be asked to explain inconsistencies in the bid.

8. The Committee shall make its recommendation to the Board of Directors. The Budget Committee will review the proposal to make a recommendation to the BOD concerning the financial impact of the project. Upon approval by the BOD, the General Manager will prepare the contract for signature by the Board President.

B. Contracts under \$100,000 but over \$10,000 for either Operating or Reserve budgets, shall require:

1. That the General Manager shall write and send out an RFP to no fewer than three qualified vendors, if available; and
2. That the General Manager and Board President shall determine which Committee is appropriate (PRC, IC and/or ad hoc); and
3. That a review by the Budget Committee is conducted to ensure that the funds are available in the budget.
4. That the BOD approves the contract, and that the President signs it when ready.
5. The sole source rules as listed above apply here also.

C. Contracts under \$10,000, within the approved Operating and/or Reserve Budget, may be authorized by the General Manager. This includes maintenance, repair, personnel benefits, contracts and services, supplies, and administrative contracts.

#### **IV. CONTRACT FORM**

A. The contract shall include the following:

1. The basic agreement and any attached exhibit, which outlines the requirements of both parties.
2. The Watergate at Landmark Condominium Service Agreement (Attachment A), which includes the specifications, scope of work, duration of the agreement, production schedule, change orders, additions, insurance requirements, charges and payments, warranties, remedies for non-performance, indemnification etc.
3. The Contractor Guidelines and Responsibilities (Attachment B), which details conduct by the contractor while on Watergate at Landmark property.

## **V. CONTRACT ADMINISTRATION**

1. When the contract includes an engineering or design firm, direct oversight of the contractor and work performed shall be the responsibility of the engineering or designer firm. Any issues regarding the performance of the contract shall be reported to the General Manager or designee, if necessary.
2. Contract payment schedules will be developed based on work completion with 10% retainage until completion of contract and acceptance of the work.
3. General Manager is responsible for reviewing contracts and requesting the assistance of Legal Counsel, and/or the Project Review Committee, if necessary.
4. All change orders shall be reviewed by the General Manager, with consultation with the Engineering/oversight contractor and the President and the Treasurer. All change orders shall be approved and signed by the President. Documentation should include a justification for the change order.
5. The General Manager or designee and the BOD President are responsible for communicating with Contractors.
  - a) The GM or designee is responsible to act on behalf of the Association with respect to maintaining an open line of communication with contractors.
  - b) Residents, Committee members and members of the Board of Directors are not to direct or advise contractors employed by the Association concerning their work without prior approval from the President of the Board and/or the General Manager.

## **VI. PROCEDURES FOR SIGN-OFF ON COMPLETED CONTRACTS**


1. The Contractor shall certify that they have completed the contract and the punch list in writing.
2. The Contractor shall provide the warranty, with a statement of the length of the warranty and the effective date.
3. If oversight is being provided by an outside firm, this firm shall certify in writing that the contract is completed to contracting standards including the punch list.
4. The oversight provider shall certify that the work is within the terms of the contract, that the provider is not aware of any problems with the work and that there are no outstanding construction issues. All required city and state government approvals and inspections shall be provided.
5. The General Manager shall sign off that the contract is completed within the terms of the contract.

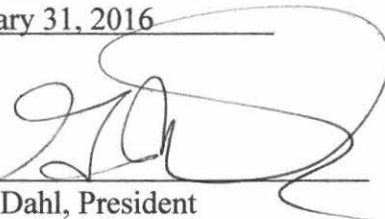
6. The General Manager shall prepare and the Treasurer shall review a document showing the following:
  - a) Original contract price
  - b) Adjustments to the contract – plus or minus
  - c) Schedule of all payments on the contract, by date
  - d) Any other financial data considered relevant
7. The Financial Management Company shall certify in writing that the above schedule is accurate and agrees with the books and records of WAL.
8. The Treasurer shall then sign-off that he/she has reviewed all the above.
9. Upon receipt of all final contracts, documents (such as drawings, warranties, changes orders, submissions, waivers, and all required City and State final inspections and approvals) are provided and the completion of the above procedures, the final retainage payment can be authorized.

Attachment A: Watergate at Landmark Contract Service Agreement (Provided by Facilities Director)  
Attachment B: Contractor Guidelines and Responsibilities

Book of Minutes \_\_\_\_\_, of the Board Meeting of January 31, 2016

ATTESTED:

  
\_\_\_\_\_  
Vivian Moran, Secretary

  
\_\_\_\_\_  
Gary H. Dahl, President

2/24/17  
\_\_\_\_\_  
Date

2/27/17  
\_\_\_\_\_  
Date