

Purchasing Policy Revisions

Prepared for the
NBU Board of Trustees

May 26, 2026



NBU® NEW BRAUNFELS
UTILITIES

Agenda

- **Background**
- **Summary of Changes**
- **Questions**

Mission

Strengthening our community by providing resilient essential services

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Vision

Be a trusted community partner dedicated to excellence in service

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Core Values

Safety, Team, Integrity, Culture, and Stewardship

Background

NBU's Purchasing Policy establishes the framework for the procurement of goods and services across the utility, in accordance with state law and industry best practices.

2019: Board Approval of Current Purchasing Policy

2025: Legislative Updates to Procurement Statutes

- Texas Local Government Code Chapter 252: threshold for formal procurement raised from \$50,000 to \$100,000.
- Prompted full-scale review of the Policy to identify updates due to market conditions and internal structures.

2026: Board Review of Proposed Changes

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Summary of Proposed Changes

1. All references to formal procurement threshold raised from \$50,000 to \$100,000.
 - Purchases under \$100,000 are procured by informal solicitation, in accordance with Texas Local Government Code Chapter 252.

Purchasing Policy

| | | | |
|--|--------------------------------------|-------------|-------------|
| Policy Type | Approval Authority | Adopted | Effective |
| Board | NBU Board of Trustees | | |
| Responsible Department | | | |
| Procurement | | | |
| Reviewed/Approved by Executive Director | Reviewed/Approved by General Counsel | | |
| Name | Name | Date Signed | Date Signed |
| Jessica Williams | Connie Lock | | |
| | | | |
| Signature | Signature | | |
| Reviewed/Approved by CEO | Reviewed/Approved by Board President | | |
| Name | Name | Date Signed | Date Signed |
| Ryan Kelso | Wayne Peters | | |
| | | | |
| Signature | Signature | | |
| REVISION HISTORY | | | |
| This Policy replaces the previous Purchasing Policy, effective October 31, 2019. | | | |

I. PURPOSE

NBU is subject to the purchasing laws of the State of Texas. This Policy establishes standards for the purchase of goods and services needed for NBU to provide electric, water, and wastewater services to its customers. This Policy applies to all NBU employees and is effective immediately upon approval, and supersedes all previous purchasing policies, instructions, or directives.

II. PHILOSOPHY

It is the philosophy of NBU that all procurement and purchasing activities will be conducted in a manner that promotes transparency and maintains public confidence in NBU, its Board of Trustees, and the Chief Executive Officer.

III. DEFINITIONS

The following terms in this Policy shall have the meanings assigned to them below:

- A. **Act** means Chapter 252 of the Texas Local Government Code, as amended.
- B. **CEO** means the Chief Executive Officer of NBU.
- C. **CFO** means the Chief Financial Officer of NBU.

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Summary of Proposed Changes

2. Definitions updated to address frequently asked questions from staff.

- “Civil Works” definition updated to reflect statutory definition.
- Addition of Section IX: “Procurement of High Technology Items”.

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Summary of Proposed Changes

3. Internal reporting structure updated.

- Delegations of authority are now passed from the CEO to the Director or his/her designee, rather than directly to the Procurement Manager.

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Summary of Proposed Changes

4. Increase signature authority levels for Managers, Directors, and Executives.

- Increased to allow for efficiency in signature routing for purchases below the formal solicitation threshold.
- No change to Board authority levels is proposed.

| Role | Current | Proposed |
|-----------|------------|------------|
| Manager | \$10,000 | \$50,000 |
| Director | \$50,000 | \$100,000 |
| Executive | \$100,000 | \$250,000 |
| CEO | \$100,000+ | \$250,000+ |

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Summary of Proposed Changes

5. Increase Electric Line of Business (“ELOB”) exemption from \$3 million to \$5 million.

- The cost of raw materials has increased, seen in high-value ELOB items.

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6. Increase Competitive Matters reporting threshold from \$50,000 to \$250,000.

- Aligned with Board reporting and approval levels for other contracts.

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Questions?

Requested Action

**Adopt Resolution R-2026-215 Approving Revisions to the Purchasing Policy
and Other Matters in Connection Therewith**

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