

City of Philadelphia



(Bill No. 251019)

AN ORDINANCE

Amending Bill No. 250103, (approved June 13, 2025) entitled “Authorizing the Procurement Commissioner, on behalf of the City of Philadelphia, to enter into an agreement with the Philadelphia Energy Authority for coordination of a guaranteed energy savings contract for implementation and evaluation of energy conservation measures designed to reduce energy, water, wastewater, or other consumption or operating costs at specified City properties, all under certain terms and conditions,” to clarify the scope of the guaranteed energy savings contract and make related technical changes; all under certain terms and conditions.

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Amending Bill No. 250103, (approved June 13, 2025) entitled “Authorizing the Procurement Commissioner, on behalf of the City of Philadelphia, to enter into an agreement with the Philadelphia Energy Authority for coordination of a guaranteed energy savings contract for implementation and evaluation of energy conservation measures designed to reduce energy, water, wastewater, or other consumption or operating costs at specified City properties, all under certain terms and conditions,” is hereby amended to read as follows (additions to the Bill in **Bold**; deletions to the Bill in ~~Strikethrough~~):

WHEREAS, The City of Philadelphia (“City”) owns and operates, or leases and operates, the ~~four (4)~~ **fourteen (14)** properties located in the City of Philadelphia 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 Chelten Avenue; 2230 Cottman Avenue; (11) 2840 W. Dauphin Street; (12) 907 Hamilton Street; (13) 1300 E. Tulpohocken Street; and (14) 1981 N. Woodstock Street (collectively, “**Quadplex+**”) Street, and the buildings are in need of energy conservation measures that include programs, facility alterations, or upgrades designed to reduce energy, water, wastewater, or other measurable consumption or operating costs at said premises; and

WHEREAS, The City is authorized under the Constitution, The Philadelphia Home Rule Charter and the laws of the Commonwealth of Pennsylvania, including without limitation the Guaranteed Energy Savings Act (62 Pa. C.S. §3751 *et seq.*), to enter into these contracts for the purpose of implementing selected energy conservation measures; and

WHEREAS, the Mayor’s Office of Sustainability (“OOS”) has requested that the Philadelphia Energy Authority (“Authority”) undertake a project (“the Project”) to provide energy conservation measures for the City; and

WHEREAS, The Authority is authorized by the Municipal Authorities Act, 53 Pa. C.S., Ch. 56, to enter into long term contracts suitable for these projects; and

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WHEREAS, the City is authorized under the Constitution, the Philadelphia Home Rule Charter, and the laws of the Commonwealth of Pennsylvania, including without limitation the Guaranteed Energy Savings Act (62 Pa. C.S. § 3751 *et. seq.*), to enter into this contract for the purpose of implementing selected energy conservation measures; and

WHEREAS, Johnson Controls, Inc. (“JCI”) has been selected through a competitive process to provide energy conservation measures in accordance with a Request for Proposals; and

WHEREAS, the projects will require the Authority to enter into a guaranteed energy savings contract with JCI for the Project, and the City will undertake certain obligations of the Authority to JCI; now therefore,

THE COUNCIL OF THE CITY OF PHILADELPHIA HEREBY ORDAINS:

SECTION 1. Subject to the conditions set forth in Section 2, the Procurement Commissioner, on behalf of the City of Philadelphia, is hereby authorized to enter into a guaranteed energy savings contract with the Authority, under which the Authority will cause JCI to implement and evaluate one or more energy conservation measures ~~at City Hall, the Criminal Justice Center, the Municipal Services Building and One Parkway Building~~ pursuant to a guaranteed energy savings contract between the Authority and JCI, and the City will undertake certain obligations of the Authority to ~~JCI~~ **JCI, pursuant to an agreement substantially in the form set forth in Exhibit A of this Ordinance.**

SECTION 2. The following conditions shall apply to the authority granted pursuant to Section 1.

- (a) The Project Costs for the Implementation Phase of the guaranteed energy savings agreement must be a firm, fixed price. Such agreement may provide that price increases are permitted for the following reasons: (1) a change in law or permit requirements after the date hereof affecting the design or Project implementation; (2) preexisting hazardous materials and archeological artifacts discovered in the course of Project implementation; (3) other unknown conditions discovered in the course of Project implementation; (4) force majeure events occurring in the course of design or Project implementation that are beyond the reasonable control of the affected party; (5) Authority-ordered changes to the scope of work or schedule; (6) Authority failure to provide services required during the Project implementation period; or (7) Authority ordered suspension of the work other than for JCI’s default. Any price increase must be supported by a demonstration of additional costs to JCI resulting from one of the reasons enumerated above, and must be offset by any reduction in the Project implementation costs resulting from such change.
- (b) The guaranteed energy savings agreement must provide that the Project implementation cost of Fifty Million Dollars (\$50,000,000) shall not be increased by more than ten percent without approval by an ordinance of Council.

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~~SECTION 3. The guaranteed energy savings contract between the Authority and JCI will be substantially in the form set forth in Exhibit A of this Ordinance.~~

SECTION 4. The City Solicitor is hereby authorized to review and approve the agreements necessary to effectuate this Ordinance, and to impose such terms and conditions on them as the City Solicitor may deem necessary and proper to protect the interests of the City of Philadelphia and to carry out the purpose of this Ordinance.

SECTION 5. 4. This Ordinance shall take effect immediately.

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CERTIFICATION: This is a true and correct copy of the original Bill, Passed by the City Council on December 11, 2025. The Bill was Signed by the Mayor on December 17, 2025.



Elizabeth McCollum
Chief Clerk of the City Council