



CITY COMMISSION ORDINANCE/RESOLUTION

TITLE: Resolution 25-74 (Administration)

DATE: March 10, 2026

DESCRIPTION: A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF COOPER CITY, FLORIDA, APPROVING AND AUTHORIZING THE EXECUTION OF THE PROJECT DEVELOPMENT AGREEMENT BETWEEN THE CITY OF COOPER CITY AND ENERGY SYSTEMS GROUP, LLC, ATTACHED HERETO AS EXHIBIT "A," IN ACCORDANCE WITH SECTION 2-258(i) OF THE CITY'S CODE OF ORDINANCES; AUTHORIZING AND DIRECTING THE APPROPRIATE CITY OFFICIALS TO TAKE ANY AND ALL ACTIONS NECESSARY TO EFFECTUATE THE INTENT OF THIS RESOLUTION; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE. – **City Manager**

CITY MANAGER RECOMMENDATION:

The City Manager recommends that the City Commission waive procurement procedures in accordance with Section 2-258(i) of the City's Code of Ordinances and approve a Project Development Agreement (PDA) between the City of Cooper City and Energy Systems Group, LLC, a Florida Limited Liability Company.

BACKGROUND OF ITEM:

On August 12, 2021, Cooper City issued RFQ 2021-1-UTL regarding Energy Savings Performance Contractor Services, pursuant to Sec. 489.145, F.S. On June 17, 2022, Cooper City entered into a PDA with ESG to explore energy-saving performance services. ESG was contractually required to complete the project development phase and submit a final report within 120 days (by October 15, 2022). Due to various operational reasons, including personnel changes at both ESG and the City, ESG was unable to deliver the final report within the required timeframe, and the parties did not enter into a subsequent performance contract, as outlined by the PDA.

On June 13, 2025, the City Attorney's Office sent a letter to ESG informing them of the missed deadlines in the PDA and notifying ESG that the City was terminating the PDA effective immediately. The City did not make any payments to ESG under the PDA.

Despite ESG's failure to deliver the final report on the project development phase within the 120-day period, ESG appeared to act in good faith throughout their relationship with the City. ESG also completed a preliminary analysis under the terms of the PDA. Additionally, there were several meetings between ESG and the then-new City Manager and Finance Director regarding

the PDA, the scope of services, and potential energy savings opportunities for the City. The City remains interested in energy efficiency initiatives, and the City's professional staff recommends reengaging ESG under a new PDA to continue its efforts to provide energy-savings opportunities for the City, subject to the limitations and conditions outlined in the proposed agreement. As noted, the previous agreement was terminated by the City. Given ESG's history with the City and the specific information they gathered during their performance under the previous PDA, ESG is in a unique position to provide the City with a timely analysis under a new agreement. Therefore, the City Manager recommends engaging ESG pursuant to Sec. 2-258(i) of the City's Code of Ordinances.

Under this new agreement:

- ESG must submit proposed projects within 120 days of signing.
- The City is not required to approve any project unless it shows a cost recovery period of under 20 years.
- Any costs incurred by ESG for projects accepted by the City will be included in the cost recovery calculation, ensuring transparency and alignment with the City's financial thresholds.

This revised framework offers the City a low-risk way to assess energy efficiency upgrades while maintaining control over financial commitments. Specifically, we plan to evaluate the following options:

1. Citywide AC Replacement
2. LED Streetlight Conversion
3. Facility Lighting Systems Upgrade at various locations
4. Pool Heater & Chillers at the Pool and Tennis Center
5. Sports Lighting (Bill Lips)

FISCAL IMPACT:

This agreement allows the City to accelerate projects that generate energy savings.

- **Project Selection Criteria:**
 - The City is not required to accept projects unless they meet specific financial thresholds, such as a cost recovery period of less than 20 years, as stated in the agreement. This safeguards the City from investing in projects with poor ROI.
- **Initial Evaluation Costs:**
 - While ESG covers initial assessments, internal costs will be incurred for staff time, legal review, or third-party validation.
- **Long-Term Commitment:**
 - ESPCs typically last between 10 and 20 years. The City needs to be confident in the duration and terms of the agreement.

ALTERNATIVES:

Fund these improvements over time with a pay-as-you-go program.

ATTACHMENTS:

1. Resolution 25-74
2. ESG (Project Development Agreement)