



Warren H. Victor, Chairman  
Herbert Barrack, Vice Chairman  
Roger Ellis, Secretary  
Robert A. Briant, Jr., Treasurer  
Andrew P. Sidamon-Eristoff, State Treasurer  
Bob Martin, DEP Commissioner  
Richard E. Constable, III, DCA Commissioner

David E. Zimmer, CFA, Executive Director

July 2, 2013

## PUBLIC NOTICE

Public notice is hereby given that the New Jersey Environmental Infrastructure Trust ("Trust") Board of Directors will hold a public meeting on Thursday, July 11, 2013 at 10:00 a.m., in the large conference room, at 3131 Princeton Pike, Building 6, Suite 201, Lawrenceville, New Jersey. Formal action may be taken at this meeting.

To the extent known, the agenda of the public meeting will be as follows:

1. Call to Order – Chairman
  2. Open Public Meeting Act Statement
  3. Roll Call
  - \*4. Approval of Minutes of the June 13, 2013 Meeting
  5. Announcements
  6. Public Comment
  7. Unfinished Business:
    - A. Discussion of the Construction Status Report (hand-out)  
(E. Chebra)
    - B. Discussion and Status of the SFY2014 Financing Program Projects (hand-out)  
(E. Chebra)
    - C. Status of Outstanding Trust Requests for Proposals  
(D. Zimmer)
    - D. Update on Closed Interim Financing Program Loans  
(D. Zimmer)
  8. New Business
    - \*A. Discussion and Approval of the June 2013 Treasurer’s Report  
(J. Hansbury)
    - \*B. Discussion and Approval of a Resolution Awarding a Contract for IT Consulting Services  
(F. Scangarella)
    - \*C. Discussion and Approval of a Resolution Appointing Members to the Trust’s Investment Committee  
(L. Kaltman)
    - \*D. Discussion and Approval of a Resolution Authorizing a Supplemental Loan to the Borough of Caldwell  
(D. Zimmer)
    - \*E. Discussion and Approval of a Resolution Ratifying the Trust’s Authorization of the Disaster Relief Emergency Financing Program  
(D. Zimmer)
  9. Executive Session (if necessary)
- \*ACTION ITEMS



**New Jersey  
Environmental  
Infrastructure Trust**

"Financing New Jersey's  
Water Quality Future"

Warren H. Victor, Chairman  
Herbert Barrack, Vice Chairman  
Roger Ellis, Secretary  
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June 17<sup>17</sup>  
14, 2013  
LF



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 June 13, 2013 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,

Roger Ellis  
Secretary

Enclosure

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



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David E. Zimmer, CFA, Executive Director

June 17, 2013

## **NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST**

### **OPEN PUBLIC MEETING**

### **MINUTES – June 13, 2013**

#### **1. CALL TO ORDER:**

A meeting of the New Jersey Environmental Infrastructure Trust was convened on Thursday, June 13, 2013 in the conference room of 3131 Princeton Pike, Building 6, Suite 201, Lawrenceville, New Jersey. Vice Chairman Barrack called the meeting to order at 10:00 a.m.

#### **2. OPEN PUBLIC MEETING ACT STATEMENT:**

Executive Director Zimmer read the Open Public Meeting Act Statement.

#### **3. ROLL CALL:**

Ms. Josephine Manzo conducted the roll call to which Mr. Barrack, Mr. Ellis, Mr. Briant, Ms. Siekerka, Ms. Kreipke, and Mr. Requa all responded affirmatively.

##### **DIRECTORS**

Warren Victor, Chairman (\*)  
Herbert Barrack, Vice Chairman  
Roger Ellis, Secretary  
Robert A. Briant, Jr., Treasurer  
Michele Siekerka  
(for DEP Commissioner Martin)  
Adrienne Kreipke  
(for State Treasurer Sidamon-Eristoff)  
James Requa  
(for DCA Commissioner Constable)

##### **OTHERS**

David E. Zimmer, Executive Director  
Frank Scangarella, Assistant Director  
Lauren Seidman Kaltman, Chief Financial Officer  
John Hansbury, Chief Budget Officer  
Kerstin Sundstrom, Governor’s Authorities Unit  
Clifford T. Rones, Deputy Attorney General  
Richard Nolan, McCarter & English LLP  
Geoffrey Stewart, Public Financial Management  
Eugene Chebra, Municipal Finance & Construction

#### 4. APPROVAL OF THE MINUTES:

Vice Chairman Barrack opened discussion of the minutes of the May 09, 2013 Trust Board meeting.

There were no comments or questions. Vice Chairman Barrack requested a motion for approval.

Mr. Requa moved for the approval of the minutes. Mr. Briant seconded the motion. The motion was carried 6 to 0 with 0 abstentions.

#### 5. ANNOUNCEMENTS:

Executive Director Zimmer summarized the substantive events since the last Trust Board meeting.

- On June 12, 2013, Trust and DEP staff met with representatives from the State Police, Division of O.E.M. to preview the process required for FEMA application and reimbursement for the Trust's Disaster Relief Emergency Financing Program.
- On June 6, 2013, Executive Director Zimmer and Assistant Director Scangarella met with DEP Assistant Commissioner Michele Siekerka, BPU Sr. Policy Advisor Michael Winka and representatives from US DOE and NJ GORR to discuss the merits of a revolving loan program for the State's energy needs.
- On June 3, and June 10<sup>th</sup>, 2013, respectively, Executive Director Zimmer and Assistant Director Scangarella testified before the NJ Legislature's Senate Environment and Energy Committee and Assembly Environmental and Solid Waste Committee regarding the NJEIFP Program's SFY2014 legislative bills.
- On June 5, 2013, Trust and DEP staff met for a web-demonstration from STR e-Grants to preview the company's federal grant application and management computer system.
- On May 22, 2013, Trust Senior staff and Trust Financial Advisor, Geoff Stewart of PFM Group met separately with representatives of Bank of America and PNC Bank to discuss ideas and issues regarding the Disaster Relief Emergency Financing Program.
- The next Trust Board meeting is scheduled for **Thursday, July 11, 2013 at 10:00 a.m.** at the Trust's offices.

A copy of the full list of announcements and correspondence is available on the Trust's web page in a format that allows for copying at: <http://www.njeit.org/mtgdates.htm>

#### 6. PUBLIC COMMENTS:

Vice Chairman Barrack invited comments from the public. There were no comments.

\* Chairman Victor arrived and asked Mr. Chebra to report on Unfinished Business.

**7. UNFINISHED BUSINESS:**

A. Mr. Chebra, of the NJDEP's Municipal Finance and Construction Element, reported that there are 269 active projects totaling \$1,448,229,544 and 833 closed projects with loans outstanding totaling \$4,130,832,187 for a grand total of 1,102 projects at \$5,579,061,731.

B. Mr. Chebra discussed the SFY2014 Combined Financing Loan Programs:

**SFY2014 Clean Water Financing Program:**

|                       |                      |               |
|-----------------------|----------------------|---------------|
| Traditional Program:  | 85 Projects totaling | \$511,910,000 |
| Supplemental Program: | 5 Projects totaling  | \$48,285,000  |
| Totals                | 90 Projects totaling | \$560,195,000 |

**SFY2014 Drinking Water Financing Program:**

|                       |                      |               |
|-----------------------|----------------------|---------------|
| Traditional Program:  | 73 Projects totaling | \$218,244,000 |
| Supplemental Program: | 2 Projects totaling  | \$1,906,000   |
| Totals                | 75 Projects totaling | \$220,150,000 |

**SFY2014 Grand Totals:**

|   |                              |                      |
|---|------------------------------|----------------------|
| <b>Clean &amp; Drinking Water Program Totals:</b> | <b>165 Projects totaling</b> | <b>\$780,345,000</b> |
|---|------------------------------|----------------------|

Mr. Chebra reported that DEP is making progress in closing out projects. In addition, the Intended Use Plan for SFY2015 should be completed by the end of June and will include criteria for Super Storm Sandy projects.

Ms. Kreipke questioned if the project report that was being discussed involved projects which were included in the legislation to receive loans by the end of SFY2014, to which Mr. Chebra confirmed yes.

C. Executive Director Zimmer reported on the status of the Trust's outstanding Requests For Proposals (RFPs):

**Trustee/Escrow Agent Services**

The award of the Trustee/Escrow Agent Services contract was be considered by the Board under Agenda Item 8D later in the meeting.

**I.T. Services**

Responses to the RFP for I.T. Services approved under Resolution No. 13-09 are due on June 17, 2013 at 12:00 p.m. Executive Director Zimmer added that he expects to make a recommendation for contract award at the July Board meeting.

D. Executive Director Zimmer next reported on the status of the Interim Financing Program (IFP):

The Trust received 2 new IFP loan applications since the last Board meeting. The Trust currently has 11 IFP loan applications totaling \$18.9 million. The Trust has closed on 3 of these IFP loan applications for a total amount requested equaling \$3.096 million. 2 projects have received IFP Loan distributions from the Trust to date totaling \$111,260.

There were no comments or questions.

**8. NEW BUSINESS:**

A. Executive Director Zimmer asked Trust Chief Budget Officer, John Hansbury to introduce Resolution No. 13-31 accepting the May 2013 Treasurer’s Reports.

Mr. Hansbury presented a revised Treasurer’s Report to the Board noting the addition of a recently received RR Donnelley bill for the printing and distribution of the Official Statement for the Trust Series 2013A&B Bond issuance.

The Trust received revenues in May from administrative fees totaling \$40,965.00 and paid bills totaling \$130,360.52. In the current month, the Trust received and is reviewing bills for payment totaling \$189,681.14.

Chairman Victor asked for comments or questions and hearing none, requested a motion to approve the resolution.

The resolution was moved for adoption by Mr. Briant and seconded by Mr. Ellis.  
The motion was carried 7 to 0 with 0 abstentions.

The breakdown of pending bills was presented to the board in written form is as follows:

|  |                    |
|--|--------------------|
| <b>Princeton Pike Office Park, LLC</b>   | <b>\$9,480.45</b>  |
| (Rent - June 2013) - Current lease dates 1/15/2007 - 1/14/2012<br>(Currently month-to-month) Annual Rent \$62,675.00 + New<br>Estimated annual nets \$51,090.38 divided by 12 months equals<br>\$9,480.45 per month. |                    |
| <b>McCarter &amp; English, LLP</b>   | <b>\$28,297.50</b> |
| (Bond Counsel Services: in connection with the 2013 Disaster<br>Recovery Program - Hurricane Sandy Financing)  |                    |

|   |                            |
|---|----------------------------|
| <b>PFM Asset Management, LLC</b><br>(Investment Advisor - April 2013) Pursuant to Trust Resolution number 12-43, Current contract runs from 7/30/2012 to 7/30/2014. Fee based on aggregate assets under management. Invoice# 143206 | <b>\$10,410.92</b>         |
| <b>Public Financial Management, Inc.</b><br>(Financial Advisor - Pursuant to Trust Resolution number 12-23, current contract expires 6/30/2014)   | <b>\$73,439.40</b>         |
| <b>Anderson Aquino LLP</b><br>(Legal Services for US Bank Trust NA as Master Program Trustee in connection with NJEIT 2013A&B Pooled Financing)   | <b>\$6,000.00</b>          |
| <b>J&amp;J Staffing Resources</b><br>(Part-Time salaries April and May 2013, invoice #'s: 308446, 309118, 309463, 309811)   | <b>\$14,362.25</b>         |
| <b>Treasurer, State of New Jersey</b><br>(NJ Division of Law 3rd Quarter SFY2013 Legal Fees for DAG services)   | <b>\$4,137.50</b>          |
| <b>LeClair Ryan</b><br>(Special Counsel Matter: Ugorji O. Ugorji v. The New Jersey Environmental Infrastructure Trust, procured through the NJ Division of Law, invoice #'s 509344, 515405, 518419, 523961)                         | <b>\$16,571.52</b>         |
| <b>Fitch Ratings, Inc.</b><br>(Ratings service for the NJEIT 2013 A&B Bond Issues)  | <b>\$22,000.00</b>         |
| <b>RR Donnelley</b><br>(Printing/Distribution of NJEIT 2013A&B Official Statement)  | <b><u>\$4,981.60</u></b>   |
| <b>TOTAL</b>  | <b><u>\$189,681.14</u></b> |

- B. Executive Director Zimmer requested that Assistant Director Scangarella introduce Resolution No.13-32 approving the Memorandum of Understanding between the NJ Department of Environmental Protection and the Trust for the purpose of developing and utilizing a single web-based software program. The software Program, known as H2IOans, will be used in the administration of all phases of the NJEIFP.

Chairman Victor questioned the potential need for patent and copyright protection. Mr. Scangarella drew the board's attention to provisions in the Memorandum of Understanding addressing the protections of the intellectual property relative to the NJDEP and the Trust, each defined as a co-

owner and confirmed that counsel had not been retained to address copyright and patent issues. DAG Ronnes advised, that without addressing whether the question had relevance, that further discussion involving legal issues would best be held in Executive Session.

There were no other comments or questions. Chairman Victor requested a motion for approval.

The resolution was moved for adoption by Mr. Barrack and seconded by Mr. Requa.

The motion was carried 7 to 0 with 0 abstentions.

- C. Executive Director Zimmer introduced Resolution No.13-33 approving the Disaster Relief Emergency Financing Program. A revised resolution was distributed to the Board for review and discussion. Executive Director Zimmer discussed a number of specific, individual sections in the Resolution in order to address and clarify all questions and concerns including the financing time line for potential projects, and program qualification requirements. The Disaster Relief Emergency Financing Program (DRP) will issue short-term bridge loans for up to 3 full fiscal years to finance the repair of environmental infrastructure projects, as well as improvements to facilities against future disasters. The resolution establishes the terms and parameters of the Program contingent upon passage by the Legislature and the signature of the Governor.

Executive Director Zimmer reported that he and Assistant Commissioner Siekerka and their respective teams have been working closely with FEMA as well as senior officials in NJ State Police's Division of O.E.M. to review the application and reimbursement processes as they relate to the distribution and transfer of FEMA funds.

The Board discussed requirements for small drinking water systems and the risk concerns inherent with these systems.

Executive Director Zimmer noted that loan agreements for the Disaster Relief Emergency Financing Program are being developed and will be brought before the Board for approval at the next Board meeting. In addition, an RFQ is being developed to be distributed to banks requesting submission of their qualifications and interest for inclusion in the Trust's Pooled Underwriter Contract. All submittals will be in compliance with Trust Policy and Procedure No. 4.00, Procurement of Goods and Services.

Mr. Barrack expressed concerns as to a possible overflow of resiliency projects that may apply for DRP financing and the resulting strain on Program resources. Assistant Commissioner Siekerka responded that projects will be required to follow similar requirements to the EPA guidelines which define the NJEIFP's traditional Program and requested that the Board be given a copy of those guidelines for reference.

Executive Director Zimmer discussed different scenarios regarding the use of Trust funds and the potential impact of the Trust's cash-on-hand to help reduce the cost of the loan Program for participating borrowers.

The Board then discussed the resolution and recommended changes to the language in Section 2



referring to the expenditure of Trust revenues to help subsidize the cost of the DRP. Mr. Scangarella revised the resolution to incorporate the Board's decision to contribute up to \$2 million per year for the next 4 Program years subject to the discretion of the Chairman or Vice-Chairman to present the matter to the Board for approval in the event the Chairman or Vice-Chairman become concerned with the financial impacts of continued contributions by the Trust. Mr. Barrack expressed concern as to whether such contribution might be excessive. Mr. Briant recognized Mr. Barrack's concern but noted that the proposed amendment to the resolution mitigated the potential of future liquidity risk to the Trust.

Chairman Victor requested a motion to approve the amended resolution.

The resolution was moved for adoption by Mr. Briant and seconded by Ms. Siekerka. The motion was carried 7 to 0 with 0 abstentions.

- D. Executive Director Zimmer requested that Trust CFO Lauren Kaltman introduce Resolution No. 13-34 authorizing the appointment of U.S. Bank to serve as Trustee and Escrow Agent for the SFY2014 & SFY2015 Financing Programs.

Ms. Kaltman reported that members of the RFP Committee had reviewed and independently ranked each of the three proposals received through competitive advertising authorized under Resolution No. 13-10. The Committee recommended that the contract for Trustee and Escrow services for SFY2014 and SFY2015 be awarded to the firm submitting the highest ranked proposal, US Bank. U.S. Bank also proposed the lowest fee totaling \$30,000 per Trust bond Series for 20 years.

Ms. Kreipke requested a clarification of the fees and Mr. Hansbury confirmed that the actual cost to the Trust would vary based on the number of sales and series. Chairman Victor requested a motion for approval.

The resolution was moved for adoption by Mr. Ellis and seconded by Mr. Requa. The motion was carried 7 to 0 with 0 abstentions.

- E. Executive Director Zimmer introduced Resolution No. 13-35 amending Resolution No. 13-17 which authorized Trust Direct Loans to certain borrowers in the SFY2013 Program. Specifically, with respect to the Borough of Caldwell's Direct Loan for Project No. S340523-04-1, Resolution 13-35 authorized an exception to the Trust's Direct Loan policy, which limits the principal amount of a Trust Direct Loan to \$300,000 by requesting a new loan amount of \$429,930 and a Program financing ratio with the DEP of 50/50. Executive Director Zimmer made this recommendation based on the Borough's timely payments since its original project loan in 2007 and its solid AA-/A1 rating.

There were no comments or questions. Chairman Victor requested a motion for approval.

The resolution was moved for adoption by Ms. Kreipke and seconded by Mr. Barrack. The motion was carried 7 to 0 with 0 abstentions.

**9. EXECUTIVE SESSION:**

Chairman Victor asked if there was a need for an Executive Session. Executive Director Zimmer responded there was a need for an Executive Session.

Chairman Victor introduced Resolution No. 13-36 to conduct an Executive Session. The resolution was moved by Mr. Briant and seconded by Mr. Ellis. The motion was carried 7 to 0 with 0 abstentions.

Ms. Siekerka excused herself from the Board meeting prior to the start of the Executive Session. The remaining six Board members convened for an Executive Session at 11:50 a.m. to discuss litigation and contract negotiation matters concerning the Trust Board.

The Board reconvened the public session at 12:35 p.m. Minutes of the Executive Session will be available when the need for confidentiality is no longer necessary.

Chairman Victor asked Executive Director Zimmer if there was any future action required by the Board. Mr. Zimmer answered that there was not.

Chairman Victor then asked for a motion for an adjournment.

Ms. Kreipke moved to adjourn the meeting. The motion was seconded by Mr. Ellis. The motion was carried 6 to 0 with 0 abstentions.

The meeting was adjourned at 12:37 p.m.

**RESOLUTION NO. 13-**

**RESOLUTION AUTHORIZING APPROVAL OF THE  
JUNE 2013 TREASURER'S REPORT**

WHEREAS, the New Jersey Environmental Infrastructure Trust (the "Trust") has reviewed the Treasurer's Report for June 2013 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 2013 and requests that the same be entered into the record.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

**RESOLUTION NO. 13-**

**RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST  
APPROVING A CONTRACT FOR INFORMATION TECHNOLOGY CONSULTING SERVICES**

WHEREAS, the Trust is authorized to procure Information Technology (IT) Consulting Services pursuant to N.J.S.A. 58:11B-5(d); and

WHEREAS, in Trust resolution No. 13-09, the Board authorized the Executive Director to solicit proposals for IT Consulting Services; and

WHEREAS, the Trust competitively procured proposals through formal advertisement, publication on the Trust's website, and distribution of a Request for Proposals (RFP) to a list of twenty seven (27) firms; and

WHEREAS, the Trust received one (1) proposal in response to the notice of solicitation; and

WHEREAS, the Trust established a Selection Committee whose members independently ranked the proposal based on the criteria and weights set forth in the notice of solicitation; and

WHEREAS, the Committee tabulated the member's rankings wherein Pro Computer Service (PCS) received the highest total aggregate score; and

WHEREAS, PCS is the Trust's current IT Consultant and its bid price is identical to its existing Contract; and

WHEREAS, the Selection Committee has recommended awarding the IT Consulting Contract to Pro Computer Service (PCS) for the maintenance and monitoring of the Trust's computer network and workstations based on its June 17, 2013 proposal.

WHEREAS, the Trust desires the services of an IT Consultant to maintain the Trust's existing computer and internet servers and computer networks.

NOW THEREFORE BE IT RESOLVED THAT the Executive Director is directed to send a letter of intent to Pro Computer Service (PCS) expressing the Trust's intent to execute a contract with PCS substantially in the form of the agreement attached to the Request for Proposals for IT Consulting Services at an annual cost of \$9,600 plus additional services with an aggregate amount not to exceed \$24,000 per year; and

BE IT FURTHER RESOLVED THAT the Chairman or Vice Chairman is hereby authorized to execute an agreement with Pro Computer Service (PCS), substantially in the form of the agreement attached to the Request for Proposals. The terms and conditions of the agreement shall include but not be limited to:

- a. the provision of services as outlined in the Trust's Request for Proposal (RFP) distributed on May 14, 2013 and the proposal submitted by Pro Computer Service (PCS) dated June 17, 2013; and
- b. the payment of all fees for all services as detailed in the June 17, 2013 submittal; and
- c. the term of the contract shall be for a period of one year with an option for an additional one-year period at the discretion of the Executive Director upon the approval of the Treasurer; and
- d. such other terms and conditions as may be contemplated by the RFP and the materials enclosed therewith as deemed necessary and appropriate by the Chairman or Vice Chairman of the Trust.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

**RESOLUTION 13-**

**RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST  
APPOINTING MEMBERS TO THE INVESTMENT COMMITTEE**

WHEREAS, the New Jersey Environmental Infrastructure Trust (the "Trust") is organized and existing under the New Jersey Environmental Infrastructure Act, constituting Chapter 334 of the Pamphlet Laws of 1985 of the State of New Jersey (codified at N.J.S.A., 58:11B-1 et seq.), as the same may from time to time be amended and supplemented (the "Act"); and

WHEREAS, pursuant to Section 5(j) of the Act, the Trust is authorized to invest moneys of the Trust not required for immediate use; and

WHEREAS, in response to this need the Trust adopted Resolution No. 07-33, an Investment Policy, which sets forth the investment and operational policies for the management of all moneys lawfully held by the Trust pursuant to the Act; and

WHEREAS, Resolution No. 07-33 further established an Investment Committee comprised of the Vice Chairman, the Treasurer and the Secretary which in accordance with the Investment Policy shall review the policy and progress of the funds; and

WHEREAS, the Trust seeks to remove the Secretary from the Investment Committee and appoint the Ex-Officio Department of Environmental Protection Member to serve in his place.

NOW THEREFORE BE IT RESOLVED THAT the Investment Committee shall be comprised of the Vice Chairman, the Treasurer and the Ex-Officio Department of Environmental Protection Member.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

**RESOLUTION NO. 13-****RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST AUTHORIZING A SUPPLEMENTAL LOAN TO THE BOROUGH OF CALDWELL AND AUTHORIZING OTHER NECESSARY AND INCIDENTAL ACTION IN CONNECTION THEREWITH**

**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 supplemental financing program (the "Supplemental Financing Program"), to make short-term or temporary loans (each, a "Supplemental Loan") to eligible project sponsors (each, a "Borrower") for the purpose of financing, with respect to a project (each, an "Existing Project") for which a loan previously has been made to such Borrower by the Trust pursuant to N.J.S.A. 58:11B-9(a) (each, an "Existing Loan"), to pay for additional eligible costs of such Existing Project (the "Additional Costs"), that have been incurred by such Borrower in connection with the completion of such Existing Project and in excess of (i) the principal amount of the Existing Loan, plus (ii) the principal amount of the companion loan made to the Borrower by the State, acting by and through the New Jersey Department of Environmental Protection (the "NJDEP"), provided that each such Supplemental Loan made by the Trust to a Borrower satisfies the requirements of the Act, including, without limitation, N.J.S.A. 58:11B-9.4, and any applicable Regulations; and

**WHEREAS**, the Board of Directors of the Trust (the "Board") established the terms, requirements and parameters of the Supplemental Financing Program for State Fiscal Year 2014 (the "SFY 2014 Supplemental Financing Program") in Resolution No. 13-06, duly adopted by the Board on January 10, 2013 (the "Authorizing Resolution"); and

**WHEREAS**, pursuant to Resolution 13-17, duly adopted by the Board on April 11, 2013, as amended and supplemented by Resolution 13-35, duly adopted by the Board on June 13, 2013, the Board authorized a loan from the Trust to the Borough of Caldwell ("Caldwell") pursuant to the State Fiscal Year 2013 Direct Loan Program of the Trust (the "Caldwell Direct Trust Loan"), for the purpose of financing Additional Costs of an Existing Project bearing the number S340523-04-1 (the "Caldwell Project"); and

**WHEREAS**, it was not possible for the Trust and Caldwell to close the Caldwell Direct Trust Loan prior to the conclusion of State Fiscal Year 2013; and

**WHEREAS**, the financing of the Additional Costs of the Caldwell Project was not included on the project priority list for State Fiscal Year 2014 that was submitted by the Trust and the New Jersey Department of Environmental Protection to the State Legislature; and

**WHEREAS**, it is the desire of the Trust, pursuant to and in satisfaction of the applicable terms and provisions of the Act, the Regulations, the Authorizing Resolution and this Resolution, to authorize a Supplemental Loan, pursuant to the SFY 2014 Supplemental Financing Program, to Caldwell for the purpose of financing Additional Costs of the Caldwell Project; and

**WHEREAS**, it is the desire of the Trust to certify the Additional Costs of the Caldwell Project, in accordance with the terms and provisions of N.J.A.C. 7:22-4.13; and

**WHEREAS**, it is the desire of the Trust that the Supplemental Loan by the Trust to Caldwell pursuant to the SFY 2014 Supplemental Financing Program for the purpose of funding Additional Costs of the Caldwell Project shall incorporate the loan and re-payment terms and conditions set forth in the form of an obligation in substantially the form attached as Exhibit A to the Authorizing Resolution (the "Obligation"); and

**WHEREAS**, it is the desire of the Trust to ensure that, at such time as the Supplemental Loan to Caldwell is refinanced by the Trust through a long-term loan from the Trust to Caldwell (the "Long-Term Trust Loan"), the interest rate with respect to such Long-Term Trust Loan shall not be greater than the interest rate that would apply to such Long-Term Trust Loan if such interest rate had been calculated as of June 28, 2013 (the last business day of State Fiscal Year 2013) in accordance with the "Interest Rate Calculation" as defined and set forth in Resolution 13-17, duly adopted by the Trust on April 11, 2013.

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

**Section 1.** The Board hereby authorizes the making of a Supplemental Loan by the Trust to Caldwell pursuant to the SFY 2014 Supplemental Financing Program for the purpose of funding the Additional Costs of the Caldwell Project, provided, however, that (a) notwithstanding the provisions of the Authorizing Resolution relating to the limitation of \$300,000 on the principal amount of a Supplemental Loan, the principal amount of such Supplemental Loan shall not exceed \$421,500, and (b) such Supplemental Loan shall fully comply with (i) the terms and provisions of the Act and the Regulations applicable thereto, (ii) the terms and provisions of the Authorizing Resolution (other than as set forth in clause (a) of this Section 1), (iii) the terms and provisions of this Resolution, and (iv) the loan and re-payment terms and provisions as set forth in the Obligation.

**Section 2.** Based upon its review and evaluation of the application of Caldwell with respect to the Additional Costs of the Caldwell Project, the Trust hereby certifies for funding the Additional Costs of the Caldwell Project in accordance with N.J.A.C. 7:22-4.13. The Trust acknowledges that the Additional Costs of the Caldwell Project previously have been certified for funding by the Commissioner of the New Jersey Department of Environmental Protection, in accordance with the terms and provisions of N.J.A.C. 7:22-3.13.

**Section 3.** The Chairman, Vice Chairman and Executive Director of the Trust (each, an "Authorized Officer") are hereby severally authorized and directed to execute and deliver any certificates, instruments or documents related to the Supplemental Loan by the Trust to Caldwell pursuant to the SFY 2014 Supplemental Financing Program for the purpose of funding the Additional Costs of the Caldwell Project.



**Section 4.** Upon the execution of any certificates, instruments or documents referenced in Section 3 hereof by any 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 5.** The Trust acknowledges that the Caldwell Direct Trust Loan authorized pursuant to Resolution 13-17, duly adopted by the Board on April 11, 2013, as amended and supplemented by Resolution 13-35, duly adopted by the Board on June 13, 2013, was not made by the Trust prior to the conclusion of State Fiscal Year 2013, and that the Supplemental Loan to Caldwell authorized hereby shall be made as a substitute source of funding in place of such Caldwell Direct Trust Loan. The authority and authorization for the Trust to make the Caldwell Direct Trust Loan pursuant to Resolution 13-17, duly adopted by the Board on April 11, 2013, as amended and supplemented by Resolution 13-35, duly adopted by the Board on June 13, 2013, is hereby rescinded.

**Section 6.** At such time as the Supplemental Loan to Caldwell is refinanced by the Trust through a Long-Term Trust Loan, the interest rate with respect to such Long-Term Trust Loan shall not be greater than the interest rate that would apply to such Long-Term Trust Loan if such interest rate had been calculated as of June 28, 2013 in accordance with the "Interest Rate Calculation" as defined and set forth in Resolution 13-17, duly adopted by the Trust on April 11, 2013.

**Section 7.** The Authorized Officers are hereby severally authorized and directed to take such other actions, after consultation with Bond Counsel to the Trust and the Office of the Attorney General of the State, that any Authorized Officer deems necessary, convenient or desirable to effect the transactions contemplated hereby.

**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)), provided, however, that this Resolution shall not become effective unless and until the Authorizing Resolution becomes effective in accordance with the terms of Section 4(i) of the Act (N.J.S.A. 58:11B-4(i)).

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions

**RESOLUTION NO. 13-**

**RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST RATIFYING  
AND CONFIRMING ITS AUTHORIZATION OF THE DISASTER RELIEF EMERGENCY FINANCING  
PROGRAM**

**WHEREAS**, on June 13, 2013, the New Jersey Environmental Infrastructure Trust (the "Trust"), adopted that certain "Resolution of the New Jersey Environmental Infrastructure Trust Authorizing the Disaster Relief Emergency Financing Program" (the "Authorizing Resolution"; capitalized terms used and not otherwise defined in this Resolution shall have the respective meanings ascribed thereto in the Authorizing Resolution); and

**WHEREAS**, certain provisions of the Authorizing Resolution were made subject to the enactment by the Legislature of the Pending Legislation; and

**WHEREAS**, subsequent to the adoption of the Authorizing Resolution, the Legislature enacted, and the Governor of the State signed into law, the Pending Legislation, in substantially the form contemplated by the Trust at the time of adoption of the Authorizing Resolution; and

**WHEREAS**, it is the desire of the Trust to ratify and confirm the provisions of the Authorizing Resolution in connection with the enactment of the Pending Legislation.

**NOW THEREFORE BE IT RESOLVED**, by the Board of Directors of the New Jersey Environmental Infrastructure Trust (the "Board of Directors of the Trust"), that the Board of Directors of the Trust hereby ratifies and confirms each of the terms and provisions of the Authorizing Resolution.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

**Agenda Item 9**

**RESOLUTION NO. 13-**

**EXECUTIVE SESSION**

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:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions: