



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

David E. Zimmer, CFA, Executive Director

November 6, 2014

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, November 13, 2014 at 10:00 a.m., in the large conference room, at 3131 Princeton Pike, Building 4, Suite 216, 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 the Minutes of the September 11, 2014 Meeting
5. Announcements
6. Public Comment
7. Unfinished Business:
 - A. Discussion of the Construction Status Report (hand-out) (G. Patel)
 - B. Discussion and Status of SFY2015 Financing Program Projects (hand-out) (G. Patel)
 - 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 Acceptance of the September and October 2014 Treasurer’s Reports (J. Hansbury)
 - B.* Discussion and Approval of a Resolution Approving the Award of an Arbitrage Rebate Contract (J. Hansbury)
 - C.* Discussion and Approval of a Resolution Certifying Kearny Municipal Utilities Authority Project No. S340259-07 for a SAIL Loan (D. Zimmer)
 - D.* Discussion and Approval of a Resolution Acknowledging Receipt of the Executive Director’s Report Regarding a SAIL Loan to the South Monmouth Regional Sewerage Authority (D. Zimmer)
 - E.* Approval of a Resolution regarding the Municipalities Continuing Disclosure Cooperation Initiative of the United States Securities and Exchange Commission (D. Zimmer)
 - F.* Discussion and Approval of a Resolution Approving a Trust Secondary Market Disclosure Policy (D. Zimmer)
- 9.* Executive Session (if necessary)

*ACTION ITEMS

Please note this is a proposed agenda and the New Jersey Environmental Infrastructure Trust may consider and take action on such other business, which may come before it at this public meeting. In addition, the New Jersey Environmental Infrastructure Trust may not act upon the items listed in the above-proposed agenda in its discretion.



**New Jersey
Environmental
Infrastructure Trust**

"Financing New Jersey's
Water Quality Future"

Warren H. Victor, Chairman
Robert Briant Jr., Vice Chairman
Mark Longo, Secretary
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David E. Zimmer, CFA, Executive Director



September 11, 2014

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 September 11, 2014 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,

Mark Longo
Secretary

Enclosure

Cc: Honorable Stephen Sweeney, President of the Senate
Honorable Vincent Prieto, Speaker of the General Assembly



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David E. Zimmer, CFA, Executive Director

September 11, 2014

NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST

OPEN PUBLIC MEETING

MINUTES – September 11, 2014

1. CALL TO ORDER:

A meeting of the New Jersey Environmental Infrastructure Trust was convened on Thursday, September 11, 2014 in the conference room of 3131 Princeton Pike, Building 4, Suite 216, 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 Meetings Act Statement into the record.

3. ROLL CALL:

Ms. Melissa Pierce conducted roll call to which Mr. Victor, Mr. Briant, Mr. Longo, Mr. Ellis, Mr. Kennedy, and Mr. Requa all responded affirmatively.

DIRECTORS

Warren Victor, Chairman
Robert A. Briant, Jr., Vice Chairman
Roger Ellis, Treasurer
Mark Longo, Secretary
Dan Kennedy
(for DEP Commissioner Martin)
James Requa
(for DCA Commissioner Constable)

OTHERS

David E. Zimmer, Executive Director
Frank Scangarella, Assistant Director
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
Gautem Patel, Municipal Finance & Construction

4. APPROVAL OF THE MINUTES:

Chairman Victor opened discussion of the minutes of the Thursday, August 14, 2014 Trust Board meeting.

There were no comments or questions. Chairman Victor 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 that occurred and correspondence which was issued since the last Trust Board meeting.

- On September 10, 2014 – Executive Director Zimmer met with the new Executive Management staff of the New Jersey American Water Company.
- On September 5, 2014 – The first component of H2LOans was released to the public together with a getting started Youtube tutorial.
- On September 4, 2014 – Senior staff from the EIT and DEP met with representatives from the New Jersey District Water Supply Commission (NJDWSC) to discuss numerous SFY2016 financing opportunities.
- On August 26, 2014 - Executive Director Zimmer and DEP Assistant Commissioner Kennedy met with Dean James Hughes and Associate Dean Greenberg of the Edward J. Bloustein School of Planning and Public Policy to discuss potential research collaboration opportunities.
- The next Trust Board meeting is scheduled for Thursday, October 9, 2014 at 10:00 am at the Trust's offices.

In keeping with the Trust's green initiative, a copy of the full list of announcements is available on the Trust's webpage in a format that allows for copying under the General Information tab at:

<http://www.njeit.org/general-information/miscellaneous/board-meeting-agendas>

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. Patel, of the NJDEP’s Municipal Finance and Construction Element, reported that there are 222 active projects totaling \$1,089,346,389 and 958 closed projects with loans outstanding totaling \$4,680,368,716 for a grand total of 1180 projects at \$5,769,715,105.
- B. Mr. Patel discussed the SFY2015 Combined Financing Loan Programs:

SFY2015 Clean Water Financing Program:

Traditional and Supplemental Program:	110 Projects Totaling	\$847,732,000
Supplemental Program:	2 Projects Totaling	\$3,912,000
Track II Projects:	15 Projects Totaling	\$57,629,000
Barneget Bay Projects:	10 Projects Totaling	\$12,936,000
Total Clean Water Projects	141 Projects Totaling	\$949,041,000

SFY2015 Drinking Water Financing Program:

Traditional and Supplemental Program:	76 Projects Totaling	\$289,019,000
Supplemental Program:	2 Projects Totaling	\$3,912,000
Legacy:	0 Projects Totaling	\$0
Track II Projects	10 Projects Totaling	\$40,367,000
Total Drinking Water Projects	88 Projects Totaling	\$333,298,000

SFY2015 Grand Totals:

Clean & Drinking Water Program Totals:	229 Projects	\$1,282,339,000
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There were no comments or questions.

- C. Executive Director Zimmer reported on the status of the Outstanding Trust Requests for Proposals.

Staff will be seeking Board authorization to issue a RFP for arbitrage rebate calculation and review services under Item 8B later in the Agenda.

- D. Executive Director Zimmer gave an update on the Trust’s Financing Loan Program.
- The Trust received 1 new application in the previous month from North Wildwood City for Utility reconstruction totaling \$10.5MM. The Trust currently has a total of 13 IFP loan applications totaling \$69.84MM.
 - The Trust closed on 1 IFP loan application totaling \$11.6MM for Hopatcong Borough. The Trust has closed a total of 8 applications totaling \$45.92 MM.

- 3 projects have received IFP loan disbursements from the Trust to-date totaling \$3.97 MM. The IFP report was provided to the Board of Directors of the Trust in satisfaction of the requirements of Section 6 of the authorizing Resolution No. 12-61 adopted on December 13, 2012.

There were no comments or questions.

E. Executive Director Zimmer next reported on the Final Arbitrage Rebate Report:

- Section 148 of the Internal Revenue Code requires an issuer of tax exempt bonds to rebate any excess arbitrage profits back to the Federal government.
- The Trusts arbitrage rebate consultant, Omnicap LLC, completed their review of the Trust’s outstanding 56 issues and determined that there were no excess arbitrage profits for this period, and as a consequence, no reporting requirements.

There were no comments or questions.

8. NEW BUSINESS:

A. Executive Director Zimmer requested that the Trust’s Chief Budget Officer, John Hansbury, introduce Resolution No. 14-50 accepting the August 2014 Treasurer’s Reports.

Mr. Hansbury presented the Report announcing that in August, the Trust received revenues from fees of \$106,960.00 and paid bills totaling \$172,170.61 and that the Trust had received and is reviewing bills for payment totaling \$145,051.61.

Mr. Hansbury asked if there were any comments or questions regarding the report as presented. Hearing none, Chairman Victor requested a motion for approval.

The resolution was moved for adoption by Mr. Ellis 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:

Princeton Pike Office Park, LLC	\$9,235.97
Rent - October 2014	
J&J Staffing Resources	\$20,476.40
Part-Time Salaries - Inv#'s: 323712, 331420, 331766, 332109	
PFM Asset Management LLC	\$10,147.13
Investment Advisor - July 2014	

McCarter & English, LLP Bond Counsel - SFY2015 Financing Programs, and other various projects	\$88,551.26
LeClair Ryan Special Counsel Invoice# 593045	\$14,087.36
Bank of America Business Card Credit Card #0766	\$2,553.49
TOTAL	\$145,051.61

- B. Executive Director Zimmer requested Assistant Director, Frank Scangarella to introduce Resolution No. 14-51 authorizing an RFP for Arbitrage Rebate Services.

Mr. Scangarella summarized the terms of the proposed RFP and asked if there were any comments or questions. Hearing none, Chairman Victor requested a motion for approval.

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

- C. Executive Director Zimmer requested Assistant Director, Frank Scangarella to introduce Resolution No. 14-52 authorizing the removal of the Bond Trustee for Warren County Municipal Utilities Authority (WCMUA). The WCMUA is seeking the Trust's consent to remove TD Bank as its Trustee for WCMUA bonds issued to the Trust in 2002 and 2003, in part, to save the Authority the expense of Trustee's fees. The removal will have no material impact on the borrower's bond with the NJEIT.

Mr. Scangarella asked if there were any comments or questions. Hearing none, Chairman Victor requested a motion for approval.

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

- D. Executive Director Zimmer introduced Resolution No. 14-53 delegating to the Executive Director the authority to take certain actions on behalf of the Board pertaining to matters related to the prepayment of Trust loans, defeasances of Trust Bond amounts for unspent proceeds and non-material amendments of Borrower Bond Resolutions.

Executive Director Zimmer asked if there were any comments or questions. Hearing none, Chairman Victor requested a motion for approval

The resolution was moved for adoption by Mr. Briant and seconded by Mr. Ellis.
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 not.

Chairman Victor asked for a moment of silence in commemoration of those lost on 9/11.

Chairman Victor then asked for a motion for adjournment.

Mr. Kennedy moved to adjourn the meeting. The motion was seconded by Mr. Longo. The motion was carried 6 to 0 with 0 abstentions.

The meeting was adjourned at 10:29 am.

RESOLUTION NO. 14-50

**RESOLUTION AUTHORIZING APPROVAL OF THE
AUGUST 2014 TREASURER'S REPORT**

WHEREAS, the New Jersey Environmental Infrastructure Trust (the "Trust") has reviewed the Treasurer Report for August 2014 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 Report for August 2014 and request that the same be entered into the record.

Adopted Date: September 11, 2014

Motion Made By: Roger Ellis

Motion Seconded By: Robert Briant, Jr.

Ayes: 6

Nays: 0

Abstentions: 0

RESOLUTION NO. 14-51

**RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL
INFRASTRUCTURE TRUST AUTHORIZING
THE ISSUANCE OF A REQUEST FOR PROPOSALS FOR
ARBITRAGE REBATE COMPLIANCE SERVICES**

WHEREAS, the New Jersey Environmental Infrastructure Trust (Trust) is authorized to make and enter all contracts necessary or incidental to the performance of its duties pursuant to N.J.S.A. 58:11B-5(d); and

WHEREAS, there is a need for the Trust to hire a firm to perform Arbitrage Rebate Compliance Services.

NOW THEREFORE BE IT RESOLVED THAT the Trust hereby authorizes the Executive Director to competitively procure Arbitrage Rebate Compliance Services pursuant to Environmental Infrastructure Trust Policy and Procedure number 4.00, "Purchase of Goods and Services;" and

BE IT FURTHER RESOLVED, the Executive Director is further authorized to solicit proposals, convene a Committee to review all proposals received, and to make a recommendation as to the selection of an Arbitrage Rebate Compliance firm to the Trust Board for contract approval for a period not to exceed three years.

Adopted Date: September 11, 2014

Motion Made By: Daniel Kennedy

Motion Seconded By: Mark Longo

Ayes: 6

Nays: 0

Abstentions: 0

RESOLUTION NO. 14-52

RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST AUTHORIZING AN AUTHORIZED OFFICER OF THE TRUST TO CONSENT ON BEHALF OF THE TRUST, AS BONDHOLDER, TO THE REMOVAL OF TD BANK, NATIONAL ASSOCIATION, AS TRUSTEE PURSUANT TO CERTAIN BOND RESOLUTIONS OF THE WARREN COUNTY (PEQUEST RIVER) MUNICIPAL UTILITIES AUTHORITY

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, on November 7, 2002, the Trust issued its Environmental Infrastructure Bonds, Series 2002A, in the original aggregate principal amount of \$90,310,000 (the "Series 2002A Bonds"), pursuant to a resolution of the Trust entitled "Environmental Infrastructure Bond Resolution, Series 2002A", adopted on September 16, 2002, as supplemented by (i) a resolution of the Trust entitled "Supplemental Bond Resolution Authorizing the Issuance of Environmental Infrastructure Refunding Bonds, Series 2007B (2002A Financing Program) of the New Jersey Environmental Infrastructure Trust", adopted by the Trust on January 11, 2007, and (ii) a resolution of the Trust entitled "Supplemental Bond Resolution Authorizing the Issuance of Environmental Infrastructure Refunding Bonds, Series 2010A of the New Jersey Environmental Infrastructure Trust" (the "2010A Supplemental Resolution"), adopted by the Trust on July 8, 2010 (as so amended and supplemented, the "2002A Resolution"); and

WHEREAS, on September 26, 2007, the Trust issued its Environmental Infrastructure Refunding Bonds, Series 2007B (2002A Financing Program), in the original aggregate principal amount of \$37,440,000 (the "Series 2007B Refunding Bonds"), pursuant to the 2002A Resolution, for the purpose of advance refunding a portion of the Series 2002A Bonds; and

WHEREAS, on August 18, 2010, the Trust issued its Environmental Infrastructure Refunding Bonds, Series 2010A, in the original aggregate principal amount of \$68,570,000 (the "Series 2010A Refunding Bonds"), pursuant to the 2002A Resolution, a portion (the "2002A Allocable Portion of the Series 2010A Refunding Bonds") of the proceeds of which was used for the purpose of advance refunding a portion of the Series 2002A Bonds; and

WHEREAS, on November 6, 2003, the Trust issued its “Environmental Infrastructure Bonds, Series 2003A”, in the original aggregate principal amount of \$66,420,000 (the “Series 2003A Bonds”), pursuant to a resolution of the Trust entitled “Environmental Infrastructure Bond Resolution, Series 2003A” of the Trust, duly adopted by the Trust on September 15, 2003, as supplemented by (i) the 2010A Supplemental Resolution, and (ii) a resolution of the Trust entitled “Supplemental Bond Resolution Authorizing the Issuance of Environmental Infrastructure Refunding Bonds, Series 2012C-R (Federally Taxable) of the New Jersey Environmental Infrastructure Trust”, adopted by the Trust on July 12, 2012 (as so amended and supplemented, the “2003A Resolution”);

WHEREAS, on August 18, 2010, the Trust issued the Series 2010A Refunding Bonds, a portion (the “2003A Allocable Portion of the Series 2010A Refunding Bonds”) of the proceeds of which was used for the purpose of advance refunding a portion of the Series 2003A Bonds; and

WHEREAS, on August 23, 2012, the Trust issued its Environmental Infrastructure Refunding Bonds, Series 2012C-R (Federally Taxable), in the original aggregate principal amount of \$9,010,000 (the “Series 2012C-R Refunding Bonds”), pursuant to the 2003A Resolution, the proceeds of which were used for the purpose of currently refunding a portion of the Series 2003A Bonds; and

WHEREAS, the Trust and the Warren County (Pequest River) Municipal Utilities Authority (the “WCMUA”), a public body corporate and politic created and existing pursuant to the laws of the State, have entered into that certain Loan Agreement, dated as of November 1, 2002 (the “2002 Loan Agreement”), pursuant to the terms of which the Trust has made a loan to the WCMUA (the “2002 Loan”), from a portion of the proceeds of the Series 2002A Bonds (a portion of which was refunded with proceeds of the Series 2007B Refunding Bonds and a portion of which was refunded with proceeds of the 2002A Allocable Portion of the 2010A Refunding Bonds), to finance a portion of the Project as defined and described in the 2002 Loan Agreement; and

WHEREAS, the Trust and the WCMUA have entered into that certain Loan Agreement, dated as of November 1, 2003 (the “2003 Loan Agreement”, the 2002 Loan Agreement and the 2003 Loan Agreement shall be referred to collectively herein as the “Loan Agreements”), pursuant to the terms of which the Trust has made a loan to the WCMUA (the “2003 Loan”, the 2002 Loan and the 2003 Loan shall be referred to collectively herein as the “Loans”), from a portion of the proceeds of the Series 2003A Bonds (a portion of which was refunded with proceeds of the Series 2003A Allocable Portion of the Series 2010A Refunding Bonds and a portion of which was refunded with proceeds of the Series 2012C-R Refunding Bonds), to finance a portion of the Project as defined and described in the 2003 Loan Agreement; and

WHEREAS, to evidence and secure the repayment of the 2002 Loan pursuant to the 2002 Loan Agreement, the WCMUA issued to the Trust a bond (the “2002 Trust Loan Bond”), pursuant to a resolution of the WCMUA adopted on June 26, 2002 and entitled “Resolution Authorizing the Issuance of Not To Exceed \$5,000,000 Wastewater Revenue Bonds (Junior Lien,

Series 2002) of the Warren County (Pequest River) Municipal Utilities Authority” (the “2002 WCMUA Bond Resolution”); and

WHEREAS, to evidence and secure the repayment of the 2003 Loan pursuant to the 2003 Loan Agreement, the WCMUA issued to the Trust a bond (the “2003 Trust Loan Bond”; the 2002 Trust Loan Bond and the 2003 Trust Loan Bond shall be referred to collectively herein as the “Trust Loan Bonds”), pursuant to a resolution of the WCMUA adopted on June 25, 2003 and entitled “Resolution Authorizing the Issuance of Not To Exceed \$2,100,000 Wastewater Revenue Bonds (Junior Lien, Series 2003) of the Warren County (Pequest River) Municipal Utilities Authority” (the “2003 WCMUA Bond Resolution”, the 2002 WCMUA Bond Resolution and the 2003 WCMUA Bond Resolution shall be referred to collectively herein as the “WCMUA Bond Resolutions”); and

WHEREAS, TD Bank, National Association (the “Borrower Trustee”) currently serves as trustee pursuant to each of the WCMUA Bond Resolutions; and

WHEREAS, on August 20, 2014, the WCMUA adopted resolutions (i) removing the Borrower Trustee pursuant to and in satisfaction of the terms and provisions of the WCMUA Bond Resolutions, and (ii) authorizing and directing the WCMUA to carry out the duties and responsibilities of the trustee pursuant to terms and provisions of the WCMUA Bond Resolutions, all subject to the consent of the Trust and the State of New Jersey, acting by and through the New Jersey Department of Environmental Protection; and

WHEREAS, the WCMUA has submitted a written request to the Trust, seeking the written consent of the Trust, as holder of the Trust Loan Bonds (the “Consent”), to (i) the removal of the Borrower Trustee pursuant to and in satisfaction of the terms and provisions of the WCMUA Bond Resolutions, and (ii) the appointment of the WCMUA to carry out the duties and responsibilities of the trustee pursuant to the terms and provisions of the WCMUA Bond Resolutions; and

WHEREAS, the Trust does not require borrowers participating in the Financing Program to employ a trustee pursuant to their respective bond resolutions; and

WHEREAS, it is the desire of the Trust to provide the Consent, due to the fact that the Consent would not result in any material diminishment of the security for the Trust Loan Bonds.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Trust (the “Board”), as follows:

Section 1. The Board hereby consents to (i) the removal of the Borrower Trustee pursuant to and in satisfaction of the terms and provisions of the WCMUA Bond Resolutions, and (ii) the appointment of the WCMUA to carry out the duties and responsibilities of the trustee pursuant to the terms and provisions of the WCMUA Bond Resolutions, due to the fact that (A) the Trust does not require borrowers participating in the Financing Program to employ

a trustee pursuant to their respective bond resolutions, and (B) such Consent will not result in any material diminishment of the security for the Trust Loan Bonds.

Section 2. The Chairman, the Vice Chairman and the Executive Director of the Trust (each an “Authorized Officer”) are hereby severally authorized and directed to evidence the Consent by the execution of a certificate in such form as may be approved by an Authorized Officer, after consultation with Bond Counsel to the Trust and the Office of the Attorney General of the State.

Section 3. The Executive Director and any other Authorized Officer are hereby severally authorized and directed to (i) execute such other certificates, instruments or other documents, in such form and with such terms and conditions as the Executive Director, or any other Authorized Officer, 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, and (ii) take such other actions as the Executive Director, or any other Authorized Officer, in their 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: September 11, 2014

Motion Made By: James Requa

Motion Seconded By: Daniel Kennedy

Ayes: 6

Nays: 0

Abstentions: 0

:

RESOLUTION NO. 14-53

RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST DELEGATING TO THE EXECUTIVE DIRECTOR THE AUTHORITY TO TAKE CERTAIN ACTIONS ON BEHALF OF THE TRUST

WHEREAS, pursuant to Section 5(m) and Section 9(a) of 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 the same have been, and in the future may from time to time be, amended and supplemented (N.J.S.A. 58:11B-1 *et seq.*) (the "Act"), the New Jersey Environmental Infrastructure Trust, a public body corporate and politic under the laws of the State, created pursuant to the Act (the "Trust"), is authorized to make and contract to make loans (each, a "Trust Loan") to project sponsors (each, a "Borrower") to finance a portion of the costs of the respective environmental infrastructure system projects thereof (each, a "Project"), which Borrowers may lawfully undertake or acquire and for which they are authorized by law to borrow funds, subject to such terms and conditions as the Trust shall determine to be consistent with the purposes thereof; and

WHEREAS, each Trust Loan is made by the Trust pursuant to a Loan Agreement, by and between the Trust and the applicable Borrower (each, a "Trust Loan Agreement"); and

WHEREAS, the repayment obligations of a Borrower to the Trust pursuant to its Trust Loan Agreement are evidenced and secured by a bond or other obligation issued by such Borrower to the Trust (each, a "Borrower Bond"), which Borrower Bond is issued pursuant to a resolution, trust indenture or other authorizing document of the applicable Borrower (each, a "Borrower Bond Resolution"); and

WHEREAS, the majority of the Trust Loans are made by the Trust from the proceeds of bonds issued by the Trust pursuant to Section 5(i) and Section 6 of the Act (collectively, the "Trust Bonds"), each series of which is issued by the Trust pursuant to a resolution of the Trust (each, a "Trust Bond Resolution") that (i) authorizes the issuance of such Trust Bonds, (ii) sets forth the terms of such Trust Bonds, and (iii) establishes the security for such Trust Bonds; and

WHEREAS, in addition to other sources of security for each series of Trust Bonds as set forth in each applicable Trust Bond Resolution, the payment of the principal of and interest on certain series of the Trust Bonds, as specified in the applicable Trust Bond Resolution, also is secured pursuant to the terms and provisions of that certain Master Program Trust Agreement, dated as of November 1, 1995, by and among the Trust, the State, U.S. Bank Trust National Association (as successor to United States Trust Company of New York), the Master Program Trustee thereunder (the "Master Program Trustee"), The Bank of New York Mellon (as successor to The Bank of New York (NJ)), in several capacities thereunder, and U.S. Bank National Association (as successor to First Fidelity Bank, N.A.), in several capacities thereunder, as amended and supplemented (the "Master Program Trust Agreement"); and

WHEREAS, the Trust Loan Agreements, the Trust Bond Resolutions, the Borrower Bond Resolutions, the Master Program Trust Agreement, and certain other documents executed by the Trust in connection with the making of Trust Loans and the issuance of Trust Bonds (collectively, the

“Financing Documents”), set forth certain actions to be taken by the Trust from time to time, subsequent to the execution and delivery thereof; and

WHEREAS, the Board of Directors of the Trust (the “Board”) desires, in order to improve the efficiency and responsiveness of the Trust, to delegate to the Executive Director of the Trust (the “Executive Director”), acting on behalf of the Trust, the authority to take certain actions on behalf of the Trust pursuant to and in satisfaction of the Financing Documents, provided that such actions do not have a material adverse effect on the Trust or the security for any applicable Trust Loan or applicable Trust Bonds, all as further set forth in this Resolution.

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

Section 1. In order to improve the efficiency and responsiveness of the Trust, the Board hereby delegates to the Executive Director, acting on behalf of the Trust, the authority to (i) consent to any prepayment of a Trust Loan, in whole or in part, by the applicable Borrower, provided that (a) all conditions precedent to such prepayment (other than the consent of the Trust), as set forth in the applicable Trust Loan Agreement, have been satisfied in full, including, without limitation, (1) the Borrower shall not, at the time of such prepayment, be in arrears on its loan from the State, acting by and through the New Jersey Department of Environmental Protection, with respect to such Project (each, a “Fund Loan”), (2) the Borrower shall contemporaneously make a full or partial prepayment of its Fund Loan such that, after the prepayment of the Trust Loan and the Fund Loan, the interests of the owners of the related Trust Bonds shall not be adversely affected by such prepayments, and (3) the Borrower shall include in its prepayment an amount, as determined by the Trust, equal to such premium, if any, allocable to the Trust Bonds, if any, to be redeemed as a result of the prepayment; (b) such prepayment shall not have a material adverse effect on the Trust or the security for any Trust Loan or any Trust Bonds; (c) the Trust shall receive an opinion of Bond Counsel to the Trust to the effect that such prepayment will not adversely affect the exclusion of interest on the related Trust Bonds, if any, under Section 103 of the Internal Revenue Code of 1986, as amended; and (d) there is no requirement that the Trust pay any portion of the cost of such prepayment from its own funds; and (ii) direct and implement the defeasance and/or redemption, as appropriate, pursuant to a Trust Bond Resolution, of an appropriate principal amount of Trust Bonds, the proceeds of which were used to make a Trust Loan that is being prepaid in whole or in part, provided that such direction and implementation may be exercised by the Executive Director only (a) upon satisfaction of the conditions precedent thereto as set forth in the applicable Trust Bond Resolution, including, without limitation, receipt of a defeasance opinion of Bond Counsel to the Trust, and (b) if there is no requirement that the Trust pay any portion of the cost of such redemption or defeasance from its own funds.

Section 2. In order to improve the efficiency and responsiveness of the Trust, the Board hereby delegates to the Executive Director, acting on behalf of the Trust, the authority to consent, on behalf of the Trust in its capacity as the holder of a Borrower Bond, to the amendment of a Borrower Bond Resolution or such other action pursuant to a Borrower Bond Resolution requiring the consent of holders of bonds issued thereunder, provided that (i) such amendment or other action satisfies all conditions precedent thereto (other than the consent of the Trust) as set forth in the applicable Borrower Bond Resolution, (ii) such amendment or other action shall not have a

material adverse effect on (a) the Trust, (b) the payment of the principal of or interest on, or any other payment due with respect to, any Trust Loan or any Trust Bonds, (c) the security for any Trust Loan or any Trust Bonds, or (d) the ability of the Borrower to comply in full with its obligations pursuant to the terms and provisions of the applicable Trust Loan Agreement, and (iii) there is no requirement that the Trust pay any portion of the cost of taking such action from its own funds.

Section 3 In order to determine whether an action set forth in Sections 1 and 2 of this Resolution shall have a material adverse effect on the Trust, the security for a series of Trust Bonds or the security for a Trust Loan, the Executive Director shall request and rely upon the opinion of Bond Counsel to the Trust.

Section 4. If any action set forth in Sections 1 and 2 of this Resolution is to be undertaken by the Executive Director at the request of a Borrower, the Executive Director shall not exercise such delegation unless such request shall have been made by the Borrower in writing and the Borrower shall agree to pay all costs and expenses of the Trust in connection with such action, including, without limitation, the fees of counsel to the Trust and any other professional advisors to the Trust.

Section 5. The Executive Director is hereby authorized to take such other actions that the Executive Director, in his sole discretion after consultation with counsel to the Trust, deems necessary, convenient or desirable to effect the provisions of this Resolution, including, without limitation, the execution and delivery of any document necessary or appropriate in order to complete any action taken by the Executive Director pursuant to the delegation set forth in Sections 1 and 2 of this Resolution.

Section 6. At the meeting of the Board immediately following the taking of any action authorized to be taken by the Executive Director pursuant to this Resolution, the Executive Director shall provide a report to the Board concerning the details of such action.

Adopted Date: September 11, 2014

Motion Made By: Robert Briant, Jr.

Motion Seconded By: Roger Ellis

Ayes: 6

Nays: 0

Abstentions: 0

RESOLUTION NO. 14-

**RESOLUTION AUTHORIZING APPROVAL OF THE
SEPTEMBER and OCTOBER 2014 TREASURER'S REPORTS**

WHEREAS, the New Jersey Environmental Infrastructure Trust (the "Trust") has reviewed the Treasurer's Reports for September and October 2014; 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 Reports for September and October 2014 and request that the same be entered into the record.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

RESOLUTION NO. 14-

**RESOLUTION OF THE TRUST AWARDING AN
ARBITRAGE REBATE COMPLIANCE SERVICES CONTRACT**

WHEREAS, the Trust is authorized to procure Arbitrage Rebate Compliance Services pursuant to N.J.S.A. 58:11B-5L; and

WHEREAS, in Trust Resolution No. 14-51, the Board authorized the Executive Director to solicit proposals for Arbitrage Rebate Compliance Services for a period not to exceed three years commencing January 1, 2015; and

WHEREAS, the Trust competitively procured proposals through formal advertisement and distribution of a Request for Proposals (RFP) to a list of thirty-five (35) firms; and

WHEREAS, the Trust received four (4) proposals in response to the notice of solicitation on October 30, 2014; and

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

WHEREAS, the Committee tabulated the members' rankings wherein Omnicap Group LLC received the highest total aggregate score; and

WHEREAS, the Committee recommends awarding an Arbitrage Rebate Compliance Services contract to Omnicap Group LLC for professional Arbitrage Rebate Compliance Services of the Trust's outstanding tax exempt bond issues based on its October 30, 2014 proposal and Best and Final Offer submitted on November 6, 2014

NOW THEREFORE BE IT RESOLVED THAT the Executive Director send a letter of intent to make the appointment to Omnicap Group LLC for Arbitrage Rebate Compliance Services substantially in the form of the agreement attached to the Request for Proposals for Arbitrage Rebate Compliance Services; and

BE IT FURTHER RESOLVED THAT the Chairman or Vice Chairman of the Trust is hereby authorized to execute an agreement with Omnicap Group LLC 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 September 29, 2014, and the proposal submitted by Omnicap Group LLC dated October 30, 2014; and
- b. the payment of all fees for all services as detailed in the October 30, 2014 submittal and the Best and Final Offer submitted on November 6, 2014; and

- c. the term of the contract shall be for a period of three years commencing January 1, 2015; 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.

BE IT FURTHER RESOLVED THAT total expenditures pursuant to this agreement shall not exceed \$150,000 absent separate board authorization.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

RESOLUTION NO. 14 -

**RESOLUTION CERTIFYING A
STATEWIDE ASSISTANCE INFRASTRUCTURE LOAN (SAIL) TO
THE KEARNY MUNICIPAL UTILITIES AUTHORITY**

WHEREAS, the New Jersey Environmental Infrastructure Trust's (Trust) enabling legislation, specifically, N.J.S.A. 58:11B-9.5 (the Act), authorizes the Trust to issue short-term or temporary loans to repair environmental infrastructure damaged during a disaster or improve the resiliency of such infrastructure in future disasters (hereafter "SAIL Program"); and

WHEREAS, the Board of Directors of the Trust (the "Board") established the terms, requirements and parameters of SAIL pursuant to Resolution No. 13-73, duly adopted by the Board on December 12, 2013 and entitled "Second Amended and Restated Resolution of the New Jersey Environmental Infrastructure Trust Authorizing the Disaster Relief Emergency Financing Program" (the "SAIL Program Resolution"); and

WHEREAS, the SAIL Program Resolution set forth the SAIL Program eligibility conditions that must be satisfied prior to the making of a SAIL Program loan, which include, without limitation, the certification of the project by the Board prior to issuance of a SAIL Program Loan; and

WHEREAS, the Kearny Municipal Utilities Authority has applied for a SAIL Program Loan for Project number S340259-07 to provide repairs to the Kearny Point Pump Station/ Harrison Pumping Station (the Project); and

WHEREAS, Pursuant to N.J.S.A. 58:11B-9.5(b), the New Jersey Department of Environmental Protection is required to certify the environmental infrastructure project is necessary to repair damages arising from an act of terrorism, seismic activity, or weather conditions (Disaster) occurring in the past three fiscal years that gave rise to a declaration by the Governor of a state of emergency provided the facility is located in a county which was the subject of a governor declared State of Emergency or an environmental infrastructure project to improve the resiliency of a facility to withstand a Disaster of similar scope and severity occurring in the past three fiscal years that gave rise to a declaration by the Governor of a state of emergency, provided the facility is located in a county which was the subject of a governor declared State of Emergency (NJDEP SAIL Project Certification), and such certification is anticipated to be received soon after bid opening, scheduled for October 10, 2014; and

WHEREAS, it is the desire of the Trust to issue a SAIL Program Loan to the Kearny Municipal Utilities Authority.

NOW THEREFORE, BE IT RESOLVED, that subject to the prior receipt by the Trust of the NJDEP SAIL Project certification, the Board of Directors of the Trust hereby certifies Project No. S340259-07 to be undertaken by the Kearny Municipal Utilities Authority, for financing pursuant to SAIL in the approximate amount of \$8.92 million in accordance with the provisions of the Act and this Resolution.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

RESOLUTION NO.14 -

**RESOLUTION ACKNOWLEDGING RECEIPT OF THE
EXECUTIVE DIRECTOR'S REPORT CONCERNING THE TERMS OF A
STATEWIDE ASSISTANCE INFRASTRUCTURE LOAN (SAIL) TO
THE SOUTH MONMOUTH REGIONAL SEWERAGE AUTHORITY**

WHEREAS, the New Jersey Environmental Infrastructure Trust's (Trust) enabling legislation, specifically, N.J.S.A. 58:11B-9.5, authorizes the Trust to issue short-term or temporary loans to repair environmental infrastructure damaged during a disaster or improve the resiliency of such infrastructure in future disasters (hereafter "SAIL Program"); and

WHEREAS, the Board of Directors of the Trust (the "Board") established the terms, requirements and parameters of the SAIL Program pursuant to Resolution No. 13-73, duly adopted by the Board on December 12, 2013 and entitled "Second Amended and Restated Resolution of the New Jersey Environmental Infrastructure Trust Authorizing the Disaster Relief Emergency Financing Program" (the "SAIL Program Resolution") and

WHEREAS, the SAIL Program Resolution set forth the SAIL Program Funding eligibility conditions that must be satisfied prior to the making of a SAIL Program loan, which include, without limitation, the certification of the Project by the Board prior to issuance of a SAIL Program loan and submission of a SAIL Program loan summary report at the Board meeting next following the SAIL Program loan; and

WHEREAS, the Board certified a SAIL Program loan to the South Monmouth Regional Sewerage Authority (SMRSA), for Project No. S340377-04 (S2) to replace the Pitney Avenue Pump Station with a "mobile enclosure" (trailer) pumping station that will house the pump station's main electrical components and emergency generator to be located at the current Pitney Avenue Pump Station site and relocated during flood emergency, (hereafter "SMRSA Pitney Pumping Station SAIL Program loan"); and

WHEREAS, the SMRSA Pitney Pumping Station SAIL Program loan was issued on September 23, 2014, in the amount \$1,532,225 and the Executive Director has furnished the Trust with a Report summarizing the terms of the SMRSA Pitney Pumping Station SAIL Program loan.

NOW THEREFORE, BE IT RESOLVED, that the NJEIT hereby acknowledges receipt of the Executive Director's report regarding the SMRSA Pitney Pumping Station SAIL Program loan.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

RESOLUTION NO. 14-

**RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST REGARDING
THE MUNICIPALITIES CONTINUING DISCLOSURE COOPERATION INITIATIVE OF THE
UNITED STATES SECURITIES AND EXCHANGE COMMISSION**

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 Section 6 of the Act, to issue its bonds, notes or other obligations in any principal amounts as in the judgment of the Trust shall be necessary to provide sufficient funds for any of its corporate purposes; and

WHEREAS, the United States Securities and Exchange Commission (the "SEC"), pursuant to the Securities Exchange Act of 1934, as amended and supplemented (codified as of the date hereof at 15 U.S.C. 77 *et seq.*), has implemented its Municipalities Continuing Disclosure Cooperation Initiative (the "SEC Initiative"); and

WHEREAS, the Trust Board of Directors (Board) has discussed the MCDC Initiative in Executive Session and wishes to authorize the Executive Director and staff to undertake certain actions to comply with the advice of counsel with respect to the MCDC Initiative, as discussed in Executive Session and the Executive Director will report to the Chair to determine if additional Board discussion is necessary.

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

Section 1. The Board hereby authorizes the Executive Director and the staff of the Trust to undertake the actions discussed in Executive Session on this date with respect to the MCDC Initiative.

Section 2. This Resolution shall take effect in accordance with the provisions of the Act.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

RESOLUTION NO. 14 -

**RESOLUTION ADOPTING TRUST POLICY AND PROCEDURE NO. 1.24
“SECONDARY MARKET DISCLOSURE COMPLIANCE POLICY”**

WHEREAS, the New Jersey Environmental Infrastructure Trust (the “Trust”) has the authority to enact and amend Policies and Procedures pursuant to Section IX of its By-Laws; and

WHEREAS, The U.S. Securities and Exchange Commission (SEC) Rule 15c2-12 (Rule) generally prohibits a broker, dealer or municipal securities dealer from purchasing or selling municipal securities unless they have reasonably determined that the issuer (or an obligated person) has undertaken in a written agreement at the time of issuance to provide certain annual financial information, operating data and notices of the occurrence of certain events and the underwriter has obtained and reviewed the official statement relating to the security; and

WHEREAS, as a governmental entity issuing municipal bonds, the Trust for the benefit of underwriters is required to (i) Enter into a continuing disclosure agreement (CDA) promising to provide certain annual financial information and material event notices to the public within specified deadlines; (ii) At the time of issuance of any new Trust bond, disclose in the Official Statement (see definitions in Appendix A) of the new bond issue any instances of non-compliance with CDAs in the past 5 years; and (iii) Electronically post all filings in compliance with the CDA requirements and timeframes on the Electronic Municipal Market Access (EMMA) portal (cumulatively “Secondary Market Disclosure Requirements”); and

WHEREAS, to desires to enact a Secondary Market Disclosure Policy to ensure consistent compliance with its Secondary Market Disclosure Requirements.

NOW THEREFORE BE IT RESOLVED, the Trust hereby adopts Policy and Procedure No. 1.24 “Secondary Market Disclosure Compliance Policy.”

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

Agenda Item 9

RESOLUTION NO. 14-

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: