

SEAL BEACH MUTUAL NO. TWELVE**Mutual Reserves****Mutual Contract Bid Procedure**

Expenditures from the Reserve Funds and Operating Funds require Mutual Board approval except in the case of immediate, urgent need. Then either the Supervisor of Service Maintenance or the Supervisor of Physical Property is authorized to repair, restore, replace, and maintain items, or to obtain an outside contractor at a cost up to \$1,000 without first obtaining Mutual Twelve Board authorization.

A Board authorized contract is required in all cases when the cost exceeds \$1,000 or the Supervisor of Service Maintenance or the Supervisor of Physical Property determines that a certain repair, restoration, replacement or other necessary maintenance should be performed by an outside contractor, the following steps must be taken:

1. The Supervisor of Service Maintenance or the Supervisor of Physical Property shall notify the President of the Mutual that an outside contractor is recommended for the project.
2. The Mutual Twelve Board shall then pass a RESOLUTION to include deadlines for bid preparation, sending bids to contractors for return. Then the Mutual President shall ask the Supervisor of Physical Property to prepare specifications for the project. Specifications to be reviewed and approved by the Mutual Twelve Physical Property Committee and initialed by the Mutual President before the Request for Bid is sent out to the qualified contractors.
 - 2.1. Contractors must be notified bids are to be submitted in sealed envelopes when the project estimated costs exceed \$50,000, and that if their bid is based on any variance of the specifications, then a written explanation, in a separate envelope from the sealed bid, shall accompany the sealed bid.
 - 2.2. The sealed bids shall be presented for opening to the Mutual Twelve Board for review, questions, discussion, revisions, and recommendations.
3. Upon the Board's RESOLUTION to accept a bid, and after providing requested notification of the resolution, the Supervisor of Physical Property shall prepare within 10 days a contract for review and approval by the Mutual Twelve Physical Property Committee. After that the President is authorized to sign the contract. Further, the Mutual Board in its discretion will determine which reserve or operating account is to be charged for the expenditure.

Document History

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