

Successful Vendor Relations

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FirstService
RESIDENTIAL

THE BIDDING PROCESS

STARTING THE BIDDING PROCESS

- DETERMINE SCOPE OF WORK
- DETERMINE BID LIST
- DETERMINE DETAILED SPECS
- ESTABLISH TIMEFRAME WITH VENDORS AND WITH BOARD OF DIRECTORS

BIDDING THE JOB

- MEET THE VENDORS ON SITE, INDIVIDUALLY – OR – BIDDERS MEETING
- ENSURE QUALIFICATIONS (INSURANCE, LICENSES) PRIOR TO BID
- DON'T ACCEPT LATE BIDS

EVALUATION

- PROVIDE A SPREADSHEET COMPARISON TO BOARD
- ARRANGE PERSONAL MEETING WITH VENDOR(S) IF APPLICABLE
- ENSURE BOARD UNDERSTANDS TANGIBLES AND INTANGIBLES THAT WEIGH IN DECISION



VENDOR REQUIREMENTS

- **WORKER'S COMPENSATION NAMING ASSOCIATION AS CERTIFICATE HOLDER AND ADDITIONAL INSURED**
- **GENERAL LIABILITY INSURANCE IN AMOUNT OF \$1 MILLION NAMING ASSOCIATION AS CERTIFICATE HOLDER AND ADDITIONAL INSURED**
- **COMPLETED W-9 WITH TAX ID NUMBER**
- **COPY OF CONTRACTOR'S LICENSE, IF REQUIRED**
 - **EXAMPLE: LANDSCAPING SHOULD HAVE CHEMICAL & IRRIGATOR LICENSE**
- **MINIMUM OF 3 BUSINESS REFERENCES FOR LIKE PROPERTY / PROJECT**
- **GENERAL INFORMATION**
 - **PRINCIPAL OWNERS OF COMPANY**
 - **ADDRESS**
 - **CONTACT INFORMATION (BUSINESS PHONE, CELL PHONE, FAX NUMBER)**



EXECUTION

- **UTILIZE CONTRACT THAT PROTECTS ASSOCIATION:**
 - **30 DAY OUT**
 - **NO LIQUIDATED DAMAGES**
 - **REFERENCES SPECIFICATIONS AS EXHIBIT**

DOCUMENT THE PROCESS

- **ENSURE EXECUTED CONTRACT IS RETURNED**
- **STORE CONTRACT WITH ASSOCIATION RECORDS**
- **REVIEW REGULARLY (1 – 2 YEARS, BASED ON SERVICE)**



DOS AND DON'TS

- **DO**
 - **THANK UNSUCCESSFUL BIDDERS FOR THEIR TIME.**
 - **VERIFY QUALIFICATIONS UP FRONT.**
 - **SPECIFY THE DATE THE BIDS ARE DUE BACK.**
 - **MEET VENDORS ON SITE TO REVIEW WORK TO BE DONE.**

- **DON'T**
 - **ACCEPTING BIDS FROM VENDORS NOT ON THE BID LIST.**
 - **SHARE HOW THE BIDS ARE COMING IN WITH THE VENDOR THAT YOU WANT TO WIN.**
 - **SHARE BUDGET LINE ITEM WITH VENDORS PRIOR TO BID.**
 - **GO TO LUNCH WITH THE VENDOR SO HE CAN EXPLAIN WHY HE SHOULD BE HIRED FOR THE JOB.**



HB 503 CONTRACTS – SINGLE FAMILY

VENDOR LEGISLATION

- **APPLIES TO HOMEOWNER CONTROL BOARDS ONLY**
 - **DEVELOPMENT PERIOD EXCLUSION**

- **REQUIREMENTS FOR VENDORS TO BID IF 51% OF COMPANY IS OWNED BY A BOARD MEMBER, OR OWNED BY SOMEONE ASSOCIATED BY THIRD DEGREE OF CONSANGUINITY OR AFFINITY TO THE BOARD MEMBER**

- **PROTOCOL INCLUDES:**
 - **TWO ALTERNATE BIDS, IF REASONABLY AVAILABLE**
 - **BOARD MEMBER AFFECTED CAN'T:**
 - **SEE BIDS OF COMPETITORS**
 - **PARTICIPATE IN DISCUSSIONS**
 - **VOTE**

- **DISCLOSURE: IN MINUTES – PRIOR TO BIDDING**

- **DOCUMENTATION IF DECISION TO GO WITH THE VENDOR**
 - **RESOLUTION BY THE BOARD**
 - **SIGNED BY A MAJORITY OF THE OTHER BOARD MEMBERS**



TERMINATING THE CONTRACT

- **WAIT TO TERMINATE A CONTRACT UNTIL THE NEW ONE IS FINALIZED AND SIGNED**
- **COURTESY CALL UP FRONT TO VENDOR YOU ARE TERMINATING**
- **FOLLOW UP IN WRITING WITH A SPECIFIC DATE**
- **SEND VIA CERTIFIED MAIL**
- **DON'T PAY FINAL INVOICE UNTIL YOU ARE SURE ALL IS COMPLETE**
- **SAVE TERMINATION LETTER FOR FUTURE REFERENCE**
- **ARRANGE FOR TRANSITION OF ANYTHING RELEVANT FROM VENDOR TO VENDOR**
- **NOTE: IN THE EVENT YOU ARE CONTRACTED TO A COMPANY THAT IS A PARTNERSHIP, AND THEY DISSOLVE THE PARTNERSHIP, BEST BET IS TO MOVE ON. OR, MAKE SURE YOU GET A DISSOLUTION AGREEMENT IN WRITING TO CLARIFY OWNERSHIP OF COMPANY.**



VENDORS EXPECT US TO.....

- **TREAT THEM FAIRLY**
- **LET THEM KNOW IF THE ACCOUNT IS IN JEOPARDY**
- **PAY THEM TIMELY**
- **BE RESPONSIVE**
- **BRING PROPOSALS FORWARD TO THE BOARD AND ACTION THEM**
- **KEEP PENDING PROPOSALS IN FRONT OF DECISION MAKING BODY SO HISTORICAL DATA IS RECOGNIZED AS TIME GOES BY, AND BOARD MEMBERS CHANGE**

