



August 3, 2017

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, August 10, 2017 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 – Vice Chairman
2. Open Public Meeting Act Statement
3. Roll Call
- 4.* Approval of the Minutes of the June 15, 2017 Meeting
5. Announcements
6. Public Comment
7. Unfinished Business:
 - A. Discussion of the Construction Status Report (hand-out) (G. Chebra)
 - B. Discussion and Status of SFY2017 Financing Program Projects (hand-out) (G. Chebra)
 - C. Update on Outstanding Trust Requests for Proposals (D. Zimmer)
 - D. Update on Construction and SAIL Loan Programs (D. Zimmer)
 - E. Status of Aged Inventory (L. Kaltman)
 - F. Update on Final Arbitrage Rebate Report (J. Hansbury)
8. New Business
 - A.* Discussion and Acceptance of the May 2017 Treasurer’s Reports (J. Hansbury)
 - B.* Discussion and Acceptance of the June 2017 Treasurer’s Reports (J. Hansbury)
 - C.* Discussion and Approval of a Resolution Authorizing an SFY2018 NJEIFP Construction Loan to Middlesex Water Co. in excess of \$10 million for Project No. 1225001-026 (F. Scangarella)
 - D.* Discussion and Approval of a Resolution Authorizing an SFY2018 NJEIFP Construction Loan to North Bergen MUA in excess of \$10 million for Project No. S340652-14 (F. Scangarella)
 - E.* Discussion and Approval of a Resolution Authorizing the Issuance of a Request for Proposals for Arbitrage Rebate Compliance Services (J. Karp)
 - F.* Discussion and Approval of a Resolution Authorizing the Issuance of a Request for Proposals for Custodial Banking Services (L. Kaltman)
 - G.* Discussion and Approval of a Resolution Authorizing an Amendment to the Internal Controls Audit Services Agreement (F. Scangarella)
 - H.* Approval of a Resolution Establishing a Pool of Professional Engineering Firms for Consulting Engineering Services (F. Scangarella)
 - I.* Approval of a Resolution Authorizing the Solicitation of Proposals from the Engineering Consulting Pool (D. Zimmer)

J.* Discussion and Approval of a Resolution Approving Various Actions and Forms of Documents Necessary for Making SFY2018 NJEIFP Loans with Proceeds of NJEIT Bonds to be Issued in November of 2017 (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
3131 Princeton Pike
Building 4 Suite 216
Lawrenceville, NJ 08648-2201



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

June 15, 2017

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 executive session minutes of the June 15, 2017 Trust Board 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 Vincent Prieto, Speaker of the General Assembly



New Jersey Environmental Infrastructure Trust
3131 Princeton Pike
Building 4 Suite 216
Lawrenceville, NJ 08648-2201

Robert A. Briant, Jr., **Vice Chairman**
Roger Ellis, **Treasurer**
Mark Longo, **Secretary**
Ford M. Scudder, **State Treasurer**
Bob Martin, **DEP Commissioner**
Charles A. Richman, **DCA Commissioner**
David E. Zimmer, **Executive Director**

June 15, 2017

NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST

OPEN PUBLIC MEETING

MINUTES – June 15, 2017

1. CALL TO ORDER:

A meeting of the New Jersey Environmental Infrastructure Trust was convened on June 15, 2017 in the conference room of 3131 Princeton Pike, Building 4, Suite 216, Lawrenceville, New Jersey. Vice Chairman Briant called the meeting to order at 10:08 a.m.

2. OPEN PUBLIC MEETING ACT STATEMENT:

Executive Director Zimmer read the Open Public Meeting Act Statement into the record.

3. ROLL CALL:

Ms. Nancy Collazo conducted roll call to which Mr. Briant, Mr. Cunningham, Mr. Ellis, Mr. Kennedy and Mr. Longo all responded affirmatively.

DIRECTORS

Robert A. Briant, Jr., Vice Chairman
Mark Longo, Secretary *
Roger Ellis, Treasurer
Dan Kennedy
(for DEP Commissioner Martin)
Timothy Cunningham
(for DCA Commissioner Richman)

OTHERS

David E. Zimmer, Executive Director
Frank Scangarella, Assistant Director
Lauren Seidman Kaltman, Chief Financial Officer
Judy Karp, Legal and Compliance Officer
John Hansbury, Chief Budget Officer
George Rolon, Project Manager
Thomas Huth, Governor's Authorities Unit
Clifford T. Rones, Deputy Attorney General
Richard Nolan, McCarter & English LLP
Geoffrey Stewart, Public Financial Management
Gene Chebra, Municipal Finance & Construction Element
Scott Shymon, Municipal Finance & Construction Element

*Participated via teleconference

4. APPROVAL OF THE MINUTES:

Vice Chairman Briant opened discussion of the minutes of the Thursday, May 11, 2017 Trust Board meeting.

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

Mr. Cunningham moved for the approval of the minutes. Mr. Ellis 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 have occurred and correspondence issued since the last Trust Board meeting:

- On **June 12, 2017**, Executive Director Zimmer and DEP Assistant Commissioner Dan Kennedy met with Assemblyman Dr. Tim Eustace, Chair of the Assembly Environment and Solid Waste Committee to introduce the Financing Program;
- On **June 7, 2017**, Executive Director Zimmer assisted DEP Commissioner Bob Martin in kicking off the 2017 Barnegat Bay Blitz at Cattus Island Park in Toms River NJ. Several NJEIT staff members joined thousands of volunteers throughout the Bay's watershed in helping with the cleanup;
- On **June 1, 2017**, Executive Director Zimmer, Assistant Director Scangarella and Legal and Compliance Officer Karp testified at the Senate Environmental Committee hearing regarding the Program's annual bills;
- On **May 15, 2017**, the NJEIT and DEP co-hosted National Infrastructure Week by highlighting the City of Hoboken's cutting edge, 6-acre green infrastructure and stormwater management project. DEP Assistant Commissioner Dan Kennedy joined Hoboken Mayor Dawn Zimmer, NHTSA Executive Director Richard Wolff and Jersey Water Works co-chair Jane Kenny to present the project and its expected benefits. Executive Director Zimmer emceed the event which was held at the newly-named Northwest Resiliency Park in Hoboken; and
- The next Trust Board meeting is scheduled for Thursday, July 13, 2017 at 10:00 am at the Trust's offices.

A copy of the announcements are available on the Trust's webpage under the Recent Board Meeting Documents tab. <https://njeit.org/agenda> (locate "Meeting Date", 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.

Adam Liebttag, President, Communication Workers of America, Local 1036 was recognized by Mr. Briant. Mr. Liebttag distributed a written submission for the record (attached as Appendix A). He commented that he was appreciative that Agenda Item 8F regarding the RFQ for Consulting Engineering Services had been struck from the Agenda. His concerns are (i) lack of clarity in certain areas of the RFQ with respect to the authority of the DEP versus the authority of the Trust to refer engineering work to the consultants

under the RFQ, (ii) the scope of the RFQ is for aspects of project application and review it is the Union's position that staff are performing all the functions covered under the RFQ making the RFQ unnecessary and (iii) There is no large flux of project applications requiring additional staffing.

Mr. Liebttag concluded that the RFQ is in appropriate and requested that the Board defer action until CWA's comments could be accommodated.

Mr. Briant noted that he appreciated Mr. Liebttag comments, that the Board will consider the CWA's comments. In addition, the Board recognized and appreciated all the hard work performed by DEP's staff and that the Resolution was pulled specifically to give the Trust and DEP more time to address the concerns raised by Mr. Liebttag.

7. UNFINISHED BUSINESS:

A. Mr. Shymon, of the NJDEP's Municipal Finance and Construction Element, reported that there are 231 active projects totaling \$1,223,559,111 and 1,197 closed projects with loans outstanding totaling \$5,601,806,637 for a grand total of 1,428 projects at \$6,825,365,748.

B. Mr. Shymon discussed the SFY2017 Combined Financing Loan Programs:

SFY2017 Clean Water Financing Program:

	Projects Totaling	
	No.	\$ Amount
Project Certified with Construction Loan	36	\$345,058,219
Project Certified - not Closed:	23	\$122,025,351
Project Received Authorized to Advertise; approval expected by 6/30/17	23	\$257,693,735
Project Planning & Design Loan	10	\$40,691,738
Project Approval expected by 6/30/17	88	\$1,112,862,942
Project Approval not expected by 6/30/17	50	\$586,645,577
Total Clean Water Projects	230	\$2,464,977,562

SFY2017 Drinking Water Financing Program:

	Projects Totaling	
	No.	\$ Amount
Project Certified with Construction Loan:	19	\$114,047,175
Project Certified - not Closed:	18	\$116,081,000
Project Received Authorized to Advertise; approval expected by 6/30/17	13	\$35,950,000
Project Planning & Design Loan	0	\$0
Project Approval expected by 6/30/17	63	\$390,248,459
Project Approval not expected by 6/30/17	40	\$214,900,567
Total Drinking Water Projects	103	\$871,227,201

SFY2017 Grand Totals:

Clean & Drinking Water Program Totals:	333	\$3,336,204,763
---	------------	------------------------

Mr. Briant asked Mr. Shymon based on past history, if he could estimate how many projects that received Authorization to Advertise might receive financing by June 30th, 2017. Mr. Shymon responded, most will not make it by June 30th, but the majority of the 41 projects that had received certification would likely get financing by Fiscal Year end.

There were no additional comments or questions.

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

- Trustee and Escrow Agent Services
Resolution No. 17-28, authorized the issuance of an RFP for Trustee and Escrow Agent Services and was scheduled as Agenda Item 8E.
- General Engineering Services
Resolution No. 17-19, authorized the issuance of an RFP for General Engineering Services and was scheduled as Agenda Item 8F but was tabled.

D. Executive Director Zimmer next reported on the changes to the Construction and SAIL Loan Programs:

- The Trust received 20 new applications during the past month for Construction and SAIL Loans financing totaling \$89.6M.
 - The Trust has received 91 Construction and SAIL Loan applications to-date totaling \$956.2M.
- The Trust closed 16 Construction and SAIL Loan applications during the past month totaling \$112.8M.
 - The Trust has closed on 68 Construction and SAIL Loan applications to-date totaling \$528.9M.
- The Trust disbursed \$24.6 M of funds since the last Board meeting to 32 projects.
 - 63 projects with open Construction and SAIL Loans have received disbursements from the Trust to-date totaling \$136.8 M, or approximately 25.9% of outstanding short-term loans.

The Construction and SAIL Loan report was provided to the Board of Directors of the Trust in satisfaction of the requirements of Section 11 of the authorizing Resolution No. 17-11 adopted on February 15, 2017.

There were no comments or questions.

8. NEW BUSINESS:

A. Executive Director Zimmer introduced the Trust’s Chief Budget Officer Hansbury to present Resolution No. 17-35 accepting the April 2017 Treasurer’s Report.

Revenues earned in April 2017:	\$ 492,807		
YTD Total Revenues Earned:	\$ 5,451,536	101	% of Budget
YTD Total Revenues Budgeted:	\$ 5,385,174		
Expenses Incurred in April 2017:	\$ 389,295		
YTD Total Expenses Incurred:	\$ 4,537,588	96	% of Budget
YTD Total Expenses Budgeted:	\$ 4,707,779		
<hr/>			
Difference YTD v. Budgeted YTD:	\$ 236,552		Unanticipated Excess cash flow

Chief Budget Officer Hansbury asked if there were any comments or questions. Hearing none, Vice Chairman Briant requested a motion for approval.

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

- B. Executive Director Zimmer introduced Assistant Director Scangarella to present Resolution No. 17-36 authorizing an NJEIFP Construction Loan to Passaic Valley Sewerage Commissioners (PVSC) in excess of \$10 million for Project No. S340689-37. Resolution No. 17-11 requires Board approval for Construction Loans in excess of \$10 million for the SFY2018 Financing Program. The Resolution authorized a Construction Loan to PVSC for a new Substation and a new incinerator building with an estimated project cost not to exceed \$13.4 million.

Assistant Director Scangarella asked if there were any comments or questions. Hearing none, Vice Chairman Briant requested a motion for approval.

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

- C. Executive Director Zimmer introduced Construction Project Manager Rolon to present Resolution No. 17-37 authorizing the Trust to waive the billing of indirect Project Management fees for SAIL Borrowers for contract work provided by Grant Thornton in SFY2017 in an amount not to exceed \$35,000.00. Pursuant to Resolution No. 13-73 and consistent with SFY2015 & SFY2016, when the Board waived SAIL project management fees totaling \$80,636.34 and \$35,847.15, respectively, the waiver of fees in SFY2017 will continue to facilitate the SAIL Program for eight (8) affected communities.

Construction Project Manager Rolon asked if there were any comments or questions. Hearing none, Vice Chairman Briant requested a motion for approval.

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

- D. Executive Director Zimmer introduced Chief Financial Officer Kaltman to present Resolution No. 17-38 approving the Third Amended and Restated Resolution of the Disaster Relief Emergency Financing

Program. The amendment extends the Disaster Relief Emergency Financing Program for State Fiscal Years 2018, 2019, and 2020; reduces the annual authorization of set aside from \$2 million to \$200,000 per year; changes language to conform to recent changes in the Trust Enabling Act; changes the calculation of the rate of interest to be charged on SAIL Loans to align with the Construction Loan Program; and removes the section related to the solicitation for bids for a Line of Credit.

Chief Financial Officer Kaltman asked if there were any comments or questions. Hearing none, Vice Chairman Briant requested a motion for approval.

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

- E. Executive Director Zimmer introduced Legal and Compliance Officer Karp to present Resolution No. 17-39 authorizing the Trust to appoint Zions Bank Corporate Trust (Zions Bank) as the Trustee and Escrow Agent for State Fiscal Years (SFY) 2018 & 2019 Environmental Financing Programs. Four proposals to the RFP were received, and one of the four was rejected for its failure to include a Cost Proposal. Considering technical merit and price, the Evaluation Committee concluded that Zions Bank submitted the best proposal. The Resolution authorized the award of a contract to Zions Bank for the period of the start of escrow closings for SFY2018 through the end of the Financing Program SFY2019 year with an option to extend one-year upon approval by the Board.

Legal and Compliance Officer Karp asked if there were any comments or questions. Hearing none, Vice Chairman Briant requested a motion for approval.

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

- F. Executive Director Zimmer tabled Agenda Item 8F.

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 further action required by the Board. Mr. Zimmer answered there was not.

Board Treasurer Ellis asked if, due to the passage of P.L.2017,c71 (the WISE ACT), the Trust had seen any increase in project applications. Executive Director Zimmer commented that the WISE ACT Calculator had only been up on the Trust web page for two weeks, so it was too soon to tell. Vice Chairman Briant then asked for a motion for an adjournment.

Mr. Ellis moved to adjourn the meeting. The motion was seconded by Mr. Cunningham. The motion was carried 5 to 0 with 0 abstentions.

The meeting was adjourned at 10:39 am.

APPENDIX A



Communications Workers of America Local 1036

1 Lower Ferry Road, West Trenton, NJ 08628

Phone/ 609-530-0060 Fax/ 609-530-0638

Adam Liebttag
President

Lauren Young-Boukema
Executive Vice President

Hita Shah
Secretary

Richard Holmes
Treasurer

June 15, 2017

David Zimmer, Executive Director
And
Members of the Board of Directors
NJ Environmental Infrastructure Trust
*Via hand delivery on June 15, 2017
and follow-up by regular mail*

Re: Request for Qualifications (RFQ) for Consulting Engineering Services for the NJEIT

Dear Mr. Zimmer and Members of the Board of Directors,

On behalf of the CWA Local 1036, I submit these comments opposing the Request for Qualifications for Consulting Engineering Services for the NJEIT, listed as Agenda Item #8.F. on today's published agenda.

CWA Local 1036 is a local labor union representing 7,000 members across the state of New Jersey, the majority of whom work for various government agencies at the state, county and municipal level. Among our membership are the career staff at the NJEIT, as well as the scientists, engineers, project review and technical staff, and support staff at the Department of Environmental Protection.

We thank our members in both agencies, the leadership at the NJEIT, and the members of this Board for their service and the important work they do. We support the mission and the social, economic, and environmental good you do to protect and improve our infrastructure, protect the environment and get shovels in the ground.

Unfortunately, we do oppose the RFQ in its current form. I understand that there are internal discussions underway between DEP and the Trust staff to clarify certain issues with the RFQ, so I will reserve our position on the final product. As written, the RFQ outsources DEP work, authority, functions, and creates potential staff loss or masking the current staff/resource needs that should be addressed.

Burlington Office
26 High Street
Mount Holly, NJ 08060
P/ 609-267-1640
F/ 609-267-0483

Online
www.cwa1036.org
information@cwa1036.org

Hunterdon Office
123 Main Street
Flemington, NJ 08822
P/ 908-806-3411
F/ 908-806-9169



CWA registered these concerns with DEP at the beginning of May with the Commissioner's Office and it was responsive, scheduling a call with us and then a subsequent meeting that included DEP management and Mr. Zimmer. I thank them for their time and receptiveness to meeting with us. We delineated the reasons we oppose the RFQ for both policy and staffing reasons, but no decisions were made and no action taken (yet) to remedy our concerns. I hope a continued dialogue does so.

Therefore, our opposition remains as strong today as in May and we urge the Board not to approve the RFQ.

The stated need for this RFQ is in large part an anticipated influx of new applications and greatly increased number of projects. This spike in applications could be more than DEP can add to its current workload or using outside services would accelerate the process of an application turning into an actual project.

In the past, consultants have been engaged, notably during the U.S. ARRA in 2009 and for the more recent Sandy Recovery projects. These situations are different than the current concept of an influx of new projects. Yes, NJ has a critical infrastructure need, but the new "open application deadline" policy is a change to our regular work flow, it is not a time-sensitive or time-defined project. ARRA and Sandy work was a time-defined, urgent, immediate, and perhaps "one-off" is inaccurate, but these were specific circumstances generating a specific response. We do not need outside consulting services for the "new normal" of an open application process.

CWA has met with two dozen career professionals at the DEP who work on these projects with NJEIT. They do not support the RFQ and they do not cite a need for additional outside resources to accomplish current projects or to accommodate potential influx of new ones.

Many projects that are listed in the NJEIT's database are in an initial application stage. They are not waiting on work to be done by DEP, but by the applicant to move the project forward. For example, a project may be approved and listed but not move forward because of public concerns and approvals beyond the DEP's control. From a "numbers" standpoint, these applications are listed but they are not "backlogged."

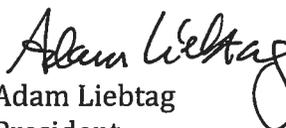
The RFQ scope of work is not limited to construction review or any specific area of a project's lifespan to help it accelerate or to alleviate resource needs at DEP. In fact, the SOW clearly includes every aspect of a project including "environmental oversight and review assistance," engineering oversight and monitoring, project management and site inspections, and progress reports. These are aspects of DEP regulatory authority and work

that is done by DEP staff. The consulting engineers would replace these functions of DEP staff.

We have several other concerns including resourcing DEP properly if there is in fact an increased work load that cannot be accommodated by exiting staff, backfilling DEP staff who leave due to retirement or other reasons rather replacing them through outsourcing, potential conflict of interest among consulting engineers since we expect that many of the respondents may represent municipalities, utilities or other applicants in the same types of projects they would review for the Trust, and ultimately whether the authority to refer a project (or portion thereof) to a consultant would rest with the Trust or with the DEP.

We ask the Board not to approve the RFQ as currently framed and we request further discussion, in detail, with the leadership of both the Trust and DEP to address these concerns. Ultimately, we do not believe that any additional discussion will delay this important work, as the RFQ has been explained as being there "if needed," and currently, DEP continues to fulfill the needs of these projects.

Thank you.


Adam Liebtog
President

RESOLUTION NO. 17 - 35

**RESOLUTION AUTHORIZING APPROVAL OF THE
APRIL 2017 TREASURER'S REPORT**

WHEREAS, the New Jersey Environmental Infrastructure Trust (the "Trust") has reviewed the Treasurer's Report for April 2017; 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 April 2017 and requests that the same be entered into the record.

Adopted Date: June 15, 2017

Motion Made By: Roger Ellis

Motion Seconded By: Dan Kennedy

Ayes: 5

Nays: 0

Abstentions: 0

RESOLUTION NO. 17- 36

RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST APPROVING A CONSTRUCTION LOAN TO THE PASSAIC VALLEY SEWERAGE COMMISSIONERS

WHEREAS, the New Jersey Environmental Infrastructure Trust (the "Trust"), 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 (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 (ii) the regulations promulgated pursuant to the Act (N.J.A.C. 7:22-2.1 *et seq.*), as the same may from time to time be amended and supplemented (the "Regulations"), is authorized, pursuant to an interim financing program (the "Interim Financing Program"), to make loans (each, an "Interim Loan") to eligible project sponsors (each, a "Borrower") for the purpose of financing the allowable costs of environmental infrastructure projects, provided that each such Interim Loan satisfies the requirements of the Regulations, including, without limitation, N.J.A.C. 7:22-4.47; and

WHEREAS, pursuant to the provisions of N.J.A.C. 7:22-4.47, a proposed project sponsor is eligible to be a Borrower for an Interim Loan pursuant to the Interim Financing Program, provided all of the following conditions are satisfied in full: (i) the project is listed on the project priority list developed in accordance with N.J.A.C. 7:22-4.8(a) for funding in the forthcoming State Fiscal Year; (ii) the proposed project sponsor has submitted a complete application for the project in accordance with N.J.A.C. 7:22-4.11; (iii) the project has been certified for funding by the Trust in accordance with N.J.A.C. 7:22-4.13; (iv) the project is in the fundable range in the forthcoming funding cycle given the project's rank and the anticipated availability of Department of Environmental Protection (the "Department") and Trust monies; and (v) the proposed project sponsor has not previously received an Interim Loan through the Interim Financing Program for the same project scope; and

WHEREAS, the Trust duly adopted Resolution No. 17-11 on February 15, 2017 entitled "Resolution Authorizing the Construction Loan Financing Program for State Fiscal Year 2018" (the "2018 Authorizing Resolution") to provide funding for the implementation of the Interim Financing Program during State Fiscal Year 2018 including the Construction Financing Program (the "SFY2018 Construction Loan Program"); and

WHEREAS, it is the desire of the Board to authorize Construction Loan closings pursuant to the SFY 2018 Construction Loan Program for loan closings occurring in SFY2018; and

WHEREAS, pursuant to the terms of the 2018 Authorizing Resolution (the "Authorizing Resolution"), the Authorized Officers (as defined therein) are each severally authorized, after consultation with Bond Counsel to the Trust and the Office of the Attorney General of the State, to approve the participation of a Borrower in the SFY2018 Construction Loan Program, provided that such Borrower qualifies for such participation pursuant to the provisions of the Act and the Regulations and the terms of the Authorizing Resolution; and

WHEREAS, pursuant to Section 5 of the Authorizing Resolution, any Interim Loan approved by the Authorized Officers, following the requisite consultations, and made by the Trust to a Borrower as part of the SFY2018 Construction Loan Program shall not exceed \$10,000,000 in principal amount ("Construction Loan Limitation"); and

WHEREAS, pursuant to Section 2 of the Authorizing Resolution, revisions and modifications may be made to terms and provisions of the Short-Term Financing Program pursuant to further official action in the form of the adoption of a resolution by the Board of Directors of the Trust; and

WHEREAS, the Passaic Valley Sewerage Commissioners (“PVSC”) has applied for a Construction loan from the Trust, in an amount not to exceed \$13,400,000, in anticipation of a long-term loan from each of the Trust and the Department, to finance the planning, design and construction of Project #S340689-37 – construction of a new Substation M and incinerator buildings, (the “PVSC Project”); and

WHEREAS, a Construction Loan not to exceed three full fiscal years will provide working capital to PVSC to pay for the costs of planning, design, and construction, wherein all or a portion of the construction will be completed prior to PVSC’s receipt of a Trust and Department long-term New Jersey Environmental Infrastructure Financing Program loan; and

WHEREAS, with respect to the Authorizing Resolution’s Construction Loan Limitation providing that any Construction Loan approved by the Authorized Officers, following the requisite consultations, and made by the Trust to a Borrower as part of the Construction Loan Program shall not exceed \$10,000,000 in principal amount, subject to further official action in the form of the adoption of a resolution by the Board of Directors of the Trust, the Trust now desires, given the facts and circumstances set forth in the recitals hereto, to create as an exception to such limitation of Construction Loans, as part of the SFY2018 Construction Loan Program, to the aforementioned project sponsor in amount not to exceed the amount stated for the purpose of completing the PVSC Project; and

WHEREAS, it is the desire of the Trust that, other than the Authorizing Resolution’s Construction Loan Limitation described in the immediately preceding recital, the project sponsor shall comply with (i) all other requirements of the Authorizing Resolution, (ii) all applicable requirements of the Act, and (iii) all applicable requirements of the Regulations.

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

Section 1. Notwithstanding the Authorizing Resolution’s Construction Loan Limitation providing that all Loans approved by the Authorized Officers, following the requisite consultations, and made by the Trust to Borrowers as part of the SFY2018 Construction Loan Program, shall not exceed \$10,000,000 in principal amount, the Board of Directors of the Trust, given the facts and circumstances set forth in the recitals hereto, hereby authorizes, as an exception to Construction Loan Limitation, an Interim Loan, as part of the SFY2018 Construction Loan Program, to the following project sponsor for the stated project in an amount not to exceed the amount stated for the purpose of completing the project.

Project Sponsor	Project #	Description	Total Authorized Loan Amount
Passaic Valley Sewerage Comm.	S340689-37	Construction of a new Substation M and incinerator buildings	\$13.4 million

Section 2. Notwithstanding the stated loan amount of \$13.4 million, the NJEIFP funding commitment shall be limited to the operable segments certified, in amounts set forth in the Department's allowable cost determination for each such operable segment, and such funding commitment shall arise at the time of loan closing of the first such operable segment, and upon the Department's allowable cost determination for each subsequent operable segment certified thereafter.

Section 3. Other than the exceptions created by the provisions of Section 1 of this Resolution, the Construction Loans made to the aforementioned project sponsor as part of the SFY2018 Construction Loan Program shall comply fully with (i) each of the terms, provisions and conditions precedent set forth in the Authorizing Resolution, (ii) all applicable requirements of the Act, and (iii) all applicable requirements of the Regulations.

Adopted Date:	June 15, 2017
Motion Made By:	Mark Longo
Motion Seconded By:	Tim Cunningham
Ayes:	5
Nays:	0
Abstentions:	0

RESOLUTION NO. 17 - 37

**RESOLUTION
AUTHORIZING REALLOCATION OF CERTAIN
DISASTER RELIEF EMERGENCY FINANCING PROGRAM EXPENSES**

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, on August 8, 2013, the Board of Directors of the Trust (Board) authorized the Disaster Relief Emergency Financing Program (a.k.a. "Statewide Infrastructure Loan Program" or "SAIL") in Resolution No. 13-47 wherein authorization was given to issue loans to qualified borrowers through the SAIL Program; and

WHEREAS, on December 12, 2013, the Board approved Resolution No. 13-66 authorizing the Executive Director to, among other things, execute an agreement with Grant Thornton for engineering consulting services for projects seeking financing through SAIL for costs sought to be reimbursed by FEMA (Contract);

WHEREAS, on December 12, 2013, the Board Approved Resolution 13-73 authorizing the Executive Director to expend Available Trust Revenues of up to \$2 million per State Fiscal Year in order to fund all or a portion of (i) underwriting fees and costs of issuance incurred by the Trust in connection with the implementation and administration of SAIL, among other things; and

WHEREAS, in SFY2017, the Trust is expected to incur expenses not to exceed \$35,000 on behalf of current SAIL Program participants pursuant to the Contract with Grant Thornton for project management tasks related to eight (8) SAIL projects, through June 30, 2017, in anticipation of allocating and collecting each SAIL participant's pro-rata portion of these expenses upon completion of that project; and

WHEREAS, it is appropriate, pursuant to Section 3 of Resolution No. 13-73, for the Trust to facilitate the SAIL Program by providing forgiveness of the above incurred administrative expenses that have not as yet been billed to the SAIL Program participants.

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors of the New Jersey Environmental Infrastructure Trust directs the Executive Director to account for Contract disbursements to Grant Thornton for SAIL program management administration services, which have not yet been billed or allocated by the Trust to SAIL Program participants, as SAIL administrative expenses pursuant to Resolution 13-73, subject to the discretion of the Chairman or Vice Chairman of the Trust.

Adopted Date: June 15, 2017

Motion Made By: Roger Ellis

Motion Seconded By: Dan Kennedy

Ayes: 5

Nays: 0

Abstentions: 0

RESOLUTION NO. 17 - 38

**THIRD AMENDED AND RESTATED RESOLUTION OF
THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST
AUTHORIZING THE DISASTER RELIEF EMERGENCY FINANCING PROGRAM**

WHEREAS, the New Jersey Environmental Infrastructure Trust (the “Trust”), pursuant to and in accordance with 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”), is authorized, pursuant to a Disaster Relief Emergency Financing Program, also known as the “Statewide Assistance Infrastructure Loan Program” or “SAIL”, to make loans (each, a “Relief Loan”) to eligible project sponsors (each, a “Borrower”) for the purpose of financing the allowable costs of eligible environmental infrastructure projects, provided that each such Relief Loan made by the Trust satisfies the requirements of the Act; and

WHEREAS, pursuant to the provisions of the Act, a proposed project sponsor is eligible to be a Borrower for a Relief Loan for purposes of financing the allowable costs of the eligible environmental infrastructure project (the “Project”) of such Borrower pursuant to SAIL, provided each of the following conditions (collectively, the “SAIL Funding Eligibility Conditions”) is satisfied in full: (i) the Commissioner of the New Jersey Department of Environmental Protection (the “NJDEP”) has determined and certified in writing that the Project is necessary and appropriate to (a) repair damage to a wastewater treatment system or water supply facility directly arising from an act of terrorism, seismic activity or weather conditions that occurred within the three State Fiscal Years after a declaration by the Governor of the State (the “Governor”) of a state of emergency, provided that such wastewater treatment system or water supply facility is located in a county included in the Governor’s state of emergency declaration, or (b) mitigate the risk of future damage to a wastewater treatment system or water supply facility from an act of terrorism, seismic activity or weather conditions comparable in scope and severity to an act of terrorism, seismic activity or weather conditions that occurred within the three State Fiscal Years that gave rise to a declaration by the Governor of a state of emergency, provided that such wastewater treatment system or water supply facility is located in a county included in the Governor’s state of emergency declaration; (ii) the Project is listed on the Disaster Relief Emergency Financing Program Eligibility List for funding submitted to the Legislature in a form provided by the Commissioner of the NJDEP no more than three years after the conditions that gave rise to a declaration by the Governor of a state of emergency; (iii) the proposed Borrower has submitted a complete application for the Project to the Trust; (iv) the Board of Directors of the Trust has certified the Project; and (v) the proposed Borrower has not previously received a Relief Loan through SAIL for the same project scope; and

WHEREAS, it is the desire of the Trust, subject to the terms and provisions of the Act and this Resolution, to authorize the implementation of SAIL; and

WHEREAS, in order to provide a source of funding for the implementation of SAIL, there has been appropriated to the Trust (the “Appropriation”), subject to the approval of the Commissioner

of the NJDEP, (a) funds pursuant to the Disaster Relief Appropriations Act of 2013 (Public Law 113-2), (b) repayments of loans deposited in any account, including, without limitation, the Clean Water State Revolving Fund Accounts contained within the “Wastewater Treatment Fund”, the “1992 Wastewater Treatment Fund”, the “Water Supply Fund”, and the “Stormwater Management and Combined Sewer Overflow Abatement Fund”, the Drinking Water State Revolving Fund, and (c) net earnings received from the investment and reinvestment of such deposits; and such sums shall be deposited, upon the approval of the Commissioner of the NJDEP, in the segregated fund created by the Trust pursuant to the Act for the purpose of funding SAIL; and

WHEREAS, in addition to the funds made available to the Trust pursuant to the Appropriation for purposes of SAIL, it is the desire of the Trust to provide, as additional sources of funding for SAIL, (i)(a) net earnings with respect to funds held by the Trust, which available Trust revenues may be made available by the Trust to Borrowers participating in SAIL at the election of an Authorized Officer (as hereinafter defined), and (b) operating funds of the Trust that are not required for, or committed to, the operations of the Trust for State Fiscal Years 2018, 2019 and 2020 (collectively, the “Available Trust Revenues”); and (ii) amounts drawn upon a line of credit or similar financial instrument procured by the Trust from a commercial bank or such other similar lending institution, pursuant to the terms of this Resolution (the “Line of Credit”; the Appropriation, the Available Trust Revenues and the Line of Credit shall be referred to collectively herein as the “Available Funds”); and

WHEREAS, the Board of Directors of the Trust, on June 13, 2013, adopted that certain “Resolution of the New Jersey Environmental Infrastructure Trust Authorizing the Disaster Relief Emergency Financing Program” (Resolution No. 13-33) (the “Initial Resolution”); and

WHEREAS, the Board of Directors of the Trust, on August 8, 2013, adopted that certain “Amended and Restated Resolution of the New Jersey Environmental Infrastructure Trust Authorizing the Disaster Relief Emergency Financing Program” (Resolution No. 13-47) (the “First Amended Resolution”), which amended and restated in its entirety the Initial Resolution; and

WHEREAS, the Board of Directors of the Trust, on December 12, 2013, adopted that certain “Second Amended and Restated Resolution of the New Jersey Environmental Infrastructure Trust Authorizing the Disaster Relief Emergency Financing Program” (Resolution No. 13-73) (the “Second Amended Resolution”), which amended and restated in its entirety the First Amended Resolution; and

WHEREAS, the Board of Directors of the Trust now desires to amend and restate in its entirety the Second Amended Resolution for the purpose of amending certain provisions of the Second Amended Resolution in connection with the further development and implementation of SAIL.

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

Section 1. The Board of Directors of the Trust hereby amends and restates the Second Amended Resolution in its entirety pursuant to the terms and provisions hereof; and

Section 2. The Board of Directors of the Trust authorizes the establishment of SAIL, provided (i) SAIL shall be funded solely from the Available Funds, (ii) SAIL shall comply fully with the provisions of the Act applicable thereto and the terms of this Resolution, and (iii) Relief Loans shall not exceed \$5,000,000,000 in aggregate outstanding principal amount. Notwithstanding the provisions hereof to the contrary, the Available Trust Revenues shall be made available to SAIL for the following funding purposes only: (a) the funding of Small System Relief Loans (as hereinafter defined), provided that the outstanding aggregate principal amount of such Small System Relief Loans shall not exceed \$5,000,000, (b) the Trust Contribution (as hereinafter defined), and (c) such other Relief Loans as shall be necessary or appropriate to advance the purposes of the Act or this Resolution.

Section 3. In furtherance of the implementation of SAIL, the Board of Directors of the Trust hereby authorizes the expenditure by the Trust of Available Trust Revenues of up to \$200,000 per State Fiscal Year in State Fiscal Year 2018, 2019 and 2020 in order to fund all or a portion of the (i) underwriting fees and costs of issuance incurred by the Trust in connection with the implementation and administration of SAIL and (ii) Relief Loan interest costs of Borrowers by up to 50% of the market rate (the allocations of Available Trust Revenues as described in clauses (i) and (ii) hereof shall be referred to herein as the "Trust Contribution"), the commitment and allocation of such \$200,000 as between the purposes described in clauses (i) and (ii), above, and as among various Borrowers pursuant to clause (ii) above, being subject to the discretion of the Chairman or Vice Chairman of the Trust or the approval of the Board of Directors of the Trust at the request of the Chairman or Vice Chairman of the Trust.

Section 4. The Board of Directors of the Trust hereby authorizes the establishment of a Debt Service Reserve Fund (the "DSRF") for the purpose of securing the repayment by each Borrower of its Relief Loan on time and in full. The DSRF shall be funded in an amount and from sources (including, without limitation, (i) bond act funds appropriated to the Trust for the purposes of reserves and/or guarantees and/or (ii) Available Trust Revenues as shall be determined by the Chairman, the Vice Chairman or the Executive Director of the Trust (each, an "Authorized Officer").

Section 5. Any Relief Loan made by the Trust as part of SAIL shall be evidenced by (i) a note or other appropriate obligation of the Borrower to be issued to the Trust, all in satisfaction of the requirements of the Act (the "Obligation"), and (ii) any other documentation (including, without limitation, an escrow agreement, an assignment agreement, and/or a loan agreement) as shall be deemed necessary and appropriate by an Authorized Officer in furtherance of the making and securing of a Relief Loan pursuant to the provisions of this Resolution, after consultation with Bond Counsel to the Trust and the Office of the Attorney General of the State (collectively, the "Loan Instruments"). Each Obligation and any Loan Instrument shall be in substantially such form as shall be approved by an Authorized Officer after consultation with Bond Counsel to the Trust and the Office of the Attorney General of the State. The Loan Instruments shall include such terms and provisions relating to SAIL as shall be determined by an Authorized Officer, after consultation with

Bond Counsel to the Trust and the Office of the Attorney General of the State, as being necessary in connection with (i) the satisfaction of the requirements of the Act and applicable Regulations and (ii) the implementation of the terms of this Resolution.

Section 6. Each Relief Loan made by the Trust to a Borrower for a Project pursuant to SAIL:

- (i) shall be made only if the Borrower and the Project have satisfied in full the SAIL Funding Eligibility Conditions;
- (ii) The rate of interest to be paid by a Borrower to the Trust with respect to the repayment of a Relief Loan shall be calculated in the following manner (the "Interest Rate Calculation"), so as to achieve an objectively determined rate of interest that is reflective of (i) the policy goals of the Trust as set forth in this Resolution and (ii) the market as of the date on which the Relief Loan is made by the Trust to the Borrower, provided, however, that the portion of the Relief Loan that shall finance the NJDEP loan origination fee may be determined by an Authorized Officer, at his or her discretion, to bear interest at a rate of 0.00% as an alternative to the rate of interest that otherwise would be applicable to that portion of the Relief Loan pursuant to the provisions of this Section:
 - (a) with respect to any portion of a Relief Loan made from amounts made available to the Trust pursuant to the Appropriation, 0.00%;
 - (b) with respect to any portion of a Relief Loan made from Available Trust Revenues to a local government unit (as such term is defined in the Act), the interest rate as defined by an appropriate general obligation tax-exempt market index, as shall be selected by an Authorized Officer, which options for selection may include, without limitation, (i) the Thompson Financial TM3 "AAA" Municipal Market Data General Obligation Index (Tax Exempt) and (ii) the "BVAL" Index (relating to general obligation, tax exempt credits) of Bloomberg L.P. (or any subsidiary thereof), in any case for the number of years that corresponds to the term consisting of the period from the date of a given disbursement of proceeds of the Relief Loan to the maturity date of the Relief Loan, rounded up to the nearest year;
 - (c) with respect to any portion of a Relief Loan made from Available Trust Revenues to a public water utility (as such term is defined in the Act), a small water company (as such term is defined in the Act), any other private person, or a local government unit on behalf of any private person, the interest rate as defined by an appropriate alternative minimum tax market index, as shall be selected by an Authorized Officer, which options for selection may include, without limitation, (i) the Thompson Financial TM3 "AAA" Municipal Market Data General Obligation Index (AMT) and (ii) the "BVAL" Index (relating to alternative minimum tax credits) of Bloomberg L.P. (or any subsidiary thereof), in any case for the number of years that corresponds to the term consisting of the period from the date of a

given disbursement of proceeds of the Relief Loan to the maturity date of the Relief Loan, rounded up to the nearest year; and

- (d) with respect to any portion of a Relief Loan made from amounts made available to the Trust pursuant to a Credit Instrument, a rate to be determined by the Trust in connection with its approval of any such Credit Instrument as required, which rate shall be commensurate with the cost to the Trust of obtaining funds pursuant to such Credit Instrument for the purpose of making such Relief Loan or portion thereof.

For purposes of determining the term in order to perform the Interest Rate Calculation, as set forth above, the Authorized Officers shall calculate such term as commencing on the date of disbursement and continuing to, but not including, the maturity date of such Relief Loan, rounding up to the nearest year.

- (v) shall not exceed such principal amount as determined by the Commissioner of the NJDEP;
- (vi) may, at the sole discretion of the Commissioner of the NJDEP, to the extent any such Relief Loan is an Appropriation Loan, be subject to principal forgiveness in an amount as shall be determined by the Commissioner of the NJDEP;
- (vii) shall have a maturity date of the date of closing with respect to the applicable long-term financing program of the Trust and the NJDEP, occurring no later than the last day of the third succeeding State Fiscal Year following the closing date on which such Relief Loan is made; provided, however, that each Relief Loan may be subject to prepayment, in whole or in part, prior to the maturity date;
- (viii) shall not be subject to the imposition of an administrative fee; and
- (ix) shall otherwise qualify for funding through SAIL pursuant to the terms and provisions of the Act and provisions of this Resolution.

Section 7. The Board of Directors of the Trust hereby further authorizes the making of a Relief Loan from Available Trust Revenues only, pursuant to the provisions of the Act and this Resolution, (a “Small System Relief Loan”) to an otherwise qualified Borrower that is a private drinking water utility or a privately owned drinking water system (including, without limitation, private water supply companies, nonprofit corporations and homeowners associations) that (i) does not possess an investment grade rating from one of the three national rating agencies and (ii) serves a customer population of less than 10,000, provided that no single such Small System Relief Loan exceeds \$1 million in principal amount, and satisfies the credit worthiness standards as set forth in the Trust’s Credit Policy, and all such Small System Relief Loans, in the aggregate, shall not exceed \$5,000,000 in principal amount.

Section 8. Each Authorized Officer is hereby severally authorized and directed to execute (i) any Loan Instrument to which the Trust is a party (the “Trust Loan Instruments”) and (ii) any certificates, instruments or documents contemplated therein or otherwise related to the participation of any Borrower in SAIL.

Section 9. Upon execution of the Trust Loan Instruments by an Authorized Officer, the Secretary and the Assistant Secretary of the Trust are each hereby severally authorized and directed, where required, to affix the corporate seal of the Trust, and to attest to the signature of such Authorized Officer, thereon and on any certificates, instruments or documents contemplated therein or related thereto.

Section 10. At the meeting of the Board of Directors of the Trust immediately following the execution and delivery of any Trust Loan Instruments relating to any Relief Loan made to any Borrower pursuant to SAIL, the Executive Director of the Trust shall provide a report to the Board of Directors of the Trust concerning the details of SAIL.

Section 11. Each Authorized Officer is hereby severally authorized and directed to prepare and distribute, in consultation with Bond Counsel to the Trust, the Office of the Attorney General of the State and the Financial Advisor to the Trust (collectively, the “Professional Advisors”), a Request for Qualifications (the “RFQ”), to banking corporations or other similar lending institutions, to submit qualifications for consideration by the Trust in establishing a pool of firms (hereafter the “Underwriter Pool”) eligible to participate in the Trust’s Line of Credit Contract procurement as defined below. Such RFQ shall be prepared and distributed pursuant to and in compliance with Trust Policy and Procedure No. 4.00, entitled “Procurement of Goods and Services.” The Underwriter Pool shall be awarded upon authorization by official action of the Board of Directors of the Trust at a future meeting thereof.

Section 13. Any Authorized Officer is hereby authorized and directed to take such other actions that such Authorized Officer, in his respective sole discretion after consultation with the Professional Advisors, deems necessary, convenient or desirable to affect the transactions contemplated hereby.

Section 14. The Resolution shall take effect immediately, subject to the provisions of the Act.

Adopted Date: June 15, 2017

Motion Made By: Tim Cunningham

Motion Seconded By: Dan Kennedy

Ayes: 5

Nays: 0

Abstentions: 0

RESOLUTION NO. 17 - 39

RESOLUTION OF THE TRUST APPOINTING ZIONS BANK CORPORATE TRUST AS TRUSTEE/ESCROW AGENT FOR THE SFY 2018 & 2019 FINANCING PROGRAMS

WHEREAS, pursuant to Section 5(1) of the New Jersey Environmental Infrastructure Trust 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.) the new Jersey Environmental Infrastructure Trust (the "Trust") is authorized to enter agreements necessary to the performance of its duties; and

WHEREAS, at its April 13, 2018 meeting, the Board approved Resolution No. 17-28 authorizing the Executive Director to prepare and distribute a Request for Proposals for the appointment of a Trustee and Escrow Agent for State Fiscal Years (SFY) 2018 and 2019 Financing Programs; and

WHEREAS, the Trust distributed a Request for Proposals for the appointment of a Trustee/Escrow Agent for the SFY2018 and SFY2019 Financing Programs in accordance with the provisions of Executive Order No. 26, and the procedure of the Trust; and

WHEREAS, the Trust received four proposals; and

WHEREAS, the Trust appointed an Evaluation Committee comprised of three Trust staff members to individually rank the proposals; and

WHEREAS, the Evaluation Committee separately reviewed and ranked the proposals; and

WHEREAS, the Committee members' ranks were tabulated, negotiations conducted with the highest ranked firms, and the Committee recommended that the contract for Trustee and Escrow Agent be awarded to Zions Bank Corporate Trust ("Zions Bank");

NOW THEREFORE BE IT RESOLVED THAT the Executive Director is hereby authorized to send a letter confirming the appointment of Zions Bank as Trustee/Escrow Agent, which letter will also state that the appointment be for the period of the beginning of escrow closings for SFY 2018 through the SFY 2019 financing program year with an option to extend one year upon approval by the Board and contingent upon the subsequent execution by all parties of an agreement substantially in the form of the agreement authorized by the Attorney General; and

BE IT FURTHER RESOLVED, the Chairman or Vice Chairman of the Trust is hereby authorized to execute an agreement, substantially in the form of the agreement authorized by the Attorney General, with Zions Bank. The terms and conditions of that agreement shall include but not be limited to:

- a. The provision of services as outlined in the Trust's RFP distributed on May 2, 2017, and the proposal submitted by Zions Bank on May 31, 2017; and
- b. The payment for all services as detailed in the proposal submitted by Zions Bank dated May 31, 2017; and
- c. 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: June 15, 2017

Motion Made By: Tim Cunningham

Motion Seconded By: Dan Kennedy

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 **June 13, 2017**, Executive Director Zimmer participated in Communication Training with DEP Senior Staff at the State Police Auditorium in Hamilton, NJ;
- On **June 12, 2017**, Executive Director Zimmer and DEP Assistant Commissioner Dan Kennedy met with Assemblyman Dr. Tim Eustace to introduce the Financing Program to Dr. Eustace, Chair of the Assembly Environment and Solid Waste Committee;
- On **June 7, 2017**, Executive Director Zimmer assisted DEP Commissioner Bob Martin in kicking off the 2017 Barnegat Bay Blitz at Cattus Island Park in Toms River NJ. Several NJEIT staff members joined thousands of volunteers throughout the Bay's watershed in helping with the cleanup;
- On **June 1, 2017**, Executive Director Zimmer, Assistant Director Scangarella and Legal and Compliance Officer Karp testified at the Senate Environmental Committee hearing regarding the Program's annual bills;
- On **May 26, 2017**, NJEIT staff participated in an all-day Microsoft Training course at the Trust Offices to increase the Trust's efficiency with MS Access;
- On **May 18, 2017**, Construction Project Manager Rolon and DEP MCFE Assistant Director Chebra traveled to Phillipsburg to meet with Mayor Stephen Ellis to discuss possible financing opportunities through the NJEIFP;
- On **May 16, 2017**, Executive Director Zimmer, Assistant Director Scangarella, the DEP's Michele Putnam, Gene Chebra, and Lou Valente and NJEIT Bond Counsel, Rich Nolan of McCarter & English met with Princeton University representatives to discuss potential project financing for the University's 10-year Capital Plan;
- On **May 15, 2017**, the NJEIT and DEP co-hosted National Infrastructure Week by highlighting the City of Hoboken's cutting edge, 6-acre green infrastructure and stormwater management project. DEP Assistant Commissioner, Dan Kennedy joined Hoboken Mayor Dawn Zimmer, NHSA Executive Director Richard Wolff and Jersey Water Works co-chair Jane Kenny to present the project and its expected benefits. Executive Director Zimmer emceed the event which was held at the newly-named Northwest Resiliency Park in Hoboken;
- Trust staff attended and held various conference calls to discuss pre-planning and prospective financing program participation by:
 - East Orange – Project Status
 - NJ American Water Supply Authority – Project Status
 - NJ American Water Company – Project Status
 - Middlesex Water Company – Project Status
 - NJ Water Sewerage Authority – Project Status
 - Woolwich Township – Project Status
 - Camden County MUA – Project Status
 - Somerset Raritan Valley SA – Project Status
 - Wildwood City
 - Rutgers University – Busch and RBHS Cogen Plants status call
- Executive Director Zimmer continues to serve as co-Chair of the Jersey Water Works Finance Committee and co-hosts quarterly meetings;
- Assistant Director Scangarella and the Trust's I.T. staff continue to meet with the DEP technology

and process staffs to further the development of the Financing Program's H₂LOans computer system;

- Trust senior staff continue to meet with consultants from CohnReznick to discuss control mechanisms of the Trust's Policies and Procedures; and
- **The next Board meeting is scheduled for July 13, 2017 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:

2006	North Jersey District WSC	W1613001-015/017
2014A	Clayton Borough	W0801001-001
2014A	Long Beach Twp	W1517001-014
2014A	Long Beach Twp	S340023-05
2014A	Long Beach Twp	S344170-02 (PF)
2014A	Passaic Valley SC	S340689-03-1/10-1/20
2014A	Perth Amboy City	S340435-10 (PF)
2015A-1	Hackensack City	S340923-10 (PF)
2015A-1	Philipsburg Town	S340874-07
2016A-1	Califon Borough	S340431-01
2016A-1	Perth Amboy City	S340435-12 (PF)
2016A-1	Perth Amboy City	W1216001-006/007
2016A-2	Pemberton Twp	W0329004-004

A copy of the announcements is available on the Trust's webpage (<https://www.njeit.org/agenda/>) under the Board Meeting Agendas section under Menu. Click on the minutes link for the corresponding month; the announcements will be at the end of the Minutes.

RESOLUTION NO. 17 - xx

**RESOLUTION AUTHORIZING APPROVAL OF THE
MAY 2017 TREASURER'S REPORT**

WHEREAS, the New Jersey Environmental Infrastructure Trust (the "Trust") has reviewed the Treasurer's Report for May 2017; 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 October 2016 and requests that the same be entered into the record.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

RESOLUTION NO. 17 - xx

**RESOLUTION AUTHORIZING APPROVAL OF THE
JUNE 2017 TREASURER'S REPORT**

WHEREAS, the New Jersey Environmental Infrastructure Trust (the "Trust") has reviewed the Treasurer's Report for June 2017; 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 October 2016 and requests that the same be entered into the record.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

RESOLUTION NO. 17- xx

**RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST
APPROVING A CONSTRUCTION LOAN TO
THE MIDDLESEX WATER COMPANY**

WHEREAS, the New Jersey Environmental Infrastructure Trust (the “Trust”), 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 (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 (ii) the regulations promulgated pursuant to the Act (N.J.A.C. 7:22-2.1 *et seq.*), as the same may from time to time be amended and supplemented (the “Regulations”), is authorized, pursuant to an interim financing program (the “Interim Financing Program”), to make loans (each, an “Interim Loan”) to eligible project sponsors (each, a “Borrower”) for the purpose of financing the allowable costs of environmental infrastructure projects, provided that each such Interim Loan satisfies the requirements of the Regulations, including, without limitation, N.J.A.C. 7:22-4.47; and

WHEREAS, pursuant to the provisions of N.J.A.C. 7:22-4.47, a proposed project sponsor is eligible to be a Borrower for an Interim Loan pursuant to the Interim Financing Program, provided all of the following conditions are satisfied in full: (i) the project is listed on the project priority list developed in accordance with N.J.A.C. 7:22-4.8(a) for funding in the forthcoming State Fiscal Year; (ii) the proposed project sponsor has submitted a complete application for the project in accordance with N.J.A.C. 7:22-4.11; (iii) the project has been certified for funding by the Trust in accordance with N.J.A.C. 7:22-4.13; (iv) the project is in the fundable range in the forthcoming funding cycle given the project's rank and the anticipated availability of Department of Environmental Protection (the “Department”) and Trust monies; and (v) the proposed project sponsor has not previously received an Interim Loan through the Interim Financing Program for the same project scope; and

WHEREAS, the Trust duly adopted Resolution No. 17-11 on February 15, 2017 entitled “Resolution Authorizing the Construction Loan Financing Program for State Fiscal Year 2018” (the “2018 Authorizing Resolution”) to provide funding for the implementation of the Interim Financing Program during State Fiscal Year 2018 including the Construction Financing Program (the “SFY2018 Construction Loan Program”); and

WHEREAS, it is the desire of the Board to authorize Construction Loan closings pursuant to the SFY 2018 Construction Loan Program for loan closings occurring in SFY2018; and

WHEREAS, pursuant to the terms of the 2018 Authorizing Resolution (the “Authorizing Resolution”), the Authorized Officers (as defined therein) are each severally authorized, after consultation with Bond Counsel to the Trust and the Office of the Attorney General of the State, to approve the participation of a Borrower in the SFY2018 Construction Loan Program, provided

that such Borrower qualifies for such participation pursuant to the provisions of the Act and the Regulations and the terms of the Authorizing Resolution; and

WHEREAS, pursuant to Section 5 of the Authorizing Resolution, any Interim Loan approved by the Authorized Officers, following the requisite consultations, and made by the Trust to a Borrower as part of the SFY2018 Construction Loan Program shall not exceed \$10,000,000 in principal amount (“Construction Loan Limitation”); and

WHEREAS, pursuant to Section 2 of the Authorizing Resolution, revisions and modifications may be made to terms and provisions of the Short-Term Financing Program pursuant to further official action in the form of the adoption of a resolution by the Board of Directors of the Trust; and

WHEREAS, the Middlesex Water Company (“Middlesex”) has applied for a Construction loan from the Trust, in an amount not to exceed \$13,000,000, in anticipation of a long-term loan from each of the Trust and the Department, to finance the planning, design and construction of Project #1225001-026 – rehabilitation of water mains, (the “Middlesex Project”); and

WHEREAS, a Construction Loan not to exceed three full fiscal years will provide working capital to Middlesex to pay for the costs of planning, design, and construction, wherein all or a portion of the construction will be completed prior to Middlesex’s receipt of a Trust and Department long-term New Jersey Environmental Infrastructure Financing Program loan; and

WHEREAS, with respect to the Authorizing Resolution’s Construction Loan Limitation providing that any Construction Loan approved by the Authorized Officers, following the requisite consultations, and made by the Trust to a Borrower as part of the Construction Loan Program shall not exceed \$10,000,000 in principal amount, subject to further official action in the form of the adoption of a resolution by the Board of Directors of the Trust, the Trust now desires, given the facts and circumstances set forth in the recitals hereto, to create as an exception to such limitation of Construction Loans, as part of the SFY2018 Construction Loan Program, to the aforementioned project sponsor in amount not to exceed the amount stated for the purpose of completing the Middlesex Project; and

WHEREAS, it is the desire of the Trust that, other than the Authorizing Resolution’s Construction Loan Limitation described in the immediately preceding recital, the project sponsor shall comply with (i) all other requirements of the Authorizing Resolution, (ii) all applicable requirements of the Act, and (iii) all applicable requirements of the Regulations.

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

Section 1. Notwithstanding the Authorizing Resolution’s Construction Loan Limitation providing that all Loans approved by the Authorized Officers, following the requisite consultations, and made by the Trust to Borrowers as part of the SFY2018 Construction Loan

Program, shall not exceed \$10,000,000 in principal amount, the Board of Directors of the Trust, given the facts and circumstances set forth in the recitals hereto, hereby authorizes, as an exception to Construction Loan Limitation, an Interim Loan, as part of the SFY2018 Construction Loan Program, to the following project sponsor for the stated project in an amount not to exceed the amount stated for the purpose of completing the project.

Project Sponsor	Project #	Description	Total Authorized Loan Amount
Middlesex Water Company	1225001-026	Rehabilitation of water mains through lining and replacement	\$13 million

Section 2. Notwithstanding the stated loan amount of \$13 million, the NJEIFP funding commitment shall be limited to the operable segments certified, in amounts set forth in the Department’s allowable cost determination for each such operable segment, and such funding commitment shall arise at the time of loan closing of the first such operable segment, and upon the Department’s allowable cost determination for each subsequent operable segment certified thereafter.

Section 3. Other than the exceptions created by the provisions of Section 1 of this Resolution, the Construction Loans made to the aforementioned project sponsor as part of the SFY2018 Construction Loan Program shall comply fully with (i) each of the terms, provisions and conditions precedent set forth in the Authorizing Resolution, (ii) all applicable requirements of the Act, and (iii) all applicable requirements of the Regulations.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

RESOLUTION NO. 17 - xx

**RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST
APPROVING A CONSTRUCTION LOAN TO NORTH BERGEN MUNICIPAL UTILITIES AUTHORITY**

WHEREAS, the New Jersey Environmental Infrastructure Trust (the "Trust"), 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 (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 (ii) the regulations promulgated pursuant to the Act (N.J.A.C. 7:22-2.1 *et seq.*), as the same may from time to time be amended and supplemented (the "Regulations"), is authorized, pursuant to an interim financing program (the "Interim Financing Program"), to make loans (each, an "Interim Loan") to eligible project sponsors (each, a "Borrower") for the purpose of financing the allowable costs of environmental infrastructure projects, provided that each such Interim Loan satisfies the requirements of the Regulations, including, without limitation, N.J.A.C. 7:22-4.47; and

WHEREAS, pursuant to the provisions of N.J.A.C. 7:22-4.47, a proposed project sponsor is eligible to be a Borrower for an Interim Loan pursuant to the Interim Financing Program, provided all of the following conditions are satisfied in full: (i) the project is listed on the project priority list developed in accordance with N.J.A.C. 7:22-4.8(a) for funding in the forthcoming State Fiscal Year; (ii) the proposed project sponsor has submitted a complete application for the project in accordance with N.J.A.C. 7:22-4.11; (iii) the project has been certified for funding by the Trust in accordance with N.J.A.C. 7:22-4.13; (iv) the project is in the fundable range in the forthcoming funding cycle given the project's rank and the anticipated availability of Department of Environmental Protection (the "Department") and Trust monies; and (v) the proposed project sponsor has not previously received an Interim Loan through the Interim Financing Program for the same project scope; and

WHEREAS, the Trust duly adopted Resolution No. 17-11 on February 15, 2017 entitled "Resolution Authorizing the Construction Loan Financing Program for State Fiscal Year 2018" (the "2018 Authorizing Resolution") to provide funding for the implementation of the Interim Financing Program during State Fiscal Year 2018 including the Construction Financing Program (the "SFY2018 Construction Loan Program"); and

WHEREAS, it is the desire of the Board to authorize Construction Loan Closings pursuant to the Interim Financing SFY2018 Construction Loan Program for loan closings occurring in SFY2018 (the "Construction Loan Program"); and

WHEREAS, pursuant to the terms of the Authorizing Resolution, the Authorized Officers (as defined therein) are each severally authorized, after consultation with Bond Counsel to the Trust and the Office of the Attorney General of the State, to approve the participation of a Borrower in the Construction Loan Program, provided that such Borrower qualifies for such participation pursuant to the provisions of the Act and the Regulations and the terms of the

Authorizing Resolution; and

WHEREAS, pursuant to Section 5 of the Authorizing Resolution, any Interim Loan approved by the Authorized Officers, following the requisite consultations, and made by the Trust to a Borrower as part of the Construction Loan Program shall not exceed \$10.0 million in principal amount (Construction Loan Limitation); and

WHEREAS, pursuant to Section 2 of the Authorizing Resolution, revisions and modifications may be made to terms and provisions of the Short-Term Financing Program pursuant to further official action in the form of the adoption of a resolution by the Board of Directors of the Trust; and

WHEREAS, North Bergen Municipal Utilities Authority (“NBMUA”) has applied for a construction loan from the Trust, in anticipation of a long-term loan from each of the Trust and the Department, to finance the construction of Project # S340652-14, which project includes improvements to the Woodcliff Wastewater Treatment Plant, (the “NBMUA Project”); and

WHEREAS, pursuant to the NBMUA Project construction schedule, a Construction Loan will be made available for construction, all or a portion of which will be completed prior to NBMUA’s receipt of a Trust and Department long-term New Jersey Environmental Infrastructure Financing Program loan, thereby resulting in NBMUA’s request for a construction loan in an amount not to exceed \$23.0 million; and

WHEREAS, the maturity date of the Construction Loan shall not exceed the last day of the third succeeding State Fiscal Year following the closing date with respect to such Construction Loan; and

WHEREAS, with respect to the Authorizing Resolution’s Construction Loan Limitation providing that any Construction Loan approved by the Authorized Officers, following the requisite consultations, and made by the Trust to a Borrower as part of the Construction Loan Program shall not exceed \$10.0 million in principal amount, subject to further official action in the form of the adoption of a resolution by the Board of Directors of the Trust, the Trust now desires, given the facts and circumstances set forth in the recitals hereto, to create as an exception to such limitation of Construction Loans, as part of the Construction Loan Program, to the aforementioned project sponsor in amount not to exceed the amount stated for the purpose of completing the NBMUA Project; and

WHEREAS, it is the desire of the Trust that, other than the Authorizing Resolution’s Construction Loan Limitation described in the immediately preceding recital, the project sponsor shall comply with (i) all other requirements of the Authorizing Resolution, (ii) all applicable requirements of the Act, and (iii) all applicable requirements of the Regulations.

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

Section 1. Notwithstanding the Authorizing Resolution’s Construction Loan Limitation providing that all Loans approved by the Authorized Officers, following the requisite consultations, and made by the Trust to Borrowers as part of the Construction Loan Program, shall not exceed \$10.0 million in principal amount, the Board of Directors of the Trust, given the facts and circumstances set forth in the recitals hereto, hereby authorizes, as an exception to the Construction Loan Limitation, an Interim Loan, as part of the SFY2018 Construction Loan Program, to the following project sponsor for the stated project in an amount not to exceed the stated amount for the purpose of completing the project.

Project Sponsor	Project #	Description	Total Authorized Loan Amount
North Bergen Municipal Utilities Authority	S340652-14	Woodcliff Wastewater Treatment Plant Improvements	\$23,000,000

Section 2. Notwithstanding the stated loan amount of \$23.0 million, the NJEIFP funding commitment shall be limited to the operable segments certified, in amounts set forth in the Department’s allowable cost determination for each such operable segment, and such funding commitment shall arise at the time of loan closing of the first such operable segment, and upon the Department’s allowable cost determination for each subsequent operable segment certified thereafter.

Section 3. Other than the exceptions created by the provisions of Section 1 of this Resolution, the Construction Loans made to the aforementioned project sponsor as part of the Construction Loan Program shall comply fully with (i) each of the terms, provisions and conditions precedent set forth in the Authorizing Resolution, (ii) all applicable requirements of the Act, and (iii) all applicable requirements of the Regulations.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

RESOLUTION NO. 17 - xx

**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 (the “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 New Jersey Environmental Infrastructure Trust (the “Trust”) to engage 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 authorized to solicit proposals, establish a Committee to review all proposals received, and to make a report and recommendation as to the selection of an Arbitrage Rebate Compliance Services firm to the Trust Board for approval of a two-year contract with an option for one (a) additional one-year period upon approval by the Board.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

RESOLUTION NO. 17 - xx

**RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST
AUTHORIZING THE ISSUANCE OF A REQUEST FOR PROPOSALS FOR
CUSTODIAL BANKING 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, P.L.2016, c.56, amends provisions of the Trust's enabling act to establish the New Jersey Transportation Infrastructure Financing Program (Transportation Financing Program) to make loans and provide other assistance to one or more local government units or consortia thereof to finance the cost of transportation projects and such amendments shall become operative in the coming months; and

WHEREAS, in the coming months, the amendments to the Trust's enabling act establishing the Transportation Financing Program shall become effective; and

WHEREAS, in anticipation of the effectiveness of the amendments to the Trust's enabling act, there is a need for the Trust to hire a designated public depository to perform custodial banking services for the Transportation Financing Program.

NOW THEREFORE BE IT RESOLVED THAT the Trust hereby authorizes the Executive Director to competitively procure Custodial Banking 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 for the selection of a custodial banking firm to the Trust Board for approval for a contract term not to exceed two years with an option to extend the term of the contract for one additional year upon approval of the Board.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

RESOLUTION NO. 17 - xx

**RESOLUTION AUTHORIZING AN AMENDMENT TO
THE INTERNAL CONTROLS AUDIT SERVICES AGREEMENT**

WHEREAS, the New Jersey Environmental Trust (the "Trust") is authorized to procure Internal Controls Auditing Services pursuant to N.J.S.A. 58:11B-5L; and

WHEREAS, pursuant to Trust Resolution No. 14-48, the Board of Directors of the Trust (the "Board") authorized the Executive Director of the Trust to solicit proposals for Internal Controls Auditing Services; and

WHEREAS, the Trust competitively procured Internal Controls Auditing Services through formal advertisement and distribution of a Request for Proposals ("RFP"), and pursuant to Resolution No. 15-11, awarded the contract to the highest ranked firm, CohnReznick, LLP ("CohnReznick"), for a term of two years subject to a one year extension in the sole discretion of the Trust (hereafter "Agreement") and authorized a total expenditure in an amount not to exceed \$330,000; and

WHEREAS, pursuant to Resolution No. 16-57, the Board authorized the renewal of the Agreement for an additional term of one year, terminating on March 3, 2018; and

WHEREAS, CohnReznick has completed the initially agreed upon services to the satisfaction of the Trust; and

WHEREAS, The Trust desires to authorize funding for additional auditing services within the Scope of Services set forth in the Agreement.

NOW THEREFORE, BE IT RESOLVED, the Board hereby authorizes an amendment to the Agreement to provide for the expenditure of funds in an amount not to exceed \$100,000 for additional internal control auditing services and expenses within the Scope of Services of the Agreement (hereafter "Amended Agreement"), and

BE IT FURTHER RESOLVED THAT, the terms and conditions of the Amended Agreement shall include, but not be limited to:

- a. the provision of services as outlined in the Trust's RFP distributed on January 9, 2015 and the proposal submitted by CohnReznick dated January 30, 2015; and
- b. the payment of all fees for services as detailed in the January 30, 2015 submittal and CohnReznick's Best and Final Price Proposal dated February 11, 2015; and
- c. the payment of all fees for services for proposal items 1, 2, 4, 6, 8, 9, and 10 in CohnReznick's June 1, 2017 price proposal; and

d. the term of the Agreement shall terminate on March 3, 2018 with no option for further renewal; and

e. such other terms and conditions as may be contemplated by the RFP and the materials enclosed therewith as deemed necessary and appropriate by the Vice Chairman of the Trust.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

RESOLUTION NO. 17- xx

**RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST
ESTABLISHING A POOL OF PROFESSIONAL ENGINEERING FIRMS
FOR CONSULTING ENGINEERING SERVICES**

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

WHEREAS, on March 27, 2017, the Trust published a Request for Qualifications (RFQ) to prequalify firms for engineering consulting services (Consulting Pool) for the New Jersey Environmental Infrastructure Financing Program (NJEIFP) to review applications for NJEIFP loans, review project requisitions and oversee project construction (Consulting Engineering Services); and

WHEREAS, the RFQ enumerated, among other things, the minimal qualifications required of firms to be appointed to the Consulting Pool; and

WHEREAS, should the Department of Environmental Protection (Department) determine that Consulting Engineering Services are needed for a specific project(s) that cannot be met by the Department's existing staff, proposals will be separately solicited from the Consulting Pool to provide all or a portion of Consulting Engineering Services necessary for wastewater and drinking water environmental infrastructure projects on a project specific basis; and

WHEREAS, should the need arise to solicit proposals for a specific project(s), the utilization of a prequalified pool provides an opportunity to identify potential conflicts of interest among the members of this Consulting Pool arising from a firm's prior business or familial relationship with an NJEIFP project at the time of solicitation of proposals; and

WHEREAS, on April 25, 2017, the Trust received nine proposals in response to the RFQ; and

WHEREAS, pursuant to state statute, the pool of pre-qualified firms should include all respondents absent a failure of a firm to satisfy the minimal qualifications to provide consulting services set forth in the RFQ; and

WHEREAS, a review of the proposals revealed all firms possessed the minimal qualifications to provide consulting services set forth in the RFQ; and

WHEREAS, it is recommended that this Consulting Pool be comprised of the following nine (9) firms: Alaimo Group, Arcadis U.S., Inc., CDM Smith Inc., CP Professional Services,

Greenman Pederson, Inc., Matrix New World, Mott MacDonald, LLC, Suburban Consulting Engineers, and Tetra Tech, Inc.; and

WHEREAS, creation of the Consulting Pool shall not be construed as a guarantee that services will be required for utilized for any specific project.

NOW THEREFORE BE IT RESOLVED, that the Board of Directors of the Trust has reviewed and accepts the recommendation of the Evaluation Committee and directs the Executive Director to communicate same to the following engineering firms: **Alaimo Group, Arcadis U.S., Inc., CDM Smith Inc., CP Professional Services, Greenman Pederson, Inc., Matrix New World, Mott MacDonald, LLC, Suburban Consulting Engineers, and Tetra Tech, Inc.**; and

BE IT FURTHER RESOLVED, the solicitation of proposals from the Consulting Pool for Consulting Services will be limited to circumstances in which Consulting Engineering Services are determined by the Department to be necessary to augment existing program staff resources to review applications for, and oversee the construction of, necessary environmental infrastructure projects. Such augmentation shall ensure compliance with program requirements to meet an applicant's construction schedule.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

RESOLUTION NO. 17- xx

**RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST
SOLICITING PROPOSALS FROM THE CONSULTING POOL**

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

WHEREAS, on August 10, 2017, the Board of Directors of the Trust approved Resolution No. 17-XX directing staff to create a pool of professional engineering firms For consulting engineering services to review applications for New Jersey Environmental Infrastructure Financing Program (NJEIFP) loans, review requisitions for the disbursement of NJEIFP funding, and oversee construction of NJEIFP funded projects (Engineering Consulting Services) and selected nine professional engineering firms to make up that pool (individually a “Firm” and cumulatively the “Consulting Pool”); and

WHEREAS, the Trust wishes to obtain the approval of the New Jersey Department of Environmental Protection (NJDEP) before soliciting project specific proposals from this Consulting Pool; and

WHEREAS, the Trust will solicit proposals from the Consulting Pool upon the approval of the NJDEP that such services are necessary to augment existing program staff resources to review applications for, and oversee the construction of necessary environmental infrastructure projects; and

WHEREAS, creation of a Consulting Pool shall not be construed as a guarantee that services will be required or utilized for any given project;

NOW, THEREFORE BE IT RESOLVED, that the Board of Directors authorizes the Executive Director of the Trust to solicit proposals from the Consulting Pool for Engineering Consulting Services upon the NJDEP’s approval that such services are necessary to augment existing program staff resources to review applications for, and oversee the construction of, necessary environmental infrastructure projects (Authorized RFPs). Such augmentation shall ensure the review and approval of applications is in compliance with program requirements (See N.J.A.C. 7:22-3 through 10) and that such reviews are conducted in a manner that reasonably accommodate applicants’ construction schedules; and

BE IT FURTHER RESOLVED, that the engineering services contract(s) resulting from the Trust’s decision to utilize the Consulting Pool for Engineering Consulting Services shall be awarded to the firm(s) whose proposal(s) receives the highest overall ranking based on the

following criteria and weights: staff expertise (3), total price (5), and total hours to complete review (4) (hereafter as the “Highest Ranked Firm”); and

BE IT FURTHER RESOLVED, that the Chairman or Vice Chairman of the Trust is authorized to enter agreements, substantially in the form of the agreement authorized by the Attorney General. The terms and conditions of each agreement for Engineering Consulting Services shall include but are not limited to:

- a. The Authorized RFP, the Highest Ranked Firm’s proposal submitted in response thereto, the Request for Qualification (RFQ) seeking to establish the Consulting Pool distributed on March 27, 2017, and the Highest Ranked Firm’s proposal submitted in response thereto; and
- b. the total amount of work to be assigned to Firms in the Consulting Pool shall not exceed \$5 million annually absent board approval; all such costs shall be paid by the project sponsor; and
- c. the award of an engineering services contract to a Firm pursuant to an Authorized RFP for a specific project shall be for a two-year term, plus one additional year at the option of the Board; and
- d. such other terms and conditions as may be contemplated by the March 27, 2017 RFQ, future project specific RFPs and the materials enclosed therewith as deemed necessary and appropriate by the Chairman or Vice Chairman of the Trust.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

RESOLUTION NO. 17 - xx

RESOLUTION AUTHORIZING VARIOUS ACTIONS AND FORMS OF DOCUMENTS NECESSARY FOR THE MAKING OF STATE FISCAL YEAR 2018 NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE FINANCING PROGRAM LOANS WITH PROCEEDS OF ENVIRONMENTAL INFRASTRUCTURE BONDS TO BE ISSUED BY THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST IN FALL OF 2017

WHEREAS, pursuant to Section 5(i) and Section 6(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 amended and supplemented (N.J.S.A. 58:11B-1 *et seq.*) (the "Act"), the New Jersey Environmental Infrastructure Trust (the "Trust"), a public body corporate and politic under the laws of the State, created pursuant to the Act, is authorized to issue its bonds (the "Trust Bonds") in any principal amounts (subject to the limitations of Section 6(g) of the Act) as in its judgment shall be necessary to provide funds sufficient for any of its corporate purposes, including, without limitation, the making of loans (each a "Trust Loan") to project sponsors (each a "Project Sponsor") to finance a portion of the costs of the respective environmental infrastructure system projects thereof (each a "Project"); and

WHEREAS, pursuant to Section 5(m) and Section 9(a) of the Act, the Trust is authorized to make and contract to make Trust Loans to Project Sponsors to finance a portion of the costs of the respective Projects thereof, which Project Sponsors 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, the Board of Directors of the Trust (the "Board") currently is scheduled to consider, as part of its agenda at its meeting to be held on the date hereof, the Project applications of certain Project Sponsors for Trust Loans from the Trust, which Trust Loans, if approved, would be made, pursuant to the provisions of the Act, by the Trust to such Project Sponsors from the proceeds of Trust Bonds, to be issued pursuant to the State Fiscal Year 2018 Environmental Infrastructure Financing Program of the Trust (the "Program"), which Trust Bonds are expected to be issued by the Trust on or about November 21, 2017; and

WHEREAS, each Trust Loan made by the Trust to a Project Sponsor pursuant to the Program shall be made pursuant to the terms and provisions of a loan agreement, by and between the Trust and the respective Project Sponsor (the "Trust Loan Agreement"); and

WHEREAS, the Trust, in consultation with its professional advisors, has prepared master forms of the Trust Loan Agreement, such forms being attached hereto as Exhibit A and made a part hereof; and

WHEREAS, the Trust Loan Agreement contains all of the terms and conditions that are applicable to the receipt by the Project Sponsors of Trust Loans from the Trust, including,

without limitation, specific terms and conditions with which each Project Sponsor must comply prior to receipt of a Trust Loan from the Trust, but do not contain those terms and conditions that cannot be determined until completion of the sale of the Trust Bonds or until further evaluation of information to be received by the Trust from the Project Sponsors; and

WHEREAS, pursuant to the terms and provisions of the Program and subject to (i) satisfaction in full of the conditions precedent set forth in the hereinafter defined Escrow Agreement and (ii) the final certification of the respective Project pursuant to the regulations and procedures of the New Jersey Department of Environmental Protection (the "NJDEP"), the Trust and each Project Sponsor shall deposit into escrow (the "Escrow Closing") the duly authorized, executed and delivered Trust Loan Agreement (subject to completion to the extent of those terms and conditions that cannot be determined until completion of the sale of the Trust Bonds or until further evaluation of information to be received by the Trust from the Project Sponsor) and certain other Program-related documents (collectively, the "Escrowed Program Documents"), which Escrowed Program Documents shall be held in escrow by a national banking association or a banking corporation with trust and fiduciary powers in the State, duly appointed by the Board as escrow agent (the "Escrow Agent"), pursuant to the terms and provisions of an escrow agreement (the "Escrow Agreement") to which the Trust, the respective Project Sponsor and the Escrow Agent, *inter alia*, shall be parties, which Escrow Agreement shall establish the terms and conditions governing the holding in escrow and administering by the Escrow Agent of the Escrowed Program Documents, including, without limitation, the completion of those terms and conditions of the Trust Loan Agreement that cannot be determined until completion of the sale of the Trust Bonds or until the further evaluation of information to be received by the Trust from the Project Sponsor; and

WHEREAS, the Trust, in consultation with its professional advisors, has prepared master forms of the Escrow Agreement, such forms being attached hereto as Exhibit B and made a part hereof; and

WHEREAS, in furtherance of the intent and goals of the Program, the Board currently is scheduled to consider, as part of its agenda at its meeting to be held on or about October 12, 2017, the adoption of one or more Environmental Infrastructure Bond Resolutions (collectively, the "Trust Bond Resolution"), which Trust Bond Resolution shall authorize, *inter alia*, (i) the marketing, issuance and sale by the Trust of its Trust Bonds, (ii) the allocation of the proceeds of the Trust Bonds to the Projects of the respective Project Sponsors pursuant to the terms of the respective Trust Loan Agreement, (iii) the investment of the proceeds of the Trust Bonds until expenditure thereof pursuant to the terms of the Trust Bond Resolution, and (iv) certain other matters as shall be set forth in the Trust Bond Resolution; and

WHEREAS, prior to consideration by the Board of the Trust Bond Resolution, as part of the agenda of its meeting to be held on or about October 12, 2017, in furtherance of the intent and purposes of the Program, it will be necessary for the Trust to implement certain elements of the Program, including, without limitation, (i) the completion of an Escrow Closing with respect to the Trust Loan to be made by the Trust to each qualifying Project Sponsor from the

proceeds of the Trust Bonds, (ii) the conduct, if necessary, of a hearing (the “TEFRA Hearing”) with respect to the Trust Bonds pursuant to the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), and (iii) the submission of a written request by the Trust (the “Investment Authorization Request”) to the Director of the Division of Investments in the New Jersey Department of the Treasury (the “Director”) for approval of the investment by the Trust of proceeds of the Trust Bonds pursuant to, among other investment instruments that may be deemed appropriate and advantageous, a repurchase agreement that does not conform with State Investment Council regulations, which approval by the Director is dependent upon a finding thereby that such investment is consistent with the corporate purposes of the Trust; and

WHEREAS, it is the desire of the Board, in furtherance of the intent and purposes of the Program, that the Chairman of the Trust, the Vice-Chairman of the Trust and the Executive Director of the Trust, or any other person or persons designated by the Board by resolution to act on behalf of the Trust, but in each case subject to the limitations of the by-laws of the Trust (each, an “Authorized Officer”), each be severally authorized to act on behalf of the Trust and implement in furtherance of the Program (i) the completion of an Escrow Closing with respect to the Trust Loan to be made by the Trust to each qualifying Project Sponsor from the proceeds of the Trust Bonds, (ii) the conduct, if determined to be necessary by any Authorized Officer, of a TEFRA Hearing with respect to the Trust Bonds pursuant to the requirements of the Code, (iii) the submission, if determined to be necessary by an Authorized Officer, of the Investment Authorization Request to the Director, and (iv) such other actions in connection with the foregoing or such other actions as shall be necessary in furtherance of the intent and purposes of the Program.

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

Section 1. In furtherance of the intent and purposes of the Program, the Board hereby approves the execution and delivery at Escrow Closing (but only upon (i) satisfaction in full of the conditions precedent to Escrow Closing set forth in the respective Escrow Agreement and (ii) the final certification of the respective Project pursuant to the regulations and procedures of the NJDEP) of a Trust Loan Agreement with respect to each Trust Loan to be made by the Trust to each Project Sponsor in connection with the respective Project thereof, each such Trust Loan Agreement to be in substantially the form attached hereto as Exhibit A and made a part hereof, with such revisions and modifications thereto as shall be approved by any Authorized Officer, after consultation with counsel to the Trust, such approval to be evidenced by the execution thereof by such Authorized Officer; provided, however, that each Trust Loan Agreement executed and delivered at Escrow Closing pursuant to the authorization of the Board set forth herein shall be exclusive of the following terms, which terms shall be completed, upon completion of the sale of the Trust Bonds and further evaluation of information to be received by the Trust from the Project Sponsors, by any Authorized Officer in a manner (i) consistent with the provisions of the Trust Bond Resolution and (ii) pursuant to the provisions of the respective Escrow Agreement relating to the completion of such terms: (a)

the principal and interest repayment schedules and adjusted principal amount reflecting, as applicable and without limitation, capitalized interest, reserve capacity, administrative fees and issuance expenses, including, without limitation, bond insurance premiums, if any, which cannot be finally determined until completion of the sale of the Trust Bonds; (b) if applicable pursuant to the then-current Credit Policy of the Trust that has been approved by the Board, provisions requiring additional forms of security, such as a deficiency agreement, a letter of credit or a special reserve fund securing the timely repayment of the Trust Loan; and (c) provisions relating to the satisfaction of the “funds available” or “cash on hand” requirement pertaining to the funding of unallowable Project costs or that portion of allowable Project costs not financed with proceeds of the Trust Bonds through the Trust Loan Agreement and the corresponding fund loan agreement entered into by and between the NJDEP and the Project Sponsor.

Section 2. In furtherance of the intent and purposes of the Program, the Board hereby approves the execution and delivery at Escrow Closing (but only upon (i) satisfaction in full of the conditions precedent to Escrow Closing set forth in the respective Escrow Agreement and (ii) the final certification of the respective Project pursuant to the regulations and procedures of the NJDEP) of an Escrow Agreement with respect to each Trust Loan to be made by the Trust to each Project Sponsor in connection with the respective Project thereof, each such Escrow Agreement to be in substantially the form attached hereto as Exhibit B and made a part hereof, with such revisions and modifications thereto as shall be approved by any Authorized Officer, after consultation with counsel to the Trust, such approval to be evidenced by the execution thereof by such Authorized Officer.

Section 3. In furtherance of the intent and purposes of the Program, the Board hereby authorizes any Authorized Officer to engage in an Escrow Closing (but only upon (i) satisfaction in full of the conditions precedent to Escrow Closing set forth in the respective Escrow Agreement and (ii) the final certification of the respective Project pursuant to the regulations and procedures of the NJDEP), pursuant to the terms and procedures of the Escrow Agreement, with respect to each Trust Loan to be made by the Trust to each Project Sponsor in connection with the respective Project thereof. The Board hereby authorizes any Authorized Officer, upon consultation with counsel to the Trust, (i) to determine the Escrow Closing schedule and (ii) to undertake any other action in furtherance of the Escrow Closing, relating to the Trust Loan made by the Trust to each Project Sponsor in connection with the respective Project thereof, as such Authorized Officer shall determine to be necessary.

Section 4. In furtherance of the intent and purposes of the Program, the Board hereby authorizes (but only upon (i) satisfaction in full of the conditions precedent to Escrow Closing set forth in the respective Escrow Agreement and (ii) the final certification of the respective Project pursuant to the regulations and procedures of the NJDEP) that (i) the Trust Loan Agreement, the Escrow Agreement, any other Escrowed Program Documents to which the Trust is a party, and any other document required to be executed by the Trust in connection with the undertaking and completion of the Escrow Closing shall be executed in the name of the Trust by the manual signature of any Authorized Officer of the Trust, and (ii) if required by

the terms of such document, its corporate seal shall be impressed, imprinted or otherwise reproduced thereon and attested by the manual signature of the Secretary or Assistant Secretary or other Authorized Officer of the Trust.

Section 5. In furtherance of the intent and purposes of the Program, the Board hereby authorizes any Authorized Officer, after consultation with counsel to the Trust, to take such other actions and to execute such other documents and instruments as may be necessary or appropriate (and not inconsistent with the terms and provisions of this Resolution) to effect the consummation of an Escrow Closing with respect to each Trust Loan made by the Trust to each Project Sponsor in connection with the respective Project thereof.

Section 6. In furtherance of the intent and purposes of the Program, the Board hereby authorizes any Authorized Officer, after consultation with counsel to the Trust, to conduct the TEFRA Hearing with respect to the Trust Bonds at such time and in such manner as any Authorized Officer, after consultation with counsel to the Trust, shall determine to be necessary, convenient or desirable in order to satisfy the requirements of the Code.

Section 7. In furtherance of the intent and purposes of the Program, the Board hereby authorizes any Authorized Officer, if determined to be necessary by an Authorized Officer after consultation with counsel to the Trust, to submit the Investment Authorization Request to the Director for approval and to undertake any other action necessary in connection with (i) the approval by the Director of the investment by the Trust of a portion of the proceeds of the Trust Bonds pursuant to, among any other investment instruments that may be deemed appropriate and advantageous, a repurchase agreement that does not conform with State Investment Council regulations and (ii) the finding by the Director that such investment is consistent with the corporate purposes of the Trust.

Section 8. The Board hereby authorizes any Authorized Officer, after consultation with counsel to the Trust, to take such other actions, to execute such other instruments and to seek such other consents as may be necessary or appropriate (and not inconsistent with the terms and provisions of this Resolution) to further the intent and purposes of the Program.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

EXHIBIT A

EXHIBIT B

Agenda Item 9

RESOLUTION NO. 17 - xx

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: