



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 14, 2017

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

Dear Governor Christie:

In accordance with the provisions of the New Jersey Environmental Infrastructure Trust Act, I hereby transmit for your review and consideration the executive session minutes of the September 14, 2017 Trust Board meeting of the New Jersey Environmental Infrastructure Trust. The New Jersey Environmental Infrastructure Trust Act provides that the Governor has ten days from the delivery of the minutes, excluding weekends and holidays, to review and accept such minutes. In the event that the minutes are not acted upon within the statutory time frame by you, the minutes become effective automatically.

Sincerely,

David E. Zimmer, CFA
Assistant Secretary

Enclosure

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



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9/14/2017

**NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST
OPEN PUBLIC MEETING**

Thursday, September 14, 2017

1. CALL TO ORDER:

A meeting of the New Jersey Environmental Infrastructure Trust was convened on Thursday, September 14, 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 10:05 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, Mr. Griffin, Mr. Cunningham, and Mr. Chebra all responded affirmatively.

DIRECTORS

Robert A. Briant, Jr., Vice Chairman
Mark Longo, Secretary *
Roger Ellis, Treasurer
Eugene Chebra
(for DEP Commissioner Martin)
Michael Griffin
(for State Treasurer Scudder)
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
Victor Tsai, Information Technology Manager
Mary Maples, Governor's Authorities Unit *
Clifford T. Rones, Deputy Attorney General
Richard Nolan, McCarter & English LLP
Geoffrey Stewart, Public Financial Management
Scott Shymon, DEP, Municipal Finance &
Construction Element

(*) Participated via teleconference

4. APPROVAL OF THE MINUTES:

Vice Chairman Briant opened discussion of the minutes of the Trust August 2017 Board meeting.

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

Mr. Cunningham moved for the approval of the minutes. Mr. Griffin seconded the motion. The motion was carried 6 to 0 with 0 abstentions.

5. ANNOUNCEMENTS:

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

- On **September 12, 2017**, Executive Director Zimmer, Assistant Director Scangarella, and DEP Assistant Director Gene Chebra met with representatives from the Borough of **Spotswood** and USDA-RDA representative Ken Drewes to discuss funding upgrades to the Borough's water distribution system;
- On **September 7, 2017**, DEP Assistant Director Gene Chebra attended a joint DEP/BPU/CCMUA press event highlighting a Financing Program associated alternative energy project at the **CCMUA**;
- On **August 30, 2017**, Executive Director Zimmer, Assistant Director Scangarella, DEP Assistant Commissioner, Dan Kennedy and DEP Director, Michele Putnam met with representatives of NJ Future to discuss opportunities to expand green infrastructure financing through the NJEIFP;
- On **August 28, 2017**, Executive Director Zimmer, Assistant Director Scangarella, and DEP staff met with representatives from **Woolwich Township** to discuss a large scale sanitary conveyance project;
- On **August 23, 2017**, Trust Senior Staff met with Department of Transportation Commissioner Hammer, his senior staff, and representatives from the Attorney General's Office to discuss issues regarding the development of the newly legislated Transportation Infrastructure Financing Program;
- On **August 15, 2017**, Assistant Director Scangarella, Chief Financial Officer Kaltman and NJEIT Bond Counsel Rich Nolan, met with representatives from **Vernon Township** and its professional advisors to discuss project financing options;
- The next Trust Board meeting is scheduled for Thursday, October 12, 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.)

Mr. Cunningham commented on how efficient H₂LOans is with respect to borrowers procuring authorization to receive funding from the Program and complimented the NJEIT IT team stating that H₂LOans has made the process easier and more efficient.

There were no further comments or questions.

6. PUBLIC COMMENTS:

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

7. UNFINISHED BUSINESS:

- A. Mr. Shymon, of the NJDEP’s Municipal Finance and Construction Element, reported that there are 261 active projects totaling \$1,300,003,467 and 1204 closed projects with loans outstanding totaling \$5,647,187,168 for a grand total of 1,465 projects at \$6,947,190,635.
- B. Mr. Shymon 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	5	\$37,090,729
Project is Certified	32	\$184,428,885
Project Received Authorized to Advertise	8	\$209,314,200
Project Planning & Design Loan	9	\$23,902,244
Project Under Review	78	\$926,259,395
Recent Project Listing-Under review	17	\$184,524,934
Project Incomplete or inactive	46	\$542,505,577
Total Clean Water Projects	195	\$2,108,025,964.00

SFY2018 Drinking Water Financing Program:

	Projects Totaling	
	No.	\$ Amount
Project is Certified and has rec'd an IFP	5	\$15,356,224
Project is Certified	19	\$81,529,120
Project Received Authorized to Advertise	12	\$51,292,360
Project Planning & Design Loan	1	\$85,265
Project Under Review	55	\$384,031,597
Recent Project Listing-Under review	15	\$76,275,701
Project Incomplete or inactive	38	\$202,850,567
Total Drinking Water Projects	145	\$811,420,834.00

SFY2018 Grand Totals:

Clean & Drinking Water Program Totals:	340	\$2,919,446,798
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Mr. Briant asked for clarification on the Program’s process for those projects that are certified, as well as on the dollar amount of the projects that have received certification and/or financing. Mr. Shymon and Executive Director Zimmer walked the Board through the process and the dollar amounts.

There were no further comments or questions.

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

Arbitrage Rebate Service

Pursuant to Board Resolution No. 17-42 , Trust staff issued an RFP for Arbitrage Rebate Services on August 31, 2017 and a recommendation for Board action is expected at the October, 2017 Board meeting.

Custodial Banking Services

Pursuant to Board Resolution No. 17-43, Trust staff issued an RFP for Custodial Banking Services for the NJ Transportation Infrastructure Financing Program on September 13, 2017. Responses are due to the Trust on October 17, 2017 and a recommendation for Board action is expected at the November, 2017 Board meeting.

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

- The Trust received 7 new applications during the past month for Construction and SAIL Loans financing totaling \$20.2M.
 - The Trust has received 112 Construction and SAIL Loan applications totaling \$1.018B.
- The Trust closed 10 Construction and SAIL Loan applications since the last Board Meeting totaling \$52.4M.
 - Of the 85 applications received, the Trust has closed on 75 Construction and SAIL Loan applications totaling \$569.6M.
- The Trust disbursed \$16M of funds since the last Board meeting to 28 projects.
 - 83 projects with open Construction and SAIL Loans have received disbursements from the Trust totaling \$179.9M, or approximately 31.6% of outstanding short-term loans.

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

There were no comments or questions.

8. NEW BUSINESS:

- A. Executive Director Zimmer introduced the Trust's Chief Budget Officer Hansbury to present Resolution No. 17-48 accepting the July 2017 Treasurer's Report.

Revenues earned in July 2017:	\$ 510,362		
YTD Total Revenues Earned:	\$ 510,362	101	% of Budget
YTD Total Revenues Budgeted:	\$ 503,848		
<hr/>			
Expenses Incurred in July 2017:	\$ 424,495		
YTD Total Expenses Incurred:	\$ 424,495	100	% of Budget
YTD Total Expenses Budgeted:	\$ 422,305		
<hr/>			
Difference YTD v. Budgeted YTD:	\$ 24,190		Unanticipated Excess cash flow

Chief Budget Officer Hansbury asked if there were any comments or questions. Mr. Griffin questioned the higher than anticipated legal bond issuance expenses and whether this was due to timing? Chief Budget Officer Hansbury replied yes.

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

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

- B. Executive Director Zimmer introduced Assistant Director Scangarella to present Resolution No. 17-49. Mr. Scangarella reported that the Resolution authorizes staff to work with the AG's office to issue a Request for Proposal for Environmental Infrastructure Financing Program Bond Counsel Services to provide legal assistance to the Trust for services related to the NJEIFP such as the structuring and marketing of EIT bond sales, loan closings, public finance, related tax matters, and program development. The current contract expires June 30, 2018.

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

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

- C. Executive Director Zimmer introduced Assistant Director Scangarella to present Resolution No. 17-50. Mr. Scangarella reported that the Resolution authorizes staff to work with the AG's office to issue a Request for Proposal for the Transportation Infrastructure Financing Program Bond Counsel Services. Bond Counsel assistance will be necessary in the development of the Transportation Infrastructure Financing Program and related loan agreements, public finance and tax matters. Such

services will not be procured until the New Jersey Infrastructure Bank is operative.

Assistant Director Scangarella asked if there were any comments or questions. Mr. Briant recommended that in the future, once the Transportation Program is established, staff consider consolidating bond counsel RFPs into one contract. Vice Chairman Briant then requested a motion for approval.

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

- D. Executive Director Zimmer introduced Assistant Director Scangarella to present Resolution No. 17-51. Mr. Scangarella reported that the Resolution authorizes an SFY2018 NJEIFP Construction Loan to Somerset Raritan Valley Sewage Authority (SRVSA) in excess of \$10 million for project no. S340801-08. Resolution No. 17-11 requires Board approval for Construction Loans in excess of \$10 million for the SFY2018 Financing Program. The Resolution authorized a Construction Loan to SRVSA for rehabilitation of the sludge incinerator including upgrading the air pollution control system for an amount not to exceed \$16.5 million.

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

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

- E. Executive Director Zimmer introduced Resolution No. 17-52 certifying SFY2018 Financing Program Projects. Trust Board Certification is required prior to any project receiving long-term funding from the Financing Program. The Financing Program is anticipating a bond sale on November 8th to fund a portion of \$109.75 million of appropriated funds (or, an estimated \$86 million in project expenses). The attached list of 20 borrowers and 26 projects is segregated by collateral type (G.O. versus Revenue bond) and rating. All Projects have received certification from the DEP as being eligible for the SRF Program and meet the Financing Program's legal and creditworthiness requirements.

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. Chebra and seconded by Mr. Ellis. The motion was carried 6 to 0 with 0 abstentions.

- F. Executive Director Zimmer introduced Information Technology Manager Tsai to present Resolution No. 17-53. Mr. Tsai advised that the Resolution approves an amendment to the Software Component Outsourcing Services Agreement. This resolution amends the outstanding contract to provide an amount not to exceed \$100,000 on for services in addition to those provided pursuant to Resolution 17-30 consistent with the original RFP.

Information Technology Manager Tsai asked if there were any comments or questions. Mr. Briant confirmed that the request was for an additional \$100,000. Hearing no further comments or questions, Vice Chairman Briant requested a motion for approval.

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

9. EXECUTIVE SESSION:

Vice Chairman Briant asked if there were any additional items or need for Executive Session. Executive Director Zimmer responded there was not.

Vice Chairman Briant then asked for a motion for adjournment.

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

The meeting was adjourned at 10:48 am.

RESOLUTION NO. 17 - 48

**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: September 14, 2017

Motion Made By: Michael Griffin

Motion Seconded By: Tim Cunningham

Ayes: 6

Nays: 0

Abstentions: 0

RESOLUTION NO. 17 - 49

**RESOLUTION OF THE TRUST AUTHORIZING ISSUANCE OF
A REQUEST FOR PROPOSALS 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 Proposals (RFP) 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: September 14, 2017

Motion Made By: Mark Longo

Motion Seconded By: Eugene Chebra

Ayes: 6

Nays: 0

Abstentions: 0

RESOLUTION NO. 17 - 50

**RESOLUTION OF THE TRUST AUTHORIZING ISSUANCE OF
A REQUEST FOR PROPOSALS 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 Proposals (RFP) 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: September 14, 2017

Motion Made By: Roger Ellis

Motion Seconded By: Tim Cunningham

Ayes: 6

Nays: 0

Abstentions: 0

RESOLUTION NO. 17- 51

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.

Project Sponsor	Project #	Description	Total Authorized Loan Amount
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: September 14, 2017

Motion Made By: Eugene Chebra

Motion Seconded By: Tim Cunningham

Ayes: 6

Nays: 0

Abstentions: 0

RESOLUTION NO. 17 - 52

**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:	September 14, 2017
Motion Made By:	Eugene Chebra
Motion Seconded By:	Roger Ellis
Ayes:	6
Nays:	0
Abstentions:	0

APPENDIX A
New Jersey Environmental Infrastructure Trust
Fall 2017 Bond Pool

#	Borrower Information	Pledge Type	Prospective 2017 Amount				Primary Rating			Secondary Rating		Moody's	S&P
			Clean Water ¹	Drinking Water ¹	Fall 2017 Total ¹	Current Outstanding ²	Aggregate Exposure	Moody's Rating	S&P Rating	Fitch Rating	Secondary Rating	Source	Moody's Rating
1	Bordentown, City of (0303001-006)	GO	-	1,500,000	1,500,000	1,969,057	3,469,057	A1					
2	Burlington, Township of (S340712-15)	GO	1,100,000	-	1,100,000	3,198,926	4,298,926		AA				
3	Elizabeth, City of (S340 942-18)	GO	8,200,000	-	8,200,000	24,061,071	32,261,071	Aa3	AA				
4	Gloucester, City of (0414001-020A, S340958-07)	GO	1,200,000	250,000	1,450,000	8,553,549	10,003,549		AA-				
5	Long Beach, Township of (1517001-500, S340023-06)	GO	5,000,000	9,200,000	14,200,000	14,891,617	29,091,617	Aa2	AA+				
6	Ocean Township (Ocean County) (W1520001-007, S340 112-07)	GO	3,000,000	1,400,000	4,400,000	7,644,201	12,044,201	Aa3					
7	Perth Amboy, City of (1216001-008)	GO	-	2,500,000	2,500,000	9,725,720	12,225,720	A3	A+				
8	Trenton, City of (W1111001-010)	GO	-	10,500,000	10,500,000	56,060,583	66,560,583	Baa1		Qualified Bonds	NJ Qualified Bond Program	Baa1	BBB+
9	Gloucester County IA (Gloucester County) (S342 024-01)	Guaranty	8,000,000	-	8,000,000	2,351,695	10,351,695	Aa2	AA	Guaranty	Gloucester, County of	Aa2	AA
10	Atlantic County Utilities Authority (S340 809-27)	Pledge	3,200,000	-	3,200,000	10,471,581	13,671,581				Various		
11	Cinnaminson SA (S340 170-07)	Pledge	9,000,000	-	9,000,000	4,377,523	13,377,523			Pledge	Cinnaminson, Township of		AA+
12	Cumberland County Utilities Authority (S340 550-07, S340 550-08)	Pledge	2,600,000	-	2,600,000	3,027,788	5,627,788	A1					
13	North Jersey District Water Supply Commission (W1613001-017-1)	Pledge	-	3,600,000	3,600,000	6,392,842	9,992,842		A+				
14	Ocean Township SA (S340 750-11)	Pledge	6,500,000	-	6,500,000	7,723,430	14,223,430	Aa2					
15	Pine Hill Borough MUA (S340274-05)	Pledge	1,800,000	-	1,800,000	1,534,473	3,334,473			Pledge	Pine Hill Borough	A1	AA-
16	South Monmouth Regional SA (S340 377-05)	Pledge	3,500,000	-	3,500,000	1,891,607	5,391,607	Aa3					
17	Wanaque Valley RSA (S340 780-04-1)	Pledge	1,500,000	-	1,500,000	4,717,747	6,217,747	A1	A+				
18	Washington Township MUA (Morris County) (W0818004-010)	Pledge	-	1,900,000	1,900,000	6,125,239	8,025,239	Aa2	AA				
19	Willingboro MUA (W0338001-009)	Pledge	-	7,000,000	7,000,000	10,991,722	17,991,722	A2					
20	Middlesex Water Company (W1225001-023, W1225001-024, W1225001-016)	Revenue (Corp)	-	17,300,000	17,300,000	24,753,257	42,053,257		A				
Total			54,600,000	55,150,000	109,750,000	210,463,625	320,213,625						

¹ State Appropriation Amount

² Represents the current outstanding Trust and Fund Loans for the Borrower

RESOLUTION No. 17-53

**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: September 14, 2017

Motion Made By: Eugene Chebra

Motion Seconded By: Tim Cunningham

Ayes: 6

Nays: 0

Abstentions: 0

SUMMARY OF ANNOUNCEMENTS:

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

- On **September 12, 2017**, Executive Director Zimmer, Assistant Director Scangarella, DEP Assistant Director Gene Chebra met with representatives from the Borough of **Spotswood** and USDA-RDA representative Ken Drewes to discuss funding upgrades to the Borough's water distribution system;
- On **September 7, 2017**, DEP Assistant Director Gene Chebra, attended a joint DEP/BPU/CCMUA press event highlighting a Financing Program associated alternative energy project at the **CCMUA**;
- On **August 30, 2017**, Executive Director Zimmer, Assistant Director Scangarella, DEP Assistant Commissioner, Dan Kennedy and DEP Director, Michele Putnam met with representatives of NJ Future to discuss opportunities to expand green infrastructure financing through the NJEIFP;
- On **August 28, 2017**, Executive Director Zimmer, Assistant Director Scangarella, and DEP staff met with representatives from **Woolwich Township** to discuss a large scale sanitary conveyance project;
- On **August 23, 2017**, Trust Senior Staff met with Department of Transportation Commissioner Hammer, his senior staff, and representatives from the Attorney General's Office to discuss issues regarding the development of the newly legislated Transportation Infrastructure Financing Program;
- On **August 15, 2017**, Assistant Director Scangarella, Chief Financial Officer Kaltman and NJEIT Bond Counsel, McCarter & English, Rich Nolan met with representatives from **Vernon Township** and their professional advisors to discuss project financing options;
- Program staff held and attended various conference calls to discuss pre-planning and prospective financing program participation by:
 - Vernon Twp – Project Financing
 - Perth Amboy – Pre-planning
 - Hoboken City – Pre-planning
 - NJ Water Supply Authority – Project Financing
 - Plumsted Twp – Project Financing
 - Camden County MUA – Project Financing
 - Dunellen Boro – Pre-planning
- Executive Director Zimmer continues to serve as co-Chair of the Jersey Water Works Finance Committee and co-host quarterly meetings;
- During August, Assistant Director and Chief Operating Officer Scangarella and NJEIT's IT staff launched the **H₂LOans** Webinar series to educate the public on the Program's H2Loans system;
- Trust senior staff continue to meet with consultants from CohnReznick to discuss internal control mechanisms of the Trust's Policies and Procedures; and
- **The next Board meeting is scheduled for October 12, 2017 at 10:00 a.m. at the Trust's offices.**

SUMMARY OF CORRESPONDENCE:

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

- 5.02 Certificates were sent to the following Program borrowers:

- On **August 30, 2017**, a letter was submitted to Vernon Township MUA;
- On **August 22, 2017**, a letter with sent to North Shore Water Association;
- On **August 21, 2017**, a letter was sent to Vernon Township; and
- On **August 03, 2017**, a letter with sent to North Shore Water Association.

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