



**New Jersey  
Environmental  
Infrastructure Trust**

"Financing New Jersey's  
Water Quality Future"

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 12, 2013

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 11, 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,

David E. Zimmer, CFA  
Assistant Secretary

Enclosure

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



Warren H. Victor, Chairman  
Herbert Barrack, Vice Chairman  
Roger Ellis, Secretary  
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July 12, 2013

## NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST

### OPEN PUBLIC MEETING

### MINUTES – July 11, 2013

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

A meeting of the New Jersey Environmental Infrastructure Trust was convened on Thursday, July 11, 2013 in the conference room of 3131 Princeton Pike, Building 6, Suite 201, Lawrenceville, New Jersey. Chairman Victor 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 into the record.

Mr. Zimmer reported that he had received a letter dated June 6, 2013 from DEP Commissioner Martin stating that in the event that his designee, Ms. Siekerka, is unavailable to attend an NJ Environmental Infrastructure Trust Board meeting in 2013, Mr. Eugene Chebra, Assistant Director of the Municipal Finance and Construction, shall be his designee.

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

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

##### DIRECTORS

Warren Victor, Chairman  
Herbert Barrack, Vice Chairman  
Robert A. Briant, Jr.  
Eugene Chebra  
(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  
Steven Betz, Municipal Finance & Construction

#### **4. APPROVAL OF THE MINUTES:**

Chairman Victor opened discussion of the minutes of the June 13, 2013 Trust Board meeting.

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

Mr. Briant moved for the approval of the minutes. Mr. Barrack 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 July 10, 2013, Executive Director Zimmer met with representatives from NJ GORR and the USDOE to discuss the parameters of establishing a potential State Energy Infrastructure Bank.
- On July 1, 2013, Executive Director Zimmer and DEP Assistant Commissioner Michele Siekerka participated in a conference call with personnel from c.dots development to discuss water asset management plans for the City of Hoboken.
- On July 1, 2013, Executive Director Zimmer met with DEP Assistant Commissioners Michele Siekerka and Robert Marshall, as well as BPU Senior Policy Advisor Michael Winka to discuss possible ways in which the Trust could assist with the financing of CHP energy projects for water utilities.
- On June 25, 2013, Executive Director Zimmer and Board Treasurer Bob Briant, Jr. met with representatives from UBS Financial to discuss the Trust's financing programs.
- The next Trust Board meeting is scheduled for **Thursday, August 08, 2013 at 10:00 a.m.** at the Trust's offices.

#### **SUMMARY OF CORRESPONDENCE:**

In keeping with the green initiative, a copy of the full list of announcements and noteworthy correspondence is available on the Trust's webpage in a format that allows for copying at <http://www.njeit.org/mtgdates.htm>.

There were no comments or questions.

#### **6. PUBLIC COMMENTS:**

Chairman Victor invited comments from the public. There were no comments.

**7. UNFINISHED BUSINESS:**

- A. Mr. Betz, of the NJDEP’s Municipal Finance and Construction Element, reported that there are 257 active projects totaling \$1,418,064,709 and 845 closed projects with loans outstanding totaling \$4,154,927,244 for a grand total of 1,102 projects at \$5,572,991.953.

Mr. Barrack requested that the construction status report include a highlight of long-term outstanding projects. Mr. Zimmer noted that a separate aged project report would be included in the future.

- B. Mr. Betz discussed the SFY2014 Combined Financing Loan Programs:

**SFY2014 Clean Water Financing Program:**

Traditional Program:	70 Projects Totaling	\$467,346,000
Supplemental Program:	5 Projects Totaling	\$48,285,000
Track II Projects	7 Projects Totaling	\$31,894,000
Barnegat Bay Projects	6 Projects Totaling	\$9,677,000
<b>Total Clean Water Projects</b>	<b>88 Projects</b>	<b>\$557,202,000</b>

**SFY2014 Drinking Water Financing Program:**

Traditional Program:	63 Projects Totaling	\$178,395,000
Supplemental Program:	2 Projects Totaling	\$1,827,000
Legacy	1 Project Totaling	\$2,678,000
Track II Projects	10 Projects Totaling	\$39,849,000
<b>Total Drinking Water Projects</b>	<b>76 Projects</b>	<b>\$222,749,000</b>

**SFY2014 Grand Totals:**

<b>Clean and Drinking Water Programs Totals:</b>	<b>164 Projects</b>	<b>\$779,951,000</b>
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Mr. Betz noted that, due to timing issues, there is a possibility that 15 Clean Water projects and 16 Drinking Water projects totaling \$180M may be postponed and transitioned into the next financing cycle year.

Chairman Victor asked if there were any more comments or questions. Hearing none, he requested Executive Director Zimmer to continue his report.

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

**I.T. Services**

The award of the I.T. Services contract was to be considered for contract award by the Board under Agenda Item 8B later in the meeting.

### Line of Credit

The Trust continued to receive feedback on the design of the RFQ for a Line of Credit for the Disaster Relief Emergency Financing Program (“SAIL”) and expected to issue the RFQ within 4 business days.

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

The Trust currently has 11 IFP loan applications totaling \$17,701,392.

The Trust has closed on 5 of these IFP loans applications for a total amount requested of \$10,984,218. 2 projects have received IFP Loan disbursements from the Trust to date totaling \$111,260.

There were no comments or questions regarding the report as presented.

## **8. NEW BUSINESS:**

#### A. Executive Director Zimmer asked Trust Chief Budget Officer, John Hansbury to introduce Resolution No. 13-38 accepting the June 2013 Treasurer’s Reports.

Mr. Hansbury presented a revised Treasurer’s Report noting the addition of recently received credit card bills, J&J Staffing, the semi-annual bill to reimburse the State Treasurer for Trust employees’ salaries and benefits and a new charge from the State Treasurer for indirect expenses for budget and human resources services provided by the NJDEP.

The Trust received revenues in June from administrative fees of \$35,395.00 and paid bills totaling \$207,917.78.

In the current month, the Trust received and is reviewing bills for payment totaling \$1,532,327.52.

The Board questioned the payment requested by the State of NJ Treasurer for \$348,424.52 pertaining to the Indirect Cost Reimbursement (“ICR”) for SFY2013 (July 1, 2012 – June 30, 2013) and specifically as to why the Trust was not made aware of such cost prior to the start of the fiscal year (last July) so that the Trust might plan its own budget more effectively. Treasury representative Adrienne Kreipke stated that the process for receiving an exemption for such ICR costs had been requested by the Department much later than usual this year due to the additional responsibilities involving Super storm Sandy and as a result, such communications between Treasury and the Department did not occur until very near the end of the past fiscal year.

The Board agreed with the appropriateness in paying the ICR as “services rendered” and requested further delineation from the DEP as to the individual components of the ICR charge.

Chairman Victor asked if there were any more comments or questions and hearing none, requested a motion to approve the resolution.

The resolution was moved for adoption by Ms. Kreipke and seconded by Mr. Briant. The motion was carried 6 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 - July 2013) - Current lease dates 1/15/2007 - 1/14/2012 (Currently month-to-month) Annual Rent \$62,675.00 + New Estimated annual nets \$51,090.38 divided by 12 months equals \$9,480.45 per month.	
<b>McCarter &amp; English, LLP</b>	<b>\$230,136.16</b>
(Bond Counsel Services: SFY2013 Financing Program, DRP, Post- Closing Matters, Supplemental Loan Program, SFY2013 Direct Loan Program)	
<b>PFM Asset Management, LLC</b>	<b>\$10,430.99</b>
(Investment Advisor - May 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# 144027	
<b>J&amp;J Staffing Resources</b>	<b>\$23,383.15</b>
(Part-Time salaries June 2013, invoice #'s: 310165, 310515, 310875, 311229)	
<b>Moody's Investors Service, Inc.</b>	<b>\$20,700.00</b>
(Ratings service for the NJEIT 2013 A&B Bond Issues)	
<b>Bank of New York Mellon</b>	<b>\$7,000.00</b>
(Trustee: 2000/2006A Refunding (6/1/13 - 5/31/14))	
<b>ABS Services</b>	<b>\$12,612.50</b>
(50% Deposit for 15 Used Office Cubicles for New Office)	
<b>Bank of America</b>	
Credit Card payment #6644)	<b>\$6,359.52</b>
<b>Bank of America</b>	
(Credit Card payment #3737)	<b>\$2,724.08</b>
<b>Treasurer, State of New Jersey</b>	
(Estimated Salary and Fringe Reimbursement SFY2013 (January 26, 2013 – June 30, 2013))	<b>\$861,076.15</b>
<b>Treasurer, State of New Jersey</b>	
(Estimated Indirect Cost Reimbursement SFY2013 (July 1, 2012 – June 30, 2013))	<b><u>\$348,424.52</u></b>
<b>TOTAL</b>	<b>\$1,532,327.52</b>

- B. Executive Director Zimmer requested that Assistant Director Scangarella introduce Resolution No. 13-39 approving the contract award to Pro Computer Services for Information Technology Consulting Services. The RFP was posted publicly on May 14, 2013 and issued to 27 firms. The Trust received one response from Pro Computer Services with an annual cost of \$9,600 plus additional services not to exceed \$24,000 per year. The contract term will be for a period of one-year with an option for an additional one-year at the discretion of the Executive Director upon the approval of the Trust Board Treasurer.

Ms. Kreipke questioned the differential amount budgeted for this service was budgeted at \$2,000 per year. Mr. Scangarella addressed her concern responding that the previous contracted firm was budgeted at that amount and the Trust based the budget using the previous costs. However, the previous firm did not respond to the RFP, therefore, the budget had to be adjusted to the only RFP response fee from Pro Computer Services.

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

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

- C. Executive Director Zimmer requested that Trust CFO Lauren Kaltman introduce Resolution No. 13-40 amending Resolution No. 07-33 which identified the Investment Committee members responsible for overseeing the investment activities of the Trust as well as approval of the annual policy review and investment report regarding monies for which the Trust holds or has responsibility. Resolution 13-40 identifies members of the Investment Committee to now include the Board's Vice-Chairman and Treasurer, with the Ex Officio member of the Department of Environmental Protection to replace the Board Secretary.

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

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

- D. Executive Director Zimmer introduced Resolution No. 13-41 rescinding Resolution No. 13-35 and authorizing an Interim Supplemental Loan to the Borough of Caldwell for a principal amount not to exceed \$421,500. The Interim Supplemental Loan will be made as a substitute source of funding in place of the prior approved Direct Trust Loan. It is expected that the Interim Supplemental Loan will be refinanced through a long-term Trust Direct loan as part of the SFY2015 Financing Program at a rate not to exceed the rate which the Borough of Caldwell would have received had it been issued a long-term Trust Direct Loan on June 28, 2013..

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

The resolution was moved for adoption by Mr. Chebra and seconded by Mr. Barrack.  
The motion was carried 6 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 to discuss a contract negotiation matter.

Chairman Victor introduced Resolution No. 13-42 to conduct an Executive Session. The resolution was moved for adoption by Ms. Kreipke and seconded by Mr. Chebra. The motion was carried 6 to 0 with 0 abstentions.

The Board convened for an Executive Session at 10:40 a.m. to discuss litigation and contract negotiation matters concerning the Trust Board.

Public session was reconvened at 11:05 a.m. Minutes of the Executive Session will be available when the need for confidentiality is no longer necessary.

- E. Ratifying the Trust's Authorization of the Disaster Relief Emergency Financing Program, was tabled for a future meeting.

Chairman Victor asked Executive Director Zimmer if there was any future action required by the Board. Executive Mr. Zimmer answered that there was one additional item that required formal action involving the acknowledgement of State Treasurer's representative, Ms. Adrienne Kreipke's service to the Board.

As Ms. Kreipke has accepted a new position with the Department of Environmental Protection as Director of the Division of Budget and Finance, she resigned her position as the State Treasurer's representative to the Trust's Board at this meeting.

Chairman Victor presented a plaque of appreciation to Ms. Kreipke who then thanked everyone for their well wishes.

Chairman Victor then made a motion for Resolution No. 13-37, which acknowledged and thanked Ms. Kreipke for her service to the Board. Vice Chairman Barrack seconded the motion and included personal comments lauding Ms. Kreipke for her conscientious and substantive efforts. The motion was carried 6 to 0 with 0 abstentions.

Chairman Victor then asked for a motion for an adjournment.

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

The meeting was adjourned at 11:12 a.m.



**RESOLUTION NO. 13-37**

**RESOLUTION OF APPRECIATION TO ADRIENNE KREIPKE FOR HER YEARS OF SERVICE TO THE NJ ENVIRONMENTAL INFRASTRUCTURE TRUST FINANCING PROGRAM**

WHEREAS, Adrienne Kreipke commenced service as the State Treasurer’s representative to the Board of the New Jersey Environmental Infrastructure Trust (“Trust”) in 2007; and

WHEREAS, Ms. Kreipke’s institutional knowledge and individual expertise in budget, procurement and general finance issues facilitated the professional transition of the Trust SRF Financing Program; and

WHEREAS, throughout her tenure, Ms. Kreipke facilitated many of the Trust SRF Financing Program’s successes in advancing fiscal integrity and government transparency, including the completion and adoption of the Trust’s credit policy, numerous new funding programs, and an audit control policy; and

WHEREAS, Ms. Kreipke consistently has distinguished herself through faithful, dedicated and cooperative public service to the people of the State of New Jersey, and demonstrated a competence reflective of the highest standards of professionalism and quality; and

WHEREAS, it is the desire of the Board of Directors to acknowledge Ms. Kreipke’s contributions of dedication and professionalism to the Trust and express its appreciation.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the New Jersey Environmental Infrastructure Trust, on behalf of the Board and Staff, extends its gratitude to Adrienne Kreipke for her past, present and future service to the State of New Jersey, and commends her for her professionalism, dedication and commitment to public service; and

BE IT FURTHER RESOLVED, that the Board of Directors and Ms. Kreipke’s friends within the Trust organization extend their sincere best wishes in her pursuit of future endeavors at the Department of Environmental Protection.

Adopted Date:	July 11, 2013
Motion Made By:	Mr. Warren H. Victor, Chairman
Motion Seconded By:	Mr. Herb Barrack, Vice Chairman
Ayes:	6
Nays:	0
Abstentions:	0

**RESOLUTION NO. 13-38**

**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: July 11, 2013

Motion Made By: Ms. Kreipke

Motion Seconded By: Mr. Briant

Ayes: 6

Nays: 0

Abstentions: 0

**RESOLUTION NO. 13-39**

**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: July 11, 2013

Motion Made By: Mr. Requa

Motion Seconded By: Mr. Barrack

Ayes: 6

Nays: 0

Abstentions: 0

**RESOLUTION NO. 13-40**

**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: July 11, 2013

Motion Made By: Mr. Briant

Motion Seconded By: Mr. Kreipke

Ayes: 6

Nays: 0

Abstentions: 0

## RESOLUTION NO. 13-41

### 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: July 11, 2013

Motion Made By: Mr. Chebra

Motion Seconded By: Mr. Barrack

Ayes: 6

Nays: 0

Abstentions 0



**RESOLUTION NO. 13-42**

**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: July 11, 2013

Motion Made By: Ms. Kreipke

Motion Seconded By: Mr. Chebra

Ayes: 6

Nays: 0

Abstentions: 0

**SUMMARY OF ANNOUNCEMENTS:**

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

- Trust and DEP staff continue to participate in internal meetings with Bond Counsel Rich Nolan and Financial Advisor Geoff Stewart to discuss and develop the Trust's short-term Emergency Financing "SAIL" Program.
- Trust and DEP staff continue to participate in meetings to jointly develop the H2IOans computer system.
- Trust and DEP senior staff held numerous meetings to finalize the DEP's intended use plan for the Program's FFY2014 capital grants.
- On July 10, 2013, Executive Director Zimmer met with representatives from NJ GORR and the USDOE to discuss the parameters of establishing a potential State Energy Infrastructure Bank.
- On July 10, 2013, Executive Director Zimmer presented at the NAOIP Trustee meeting regarding the Financing Program as well as the Trust's role and interest in assisting with other state infrastructure investments needed to keep NJ economically competitive.
- On July 10, 2013, Assistant Director Scangarella attended the Municipal Bond seminar held at the Hughes Justice Complex.
- On July 8, 2013, Executive Director Zimmer and Assistant Director Scangarella participated in a conference call with senior staff at PVSC concerning the short-term "SAIL" Program.
- On July 1, 2013, Executive Director Zimmer and DEP Assistant Commissioner Michele Siekerka participated in a conference call with personnel from c.dots development to discuss water asset management plans for the City of Hoboken.
- On July 1, 2013, Executive Director Zimmer met with DEP Assistant Commissioners Michele Siekerka and Robert Marshall, as well as BPU Senior Policy Advisor Michael Winka to discuss possible ways in which the Trust could assist with the financing of CHP energy projects for water utilities.
- On June 25, 2013, Executive Director Zimmer and Board Treasurer Bob Briant, Jr. met

with representatives from UBS Financial to discuss the Trust's financing programs.

- On June 21, 2013, Assistant Director Scangarella and DEP Staff met with the Borough of Avalon to discuss potential funding for the Macchia's Island Dredge Spoil Disposal Site Project.
- On June 14, 2013, Executive Director Zimmer and Assistant Director Scangarella met with the NJ Senate Majority staff to discuss the Program's pending annual legislation.
- The next Trust Board meeting is scheduled for **Thursday, August 08, 2013 at 10:00 a.m.** at the Trust's offices.

### **SUMMARY OF CORRESPONDENCE:**

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

- On June 19, 2013, a memo was sent to Mr. David Ridolfino, Associate Deputy Treasurer, enclosing a disk containing the business processes employed by the NJEIT and the DEP regarding the NJ Environmental Infrastructure Trust Financing Program.
- On June 20, 2013, CD versions of the closing documents were mailed to project participants in the 2010 Financing Program to the following: Aqua New Jersey Inc., NJ American Water Company, Inc., Middlesex Water Company and Montgomery Township.
- On June 2, 2013, a memo was sent from Assistant Director Scangarella to Trust's CFO Kaltman and DEP Assistant Director Chebra transmitting the Ewing-Lawrence SA's application notifying of his recusal from consideration or approval of the application due to his position on the Lawrence Township Zoning Board.
- 5.02 Certificates were sent to the list of Program borrowers below:

2012A	S340 386-05-1	Bergen County UA
2010A	S340 128-02	(ARRA) Western Monmouth UA
2010A	S340 488-07/08	Brick Township MUA
2010B	W152001-001	Ocean Township
2009A	S340 098-01	Hudson County IA

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

## NJEIT 2014 IFP Summary: as of 7/9/13

**SUMMARY**

**TOTAL IFP APPLICATIONS**     11  
**TOTAL AMOUNT REQUESTED**   \$17,701,392  
**TOTAL CLOSED PROJECTS**     5  
**TOTAL DISBURSED TO DATE**   \$111,260

### CLEAN WATER

Borrower	Proj#	IFP App. Date	Amount Requested	Description	Comment	IFP Closing Date	Amount of IFP Req's Processed	Date IFP Req's Summary
Atlantic Highlands - Highlands RSA	S340 857-03	4/8/13	\$ 2,000,000	Sewerage Force main Replacement	requested to close ASAP - credit issues			
Ewing Lawrence SA	S340 391-10	4/17/13	\$ 2,000,000	WWTP improvements	issues - looking to close in July?			
Fanwood Borough	S340 429-01	4/23/13	\$ 1,369,674	Glenwood Ave. Area drainage improvements	to close 7/11/13			
Hanover SA	S340 388-05	3/18/13	\$ 7,510,630	Rehab of primary digester #2	CLOSED - FUNDED	6/26/13		
Ocean Gate Borough	S340 151-01	4/15/13	\$ 450,000	Sanitary sewer rehab - infiltration/inflow correction	CLOSED - FUNDED	6/6/13		
Ocean Twp	S340 112-03-1	5/14/13	\$ 377,588	Replacement ACP sewer main Hornblower Dr.	CLOSED - FUNDED	6/21/13		
<b>Total CW projects: 6</b>			<b>\$13,707,892</b>		<b># OF CW PROJECTS CLOSED - 3</b>		<b>\$0</b>	

### DRINKING WATER

Independence MUA	W2112001-001	5/22/13	\$ 300,000	Autumn Ln well head rehab & plant improvement	requested to close 6/27/13??			
Merchantville-Pennsauken WC	W0424001-007	4/15/13	\$ 2,571,000	Park Ave. Tank Painting	CLOSED - FUNDED	4/19/13	36,260	6/6/13
Newfield Borough	W0813001-002	4/30/13	\$ 44,900	Replace meter station at Vineland interconnection	requested to close ASAP - credit issues			
Newfield Borough	W0813001-001	4/25/13	\$ 1,002,600	Installation of radium treatment for well #5	requested to close ASAP - credit issues			
Ocean Gate Borough	W1521001-001-1	12/27/12	\$ 75,000	Wind Turbine	CLOSED - FUNDED	2/8/13	75,000	3/5/13
<b>Total DW projects: 5</b>			<b>\$3,993,500</b>		<b># OF DW PROJECTS CLOSED - 2</b>		<b>\$111,260</b>	
<b>Grand Total Projects: 11</b>			<b>\$17,701,392</b>		<b># OF TOTAL PROJECTS CLOSED - 5</b>		<b>\$111,260</b>	
						<b>TOTAL \$ AMT OF PROJECTS CLOSED - \$10,984,218</b>	<b>TOTAL PROJ'S GIVEN FUNDS - 2</b>	

\*\*\*LAST DAY FOR TRUST IFP REQ PROCESSING IS 4/17/14\*\*\*