



New Jersey  
Environmental  
Infrastructure Trust

"Financing New Jersey's  
Water Quality Future"

Robert A. Briant, Sr., Chairman  
Warren H. Victor, Vice Chairman  
Herbert Barrack, Treasurer  
Steven Gardner, Secretary  
Andrew P. Sidamon-Eristoff  
Bob Martin, DEP Commissioner  
Lori Grifa, DCA Commissioner

Maryclaire D'Andrea, Acting Executive Director

June 10, 2010

Honorable Chris Christie  
Governor of the State of New Jersey  
State House  
PO Box 001  
Trenton, NJ 08625

Dear Governor Christie:

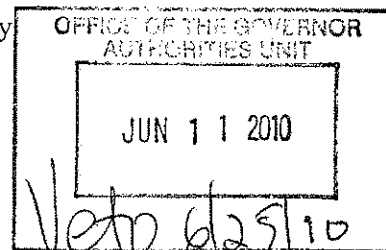
In accordance with the provisions of the New Jersey Environmental Infrastructure Trust Act, I hereby transmit for your review and consideration the minutes of the June 10, 2010 Trust Board meeting of the New Jersey Environmental Infrastructure Trust. The New Jersey Environmental Infrastructure Trust Act provides that the Governor has ten days from the delivery of the minutes, excluding weekends and holidays, to review and accept such minutes. In the event that the minutes are not acted upon within the statutory time frame by you, the minutes become effective automatically.

Sincerely,

*Maryclaire D'Andrea*  
Maryclaire D'Andrea  
Assistant Secretary

MOD:jam  
Enclosure

- c Honorable Stephen Sweeney, President of the Senate
- Honorable Sheila Oliver, Speaker of the General Assembly





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## NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST

### OPEN PUBLIC MEETING

### MINUTES -- JUNE 10, 2010

A meeting of the New Jersey Environmental Infrastructure Trust was convened on Thursday, June 10, 2010 at 10:00 a.m., in the conference room of 3131 Princeton Pike, Building 6, Suite 201, Lawrenceville, New Jersey.

In accordance with the Open Public Meetings Act, the New Jersey Environmental Infrastructure Trust filed a notice of the time, place and the location of this meeting with the Secretary of State; via "fax" to the Bergen Record and The Trenton Times in accordance with the "Sunshine Law"; and to all press offices in the State House. A copy of this notice was posted outside the Secretary of State's Office, within the Department of Environmental Protection, and at the Trust Office.

#### PRESENT:

##### DIRECTORS

Robert Briant, Sr., Chairman  
Warren Victor, Vice Chairman  
Herbert Barrack, Treasurer  
Stanley Cach  
(for Commissioner Martin)  
Donna Rendeiro  
(for Commissioner Grifa)  
Adrienne Kreipke  
(for State Treasurer Sidamon-Eristoff)

##### OTHERS

Maryclaire D'Andrea, Acting Executive Director  
Frank Scangarella, Chief Operating Officer  
John Hansbury, Chief Budget Officer  
Thomas R. Hower, Governor's Authorities Unit  
Clifford T. Rones, Deputy Attorney General  
Richard Nolan, McCarter & English LLP  
Barbara Bisgaier, Public Financial Management  
Lisa Price, Off. of Equal Opportunity & Contracts

Acting Executive Director D'Andrea reported that she has received a letter from Commissioner Martin appointing Mr. Stanley Cach as his representative for today's Trust Board meeting.

**APPROVAL OF THE MINUTES:**

Chairman Briant opened discussion of the minutes of the May 6, 2010 Trust Board meeting. Ms. Kreipke moved for the approval of the minutes. Ms. Rendeiro seconded the motion. The minutes were approved 6 to 0 with 0 abstentions.

**ANNOUNCEMENTS:**

Ms. D'Andrea announced that:

- Report of the Acting Executive Director of the Trust Regarding an Interim Planning and Design 2010 Trust Loan made on May 19, 2010:

On May 19, 2010, the Trust closed an interim planning and design loan to Great Gorge Terrace Condominium Association, Inc. in the aggregate amount of \$113,750. The interim loan will permit the Association to complete the planning and design with respect to the construction of a new water main.

This report concerning the above-described interim loan is provided to the Board of Directors of the Trust in satisfaction of the requirements of Section 8 of the authorizing resolution adopted by the Trust on October 8, 2009, as amended by Section 1(f) of the resolution adopted by the Trust on January 21, 2010.

- The Trust is preparing to conduct a refunding of bonds for years 2000 through 2008, 1999, 1998 and 1995. Entitled as the 2010A Refunding Bond Series, the Trust and its advisors are in the process of preparing all the necessary documentation and approvals. Tax questionnaires and certificates have been mailed and the Trust has been receiving their response. Bond sale for the 2010A Refunding Bond Series is scheduled for August 3, 2010.
- The Trust's 2010 traditional financing projects bond sale is scheduled for November 17, 2010.
- The 2010 May Report "Financial Plan" has been posted and available on the Trust website at [www.njeit.org](http://www.njeit.org).
- The 2010 May Report cd's have been mailed to each of the Senate Environmental and Energy; Senate Budget & Appropriations and also to the Assembly Environmental and Solid Waste and Assembly Appropriations Committee members.

Submittal of this report to the Office of Legislative Services and New Jersey State Library has also been satisfied.

- The Trust addressed a letter to each Senator and Assemblymen whose legislative district have received funding from the NJEIT Financing Program. The letter included an attachment listing the location, project name, number, type and amount for each financed project.
- The Executive Director received a letter from State Treasurer Sidamon-Eristoff and Attorney General Paul Dow granting the Trust's Directors and Officers Liability Coverage under the Torts Claim Fund for the period beginning July 1, 2010 through June 30, 2011.
- The Trust presented Saint Peter's Elementary School in Point Pleasant, NJ with an Environmental Achievement Award in recognition of their River Study Program.
- During the past month, the Trust attended or participated in the following:
  - EPA On-Site Review at DEP
  - State Revolving Fund Coordination Meeting
  - Intended Use Plan meeting with DEP
  - Senate Environment Committee
  - BRIT Meeting
  - Harrison Advance project meeting
  - Ocean County Utilities Authority project meeting
  - Sea Village Marina conference call
  - Working Group meeting
  - Office of Management & Budget regarding Executive Order No. 8
  - Quarterly Authorities Meeting
- The Trust's agenda will be posted each month on the NJEIT's website. As usual, the agenda package will be mailed to Board members and their appointees. If anyone would like a copy of the Trust agenda package, it will be available on our website at [www.neit.org](http://www.neit.org) on the Thursday prior to a scheduled Trust Board meeting.
- The Trust is also in the process of arranging to have the Trust Board minutes posted each month to the website.
- The Trust Tributary newsletter has been published; it is the first since the Fall of 2007. Copies of the Tributary are also available on the website.
- The Trust has received three new interns that will be working throughout the summer. Ms. D'Andrea introduced two of interns to the Board that were present, Mr. Michael Alter and Mr. Joseph Hennelly who is responsible for the publishing of the latest summer Tributary.

- The Trust met with Assemblyman McKeon and Senator Smith concerning the Trust legislation.
- The next Board Meeting is scheduled for July 8, 2010 at 10:00 a.m.

#### **CORRESPONDENCE:**

During the past month, the Trust received or sent the following correspondence. In an effort to “go green”, the agenda package does not include any copies, however, if you would like a copy, please make your request to the Trust secretary.

- The Trust Board received a cd copy of the 2010 May Report.
- A letter was issued May 27, 2010 to Mr. Joseph Lachawiec, of Ocean Township, notifying that their request for pre-award approval for Project No. 1520001-001, Rehabilitation and Expansion of Route 532 Water Treatment Plant has been granted.
- Letters dated May 24, 2010 were sent to members of the Senate Budget & Appropriations; Senate Environmental and Energy; Assembly Appropriations and Assembly Environment and Solid Waste Committee members (list attached) enclosing a compact disc version of the NJEIT 2010 May Report.
- The 2010 May Report has been distributed to the following:
  - Deborah Mercer - NJ State Library
  - Peter Mazzie - Legislative Services Library
  - Ingrid Hernquist – Public Information, Office of Legislative Services
  - Jeffrey Climpso – Legislative Services
- Letters dated May 17, 2010 were sent to each Senator in their Legislative District highlighting project locations, names, types and amounts (list attached) that have received financing from the New Jersey Environmental Infrastructure Trust Financing Program.
- Letters dated May 17, 2010 were sent to each Assemblyman in their Legislative District highlighting project locations, names, types and amounts (list attached) that have received financing from the New Jersey Environmental Infrastructure Trust Financing Program.
- A letter was sent May 11, 2010 to Department of Environmental Protection’s Commissioner, Mr. Robert Martin, complying Executive Order No. 15 requiring all Commissioners identify State Authorities established in, but not of, their Department and provide a recommendation to the Governor’s Office no later than May 15, 2010.

**EXECUTIVE SESSION:**

- No executive session held.

**UNFINISHED BUSINESS:**

- A. At this time, the construction status report reflects that there are 330 active projects totaling \$2.5M; 530 closed projects totaling \$2.4M for a grand total of 860 projects at \$4.9M.
- B. Mr. Cach discussed the status of the 2010 Clean Water Financing Program. The Clean Water Financing Program consisted of 113 projects with 12 supplemental loans totaling \$543,900,000.

Mr. Cach also discussed the status of the 2010 Drinking Water Financing Program. The Drinking Water Financing Program including 2 supplemental

- C. Acting Executive Director D'Andrea updated the Board on the status of the legislation required for the implementation of the 2010 Financing Program. On May 13, 2010 she, Mr. Scangarella, and NJDEP staff met with Assemblyman McKeon and Senator Smith to discuss the legislation and to update them on the Trust's Financing Program. The Senate bills have been introduced but the Assembly bills have not. The bills are likely to bypass the environmental committees and be considered directly by the Appropriations Committee of each house. As a result of the information meeting held with Assemblyman McKeon and Senator Smith, Ms. D'Andrea is optimistic that we have addressed any major concerns regarding the bills.

**NEW BUSINESS:**

- A. Acting Executive Director D'Andrea introduced Resolution No. 10-24 accepting the Treasurer's Report for May 2010. The resolution was moved for adoption by Mr. Victor and seconded by Ms. Rendeiro. The motion was carried 6 to 0 with 0 abstentions.

Ms. D'Andrea announced that the following bills were received, reviewed, found to be correct and were being paid:

Princeton Pike Office Park, LLC (Rent – July 2010)	\$9,271.40
Cutwater Asset Management (Investment Advisor – April 2010)	\$10,194.46
J&J Staffing Resources (Intern Payroll: J. Hennelly & M Alter (5/16/10 – 5/23/10))	\$ 1,400.70
J&J Staffing Resources (Trust Interns Payroll (5/23/10 – 5/30/10))	\$1,176.00
Bank of New York Mellon (Loan Servicer NJEIT 1990 Bonds 5/1/09 -4/30/10)	\$6,840.00
Bank of New York Mellon (Loan Services NJEIT 1992A&B Bonds 5/1/09 – 4/30/10))	\$4,180.00
Bank of New York Mellon (Loan Services NJEIT 1993 Bonds 5/1/09 – 4/30/10))	\$7,600.00
McCarter & English, LLP (Bond Counsel: Burlington Twp. Direct Loan Closing)	\$5,823.00
McCarter & English, LLP (Bond Counsel: NJEIT 2002A IRS Audit)	\$4,775.50
McCarter & English, LLP (Bond counsel: NJEIT April 2010 Various Defeasances)	\$21,129.37
McCarter & English, LLP (Bond Counsel: Post-Closing Analyses: General Research (Feb – June 2010))	\$10,797.50

McCarter & English, LLP \$3,750.00  
(Bond Counsel: 2010 Interim Planning & Design for  
Great Gorge Terrace Condo Assoc.)

McCarter & English, LLP \$17,196.26  
(Bond Counsel: EnCap Debt Restructuring (Sep '09 –  
June '10))

\$104,134.19

- B. Acting Executive Director D'Andrea introduced Resolution No. 10-25 authorizing the Trust to prepare and distribute a Request for Proposal for Trustee/Escrow Agent in accordance with the provisions of Executive Order No. 26. The Executive Director is authorized to review all proposals and make a recommendation in accordance with Trust's Policy and Procedures for the services of a Trustee/Escrow Agent for the 2011 and 2012 NJEIT Financing Programs with an option to renew. The Executive Director is also authorized to take all actions necessary for their procurement. The resolution was moved for adoption by Ms. Rendeiro and seconded by Mr. Victor. The motion was carried 6 to 0 with 0 abstentions.
- C. Acting Executive Director D'Andrea introduced Resolution No. 10-26 authorizing the Trust to prepare and distribute a Request for Proposal for bond counsel services in accordance with the provision of Executive Order No. 26 for contract period not to exceed two years, 2011 through 2012. The Executive Director is authorized to review proposals and make a recommendation to the Board. The resolution was moved for adoption by Ms. Kreipke and seconded by Mr. Cach. The motion was carried 6 to 0 with 0 abstentions.
- D. Acting Executive Director D'Andrea introduced Resolution No. 10-27 authorizing the appointment of Cutwater Asset Management to be appointed as Investment Advisor to the Trust from July 1, 2010 through June 30, 2012. The Chairman or Vice Chairman of the Trust is authorized to execute an agreement to the terms and conditions limited to the provision of services as outlined in the Request for Proposal dated May 27, 2010.

Ms. Kreipke questioned the criteria used in making the decision for award of the contract. Mr. Hansbury read the qualifications that were required of the firms. Of the four responses received, the Trust's decision was narrowed down to cost of services.

The resolution was moved for adoption by Ms. Rendeiro and seconded by Mr. Barrack. The motion was carried 6 to 0 with 0 abstentions.



- E. Acting Executive Director D’Andrea introduced Resolution No. 10-28 authorizing the form of the Trust Loan Agreement and Escrow Agreement and authorizing and directing any authorized officer of the Trust (I) to undertake and complete an escrow closing with respect to each project sponsor participating in the 2010 (State Fiscal year 2011) EIT Program (II) in connection with each escrow closing, to execute and deliver a trust loan agreement and an escrow agreement substantially in the form approved hereby, (III) to take any other action as may be necessary or appropriate to effect the consummation of an escrow closing for each project sponsor, (IV) to conduct a TEFRA hearing in order to satisfy the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended, (V) to submit for the approval of the Director of Investment in the NJ Department of Treasury the Investment authorization Request and to undertake any other action necessary in connection with therewith, and (VI) to take such other actions as shall be necessary in furtherance of the intent and purposes of the program. The resolution was moved for adoption by Ms. Kreipke and seconded by Mr. Cach. The motion was carried 6 to 0 with 0 abstentions.
- F. Acting Executive Director D’Andrea introduced Resolution No. 10-29 authorizing and adopting Post Issuance Compliance Policies for tax-exempt bond and tax credit bonds that have been, and will be, issued by the Trust, such policies intend to ensure that the requirements imposed upon the Trust pursuant to the Internal Revenue code of 1986, as amended, will be satisfied by the Trust. The resolution was moved for adoption by Mr. Cach and seconded by Mr. Victor. The motion was carried 6 to 0 with 0 abstentions.
- G. Acting Executive Director D’Andrea introduced Resolution No. 10-30 authorizing and directing (I) the investment of amount on deposit in the Master Program Trust account, established and held pursuant to the Master Program Trustee Agreement, pursuant to a forward delivery agreement, and (II) the executive, delivery and performance by the Trust of the Forward Delivery Agreement. The resolution was moved for adoption by Mr. Barrack and seconded by Mr. Victor. The motion was carried 6 to 0 with 0 abstentions.
- H. Acting Executive Director D’Andrea introduced Resolution No. 10-31 amending and restating the NJEIT authorizing (I) the substitution by the Ocean County UA of certain junior lien bonds for certain bonds previously issued to the Trust and (II) the execution and delivery of amendments to certain loan agreements by and between the Trust and the Ocean County Utilities Authority. The resolution was moved for adoption by Ms. Kreipke and seconded by Ms. Rendeiro. The motion was carried 6 to 0 with 0 abstentions.

Chairman Briant reported that the federal legislation relative to the relaxation of the Internal Revenue Service cap on private activity bonds issued for wastewater and drinking water construction was approved in the House and awaits approval by the Senate. Approval is estimated sometime this week or as early as today.

The Environmental Protection Agency's Needs Survey has been reported to Congress. The report shows that New Jersey has the greatest needs in the nation which will be helpful in identifying future clean water and drinking water federal funding.

The President has included in the State Revolving Fund appropriation bill for the FFY2011 Clean and Drinking Water Programs nearly the same amount as this federal fiscal year (\$100million less nationally). Chairman Briant reported that negotiations of S1005 (reauthorization of the Clean Water Act State Revolving Fund) is in progress and two noteworthy issues are whether or not to include Davis Bacon provisions and revisions to each state's percentage allocation of federal funding.

**PUBLIC COMMENTS:**

No public comments

Mr. Victor moved to adjourn the meeting. The motion was seconded by Ms. Rendeiro and approved 6 to 0 with 0 abstentions. The meeting was adjourned at 10:30 a.m.