



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

December 14, 2017

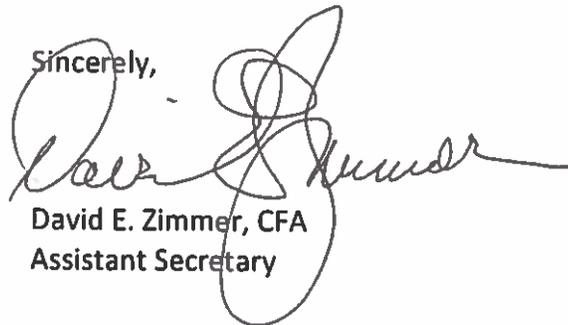


Honorable Chris Christie  
Governor of the State of New Jersey  
State House  
PO Box 001  
Trenton, New Jersey 08625

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 minutes of the December 14, 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,



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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**12/14/2017**

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

Thursday, December 14, 2017

**1. CALL TO ORDER:**

A meeting of the New Jersey Environmental Infrastructure Trust was convened on Thursday, December 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 10:00 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. Griffin, Mr. Cunningham, Mr. Ellis, 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  
Scott Shymon, DEP, Municipal Finance & Construction Element  
Thomas Huth, Governor's Authorities Unit  
Brian McGarry, Deputy Attorney General  
Richard Nolan, McCarter & English LLP  
Geoffrey Stewart, Public Financial Management

(\*) Participated via teleconference

**4. APPROVAL OF THE MINUTES:**

Vice Chairman Briant opened discussion of the minutes of the Trust's November 2017 Board meeting.

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

Mr. Ellis moved for the approval of the minutes. Mr. Chebra 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 that have occurred since the last Board meeting and the related correspondence which was issued over the same time period:

- On **December 11, 2017**, the NJEIT co-sponsored the annual Governor's Environmental Excellence (GEEA) Awards. Commissioner Bob Martin presented GEEA awards to winners in ten different categories. Executive Director Zimmer, was invited by Commissioner Martin to emcee the awards, which received widespread publicity following the event;
- On **December 6, 2017**, Executive Director Zimmer, Assistant Director Scangarella, Chief Financial Officer Kaltman, DEP Assistant Director Chebra, and DCA Transitional Aide Monitor for Paterson, Chris Raths met with Senator Nellie Pou and representatives from the City of Paterson to discuss funding for a variety of environmental projects;
- On **December 1, 2017**, Assistant Director and Chief Operating Officer Scangarella attended the Jersey Water Works 2017 annual conference in Newark;
- On **November 30, 2017**, Chief Financial Officer Kaltman participated at the Rutgers Governmental Accounting and Auditing conference in New Brunswick;
- On **November 20, 2017**, Executive Director Zimmer, and Legal and Compliance Officer Karp testified at the Senate Environment and Energy Committee hearing regarding the Program's supplemental appropriation bills;
- On **November 14, 2017**, Executive Director Zimmer participated as a guest lecturer for the AEA's Environmental Professional Development Academy at the Atlantic County Utilities Authority; and
- The next Trust Board meeting is scheduled for Thursday, January 11, 2018 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 questioned whether the Trust had any credit concerns with the City of Paterson. Executive Director Zimmer responded that the Trust, when considering critical environmental projects, reviews an applicant's current budget, anticipated debt services maturities, and potential project savings and compares these to the debt service cost of the proposed project. Mr. Cunningham responded that Paterson has come before the Division and Finance Board with debt applications for other projects, and requested that the Trust and the Division stay in contact with each other regarding this borrower.

## 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 264 active projects totaling \$1,327,975,107 and 1,224 closed projects totaling \$5,703,090,405 for a grand total of 1,488 projects at \$7,031,065,512 since the Program’s inception.
- B. Mr. Patel 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	10	\$71,564,050
Project is Certified	32	\$375,103,869
Project Received Authorized to Advertise	9	\$192,730,000
Project Planning & Design Loan	11	\$24,102,244
Project Under Review	70	\$823,112,447
Recent Project Listing-Under review	24	\$302,427,141
Project Incomplete or inactive	49	\$550,755,577
<b>Total Clean Water Projects</b>	<b>203</b>	<b>\$2,339,795,328</b>

**SFY2018 Drinking Water Financing Program:**

	Projects Totaling	
	No.	\$ Amount
Project is Certified and has rec'd an IFP	9	\$27,550,000
Project is Certified	20	\$123,760,760
Project Received Authorized to Advertise	10	\$59,994,799
Project Planning & Design Loan	1	\$85,265
Project Under Review	60	\$403,865,513
Recent Project Listing-Under review	17	\$55,476,471
Project Incomplete or inactive	32	\$185,401,868
<b>Total Drinking Water Projects</b>	<b>143</b>	<b>\$856,134,676</b>

**SFY2018 Grand Totals:**

<b>Clean &amp; Drinking Water Program Totals:</b>	<b>354</b>	<b>\$3,195,930,004</b>
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Last Board Meeting Mr. Briant recommended a change in the Program’s Authorization to Advertise process that would include similarities to how the DOT manages its Local Aid Program. Mr. Briant suggested that the Program consider requiring projects to advertise within 90 days of receiving Authorization or else the Authorization would be rescinded. Mr. Chebra announced this recommendation has been implemented and is in use. Mr. Briant thanked Mr. Chebra and his staff for implementing this recommendation so expeditiously.

There were no further comments or questions.

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

There were no outstanding RFP’s on which to report.

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

- The Trust received **8** new applications during the past month for Construction and SAIL Loans financing totaling **\$24M**.
  - The Trust has received **37** Construction and SAIL Loan applications to-date totaling **\$327.2M**.
- The Trust closed **6** Construction and SAIL Loan applications since the last Board Meeting totaling **\$18.3M**.
  - The Trust has **76** Construction and SAIL Loan applications closed to-date totaling **\$530.1M**
- The Trust disbursed **\$11.5M** of funds since the last Board meeting to **26** projects.
  - **75** projects with open Construction and SAIL Loans have received disbursements from the Trust to-date totaling **\$177.5M** or approximately **33.49%** of outstanding short-term loans.

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

Executive Director Zimmer recognized and thanked Trust Accountants Wendy Li and Katie Gaskill for their work in creating two new reports for the Board that generate the Construction and SAIL Loan information automatically and that will eventually feed into the Program’s H2LOans system. Mr. Briant also thanked these employees, adding that the work they do benefits the entire State.

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. 17-68 accepting the October 2017 Treasurer’s Report.

Revenues earned in October 2017:	\$ 498,687		
YTD Total Revenues Earned:	\$ 2,001,411	100	% of Budget
YTD Total Revenues Budgeted:	\$ 1,995,103		
Expenses Incurred in October 2017:	\$ 445,655		
YTD Total Expenses Incurred:	\$ 1,853,100	102	% of Budget
YTD Total Expenses Budgeted:	\$ 1,812,414		
<hr/>			
Difference YTD v. Budgeted YTD:	\$ (34,377)	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. Griffin and seconded by Mr. Cunningham.  
The motion was carried 6 to 0 with 0 abstentions.

- B. Executive Director Zimmer introduced Chief Budget Officer Hansbury to present Resolution No. 17-69 amending Trust Resolution No. 14-55 for Arbitrage Rebate Compliance Services by \$6,000.

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

Mr. Cunningham asked if the program issues advance refunding bonds and how the potential changes to the federal tax law would impact the Trust and its borrowers. Executive Director Zimmer responded that the Trust does issue advance refunding bonds and that the Trust had taken advantage of the low rate environment over the past years to either refund or advance refund all eligible outstanding bond series except for one partial deal. As a result, Executive Director Zimmer stated the proposed changes to the federal tax law regarding advance refunding bonds were not expected to have any impact on the Trust in the foreseeable future.

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

The resolution was moved for adoption by Mr. Cunningham 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. 17-70 authorizing an SFY2018 NJEIFP Construction Loan to Camden County MUA (CCMUA) in excess of \$10 million for project no. S340640-18. CCMUA has requested a short-term loan from the Program for the construction of Phase-I upgrades to its sludge digestion and Combined Heat and Power (CHP) system for an amount not to exceed \$84.03 million.

Assistant Director Scangarella asked if there were any comments or questions. Mr. Briant mentioned that this is a great project technology-wise and, that CCMUA's Executive Director, Mr. Andy Kricun is doing a great job incorporating these cutting-edge design components into the CCMUA's plant.

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

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

- D. Executive Director Zimmer introduced Assistant Director Scangarella to present Resolution No. 17-71 authorizing an SFY2018 NJEIFP Construction Loan to New Jersey Water Supply Authority (NJWSA) in excess of \$10 million for project no. S340421-01. NJWSA has requested a short-term loan from the Program for the construction of the Delaware and Raritan Canal dredging project for an amount not to exceed \$56.8 million. Assistant Director Scangarella pointed out that this project, which has been in the pipeline for many years, is finally ready to break ground.

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. Ellis.

The motion was carried 6 to 0 with 0 abstentions.

- E. Executive Director Zimmer introduced Assistant Director Scangarella to present Resolution No. 17-72 authorizing an SFY2018 NJEIFP Construction Loan to Plumsted Township in excess of \$10 million for project no. S340607-03. Plumsted Township has requested a short-term loan for the construction of an Advanced Wastewater Treatment and Collection System for an amount not to exceed \$27 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. Cunningham and seconded by Mr. Chebra. The motion was carried 6 to 0 with 0 abstentions.

Executive Director Zimmer distributed a spreadsheet containing a list of all of the large projects the Board had authorized year-to-date and asked Assistant Director Scangarella to provide an update.

- F. Vice Chairman Briant asked Executive Director Zimmer if there was any further action required by the Board. Mr. Zimmer responded that there was one additional Agenda item for discussion that did not require Board action.

Executive Director Zimmer requested CCO Judy Karp to present the Program's annual January Report. CCO Karp recognized Scott Shymon for his efforts in creating the report. CCO Karp noted that the January Report is a DEP document required by statute that informs the Legislature of DEP's prioritization methodology to disburse Clear Water (CW) and Drinking Water (DW) funds. The January Report describes the DEP's priority system, ranking criteria and funding options for the Program, sets forth the SFY2019 Project Priority List (PPL), reports on projects funded during the previous year and includes the Disaster Relief Emergency Financing Program (SAIL) Report and SAIL Priority List.

There were no additional questions or comments.

## **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 no. Vice Chairman Briant thanked the employees of both staffs for their hard work throughout the year and noted how successful the year has been.

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

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

The meeting was adjourned at 10:45 am.

**RESOLUTION NO. 17 - 68**

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

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

Adopted Date: December 14, 2017

Motion Made By: Michael Griffin

Motion Seconded By: Tim Cunningham

Ayes: 6

Nays: 0

Abstentions: 0

**RESOLUTION NO. 17 – 69**

**RESOLUTION AMENDING TRUST RESOLUTION NO. 14-55  
FOR ARBITRAGE REBATE COMPLIANCE SERVICES**

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

**WHEREAS**, the New Jersey Environmental Infrastructure Trust (Trust) passed Resolution No. 14-55 on November 13, 2014 appointing Omnicap Group LLC for professional Arbitrage Rebate Compliance Services of the Trust's outstanding tax-exempt bond issues; and

**WHEREAS**, Resolution 14-55 established a budgetary expense cap of \$150,000 on the Contract for Professional Arbitrage Rebate Compliance Services of the Trust's outstanding tax-exempt bond issues based on the firm's October 30, 2014 proposal, and the Best and Final Offer submitted on November 6, 2014; and

**WHEREAS**, the Trust issued additional refunding bond series in recent years that required rebate compliance calculations: and

**WHEREAS**, it is the desire of the Trust to authorize payment of the final invoice for work completed by Omnicap Group LLC to complete the calculations.

**NOW THEREFORE BE IT RESOLVED**, the Trust hereby amends Resolution No. 14-55 authorizing the total expenditure for arbitrage rebate liability services to Omnicap Group LLC in the total amount not to exceed \$156,000 for the completion of arbitrage rebate liability calculations.

Adopted Date: December 14, 2017

Motion Made By: Tim Cunningham

Motion Seconded By: Eugene Chebra

Ayes: 6

Nays: 0

Abstentions: 0

## RESOLUTION NO. 17 - 70

### RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST APPROVING A CONSTRUCTION LOAN TO CAMDEN COUNTY MUNICIPAL UTILITIES AUTHORITY (CCMUA)

**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 "Authorizing Resolution") to provide funding for the implementation of the Interim Financing Program during State Fiscal Year 2018 including the Construction Financing Program (the "Construction Loan Program"); and

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

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

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

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

**WHEREAS**, the Camden County Municipal Utilities Authority (NJWSA) has requested from the Trust a construction loan, in anticipation of a long-term loan from each of the Trust and the Department, to finance the planning, design and construction of Project # S340640-18, the Sludge Digestion and Combined Heat and Power System Project (the “CCMUA Project”); and

**WHEREAS**, pursuant to the CCMUA Project construction schedule, a Construction Loan not to exceed three full fiscal years will be made available for construction, all or a portion of which will be completed prior to CCMUA’s receipt of Trust and Department long-term New Jersey Environmental Infrastructure Financing Program loans, thereby resulting in CCMUA’s request for a construction loan in an amount not to exceed \$84,030,000; and

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

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

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

**Section 1.** Notwithstanding the Authorizing Resolution’s Construction Loan Limitation providing that all Loans approved by the Authorized Officers, following the requisite consultations, and made by the Trust to Borrowers as part of the Construction Loan Program, shall not exceed \$10 million in principal amount, the Board of Directors of the Trust, given the facts and circumstances set forth in the recitals hereto, hereby authorizes, as an exception to Construction Loan Limitation, an Interim Loan, as part of the 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>
Camden County Municipal Utilities Authority (CCMUA)	S340640-18	Phase I Upgrades: Sludge Digestion and Combined Heat and Power System Project	\$84,030,000

**Section 2.** Notwithstanding the stated loan amount of \$84,030,000, the NJEIFP funding commitment shall be limited to the operable segments certified, in amounts set forth in the Department’s allowable cost determination for each such operable segment, and such funding commitment shall arise at the time of loan closing of the first such operable segment, and upon the Department’s allowable cost determination for each subsequent operable segment certified thereafter.

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

Adopted Date: December 14, 2017

Motion Made By: Eugene Chebra

Motion Seconded By: Mark Longo

Ayes: 6

Nays: 0

Abstentions: 0

## RESOLUTION NO. 17 - 71

### RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST APPROVING A CONSTRUCTION LOAN TO NEW JERSEY WATER SUPPLY AUTHORITY (NJWSA)

**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 "Authorizing Resolution") to provide funding for the implementation of the Interim Financing Program during State Fiscal Year 2018 including the Construction Financing Program (the "Construction Loan Program"); and

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

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

**WHEREAS**, pursuant to Section 5 of the Authorizing Resolution, any Interim Loan

approved by the Authorized Officers, following the requisite consultations, and made by the Trust to a Borrower as part of the Construction Loan Program shall not exceed \$10 million in principal amount (Construction Loan Limitation); and

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

**WHEREAS**, the New Jersey Water Supply Authority (NJWSA) has requested from the Trust a construction loan, in anticipation of a long-term loan from each of the Trust and the Department, to finance the planning, design and construction of Project # S340421-01, the Delaware and Raritan Canal Dredging Project (the "NJWSA Project"); and

**WHEREAS**, pursuant to the NJWSA Project construction schedule, a Construction Loan not to exceed three full fiscal years will be made available for construction, all or a portion of which will be completed prior to NJWSA's receipt of Trust and Department long-term New Jersey Environmental Infrastructure Financing Program loans, thereby resulting in NJWSA's request for a construction loan in an amount not to exceed \$56,800,000; and

**WHEREAS**, with respect to the Authorizing Resolution's Construction Loan Limitation providing that any Construction Loan approved by any of 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 million in principal amount, subject to further official action in the form of the adoption of a resolution by the Board of Directors of the Trust, the Trust now desires, given the facts and circumstances set forth in the recitals hereto, to create as an exception to such limitation of Construction Loans, as part of the Construction Loan Program, to the aforementioned project sponsor in amount not to exceed the amount stated for the purpose of completing the NJWSA Project; and

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

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

**Section 1.** Notwithstanding the Authorizing Resolution's Construction Loan Limitation providing that all Loans approved by the Authorized Officers, following the requisite consultations, and made by the Trust to Borrowers as part of the Construction Loan Program, shall not exceed \$10 million in principal amount, the Board of Directors of the Trust, given the facts and circumstances set forth in the recitals hereto, hereby authorizes, as an exception to Construction Loan Limitation, an Interim Loan, as part of the 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>
New Jersey Water Supply Authority (NJWSA)	S340421-01	Delaware and Raritan Canal Dredging Project	\$56,800,000

**Section 2.** Notwithstanding the stated loan amount of \$56,800,000, the NJEIP funding commitment shall be limited to the operable segments certified, in amounts set forth in the Department’s allowable cost determination for each such operable segment, and such funding commitment shall arise at the time of loan closing of the first such operable segment, and upon the Department’s allowable cost determination for each subsequent operable segment certified thereafter.

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

Adopted Date: December 14, 2017

Motion Made By: Eugene Chebra

Motion Seconded By: Roger Ellis

Ayes: 6

Nays: 0

Abstentions: 0

## RESOLUTION NO. 17 - 72

### RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST APPROVING A CONSTRUCTION LOAN TO PLUMSTED TOWNSHIP (PLUMSTED)

**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 "Authorizing Resolution") to provide funding for the implementation of the Interim Financing Program during State Fiscal Year 2018 including the Construction Financing Program (the "Construction Loan Program"); and

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

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

**WHEREAS**, pursuant to Section 5 of the Authorizing Resolution, any Interim Loan

approved by the Authorized Officers, following the requisite consultations, and made by the Trust to a Borrower as part of the Construction Loan Program shall not exceed \$10 million in principal amount (Construction Loan Limitation); and

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

**WHEREAS**, Plumsted (Plumsted) has requested from the Trust a construction loan, in anticipation of a long-term loan from each of the Trust and the Department, to finance the construction of Project # S340607-03, the Advanced Waste Water Treatment and Collection System Project (the "Plumsted Project"); and

**WHEREAS**, pursuant to the Plumsted Project construction schedule, a Construction Loan not to exceed three full fiscal years will be made available for construction, all or a portion of which will be completed prior to Plumsted's receipt of Trust and Department long-term New Jersey Environmental Infrastructure Financing Program loans, thereby resulting in Plumsted's request for a construction loan in an amount not to exceed \$27,000,000; and

**WHEREAS**, with respect to the Authorizing Resolution's Construction Loan Limitation providing that any Construction Loan approved by any of 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 million in principal amount, subject to further official action in the form of the adoption of a resolution by the Board of Directors of the Trust, the Trust now desires, given the facts and circumstances set forth in the recitals hereto, to create as an exception to such limitation of Construction Loans, as part of the Construction Loan Program, to the aforementioned project sponsor in amount not to exceed the amount stated for the purpose of completing the Plumsted Project; and

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

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

**Section 1.** Notwithstanding the Authorizing Resolution's Construction Loan Limitation providing that all Loans approved by the Authorized Officers, following the requisite consultations, and made by the Trust to Borrowers as part of the Construction Loan Program, shall not exceed \$10 million in principal amount, the Board of Directors of the Trust, given the facts and circumstances set forth in the recitals hereto, hereby authorizes, as an exception to Construction Loan Limitation, an Interim Loan, as part of the 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>
Plumsted Township (Plumsted)	S340607-03	Advanced WW Treatment and Collection System	\$27,000,000

**Section 2.** Notwithstanding the stated loan amount of \$27,000,000, the NJEIP funding commitment shall be limited to the operable segments certified, in amounts set forth in the Department’s allowable cost determination for each such operable segment, and such funding commitment shall arise at the time of loan closing of the first such operable segment, and upon the Department’s allowable cost determination for each subsequent operable segment certified thereafter.

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

Adopted Date: December 14, 2017

Motion Made By: Tim Cunningham

Motion Seconded By: Eugene Chebra

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 **December 13, 2017**, NJEIT and NJDEP Senior staff and NJEIT Bond Counsel, Rich Nolan of McCarter & English, held a conference call with representatives from New Jersey American Water to discuss issues surrounding a water distribution pipe at Sea Village Marina;
- On **December 12, 2017**, Executive Director Zimmer, and DEP Assistant Director, Gene Chebra, participated at the Phoenix Park Grand Opening ceremony in Camden with Camden County Freeholder, Jeffrey Nash and Camden County Municipal Utilities Authority, Executive Director, Andy Kricun;
- On **December 11, 2017**, the NJEIT co-sponsored the annual Governor's Environmental Excellence (GEEA) Awards. Commissioner Bob Martin presented GEEA awards to winners in ten different categories. Executive Director Zimmer, was invited by Commissioner Martin to emcee the awards, which received widespread publicity following the event;
- On **December 6, 2017**, Executive Director Zimmer, Assistant Director Scangarella, Chief Financial Officer Kaltman, DEP Assistant Director, Gene Chebra, and DCA Transitional Aide Monitor for Paterson, Chris Raths met with Senator Nellie Pou and representatives from City of Patterson to discuss funding for a variety of environmental projects;
- On **December 1, 2017**, Assistant Director and Chief Operating Officer Scangarella attended the Jersey Water Works 2017 annual conference in Newark;
- On **November 30, 2017**, Chief Financial Officer Kaltman participated at the Rutgers Governmental Accounting and Auditing conference in New Brunswick;
- On **November 20, 2017**, Executive Director Zimmer, and Legal and Compliance Officer Karp testified at the Senate Environment and Energy Committee hearing regarding the Program's supplemental appropriation bills;
- On **November 15 - 17, 2017**, Trust senior staff attended and exhibited at the NJ State League of Municipalities in Atlantic City;
- On **November 14, 2017**, Executive Director Zimmer participated as a guest lecturer for the AEA's Environmental Professional Development Academy at the Atlantic County Utilities Authority;
- Program staff held and attended various conference calls to discuss pre-planning and prospective financing program participation by:
  - Borough of Bellmawr – Financing options
  - Borough of Point Pleasant Beach – Financing options
  - Burlington City – Pre-planning
  - East Orange City – Financing options
  - Jersey City Municipal Utilities Authority – Pre-planning
  - Monmouth County - Financing options
  - Plumsted Township– Financing options
  - Rutgers University - Financing options
- Executive Director Zimmer continues to serve as a Steering Committee member and co-Chair of the Jersey Water Works Finance Committee and co-host quarterly Finance Committee meetings;
- Assistant Director and Chief Operating Officer Scangarella and NJEIT's IT staff continue to hold the

- H2LOans Webinar series to further educate staff and 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 January 11, 2018 at 10:00 a.m. at the Trust’s offices.**

**SUMMARY OF CORRESPONDENCE:**

During the past month, the Trust received or sent the noteworthy correspondence listed below. 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.

- On **December 8, 2017**, the 2017 Volume Cap Survey was sent to Mr. Anthony Longo at the Dept. of Treasury.
- On **December 7, 2017**, a letter was sent to Honorable Ford M Scudder regarding Return of Volume Cap by the NJEIT.
- On **December 5, 2017**, a letter was sent to Jane DiBella, Township Administrator for Township of Woolwich regarding NJEIFP Application for Financial Assistance of the Township of Woolwich.
- On **November 21, 2017**, a letter was sent to the office of the GAU, NJ Senate and NJ General Assembly regarding the NJEIFP SFY2017 Audited Financials.

- 5.02 Certificates were sent to the following Program borrowers:

2015A-1	Wildwood Crest Borough	S340 719-03/04
2017A-1	Berkeley Twp MUA	W1505004-008
2016A-1	Cape May County MUA	S340 661-22
2014A	Chatham Twp	S340 403-07
2015A-1	Ewing Lawrence SA	S340 391-11
2014A	Evesham MUA	S340 838-04/05
2016A-2	Passaic Valley SC	S340 689-22
2015A-2	Raritan Twp MUA	S340 485-09

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.