

**AMENDMENT
TO HOMEOWNERS DISCLOSURE
STATEMENT FOR**

**HERITAGE HARBOUR COMMUNITY
COMMUNITY ASSOCIATION, INC.
(Annapolis)**

For deposit with the Circuit Court for Anne Arundel County this 2th day of August, 2000.

1 Policy Resolution No. 6 - Amendment 1 - Procurement Policies - Approved April 11, 2000

2 Administrative Resolution No. 3 - Amendment 1 - A&ERC - Approved July 11, 2000

RECORDING FEE 25.00
TOTAL 25.00
REC'D 08/02/2000
RFD KB
RUS 02, 2000
RCPT # 45302
BLK # 472
12:57 PM

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RECEIVED FOR RECORD
CIRCUIT COURT, A.A. COUNTY

Return to: *Heritage Harbour Community Association, Inc., 959 River Strand Loop, Annapolis, Maryland 21401*

08/02/00/10300.001

By: *Elmore & Associates, P.A.*

HERITAGE HARBOUR COMMUNITY ASSOCIATION, INC.

POLICY RESOLUTION NO. 6
AMENDMENT 1

PROCUREMENT POLICIES

WHEREAS, on June 8, 1999, the Board of Directors adopted Policy Resolution No. 6 to establish policies related to the procurement of goods and services on behalf of the Association.

WHEREAS, the Board of Directors recognizes a need to amend those policies.

RESOLVED, that the following amendment is made to the procurement policies contained in Policy Resolution No. 6.

Section III.B.1. is revised to read:

1. Contracts awarded without competition, i.e. sole source contracts, are limited to situations where solicitation for bids and proposals is impracticable. Except for emergency repairs, as provided for in Section II.B.1(b), all sole source contracts over five thousand dollars (\$5,000) must be approved by the Board of Directors prior to award of the contract.

Section III.B.2(c) is revised to read:

(c) If there are no bidders responsive to the solicitation, the Management Agent may negotiate with a vendor for a fixed price or time and material contract (including profit).

	Yes	No	Abstain
<u>Absent</u> Morton Merewitz, District 1	_____	_____	_____
<u><i>Frederick H. Lamartin</i></u> Frederick H. Lamartin, District 2	<u>✓</u>	_____	_____
<u>Absent</u> Edward Elliott, District 3	_____	_____	_____
<u><i>Robert M. Bartel</i></u> Robert Bartel, District 4	<u>✓</u>	_____	_____

	Yes	No	Abstain
<u>Absent</u>			
J. Fred Woolard, District 5			
<u>Robert Mack, District 6</u>	✓		
<u>Arthur G. Rudmann</u>	✓		
Arthur Rudmann, District 7			

Duly approved at a regular meeting of the Board of Directors on April 11, 2000.

Frederick Lamartin
Frederick Lamartin, President, Heritage Harbour Community Association, Inc.

Return to:
HHCA, Inc.
959 River Strand Loop
Annapolis, MD 21401

**AMENDMENT
TO HOMEOWNERS DISCLOSURE
STATEMENT FOR**

**HERITAGE HARBOUR COMMUNITY
COMMUNITY ASSOCIATION, INC.
(Annapolis)**

RECORDING FEE 25.00
TOTAL 25.00
Rest # AA13 Rpt # 43002
RPD VJT Bk # 1053
Oct 11, 2000 09:37 am

For deposit with the Circuit Court for Anne Arundel County this 11th day of October, 2000.

1. Policy Resolution No. 6 - Amendment 2 - Procurement Policies - Approved September 12, 2000
2. Policy Resolution No. 5 - Amendment 1 - A&ER Procedures & Guidelines - Approved Sept. 12, 2000

Return to: *Heritage Harbour Community Association, Inc., 959 River Strand Loop, Annapolis, Maryland 21401*

08/02/00/10300.001

By: *Elmore & Associates, P.A.*

HERITAGE HARBOUR COMMUNITY ASSOCIATION, INC.

**POLICY RESOLUTION NO. 6
AMENDMENT 2**

PROCUREMENT POLICIES

WHEREAS, on June 8, 1999, the Board of Directors adopted Policy Resolution No. 6 to establish policies related to the procurement of goods and services on behalf of the Association; and

WHEREAS, on April 11, 2000, the Board of Directors amended Policy Resolution No. 6 to clarify contracting policies; and

WHEREAS, the Board of Directors recognizes a need to further amend Policy Resolution No. 6 for the purpose of revising the authority of the Management Agent to procure goods and services from the Operations or Replacement funds.

RESOLVED, that the following amendment is made to the procurement policies contained in Policy Resolution No. 6.

Section II.B.1. is revised to read:

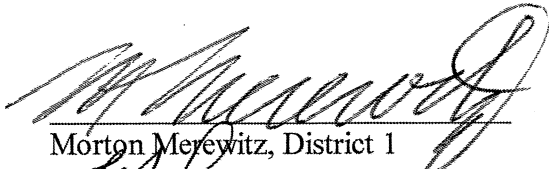
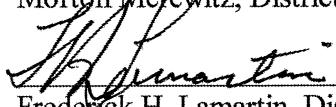
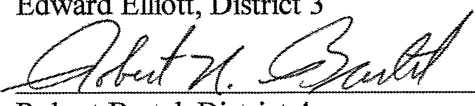
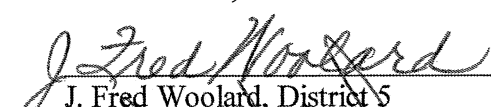
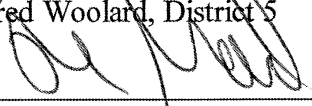
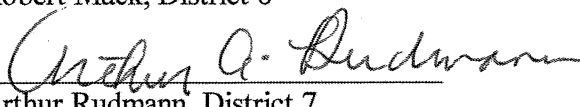
1. The Management Agent is authorized, without specific approval by the Board of Directors, to procure goods and services using Operations or Replacement funds under the following conditions.

(a) The item was included in the approved budget and is estimated to cost five thousand dollars (\$5,000) or less.

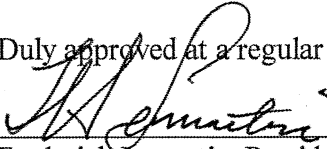
(b) The item or service is not included in the approved budget or the budgeted cost for the item or service is insufficient or has already been spent, and the cost can be accommodated through the Operations (contingency) Reserve Fund, and the estimated cost is five thousand dollars (\$5,000) or less.

(c) For making emergency repairs to any real or personal property up to a total cost of ten thousand dollars (\$10,000) in order to remedy hazardous conditions involving danger to life of property or to avoid suspension of any services or activities of the Association.

(d) Whenever a question arises whether the cost of an item or service, estimated to cost five thousand dollars (\$5,000) or less, should be reflected in the Operations, Replacement, or Capital Improvements Fund, the Management Agent, in consultation with the Association Treasurer, when necessary, shall determine the appropriate fund.

	Yes	No	Abstain
 Morton Merewitz, District 1	☒	☐	☐
 Frederick H. Lamartin, District 2	☒	☐	☐
 Edward Elliott, District 3	☒	☐	☐
 Robert Bartel, District 4	☒	☐	☐
 J. Fred Woolard, District 5	☒	☐	☐
 Robert Mack, District 6	☒	☐	☐
 Arthur Rudmann, District 7	☒	☐	☐

Duly approved at a regular meeting of the Board of Directors on September 12, 2000.


Frederick Lamartin, President, Heritage Harbour Community Association, Inc.

**AMENDMENT
TO HOMEOWNERS DISCLOSURE
STATEMENT FOR**

**HERITAGE HARBOUR COMMUNITY
COMMUNITY ASSOCIATION, INC.
(Annapolis)**

78
For deposit with the Circuit Court for Anne Arundel County this 16th day of June, 1999.

1. Policy Resolution No. 6 - Procurement Policies
(June 8, 1999)

RECORDING FEE 25.00
TOTAL 25.00
1999.0015 Rept # 52304
RFD ME RIR # 1972
Jun 16, 1999 11:41 am

Return to: *Elmore & Associates, P.A., Kathleen M. Elmore, Esquire, P. O. Box 6488, Annapolis, Maryland 21401*

06/16/99/10300.001

RECEIVED FOR RECORD
CIRCUIT COURT, A.A. COUNTY

99 JUN 16 AM 11:43

HERITAGE HARBOUR COMMUNITY ASSOCIATION, INC.**POLICY RESOLUTION NO. 6****PROCUREMENT POLICIES**

WHEREAS, Article V of the By-Laws of the Heritage Harbour Community Association (Association) provides that the Board of Directors has all the powers and duties necessary for the administration of the affairs of the Association.

WHEREAS, the Board of Directors recognizes that it is appropriate and desirable to establish policies related to the procurement of goods and services on behalf of the Association.

RESOLVED, that the following procurement policies are hereby adopted.

I. General

A. Except as authorized by the Board of Directors and in accordance with the policies contained in this Resolution, no person may obligate the Association for the payment for goods or services nor may any person direct or cause any other person to obligate the Association for the payment for goods or services.

B. All persons representing the Association in the procurement of goods or services shall conduct themselves in such a manner as to avoid any conflict of interest or the appearance of any conflict of interest.

C. The policies contained in this Resolution are not intended to supercede any provision of law or contract between the Association and any of its contractors.

II. Authorities and Responsibilities**A. The Board of Directors.**

1. Prior to the beginning of each fiscal year, the Board of Directors shall establish budget authority for the procurement of goods and services needed by the Association during the next fiscal year, with out-year projections for the succeeding four fiscal years.

2. The Board of Directors, meeting in regular or special sessions, shall be responsible for the approval of contracts or open market purchase from funds in the Operations Budget or Replacement Budget when the total costs are estimated to exceed \$5,000. The Board of Directors shall be responsible for the approval of all procurement using Capital Improvement funds.

3. Each Director is responsible for compliance with the Common or Interested Directors provisions of the By-Laws of the Association.

B. The Management Agent.

1. The Management Agent is authorized, without specific approval by the Board of Directors, to procure goods and services using Operations or Replacement funds under the following conditions.

(a) The item was included in the approved budget and is estimated to cost five thousand dollars (\$5,000) or less.

(b) For making emergency repairs to any real or personal property of the Association up to a total cost of ten thousand dollars (\$10,000) in order to remedy hazardous conditions involving danger to life of property or to avoid suspension of any services to the Association members.

2. The Management Agent shall obtain prior approval by the Board of Directors for the procurement of any item not included in the above authorization. To obtain approval, the Management Agent shall submit a proposal, in the form of a motion, at a regular meeting or at a special meeting called for the purpose of considering the proposal at least thirty (30) days prior to the execution of the contract or other binding instrument. However, contracts for continuing services, such as swimming pool management or grounds management, shall be submitted to the Board of Directors for approval at least ninety (90) days prior to the execution of the contract. (See Section III.B.4 for related requirements.)

3. The Management Agent shall report to the President whenever a contract or a purchase has been executed without specific approval of the Board of Directors. Such reports shall be separate from the routine Management Agent reports, and shall include the following information:

(a) Budget amount of project; and

(b) Amount to be expended or obligated for the project; and

(c) Number of bids solicited; and

(d) Number of bids received; and

(e) Explanation of rationale for selection of the contractor.

4. The Management Agent is responsible for the development of specifications, solicitation

for bids and proposals, evaluation of bids and proposals, and selection of contractors. The Management Agent may consult with appropriate Committee Chairpersons on the development of specifications.

5. The Management Agent is responsible for monitoring performance of all contractors to ensure that the work is conducted in accordance with contract terms and specifications.
6. The Management Agent shall maintain records for the Association related to all contracts executed on behalf of the Association. Such records shall be retained for a period of five years after the delivery of goods and services or completion of the project.

III. Procurement Practices.

A. Open Market Purchases.

1. Purchases on the open market are generally limited to supplies, materials and items of minor equipment.
2. The Management Agent is expected to exercise sound business practices in the selection of vendors and to obtain the best price for the Association, to include any discounts or rebates.

B. Contracting Policies and Procedures.

1. Contracts awarded without competition, i.e. sole source contracts, are limited to situations where solicitation for bids and proposals is impractical. All sole source contracts over five thousand dollars (\$5,000) must be approved by the Board of Directors prior to award of the contract.
2. Competitive contracting procedures shall be used whenever practicable, and must be used for the procurement of goods and services when the total cost is estimated to exceed five thousand dollars (\$5,000). In general, the following procedures will be used.
 - (a) The solicitation to bid will be sent to at least three (3) qualified contractors or suppliers doing business in the area. If only one bidder responds, an additional solicitation shall be made.
 - (b) The bidder with the lowest price will be selected unless that bidder was unresponsive to some material aspect of the solicitation. Documentation of the rationale for selection of the successful bidder will be maintained with the contract records.
 - (c) If there are no bidders responsive to the solicitation, the Management Agent may negotiate with a vendor for a fixed price or cost plus percent for profit contract.

3. All contracts executed on behalf of the Association shall contain a clause allowing the Association to:

(a) Withhold payments for failure to perform in accordance with the terms of the contract; and

(b) Impose penalties for failure to complete work by the date and time specified, if such failure may result in additional cost to the Association or in inordinate inconvenience to the members of the Association; and

(c) Cancel the contract by the Association, without cause, upon thirty (30) days written notice.

4. Contracts which provide for optional renewal by the Association shall be submitted to the Board of Directors for approval at least ninety (90) days prior to the renewal. The Management Agent shall present a motion at a regular meeting or special meeting called for the purpose of considering the motion. The motion may consider either renewal or termination of the contract. Information accompanying the motion should include:

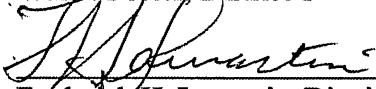
(a) a statement that the Management Agent has reviewed the contract, including any changes needed; and

(b) an evaluation of the past performance of the contractor; and

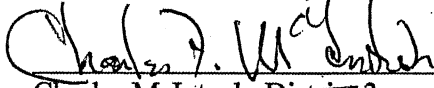
(c) if for termination, the reason for termination.



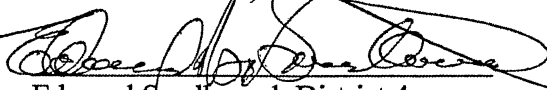
Walter Foster, District 1



Frederick H. Lamartin, District 2



Charles McIntosh, District 3



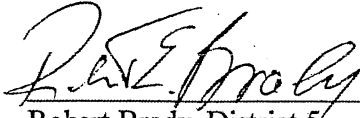
Edmund Smallwood, District 4

Yes	No	Abstain
☒	☐	☐
☒	☐	☐
☒	☐	☐
☒	☐	☐

Yes

No

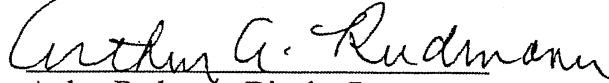
Abstain



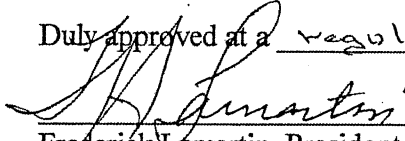
Robert Brady, District 5

X Absent

Robert Mack, District 6

Arthur Rudmann, District 7

X Duly approved at a regular meeting of the Board of Directors on June 8, 1999.

Frederick Lamartin, President, Heritage Harbour Community Association, Inc.