



Philadelphia Authority for
Industrial Development

AGENDA

TO: THE MEMBERS OF THE BOARD OF DIRECTORS OF THE PHILADELPHIA AUTHORITY
FOR INDUSTRIAL DEVELOPMENT

FROM: ILENE BURAK, ESQ., SECRETARY

The following is the Agenda for the Meeting of the Board of Directors of the Philadelphia Authority for Industrial Development (PAID) and its affiliates, to be held on Tuesday, September 19, 2023, at 5:00 p.m. via Zoom. <https://zoom.us/j/96979692980?pwd=YUJZOTBBBeGdBeTBJZDJxSXdlQU5LZz09>
Meeting ID: 969 7969 2980
Passcode: 183876.

- I. Approval of the Minutes of the Authority for the meeting held on Tuesday, August 22, 2023.
- II. Public Comments
- III. Consider and approve Resolutions authorizing PAID to:
 - A. Enter into a contract for the procurement of wholesale electricity for the Navy Yard's private electric utility.
 - B. Amend a contract with Johnson, Mirmiran & Thompson, Inc. (JMT) for \$91,528 bringing the total contract amount to \$2,077,566 to provide engineering services for the Tinicum Island Road Relocation Project at the Philadelphia International Airport.

Sept 19, 2023

RESOLUTION

Philadelphia Authority for Industrial Development

Electric Procurement (Commodity)

A Resolution authorizing the Philadelphia Authority for Industrial Development (PAID) to contract for the procurement of wholesale electricity for the Navy Yard's private electric utility. The contract amount shall not exceed \$45,000,000 over a four-year term. The final cost to PAID will be determined by actual electric consumption, market prices, and costs related to the Commonwealth of Pennsylvania's Renewable Portfolio Standards.

Any and all officers of PAID are hereby authorized and empowered to execute all necessary documents and agreements in advance, and to do such other acts necessary to contract for the procurement of electricity supply for The Navy Yard upon such terms and conditions as they deem to be in the best interests of the Authority.

BACKGROUND

The Navy Yard Electric Utility (NYEU), owned by PAID, is a 64 MW system that provides reliable power to over 150 businesses and six Navy tenant commands throughout the Navy Yard's 1,200-acre campus. To accomplish this, the NYEU purchases wholesale power through an electricity commodity contract and distributes it to Navy Yard businesses via NYEU's network of distribution assets. This structure supports pricing predictability, hedges against volatility in the spot market, and optimizes cost-effective operation of the NYEU grid. The current contract expires in November of 2023.

The NYEU's energy markets consultant, SourceOne (a Veolia Company), has conducted a market analysis and identified the three lowest-cost, commercially acceptable wholesale providers with the capacity to supply the NYEU over the next four years. Staff and SourceOne will secure best and final pricing proposals and terms from each provider, and award the contract based on best value to PAID. Based on historic usage and current market analysis, Source One projects that total electricity procurement costs for the Navy Yard grid will not exceed \$45,000,000 over the four-year term of the agreement. The final contract amount will be determined by actual electricity consumption, market prices, and costs related to the Commonwealth of Pennsylvania's Renewable Portfolio Standards. The source of funds is the NYEU operating account, incorporating revenue that will be generated through the sale of electricity to Navy Yard customers.

September 19, 2023

RESOLUTION

Philadelphia Authority for Industrial Development

Revision to prior authorization

Johnson, Mirmiran, & Thompson, Inc.

A Resolution authorizing the Philadelphia Authority for Industrial Development (PAID) to enter into a contract amendment with Johnson, Mirmiran & Thompson, Inc. (JMT) for \$91,528 bringing the total contract amount to \$2,077,566 to provide engineering services for the Tincum Island Road Relocation Project at the Philadelphia International Airport.

The appropriate officers of PAID are hereby authorized and empowered to execute all necessary documents and agreements, and to take such other actions upon such terms and conditions as they deem to be in the best interests of the Corporation.

BACKGROUND

On January 15, 2019, the PAID Board approved a \$1,016,000 contract with JMT to provide engineering services for the Tincum Island Road project on behalf of the City of Philadelphia Division of Aviation (DOA). The Board approved an additional \$592,299 on November 19, 2019, an additional \$200,000 on April 21, 2020, and an additional \$177,739 on February 27, 2023. This project will relocate a one-mile portion of Tincum Island Road currently owned and maintained by Tincum Township into a road to be owned by the DOA in order to incorporate the DOA's acquisition of the 136-acre Henderson Tract into the airport's current operations area and accommodate expanded air cargo capacity.

Since the original contract award and subsequent amendments, many unforeseen conditions including underground utilities and permitting changes have increased the previously approved scope of work. As was the case for the original contract award and amendments, the funding source for this amendment is City capital funding that has been allocated for City payment to PAID under a Provider Agreement with DOA. MBE participation is 20% and WBE participation is 4%.