



**PUBLIC SERVICE BOARD MEETING
AGENDA ITEM
REGULAR MEETING**

Wednesday, September 10, 2025

SUBJECT

Revisions to the Public Service Board (PSB) on the Delegation of Signature Authority Policy to the President/CEO.

BACKGROUND

Dating back to at least 1994, there have been actions and documents approved by the PSB delegating to the President/CEO the authority to sign certain documents, agreements, and contracts. It is recommended that the policy be revised to clarify certain delegations and language, track statutory requirements, increase certain delegations, and add new delegations to improve efficiency.

PRIOR PSB ACTION

- On September 11, 2024, the PSB adopted revisions to the policy on the delegation of signature authority to include personal services.
- On February 14, 2018, the PSB adopted revisions to the policy on the delegation of signature authority to the President/CEO.
- On March 9, 2016, the PSB adopted revisions to the policy and consolidated them into one comprehensive policy document.

UTILITY KPI ALIGNMENT

Customer Satisfaction

EVALUATION PROCESS

Staff reviewed and evaluated the current policy and determined that updates are needed to align with statutory language, and other proposed revisions to increase operational efficiencies.

FINANCIAL IMPLICATIONS

None.

PROPOSED ACTION REQUESTED

Consider and adopt revisions to the Public Service Board delegation of signature authority policy to the President/CEO to clarify existing delegations, align language with statutory requirements, and incorporate new delegations that improve efficiency.

SUPPORTING DOCUMENTATION PROVIDED

- Policy (redlined)
- Summary of Recommended Revisions

EL PASO WATER UTILITIES (EPWater) PUBLIC SERVICE BOARD DELEGATION OF SIGNATURE AUTHORITY POLICY

POLICY: Delegation of Signature Authority to the EPWater President/CEO.

PURPOSE: To streamline existing signature authority procedures, to eliminate unnecessary delays, to reduce redundant tasks/paperwork, and to improve overall efficiency.

The Public Service Board (PSB) was given complete authority and control of the management and operation of EPWater pursuant to authority contained in Article 1115, Texas Revised Civil Statutes and subsequent statutes as well as City Ordinance 752 and subsequent ordinances. The PSB was also granted complete authority and control of the expenditure and application of its revenues pursuant to its bond ordinance. Except where signature authority is specifically reserved to the PSB by statute, ordinance, resolution or regulation, the PSB hereby delegates to its President/CEO signature authority for the actions identified in this Policy. This Signature Authority Policy is intended to be a delegation of signature authority and certain administrative approval authority only in matters described herein under the limitations set forth hereunder. Under no circumstances is this Policy to be considered a delegation of the policy making authority of the PSB.

DELEGATION: The El Paso Water Utilities Public Service Board Delegates to the President/CEO the following signature authority:

I. Agreements, Task Orders, Policy

1. Agreements and any and all related documents necessary to effectuate the approved action of the PSB at a publicly held meeting.
2. Agreements, contracts and purchases, other than for professional services, that are ~~\$100,000~~50,000 or less a year ~~or an aggregate of \$100,000 on a multiyear contract.~~
3. Professional services and personal services agreements/contracts, including on-call contracts up to an amount of \$100,000.
4. Agreements with other districts, educational, governmental agencies and entities, local government corporations, federally recognized Indian tribe as listed by the U.S. Secretary of the Interior and whose reservation is within the boundaries of this state, and local workforce development boards up to an amount of \$100,000 that are in conformance with the EPWater's mission, and that do not otherwise require Board approval.
- 4.5. Consent to Assignments of existing contracts for which the President/CEO agrees that it is in the best interest of the Utility to assign all duties and obligation under the existing contract from the current third party to assignee.
5. ~~Settlement authority not to exceed \$35,000 for claims.~~

6. Agreements with the Texas Department of Transportation, such as Project Utility Adjustment Agreements and Multiple Use Agreements, provided that the agreements do not require funding from EPWater and do not require conveyance of any property or land.

~~7. Execution and submittal of any applications or certification of compliance and related documents that are requested or required by any agency or organization (TCEQ, PUC, etc.) in accordance with any laws, rules, regulations, plans, procedures or similar policy documents; and to sign any documents and plans relating to contracts or projects that need an official approval or authorization, to include construction plan documents. A certification of compliance with the law shall first be signed as approved as to form by the General Counsel.~~

~~8.~~7. Selection of qualified geotechnical, geophysical, architects, real estate appraisers, engineering, ~~and~~ surveyor or other professional service providers from firms listed on an on-call list approved by the ~~Board~~PSB.

8. Contract Change Orders for public works projects, provided that the amount of the change order does not exceed \$100,000; the cumulative amount of all change orders for the contract does not exceed 25% of the original contract price; and the change order is due to changes in plans or specifications, or an decrease or increase in the quantity of work to be performed or of materials, equipment or supplies to be furnished or a price escalation.

9. Contract Change Orders for goods and services, provided that the amount of the change order does not exceed \$50,000; the cumulative amount of all change orders for the contract does not exceed 25% of the original contract price; and the change order is due to changes in plans or specifications, or an decrease or increase in the quantity of work to be performed or of materials, equipment or supplies to be furnished or a price escalation.

10. Authority to enter into Emergency Agreements, in consultation with the Office of General Counsel, with vendors or contractors for repairs or maintenance necessary to preserve or protect the public health or safety of EPWater's customers pursuant to Section 252.022(a)(2) of the Texas Local Government Code and/or necessary because of unforeseen damage to public machinery, equipment, or other property pursuant to Section 252.022(a)(3) of the Texas Local Government Code.

The President/CEO shall report to the PSB at the next regularly scheduled PSB meeting and request that the PSB make a finding that such Emergency Agreements fall within an exception to the bid statute in accordance with state law.

11. Approval of Task Orders related to professional services agreements approved by the PSB provided that the project budget has the necessary funds to cover the cost. Additionally, approval of new Task Orders related to professional services agreements approved

pursuant to the delegated authority of the President/CEO or Task Order Amendments up to \$100,000 that are within the scope of the original professional services agreement provided that the project budget has the necessary funds to cover the costs.

12. Acceptance on behalf of the Owner of Certificates of Substantial and Final Completion approved by the project engineer.

13. Sole source service and installation agreements with El Paso Electric Company and Texas Gas Service Company, pursuant to Section 252.022(a)(7)(C) of the Texas Local Government Code, related to EPWater projects or operations.

14. Establish an internal policy for EPWater's strategic partnerships and alliances with non-profit organizations.

II. Real Property Matters

9.15. Assignment of Water Rights Contracts between property owners, EPWater and the El Paso County Water Improvement District #1 (EPCWID#1).

10.16. All documents related to land acquisition and purchases provided that the PSB has approved funding for the Project, to include land acquisition costs; that enough acquisition funds remain in the project's budget to cover the costs of the acquisition; and a third-party independent appraisal is obtained, and the purchase price is at or below the appraised value.

17. Acquisition of easements that are within project budgeted amounts and are acquired at or within 25% above the fair market value. The fair market value can be determined by a third-party independent appraisal or by comparable values as determined by the Utility Land & Water Rights Manager. Real Estate Manager and Counsel. In times of an emergency as determined by the President/CEO, additional consideration may be paid up to 35% above the fair market value. Such emergency determinations and justification for the same shall be presented to the PSB at the next regularly scheduled board meeting.

11.18. Execute all documents related to the sale of System property, provided that the property has been declared inexpedient to the water, wastewater and/or stormwater systems, as applicable, and the PSB has approved the sale of the property.

12.19. Licenses or permits required for a project, provided that the cost of the license or permit is within project budgeted amounts.

13.20. Granting easements to third parties provided that the payment for the easement is at or within 25% of the fair market value of the property interest granted.

21. Right of Entry Agreements.

22. Covenants, restrictions and other encumbrances on System property.

23. All License Agreements with third parties that are of no cost to EPWater provided that such agreements are in conformance with EPWater policies.

24. Granting of licenses for the use of property provided that the license is in conformance with EPWater policies.

25. Leases of property from third parties in which the annual rental paid is \$50,000 or less, provided that the lease is in conformance with EPWater policies.

14.26. Leases of property to third parties, provided that the lease is in conformance with EPWater policies.

15.27. Release of liens, provided that the terms and conditions for releasing the lien have been complied with.

III. City Related Matters

16.28. Letters of Agreements, Memorandum of Understandings, Joint Use Agreements, and contracts between the City of El Paso and EPWater.

17.29. Land exchanges between the City and EPWater that are in accordance with the Joint Resolution.

30. Applications to the City for land use matters, such as vacations, plats, land studies and master plans.

18.

19. All License Agreements with third parties that are of no cost to EPWater provided that the Agreement is in conformance with EPWater policies.

20. Granting of licenses for the use of property provided that the license is in conformance with EPWater policies.

21. Leases of property from third parties in which the annual rental paid is \$50,000 or less, provided that the lease is in conformance with EPWater policies.

22. Leases of property to third parties, provided that the lease is in conformance with EPWater policies.

IV. Development Related Agreements

~~31. Agreements for new water and sewer service extensions in new subdivisions and outside the city limits, to include development agreements, provided that such agreements are in accordance with the EPWater Rules and Regulations. Agreements for new water and sewer facilities in residential and commercial projects/subdivisions within EPWater service area, to include development agreements and limited scope development agreements, provided that such agreements are in accordance with the EPWater Rules and Regulations, as well as the amendments, addenda, assignment and termination of such agreements.~~

~~23.32. Approval of Development Participation Agreements that includes EPWater's participation in the amount of up to \$100,000.~~

~~24.1. Acceptance on behalf of the Owner of Certificates of Substantial and Final Completion approved by the project engineer.~~

V. Regulatory Compliance Matters

~~33. Execution and submittal of any applications or certification of compliance and related documents that are requested or required by any agency or organization such as the Texas Commission on Environmental Quality (TCEQ) and the Public Utility Commission(PUC) in accordance with any laws, rules, regulations, plans, procedures or similar policy documents; and to sign any documents and plans relating to contracts or projects that need an official approval or authorization, to include construction plan documents. A certification of compliance with the law shall first be signed as approved as to form by the General Counsel.~~

~~25.34. Texas Commission on Environmental Quality (TCEQ) and Environmental Protection Agency (EPA) Water and Wastewater permit compliance documents to include, but not limited to, EPA's Discharge Monitoring Reports, TCEQs Monthly Effluent Reports, permit requests of EPA or TCEQ, Texas Water Development Board, and TCEQ Compliance Reports and EPCWID#1 Monthly Water Production Reports.~~

~~26.35. Industrial Pretreatment Permits, Compliance Contracts, Annual Pretreatment Report to TCEQ/EPA, and Pesticide Activity Reports provided to TCEQ.~~

~~27.36. Monthly and annual reports on sludge and reclaimed water.~~

~~37. Reports necessary required to by EPA and TCEQ for storm-water management plans, risk management plans and leaking underground storage tanks program.~~

V. Surplus Property

~~28.~~38. The sale of surplus property, except for real property, that has reached its useful life, as determined by EPWater staff.

VII. Grants

~~29.~~39. Execution and submittal of any application and any related documents, including acceptance thereof, required for a grant application that is in the amount of \$100,000 or less, provided that any matching funds are identified and available and that the granting agency does not require PSB action.

40. Execution of all documents related to grants approved by the PSB including required reports.

VIII. Personnel Actions

~~41.~~33. All personnel actions.

IX. Settlement Authority

42. Authority to settle a claim or lawsuit through negotiation and payment not to exceed \$50,000 in consultation with the Office of General Counsel.

X. Finance

43. Budget transfers from and to different EPWater financial accounts as long as it is within the budget as approved by the PSB.

44. Execution of all documents related to depository and collateral agreements approved by the PSB.

45. Execution of all documents related to bond and other financing tools and products approved by the PSB and the City Council.

46. Execution of all documents related to Internal Revenue Service Department, Texas Workforce Commission, and Texas State Comptroller and other agencies related to payroll, unemployment benefits, sales tax and other related items.

47. Execution of checks, wire transfers, ACHs, any other legal payment methods to pay for the obligations of EPWater.

~~43.~~

DELEGATION PARAMETERS: The following criteria applies to all contracts and agreements where signature authority has been delegated to the President/CEO:

1. Funding for the contract must be contained in the approved budget.
2. All contracts shall be approved as to form by the Office of General Counsel.
3. All contracts, to include but not limited to, professional services contracts, purchasing contracts and personnel services contracts, shall comply with local, state and federal procurement laws.
4. This Policy prohibits entering into multiple contracts with the same contractor for the same project within a one-year period if the total contract amount exceeds the limitations established in this Policy.

TERMINATION AND AMENDMENTS OF CONTRACTS. The authority granted to the President/CEO herein with respect to signing or entering into any contracts shall also include the authority to terminate such contracts as permitted under the contract. The President/CEO is authorized to sign amendments to such contracts, provided that the amendment does not cause the contract to exceed the applicable maximum amount allowed under this Policy. Amendments and termination of contracts shall be reviewed by the Office of General Counsel.

LIMITATION. This policy may not be construed to delegate authority to approve, without City Council or Board action, any contract, contract amendment, or other legal instrument that is required by local, state or federal law to be approved by the City Council or the PSB. Additionally, the President/CEO will use his/her judgment in bringing those contracts and agreements that, although they may fall within the parameters of this policy, may be controversial or merit discussion by the PSB.

FURTHER DELEGATION. To the extent allowed by local, state or federal law, the President/CEO may further delegate the authority granted under this Policy.

This Policy supersedes any existing policy adopted by the PSB that is conflict with this Policy. Furthermore, any existing policy that conflicts with this Policy may be amended for the limited purpose of resolving such conflict without further action by the PSB.

PASSED AND APPROVED at the regular meeting of the Public Service Board of the City of El Paso Texas, this 12th day of ~~February~~ ~~September~~, 2025~~4~~, at which meeting a quorum was present, held in accordance with the provisions of V.T.C.A. Government Code, Sections 551.001 et. seq.

EL PASO WATER UTILITIES
PUBLIC SERVICE BOARD

Bryan Morris, Chair

ATTEST:

Stefanie Block Uribarri, Secretary-Treasurer

APPROVED AS TO FORM:

Daniel Ortiz~~Sol M. Cortez, Deputy~~ General Counsel

Delegation of Authority Policy Redline Report

Policy Categories

- I. Agreements, Task Orders, Policy
- II. Real Property Matters
- III. City Related Matters
- IV. Development Related Agreements
- V. Regulatory Compliance Matters
- VI. Surplus Property
- VII. Grants
- VIII. Personnel Actions
- IX. Settlement Authority
- X. Finance

Redline Changes

Category	Current Policy	Recommended Change	Reason for Change
I. 2. Agreements, Task Orders, Policy	Agreements, contracts and purchases, other than for professional services, that are \$50,000 or less a year.	Increase threshold to \$100,000 per year.	Aligns with Senate Bill 1173, effective September 1, 2025, which authorizes increased procurement thresholds to streamline operations and reflect inflation.
I. 4. Agreements, Task Orders, Policy	Agreements with other districts, educational, governmental agencies and entities	Additional language to include other entities	Aligns with Chapter 791 of the Texas Government Code
I. 5. Agreements, Task Orders, Policy	N/A; new	Consent to Assignments of existing contracts	Ensures continuity of services and operational efficiency by allowing timely approvals when in the best interest of the Utility.
I. 9. Agreements, Task Orders, Policy	N/A; new	Permit the President/CEO to approve contract change orders for goods and services up to \$50,000, within a 25% cap of the original contract value.	Differentiate between change orders for public works projects and change orders for goods and services as outlined in the Texas Local Government Code.
I. 10. Agreements, Task Orders, Policy	N/A; new	Grant the President/CEO authority to enter into emergency agreements for urgent repairs or maintenance, with legal review and subsequent PSB reporting.	Ensures rapid response in protecting public health, safety, and critical infrastructure while maintaining accountability under state law.

I. 13. Agreements, Task Orders, Policy	N/A; new	Sole source for service and installation agreements with local utilities	Since local utilities are exclusive providers in their service areas, competitive bidding is not feasible, making sole source agreements necessary for EPWater's projects and operations. This improves efficiency and streamlining.
I. 14. Agreements, Task Orders, Policy	N/A; new	Strategic partnerships and alliances with non-profit organizations	Ensures consistency and alignment with EPWater's mission when forming partnerships with non-profit organizations that support community and strategic goals.
II. 17. Real Property Matters	Acquisition of easements within project budgeted amounts and acquired at or within 25% above fair market value.	Allow up to 35% above fair market value during emergencies as determined by the President/CEO.	Provides flexibility in emergencies to avoid project delays. Balances timely action with value protection and board oversight.
II. 18. and 22. Real Property Matters	N/A; new	Adds CEO authority over Right of Entry, covenants, sale of System property, etc.	Enables quicker execution of routine access agreements vital to project delivery.
III. 28. City Related Matters	Agreements between City of El Paso and EPWater	Additional language added to include contracts	Simplifies organization and avoids duplication.
IV. 32. Development Related Agreements	N/A; new	Developer Participation Agreements for up to \$100,000	Streamlines project delivery and ensures timely support for growth-related infrastructure needs.
VII. 40. Grants	N/A; new	Execution and submittal of all documents related to grants approved by PSB	Increases agility to pursue federal/state/local funding, provided matching funds exist.
IX. 42. Settlement Authority	Settlement authority for claims not to exceed \$35,000.	Increase threshold to \$50,000.	Reflects inflation and reduces administrative bottlenecks.
X. Finance	N/A; new	Expanded CEO authority for internal transfers, financing documents, payroll compliance, and payments	Recognizes evolving financial functions and regulatory responsibilities.