

MUTUAL OPERATIONS**PHYSICAL PROPERTY****Contractor License – Mutual Twelve**

WHEREAS, the California State Contractor License law, as interpreted by the Contractors State License Board, requires that electrical, plumbing construction and other forms of building repair work which will cost more than \$500 be performed by a State-licensed contractor, and

WHEREAS, this Corporation desires to comply with the statute and gain the advantages of the licensing regulations and insurance protection that is included within the regulation for the protection of the Corporation and the residents,

NOW, THEREFORE, BE IT RESOLVED that this Mutual Corporation will not permit the employment of unlicensed individuals to make repairs, alterations and other such work which will cost more than \$500, and the Physical Property Department is instructed to assist in enforcing this regulation.

BE IT FURTHER RESOLVED that this Mutual Corporation will not permit or approve any contractor to perform work unless such contractor has the financial and physical resources to perform the work which they were contracted to perform. The Mutual Corporation may deny a shareholder the ability to hire a contractor who, in the Board's or Supervisor of Physical Property sole discretion and opinion, does not have sufficient employees or financial resources to complete the work set forth in their contract. Additionally, the Mutual Corporation may deny a shareholder the ability to hire a contractor who, in the Board's or Supervisor of Physical Property sole discretion and opinion, has underbid the work set forth in their contract, so as to avoid situations where work remains unfinished because the contractor is unable to complete the work set forth in the contract's scope of work. Finally, the Mutual Corporation may deny a contractor who, in the Board's or Supervisor of Physical Property sole discretion and opinion, is allowing a shareholder to perform a portion of the work set forth in the contract, or where such contractor is allowing the shareholder to supply an unreasonable level of building supplies or parts required under the contract, thereby masking the true scope of work.

See Policy 7480.12 Architectural Standards for additional contractor building permit requirements.

MUTUAL ADOPTION**AMENDMENT(S)**

TWELVE: 08-29-16 (Emergency 120 days)

10-13-16