



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

Robert A. Briant, Jr., **Vice Chairman**
Roger Ellis, **Treasurer**
Mark Longo, **Secretary**
Elizabeth Maher Muoio, **State Treasurer**
Catherine R. McCabe, **DEP Commissioner**
Diane Gutierrez-Scaccetti, **DOT Commissioner**
Sheila Oliver, **DCA Commissioner**
David E. Zimmer, **Executive Director**

September 6, 2019

PUBLIC NOTICE

Public notice is hereby given that the New Jersey Infrastructure Bank ("I-Bank") Board of Directors will hold a public meeting on **Thursday, September 12, 2019 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-Chairperson**
- 2. Open Public Meetings Act Statement**
- 3. Roll Call**
- 4.* Approval of the Minutes of the August 8, 2019 Meeting**
- 5. Announcements**
- 6. Public Comment**
- 7. Unfinished Business:**
 - A₁. Discussion of the **Water** Bank Application process (hand-out) (L. Peterson)
 - A₂. Discussion of the **Transportation** Bank Application process (hand-out) (L. Peterson)
 - B₁. Discussion of the **Transportation** Bank Construction Status Report (hand-out) (L. Peterson)
 - B₂. Discussion of the **Water** Bank Construction Status Report (hand-out) (P. Hauch)
 - C. Update on **Water** Bank, **SAIL** and **Transportation** Bank Short-Term Loan Programs (hand-out) (D. Zimmer)
 - D. Update on Outstanding I-Bank Requests for Proposals (D. Zimmer)
 - E. Status on Water Bank Regulations (P. Hauch & J. Karp)
- 8. New Business:**
 - A.* Discussion and Acceptance of the July 2019 Treasurer's Report (C. Bruther)
 - B.* Discussion and Approval of a Resolution Appointing a Transportation Bank Engineering Advisory Committee (D. Zimmer)
 - C.* Discussion and Approval of a Resolution Approving a Cooperative Agreement with USDOT FHWA (D. Zimmer)
 - D.* Discussion and Approval of a Resolution Authorizing a LOI with USDOT Build America Bureau (D. Zimmer)
 - E.* Discussion and Approval of a Resolution Authorizing SFY2020 Construction Loans to Newark City for an amount exceeding \$15 million (L. Peterson)
- 9.* Executive Session (if necessary)**

***ACTION ITEMS**

Please note this is a proposed agenda and the New Jersey Infrastructure Bank may consider and take action on such other business, which may come before it at this public meeting. In addition, the New Jersey Infrastructure Bank may not act upon the items listed in the above-proposed agenda in its discretion.

RESOLUTION NO. 19 - XX

**RESOLUTION AUTHORIZING APPROVAL OF THE
JULY 2019 TREASURER'S REPORT**

WHEREAS, the New Jersey Infrastructure Bank (the "I-Bank") has reviewed the Treasurer's Report for July 2019; and

WHEREAS, the I-Bank has placed in its files certain correspondence relating to expenses incurred in relation to the I-Bank.

NOW THEREFORE, BE IT RESOLVED, that the I-Bank hereby accepts the Treasurer's Report for July 2019 and requests that the same be entered into the record.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

RESOLUTION NO. 19-xx

**RESOLUTION OF THE NEW JERSEY INFRASTRUCTURE BANK
ESTABLISHING A TRANSPORTATION BANK ENGINEERING ADVISORY COMMITTEE**

WHEREAS, the New Jersey Infrastructure Bank (the “I-Bank”), is organized and existing under the “New Jersey 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

WHEREAS, pursuant to the provisions of the Act at N.J.S.A. 58:11B-5 the I-Bank is authorized to take any necessary or convenient action to exercise its powers and may “[e]ngage the services of attorneys, accountants, engineers, and financial experts and any other advisors, consultants, experts and agents as may be necessary in its judgment and fix their compensation” (N.J.S.A. 58:11B-5(l)); and

WHEREAS, the By-Laws of the I-Bank authorize the I-Bank to “name and appoint, from time to time, such additional officers or employees, attorneys, accountants, engineers, financial experts, and any other advisors, consultants, experts and agents as it may require;” and

WHEREAS, the By-Laws of the I-Bank further provide that “[s]aid additional staff shall be under direct supervision of the Executive Director, unless otherwise so designated by the I-Bank;” and

WHEREAS, the Act was amended effective January 2018 establishing the New Jersey Transportation Infrastructure Financing Program (the “Transportation Bank”) within the I-Bank authorizing the I-Bank to fund certain transportation infrastructure projects in partnership with the New Jersey Department of Transportation; and

WHEREAS, it is the desire of the I-Bank to establish a Transportation Bank Engineering Advisory Committee for the purpose of providing the I-Bank with ideas, feedback and guidance regarding the technical processes for transportation program financing under the Transportation Bank.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the New Jersey Infrastructure Bank (the “Board”) that the Board hereby authorizes and approves the establishment of a Transportation Bank Engineering Advisory Committee (“Committee”) to assist the I-Bank in its development of the Transportation Bank by supplying ideas, feedback and guidance on the technical processes of transportation program financing for both State and Federally funded projects within the Transportation Bank; and

BE IT FURTHER RESOLVED that the Executive Director shall appoint a representative slate of certified engineers with relevant background in New Jersey State transportation infrastructure planning or construction to serve as Committee members, and shall set the schedule and agenda for meetings; and

BE IT FURTHER RESOLVED that the Committee's role shall be strictly advisory with no powers or authority; and

BE IT FURTHER RESOLVED that the Committee shall serve without compensation, but the I-Bank is authorized to reimburse Committee members for reasonable mileage and toll expenses incurred in traveling to and from Committee meetings; and

BE IT FURTHER RESOLVED that the Committee shall report to and be dissolved upon the direction of the Executive Director; and

BE IT FURTHER RESOLVED that this Resolution shall become effective in accordance with the terms of Section 4(i) of the Act (N.J.S.A. 58:11B-4(i)).

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

RESOLUTION NO. 19-xx

**RESOLUTION OF THE NEW JERSEY INFRASTRUCTURE BANK
APPROVING A COOPERATIVE AGREEMENT WITH THE FEDERAL HIGHWAY ADMINISTRATION OF THE
UNITED STATES DEPARTMENT OF TRANSPORTATION**

WHEREAS, the New Jersey Infrastructure Bank (the “I-Bank”), is organized and existing under the “New Jersey 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

WHEREAS, the Act was amended effective January 2018 establishing the New Jersey Transportation Infrastructure Financing Program (the “Transportation Bank”) within the I-Bank authorizing the I-Bank to fund certain transportation infrastructure projects in partnership with the New Jersey Department of Transportation; and

WHEREAS, the Act establishes a federally-funded subaccount within the State Transportation Infrastructure Bank Fund to receive federal funds as a State Infrastructure Bank (“SIB”) and to receive state funds, which are prioritized for deposit into the federal sub-account for federal requirements over deposit into the state funded sub-account; and

WHEREAS, the Act authorizes the I-Bank to maintain administrative responsibilities for financing projects through the Transportation Bank in accordance with federal laws regarding the use of federal funds on transportation projects; and

WHEREAS, the I-Bank is lawfully authorized to administer the SIB in accordance with 23 U.S.C. 610, SIB and TIFIA Guidance, and the Act, including, specifically, N.J.S.A. 58:11B-5(m)(4) and -10.5 or any successor provision(s) of the Act; and

WHEREAS, it is the desire of the I-Bank to enter into a cooperative agreement with the Federal Highway Administration (“FHWA”) of the United State Department of Transportation (“USDOT”) for the purpose of establishing the SIB Program for the State of New Jersey and designating the I-Bank as the administrator of the SIB for the purpose set forth by 23 U.S.C. 610.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the New Jersey Infrastructure Bank (the “Board”) that the Board approves the Cooperative Agreement (the “Agreement”) between the FHWA of the USDOT and the I-Bank, in the form attached as Exhibit A and made a part hereof, with such immaterial modifications thereto as the Executive Director of the I-Bank shall approve; and

BE IT FURTHER RESOLVED that the Board authorizes the Executive Director to execute the Agreement on behalf of the I-Bank.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

RESOLUTION NO. 19-xx

**RESOLUTION OF THE NEW JERSEY INFRASTRUCTURE BANK
AUTHORIZING ISSUANCE OF A LETTER OF INTEREST WITH THE BUILD AMERICA BUREAU OF
THE UNITED STATES DEPARTMENT OF TRANSPORTATION**

WHEREAS, the New Jersey Infrastructure Bank (the “I-Bank”), is organized and existing under the “New Jersey 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

WHEREAS, the Act was amended effective January 2018 establishing the New Jersey Transportation Infrastructure Bank (the “Transportation Bank”) within the I-Bank authorizing the I-Bank to fund certain transportation infrastructure projects in partnership with the New Jersey Department of Transportation; and

WHEREAS, the Act establishes a federally-funded subaccount within the State Transportation Infrastructure Bank Fund to receive federal funds as a State Infrastructure Bank; and

WHEREAS, the I-Bank is authorized to enter a cooperative agreement with the Federal Highway Administration (“FHWA”) of the United State Department of Transportation (“USDOT”) for the purpose of establishing a State Infrastructure Bank (“SIB”) Program for the State of New Jersey and designating the I-Bank as the administrator of this SIB Program; and

WHEREAS, it is the desire of the I-Bank to apply for Transportation Infrastructure Finance and Innovation Act of 1998 (“TIFIA”) funds to finance Transportation Bank Projects that meet the definition of a “rural infrastructure project” as defined in 23 U.S.C 601 (a)(15); and

WHEREAS, TIFIA offers additional funds for rural infrastructure projects and at a rate of one-half the treasury rate providing a lower cost of funds for such projects than the public bond market; and

WHEREAS, pursuant to 23 U.S.C. 603(b)(9)(B) and 610(e)(3)(B), proceeds of the TIFIA loan used to make a loan to a Sub-borrower will not exceed 80% of the cost of carrying out the applicable rural infrastructure project; and

WHEREAS, pursuant to 23 U.S.C. 602(a)(1)(A), a party seeking TIFIA assistance is required to submit of a letter of interest (“LOI”) to the Build America Bureau (the “Bureau”) within FHWA as a prerequisite to submission of a credit application to present information about its organization and proposed projects.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the New Jersey Infrastructure Bank (the “Board”) that the Executive Director is authorized to submit a letter of interest to the Build America Bureau as a prerequisite to applying for TIFIA funds, in the form attached as Exhibit A and made a part hereof, with such immaterial modifications thereto as the Executive Director of the I-Bank shall approve.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

RESOLUTION NO. 19-xx

**RESOLUTION OF THE NEW JERSEY INFRASTRUCTURE BANK
APPROVING CONSTRUCTION LOANS TO
NEWARK CITY**

WHEREAS, the New Jersey Infrastructure Bank (the “I-Bank”), in accordance with (i) the “New Jersey 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 projects are listed on the project priority list developed in accordance with N.J.A.C. 7:22-4.8(a); (ii) the proposed project sponsors have submitted a complete application for the project in accordance with N.J.A.C. 7:22-4.11; (iii) the projects have been certified for funding by the I-Bank in accordance with N.J.A.C. 7:22-4.13; (iv) the projects are in the fundable range in the forthcoming funding cycle given the projects’ rank and the anticipated availability of Department of Environmental Protection (the “Department”) and I-Bank monies; and (v) the proposed project sponsors have not previously received an Interim Loan through the Interim Financing Program for the same project scope; and

WHEREAS, the I-Bank duly adopted Resolution No. 19-09 on February 14, 2019 entitled “Resolution of the New Jersey Infrastructure Bank Authorizing the Water Bank Construction Financing Program for State Fiscal Year 2020” (the “Authorizing Resolution”) to provide funding for the implementation of the Interim Financing Program during State Fiscal Year 2020 including the Construction Financing Program (the “Construction Loan Program”); and

WHEREAS, it is the desire of the Board of Directors of the I-Bank (“Board”) to authorize Construction Loan Program loans (the “Construction Loans”) pursuant to the Construction Loan Program for Construction Loan closings that occur in SFY2020; 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 I-Bank 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 3 of the Authorizing Resolution, any Construction Loan approved by the Authorized Officers, following the requisite consultations, and made by the I-Bank to a Borrower as part of the Construction Loan Program shall not exceed \$15 million in principal amount (the “Construction Loan Limitation”) unless a higher principal amount thereof is authorized by official action of the Board; and

WHEREAS, pursuant to Section 5 of the Authorizing Resolution, revisions and modifications may be made to terms and provisions of the Construction Loan Financing Program pursuant to further official action in the form of the adoption of a resolution by the Board; and

WHEREAS, Newark City (“Newark”) has requested financing for lead service line replacement projects throughout Newark in a number of phases as identified in section 1 below (“Newark Project”); and

WHEREAS, Newark previously received a construction loan from the I-Bank in the amount of \$12,296,528 for Project No. 0714001-019 to fund Phase 1 of the Newark Project; and

WHEREAS, Newark has requested financing from the Water Bank in the amount of \$13,500,000 to finance the planning, design and construction of Project No. 0714001-020 for Phase 2 of the Newark Project; and

WHEREAS, Newark has requested that the I-Bank assist in preserving the City’s eligibility to obtain additional financing in the amount of \$ 126,800,000 from the Water Bank to finance all or a portion of the planning, design and construction of Project No. 0714001-XXX for Phases 3 through 10 of the Newark Project; and

WHEREAS, pursuant to the Newark Project construction schedule, Construction Loans [not to exceed two years for planning and design and three full fiscal years for construction] will be made to fund the Newark Project, all or a portion of which will be completed prior to Newark’s receipt of I-Bank and Department long-term New Jersey Environmental Infrastructure Financing Program loans, thereby prompting Newark to request preservation of eligibility for Construction Loans in the aggregate amount not to exceed \$155,000,000; 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 I-Bank to a Borrower as part of the Construction Loan Program shall not exceed \$15 million in principal amount, subject to further official action in the form of the adoption of a resolution by the Board, the I-Bank now desires, given the facts and circumstances set forth in the recitals hereto, to create as an exception to such limitation upon Construction Loans, as part of the Construction Loan Program, and approve the aforementioned Construction Loans to Newark in an amount not to exceed the amount stated for the purpose of completing the Newark Project; and

WHEREAS, it is the desire of the I-Bank that, other than the Authorizing Resolution’s Construction Loan Limitation described in the immediately preceding recital, Newark 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 Infrastructure Bank, as follows:

Section 1. Notwithstanding the Authorizing Resolution’s Construction Loan Limitation providing that all Construction Loans approved by the Authorized Officers, following the requisite consultations, and made by the I-Bank to Borrowers as part of the Construction Loan Program, shall not exceed \$15 million in principal amount, the Board, given the facts and circumstances set forth in the recitals hereto, hereby authorizes, as an exception to the Construction Loan Limitation, a Construction Loan, as part of the Construction Loan Program, to Newark for the Newark Project in an amount not to exceed the amount stated for the purpose of completing the Newark Project provided that Newark satisfies creditworthiness and collateralization requirements in the form of either third party loan guarantees or an assignment of specific reserve cash flows.

Project #	Description	Project Priority List
0714001-019	Phase 1 - Lead Service Line Replacement	\$ 12,500,000
0714001-020	Phase 2 – Lead Service Line Replacement	\$ 15,700,000
0714001-XXX	Phases 3-10 Lead Service Line Replacement	\$ 126,800,000
	Total Authorized Loan Amount:	\$ 155,000,000

Section 2. Notwithstanding the stated aggregate Construction Loan amount of \$155,000,000 to Newark, the Construction Financing Program funding commitment for each Construction Loan 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, recognizing that the terms and conditions of the long-term New Jersey Environmental Infrastructure Financing Program loans for each said Newark Project shall reflect the terms and conditions of the financing program year in which construction is certified.

Section 3. Notwithstanding the individual Construction Loan amounts identified for each project number in section 1 above, the Board authorizes the total aggregated loan amount

to be appropriated among the individual phases of the Newark project as the DEP shall certify.

Section 4. Other than the exceptions created by the provisions of Section 1 of this Resolution, the Construction Loans made to Newark as part of the Construction Loan Program shall comply fully with (i) each of the terms, provisions and conditions precedent set forth in the Authorizing Resolution, (ii) all applicable requirements of the Act, and (iii) all applicable requirements of the Regulations.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

Agenda Item 9

RESOLUTION NO. 19 - 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 Infrastructure Bank (I-Bank) convene an executive session regarding contract negotiations, personnel matters and advice from counsel.

BE IT FURTHER RESOLVED, 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: