

PHILADELPHIA ENERGY AUTHORITY

Minutes of the Annual Meeting of the Board of Directors of The Philadelphia Energy Authority

January 9, 2014

The Annual meeting (the “Meeting”) of the Board of Directors (the “Board”) of The Philadelphia Energy Authority (the “Authority”) was held on January 9, 2014, beginning at 4:30 PM, in the Municipal Services Building, 1401 JFK Blvd., Room 1450, Philadelphia, Pennsylvania.

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

Barbara Adams
Christopher A. Lewis
Kenneth Ogawa
Emily Schapira
E. Mitchell Swann

Also, present at the Meeting were Jill Kowalski, Executive Director, Philadelphia Energy Authority, Alex Dews, the Mayor’s Office of Sustainability, Andrew Stober, Chief of Staff of the Mayor’s Office of Transportation and Utilities, Adam Agalloco, Mayor’s Office of Sustainability, Kristin Sullivan, Mayor’s Office of Transportation and Utilities, Albert A. Childs, Chief Administrative Officer, Philadelphia Energy Authority/Philadelphia Municipal Authority, Christopher Crockett, Deputy Commissioner of the Philadelphia Water Department, Paul Kohl, Philadelphia Water Department, and Lorna Gallman for the Philadelphia Municipal Authority.

Several members of the public were in attendance at the meeting, including Patricia Burse of McKissack, Nancy Mifflin of America Association of Blacks in Energy, Lu Xu, student from Drexel University and Joseph Mondesire, PEA’s first intern.

Call to Order

Mr. Lewis called the Meeting to order and asked Ms. Gallman to serve as the secretary of the Meeting for the purpose of taking the minutes of the Meeting. Mr. Lewis determined that a quorum was present and that the Meeting was properly advertised.

Approval of Minutes

As the first order of business, Mr. Lewis made a motion that the Authority approve the minutes of the meeting of the Authority held on October 3, 2013 (the "Prior Meeting"), which minutes were provided to the members in advance of the Meeting. Upon motion duly made and seconded, the minutes from the Prior Meeting were approved by the Board.

Mr. Lewis continued with the agenda.

Public Comment

As the next order of business, Mr. Lewis asked for comments from the public. Ms. Patricia Burse from McKissick responded with a thank you to the Board for allowing the public to attend PEA board meetings.

Chair's Report

- i. Grant Agreement with City of Philadelphia

Mr. Lewis informed the Board that the Grant Agreement for Fiscal Year 2014 has been fully executed. Mr. Stober explained to the Board the fact that the funding is currently being processed by the City and a payment should be released shortly.

- ii. Reappointment of Emily Schapira

Mr. Lewis also informed the Board that Ms. Schapira was reappointed to the PEA Board for another five (5) year term by City Council. The Board members congratulated Ms. Schapira on her reappointment.

Executive Director's Report

Ms. Kowalski provided the board with a status update on the following:

- i. Logo Development

Ms. Kowalski explained to the Board that there was no visual identity of the Energy Authority, so PEA entered into a \$2,500.00 contract agreement with MARKETRI, LLC to create a logo. She narrowed the list of logos down to 6 concepts for the Board to make their selection. Ms. Adams inquired if any of the logos were currently being used by someone else. Ms.

Kowalski informed Ms. Adams that the logos on the current list were not being used by anyone else; the symbols were taken from a variety of different concepts and was custom designed.

ii. Website

Ms. Kowalski stated that the PEA website has changed. Ms. Kowalski introduced Lu Xu, a student from Drexel University; who has volunteered her time to redesign the website format for free. Mr. Swann is mentoring Lu.

iii. Intern Program

Ms. Kowalski explained to the Board, that Drexel University reviewed the job description for the interns and Drexel felt the description was strong. She also indicated that the students being considered come from the City, Drexel, Penn and Philadelphia University. The interns would be paid \$11 per hour and a 16 hour work week.

iv. Energy Salon

Ms. Kowalski stated that, the Energy Salon would be a periodic forum of City agencies and stakeholders to vet ideas, exchange lessons learned, discuss ROI, benchmarking, procurement, budgeting and energy strategy, with the ultimate goal of facilitating smart energy planning, decisions and investments. One forum topic being explored is current energy opportunities and synergies between the Philadelphia International Airport and the Philadelphia Water Department that may benefit other stakeholders.

v. Municipal Energy Leadership Forum

Ms. Kowalski discussed that the initial concept of the forum was to exchange best practices and would include panel members from Boston, Washington, DC and New York City. However, after an informal review of the work plan with Katherine Gajewski (Director of Mayor's Office of Sustainability) it was determined that MOS would be leading any city-to-city exchange at this point. A regional energy resiliency/program agenda was briefly discussed as a follow-up to the Urban Sustainability Director Network's (USDN) Climate Action conference in Feb 2014. (Perhaps Sept 2014). As a result Ms. Kowalski reprioritized the work plan and suggested the Authority focus on local stakeholder engagement through the Energy Salon.

The Board members confirmed that the first event for the Energy Authority should be the Energy Salon.

Treasurer's Report

FY2013-2014 Budget

Mr. Ogawa informed the Board that the Authority has used just over 50% of its budget for the year. Additionally, due to the increased responsibility of the Executive Director, she will be working full-time through June. The Authority's budget for FY 2014 has been increased.

FY 2015 Budget

Mr. Ogawa stated that, the FY15 budget will be flat for the year.

Mr. Lewis expressed concern about receiving the Grant funding at ad hoc times. The Authority needs to submit our budget for the fiscal year to the City in a timely matter. Ms. Kowalski suggested that Mr. Lewis and Mr. Ogawa meet with her to work on the budget for FY2015.

New Business

i. Election of Officers

Mr. Lewis made a motion that the members of the Board be re-elected to the offices of the Authority. Upon motion duly made and seconded, the following officers were approved and adopted by the Board:

Christopher A. Lewis	Chairperson
Emily Schapira	Vice-Chairperson
E. Mitchell Swann	Secretary
Kenneth Ogawa	Treasurer
Barbara Adams	Assistant Secretary/Treasurer

ii. Resolution re: Expenditure Limits of Executive Director

Mr. Lewis stated that he raised the expenditure limits issue with Mr. Childs and General Counsel Austin McGreal. Based upon the conversation, it was determine at this time the Executive Director is under contract as a consultant and should not sign PEA contracts.

Mr. Lewis made a motion that the Authority adopt a procedure of one (1) Board member signature on PEA contracts under \$5,000 and for contracts of \$5,000 or over two (2) Board member signatures are required. Upon motion duly made and seconded, the procedure was approved and adopted by the Board.

iii. Resolution re: Support for making MOS a permanent office

As the next order of business, Mr. Lewis made a motion that the Authority adopt the resolution to support making the Mayor's Office of Sustainability (MOS.) a permanent office. Upon motion duly made and seconded, the resolution was approved and adopted by the Board.

iv. Resolution re: Jasper Jones, River-City-to-Hydrogen Project

Mr. Lewis informed the Board that he received a petition from Mr. Jones. Mr. Lewis stated that he forwarded the petition to the Executive Director for review; however, the petition was incomplete. Katherine Gajewski of the Mayor's Office of Sustainability would not support this petition. Upon motion duly made and seconded, the petition from Mr. Jones was denied.

Mr. Ogawa stated for the record that the petition Mr. Jones sent was dated in 2012; however, the Authority received the petition in late fall of 2013.

v. Work Plan Approval

Ms. Kowalski presented to the Board, the Executive Director's work plan which is a public document. Ms. Kowalski stated that, the Mayor's Task Force on City Owned Buildings has been added to the work plan. The Board members discussed the Quadplex Guaranteed Energy Savings Agreement assignment transition. The members agreed that the Board would assist the Executive Director when it is needed, but the Executive Director should move forward with the work plan.

Upon motion duly amended and seconded, the work plan strategy (4) was amended from "Engage in Building Code Update/Amendment Dialogue" to Engage In Energy Policy & Legislation Advocacy" was approved and adopted by the Board.

vi. Formal Approval of Logo

After discussing the designs and selecting two finalists, the Board unanimously chose the concept that combined the universal power symbol and radiating beams. Emily Shapira suggested incorporating the Philadelphia skyline. Ms. Kowalski was directed to make the “sunburst” less dramatic and explore other options based on the feedback. The Board members requested that the Executive Director resubmit the final selections of the logos to them for their final review and final selection.

Presentations

i. Update on Benchmarking Ordinance

Mr. Dews provided the Board with an update on the City’s Benchmarking process with the follows:

- There was a 70% compliant rate by square feet. 235 M sq. ft. have been benchmarked
- The median Energy Star score is 61
- 9% of the covered buildings received vacancy exemptions
- Violation notices were going out at the end of the month after a detailed analysis by the EEB Hub.
- The goal is to translate the information into actionable items for building owners. The challenge lies in the different levels of sophistication among the group.
- June 30, 2014 is the deadline for round 2
- The City is performing internal work of reading the data and interpreting the utility bills of the buildings, and is partnering with researchers at the University of Pennsylvania and EEB Hub to analyze results

ii. Philadelphia Water Department Update

As the next order of business, Ms. Kowalski invited the Philadelphia Water Department Energy Team to provide an update on the various Water Department projects. Mr. Crockett and Mr. Kohl gave a presentation regarding energy initiatives at the Philadelphia Water Department. Mr. Crockett discussed the Water Department Utility-Wide Strategic Energy Plan and the Portfolio Management. He described current projects, the Solar Panel Installation at the

Southeast WPCP; the Sewage Geothermal Installation at the Southeast WPCP; Aircraft Deicing Fluid Co-digestion at the Southwest WPCP; Biogas Cogeneration Facility at the Northeast WPCP; and the Biogas Cogeneration Facility Environmental Metrics. He also described upcoming projects for the Water Department, the Pulsed Air Flocculator Aeration System at the Southwest WPCP and the Heat Loop at the Northeast WPCP.

Following the update by Mr. Crockett, a discussion took place regarding the Water Department collaborating with the Energy Authority on some future projects.

Adjournment

There being no further business to come before the Board, on motion duly made and seconded the Meeting adjourned until the next meeting of the Board, scheduled for April 3, 2014.



Respectfully submitted,

Secretary to the Board of Directors