



**New Jersey
Environmental
Infrastructure Trust**

"Financing New Jersey's
Water Quality Future"

Robert A. Briant, Jr., Vice Chairman
Roger Ellis, Treasurer
Mark Longo, Secretary
Robert A. Romano, Acting State Treasurer
Bob Martin, DEP Commissioner
Charles A. Richman, DCA Commissioner

David E. Zimmer, CFA, Executive Director



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

NOV 13 2015

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 November 12, 2015 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



Robert A. Briant, Jr., Vice Chairman
Roger Ellis, Treasurer
Mark Longo, Secretary
Ford M. Scudder, Acting State Treasurer
Bob Martin, DEP Commissioner
Charles A. Richman, DCA Commissioner

David E. Zimmer, CFA, Executive Director

November 13, 2015

NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST

OPEN PUBLIC MEETING

MINUTES – November 12, 2015

1. CALL TO ORDER:

A meeting of the New Jersey Environmental Infrastructure Trust was convened on Thursday, November 12, 2015 in the conference room of 3131 Princeton Pike, Building 4, Suite 216, Lawrenceville, New Jersey. Chairman Briant 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 from DEP Assistant Commissioner Kennedy appointing Mr. Eugene Chebra as Commissioner Martin’s alternate for today’s Board meeting.

3. ROLL CALL:

Ms. Melissa Pierce conducted roll call to which Mr. Briant, Mr. Longo, Mr. Chebra, Mr. Requa, and Ms. Campbell all responded affirmatively.

DIRECTORS

Robert A. Briant, Jr., Vice Chairman
Mark Longo, Secretary
Eugene Chebra
(for DEP Commissioner Martin)
Christine Campbell
(for Acting State Treasurer Romano)
James Requa
(for DCA Commissioner Richman)

OTHERS

David E. Zimmer, Executive Director
Frank Scangarella, Assistant Director
John Hansbury, Chief Budget Officer
Lisa LeBouef, Governor’s Authorities Unit
Clifford T. Rones, Deputy Attorney General
Richard Nolan, McCarter & English LLP
Geoffrey Stewart, Public Financial Management
Scott Shymon, Municipal Finance & Construction
Gautam Patel, Municipal Finance & Construction

4. APPROVAL OF THE MINUTES:

Chairman Briant opened discussion of the minutes of the Thursday, October 8, 2015 Trust Board meeting.

Mr. Longo noted that an error appears in the October Board minutes, specifically the statement that the Board approved the September Treasurer's Report. The minutes needed correcting to state that the Board approved the August Treasurer's report. Chairman Briant requested a motion to approve the October minutes as amended.

Mr. Requa moved for the approval of the minutes as amended. Mr. Chebra seconded the motion. The motion was carried 5 to 0 with 0 abstentions.

5. ANNOUNCEMENTS:

Executive Director Zimmer summarized a number of the substantive events that occurred and the correspondence which was issued since the last Trust Board meeting:

- On November 10, 2015, the Trust, with the assistance of PFM and McCarter & English, priced one new Green bond deal and two refunding bond deals. Per each authorizing bond resolutions, the Executive Director is required to provide the Board with a detailed report of the terms of each of the three deals which was schedule as Agenda Item 8B later on in the meeting.
- On November 9, 2015, the Trust, with the assistance of PFM and McCarter & English, defeased five outstanding bond issues involving 12 loans to decrease unused bond proceeds by \$5.26 million on account of the federal government re-opening the SLGS window.
- On November 5, 2015, Executive Director Zimmer and Assistant Director Scangarella held a conference call with staff of the Division of Local Government Services to discuss the Trust's assistance in forwarding Financing Program application information for various DLGS approvals.
- On November 2 and 3, 2015, Chief Financial Officer, Lauren Kaltman participated in the Council of Infrastructure Financing Authorities annual conference in Tampa, Florida alongside representatives from the EPA, and several other SRF state financing organizations including NJ's DEP.
- On October 29, 2015, Executive Director Zimmer, Bond Counsel Rich Nolan and senior staff from the DEP and the State's Attorney General's office met with officials from the Borough of West Milford and its Municipal Utility Authority to discuss operational and financial issues.
- On October 21, 2015, Executive Director Zimmer and Chief Financial Officer, Lauren Kaltman and members of PFM's financial team met in New York City with representatives from Fitch Ratings, Moody's Investor Services and S&P Ratings regarding the three bond issues mentioned above.
- On October 14, 2015, DEP Commissioner Bob Martin, along with Executive Director Zimmer, current and former Borough Mayors Cooper and Sworen respectively, and other federal and State officials, christened the recently completed Frenchtown Waste Water facility. The facility received an \$8.7 million loan from the Financing Program which included \$1.72 million of principal forgiveness. Financing the project through the NJEIFP was estimated to save the Borough over \$3.4 million. This project has been recognized nationally for the successful inter-agency cooperation employed by the Financing Program and the USDA's Rural Development Agency.

- Trust senior staff continues to meet with consultants from CohnReznick to finalize the Policy & Procedure reviews of the Trust’s major business functions. This phase of the internal controls audit is anticipated to be completed by the end of November at which point, the Trust and CohnReznick will begin testing.
- The next Trust Board meeting is scheduled for Thursday, December 10, 2015 at 10:00 am at the Trust’s offices.

A copy of the announcements is available on the Trust’s webpage under the Recent Board Meeting Documents tab. <http://njeit.org/board-meetings> (Locate Meeting Date, and then select Minutes. The announcements will be at the end of the file.)

There were no comments or questions.

6. PUBLIC COMMENTS:

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

7. UNFINISHED BUSINESS:

- A. Mr. Shymon, of the NJDEP’s Municipal Finance and Construction Element, reported that there are 199 active projects and highlighted the fact that, for the first time in a long time, the total of \$982,174,951 is below \$1 billion. Mr. Shymon also reported that there are 1,057 closed projects with loans outstanding totaling \$5,063,548,992 for a grand total of 1,256 projects at \$6,045,723,943.

Executive Director Zimmer reiterated to the Board that the EPA has a deadline of September 2016 for State SRF Programs to minimize outstanding unliquidated obligations prior to 2014.

- B. Mr. Patel discussed the SFY2016 Combined Financing Loan Programs:

SFY2016 Clean Water Financing Program:

| | | |
|---------------------------------------|-----------------------|-----------------|
| Traditional and Supplemental Program: | 4 Projects Totaling | \$6,556,000 |
| Supplemental Program: | 135 Projects Totaling | \$1,428,775,041 |
| Track II Projects: | 13 Projects Totaling | \$20,910,639 |
| Barneгат Bay Projects: | 7 Projects Totaling | \$23,813,916 |
| Total Clean Water Projects | 159 Projects Totaling | \$1,480,055,596 |

SFY2016 Drinking Water Financing Program:

| | | |
|---------------------------------------|-----------------------|---------------|
| Traditional and Supplemental Program: | 1 Projects Totaling | \$1,425,498 |
| Legacy: | 112 Projects Totaling | \$450,293,299 |
| Track II Projects | 7 Projects Totaling | \$15,912,278 |
| Total Drinking Water Projects | 120 Projects Totaling | \$467,631,075 |

SFY2016 Grand Totals:

| | | |
|---------------------------------------------------|---------------------|------------------------|
| Clean & Drinking Water Program Totals: | 279 Projects | \$1,947,686,671 |
|---------------------------------------------------|---------------------|------------------------|

Executive Director Zimmer summarized that projects have received certification and authorization to advertise are expected to move forward and receive a Program loan in the near future while the 105 projects expecting to receive authorization to advertise by June 30, 2016 will continue to be DEP's main focus.

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

Consulting Engineering Services

The Request for Qualifications for Consulting Engineering Services has been published to the public and proposals are due by December 1, 2015. Currently the Trust has received requests for copies of the RFQ from 17 separate Engineering firms to-date.

Vice-Chairman Briant showed great appreciation for the responsiveness and hard work of the staff in quickly drafting and issuing the RFQ.

- D. Executive Director Zimmer next reported on the status of the Construction Loan Program:

- The Trust received 1 new application from the previous month; a clean water application for \$500,000 from Cinnaminson SA for a Planning & Design project.
 - The Trust currently has a total of 35 Construction Loan applications totaling \$95.4MM.
- The Trust closed 1 loan to Plumsted Township for \$1.25 MM.
 - The Trust has closed on 23 Construction Loan applications totaling \$78.84MM.
- 15 projects have received Construction Loan disbursements from the Trust to-date totaling \$25.7MM.

The Construction Loan report was provided to the Board of Directors of the Trust in satisfaction of the requirements of Section 12 of the authorizing Resolution No. 15-03 adopted on January 15, 2015.

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. 15-45 accepting the October 2015 Treasurer's Reports.

| | | |
|--------------------------------------|--------------|-------------------|
| Revenues earned in September 2015: | \$ 505,665 | |
| YTD Total Revenues Earned: | \$ 1,507,050 | 101.2 % of Budget |
| YTD Total Revenues Budgeted: | \$ 1,488,761 | |
| Expenses Incurred in September 2015: | \$ 419,612 | |
| YTD Total Expenses Incurred: | \$ 1,193,390 | 78.9 % of Budget |
| YTD Total Expenses Budgeted: | \$ 1,513,411 | |
| Difference YTD v. Budgeted YTD: | (\$338,310) | Excess cash flow |

Executive Director Zimmer reiterated that the Trust's excess cash position to-date, mostly due to lower expenses, is above the budgeted Unexpected Contingencies line-item amount of approximately \$550,000, which monies are typically used to fund Direct Loans.

Vice-Chairman Briant requested a motion for approval.

The resolution was moved for adoption by Ms. Campbell and seconded by Mr. Longo. The motion was carried 5 to 0 with 0 abstentions.

- B. Executive Director Zimmer introduced Resolution No. 15-46 acknowledging receipt of the Bond Sale report for Bond Series 2015A-2, Series 2015A-R1, and Series 2015B-R2. The three bond sales were conducted on November 10, 2015 at the Trust's office and, pursuant to the Trust's enabling legislation, all three issues were sold competitively.

Trust Series 2015A-2 Bonds is a new-money (Green) Bond issue. The Trust sold \$9,555,500 PAR amount of bonds to finance 11 projects for 8 borrowers. Including funds provided by the DEP, the cost of projects financed totaled approximately \$37.1 MM. The winning bidder was Citigroup Global Markets with a true interest cost of 2.789032%

Trust Series 2015A-R1 Bonds refinances outstanding bonds in Trust Series 2007A. The Trust sold \$108,120,000 PAR amount to refinance 62 projects for 56 borrowers. The winning bidder was Wells Fargo Bank, National Association with a true interest cost of 1.996134%. The bonds are projected to save these 56 borrowers \$15.08 million NPV over the remaining life of the new bond series.

Bond Series 2015B-R2 (AMT) refinances outstanding bonds in Trust Series 2006B. The Trust sold \$13,050,000 PAR amount to refinance projects for 2 borrowers; Middlesex Water Company and Carteret Redevelopment Agency. The winning bidder was PNC Capital Markets with a true interest cost of 2.300744%. The bonds are projected to save these 2 borrowers \$1.65 million NPV over the remaining life of the new bond series

Executive Director Zimmer and Vice-Chairman Briant praised the team for its great effort and hard work over the previous few weeks in ensuring this bond sale was a success.

Vice-Chairman Briant requested a motion for approval.

The resolution was moved for adoption by Mr. Longo and seconded by Mr. Requa.
The motion was carried 5 to 0 with 0 abstentions.

- C. Executive Director Zimmer introduced Resolution No. 15-47 for approval of the Trust's SFY2015 Audited Financials. The audit was prepared by Bowman & Company, LLP as part of their three (3) year contract with the Trust. The Trust Audit Committee reviewed the audited Financials pursuant to Chapter IV, Section 4 of the Trust's Bylaws on November 11, 2015. The SFY2015 Audited Financials reflect the adoption of GASB Interpretation No. 2 regarding the reporting of the bonds as Conduit Debt approved by the Board in Resolution No. 15-10. The GASB Interpretation 2 simplifies the presentation of the Trust's Financials.

Vice-Chairman Briant stated that the Audit Committee had reviewed the SFY2015 Audited Financials. The Audit Committee discussed the financials with Carol McAllister, Partner of Bowman & Company, who advised there were no misrepresentations or material findings. Mr. Briant mentioned that there minor procedure changes which the Auditor recommended the Trust adopt to minimize enterprise risk and that the Board would work with Trust staff to ensure such changes were employed by the Trust in the coming year.

As Chairman of the Audit Committee, Mr. Briant recommended full Board approval of the SFY2015 Audited financials and moved the resolution for approval. The resolution was seconded by Ms. Campbell.

The motion was carried 5 to 0 with 0 abstentions.

9. EXECUTIVE SESSION:

Vice-Chairman Briant asked if there was a need for an Executive Session. Executive Director Zimmer responded there was not.

Vice-Chairman Briant asked Executive Director Zimmer if there was any future action required by the Board. Mr. Zimmer answered there was not.

Vice-Chairman Briant then asked for a motion for an adjournment.

Ms. Campbell moved to adjourn the meeting. The motion was seconded by Mr. Longo.
The motion was carried 5 to 0 with 0 abstentions.

The meeting was adjourned at 10:40 a.m.

RESOLUTION NO. 15 - 45

**RESOLUTION AUTHORIZING APPROVAL OF THE
SEPTEMBER 2015 TREASURER'S REPORTS**

WHEREAS, the New Jersey Environmental Infrastructure Trust (the "Trust") has reviewed the Treasurer's Reports for September 2015; 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 September 2015 and requests that the same be entered into the record.

Adopted Date: November 12, 2015

Motion Made By: Christine Campbell

Motion Seconded By: Mark Longo

Ayes: 5

Nays: 0

Abstentions: 0

RESOLUTION NO. 15 - 46

RESOLUTION ACKNOWLEDGING RECEIPT OF EXECUTIVE DIRECTOR'S REPORT CONCERNING THE TERMS OF THE SALE OF THE FOLLOWING NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST BOND SERIES: ENVIRONMENTAL INFRASTRUCTURE BONDS SERIES 2015A-2 (GREEN BONDS), ENVIRONMENTAL INFRASTRUCTURE REFUNDING BONDS SERIES 2015A-R1 (2007A FINANCING PROGRAM), ENVIRONMENTAL INFRASTRUCTURE REFUNDING BONDS SERIES 2015B-R2 (AMT)(2006B FINANCING PROGRAM).

BE IT RESOLVED THAT, in connection with the sale on NOVEMBER 10, 2015 of the bonds, the Board hereby acknowledges receipt of the Executive Director's report and ratifies all actions taken which include copies of the following:

Series 2015 A-2 (Green Bonds) Notice of Sale and Summary Notice of Sale

Series 2015A-2 Official Statement

Series 2015A-2 Bonds Bids

Series 2015A-R1 and Series 2015 B-R2 Notice of Sale and Summary Notice of Sale

Series 2015A-R1 and Series 2015 B-R2 Official Statement

Series 2015A-R1 Bonds bid

Series 2015B-R2 Bonds bid

Adopted Date: November 12, 2015

Motion Made By: Mark Longo

Motion Seconded By: James Requa

Ayes: 5

Nays: 0

Abstentions: 0




Robert A. Briant, Jr., Vice Chairman
Roger Ellis, Treasurer
Mark Longo, Secretary
Robert A. Romano, Acting State Treasurer
Bob Martin, DEP Commissioner
Charles A. Richman, DCA Commissioner

David E. Zimmer, CFA, Executive Director

DATE: November 12, 2015

TO: Board of Directors
New Jersey Environmental Infrastructure Trust

FROM: David E. Zimmer, Executive Director 
New Jersey Environmental Infrastructure Trust

SUBJECT: **NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST
BOND SALE REPORT**

On November 10, 2015, the New Jersey Environmental Infrastructure Trust's (the "Trust") Bond Sale was held for the issuance of:

- o \$9,555,000 of Environmental Infrastructure Bonds, Series 2015A-2 (Green Bonds)
- o \$108,120,000 Environmental Infrastructure Refunding Bonds, Series 2015A-R1 (2007A Financing Program)
- o \$13,050,000 Environmental Infrastructure Refunding Bonds, Series 2015B-R2 (2006B Financing Program)(AMT).

The following individuals were present at the sale:

New Jersey Environmental Infrastructure Trust

David E. Zimmer, Executive Director
Frank Scangarella, Assistant Director
Lauren Kaltman, Chief Financial Officer
John Hansbury, Chief Budget Officer

Public Financial Management, Inc.

Geoffrey Stewart, Director
Chris DeStefano, Analyst

McCarter & English, LLP

Richard Nolan, Partner

Terms:

Series 2015A-2 Bonds

In accordance with the New Jersey Environmental Infrastructure Trust Act, P.L. 1985, c. 334 (N.J.S.A. 58:11B-1 et seq.) and the Bond Resolution No. 15-44 of the Trust adopted on **October 8, 2015** (the “Act and Resolution”), and as therein authorized and provided, the following actions were taken:

- (i) Determination of Time and Date of Sale: Executive Director Zimmer, pursuant to the delegation granted to him by the Board as set forth in Resolution No. 15-44, selected **November 10, 2015 at 11:00 a.m.** at the Trust's administrative offices located at 3131 Princeton Pike, Building 4, Suite 216, Lawrenceville, New Jersey 08648, for the receipt of electronic bid proposals and the opening of said proposals for the purchase of the Series 2015A-2 Bonds.
- (ii) Notice of Sale: On **October 30, 2015**, a summary of the Notice of Sale (NOS) for the Trust's Series 2015A-2 Bonds, substantially in the form as approved by the Trust, was duly published as directed by the Act and Resolution in the Star Ledger, the Trenton Times, and the South Jersey Times, three newspapers published in the State of New Jersey, and in The Bond Buyer both in print and electronic form, a publication carrying municipal bond notices and devoted primarily to financial news published in the City of New York. Simultaneously, the NOS was electronically distributed by the Trust using the i-Deal Prospectus Delivery System (IDP Delivery System). See attachments A-1 and B-1, respectively.
- (iii) Preliminary Official Statement: On **October 30, 2015**, the Preliminary Official Statement (POS) was electronically distributed by the Trust using the IDP Delivery System. In accordance with Securities and Exchange Commission Rule 15c2-12 and due to the structure of the Program, the Trust was not required to provide disclosure on any specific borrower. The POS is available on the Trust's website at:

http://d8lomzvei8y8s.cloudfront.net/njeit/officialstatements/2015a-2_pos.pdf
- (iv) Electronic Bids: On **November 10, 2015 at 11:00 a.m.**, a total of six (6) electronic bids were received by the Trust for the purchase of the Series 2015A-2 Bonds. The electronic bids were delivered using the PARITY electronic bid submission system of i-Deal LLC (ID Parity System). See attachment C-1.

For the purchase of the Series 2015A-2 Bonds, the bid proposal from Citigroup Global Markets Inc. was the best responsive proposal received, providing the lowest True Interest Cost (TIC) to the Trust over the life of the Series 2015A-2 Bonds. Accordingly, the Series 2015A-2 Bonds were awarded to Citigroup Global Markets Inc.

Listed below are the responding bidders and the corresponding TIC of each bid. After consideration and review of the Proposals for the Series 2015A-2 Bonds, the TIC over the life of the Series 2015A-2 Bonds under each of the aforementioned Proposals for the Series 2015A-2 Bonds was confirmed by the Trust as follows:

| SERIES 2015A-2 | Bidder | Proposal's Total Purchase Price | True Interest Cost (TIC) |
|---------------------------|----------------------------------|--------------------------------------------|-------------------------------------|
| Bidder No. 1 | Citigroup Global Markets Inc. | \$9,947,782.75 | 2.794212%* |
| Bidder No. 2 | PNC Capital Markets | \$9,908,087.80 | 2.891154% |
| Bidder No. 3 | Morgan Stanley & Co. LLC | \$9,835,851.15 | 2.934802% |
| Bidder No. 4 | J.P. Morgan Securities LLC | \$10,135,221.60 | 2.935079 % |
| Bidder No. 5 | Bank of America Merrill Lynch | \$9,645,652.05 | 2.936670% |
| Bidder No. 6 | Hutchinson, Shockey, Erley & Co. | \$9,966,261.05 | 2.943212% |

*As adjusted pursuant to the terms of the Notice of Sale:

Final Purchase Price and TIC, \$9,947,782.75 and 2.789032%.

- (v) Investment of Proceeds: The proceeds of the Series 2015A-2 Bonds, consisting of the Project Funds and the Capitalized Interest Fund relating to such Series, will be deposited in Money Market Investments upon settlement scheduled for November 24, 2015.
- (vi) Official Statement: A mark-up of the POS derived from the sale of the Series 2015A-2 Bonds on **November 10, 2015** is attached (Attachment D-1). The Official Statement, dated **November 10, 2015**, will be printed and distributed on or about **November 16, 2015**.

Series 2015A-R1 and Series 2015B-R2 Refunding Bonds

In accordance with the New Jersey Environmental Infrastructure Trust Act, P.L. 1985, c. 334 (N.J.S.A. 58:11B-1 et seq.) and the Supplemental Bond Resolutions Nos. 15-36 and 15-37 adopted on **August 20, 2015** (the "Act and Refunding Resolutions"), and as therein authorized and provided, the following actions were taken:

- (i) Determination of Time and Date of Sale: Executive Director Zimmer, pursuant to the delegation granted to him by the Board as set forth in Resolution No. 15-36 and Resolution No. 15-37, selected **November 10, 2015** at **10:30 a.m.** for the Series 2015A-R1 Refunding Bonds and **11:15 a.m.** for the Series 2015B-R2 Refunding Bonds at the Trust's administrative offices located at 3131 Princeton Pike, Building 4, Suite 216, Lawrenceville, New Jersey 08648, for the receipt of electronic bid proposals and the opening of said proposals for the purchase of the Series 2015A-R1 and 2015B-R2 Refunding Bonds.
- (ii) Notice of Sale: On **October 30, 2015**, a summary of the Notice of Sale (NOS) for the Trust's Series 2015A-R1 and 2015B-R2 Refunding Bonds, substantially in the form as approved by the Trust, was duly published as directed by the Act and Refunding Resolutions in the Star Ledger, the Trenton Times, and the South Jersey Times, three newspapers published in the State of

New Jersey, and in The Bond Buyer both in print and electronic form, a publication carrying municipal bond notices and devoted primarily to financial news published in the City of New York. Simultaneously, the NOS was electronically distributed by the Trust using the i-Deal Prospectus Delivery System (IDP Delivery System). See attachments A-2 and B-2, respectively.

- (iii) Preliminary Official Statement: On **October 30, 2015**, the Preliminary Official Statement (POS) for the Series 2015A-R1 and 2015B-R2 Refunding Bonds was electronically distributed by the Trust using the IDP Delivery System. In accordance with Securities and Exchange Commission Rule 15c2-12 and due to the structure of the Program, the Trust was not required to provide disclosure on any specific borrower. The POS is available on the Trust’s website at:

http://d8lomzvei8y8s.cloudfront.net/njeit/officialstatements/2015a-r1_2015b-r2_pos.pdf

- (iv) Electronic Bids:
Series 2015A-R1 Refunding Bonds

On **November 10, 2015** at **10:30 a.m.**, a total of seven (7) electronic bids were received by the Trust for the purchase of the Series 2015A-R1 Refunding Bonds. The electronic bids were delivered using the PARITY electronic bid submission system of i-Deal LLC (ID Parity System). See attachment C-2.

The Series 2015A-R1 Refunding Bonds refunded 62 Loans for 56 borrowers, and produced an estimated net present value (NPV) debt service savings of \$15.08 million, which is 11.97% of the refunded par amount after expenses.

For the purchase of the Series 2015A-R1 Refunding Bonds, the bid proposal from Wells Fargo Bank, National Association was the best responsive proposal received, providing the lowest True Interest Cost (TIC) to the Trust over the life of the Series 2015A-R1 Refunding Bonds. Accordingly, the Series 2015A-R1 Refunding Bonds were awarded to Wells Fargo Bank, National Association.

Listed below are the responding bidders and the corresponding TIC of each bid. After consideration and review of the Proposals for the Series 2015A-R1 Refunding Bonds, the TIC over the life of the Series 2015A-R1 Refunding Bonds under each of the aforementioned Proposals for Series the 2015A-R1 Refunding Bonds was confirmed by the Trust as follows:

| SERIES 2015A-R1 | Bidder | Proposal’s Total Purchase Price | True Interest Cost (TIC) |
|----------------------------|----------------------------------------|--------------------------------------------|-------------------------------------|
| Bidder No. 1 | Wells Fargo Bank, National Association | \$139,043,298.15 | 1.986000%* |
| Bidder No. 2 | Bank of America Merrill Lynch | \$138,977,605.94 | 1.994166% |
| Bidder No. 3 | J.P. Morgan Securities LLC | \$138,764,444.86 | 1.995524% |

| | | | |
|--------------|-------------------------------|------------------|------------|
| Bidder No. 4 | Citigroup Global Markets Inc. | \$138,852,783.55 | 2.009696 % |
| Bidder No. 5 | Barclays Capital Inc. | \$138,768,026.75 | 2.020252% |
| Bidder No. 6 | Goldman, Sachs & Co. | \$137,529,705.28 | 2.026429% |
| Bidder No. 7 | Morgan Stanley & Co. LLC | \$138,585,547.45 | 2.043011% |

*As adjusted pursuant to the terms of the Notice of Sale:

Final Purchase Price and TIC, \$139,043,298.15 and 1.996134%.

Series 2015B-R2 Refunding Bonds

On **November 10, 2015 at 11:15 a.m.**, a total of six (6) electronic bids were received by the Trust for the purchase of the Series 2015B-R2 Refunding Bonds. The electronic bids were delivered using the PARITY electronic bid submission system of i-Deal LLC (ID Parity System). See attachment C-3.

The Series 2015B-R2 Refunding Bonds refunded 2 loans for 2 borrowers, and produced an estimated net present value (NPV) debt service savings of \$1.65 million, which is 11.07% of the refunded par amount after expenses.

For the purchase of the Series 2015B-R2 Refunding Bonds, the bid proposal from PNC Capital Markets was the best responsive proposal received, providing the lowest True Interest Cost to the Trust over the life of the Series 2015B-R2 Refunding Bonds. Accordingly, the Series 2015B-R2 Refunding Bonds were awarded to PNC Capital Markets.

Listed below are the responding bidders and the corresponding TIC of each bid. After consideration and review of the Proposals for the Series 2015B-R2 Refunding Bonds, the TIC over the life of the Series 2015B-R2 Refunding Bonds under each of the aforementioned Proposals for the Series 2015B-R2 Refunding Bonds was confirmed by the Trust as follows:

| SERIES 2015B-R2 | Bidder | Proposal's Total Purchase Price | True Interest Cost (TIC) |
|----------------------------|----------------------------------|------------------------------------------------|-------------------------------------|
| Bidder No. 1 | PNC Capital Markets | \$15,981,753.75 | 2.300744%* |
| Bidder No. 2 | Bank of America Merrill Lynch | \$15,175,626.95 | 2.383093% |
| Bidder No. 3 | Morgan Stanley & Co. LLC | \$15,957,987.83 | 2.398424% |
| Bidder No. 4 | J.P. Morgan Securities LLC | \$15,916,593.10 | 2.410222% |
| Bidder No. 5 | Hutchinson, Shockey, Erley & Co. | \$15,547,898.85 | 2.524851% |

| | | | |
|--------------|--------------------------|-----------------|-----------|
| Bidder No. 6 | Citigroup Global Markets | \$15,697,185.30 | 2.687426% |
|--------------|--------------------------|-----------------|-----------|

*As adjusted pursuant to the terms of the Notice of Sale:

Final Purchase Price and TIC, \$15,981,753.75 and 2.310953%.

- (v) Investment of Proceeds: The proceeds of the Series 2015A-R1 Refunding Bonds will be invested in open market treasury securities upon settlement on **November 24, 2015**. The proceeds of the Series 2015B-R2 Refunding Bonds will be deposited in Money Market Investments upon settlement on November 24, 2015.
- (vi) Official Statement: A mark-up of the POS derived from the sale of the Series 2015A-R1 and Series 2015B-R2 Refunding Bonds on **November 10, 2015** is attached (Attachment D-2). The Official Statement, dated **November 10, 2015**, will be printed and distributed on or about **November 16, 2015**.

Summary of Attachments

Series 2015A-2 Bonds

- Summary Notice of Sale (Attachment A-1);
- Notice of Sale (Attachment B-1);
- Bond bids (Attachment C-1); and
- Mark-up of Preliminary Official Statement (Attachment D-1)

Series 2015A-R1 Refunding Bonds and Series 2015B-R2 Refunding Bonds

- Summary Notice of Sale (Attachment A-2);
- Notice of Sale (Attachment B-2);
- Series 2015A-R1 Bond bids (Attachment C-2);
- Series 2015B-R2 Bond bids (Attachment C-3); and
- Mark-up of Preliminary Official Statement (Attachment D-2)

RESOLUTION NO. 15 - 47

RESOLUTION APPROVING THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST STATE FISCAL YEAR 2015 AUDITED FINANCIALS

WHEREAS, the books and accounts of the New Jersey Environmental Infrastructure Trust (the "Trust") are required to be audited once each year (hereafter "Audited Financials") pursuant to N.J.S.A. 58:11B-24 and Executive Order No. 37 (Corzine) (hereafter "EO 37"); and

WHEREAS, the Trust's State Fiscal Year ("SFY") 2015 Audited Financials have been prepared by Bowman & Company, LLP; and

WHEREAS, the Trust's SFY2015 Audited Financials have been presented to the Trust's Audit Committee pursuant to EO 37; and

WHEREAS, the Trust's Audited Financials shall be presented to the Trust's Board of Directors for approval pursuant to Chapter IV, Section 4 of the Trust's Bylaws.

NOW THEREFORE BE IT RESOLVED, the Trust hereby adopts the Trust's SFY2015 Audited Financials.

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| Adopted Date: | November 12, 2015 |
| Motion Made By: | Bob Briant, Jr. |
| Motion Seconded By: | Christine Campbell |
| Ayes: | 5 |
| Nays: | 0 |
| Abstentions: | 0 |

SUMMARY OF ANNOUNCEMENTS:

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

- On November 10, 2015, the Trust, with the assistance of PFM and McCarter & English, priced one new Green bond deal and two refunding deals. Per the three authorizing bond resolutions, I am required to give a detailed report of the terms of each of the three deals which I will do in Agenda Item 8B later on in the meeting.
- On November 10, 2015, Assistant Director Scangarella and DEP staff held a conference call with East Orange Officials to discuss pending Drinking Water Projects.
- On November 9, 2015, the Trust, with the assistance of PFM and McCarter & English, defeased 5 outstanding bond issues involving 12 loans to decrease unused bond proceeds by \$5.26 million on account of the federal government re-opening the SLGS window.
- On November 6, 2015, Executive Director Zimmer, was a panel participant discussing Funding Federal, State and Local planning tools at the Rutgers Innovative Use and Reuse of Landfills and Brownfield Redevelopment.
- On November 5, 2015, Executive Director Zimmer and Assistant Director Scangarella held a conference call with the Division of Local Government Services staff to discuss the Trust's assistance in forwarding application information to the DLGS for various approvals.
- On November 2 and 3, 2015, Chief Financial Officer, Lauren Kaltman participated in CIFA's (the Council of Infrastructure Financing Authorities) annual conference in Tampa, Florida alongside representatives from the EPA, and several other SRF state financing organizations including NJ's DEP.
- On October 29, 2015, Executive Director Zimmer, Bond Counsel Rich Nolan and senior staff from the DEP and the NJ Deputy Attorney General's office met with officials from the Borough of West Milford and its Municipal Utility Authority to discuss operational and financial issues.
- On October 21, 2015, Executive Director Zimmer and Chief Financial Officer, Lauren Kaltman and members of PFM's financial team met in New York City with representatives from Fitch Ratings, Moody's Investor Services and S&P Ratings regarding the 3 bond issues mentioned above.
- On October 14, 2015, DEP Commissioner Bob Martin, along with Executive Director Zimmer, current and former Borough Mayors Cooper and Sworen respectively, and other federal and State officials, christened the recently completed Frenchtown Waste Water facility. The facility received an \$8.7 million loan from the Financing Program which included \$1.72 million of principal forgiveness. Financing the project through the NJEIFP was estimated to save the Borough over \$3.4 million.
- Trust senior staff continues to meet with consultants from CohnReznick to finalize the Policy & Procedure reviews of the Trust's major business functions. This phase of the internal controls audit is anticipated to be completed by the end of October at which point, the Trust and CohnReznick will begin testing.
- Trust senior staff participated in the following client project pre-planning meetings or conference calls to discuss program funding issues:
 - Hoboken – Redevelopment Project – SFY2015 Financing Program
 - Vermont SRF – Challenges to financing remediation projects
 - reFocus Partners – Funding for green infrastructure projects
 - Camden County MUA – Discuss synopsis concerning CCMUA's digester/CHP project

- H₂LOans computer system meetings continue between the Trust and DEP technology and process staffs.
- Importantly, the next Board meeting is scheduled for December 10, 2015 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 hard copies.

- 5.02 Certificates were sent to the following Program borrowers:

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|---------|-------------------------|------------------------------------|
| 2012A | Lakewood Twp MUA | W1514002-002/006/007/008/009/010-1 |
| 2012A | Lakewood Twp MUA | W1514002-011 |
| 2014A | Hamilton Twp MUA | W0112001-003 |
| 2010B | Sea Girt Borough | W1344001-001/002-1 |
| 2014A | Ocean Twp | S340112-03-1 |
| 2014A | Willingboro MUA | S340132-04/05 |
| 2014A | Pine Hill Borough MUA | W0428002-002 |
| 2014A | Maple Shade Twp | S340710-08 |
| 2014A | Hamilton Twp MUA | S340903-04 |
| 2013A | NJ City University | S340111-02 |
| 2014B | Middlesex Water Company | W1255001-015 |
| 2014A | Newark City | S340815-05-1 |
| 2014A | Middlesex CUA | S340699-10 |
| 2012A | Matawan Borough | W1329001-001/002 |
| 2005 | Newark City | S340815-05/07 |
| 2015A | Camden County MUA | S340640-10-2 |
| 2014A | Stanhope Borough | W1919001-001/002 |
| 2013A | Collingswood Borough | W0412001-002/003 |
| 2012A | Cape May County MUA | S340661-15/16/17/18/19/20 |
| 2010A | Gibbsboro Borough | S340871-03 |
| 2015A | Merchantville Borough | S340367-02-1 |
| 2014A | Palmyra Borough | S340030-04 |
| 2015A-1 | Jersey City MUA | S340928-11 |

- Early payer invoices were sent to the following Program borrowers:

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|----------------------------|----------------------------------|
| Passaic Valley SC | Project No. S340689-20/03-1/10-1 |
| Bordentown SA | Project No. S340219-01 |
| Little Egg Harbor MUA | Project No. W1516001-001 |
| Northwest Bergen County UA | Project No. S340700-10 |
| Evesham MUA | Project No. S340838-02 |
| Gloucester County UA | Project No. S340902-03/04 |

A copy of the Announcements & Correspondence is available for each Board meeting on the last page of the minutes for that Board meeting. Board minutes can be found on the Trust's webpage under the "Recent Board Meeting Documents" at: <http://www.njeit.org>.