



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

September 7, 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, September 14, 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 August 10, 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)
8. New Business
  - A.\* Discussion and Acceptance of the July 2017 Treasurer's Report (J. Hansbury)
  - B.\* Discussion and Approval of a Resolution Authorizing the Issuance of a Request for Qualification for Environmental Infrastructure Financing Program Bond Counsel Services (F. Scangarella)
  - C.\* Discussion and Approval of a Resolution Authorizing the Issuance of a Request for Qualification for Transportation Infrastructure Financing Program Bond Counsel Services (F. Scangarella)
  - D.\* Discussion and Approval of a Resolution Authorizing an SFY2018 NJEIFP Construction Loan to Somerset Raritan Valley Sewage Authority in Excess of \$10 million for Project No. S340801-08 (F. Scangarella)
  - E.\* Discussion and Approval of a Resolution Certifying SFY2018 Financing Program Projects (D. Zimmer)
  - F.\* Discussion and Approval of a Resolution approving an amendment to the Software Component Outsourcing Services Agreement (V. Tsai)
- 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.



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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**

August 11, 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 minutes of the August 10, 2017 meeting of the New Jersey Environmental Infrastructure Trust. The New Jersey Environmental Infrastructure Trust Act provides that the Governor has ten days from the delivery of the minutes, excluding weekends and holidays, to review and accept such minutes. In the event that the minutes are not acted upon within the statutory time frame by you, the minutes become effective automatically.

Sincerely,

Mark Longo  
Secretary

Enclosure

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



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8/11/2017

## NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST

### OPEN PUBLIC MEETING

Thursday, August 10, 2017

#### 1. CALL TO ORDER:

A meeting of the New Jersey Environmental Infrastructure Trust was convened on Thursday, August 10, 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 10:00 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. Longo, Mr. Ellis, and Mr. Kennedy 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  
Thomas Huth, Governor's Authorities Unit  
Clifford T. Rones, Deputy Attorney General  
Richard Nolan, McCarter & English LLP  
Geoffrey Stewart, Public Financial Management  
Eugene Chebra, Municipal Finance & Construction  
Element

(\*) Participated via teleconference

## **APPROVAL OF THE MINUTES:**

Vice Chairman Briant opened discussion of the minutes of the Trust Board meeting.

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

Mr. Longo moved for the approval of the minutes. Mr. Kennedy seconded the motion. The motion was carried 4 to 0 with 0 abstentions.

(\*\*) Note: Mr. Cunningham arrived at 10:02 am

## **4. ANNOUNCEMENTS:**

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

- On **August 8, 2017**, Executive Director Zimmer, Assistant Director Scangarella, along with DEP's Charles Jenkins and Karen Cole and NJEIT Bond Counsel, Rich Nolan of McCarter & English met with representatives from the Manasquan River Regional Sewerage Authority's to discuss finance options for capital planning;
- On **August 7, 2017**, Executive Director Zimmer, Assistant Director Scangarella, Chief Financial Officer Kaltman and NJEIT Bond Counsel, Rich Nolan met with representatives from Plumsted Township to discuss finance options on a new Wastewater Treatment facility;
- On **August 4, 2017**, Assistant Director Scangarella, along with DEP Director, Michele Putnam, Assistant Director Gene Chebra and EEO Director Hester Agudosi met to discuss opportunities to improve participation of significantly and economically disadvantaged (SED) businesses in the Financing Program;
- On **July 21, 2017** and **June 21, 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 **July 10, 2017**, Executive Director Zimmer, Assistant Director Scangarella, DEP Assistant Director Gene Chebra met with representatives from the Borough of Rumson and USDA-RDA representative Ken Drewes to discuss funding a Clean Water I & I project.
- On **June 28, 2017**, Executive Director Zimmer presented and demonstrated the WISE Act Calculator to members of the Association of Environmental Authorities in Hamilton Township, NJ;
- On **June 20, 2017**, Executive Director Zimmer, Assistant Director Scangarella, Chief Financial Officer Kaltman, and Accountant Andujar joined a number of DEP staff and participated in the three-day, USEPA Region-2 Workshop regarding best practices for SRF Programs;
- On **June 20, 2017**, Executive Director Zimmer, Assistant Director Scangarella, and Construction Project Manager Rolon met with DEP staff to review and discuss the DEP's Water Supply Plan;
- The next Trust Board meeting is scheduled for Thursday, September 7, 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.

**5. PUBLIC COMMENTS:**

Vice Chairman Briant invited comments from the public.

Adam Liebttag of the Communication Workers of America, Local 1036 (CWA) commented on the resolutions proposed as Agenda Items 8H and 8I. He thanked the Board Members, NJEIT Staff, Executive Director David Zimmer and the DEP’s leadership for addressing the concerns the CWA raised at the previous Board meeting regarding the original RFQ. Mr. Liebttag noted that the resulting resolutions were an indication of the DEP’s cooperation and approval process and clarified that the work identified in the Resolution is to augment what DEP currently does.

Vice Chairman Briant thanked Mr. Liebttag for previously bringing the concerns to the Board’s attention back in June, noting that it was always the intent of the Board and the Program to supplement existing Program staff not replace them.

There were no further comments from the Public.

**6. UNFINISHED BUSINESS:**

A. Mr. Chebra, of the NJDEP’s Municipal Finance and Construction Element, reported that there are 249 active projects totaling \$1,251,330,295 and 1200 closed projects with loans outstanding totaling \$5,623,545,693 for a grand total of 1449 projects at \$6,874,875,988.

B. Mr. Chebra discussed the SFY2018 Combined Financing Loan Programs:

**SFY2018 Clean Water Financing Program:**

	Projects Totaling	
	No.	\$ Amount
Project is Certified and has rec'd an IFP	0	\$0
Project is Certified	35	\$160,537,315
Project Received Authorization to Advertise	10	\$203,200,000
Project Planning & Design Loan	10	\$40,691,738
Project Under Review	74	\$1,010,569,645
Recent Project Listing-Under Review	19	\$130,791,916
Project Incomplete or inactive	47	\$555,805,577
<b>Total Clean Water Projects</b>	<b>195</b>	<b>\$2,101,596,191</b>

**SFY2018 Drinking Water Financing Program:**

	Projects Totaling	
	No.	\$ Amount
Project is Certified and has rec'd an IFP	0	\$0
Project is Certified	23	\$107,914,120
Project Received Authorization to Advertise	14	\$53,075,600
Project Planning & Design Loan	0	\$0
Project Under Review	45	\$325,942,139
Recent Project Listing-Under Review	24	\$138,417,248
Project Incomplete or inactive	38	<u>\$212,850,567</u>
Total Drinking Water Projects	144	\$838,199,674

**SFY2018 Grand Totals:**

<b>Clean &amp; Drinking Water Program Totals:</b>	<b>339</b>	<b>\$ 2,939,795,865</b>
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Mr. Chebra commented on a correction to 7A for the Gloucester County Utility Authority (GCUA).

He also noted that the DEP included a new orange-colored category in Agenda Item 7B to indicate projects rolling in as a result of Program staff outreach. Mr Chebra stated that the list does not include projects which have already received funding.

There were no comments or questions.

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

Pursuant to Resolution No. 17-19, General Engineering Consulting Services, the Trust received responses from 9 firms on April 25<sup>th</sup>, 2017. Selection of the firms was scheduled as Items 8H and 8I later in the Agenda.

There were no comments or questions.

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

- The Trust received 14 new applications during the past month for Construction and SAIL Loans financing totaling \$41.7 M.
  - The Trust has received 105 Construction and SAIL Loan applications to-date totaling \$997.9 M.
- The Trust closed 7 Construction and SAIL Loan applications since the last Board Meeting totaling \$23.8 M.

- Of the 105 applications received, the Trust has closed on 75 Construction and SAIL Loan applications to-date totaling \$517.2 M.
- The Trust disbursed \$27.1 M of funds since the last Board meeting to 44 projects.
  - 73 projects with open Construction and SAIL Loans have received disbursements from the Trust to-date totaling \$163.9 M, or approximately {31.7%} 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.

- E. Executive Director Zimmer introduced CFO Lauren Kaltman to discuss the status of the Aged Inventory Report. Ms. Kaltman reported that the Program had closed 2 loans in the past quarter that have been under construction since 2013 or earlier. She noted that 15 loans remain and the Program anticipated closing 7 of those aged loans by December 31, 2017.

Mr. Briant praised DEP and EIT Staff for the fine work they have done to address the older, open construction loans.

There were no comments or questions.

- F. Executive Director Zimmer introduced CBO John Hansbury to discuss the status of the Final Arbitrage Rebate Report. Mr. Hansbury presented numbers to the Board demonstrating that the EIT had ample cushion regarding its potential tax arbitrage liability and that no payments were due to the IRS.

There were no comments or questions.

- G. Executive Director Zimmer reported on the Program’s Loan Production by SFY and informed the Board he would make this report to them quarterly.

**8. NEW BUSINESS:**

- A. Executive Director Zimmer introduced the Trust’s Chief Budget Officer Hansbury to present Resolution No. 17-40 accepting the May 2017 Treasurer’s Report.

Revenues earned in May 2017:	\$ 606,562		
YTD Total Revenues Earned:	\$ 6,058,347	102	% of Budget
YTD Total Revenues Budgeted:	\$ 5,945,191		

Expenses Incurred in May 2017:	\$ 579,009	
YTD Total Expenses Incurred:	\$ 5,116,593	94 % of Budget
YTD Total Expenses Budgeted:	\$ 5,464,671	
<hr/>		
Difference YTD v. Budgeted YTD:	\$ 461,234	Unanticipated Excess cash flow

Chief Budget Officer Hansbury asked if there were any comments or questions.

Mr. Cunningham commented that the Local Finance Board allows Authorities to charge fees of 12.5 basis points, and he complimented the NJEIT for delivering the Program's services at 10 basis points.

Hearing no further comments or questions, Vice Chairman Briant requested a motion for approval.

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

- B. Executive Director Zimmer introduced the Trust's Chief Budget Officer Hansbury to present Resolution No. 17-41 accepting the June 2017 Treasurer's Report.

Revenues earned in June 2017:	\$ 510,236	
YTD Total Revenues Earned:	\$ 6,568,583	102 % of Budget
YTD Total Revenues Budgeted:	\$ 6,467,709	
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Expenses Incurred in June 2017:	\$ 604,329	
YTD Total Expenses Incurred:	\$ 5,720,922	98 % of Budget
YTD Total Expenses Budgeted:	\$ 5,861,541	
<hr/>		
Difference YTD v. Budgeted YTD:	\$ 241,493	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. Longo and seconded by Mr. Ellis. The motion was carried 5 to 0 with 0 abstentions.

- C. Agenda Item C was pulled as being unnecessary.
- D. Agenda Item D was pulled as being unnecessary.
- E. Executive Director Zimmer introduced Legal and Compliance Officer Karp to present Resolution No. 17-42 authorizing the issuance of a Request for Proposals for Arbitrage Rebate Compliance Services. The Trust's current contract expires at the end of the calendar year, December 31, 2017. The RFP term of the contract is two years with one additional year at the option of the Board. The Arbitrage Rebate consultant will be responsible for calculating the Rebate Liability and Yield Restriction Liability of each tax-exempt bond issue of the Trust, and the cumulative Rebate and Yield Restriction Liability of the Trust as of June 30th each year.

Legal and Compliance Officer Karp asked if there were any comments or questions.

Mr. Cunningham asked who currently provides the Arbitrage Report? Ms. Karp responded that OmniCap was the Trust's Arbitrage Rebate service provider and that OmniCap worked with the assistance of the Nixon Peabody Law Firm.

Hearing no further comments or questions, 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.

- F. Executive Director Zimmer introduced Chief Financial Officer Kaltman to present Resolution No. 17-43 authorizing the issuance of a Request for Proposals for Custodial Banking Services in anticipation of the needs of the Transportation Financing Program. The term of the contract is for a 2-year term with an option to extend an additional year upon further action by the Board.

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. Longo and seconded by Mr. Kennedy.

The motion was carried 5 to 0 with 0 abstentions.

- G. Executive Director Zimmer introduced Assistant Director Scangarella to present Resolution No. 17-44 authorizing an amendment to the Internal Controls Audit Services Agreement to perform contract work to complete the initial risk assessment services in an amount not to exceed \$100,000. Resolution No. 15-11 authorized the current contract with CohnReznick at \$330,000. Resolution No. 16-57 authorized a one year contract extension but did not include funding for additional work. This Resolution contemplates additional work for which additional funding is necessary.

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. Ellis and seconded by Mr. Longo.

The motion was carried 5 to 0 with 0 abstentions.

- H. Executive Director Zimmer introduced Assistant Director Scangarella to present Resolution No. 17-45 establishing a pool of Professional Engineering firms for Consulting Engineering Services. Resolution No. 17-19 authorized an RFQ for the creation of a pool of Engineering Services firms, with specific work to be awarded pursuant to future RFPs. Nine (9) responses were received on April 25, 2017. All firms satisfied the RFQ's professional engineer qualification criteria and as such are pre-qualified for the pool.

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. Cunningham and seconded by Mr. Kennedy.

The motion was carried 5 to 0 with 0 abstentions.

- I. Executive Director Zimmer introduced Resolution No. 17-46 authorizing the Solicitation of Proposals (RFPs) from the Engineering Consulting Pool. The Resolution authorizes The Trust's Executive Director to issue RFPs in the future to the pre-qualified pool of Engineering Services firms. The Scope of Work of the RFPs will be project-based (i.e. application review and construction management) and require prior determination from the DEP that such services are required to augment existing staff. Proposals are to be awarded to firm(s) using the following criteria and weights: staff expertise (3x); total price (5x); and total hours to complete review (4x). Either the Chair or Vice Chair will authorize the award of the contract(s) to the highest ranked firm(s) for a two-year term with the option of an additional year upon further action by the Board .

Executive Director Zimmer asked if there were any comments or questions.

Mr. Kennedy commented that the DEP would only use the contract to augment, not replace, existing staff; that the DEP had, and would continue to actively backfill positions left vacant by employees that left or retired; and that the DEP and EIT management were being proactive by putting such an augmentation contract in place to manage surges in Program demand as they happen. Mr. Kennedy again thanked Adam Liebttag for his input.

Hearing no further 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. Longo.  
The motion was carried 5 to 0 with 0 abstentions.

- J. Executive Director Zimmer introduced Resolution No. 17-47 authorizing various actions and forms of documents necessary for making SFY2018 NJEIFP Loans with proceeds of NJEIT Bonds to be issued in November, 2017. This Resolution authorizes the Executive Director to execute escrow and loan agreements, hold a TEFRA hearing for AMT borrowers, request approval from State Treasury, Division of Investment for REPO Investments and for Trust Authorized Officials to take any action deemed necessary or appropriate.

Executive Director Zimmer 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.

## **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.

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

Mr. Longo 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 10:45 am.

**RESOLUTION NO. 17 - 40**

**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: August 10, 2017

Motion Made By: Timothy Cunningham

Motion Seconded By: Mark Longo

Ayes: 5

Nays: 0

Abstentions: 0

**RESOLUTION NO. 17 - 41**

**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: August 10, 2017

Motion Made By: Mark Longo

Motion Seconded By: Roger Ellis

Ayes: 5

Nays: 0

Abstentions: 0

**RESOLUTION NO. 17 - 42**

**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: August 10, 2017

Motion Made By: Mark Longo

Motion Seconded By: Timothy Cunningham

Ayes: 5

Nays: 0

Abstentions: 0



## **Request for Proposals**

# **Arbitrage Rebate Compliance Services**

Issued by the  
New Jersey Environmental Infrastructure Trust

Date Issued:  
**September 1, 2017**

RFP Questions Cut-Off Date:  
**September 11, 2017**

Proposals Due Date:  
**September 27, 2017**

In the Office of the Chief Budget Officer  
3131 Princeton Pike, Building 4, Suite 216  
Lawrenceville, NJ 08648  
(609) 219-8600

Please Label Proposals with Firm's Name and  
**"Proposal for Arbitrage Rebate Compliance Services"**

**NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST  
REQUEST FOR PROPOSALS  
FOR ARBITRAGE AND REBATE COMPLIANCE SERVICES**

**I. OBJECTIVE**

The New Jersey Environmental Infrastructure Trust (“NJEIT”) is looking to procure the services of an Arbitrage and Rebate Compliance Firm. Pursuant to this request for proposal, the NJEIT shall select an Arbitrage and Rebate Compliance Firm from the list of responsive bidders as prescribed in Section IV.

**II. NJEIT / PROGRAM BACKGROUND**

**a. Powers and Structure**

The NJEIT was organized pursuant to N.J.S.A. 58:11B-1 et seq., in 1986 as an independent State Financing authority. The NJEIT's enabling legislation requires extensive legislative oversight of the NJEIT, including fiscal accountability and control over its operating expenses, loan and debt guarantee activities, and borrowing and debt obligations. No funds from State or federal sources or State bond issues are made available to the NJEIT absent legislative appropriation.

Through the New Jersey Environmental Infrastructure Financing Program (“NJEIFP” or “Financing Program”), the Department of Environmental Protection (“DEP”) and the NJEIT jointly issue short-term and long-term loans to provide funding for all aspects, phases and components of designing and building environmental infrastructure projects. NJEIFP Loans are issued upon approval of applicable NJEIFP program requirements for costs incurred for designing and constructing projects (and land preservation) that enhance and protect ground and surface water resources, ensure the safety of drinking water, and facilitate responsible, sustainable economic development. Generally, either the NJEIT or the Department may finance up to 75% of the allowable project costs. Legislative amendments to the NJEIT Enabling Act establish the New Jersey Transportation Infrastructure Financing Program to make loans to finance the cost of transportation projects. The Trust anticipates that the New Jersey Transportation Infrastructure Financing Program may issue one or more series of bonds within the next two years.

**b. Financing History**

General - Since its inception, the Financing Program has issued roughly 1,200 loans totaling over \$6.6 billion, with approximately \$2.7 billion funded from the NJEIT and the remaining \$3.8 billion funded from the DEP. Presently, the NJEIT has 38 outstanding publicly issued Revenue Bond Series totaling \$1.2 billion with maturities spanning over 30 years. As of June 30, there are 96 projects under construction from previously issued bond series.

The Financing Program is transitioning to fund all projects with short-term loans through

the completion of construction. Long-Term loans are largely a mechanism to refinance previously issued short-term loans once a percentage of construction is completed. With limited exception, all relevant Program terms and conditions are established at the time of issuance of the short-term loans. For example, the Trust to DEP Fund loan (Fund) ratio (e.g., 25% Trust / 75% Fund); credit worthiness approval; Division of Local Government Services approval; the State's commitment of long-term funding at the time of certification of each operable project segment; and the applicability of all program benefits.

Each loan is funded from one or more of the following sources: 1) United States Environmental Protection Agency (USEPA) capitalization grants issued pursuant to the Water Pollution Control Act Amendments of 1972 and Safe Drinking Water Act Amendments of 1996; 2) various state bond issues; 3) loan repayments; 4) interest earnings; 5) Trust bond proceeds; 6) Trust operating revenues; and 7) Trust Commercial Paper or Line of Credit. In addition, special appropriations through the Disaster Relief Emergency Appropriations Act of 2013 (PL 2013-2) are utilized for Superstorm Sandy Loans.

Long-Term Financing – Generally, the NJEIT issues revenue bonds to refinance its portion of the short-term loan and repay the source of funds that had been utilized for the short-term loan. Simultaneously, borrowers receive a long term loan from the DEP for its portion of the short-term loan. Borrower loan repayments are received one month prior to the debt service payment date on outstanding NJEIT bonds attributable to each loan (March 1<sup>st</sup> and September 1<sup>st</sup>) with repayments to the DEP loans remitted to the Master Program Trustee. DEP Loan Repayments are held in the Master Program Trust Account for six (6) months plus one (1) day to provide additional collateral for principal and interest payments to the bond investors. Each loan issued by the NJEIT and the DEP pursuant to loan agreements between the Borrower and NJEIT or the DEP is evidenced by a bond from each Borrower. The Trust issues multiple Series (tax-exempt, AMT and taxable) of long term bonds based upon the pool of borrowers. It is anticipated that the trust will issue bonds twice a year in SFY2018 and SFY2019.

Repayments – Each NJEIT Bond Series is issued under and pursuant to a separate NJEIT Bond Resolution. On each semi-annual loan repayment due date, a borrower makes one payment in an amount equal to the NJEIT loan repayment (principal and interest), the NJEIT semi-annual administrative fee payment, the State loan repayment and State administrative fee payment. Upon receipt of each such payment, the Loan Servicer applies it in accordance with the directions in the applicable bond resolution. A summary of the flow of funds may be found in the Official Statements for each Bond Series. A copy of the NJEIT's most recent Official Statement, the Series 2017A-1, is available on the NJEIT's website under "Finance/Official Statements"

**c. Information Relevant to Customized Procurement**

Pursuant to this Request for Proposals, the NJEIT shall select an Arbitrage and Rebate

Compliance Consultant for the purpose of providing complete arbitrage and rebate compliance services for all tax-exempt bonds included in Exhibit A “Schedule of Bonds”, and all tax-exempt bonds issued during the period of this contract.

Your proposals should address compliance with all arbitrage related requirements including, but not limited to: (i) determination of applicability of any exceptions to rebate; (ii) calculation and reporting of the rebate liability (a) annually as of each June 30, and (b) for fifth-year and final installment calculation dates; and (iii) compliance with and calculation of yield restriction/yield reduction payments for the fifth-year.

Fifth-year installment calculations and final calculations are required no later than four weeks prior to the dates payments are due to the I.R.S. Annual interim rebate calculations showing the accrued rebate liability as of each June 30, beginning June 30, 2018, are required no later than July 21 of each year. Interim calculations may be based upon investing activity occurring through the immediately preceding April 30, if necessary to meet the July 21 reporting deadline. A more detailed Scope of Services is set forth in Section IV – Scope of Services later in this RFP.

During the term of the contract, NJEIT may:

- Issue more than one pooled financing in any given year. Separate Tax-Exempt, Amt and Taxable bond issues may be necessary as well as separate bond issues for large complex projects and/or separate bond issues for the Transportation Infrastructure Financing Program.
- Issue refunding bonds when advisable to refund all or a portion of an outstanding bond Series.
- Periodically, the NJEIT will defease bonds in accordance with the IRS Code for the handling of unexpended funds or due to borrowers’ desire to prepay all or a part of their obligation.
- Issue commercial paper or similar vehicle (Tax-exempt or Taxable)

The Term of this procurement shall be (3) three years, commencing on January 1, 2018 and terminating on December 31, 2019.

**d. Minimum Qualifications**

To be considered for contract award, the Firm and/or Project Staff must demonstrate experience in each of the following areas:

1. Working with issuers performing all of the normal duties associated with arbitrage calculations and reporting to the Internal Revenue Service.
2. Advising issuers on matters related to compliance with IRS arbitrage yield restriction requirements.

3. Familiarity with appropriate sections of the Internal Revenue Code related to arbitrage.
4. Each Project Staff member shall have a minimum of (5) years experience within the last ten (10) years in arbitrage rebate calculations.
5. The Firm must be capable of servicing the account and meeting the required due dates for any number of issues (recent issuance has approximated two bond issues per year).
6. The Firm must be in sound financial condition.
7. The Firm must have professional errors and omissions liability insurance coverage with limits of at least \$1 million, underwritten by carriers acceptable to the Trust.
8. The Firm must have access to and/or affiliation with qualified tax attorneys.

**SOLICITATION SCHEDULE/PROCUREMENT SCHEDULE (SUBJECT TO CHANGE AS REQUIRED)**

<b>RFP published and distributed:</b>	<b>September 1, 2017</b>
<b>Question Cut-Off Date:</b>	<b>5:00 pm EST September 11, 2017</b>
<b>Response to RFP Questions:</b>	<b>September 15, 2017</b>
<b>Proposals due:</b>	<b>12:00 noon EST, September 27, 2017</b>
<b>Finalists interviews in person or via conference call:</b>	<b>Week of September 30, 2017</b>
<b>Board of Directors approval:</b>	<b>October 12, 2017</b>
<b>Contract term:</b>	<b>January 1, 2018 to December 31, 2019 with a one-year option to renew</b>

**QUESTION AND ANSWER PROCEDURE**

The Trust will accept questions pertaining to this RFP from all potential bidders electronically. Questions shall be directed to John Hansbury, Chief Budget Officer, at the following e-mail address:

[RFP@NJEIT.ORG](mailto:RFP@NJEIT.ORG)

**Please note that the “subject” line of your e-mail must specifically reference this RFP as follows: “RFP for NJEIT Arbitrage and Rebate Compliance Services.”**

**Questions will be accepted until 5:00 pm EST September 11, 2017.**

### III. SCOPE OF WORK

The services to be provided for each issue of tax-exempt debt subject to the contract are as follows:

1. Determine the Gross Proceeds allocable to each issue of tax-exempt debt subject to the contract during each of the periods covered by the contract.
2. Calculate the rebatable arbitrage earnings through June 30 of each fiscal year or other designated time period for the issues listed on the attached schedule (Exhibit A), and any new bonds or commercial paper (or similar vehicle) issued by the Trust during the term of the contract. Present an interim rebate calculation report on each bond issue through June 30 of each fiscal year, and for fifth-year and final installment calculation dates. The report shall be delivered to the Trust by July 21, of each fiscal year or earlier if requested by the Trust. The report shall contain a summary of the liability for each bond issue; a summary of the computed bond yield for each bond issue; and a list of all assumptions used in computing the arbitrage rebate calculation.
3. Fifth year installment calculations and final calculations are required no later than four weeks prior to the dates payments are due to the I.R.S. Provide an aggregated rebate report of all reports presented in item 2 above (see attached example).
4. Provide appropriate documentation that supports all calculations. Provide all relevant data/calculations used to create the summary report in excel spreadsheet or similar format for the Trust to maintain its own data.
5. In the letter that accompanies each report, the Vendor is required to include a statement that each of the following funds was included in the calculation of arbitrage rebate or a statement why the funds were not included in the calculation of arbitrage rebate:
  - a. Project funds
    - i. Vendor may be required to track numerous project loan accounts. See attached summary for a breakdown of the amount of project loan accounts related to each transaction.
    - ii. Unspent project loan accounts (if any) are transferred to defeasance escrows.
  - b. Reserve funds
    - i. Reserve funds are funded by Sale Proceeds as well as other proceeds.

- c. Master Program Trust Account
    - i. The Master Program Trust Account is funded by loan repayments and operates as a commingled reserve fund, sinking fund, or replacement fund within the meaning of Treasury Regulations Section 1.148-6(e)(6). The Master Program Trust must be tracked and allocated to each bond issue in accordance with Treasury Regulations Section 1.148-6(e)(6).
  - d. Cost of issuance funds
  - e. Transferred proceeds
  - f. Debt service funds
    - i. Vendor is required to test the funds treated as used to pay debt service on each issue covered by the contract for the computation period to determine if the funds are excludable from gross proceeds as part of a bona fide fund. A copy of the test is required to be included with each calculation.
  - g. Refunding escrow funds
  - h. Capitalized interest accounts; and
  - i. Any other funds containing Gross Proceeds not otherwise covered or that get considered above.
6. Coordinate between the Bond Trustee, the Trust and bond counsel so all necessary information is provided to perform calculations accurately.
  7. Preparation of required Internal Revenue Service forms and returns.
  8. Assist the Trust as necessary in the event of an Internal Revenue Service inquiry involving the computation of rebate or yield restriction with respect to any computation covered by the contract.
  9. Assist the Trust in planning and budgeting for the arbitrage and rebate compliance services each fiscal year.
  10. The successful Firm shall obtain past tickler system information from the current contractor. The Firm shall maintain a tickler system which monitors critical deadlines for all NJEIT bond issues, including all calculation due dates, including interim calculation dates, fifth year anniversary dates and those relating to revised calculation dates when bonds have been refunded.
  11. Provide consultation to Trust staff as necessary on matters related to the Internal Revenue Code Rebate Provisions.
  12. Provide assistance and consultation as necessary for proper retention of arbitrage records and documentation by the Trust.

13. Provide a legal opinion from a nationally recognized bond counsel firm as to the liability due to the I.R.S. under any of the arbitrage regulations. The opinion must include a statement that the calculation methodology used is consistent with current tax laws and regulations and may be relied upon by the Trust in determining its liability payments to the I.R.S.

The Firm's legal counsel is required to work with and be available to the Trust's legal counsel throughout the term of the contract at no additional cost.

#### **IV. EVALUATION PROCEDURE and CRITERIA**

- a. **Ranking Criteria** - The Trust has appointed a committee to review the proposals submitted in response to this request for proposals and to make recommendations to the NJEIT Board of Directors. The committee members will individually review all proposals considering the following major evaluation criteria, ranking each firm on a scale of 1 to 10 and assign the following weights for each such criterion:

- The Firm's proposal for arbitrage rebate compliance services which specifically addresses compliance with federal tax law, and experience with similar public programs (2)
- The relevant experience and qualifications of the team to provide service to the Trust including experience in managing similar State accounts (3)
- The Firm's experience and qualifications to efficiently manage arbitrage rebate compliance, and provide all required services, specifically Tax Law and Bond Law expertise (3)
- The Firm's reputation as a respected, nationally known, experienced Arbitrage Rebate Compliance consultant (2)
- The firm's presence in New Jersey, and the team's proximity to the NJEIT (2).

In addition, at the Trust's discretion;

- Presentation -- the firms having the highest preliminary rankings based on the above criteria, may, at the Trust's discretion, be invited to conduct a presentation of their proposals either in person or via conference call with

the Trust ((3) – to be additive to each Firm’s original score ranking).

- The proposed cost for services and the methodology stated for setting compensation. Fee Proposal (2)

Please be advised that cost will not be the sole determining factor.

Please Note: Joint ventures will not be considered.

**b. Oral Presentation(s) and/or Clarification of Proposal**

The firms’ team members may be required to make presentations to the Review Committee for the limited purpose of reviewing the previously submitted proposals. The NJEIT may ask firms being interviewed to provide professional references of the team members. The Review Committee may also submit written questions to a bidder requiring clarification of minor ambiguities in its proposal.

Original proposals submitted, however, cannot be supplemented, changed, or corrected in any way. No comments regarding other proposals are permitted. Proposers may not attend presentations made by their competitors.

It is within the Review Committee’s discretion whether to require a proposer to give an oral presentation or require a proposer to submit written responses to questions regarding its proposal. Action by the Review Committee in this regard should not be construed to imply acceptance or rejection of a proposal.

If it is necessary to interview one or more firms, the interviews will take place on the week of September 30, 2017. You will be notified by phone if your firm needs to appear.

Appointment of the Arbitrage and Rebate Compliance Consultant by the Trust is contingent upon the execution of an Agreement for Arbitrage and Rebate Compliance Consultant Services.

**c. Submission Requirements (# of copies, Addressee, etc.)**

Five printed copies and one electronic “soft” copy (on a flash drive/stick) of your proposal should be delivered to David E. Zimmer, Executive Director, New Jersey Environmental Infrastructure Trust, 3131 Princeton Pike, Office Building 4, Suite 216, Lawrenceville, NJ 08648.

**All proposals must be received by 12:00 noon, Wednesday, September 27, 2017.** Proposals received after this date and time will not receive further consideration.

## V. TECHNICAL PROPOSAL - INFORMATION REQUIRED TO BE PROVIDED BY BIDDER

It is the proposing firm's responsibility to provide all required information, including required attachments. No information beyond that specifically requested is required and proposing firms are requested to keep their submissions to the shortest length consistent with making a complete presentation of qualifications. To this end, the proposing firm shall complete and/or submit the following documents as part of his/her sealed proposal package presented in the following format and order. **Unless otherwise indicated, a proposal that does not provide all of the information requested below may be rejected.**

1. An Executive summary of not more than three (3) pages identifying and substantiating the basis of your contention that you are the best qualified firm to provide the requested services for the NJEIT. Please provide a brief history of your Firm's experience and expertise in providing arbitrage rebate services, including (i) financial and analytical expertise; (ii) tax law expertise, including the ability to provide a legal opinion; and (iii) bond law expertise. In addition, please address what it is that your firm offers to the NJEIT that competing firms cannot, a statement that the proposal is a firm and irrevocable offer for the engagement period. Include the signature of an authorized official of the firm who has been designated to submit the proposal on behalf of their firm. Provide the name and address of the firm, the name, telephone number, fax number, and e-mail address of individual or individuals responsible for the preparation of this proposal who may be contacted in the event of questions or notification, and the location of the office, if other than that shown above at which the services to be provided hereunder will be performed.
2. A staffing plan listing those persons who will be assigned to the engagement if your firm is selected, including the designation of the person who would be responsible for the engagement. (The "Proposed Team") This portion of the proposal should include the relevant resume information for the individuals who would be assigned. This information should include, at a minimum, a description of the person's relevant professional experience, years and type of experience, and number of years with the firm.
3. A description of resources of the firm (i.e., background, location, experience, staff resources, financial resources, other resources, etc.). Provide a copy of the firm's most recent audited financial statements.
4. A listing of all current public clients, including information on the type of engagement.

5. Six references, including at least three clients for whom services have been provided for at least three years. Provide the contact names, positions, email addresses, and phone numbers.
6. Describe the resources dedicated to risk management compliance at your firm. Describe the risk management system, specifically addressing who is responsible for risk management as well as the processes in place for the identification, resolution and notification of errors and policy warnings.
7. Provide a description of any pending or concluded claim, investigation or litigation involving your firm implicating a sum of \$5 million or more since January 1, 2012.
8. Describe any pending or concluded claim, investigation or litigation involving a Proposed Team member implicating the sum of \$100,000 or more since January 1, 2012.
9. Provide a listing of any and all suspensions or pending or concluded investigations or disciplinary actions by any regulatory agency of your firm or any of its personnel since January 1, 2012 with an explanation of the reason for any suspensions or expulsions and the time period for such actions.
10. Describe all regulatory, professional or business licenses held and maintained by your firm, its directors, or officers and principals and any of the individuals who will be responsible for providing the services described in this RFP that are required in order to do business in the State or elsewhere.
11. Please describe your firm's presence in New Jersey including location of offices.
12. Identify any existing or potential conflicts of interest, as well as your representation of parties or other relationships that might be considered a conflict of interest, that may affect or involve transactions for the NJEIT.

**Note: The Trust reserves the right; 1) to reject any and all proposals or 2) to waive any informalities or irregularities therein. The award will be made to the firm whose appointment as Arbitrage and Rebate Compliance Consultant is deemed to be in the best interest of the Trust and the State.**

## **VI. OTHER REQUIREMENTS**

## **Attachments**

### **a. Specific to RFP**

#### **Exhibits**

Exhibit A - Schedule of Bonds

Exhibit B - Standard Terms and Form of Contract for Arbitrage Rebate Compliance Services

Exhibit C – State Required Forms

Exhibit D – Ranking Sheet

Exhibit E - Form Pricing Schedule

### **b. Required Forms**

Please submit the following requirements. For those requirements that require completion of a form, the required forms are attached as ***Exhibit C – State Required Forms***.

1. Ownership Disclosure Form
2. Disclosure of Investigations/Actions
3. MacBride Principles Certification
4. Disclosure of Investment Activities in Iran
5. Affirmative Action Forms
6. Pursuant to, entities providing goods or services to the Trust must be registered with the New Jersey Department of the Treasury, Division of Revenue. Please provide a copy of your firm’s business registration certification (or interim registration) (N.J.S.A. 52:32-44). If the firm is not already registered with the New Jersey Division of Revenue, the form should be completed, online, at the Division of Revenue website: [www.state.nj.us/treasury/revenue/index.html](http://www.state.nj.us/treasury/revenue/index.html).
7. State agencies and independent authorities, such as the Trust, are limited in their ability to enter contracts with business entities that have made certain political contributions.
  - a. If your firm has not previously submitted the certification and disclosure form(s) pursuant to P.L. 2005, c. 51/Executive Order No. 117, they must be completed and are attached to this RFP. (see, P.L. 2005, c. 51, enacted March 22, 2005, which codified Executive Order No. 134 (McGreevey 2004), as amended by Executive Order No. 117 (Corzine 2008), (“P.L. 2005, c. 51/Executive Order No. 117”))
  - b. If your firm has previously submitted the certification and disclosure form(s) pursuant to P.L. 2005, c. 51/Executive Order No. 117 you are required only to submit the P.L. 2005, c. 51/Executive Order No. 117 “Certification of No Change,”
8. Firms are also advised of their responsibility to file an annual disclosure statement on political contributions with the New Jersey Election Law Enforcement Commission (“ELEC”) pursuant to N.J.S.A. 19:44A-20.13 (P.L. 2005, c. 271, section 3) if the firm

receives contracts with public entities in excess of \$50,000 or more in the aggregate from public entities, such as the Trust, in a calendar year. It is the firm's responsibility to determine if filing is necessary. Failure to so file can result in the imposition of financial penalties by ELEC. Additional information about this requirement is available from ELEC at 888-313-3532 or at [www.elect.state.nj.us](http://www.elect.state.nj.us).

9. In compliance with Executive Order No. 129 (McGreevey 2004) and P.L. 2005, c. 92, all service performed pursuant to this RFQ shall be performed within the United States.
10. Emergency Preparedness – To support continuity of operations during an emergency, including a pandemic, NJEIT needs a strategy for maintaining operations for an extended period of time. One part of this strategy is to ensure that essential contracts that provide critical business services to NJEIT have planned for such an emergency and put contingencies in place to provide needed goods and services.
  - a. Describe how you anticipate such a crisis will impact your operations.
  - b. Describe your emergency response continuity of operations plan. Please attach a copy of your plan, or at a minimum, summarize how your plan addresses the following aspects of pandemic preparedness:
    - Employee training (describe your organization's training plan, and how frequently your plan will be shared with employees).
    - Identify essential business functions and key employees (within your organization) necessary to carry them out.
    - Contingency plans for:
      - How your organization will handle staffing issues when a portion of key employees are incapacitated due to illness.
      - How employees in your organization will carry out the essential functions if contagion control measures prevent them from coming to the primary workplace.
    - How your organization will communicate with staff and suppliers when primary communications systems are overloaded or otherwise fail, including key contacts, chain of communications (including suppliers), etc.
    - How and when your emergency plan will be tested, and if the plan will be tested by a third-party.

11. Contractor's Insurance

11.1 Any insurance company providing coverage must be authorized to do business in the State of New Jersey. The contractor shall not commence work under this contract until the contractor has obtained all insurance required under this paragraph and such insurance has been approved by the NJEIT, nor shall the Contractor allow any subcontractor to commence work, in his/her subcontract until all similar insurance required of the subcontractor has been so obtained and approved.

11.2 Insurance coverage shall remain in effect during the contract period. The Contractor shall furnish the NJEIT with proof of Insurance by execution of the Certificate of Insurance, of which a copy is included herein. The NJEIT shall be named additional insured. The Contractor's insurance shall apply to and provide coverage for all subcontractors and/or suppliers unless the Contractor forwards to the NJEIT the Certificate of Insurance for the subcontractor and/or supplier. The Contractor shall give the NJEIT 30 days written notice of any material change in, cancellation of, or expiration of the policies.

11.3 Certificates of the Required Insurance Certificates as listed below shall be submitted along with the contract as evidence covering Comprehensive General Liability, Comprehensive Automobile Liability, and where applicable, necessary Workers' Compensation and Employers' Liability Insurance. Such coverage shall be with acceptable insurance companies operating on an admitted basis in the State of New Jersey and shall name the NJEIT as an additional insured. The following types of insurance are required:

a. General Liability Insurance. This insurance shall have limits of not less than \$1,000,000 any one person and \$1,000,000 any one accident for bodily injury and \$2,000,000 aggregate for property damage and shall be maintained in force during the life of this contract by the bidder.

b. Automobile Liability Insurance. This insurance covering bidder for claims arising from owned, hired and non-owned vehicles with limits of not less than \$1,000,000 any one person and \$1,000,000 any one accident for bodily injury and \$1,000,000 each accident for property damage, shall be maintained in force during the life of this contract by the bidder.

c. Excess Liability

d. Workers' Compensation and Employers' Liability. This insurance shall be maintained in force during the life of this contract by the bidder covering all employees engaged in the performance of this contract in accordance with the applicable statute. Minimum Employers' Liability \$1,000,000.00.

12. **Applicable Law.** The Agreement, including this RFP and any and all litigation arising there from or related thereto shall be governed by the applicable laws, regulations, and rules of evidence of the State of New Jersey without reference to conflict of law principles. Any

litigation arising from this Agreement shall be under the jurisdiction of and filed in Mercer County, New Jersey.

13. **Claims.** All claims asserted against the NJEIT by any Bidder or Contractor shall be subject to the New Jersey Tort Claims Act, N.J.S.A. 59:1-1 et seq., and the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq.

**NOTE:** Each firm submitting a response to this RFP is required to provide the State with proof of business registration in New Jersey. Further, in compliance with Executive Order No. 129 issued September 9, 2004 each firm submitting a response to this RFP is required to indicate in their proposal the location by country where services under the contract will be performed.

**FURTHER NOTE:** The firm selected pursuant to this RFP will be required to comply with Executive Order 134 issued on September 22, 2004, limiting the ability of State agencies and independent authorities to enter contracts with business entities that have made certain political contributions.

#### **VII. COST PROPOSAL – (Please include in a separate sealed envelope labeled Cost Proposal)**

Provide a compensation schedule by providing the following information (see attached Pricing Schedule, this format must be used):

- Provide your methodology for calculation of fees.

The Cost Proposal shall be submitted in an envelope separately sealed from the technical proposal and labeled with the bidder's name and "Cost Proposal". The cost proposal shall be comprised of the bidder's completed Pricing Schedule which is attached as Exhibit E. Upon determination of the highest ranked technical bidder, the cost proposals shall be reviewed and a cost for providing services shall be negotiated with the highest ranked bidder. If an acceptable fee is unable to be negotiated, the Trust shall enter negotiations with the second highest ranked bidder. Please be advised that cost will not be the sole determining factor.

#### **VIII. CONTRACT TERMS**

##### 1. Period of Services:

The term of the contract shall be for the period commencing on or about January 1, 2018 and shall continue until December 31, 2019. The Trust reserves the right, at the option of

the Trust Board of Directors, to extend the term of the contract one additional year, until December 31, 2020\*.

2. Standard Terms and Conditions:

The attached Standard Contract Terms and Conditions (*Exhibit B*) are in addition to the terms and conditions set forth in the Request for Proposal (RFP) and should be read in conjunction with same unless the RFP specifically indicates otherwise. If a bidder proposes changes or modifications or takes exception to any of NJEIT's terms and conditions, modification or exception in EIT's terms and conditions by a bidder will be a factor in the determination of an award of a contractor purchase agreement.

All of NJEIT's terms and conditions will become a part of any contract(s) or order(s) awarded as a result of the Request for Proposal, whether stated in part, in summary or by reference. In the event the bidder's terms and conditions conflict with NJEIT's, NJEIT's terms and conditions will prevail, unless the bidder is notified in writing of NJEIT's acceptance of the bidder's terms and conditions.

Dated: September 1, 2017

**Fee Schedule**

**Part A** – Provide a proposed fixed fee schedule for services associated with the Scope of Services with the following information:

Description	Proposed Fee
Engagement Fee:	\$
Base Report Fee:	\$
Extra Period Fee (For Reporting Periods in Excess of 12 months):	\$
Commingled Fund Adjustment Fee:	\$
Transferred Proceeds Fee:	\$
Variable Rate Fee:	\$
Yield Restriction Fee:	\$
Fee Per Additional Project Loan Account:	\$
Rebate Payment Filing Fee:	\$
Other (Describe):	\$

**RESOLUTION NO. 17 - 43**

**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: August 10, 2017

Motion Made By: Mark Longo

Motion Seconded By: Daniel Kennedy

Ayes: 5

Nays: 0

Abstentions: 0

**RESOLUTION NO. 17 - 44**

**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: August 10, 2017

Motion Made By: Roger Ellis

Motion Seconded By: Mark Longo

Ayes: 5

Nays: 0

Abstentions: 0

**RESOLUTION NO. 17- 45**

**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: August 10, 2017

Motion Made By: Timothy Cunningham

Motion Seconded By: Daniel Kennedy

Ayes: 5

Nays: 0

Abstentions: 0

## RESOLUTION NO. 17- 46

### 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: August 10, 2017

Motion Made By: Roger Ellis

Motion Seconded By: Mark Longo

Ayes: 5

Nays: 0

Abstentions: 0

## RESOLUTION NO. 17 - 47

### 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: August 10, 2017

Motion Made By: Mark Longo

Motion Seconded By: Timothy Cunningham

Ayes: 5

Nays: 0

Abstentions: 0

**EXHIBIT A**

**EXHIBIT B**

**RESOLUTION NO. 17 -**

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

**WHEREAS**, the New Jersey Environmental Infrastructure Trust (the "Trust") has reviewed the Treasurer's Report for July 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 July 2017 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 TRUST AUTHORIZING ISSUANCE OF  
A REQUEST FOR QUALIFICATIONS FOR  
NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE FINANCING PROGRAM  
BOND COUNSEL SERVICES**

**WHEREAS**, there is a need to engage the services of special counsel to assist the New Jersey Environmental Infrastructure Trust (the "Trust") and the Department of Environmental Protection (the "Department") in the development and implementation of the New Jersey Environmental Infrastructure Financing Program (NJEIFP) in State Fiscal Years (SFY)2019 and 2020, with the option of extending the contract to SFY2021 upon further action by the Board, to act as bond counsel for the Trust in connection with the issuance and delivery of the Trust's SFY2019 and 2020, and if applicable, 2021 NJEIFP revenue bond offerings, and to advise the Trust on other bond counsel matters during the term of its contract including but not limited to the development of new programs.

**NOW THEREFORE BE IT RESOLVED THAT** the Trust hereby authorizes the Executive Director to work with the Attorney General's Office to prepare and distribute a Request for Qualifications (RFQ) for NJEIFP Bond Counsel Services for a contract period commencing in SFY2019 through SFY2020, with the option of extending the contract to SFY2021 upon further action by the Board, in accordance with the provisions of Executive Order No. 26 (1994) and such policies, guidelines and procedures as have been developed and adopted by the Attorney General pursuant thereto; and

**BE IT FURTHER RESOLVED THAT** the Executive Director is authorized to appoint Trust staff to represent the interests of the Trust on a selection committee established by the Attorney General, charged with making a recommendation to the Attorney General for retention of bond counsel for the NJEIFP; and

**BE IT FURTHER RESOLVED THAT** the Executive Director is authorized to provide such other assistance as may be necessary to effectuate the Attorney General's selection of bond counsel for the NJEIFP.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

RESOLUTION NO. 17 - xx

**RESOLUTION OF THE TRUST AUTHORIZING ISSUANCE OF  
A REQUEST FOR QUALIFICATIONS FOR  
TRANSPORTATION FINANCING PROGRAM  
BOND COUNSEL SERVICES**

**WHEREAS**, once operative, P.L.2016 c.56, will rename the New Jersey Environmental Infrastructure Trust (Trust) the New Jersey Infrastructure Bank (Bank) and created within the Bank, the New Jersey Transportation Infrastructure Financing Program (NJTIFP) to finance local transportation projects; and

**WHEREAS**, upon the effective start date of the Bank there will be a need to engage the services of special counsel to assist the Bank and the Department of Transportation (Department) in the development and implementation of the NJTIFP in State Fiscal Years (SFY)2019 and 2020, with the option of extending the contract to SFY2021 upon further action by the Board, to act as bond counsel for the Bank in connection with the issuance and delivery of the Bank's SFY2019, 2020 and if applicable, 2021 NJTIFP revenue bond offerings, and to advise the Bank on other bond counsel matters during the term of its contract including, but not limited to, the development of new programs.

**NOW THEREFORE BE IT RESOLVED THAT** the Trust hereby authorizes the Executive Director to work with the Attorney General's Office to prepare and distribute a Request for Qualifications (RFQ) for NJTIFP Bond Counsel Services for a contract period not to exceed two years commencing in SFY2019 with the option of extending the contract to SFY2021 upon further action by the Board, in accordance with the provisions of Executive Order No. 26 (1994) and such policies, guidelines and procedures as have been developed and adopted by the Attorney General pursuant thereto; and

**BE IT FURTHER RESOLVED THAT** the Executive Director is authorized to appoint Trust staff to represent the interests of the Trust on a selection committee established by the Attorney General, charged with making a recommendation to the Attorney General for retention of bond counsel for the NJTIFP; and

**BE IT FURTHER RESOLVED THAT** the Executive Director is authorized to provide such other assistance as may be necessary to effectuate the Attorney General's selection of bond counsel for the NJTIFP.

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  
SOMERSET RARITAN VALLEY SEWAGE 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 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**, Somerset Raritan Valley Sewage Authority (“Somerset Raritan”) has applied for a Construction loan from the Trust, in an amount not to exceed \$16,500,000, in anticipation of a long-term loan from each of the Trust and the Department, to finance the planning, design and construction of Project #S340801-08, the rehabilitation of a sludge incinerator, (the “Somerset Raritan Project”); and

**WHEREAS**, a Construction Loan not to exceed three full fiscal years will provide working capital to Somerset Raritan to pay for the costs of planning, design, and construction, wherein all or a portion of the construction will be completed prior to Somerset Raritan’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 Somerset Raritan 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.

<b>Project Sponsor</b>	<b>Project #</b>	<b>Description</b>	<b>Total Authorized Loan Amount</b>
Somerset Raritan Valley Sewage Authority	S340801-08	Rehabilitation of sludge incinerator	\$16.5 million

**Section 2.** Notwithstanding the stated loan amount of \$16.5 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 CERTIFYING PROJECTS FOR THE STATE FISCAL YEAR 2018  
NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE FINANCING PROGRAM**

**WHEREAS**, pursuant to Sections 5(m) and 9(a) of the New Jersey Environmental Infrastructure Trust Act (N.J.S.A. 58:11B-1 et seq.) (the "Act"), the New Jersey Environmental Infrastructure Trust (the "Trust") is authorized to make and contract to make loans to local government units or public water facilities (the "Borrowers") to finance a portion of the cost of environmental infrastructure projects which they may lawfully undertake or acquire and for which they are authorized by law to borrow funds; and

**WHEREAS**, the Borrowers having projects listed in P.L. 2017, c.142 and in the Trust's Financial Plan submitted to the Legislature in May of 2017 pursuant to N.J.S.A. 58:11B-21 submitted applications to the Trust for Trust loans under the State Fiscal Year (SFY) 2018 Environmental Infrastructure Financing Program (as described in the Trust's Financial Plan) to finance a portion of the allowable costs of their environmental infrastructure projects; and

**WHEREAS**, the Legislature has authorized in P.L. 2017, c.142 the expenditure of Trust funds to finance a portion of the allowable costs of the projects of certain Borrowers designated in Sections 2 and 4 of this legislation (constituting the "SFY2018 Project Eligibility List"); and

**WHEREAS**, representatives of the Department of Environmental Protection (DEP) and the staff of the Trust have reviewed and evaluated these applications in accordance with the provisions of N.J.A.C. 7:22-4.13 and 4.46, advised which of these applications may be deemed complete, made recommendations to which applications may be approved or conditionally approved for Trust Loans, and determined the amounts presently constituting the allowable costs which may be financed with Trust loans;

**WHEREAS**, the Trust has received DEP certifications that certain projects are in conformity with P.L. 1985, c.329 the Wastewater Treatment Bond Act of 1985; P.L. 1992, c.88, N.J.S.A. 58:12A-1 et seq. the Green Acres, Clean Water, Farmland and Historic Preservation Bond Act of 1992; P.L. 2003, c.162 the Dam, Lake, Stream, Flood Control, Water Resources, and Wastewater Treatment Project Bond Act of 2003; N.J.S.A. 58:12A-2 Et. Seq., and/or P.L. 1981, c.261 the Water Supply Bond Act of 1981 and any rules and regulations adopted pursuant thereto; and with respect to certain other projects, certification conditioned upon such projects satisfying certain contingencies required by the DEP pursuant to its regulations; and

**WHEREAS**, the Trust has reviewed the DEP certified projects and has determined that they are in compliance with the Trust's credit policy, public notice and program Rules and Regulations.

**NOW THEREFORE BE IT RESOLVED**, that the Trust Board of Directors hereby approves the project applications set forth in Appendix A for Trust loans under the SFY2018 Environmental Infrastructure Financing Program, subject to certification of the corresponding projects by the Chairman or Vice Chairman of the Trust pursuant to the provisions of P.L. 2017, c.142, Section 6 as being in conformity with the provisions of the Act and rules and regulations adopted pursuant thereto.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

**RESOLUTION No. 17-xx**

**RESOLUTION OF THE TRUST AUTHORIZING AN AMENDMENT TO SOFTWARE COMPONENT OUTSOURCING SERVICES AGREEMENT**

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, pursuant to Resolution No. 16-48, the Board authorized the Executive Director to solicit proposals for Software Component Outsourcing Services; and

WHEREAS, the Trust competitively procured Software Component Outsourcing Services proposals through formal advertisement and distribution of a Request for Proposals (RFP) in accordance with New Jersey Local Public Contracts Law and Trust Policy to a list of seventeen (17) firms; and

WHEREAS, the Scope of Work in the RFP for the Software Component Outsourcing Services identified two projects to be performed under the contract and also specified that the firm would be “retained” with work assigned as requested by the Trust on a “case-by-case” basis; and

WHEREAS, pursuant to Resolution No. 17-30, the Board authorized the Executive Director to execute an agreement with the highest ranked firm, Banc3, Inc. (“Banc3”) for a two-year term subject to a one year extension upon approval of the Board in accordance with the provision of services as outlined in the Trust’s RFP distributed on October 31, 2016 and authorized a total expenditure for one of the identified projects in an amount not to exceed \$66,960; and

WHEREAS, the Trust entered into a contract with Banc3 in accordance with the terms of Resolution No. 17-30 on May 10, 2017 (the “Agreement”); and

WHEREAS, Banc3 has completed the first project to the satisfaction of the Trust; and

WHEREAS, the Trust desires to authorize funding for additional software outsourcing services in accordance with the terms of the Agreement, which anticipates that work would be assigned on a case by case basis; and

WHEREAS, the services will require funding in addition to the amount authorized by Resolution No. 17-30.

NOW THEREFORE BE IT RESOLVED, the Board hereby authorizes an amendment to the Agreement to provide for the expenditure of additional funds in an amount not to exceed \$100,000 for software outsourcing services within the Scope of Services of the Agreement (hereafter “Amended Agreement”), exclusive of work performed pursuant to Resolution No. 17-30; 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 October 31, 2016, the proposal submitted by Banc3, Inc. dated November 30, 2016 and the Best and Final Offer submitted on March 9, 2017; and
- b. The payment in an amount not to exceed \$100,000 for services as detailed in the proposal submitted by Banc3 dated November 30, 2016 and its Best and Final Offer dated March 9, 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 Authorized Officer of the Trust.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

**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: