This operating policy outlines the procedures to be used for purchasing supplies and capital equipment.

A. **Operating Supplies**

1. Operating supplies include the following items: utility service; repair and maintenance; fire prevention; office supplies; supplies; books; and publications. Each of these items is a line entry in the annual budget. It is the responsibility of the Chairman, the Treasurer, and the Fire Chief to monitor the expenditure of these funds to insure they can adequately cover the entire year.

2. Supplies and equipment will be purchased from local merchants to the maximum extent possible if their prices are competitive. Any item in excess of \$5,000 will be let for bid. This bid process may be conducted either in writing or telephonically. If a bid is let for supplies, the Fire Chief, after the Chairman's review, shall review the bids and award the contract to the firm with the best price and / or the earliest delivery date, whichever is most important for that item.

B. <u>Capital Equipment</u>

1. Capital equipment is budgeted for as a line item approved by the Board of Fire Commissioners. Major items shall be purchased through the competitive bid process.

2. Items that can be purchased from the state contract need not be bid competitively.

C. <u>Fire Apparatus</u>

1. Fire apparatus shall be purchased as approved by the Board of Fire Commissioners through the competitive bid process. The Fire District will provide each vendor with a set of specifications for the piece of apparatus to be purchased.

2. A date and time will be established for receipt of bids. All bids must be received prior to this date and time to be considered. The Board of Fire Commissioners may accept a late bid if it was late for reasons beyond the control of the vendor. All bids will be opened and read aloud at a regular commissioner's meeting.

3. The Fire Chief will review the bids and specifications. This review, and a recommendation to the Board of Fire Commissioners, must be accomplished within 21 days of receipt of the bids.

4. The Board of Fire Commissioners will, at a regular meeting, review, discuss and award the contract.

5. If no vendor meets the specifications or there are major differences that cannot be resolved, then the Commission has the right to rebid the apparatus.