Philadelphia Energy Authority
Minutes of the Special Session of the Board of Directors
December 10, 2025

The Special Session ("the Meeting") of the Board of Directors (the "Board") of the Philadelphia Energy Authority ("the Authority" or "PEA") was held on December 10, 2025 beginning at 4:30pm both in person at PEA's Office and via teleconference on Zoom.

The following board members of the Authority were present at the meeting:

Barabara Moore
Matt Bowman
Elinor Haider
E. Mitchell Swann
Matt Stitt

Also present at the Meeting were: Matt Stern (PEA), Kayla Dargan (PEA), Grace Hancock (PEA), Emily Schapira (PEA), and Baird Brown (Eco(n)law).

Call to Order
Mr. Swann called the Meeting to order at 4:40pm. Mr. Swann determined that a quorum was present and confirmed that the Meeting was properly advertised.

Public Comment
No members of the public were present at the meeting.

Call to Motion Proposed Resolutions
Ms. Schapira provided an overview of the Quadplex Plus Community Health project, which would provide energy efficiency improvements across numerous Municipal buildings. The related contract was previously approved by the Board, PEA is now seeking approval to pursue City financing and to issue bonds.

Ms. Schapira requested consideration of the following resolution to approve the financing of the Quadplex+ community health project.

RESOLUTION SS12102025-01

THE PHILADELPHIA ENERGY AUTHORITY

Adopted: December 10, 2025

APPROVING A PROJECT TO FINANCE AND REFINANCE CERTAIN COSTS OF THE CONSTRUCTION, EQUIPPING, INSTALLATION AND IMPLEMENTATION OF ENERGY CONSERVATION IMPROVEMENTS AT PROPERTIES OWNED OR LEASED, AND OPERATED, BY THE CITY OF PHILADELPHIA AND OTHER MEASURES DESIGNED TO REDUCE ENERGY, WATER, WASTEWATER, OR OTHER CONSUMPTION OR OPERATING COSTS ASSOCIATED

SUCH PROPERTIES, COSTS OF ISSUANCE FOR THE 2026 BONDS (HEREAFTER DEFINED) AND RELATED COSTS; AUTHORIZING AND DIRECTING THE EXECUTION AND DELIVERY OF A SERVICE AGREEMENT BETWEEN THE AUTHORITY AND THE CITY OF PHILADELPHIA, AN INDENTURE AND A BOND PURCHASE AGREEMENT; AUTHORIZING AND APPROVING THE PREPARATION AND DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AUTHORIZING AND APPROVING THE EXECUTION, DELIVERY AND DISTRIBUTION OF AN OFFICIAL STATEMENT; AUTHORIZING AND DIRECTING THE ISSUANCE, EXECUTION AND DELIVERY OF THE 2026 BONDS; PROVIDING FOR THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT AND OTHER PROVISIONS OF THE 2026 BONDS; REQUESTING THE TRUSTEE TO AUTHENTICATE THE 2026 BONDS; AUTHORIZING INVESTMENT OF BOND PROCEEDS BY THE TRUSTEE; AUTHORIZING INCIDENTAL ACTION TO BE TAKEN BY OFFICERS OF THE AUTHORITY; APPOINTING BOND COUNSEL; AUTHORIZING REIMBURSEMENT FROM THE PROCEEDS OF THE 2026 BONDS FOR COSTS EXPENDED ON THE PROJECT DESCRIBED HEREIN PRIOR TO ISSUANCE OF THE 2026 BONDS; AND REPEALING INCONSISTENT RESOLUTIONS.

WHEREAS, *The Philadelphia Energy Authority (the "**Authority**") is a public body and a body corporate and politic existing under the laws of the Commonwealth of Pennsylvania (the "**Commonwealth**") and organized pursuant to the Pennsylvania Municipality Authorities Act, 53 Pa. C.S. §5601 et. seq., as amended (the "**Act**"); and*

WHEREAS, *under the Act, the Authority has all powers necessary or appropriate to carry out and effectuate the purposes and provisions of the Act including, inter alia, the powers to acquire, hold, construct, finance, improve, maintain and operate, and own projects including buildings to be devoted wholly or partially for public uses, including public school buildings, and facilities for the conduct of judicial proceedings and for revenue-producing purposes, and to finance the Project (as defined below), and to issue its bonds, notes or other evidences of indebtedness for the Project; and*

WHEREAS, *the Authority desires to provide project development and management services and related administrative services to The City of Philadelphia, Pennsylvania (the "**City**") in connection with the Project; and*

WHEREAS, *in order to benefit the people of the City by, among other things, increasing their commerce, health, safety and prosperity, upon the City's adoption of the Ordinance (as defined herein), the Authority and the City will determine that the Authority will undertake, at the direction and with the cooperation of the City, pursuant to a Service Agreement between the City and the Authority (the "**Service Agreement**"), to provide project development and management services and related administrative services to the City in connection with a project (the "**Project**") consisting of the (a) construction, equipping, installation and implementation of energy conservation improvements at properties owned or leased, and operated, by the City, including properties located at (1) 1400 JFK Boulevard; (2) 1301 Filbert Street; (3) 1401 JFK Boulevard; (4) 1515 Arch Street; (5) 555 S. 43rd Street; (6) 4400 Haverford Avenue; (7) 1900 N. 20th Street; (8) 301 W. Girard Avenue; (9) 131 E. Chelten Avenue; (10) 2230 Cottman Avenue; (11) 2840 W. Dauphin Street; (12) 907 Hamilton Street; (13) 1300 E. Tulpehocken Street; and (14) 1981 N. Woodstock Street and other measures designed to reduce energy, water, wastewater, or other consumption or operating costs associated with these and other properties owned or leased, and operated by the City, including the financing or refinancing of certain costs thereof; and (b) payment of costs of issuance of the 2026 Bonds (as* *defined below), capitalized interest, if any, on the 2026 Bonds and costs of credit or liquidity enhancement, if any, and in return the City will pay to the Authority the Service Fee (as defined and described within the Service Agreement); and*

WHEREAS, *the City Council of the City is expected to consider for adoption Bill No. 250981 (the "**Ordinance**") to (i) authorize and approve the execution and delivery of the Service Agreement; (ii) approve the issuance from time to time by the Authority of bonds, notes or other evidences of indebtedness (the "**Obligations**") in an aggregate principal amount not to exceed $40,000,000, net of original issue discount, plus amounts necessary for costs of issuance, amounts necessary to effect any refunding of Obligations, interest on the Obligations and costs of credit or liquidity enhancement, at any one time outstanding, in one or more series, either as taxable or tax-exempt obligations, in order to finance or refinance certain costs of the Project, interest on the Obligations, costs of credit or liquidity enhancement for the 2026 Bonds, amounts necessary to effect any refunding of the Obligations, and the costs of issuing the Obligations; and (iii) authorize and approve the performance by the City of its obligation to pay in full when due the Service Fee payable under the Service Agreement and other amounts payable under the Service Agreement; and*

WHEREAS, *the City is anticipated to request the Authority to issue such Obligations in the form of its revenue bonds (the "**2026 Bonds**") to finance the Project; and*

WHEREAS, *the 2026 Bonds will be sold pursuant to a Bond Purchase Agreement (the "**Bond Purchase Agreement**") between the Authority and a senior managing underwriter to be approved in accordance with Section 10 of this Resolution, acting for itself and as representative (the "**Representative**") of a group of underwriters to be named therein (collectively, the "**Underwriters**"), and the City will deliver to the Authority and the Representative a Letter of Representations (the "**Letter of Representations**") at the time of execution and delivery of the Bond Purchase Agreement; and*

WHEREAS, *the Underwriters are expected to offer the 2026 Bonds for sale pursuant to a Preliminary Official Statement (the "**Preliminary Official Statement**") and a final Official Statement (the "**Official Statement**"); and*

WHEREAS, *certain action is required to be taken by the Authority as a prerequisite to the issuance and sale of the 2026 Bonds.*

NOW, THEREFORE, BE IT RESOLVED *by The Philadelphia Energy Authority that:*

<u>Section 1</u>*. The Authority hereby finds, determines and declares that financing the Project will further the public purposes of the Act and the purposes for which the Authority was created and continues to exist, and that the Project will be a "project" within the meaning of that term as defined in the Act, and accordingly the Authority hereby approves the financing of the Project by the Authority as provided in this Resolution.*

<u>Section 2</u>*. The Chairperson or Vice Chairperson of the Authority is hereby authorized and directed to execute, acknowledge and deliver to the City, and, if required, the Secretary, Treasurer or President and CEO of the Authority is hereby authorized and directed to affix and attest the corporate seal of the Authority to, the Service Agreement in substantially such form as Authority's Counsel and Bond Counsel may advise and the officer executing the same may approve, such approval to be conclusively evidenced by such officer's execution thereof.*

*__Section 3__. The Chairperson or Vice Chairperson of the Authority is hereby authorized and directed to execute, acknowledge and deliver to the Trustee, and, if required, the Secretary, Treasurer or President and CEO of the Authority is hereby authorized and directed to affix and attest the corporate seal of the Authority to, a Trust Indenture (the "**Indenture**") between the Authority and a qualified trust institution to be selected, as trustee (the "**Trustee**"), providing for the issuance of the 2026 Bonds, in substantially such form as Authority's Counsel and Bond Counsel may advise and the officer executing the same may approve, such approval to be conclusively evidenced by such officer's execution thereof.*

__Section 4__. The Chairperson or Vice Chairperson of the Authority is hereby authorized and directed to execute the Bond Purchase Agreement (and to accept the Letter of Representations) in substantially such forms as Authority's Counsel and Bond Counsel may advise and the officer executing the same may approve, such approval to be conclusively evidenced by such officer's execution thereof, and such officer is hereby authorized to deliver signed copies thereof to the Representative and the City for and on behalf of the Authority.

__Section 5__. The preparation of the Preliminary Official Statement, together with any supplements thereto, is hereby approved, and the Chairperson, Vice Chairperson or President and CEO of the Authority is hereby authorized to "deem final" the Preliminary Official Statement for purposes of Rule 15c2-12 of the Securities Exchange Act of 1934, as amended, in such form as Authority's Counsel, Disclosure Counsel(s) to the City and Bond Counsel may advise and such officer may approve. The Chairperson, Vice Chairperson or President and CEO of the Authority is hereby authorized to sign and deliver the Official Statement on behalf of the Authority in substantially such form with such changes therein and any supplements thereto as Authority's Counsel, Disclosure Counsel(s) to the City and Bond Counsel may advise and the officer executing the same may approve, such officer's approval to be conclusively evidenced by such officer's execution thereof. The distribution of the Preliminary Official Statement and the Official Statement in connection with the offering and sale of the 2026 Bonds is hereby approved.

__Section 6__. The issuance of the 2026 Bonds is authorized and approved. The 2026 Bonds are hereby authorized and directed to be prepared for delivery in accordance with the terms of the Bond Purchase Agreement and the Indenture. The 2026 Bonds shall be in substantially such form as is permitted by the Indenture and as the Authority's Counsel and Bond Counsel may advise and the officer executing the same may approve, such approval to be conclusively evidenced by such officer's execution thereof. The Chairperson or the Vice Chairperson and the Secretary, Treasurer or President and CEO of the Authority are hereby authorized and directed to execute the 2026 Bonds by their manual or facsimile signatures and the corporate seal of the Authority or the facsimile thereof is hereby authorized to be imprinted thereon or affixed thereto. The Chairperson or Vice Chairperson of the Authority is authorized and directed to deliver the 2026 Bonds to the Trustee for authentication under the Indenture and, when authenticated, to deliver them or cause them to be delivered to the Representative on behalf of the Underwriters pursuant to the Bond Purchase Agreement against receipt of the purchase price therefor and to deposit the amounts so received with the Trustee as provided in the Indenture to be held and applied by the Trustee as provided in the Indenture. The 2026 Bonds shall be designated as approved by the Chairperson or Vice Chairperson of the Authority (such approval to be evidenced by execution of the 2026 Bonds), with appropriate subseries designation, if required. The terms of the 2026 Bonds are subject to the approval of the Director of Finance of the City to the extent set forth in the Ordinance.

__Section 7__. The 2026 Bonds shall be issued in an aggregate principal amount not to exceed $40,000,000, in one or more series, either as taxable or tax-exempt obligations, shall mature on the dates and in the series and amounts, shall be dated and numbered, in the denominations, and in registered *form carrying the exchangeability privileges, be payable in the medium of payment on the dates and at such places, bear interest at the rates, be subject to mandatory and optional redemption prior to maturity and be entitled to the priorities in the revenues and receipts of the Authority, all as provided in the Indenture. The 2026 Bonds shall be limited obligations of the Authority and will be payable solely from the trust estate held under the Indenture. There shall be no other recourse under the 2026 Bonds against the Authority or any other property now or hereafter owned by it.*

Section 8. *The Trustee is hereby requested to authenticate the 2026 Bonds and to deliver them to the Representative on behalf of the Underwriters upon the order of the Chairperson or Vice Chairperson.*

Section 9. *The Trustee shall be, by virtue of this Resolution and without further authorization from the Authority, authorized, directed and requested to invest and reinvest all moneys available therefor by it pursuant to the Indenture, which by the terms of the Indenture may be invested, or to deposit and redeposit such moneys in such accounts as may be permitted by the Indenture, all subject to the terms and limitations contained in the Indenture.*

Section 10. *Any of the officers of the Authority are hereby authorized and directed to appoint, upon the recommendation of the City Treasurer, such professional advisers or Underwriters for the 2026 Bonds, to make determinations, in cooperation with the City Treasurer, with respect to credit and/or liquidity enhancement for the 2026 Bonds and to execute and deliver such other documents and instruments, including, without limitation, an agreement with the City relating to the expenditure of proceeds of the 2026 Bonds, and to take such other action as may be necessary or appropriate in order to effectuate the execution, delivery and performance of the Bond Purchase Agreement, the Service Agreement and the Indenture, the distribution of the Preliminary Official Statement, the execution and delivery of the Official Statement and the consummation of the transactions described therein, and the issuance and sale of the 2026 Bonds, all in accordance with the provisions of this Resolution.*

Section 11. *The Authority hereby appoints Ballard Spahr LLP as Bond Counsel.*

Section 12. *The Authority approves, ratifies and confirms all action heretofore taken by officers and other persons in the name or on behalf of the Authority in connection with the undertakings herein contemplated.*

Section 13. *In accordance with Treasury Regulation §1.150-2, the Authority hereby states its intention that a portion of the proceeds of the 2026 Bonds will be used to reimburse itself or the City for expenditures for the Project originally paid prior to the date of issuance of the 2026 Bonds. The Authority intends to reimburse itself or the City for such original expenditures through the incurrence of debt to be evidenced by the 2026 Bonds. All original expenditures to be reimbursed will be capital expenditures (as defined in Treasury Regulation §1.150-1(b)), grants (as defined in Treasury Regulation §1.150-l(f)) or certain other expenditures qualifying pursuant to Treasury Regulation §1.150-2(f). The description of the type and use of the property for the original expenditures to be fully or partially reimbursed is costs relating to the Project. The maximum principal amount of the 2026 Bonds reasonably expected to be issued to reimburse the costs of the Project and to complete the Project is $40,000,000.*

Section 14. *This Resolution shall take effect immediately upon its adoption; provided, that no action shall be taken pursuant to Section 4 hereof to accept an offer for the purchase of the 2026 Bonds until the City Council of the City has adopted the Ordinance and the Mayor of the City has approved the Ordinance. All prior resolutions or parts thereof inconsistent herewith are hereby repealed to the extent of such inconsistency.*

Upon motion duly made by Mr. Swann and seconded by Ms. Haider, the Board approved the resolution unanimously.

Ms. Schapira provided an overview of Philadelphia Water Department (PWD) Wastewater Treatment Plant's GESA - Energy Efficiency Modernization, Carbon Reduction, and Capital Improvements $E=MC^2$ Project. The Resolution to authorize contracting was previously approved, but PEA did not publicly advertise the project appropriately. PEA has now advertised to satisfy public notice requirements and is seeking approval from the Board. Ms. Schapira requested consideration of the following resolution to approve contracting for $E=MC^2$:

RESOLUTION SS12102025-02: AUTHORIZING THE EXECUTION OF CONTRACTS WITH JOHNSON CONTROLS AND THE CITY OF PHILADELPHIA RELATED TO DESIGN AND INSTALLATION OF ENERGY CONSERVATION MEASURES WITHIN OR INTERCONNECTED WITH PHILADELPHIA CITY-OWNED WATER POLLUTION CONTROL PLANTS

WHEREAS, *The Philadelphia Energy Authority (the "Authority") is a body corporate and politic existing under the laws of the Commonwealth of Pennsylvania (the "Commonwealth") and organized under the provisions of the Municipalities Authorities Act of 2001 (the Act of June 19, 2001, P.L. 287, No. 22, as amended) (the "Act"); and*

WHEREAS, *under the Act, the Authority has all powers necessary or appropriate to carry out and effectuate the purposes and provisions of the Act including, inter alia, the powers to acquire, construct, finance, improve, maintain and operate projects for sewage treatment works, including works for treating and disposing of industrial waste, and to finance the Project (as defined below), and to issue its bonds, notes or other evidences of indebtedness for the Project; and*

WHEREAS, *the City and PEA solicited proposals from qualified firms through issuance of a Request for Proposals dated January 10, 2025 ("RFP") in accordance with the Guaranteed Energy Savings Act, 62 Pa. C.S. § 3751 et seq.; and*

WHEREAS, *as part of the RFP selection process Johnson Controls, Inc ("Contractor") provided an RFP response including an initial feasibility analysis (the "RFP Response") to determine likely energy conservation measures, the associated energy savings, and estimates of the cost of installation; and the Authority and City selected the Contractor based on the RFP Response; and*

WHEREAS, *in order to benefit the people of the City by, among other things, increasing their commerce, health, safety and prosperity, upon the City's adoption of Ordinance 250953, the Authority will, at the direction, and with the cooperation, of the City, undertake pursuant to an Intergovernmental Agreement between the City and the Authority to enter into a Guaranteed Energy Savings Contract with the Contractor, for the development and installation of a project (the "Project") consisting of the implementation and evaluation of energy conservation capital improvements to the Philadelphia Water Department's Southwest Water Pollution Control Plant (8200 Enterprise Ave.) and the Northeast Water Pollution Control Plant (3899 Richmond St.),* *designed to reduce energy, water, wastewater, or other consumption or operating costs or provide billable revenue increases.*

***THEREFORE, BE IT RESOLVED**, that the President and Chief Executive Officer of the Philadelphia Energy Authority is hereby authorized and directed to enter into a Guaranteed Energy Savings Contract (the "GESC") with Contractor substantially in the form attached hereto, with such changes as the President and Chief Executive Officer shall deem appropriate in consultation with counsel, and an Intergovernmental Agreement (the "IGA") with the City of Philadelphia related to the project in substantially the form attached hereto, with such changes as the President and Chief Executive Officer shall deem appropriate in consultation with counsel and to take all steps necessary and convenient to enter into and perform the GESC and the IGA and support the development and installation of the Project.*

Upon motion duly made by Mr. Swann and seconded by Mr. Bowman, the Board approved the resolution unanimously.

New Business
No new business was brought forward for consideration.

Adjournment
Mr. Swann moved to adjourn the Meeting at 5:18pm.

Respectfully Submitted,

Secretary of the Board of Directors

RESOLUTION SS 06042026 – 02: AMENDING THE DECEMBER 2025 MEETING MINUTES

The Board hereby corrects an error in the minutes of its meeting held December 10, 2025, to reflect that Matt Stitt absented himself from the discussion and vote on Resolution SS 12102025–01.

Respectfully submitted,

Secretary of the Board of Directors