



New Jersey  
Environmental  
Infrastructure Trust

"Financing New Jersey's  
Water Quality Future"

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

David E. Zimmer, Executive Director

July 7, 2011

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

Dear Governor Christie:

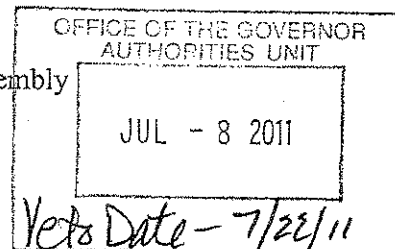
In accordance with the provisions of the New Jersey Environmental Infrastructure Trust Act, I hereby transmit for your review and consideration the minutes of the July 7, 2011 meeting of the New Jersey Environmental Infrastructure Trust. The New Jersey Environmental Infrastructure Trust Act provides 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,

Steven Gardner  
Secretary

Enclosure

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





Warren H. Victor, Chairman  
Herbert Barrack, Vice Chairman  
Robert A. Briant, Sr., Treasurer  
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David E. Zimmer, Executive Director

July 7, 2011

**NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST**

**OPEN PUBLIC MEETING**

**MINUTES – JULY 7, 2011**

A meeting of the New Jersey Environmental Infrastructure Trust was convened on Thursday, July 7, 2011 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 New Jersey Open Public Meeting Act (N.J.A.C. 10:4-6 et.seq.); 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.

**DIRECTORS**

Warren Victor, Chairman  
Herbert Barrack, Vice Chairman  
Robert Briant Sr., Treasurer (\*)  
Steven Gardner, Secretary  
John Plonski  
(for Commissioner Martin)  
James Requa  
(for Commissioner Grifa)  
Adrienne Kreipke  
(for State Treasurer Sidamon-Eristoff)

**OTHERS**

David E. Zimmer, Executive Director  
Maryclaire D'Andrea, Assistant Director  
Frank Scangarella, Chief Operating Officer  
John Hansbury, Chief Budget Officer  
David Reiner, Governor's Authorities Unit  
Clifford Rones, Deputy Attorney General  
Richard Nolan, McCarter & English LLP  
Geoffrey Stewart, Public Financial Management (\*)  
Eugene Chebra, Municipal Finance & Construction

(\*) via teleconference

**APPROVAL OF THE MINUTES:**

Chairman Victor opened discussion of the minutes of the June 9, 2011 Trust Board meeting. Mr. Plonski moved for the approval of the minutes. Mr. Briant seconded the motion. The minutes were approved 7 to 0 with 0 abstentions.

**ANNOUNCEMENTS:**

Mr. Zimmer reported on the events since the last Trust Board meeting:

- Trust staff has completed Customer Service Training Phase 2, an optional training course hosted by the DEP.
- The Trust continues to participate in the biweekly meetings conducted by the DEP and chaired by Assistant Commissioner Plonski to discuss and implement the Governor's Barnegat Bay initiative.
- Notification reminders were sent to Borrowers regarding the deadline date for submittal of their Letters of Intent for the SFY 2013 Program.
- Several Trust and DEP internal meetings were held during the past month:
  - Shared Data System with DEP's OIRM Office
  - Preplanning meeting for the Borough of Clayton
  - USDA Funding meeting for Seaside Park Borough
  - State OIT Sage System Demo
  - Township of Lakewood
  - Petro-Pal / Innovya
- Continuing with Trust outreach efforts, senior staff met with Board of Chosen Freeholders from the Counties of Camden, Mercer, Passaic and Essex to discuss our Financing Program and to spread the word of the Program to the municipalities within their districts.
- The Trust attended legislative committee hearings for the Annual NJEIFP Bills. The bills were passed by both houses without any "No" votes. The legislation is currently awaiting the Governor's signature.
- Director Zimmer joined AC John Plonski and the rest of Commissioner Martin's Senior Staff in attendance at the Commissioner's June 27<sup>th</sup> Barnegat Bay Initiative press conference.
- The next Board meeting is scheduled for Thursday, August 11, 2011 at 10:00 a.m. at the Offices of the Trust.

During the past month the Trust received or sent the following correspondence. Pursuant to the Trust's Green Initiative, the agenda package does not include copies of the following correspondence. Mr. Zimmer advised the Board members that they should contact the Trust Secretary if they wanted to receive copies.

- On June 1, 2011, payment notifications were mailed to each of the borrowers within the 2004A and 2007C Refunding Series and the 2004A, 2005A, 2006A, 2007A, 2008A, 2009A, 2010A and 2010B Series.
- On June 20, 2011, letters were sent to the Governor and State Treasurer requesting approval to proceed with the 2011 Refunding Bond Sale. A letter was received from both the Governor and State Treasurer (copies are attached to Agenda Item 8C for today's meeting).
- On June 22, 2011, Pre-award Approval was granted to Aqua New Jersey, Inc. for project No. 1505002-001.

#### **EXECUTIVE SESSION:**

6. Mr. Zimmer introduced Resolution No. 11- 21 to conduct an Executive Session. The resolution was moved by Mr. Plonski and seconded by Mr. Gardner. The motion was approved 7 to 0 with 0 abstentions.

The Board convened for an Executive Session at 10:07 a.m. to discuss litigation matters concerning the Trust Board.

The Board reconvened the public session at 10:20 a.m. Minutes of the Executive Session will be available when the need for confidentiality is no longer necessary.

#### **UNFINISHED BUSINESS:**

- 7A. Mr. Chebra of the NJDEP's Municipal Finance and Construction Element discussed the status of the Construction Status Report which reflects that there are 367 active projects totaling \$2.5B; there are 572 closed projects totaling \$2.8B making a grand total of 939 projects at \$5.3B.
- 7B. Mr. Chebra discussed the SFY2012 Clean Water Financing Loan Program. At this time, it is expected that there will be 4 supplemental loans totaling \$13.7M (Gloucester County, Project No. S340902-06-1, withdrew their loan application and HCIA's participation, Project No. S340098-01-1, is in question); 63 projects within the traditional program totaling \$288.0M (Phillipsburg Town S340874-05 withdrew); and 16 second chance projects totaling \$41.0M (Hightstown Borough,

Project No. S340915-04 and Gloucester County UA, Project No. S340902-08 have been bypassed); 21 Barnegat Bay projects totaling \$44.1M; resulting in a net total for the SFY2012 Clean Water Loan Program of 104 projects for \$386M

Mr. Chebra also discussed the SFY2012 Drinking Water Financing Program. At this time there are 3 Supplemental Loans totaling \$3M; 44 projects within the traditional program totaling \$189M (Washington Township MUA, Project No. 0818004-008, is being by-passed); and 11 second chance projects totaling \$14.8M (Egg Harbor City, Project No. 0107001-002, is being by-passed) resulting in a net total for the SFY2012 Drinking Water Loan Program of 58 projects for \$206.8M.

The grand total for the SFY2012 Combined Loan Programs is 162 projects for \$593M.

- 7C. Executive Director Zimmer updated the Board regarding the status of the Legislation required for the implementation of the 2012 Financing Program. The annual NJEIFP legislation was passed by both houses prior to summer recess and now awaits the Governor's signature.

**NEW BUSINESS:**

- 8A. Mr. Zimmer introduced Resolution No. 11-22 accepting the Treasurer's Report for June 2011. The resolution was moved for adoption by Mr. Briant and seconded by Mr. Barrack.  
The motion was carried 7 to 0 with 0 abstentions.

Mr. Zimmer announced that the Trust recently received and is reviewing bills totaling \$45,863.57. The individual breakdown is as follows:

Princeton Pike Office Park, LLC (Rent – September 2011)	\$9,339.09
Cutwater Asset Management (Investment Advisor – May 2011)	\$9,059.25
U.S. Bank Trustee: NJEIT 1993/2003 Refunding Bonds (5/1/11 – 4/30/12) Resolution No.93-09	\$6,000.00
J&J Staffing Resources (NJEIT part-time employees salaries (Lynda Fischer and Anthony Teel, weeks ending 6/12/11, 6/19/11,6/26/11 and placement fee for L. Fisher)	\$14,465.23

The Bank of New York Mellon (Trustee: NJEIT 2000A/2006A Refunding bonds (6/1/11 – 5/31/12)	\$7,000.00
TOTAL	\$45,863.57

- 8B. Mr. Zimmer held the following open public TEFRA hearing pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended with respect to:

**Environmental Infrastructure Refunding Bonds, Series 2011A-R  
(1998B Financing Program) (AMT)**  
**Environmental Infrastructure Refunding Bonds, Series 2011B-R  
(2001B Financing Program) (AMT)**  
**Environmental Infrastructure Refunding Bonds, Series 2011C-R  
(2002B Financing Program) (AMT)**

*This regular meeting of the New Jersey Environmental Infrastructure Trust constitutes a public hearing of the Trust with respect to the proposed issuance by the Trust of its Environmental Infrastructure Refunding Bonds, Series 2011A-R (1998B Financing Program) in an aggregate principal amount not to exceed \$3,935,000, its Environmental Infrastructure Refunding Bonds, Series 2011B-R (2001B Financing Program) in an aggregate principal amount not to exceed \$13,270,000, and its Environmental Infrastructure Refunding Bonds, Series 2011C-R (2002B Financing Program) in an aggregate principal amount not to exceed \$12,940,000.*

*The proceeds of the Series 2011A-R Refunding Bonds will be used to refinance all of the remaining outstanding Environmental Infrastructure Bonds, Series 1998B. The proceeds of the Series 2011B-R Refunding Bonds will be used to refinance a portion of the remaining outstanding Environmental Infrastructure Bonds, Series 2001B. The proceeds of the Series 2011C-R Refunding Bonds will be used to refinance all of the remaining outstanding Environmental Infrastructure Bonds, Series 2002B. This public hearing is being held pursuant to the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended.*

*I hereby enter into the records of the Trust a copy of the Affidavits of Publication relating to the notice to the public with respect to this hearing. Such public notice was published in compliance with the Code in the following newspapers on June 23, 2011: (1) the Trenton Times; (2) the Star-Ledger; (3) The Home News-Tribune; (4) The Burlington County Times; (5) The Jersey Journal; (6) The Asbury Park Press; and (7) The News of Cumberland County.*

*The public notice that has been published sets forth the following information: (1) the identity of the Financing Program Participants with respect to the Series 1998B Bonds, the Series 2001B Bonds and the Series 2002B Bonds, respectively; (2) a description of the project of each such Financing Program Participant; and (3) the specific location of each such project.*

*The Series 1998B Financing Program Participants are as follows: (1) Middlesex Water Company; and (2) The Mount Holly Water Company (which has been acquired by New Jersey American Water Company, Inc.). The Series 2001B Financing Program Participants are as follows: (1) Jersey City Municipal Utilities Authority; (2) Bayview Water Company; (3) Middlesex Water Company; (4) New Jersey-American Water Company, Inc.; (5) Pennsgrove Water Supply Company (which has been acquired by New Jersey-American Water Company, Inc.); and (6) Borough of Watchung/Elizabethtown Water Company. The Series 2002B Financing Program Participants are as follows: (1) New Jersey-American Water Company, Inc.; and (2) North Hudson Sewerage Authority.*

*Please note that an additional public hearing with respect to the Series 2011B-R Refunding Bonds will take place on July 12, 2011 at 10:00 A.M. here at the offices of the Trust and will be conducted by an appropriate officer of the Trust. Such additional hearing is appropriate due to an infirmity in the publication of public notice by the newspaper **Today's Sunbeam** with respect to the project of Pennsgrove Water Supply Company, thereby necessitating re-publication of public notice with respect to such project and an additional public hearing.*

*Interested individuals are now invited to express their views, either verbally or in writing, and in person or by attorney, with respect to the proposed issuance of the Series 2011 Refunding Bonds, the projects to be refinanced with the proceeds thereof, and the location and nature of such projects.*

*Are there any members of the public who wish to be heard?*

*Let the record show that no members of the public offered verbal or written comments, either in person or by attorney, at this public hearing of the New Jersey Environmental Infrastructure Trust this 7<sup>th</sup> day of July, 2011.*

- 8C. Mr. Zimmer introduced Resolution No. 11-23 of the NJEIT acknowledging receipt of approval letters from the Governor and State Treasurer authorizing the issuance of Environmental Infrastructure 2011A-R Refunding Bond Series, 2011B-R Refunding Bond Series and 2011C-R Refunding Bond Series as required by Section 4(j) of the New Jersey Environmental Infrastructure Act. The resolution was moved for adoption by Mr. Briant and seconded by Mr. Plonski. The motion was carried 7 to 0 with 0 abstentions.

- 8D.** Mr. Zimmer introduced Resolution No. 11-24 adopting a Supplemental Bond Resolution authorizing the issuance of Environmental Infrastructure Refunding Bonds, Series 2011A-R (1998B Financing Program) (AMT) of the NJEIT. The resolution was moved for adoption by Mr. Barrack and seconded by Mr. Gardner.  
The motion was carried 7 to 0 with 0 abstentions.
- 8E.** Mr. Zimmer introduced Resolution No. 11-25 adopting a Supplemental Bond Resolution authorizing the issuance of Environmental Infrastructure Refunding Bonds, Series 2011B-R (2001B financing Program) (AMT) of the NJEIT. The resolution was moved for adoption by Mr. Requa and seconded by Mr. Briant.  
The motion was carried 7 to 0 with 0 abstentions.
- 8F.** Mr. Zimmer introduced Resolution No. 11-26 adopting a Supplemental Bond Resolution authorizing the issuance of Environmental Infrastructure Refunding Bonds, Series 2011C-R (2002B Financing Program) (AMT) of the NJEIT. The resolution was moved for adoption by Mr. Plonski and seconded by Mr. Gardner.  
The motion was carried 7 to 0 with 0 abstentions.
- 8G.** Mr. Zimmer introduced Resolution No. 11-27 consenting to the prepayment by the Manchester Utilities Authority of the loan extended to it by the Trust pursuant to a loan agreement dated February 19, 2010 for the emergency interconnection between the water systems of North Haledon and Hawthorne. The MUA received a loan in 2010 totaling \$74,710.80 and has determined not to construct the project and requested to prepay its loan in full. Since the Trust Loan being prepaid is a Direct Loan and was not financed with the proceeds of tax-exempt Trust bonds, a bond defeasance is not required. The resolution was moved for adoption by Ms. Kreipke and seconded by Mr. Gardner.  
The motion was carried 7 to 0 with 0 abstentions.
- 8H.** Mr. Zimmer introduced Resolution No. 11-28 authorizing the implementation of a Planning and Design Financing Program (PDFP). Providing incentive to Borrowers, the Program will enable the Trust to make short-term loans to finance the environmental planning and the engineering design costs of projects expected to participate in the long-term Program. Individual PDFP loans are capped at \$500,000 and the program has maximum of \$2M outstanding at any time. Board approval will be required prior to closing of any individual loan not included in the most recent Board approved Project Priority List.

The Board discussed various aspects of the resolution including its establishment of the PDFP Fund (Fund), that the Fund would include monies from the Interim Financing Program Fund for PDFP loans for projects identified in the Priority List and, that the Fund would include NJEIT cash-on-hand for other PDFP loans. The resolution was moved for adoption by Mr. Briant and seconded by Mr. Barrack.

The motion was carried 7 to 0 with 0 abstentions.



- 8I.** Mr. Zimmer introduced Resolution No. 11-29 authorizing the establishment of a Business Location Committee. The current Trust lease with Jingoli Properties expires on January 14, 2012. Space limitations of the current site combined with the high vacancy levels of office space in today's Commercial Real Estate market and the recent drop in Commercial property values, enable the Trust to consider more suitable locations to accommodate Trust needs. The Committee will assess available space within Mercer County and make a recommendation to the Board for consideration and approval based on the criteria and weights listed within said resolution. The resolution was moved for adoption by Mr. Plonski and seconded by Mr. Briant.

The motion was carried 7 to 0 with 0 abstentions.

- 8J.** Mr. Zimmer introduced Resolution No. 11-30 acknowledging appreciation of Maryclaire D'Andrea for her many years of service to the State of New Jersey and to the Environmental Infrastructure Trust. The resolution was moved for adoption by Mr. Briant and seconded by Mr. Barrack.

The motion was carried 7 to 0 with 0 abstentions.

**PUBLIC COMMENTS:**

- There were no public comments.

Mr. Plonski moved to adjourn the meeting. The motion was seconded by Mr. Requa and approved 7 to 0 with 0 abstentions. The meeting was adjourned at 10:55 a.m.

RESOLUTION NO. 11 - 21

BE IT HEREBY RESOLVED THAT, pursuant to N.J.S.A. 10:4-12 and N.J.S.A. 10:4-13, the members of the New Jersey Environmental Infrastructure Trust (the "Trust") hold an executive session regarding contract negotiations, personnel matters and advice from counsel.

BE IT FURTHER RESOLVED THAT it is expected that discussions undertaken at this executive session will be made public once a final position is adopted by the Trust regarding such actions.

Adopted Date: July 7, 2011

Motion Made By: Mr. Plonski

Motion Seconded By: Mr. Gardner

Ayes: 7

Nays: 0

Abstentions: 0

RESOLUTION NO. 11 - 22

WHEREAS, the New Jersey Environmental Infrastructure Trust (the "Trust") has reviewed the Treasurer's Report for June 2011 and

WHEREAS, the Trust has placed in its files certain correspondence relating to expenses incurred in relation to the Trust;

NOW THEREFORE BE IT RESOLVED THAT the Trust hereby accepts the Treasurer's Report for June 2011 and request that the same be entered into the record.

Adopted Date:	July 7, 2011
Motion Made By:	Mr. Briant
Motion Seconded By:	Mr. Barrack
Ayes:	7
Nays:	0
Abstentions:	0

RESOLUTION NO. 11 - 23

RESOLUTION ACKNOWLEDGING RECEIPT OF APPROVAL OF GOVERNOR AND STATE TREASURER REQUIRED BY SECTION 4(j) OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST ACT

BE IT RESOLVED THAT the New Jersey Environmental Infrastructure Trust (the "Trust") acknowledges receipt of:

- (i) the prior approval letter of the Governor; and
- (ii) the prior approval letter of the State Treasurer

Such letters are required by Section 4(j) of the New Jersey Environmental Infrastructure Trust Act, P.L. 1985, c. 334 (N.J.S.A. 58:11B-4(j)), for approving the adoption by said Trust of the Bond Resolution Authorizing the Issuance of Environmental Infrastructure Refunding Bond Series 2011A, Bond Series 2011B and Bond Series 2011C.

Adopted Date: July 7, 2011

Motion Made By: Mr. Briant

Motion Seconded By: Mr. Plonski

Ayes: 7

Nays: 0

Abstentions: 0



**State of New Jersey**

OFFICE OF THE GOVERNOR

PO Box 001

TRENTON, NJ 08625-0001

CHRIS CHRISTIE  
Governor

June 29, 2011

David E. Zimmer, Executive Director  
New Jersey Environmental Infrastructure Trust  
3131 Princeton Pike  
Building 6, Suite 201  
Lawrenceville, New Jersey 08648

Dear Mr. Zimmer:

In accordance with the provisions of Section 4(j) of the New Jersey Environmental Infrastructure Trust Act of 1985, P.L. 1985, c. 334, N.J.S.A. 58:11B-4(j) et seq., I hereby give written approval to the New Jersey Environmental Infrastructure Trust for the adoption of the Supplemental Bond Series 2011A (1998B Financing Program) (AMT), Series 2011B (2001B Financing Program) (AMT), and Series 2011C (2002B Financing Program) (AMT).

I specifically reserve my right to veto all actions taken by the Authority at its meeting of July 7, 2011 which are unrelated to refunding of the bonds.

Sincerely,

A handwritten signature in black ink, appearing to read "Chris Christie".

Chris Christie  
Governor

c. Warren H. Victor, Chairman



*State of New Jersey*

OFFICE OF THE STATE TREASURER  
P.O. BOX 002  
TRENTON, NJ 08625-002

**CHRIS CHRISTIE**  
*Governor*

**KIM GUADAGNO**  
*Lt Governor*

**ANDREW P. SIDAMON-ERISTOFF**  
*State Treasurer*

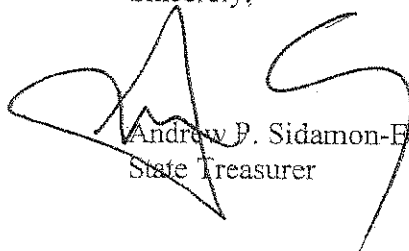
June 24, 2011

Mr. David Zimmer  
Executive Director  
New Jersey Environmental Infrastructure Trust  
PO Box 420  
Trenton, New Jersey 08625

Dear Mr. Zimmer:

In accordance with the provisions of Section 4(j) of the New Jersey Environmental Infrastructure Trust Act of 1985, P.L.1985, c.334 (N.J.S.A.) 58:11B-4(j)), I hereby give written approval to the New Jersey Environmental Infrastructure Trust for the adoption of the Supplemental Bond Series 2011A (1998B Financing Program) (AMT), Supplemental Bond Series 2011B (2001B Financing Program) (AMT), and Supplemental Bond Series 2011C (2002B Financing Program) (AMT) of the New Jersey Environmental Infrastructure Trust.

Sincerely,



Andrew P. Sidamon-Eristoff  
State Treasurer

**RESOLUTION NO. 11 - 24**

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**SUPPLEMENTAL BOND RESOLUTION  
AUTHORIZING THE ISSUANCE OF  
ENVIRONMENTAL INFRASTRUCTURE REFUNDING BONDS, SERIES 2011A-R  
(1998B FINANCING PROGRAM) (AMT)  
OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST**

Adopted July 7, 2011, as amended and supplemented by a  
Certificate of an Authorized Officer of the Trust in accordance  
with Section 6.01 hereof

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**Adopted Date: July 7, 2011**

**Motion Made By: Mr. Barrack**

**Motion Seconded By: Mr. Gardner**

**Ayes: 7**

**Nays: 0**

**Abstentions: 0**

**RESOLUTION NO. 11 - 25**

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**SUPPLEMENTAL BOND RESOLUTION  
AUTHORIZING THE ISSUANCE OF  
ENVIRONMENTAL INFRASTRUCTURE REFUNDING BONDS, SERIES 2011B-R  
(2001B FINANCING PROGRAM) (AMT)  
OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST**

Adopted July 7, 2011, as amended and supplemented by a  
Certificate of an Authorized Officer of the Trust in accordance  
with Section 6.01 hereof

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**Adopted Date: July 7, 2011**

**Motion Made By: Mr. Requa**

**Motion Seconded By: Mr. Briant**

**Ayes: 7**

**Nays: 0**

**Abstentions: 0**



**RESOLUTION NO. 11 - 26**

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**SUPPLEMENTAL BOND RESOLUTION  
AUTHORIZING THE ISSUANCE OF  
ENVIRONMENTAL INFRASTRUCTURE REFUNDING BONDS, SERIES 2011C-R  
(2002B FINANCING PROGRAM) (AMT)  
OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST**

Adopted July 7, 2011, as amended and supplemented by a  
Certificate of an Authorized Officer of the Trust in accordance  
with Section 6.01 hereof

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**Adopted Date: July 7, 2011**

**Motion Made By: Mr. Plonski**

**Motion Seconded By: Mr. Gardner**

**Ayes: 7**

**Nays: 0**

**Abstentions: 0**

**RESOLUTION NO. 11-27**

**RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST CONSENTING TO THE PREPAYMENT BY THE MANCHESTER UTILITIES AUTHORITY OF THE LOAN EXTENDED TO IT BY THE TRUST PURSUANT TO A LOAN AGREEMENT DATED AS OF FEBRUARY 19, 2010**

**WHEREAS**, the New Jersey Environmental Infrastructure Trust (the "Trust"), a public body corporate and politic duly created and existing pursuant to the New Jersey Environmental Infrastructure Trust Act, constituting Chapter 334 of the Pamphlet Laws of 1985 of the State of New Jersey (the "State"), as amended and supplemented (the "Act"), is authorized, pursuant to Sections 5(m) and 9(a) of the Act, to make and contract to make loans pursuant to loan agreements with local government units and public water utilities (each a "Borrower") to finance a portion of the cost of environmental infrastructure system projects that Borrowers may lawfully undertake or acquire and for which they are authorized by law to borrow funds; and

**WHEREAS**, the Trust and the Manchester Utilities Authority (the "Authority"), a public body corporate and politic duly created and validly existing under the laws of the State, have entered into that certain Loan Agreement, dated as of February 19, 2010 (the "Loan Agreement"), pursuant to the terms of which the Trust made a loan to the Authority (the "Loan"), from amounts available to the Trust, to finance a portion of the Project as defined and described in the Loan Agreement; and

**WHEREAS**, the Authority has not initiated, and does not intend to initiate or complete, the Project; and

**WHEREAS**, pursuant to the provisions of Section 3.07 of the Loan Agreement, the Authority has provided notice to the Trust that intends to prepay the Loan, such notice being in the form of a letter to the Executive Director of the Trust, dated April 6, 2011; and

**WHEREAS**, pursuant to Section 3.07 of the Loan Agreement, the prior written approval of the Trust is a condition precedent to such prepayment; and

**WHEREAS**, it is the desire of the Trust to approve the prepayment of the Loan by the Authority, provided that the Authority shall pay to the Trust, in connection with such prepayment, from any source available to the Authority, any and all costs of the Trust relating to such prepayment (collectively, the "Costs").

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors (the "Board") of the New Jersey Environmental Infrastructure Trust, as follows:

**Section 1.** The Board hereby approves the request by the Authority that it be permitted by the Trust to prepay the Loan pursuant to, and in satisfaction of, the applicable

provisions of the Loan Agreement, including, without limitation, Section 3.07 of the Loan Agreement, provided that the Authority shall pay to the Trust, in connection with such prepayment, from any source available to the Authority, the Costs.

**Section 2.** The Chairman, the Vice Chairman and the Executive Director of the Trust (each, an "Authorized Officer") are each hereby severally authorized and directed to (i) execute such certificates, instruments or other documents, in such form and with such terms and conditions as are consistent with the terms and provisions of this Resolution, and as any Authorized Officer, after consultation with Bond Counsel to the Trust and the Office of the Attorney General of the State, determines to be necessary, convenient or desirable, to effect the transaction contemplated hereby in a manner consistent herewith, and (ii) take such other actions as any Authorized Officer, in his respective sole discretion, after consultation with Bond Counsel to the Trust and the Office of the Attorney General of the State, deems necessary, convenient or desirable to effect the transactions contemplated hereby.

Adopted Date: July 7, 2011

Motion Made By: Ms. Kreipke

Motion Seconded By: Mr. Gardner

Ayes: 7

Nays: 0

Abstentions: 0

RESOLUTION NO. 11 - 28

RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST  
AUTHORIZING THE PLANNING AND DESIGN FINANCING PROGRAM

WHEREAS, the New Jersey Environmental Infrastructure Trust (the "Trust"), pursuant to and in accordance with (i) the "New Jersey Environmental Infrastructure Trust Act", constituting Chapter 334 of the Pamphlet Laws of 1985 of the State of New Jersey (the "State") (codified at N.J.S.A. 58:11B-1 *et seq.*), as the same has been, and in the future may from time to time be, amended and supplemented (the "Act"), and (ii) the regulations promulgated pursuant to the Act (N.J.A.C. 7:22-2.1 *et seq.*), as the same have been, and in the future may from time to time be, amended and supplemented (the "Regulations"), is authorized, pursuant to a planning and design financing program (the "Planning and Design Financing Program"), to make loans (each a "Planning Loan") to eligible project sponsors (each a "Borrower") for the purpose of financing the allowable environmental planning and engineering design costs of environmental infrastructure projects (each a "Project"), provided that each such Planning Loan made by the Trust to a Borrower for a Project satisfies the requirements of the Act, including, without limitation, N.J.S.A. 58:11B-9.2, and any applicable Regulations; and

WHEREAS, the Act, specifically N.J.S.A. 58:11B-9.2, provides for the making of Planning Loans to Borrowers with respect to Projects that are included on the project priority lists for the ensuing fiscal year that has been submitted to the State Legislature pursuant to N.J.S.A. 58:11B-20 or N.J.S.A. 58:11B-20.1 (collectively, the "Priority List"), as well as Projects that are not included on the Priority List; and

WHEREAS, pursuant to the Act, the sources of funding for the Planning and Design Financing Program authorized hereby shall be (i) the Planning and Design Fund created by N.J.S.A. 58:11B-9.2(a) and (ii) the Interim Financing Program Fund created by N.J.S.A. 58:11B-9(d) (collectively, the "Available Funds"), provided that a Planning Loan made from moneys on deposit in the Interim Financing Program Fund may be made only with respect to a Project that is included on the Priority List; and

WHEREAS, it is the desire of the Trust, subject to the terms and provisions of the Act, the Regulations and this Resolution, to authorize the implementation of the Planning and Design Financing Program, pursuant to the parameters set forth herein, including, without limitation, the following conditions precedent that must be satisfied in full in connection with any Planning Loan made by the Trust to a qualifying Borrower for its Project: (i) the Borrower has submitted to the Trust and the New Jersey Department of Environmental Protection (the "NJDEP") a complete Planning and Design Financing Program application with respect to the Project; (ii) the proposed scope of the Project has been certified for funding by the Trust through the Planning and Design Financing Program in accordance with N.J.A.C. 7:22-4.13; (iii) there exists sufficient Available Funds for the making of the Planning Loan; (iv) if the Project is on the Priority List, the Project is in the fundable range in the forthcoming funding cycle given the project's rank and the anticipated availability of NJDEP and Trust monies; and (v) the proposed Borrower has not previously received financing from the Trust or the NJDEP, through the Planning and Design Financing Program or

otherwise, for the same project scope (items (i) through (v) hereof shall be referred to collectively herein as the "Planning and Design Financing Program Conditions Precedent"); and

**WHEREAS**, it is the desire of the Trust to establish certain terms for each Planning Loan made by the Trust as part of the Planning and Design Financing Program authorized hereby.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Directors of the Trust, as follows:

**Section 1.** The Board hereby authorizes the establishment of the Planning and Design Financing Program, provided (i) such Planning and Design Financing Program shall be funded solely from the Available Funds, (ii) aggregate, outstanding Planning Loans shall not exceed \$2 million at any time, (iii) the availability to qualifying applicants of Planning Loans shall be prioritized based upon the chronological order of the certification of proposed Projects for funding through the Planning and Design Financing Program by the Trust in accordance with N.J.A.C. 7:22-4.13, (iv) Planning Loans shall fully comply with the provisions of the Act, the Regulations applicable thereto and the terms of this Resolution, including, without limitation, the Planning and Design Financing Program Conditions Precedent.

**Section 2.** Any Planning Loan made by the Trust as part of the Planning and Design Financing Program shall be evidenced by (i) a note or other appropriate obligation of the Borrower to be issued to the Trust (the "Obligation"), and (ii) any other documentation as shall be deemed necessary and appropriate by the Executive Director of the Trust (the "Authorized Officer"), or in his absence (with "absence" defined as being physically out of the State, on sick or vacation leave from the Trust, death, resignation or removal), the Chairman of the Trust, after consultation with Bond Counsel to the Trust and the Office of the Attorney General of the State (collectively, the "Loan Instruments"). Each Obligation shall be in substantially the applicable form attached hereto as Exhibit A, with such revisions and modifications thereto as shall be approved by an Authorized Officer after consultation with Bond Counsel to the Trust and the Office of the Attorney General of the State. The Loan Instruments shall include such terms and provisions relating to the Planning and Design Financing Program as shall be determined by the Authorized Officer, after consultation with Bond Counsel to the Trust and the Office of the Attorney General of the State, as being necessary in connection with (i) the satisfaction of the requirements of the Act and the Regulations and (ii) the implementation of the terms of this Resolution. Any Planning Loan made by the Trust to a Borrower as part of the Planning and Design Financing Program:

(i) shall be funded solely from the Available Funds; provided that any Planning Loan made with respect to a Project that is not on the Priority List shall be funded solely from Available Funds other than amounts on deposit in the Interim Financing Program Fund established pursuant to N.J.S.A. 58:11B-9(d);

(ii) shall bear interest at a rate of (a) with respect to a Planning Loan made to (1) a local government unit (as such term is defined in the Act) or (2) a public water utility (as such term is defined in the Act) or small water company (as such term is defined in the Act), in each case, serving fewer than 10,000 residents, 0%, and (b) with respect to a Planning Loan made to (1) a public water utility or small water company, in each case, serving

greater than 10,000 residents, (2) any other private person, or (3) a local government unit on behalf of any private person, 2%;

(iii) shall not exceed \$500,000 in principal amount;

(iv) shall have a maturity date (the "Maturity Date") not later than (a) with respect to a Project included on the Priority List, the date of closing with respect to the State Fiscal Year 2013 New Jersey Environmental Infrastructure Financing Program as administered by the Trust and the NJDEP (the "Financing Program"), which shall be no later than June 30, 2013, and (b) with respect to a Project not included on the Priority List, the date of closing with respect to the applicable long-term financing within the State Fiscal Year 2014 Financing Program, which shall be no later than June 30, 2014;

(v) shall be repaid by the Borrower from the participation by the Borrower in the Financing Program prior to the Maturity Date, or, in the event of the failure on the part of the Borrower to qualify for and participate in the Financing Program prior to the Maturity Date for any reason, a source of funds, other than the Financing Program, that is available to the Borrower for such purpose, including, without limitation, the proceeds of short-term or long-term debt that may be incurred by the Borrower; and

(vi) shall not be subject to the imposition by the Trust of an administrative fee.

**Section 3.** Prior to the making of a Planning Loan with respect to a Project that is included on the Priority List, the Authorized Officer shall certify the proposed scope of such Project for funding through the Planning and Design Financing Program in accordance with the provisions of N.J.A.C. 7:22-4.13, provided, however, that (i) the proposed scope of such Borrower's Project previously has been certified for funding by the Commissioner of the NJDEP pursuant to the provisions of N.J.A.C. 7:22-3.13, and (ii) such Project shall qualify for funding through the Planning and Design Financing Program pursuant to the terms and provisions of the Act and the Regulations and the terms and provisions of this Resolution, including, without limitation, the Planning and Design Financing Program Conditions Precedent.

**Section 4.** No Planning Loan shall be made by the Trust to a Borrower with respect to a Project not included on the Priority List pursuant to the Planning and Design Financing Program without the prior approval of the Board in the form of a resolution duly adopted pursuant to and in satisfaction of the requirements of the Act (the "Authorizing Resolution"), provided that such Borrower and such Project each shall qualify for funding through the Planning and Design Financing Program pursuant to the terms and provisions of the Act and the Regulations and the terms and provisions of this Resolution, including, without limitation, the Planning and Design Financing Program Conditions Precedent. The Authorizing Resolution shall include, without limitation, the certification of the proposed scope of such Borrower's Project for funding in accordance with the provisions of N.J.A.C. 7:22-4.13, provided, however, that the proposed scope of such Borrower's Project previously has been certified for funding by the Commissioner of the NJDEP pursuant to the provisions of N.J.A.C. 7:22-3.13.

**Section 5.** The Authorized Officer is hereby authorized and directed to execute (i) any Loan Instrument to which the Trust is a party (the "Trust Loan Instruments") and (ii) any

certificates, instruments or documents contemplated therein or otherwise related to the participation of any Borrower in the Planning and Design Financing Program.

**Section 6.** Upon execution of the Trust Loan Instruments by an Authorized Officer, the Secretary and the Assistant Secretary of the Trust are each hereby severally authorized and directed, where required, to affix the corporate seal of the Trust, and to attest to the signature of such Authorized Officer, thereon and on any certificates, instruments or documents contemplated therein or related thereto.

**Section 7.** At the meeting of the Board immediately following the execution and delivery of any Loan Instruments by the Trust relating to any Planning Loan made by the Trust to any Borrower pursuant to the Planning and Design Financing Program, the Executive Director of the Trust shall provide a report to the Board concerning the details of such transaction.

**Section 8.** This Resolution shall become effective in accordance with the terms of Section 4(i) of the Act (N.J.S.A. 58:11B-4(i)).

Adopted Date: July 7, 2011

Motion Made By: Mr. Briant

Motion Seconded By: Mr. Barrack

Ayes: 7

Nays: 0

Abstentions: 0

**RESOLUTION NO. 11 - 29**

**RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE  
TRUST AUTHORIZING THE ESTABLISHMENT OF A  
BUSINESS RELOCATION COMMITTEE**

**WHEREAS**, the New Jersey Environmental Infrastructure Trust (the "Trust"), a public body corporate and politic duly created and existing pursuant to the New Jersey Environmental Infrastructure Trust Act, constituting Chapter 334 of the Pamphlet Laws of 1985 of the State of New Jersey (the "State"), as amended and supplemented (the "Act"), is authorized, pursuant to Sections 5(m) and 9(a) of the Act, to make and contract to make loans pursuant to loan agreements with local government units and public water utilities (each a "Borrower") to finance a portion of the cost of environmental infrastructure system projects that Borrowers may lawfully undertake or acquire and for which they are authorized by law to borrow funds; and

**WHEREAS**, the Trust has leased its current office space at 3131 Princeton Pike in Lawrenceville New Jersey from Jingoli Properties, LLC since October, 1996; and

**WHEREAS**, the Trust's current lease has an expiration date of January 14, 2012; and

**WHEREAS**, it is the desire of the Trust to assess its options for future office space needs through the designation of a Committee to report back to the Board of Directors (the "Board") with its findings and recommendations.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of the New Jersey Environmental Infrastructure Trust, as follows:

**Section 1.** The Board hereby directs the Executive Director to assemble a Business Relocation Committee (BRC) consisting of three Trust staff to assess available office space in Mercer County, New Jersey for purchase or lease and to make a formal recommendation to the Board for consideration and approval.

**Section 2.** In assessing available office space opportunities, the BRC shall formulate its recommendation based on the following criteria and weights:

- a. Total price per square foot for each space inclusive of all direct and indirect costs to be incurred by the Trust. In addition, for any purchase option, the



calculation of total price per square foot for space available shall include the net present value of the (i) economic opportunity cost of any principal expended on equity for the property and (ii) interest charged on any loan for such space, the horizon in both measures being five years. After five years, the assumption will be no appreciation in value on the subject property. For leases, the total price per square foot, shall be calculated utilizing the net present value of all actual and estimated cost increases to be incurred over a five year lease term (6);

- b. Available space to meet current and future Trust needs including but not limited to office space, conference rooms, and parking for the next five years (4);
- c. Amenities limited to office space configuration, restrooms, reliability of electricity, air conditioning, lighting (4);
- d. Employee safety and building security (4);
- e. Required retrofitting and Availability timing (2); and
- f. Proximity to major highways for purposes of ease of access to the public (2);

**Section 3.** The BRC shall assess no fewer than eight (8) property locations in its recommendation.

**Section 4.** In assessing available office space, the Business Relocation Committee shall only consider offices available on or before January 14, 2012.

**Section 5.** The Business Relocation Committee shall make its recommendation to the Board no later than October 13, 2011.

Adopted Date: July 7, 2011

Motion Made By: Mr. Plonski

Motion Seconded By: Mr. Briant

Ayes: 7

Nays: 0

Abstentions: 0

RESOLUTION NO. 11 – 30

WHEREAS, Maryclaire D'Andrea commenced service with the State of New Jersey in 1981 and thereafter with the New Jersey Environmental Infrastructure Trust ("Trust") in 1988 as an Administrative Analyst I; and

WHEREAS, her proficiency in and knowledge of accounting matters led to her appointment as the Trust's Chief Financial Officer in 1992; and

WHEREAS, the Board's recognition of Ms. D'Andrea's commitment to the mission of the Trust was recognized through her appointment as the Assistant Director in 2003 and Acting Director during 2010; and

WHEREAS, throughout her tenure, she facilitated the Trust's successes, including a significant increase in the number of Trust loans to government entities for critical water quality projects;

WHEREAS, her knowledge and expertise in complex loan structures has enabled her to provide significant contributions to the Trust Loan Program to reduce the borrowing costs for these important infrastructure projects for New Jersey's taxpayers and ratepayers; and

WHEREAS, Ms. D'Andrea has further demonstrated her commitment to the public trust and leadership by expanding Trust Loan Programs to finance a broader array of environmental infrastructure projects.

NOW THEREFORE BE IT RESOLVED: the Board of Directors extends its gratitude to Maryclaire D'Andrea for her thirty years of service with the State, her significant contributions to the growth of the Trust, and her commitment to serving the people of the State of New Jersey through her dedicated leadership; and

BE IT FURTHER RESOLVED, that the Board of Directors extends its sincere best wishes to Ms. D'Andrea in her pursuit of future endeavors.

Adopted Date: July 7, 2011

Motion Made By: Mr. Briant

Motion Seconded By: Mr. Barrack

Ayes: 7

Nays: 0

Abstentions: 0