Honorable Phil Murphy  
Governor of the State of New Jersey  
State House  
PO Box 001  
Trenton, New Jersey 08625

Dear Governor Murphy:

In accordance with the provisions of the New Jersey Infrastructure Trust Act, I hereby transmit for your review and consideration the executive session minutes of the September 12, 2019 meeting of the New Jersey Infrastructure Bank. The New Jersey Infrastructure Trust Act provides that the Governor has ten days from the delivery of the minutes, excluding weekends and holidays, to review and accept such minutes. In the event that the minutes are not acted upon within the statutory time frame by you, the minutes become effective automatically.

Sincerely,

Mark Longo  
Secretary

Enclosure  
cc: Honorable Stephen Sweeney, President of the Senate  
Honorable Craig Coughlin, Speaker of the General Assembly

Minutes  
Date: 9/13  
Meeting: 9/12  
Veto: 9/27  
Memo: 9/20
NEW JERSEY INFRASTRUCTURE BANK

OPEN PUBLIC MEETING
Thursday, September 12, 2019

1. CALL TO ORDER:

A meeting of the New Jersey Infrastructure Bank was convened on Thursday, September 12, 2019 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. Executive Director Zimmer reported that he received a letter from Commissioner Elizabeth Maher Muoio appointing Ryan Feeney, Public Finance Manager as her designee for the September Board Meeting.

3. ROLL CALL:

Ms. Nancy Collazo conducted roll call to which Mr. Briant, Mr. Longo, Mr. Ellis, Ms. Brogle, Ms. Rankin, and Ms. Holmes all responded affirmatively.

DIRECTORS
Robert A. Briant, Jr., Vice Chairman
Mark Longo, Secretary
Roger Ellis, Treasurer*
Janice Brogle
(for DEP Commissioner Catherine R. McCabe)
Laine Rankin
(for DOT Commissioner Diane Gutierrez-Scaccetti)
Kimberly Holmes
(for DCA Commissioner Sheila Oliver)

OTHERS
David E. Zimmer, Executive Director
Lauren Seidman Kaltman, Chief Financial Officer
Judy Karp, Assistant Director & Legal and Compliance Officer
Leigh Peterson, Chief Operating Officer
Christopher Bruther, Comptroller
Bill Machotka, DEP, Municipal Finance & Construction Elem
Craig Ambrose, Governor’s Authorities Unit*
Aimee Manocchio-Nason, Deputy Attorney General
Richard Nolan, McCarter & English LLP
Geoffrey Stewart, Public Financial Management
Tricia Gasparine, Chiesa Shahinian Giantomasi PC
Bob Lamb, Lamont Financial

(*) Participated via teleconference
4. **APPROVAL OF THE MINUTES:**

Vice Chairman Briant opened discussion of the minutes of the I-Bank’s August 8, 2019 Board meeting.

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

The resolution was moved for adoption by Ms. Holmes and seconded by Mr. Longo. The motion was carried with all 6 members voting in favor of the motion.

5. **ANNOUNCEMENTS:**

Executive Director Zimmer summarized a number of the substantive events that have occurred since the last Board meeting and the correspondence issued over the same time period:

- On September 6, 2019, Executive Director Zimmer, Construction Project Manager Rolon and DOT Director Laine Rankin met with members of Mercer County to discuss financing of Trenton’s Lincoln Bridge project;
- On August 20, 2019, Executive Director Zimmer and Board Vice Chairman Briant met with representatives from the City of Hackensack to discuss the I-Bank’s Transportation Financing Program;
- On August 14, 2019, Executive Director Zimmer and COO Peterson participated on a call with members of Camden County to discuss financing for Camden’s 27th Street project;
- On August 12, 2019, Executive Director Zimmer and COO Peterson met with senior staff from DEP, representatives of CCMUA and Covanta to discuss financing of an energy production project;
- The next Board meeting is scheduled for Thursday, October 10, 2019 at 10:00 a.m. at the I-Bank’s offices.

A copy of the announcements is available on the I-Bank’s webpage locate under “Board Information”, “2019 Board Meetings”, then select “Minutes”, the announcements will be at the end of the file. [https://www.njib.gov/nj/Board+Information.3](https://www.njib.gov/nj/Board+Information.3)

There were no comments or questions.

6. **PUBLIC COMMENTS:**

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

7. **UNFINISHED BUSINESS:**

A1. Ms. Peterson discussed the status of review for Water Bank Loan applications reporting that 20 projects had been certified or received Authorization to Award since July 1, 2019 totaling $53.3 million, and an additional 14 projects received Authorization to Advertise totaling $267.6 million.

There were no comments or questions.

A2. Ms. Peterson discussed the status of Transportation Bank Loan applications reporting that 2 projects received either concurrence of construction award or certification since July 1, 2019 totaling $10.4 million and an additional 6 projects with a total value of $29.5 million are under design review.
B₁. Ms. Peterson next discussed the status of the Transportation Bank Construction process.

A total of nine projects have received funding allocations; three of which are fully certified and in the process of commencing construction and the remaining six are in the process of finalizing and submitting their construction contracts for review and certification.

There were no comments or questions.

B₂. Mr. Bill Machotka, of the DEP’s Municipal Finance and Construction Element, gave the Water Bank Construction status updates stating that there are 293 active projects totaling $1,696,147,273 and 1,338 closed projects with loans totaling $6,041,765,424 for a grand total of 1,631 projects at $7,737,912,697.

There were no comments or questions.

C. Executive Director Zimmer next reported on the status of the Construction and SAIL Loan Programs:

- The I-Bank received 3 new applications in since August 1, 2019 for Construction and SAIL Loan financing totaling $15.8 million.
  - The I-Bank has received 46 Construction and SAIL Loan applications through August 31, 2019 totaling $260.8 million.

- The I-Bank closed 5 Construction Loan applications in since August 1, 2019 totaling $2.4 million.
  - The I-Bank has 151 Construction and SAIL Loan’s outstanding to-date totaling $951.1 million.

- The I-Bank disbursed $29 million of funds to 30 projects in since August 1, 2019.
  - 147 projects with open Construction and SAIL Loans have received disbursements from the I-Bank through August 31, 2019 totaling $392.4 million, or approximately 41.26% of the outstanding short-term loan balance.

Executive Director Zimmer next reported on the status of the Transportation Construction Loan Program:

- The Transportation Bank received 0 new applications for Construction Loan financing since August 1, 2019 totaling $0 million.
  - The Transportation Bank has a total of 1 Loan application outstanding through August 31, 2019 for $10.5 million.

- The Transportation Bank closed 0 loans in since August 1, 2019 totaling $0 million.
  - The Transportation Bank has 7 closed loan outstanding totaling $30.6 million.

- The Transportation Bank disbursed $37,795 to 1 project since August 1, 2019.
7 projects with open Construction Loans have received disbursements from the Transportation Bank through August 31, 2019 totaling $316,375.

There were no comments or questions.

D. Executive Director Zimmer reported that there were no outstanding Requests for Proposals.

E. Legal and Compliance Officer Karp and DEP’s Mr. Paul Hauch reported on the Water Bank Regulations that the stakeholder meeting was in the process of being scheduled and the hope was that it would be held before the October Board Meeting.

8. **NEW BUSINESS:**

A. Executive Director Zimmer introduced the I-Bank’s Comptroller Bruther to present Resolution No. 19-45 accepting the July 2019 Treasurer’s Report.

Comptroller Bruther 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 Ms. Holmes. The motion was carried with all 6 members voting in favor of the motion.

B. Executive Director Zimmer introduced Resolution No. 19-46 to appoint a Transportation Bank Engineering Advisory Committee provide feedback and guidance on the I-Bank’s technical review requirements and processes. The Committee is expected to meet quarterly and conduct work as required by the Executive Director. The Committee is advisory in nature and has no powers or authority. The proposed Resolution authorizes the I-Bank to reimburse Committee members for their travel expenses, but no other compensation will be provided. The Executive Director will issue a call for qualifications and then appoint Committee members based on the qualifications received.

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 Ms. Holmes and seconded by Mr. Longo. The motion was carried with all 6 members voting in favor of the motion.

C. Executive Director Zimmer introduced Resolution No. 19-47. This resolution approves a Cooperative Agreement with the Federal Highway Administration (“FHWA”) of the United States Department of Transportation. The Cooperative Agreement establishes a State Infrastructure Bank (“SIB”) Program within the State of New Jersey and designates the I-Bank as the administrator of the SIB. The Resolution does not preclude the State from establishing another SIB and designating an alternative State agency other than the I-Bank to be the administrator of that SIB.

Executive Director Zimmer stated this is the first State SIB that the FHWA has approved in years and it sets the I-Bank up to eventually ask the Board for authorization to fund a portion of the program through a TIFIA loan. Vice Chair Briant also agreed that setting the I-Bank up to receive TIFIA funding is a momentous occasion and he extended his appreciation to Laine Rankin and Michael Russo of the NJDOT for their partnership and for expediting the documentation needed to execute the agreement.
There were no comments or questions. Vice Chairman Briant requested a motion for approval.

The resolution was moved for adoption by Ms. Holmes and seconded by Mr. Longo. The motion was carried with all 6 members voting in favor of the motion.

D. Executive Director Zimmer introduced Resolution No. 19-48 authorizing the Executive Director to submit a letter of interest (the “LOI”) to the Build America “Bureau” of the United States Department of Transportation. The LOI provides the Bureau with information about the organization and proposed projects and is a prerequisite to submitting an application for TIFIA funds.

The resolution was moved for adoption by Ms. Holmes and seconded by Mr. Longo. The motion was carried with all 6 members voting in favor of the motion.

E. Executive Director Zimmer introduced COO Peterson to present Resolution No. 19-49 authorizing SFY2020 NJEIFP Construction Financing Program Loans in excess of $15 million to Newark City for Project Nos. 0714001-019, 0714001-020 and 0714001-021 in an aggregate amount not to exceed $155 million for all three projects.

COO Peterson 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 Ms. Holmes and seconded by Mr. Longo. The motion was carried with all 6 members voting in favor of the motion.

9. **EXECUTIVE SESSION:**

Vice Chairman Briant asked if there was a need for an Executive Session. Executive Director Zimmer responded there was a need for an Executive Session.

Vice Chairman Briant introduced Resolution No. 19-50 to conduct an Executive Session.

The resolution was moved for adoption by Mr. Longo and seconded by Ms. Holmes. The motion was carried with all 6 members voting in favor of the motion.

The Board convened Executive Session at 10:25am. Public session was reconvened at 10:33 am. Minutes of the Executive Session will be available when the need for privacy is no longer necessary.

Vice Chairman Briant asked Executive Director Zimmer if there was any further action required by the Board. Executive Director Zimmer answered there was not.

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

Mr. Longo moved to adjourn the meeting. The motion was seconded by Ms. Holmes. The motion was carried with all 6 members voting in favor of the motion.

The meeting was adjourned at 10:35 am.
RESOLUTION NO. 19-45

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: September 12, 2019

Motion Made By: Mark Longo

Motion Seconded By: Kimberly Holmes

Ayes: 6

Nays: 0

Abstentions: 0
RESOLUTION NO. 19-46

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 is authorized to solicit by public notice potential members who either are professionally licensed engineers or have relevant experience with New Jersey State transportation infrastructure planning or construction to serve as Committee members; and

BE IT FURTHER RESOLVED that the Executive Director may appoint from the eligible applicants a slate of up to seven qualified individuals to serve as Committee members based on their qualifications, experience, and diversity of background and experience, and may rotate Committee members and make new appointments as necessary and appropriate, using a publicly announced solicitation process; and

BE IT FURTHER RESOLVED that the Executive Director 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: September 12, 2019

Motion Made By: Kimberly Holmes

Motion Seconded By: Mark Longo

Ayes: 6

Nays: 0

Abstentions: 0
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: September 12, 2019
Motion Made By: Mark Longo
Motion Seconded By: Kimberly Holmes
Ayes: 6
Nays: 0
Abstentions: 0
COOPERATIVE AGREEMENT
BETWEEN
THE FEDERAL HIGHWAY ADMINISTRATION,
AN AGENCY OF THE UNITED STATES DEPARTMENT OF TRANSPORTATION,
AND
THE NEW JERSEY INFRASTRUCTURE BANK, STATE OF NEW JERSEY

1. INTRODUCTION

This Cooperative Agreement (this “Agreement”) is entered into by and between the Federal Highway Administration (“FHWA”), an agency of the United States Department of Transportation (the “USDOT”) and the New Jersey Infrastructure Bank (“I-Bank”), a body corporate and politic and an instrumentality of the State of New Jersey (the “State”) exercising public and essential governmental functions, pursuant to the authority originating in Section 2001 of the FAST Act, and the New Jersey Infrastructure Trust Act (as amended and supplemented from time to time, the “Act”) constituting Chapter 334 of the Pamphlet Laws of 1985, as amended, of the State (codified at N.J.S.A. 58:11B-1 et seq.).

The I-Bank, with an address of 3131 Princeton Pike, Building 4, Suite 216, Lawrenceville, New Jersey 08648, is the designated agency of the State for the administration of the SIB Program (as defined in Section 2 hereof), pursuant to Section 10.4 of the Act, and is lawfully authorized to administer the SIB (as defined in Section 2 hereof) in accordance with 23 U.S.C. § 610, SIB and TIFIA Guidance (as defined in Section 2 hereof), 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.

The purpose of this Agreement is to establish the SIB for the State and set forth its structure, including designating the I-Bank as the administering agency, financial assistance provisions, accounting and auditing procedures, and compliance and remedies. The execution of this Agreement does not commit any Federal funds to the SIB or to the potential Eligible Projects that may be funded from Federal monies deposited into the SIB.

2. DEFINITIONS

As used in this Agreement, the following words and terms shall have, unless the context clearly indicates otherwise, the meanings set forth below:

“Account” has the meaning provided in Section 3(a) hereof; the Account shall serve as the State’s SIB pursuant to 23 U.S.C. § 610.

“Act” has the meaning provided in Section 1 hereof.

“Agreement” has the meaning provided in Section 1 hereof.

“Authorized Officer of the I-Bank” means any person authorized by the I-Bank to perform any act or execute any document in connection with or relating to this Agreement.
“Business Day” means any day other than a Saturday, a Sunday or a day on which offices of the USDOT, FHWA or the State are authorized or required by law, regulation or executive order to be closed.

“Eligible Project” shall mean an eligible project as defined in 23 U.S.C. § 610 and as further defined pursuant to the terms of the applicable TIFIA Loan Agreement.

“FAST Act” means the Fixing America’s Surface Transportation Act of 2015 (Public Law 114-94) and any successor legislation thereto.

“Federal Funds” mean all federal funds deposited into the Account.

“FHWA” has the meaning provided in Section 1 hereof.

“I-Bank” has the meaning provided in Section 1 hereof.

“Local Government Unit” means a county, municipality, municipal, county or regional transportation authority, or any other political subdivision of the State authorized to construct, operate, and maintain public highways or transportation projects as defined pursuant to the Act.

“NEPA” means the National Environmental Policy Act of 1969, codified as 42 U.S.C. 4321 et seq. (as amended from time to time, and any successor statute of similar import, and regulations thereunder, in each case as in effect from time to time).

“Rural Infrastructure Project” has the meaning provided in Section 4(f)(iii).

“Rural Projects Fund” has the meaning given the term in 23 U.S.C. § 601.

“Rural Projects Fund Subaccount” means the account established pursuant to Section 3(b)(i)(1) hereof.

“SIB” or “State Infrastructure Bank” means the Account as the federally-funded State Infrastructure Bank established by the State pursuant to this Agreement and Section 10.4 of the Act and in accordance with 23 U.S.C. § 610.

“SIB Financial Assistance” means assistance in the form of a loan for a qualified Rural Infrastructure Project provided by the SIB under the provisions of 23 U.S.C. § 610 with the proceeds of a TIFIA Loan, and pursuant to the provisions of the 23 U.S.C. § 610.

“SIB Financing Agreement” means the binding agreement between the I-Bank, in its capacity as the SIB administrator, and the Sub-borrower, in the form of a loan agreement or other legal agreement setting forth the terms and conditions of SIB Financial Assistance, as further set forth in Section 4(b) hereof, and the applicable requirements of 23 U.S.C. § 610.

“SIB Program” means the framework and requirements for the establishment, funding and administration of, and credit assistance to and from, state infrastructure banks set forth in 23 U.S.C § 610.
“SIB and TIFIA Guidance” mean the documents issued from time to time by the USDOT or its agencies that address policies, procedures, or technical matters applicable to the SIB Program.

“State” has the meaning provided in Section 1 hereof.

“State Match Funds” means any funds provided by the I-Bank to fund a Rural Infrastructure Project that do not constitute proceeds of a TIFIA Loan.

“State Match Funds Financing Agreement” means the binding agreement between the I-Bank and the Sub-borrower, in the form of a loan agreement or other legal agreement setting forth the terms and conditions of State Match Funds Financial Assistance.

“State Match Funds Financial Assistance” means assistance in the form of a loan provided by the I-Bank under the provisions of the Act, which State Match Funds Financial Assistance is intended to meet the state match requirements of the receipt of Federal Funds.

“Sub-borrower” means any qualified public entity, including a Local Government Unit, that receives SIB Financial Assistance pursuant to a SIB Financing Agreement and/or State Match Funds Financial Assistance pursuant to a State Match Funds Financial Agreement.


“TIFIA Loan” means any secured loan made to the I-Bank, in its capacity as administrator of the SIB, by the USDOT pursuant to a TIFIA Loan Agreement in accordance with 23 U.S.C. §§ 602 and 603.

“TIFIA Loan Agreement” means the definitive agreement between the USDOT and the I-Bank to provide credit assistance in the form of a loan to capitalize a Rural Projects Fund within the SIB.

“TIFIA Term Sheet” means the contractual agreement between the USDOT and the I-Bank that sets forth certain business terms and conditions of the credit assistance and serves as the obligating instrument for the credit assistance.

“USDOT” has the meaning provided in Section 1 hereof.
3. **ESTABLISHMENT AND ADMINISTRATION OF STATE INFRASTRUCTURE BANK**

(a) Establishment of SIB; Due Authorization

i. This Agreement establishes a State Infrastructure Bank pursuant to, and sets forth the manner in which such bank shall be administered in accordance with, the provisions in 23 U.S.C. §610. The Act designates the I-Bank to administer the SIB and authorizes the I-Bank to serve as SIB administrator for the purposes of 23 U.S.C. § 610.

ii. The I-Bank represents and warrants that it has the legal, managerial, technical and operational capabilities to administer the SIB for the purposes of 23 U.S.C. § 610. The undersigned Authorized Officer of the I-Bank hereby certifies that the Act and the powers it confers on the I-Bank are consistent with the Constitution of the State and that the State, acting through an Authorized Officer of the I-Bank, may legally bind itself to the terms of this Agreement.

iii. The Act establishes a special fund known as the State Transportation Infrastructure Bank Fund and, within such fund, a Federally-funded subaccount (hereinafter, the “Account”) that shall be approved to receive Federal Funds and related State matching funds if the deposit of such related State matching funds into such Federally-funded subaccount, as opposed to into another account or subaccount, is required by the Act. The Account shall serve as the State’s SIB pursuant to 23 U.S.C. § 610. The SIB shall be held and administered by the I-Bank.

(b) Rural Projects Fund Subaccount; Other Subaccounts

i. The I-Bank shall create, within the Account, a separate subaccount to be designated as the “Rural Projects Fund Subaccount” pursuant to 23 U.S.C § 610(d)(4), which, except as provided in Section 3(d) hereof, shall be dedicated solely to providing loans to Local Government Units for Rural Infrastructure Projects consistent with the provisions of 23 U.S.C. § 610 and as permitted under the Act. All TIFIA Loan proceeds disbursed to the I-Bank pursuant to any TIFIA Loan Agreement shall be deposited directly into the Rural Projects Fund Subaccount. All amounts on deposit in the Rural Projects Fund Subaccount shall be invested in accordance with the provisions of 23 U.S.C. § 610(g)(3)(C); earnings on amounts deposited in the Rural Projects Fund Subaccount shall be applied in accordance with the provisions of 23 U.S.C. § 610(g)(3)(A) and (B), and SIB and TIFIA Guidance.

ii. In addition to the Rural Projects Fund Subaccount, the I-Bank may establish other subaccounts in the Account, as permitted by 23 U.S.C. § 610, provided that, prior to the establishment of any such additional subaccounts, FHWA and the I-Bank execute and deliver an agreement amending this Agreement to incorporate provisions governing establishment and administration of such subaccounts in accordance with 23 U.S.C. § 610.
(c) Debt Rating

The SIB shall either maintain on a continuing basis an investment grade rating on its debt, or ensure that it has a sufficient level of bond or debt financing instrument insurance, to maintain the viability of the SIB. To the extent that the SIB has no debt outstanding, this provision, by its terms, shall be inapplicable.

(d) SIB Administration Costs

The I-Bank may expend not more than 2 percent of the Federal Funds contributed to the SIB established hereunder to pay the reasonable costs of administering such SIB in each fiscal year when such limitation is imposed pursuant to 23 U.S.C. § 610. Such 2 percent limitation shall not apply to State Match Funds held outside of the SIB or to State Match Funds Financial Assistance provided by the I-Bank.

(e) SIB Fees

The I-Bank may charge a Sub-borrower receiving SIB Financial Assistance a reasonable fee for the purpose of reimbursing the costs of administering the SIB pursuant to its authority under the Act. The I-Bank shall not implement a fee method based on a mark-up of the interest rate charged to a Sub-borrower receiving SIB Financial Assistance from the Rural Projects Fund Subaccount. In accordance with the provisions in 23 U.S.C § 603 and 23 U.S.C §610(g)(4), the I-Bank shall limit the maximum interest rate that can be charged on the SIB Financial Assistance disbursed to a Sub-borrower receiving such SIB Financial Assistance.

4. FUNDING AND SIB FINANCIAL ASSISTANCE

(a) Capitalization of the Rural Projects Fund Subaccount

Any decision by USDOT to make TIFIA Loan proceeds available to capitalize the Rural Projects Fund Subaccount shall be made subsequent to the execution of this Agreement and shall be subject in all respects to compliance with this Agreement and all applicable Federal requirements, including but not limited to NEPA, as set forth in Section 4(e) hereof. The Rural Projects Fund Subaccount shall be capitalized with the proceeds of each TIFIA Loan (if any) made pursuant to the terms and conditions of the applicable TIFIA Loan Agreement, and as specified in Section 3(b)(i) hereof. Any such capitalization shall be subject to the execution of a TIFIA Term Sheet and concurrent TIFIA Loan Agreement.

(b) SIB Financing Agreements with Sub-borrowers; TIFIA Loan Commitment

i. The I-Bank shall, in its capacity as the SIB administrator, enter into a SIB Financing Agreement with each qualified Sub-borrower for the SIB Financial Assistance, which assistance shall be for an Eligible Project. Such SIB Financing Agreement shall include the financial terms, including interest rates, pledged security, and repayment terms, provisions relating to disbursements, compliance with Federal requirements, insurance requirements, project monitoring and status reporting, and other terms and provisions in accordance with the requirements of 23 U.S.C. § 610 and SIB and TIFIA Guidance.
ii. Not later than 2 years after the date on which a TIFIA Loan Agreement is executed and the secured TIFIA Loan is obligated in connection therewith, the I-Bank shall, in its capacity as the SIB administrator, execute at least one SIB Financing Agreement with a Sub-borrower utilizing the proceeds of such TIFIA Loan to carry out a Rural Infrastructure Project, as required by 23 U.S.C. § 602(a)(10)(B).

iii. At the end of such two-year period described in clause (ii) above, to the extent the I-Bank has not used the TIFIA Loan commitment, the USDOT may extend the term of such TIFIA Loan or withdraw the TIFIA Loan commitment.

iv. Following the execution of a SIB Financing Agreement, the I-Bank may draw upon the TIFIA Loan pursuant to the disbursement provisions in the applicable TIFIA Loan Agreement.

(c) Disbursements to Sub-borrowers

The I-Bank, in its capacity as the SIB administrator, shall disburse funds from the Rural Projects Fund Subaccount to the Sub-borrower as project or financing costs are incurred for a Rural Infrastructure Project, as set forth in each respective SIB Financing Agreement, or as otherwise directed by the I-Bank, consistent with 23 U.S.C. § 610 and the TIFIA Loan Agreement.

(d) Applicability of Federal Law

The I-Bank shall comply with all applicable Federal laws and regulations, including, but not limited to, the requirements specified under 23 U.S.C. § 602(c) and 23 CFR. The provisions of and limitations set forth in 23 U.S.C. § 610 and other applicable Federal laws and regulations shall apply only to the (i) the funds made available under such title and deposited into the Account, (ii) the Eligible Projects assisted by the SIB through the use of such funds in the Account, and (iii) the non-Federal funds contribution required under such title and deposited into the Account, in each case subject to Section 4(g) of this Agreement. Further, the I-Bank shall ensure that each SIB Financing Agreement and each State Match Funds Financing Agreement shall require the Sub-borrower to comply with the applicable Federal laws and regulations.

(e) Environmental Reviews and Approvals

Each USDOT decision to provide a TIFIA Loan to capitalize the SIB, and to permit the SIB to use the TIFIA Loan proceeds to financially assist Eligible Projects, shall be subject to review under the NEPA. Prior to executing any TIFIA Term Sheet and the concurrent TIFIA Loan Agreement, the USDOT shall establish a process for meeting NEPA requirements applicable to the TIFIA Term Sheet, TIFIA Loan Agreement, and SIB Financial Assistance to Eligible Projects. Each TIFIA Loan Agreement will stipulate the required actions, process, and timing for complying with NEPA requirements.
(f) Special Requirements for SIB Financial Assistance and Rural Infrastructure Projects

When providing SIB Financial Assistance to Sub-borrowers carrying out a Rural Infrastructure Project to be financed through the Rural Projects Fund Subaccount, the I-Bank hereby agrees that it shall comply with all terms and conditions that will be set forth in the applicable TIFIA Loan Agreement. Specifically, the following requirements shall apply to each such Eligible Project and SIB Financial Assistance related thereto:

i. the amount of SIB Financial Assistance provided to a Sub-borrower shall not exceed 80 percent of the cost of carrying out a Rural Infrastructure Project as required by 23 U.S.C §610(e)(3)(B);

ii. the I-Bank will fund, from State Match Funds, no less than 20 percent of the costs of Eligible Projects. The timing and conditions to disbursement of State Match Funds and TIFIA Loan proceeds shall be set forth in the TIFIA Loan Agreement and/or State Match Funds Financing Agreement, as the parties deem necessary.

iii. each such Rural Infrastructure Project shall be a surface transportation infrastructure project located in an area that is outside an urbanized area with a population greater than 150,000 individuals, as determined by the Bureau of Census, as set forth in 23 U.S.C § 601(a)(15), and that complies with the terms of the Act;

iv. any SIB Financial Assistance provided to a Sub-borrower through disbursements from the Rural Projects Fund Subaccount shall bear interest at or below the interest rate charged for the TIFIA Loan provided to the SIB under 23 U.S.C § 603, as required by 23 U.S.C §610(g)(4); and

v. the repayment of any loan extended as part of the SIB Financial Assistance shall commence not later than 5 years after the project has been completed or, in the case of a highway project, the facility has opened to traffic, whichever occurs later, and the term for repaying any such loan shall not exceed 30 years after the date of the first payment on such loan, as required by 23 U.S.C §§ 610(g)(5) and (6) and the Act.

(g) Use of Repayments of SIB Financial Assistance

The I-Bank hereby agrees that all repayments of SIB Financial Assistance made from non-Federal sources, i.e., repayments from a Sub-borrower of a loan made with TIFIA Loan proceeds, shall be applied as follows: (i) to repay all or a portion of the TIFIA Loan and/or (ii) to fund projects eligible for assistance under the provisions of title 23 and title 49 of the United States Code, or other surface transportation projects as determined by the USDOT. The I-Bank acknowledges and agrees that any such repayment proceeds used for Eligible Projects shall be considered to be Federal funds. Applicable Federal and State requirements shall apply to the use of such repayment proceeds by the I-Bank for Eligible Projects in accordance with 23 U.S.C. § 610(h)(2).
5. ACCOUNTING, MONITORING, REPORTING AND AUDIT PROCEDURES

(a) Fiscal Controls and Procedures

The I-Bank shall establish and maintain fiscal controls and accounting procedures sufficient to assure proper accounting for payments received and disbursements made through all accounts created within the SIB, including the accounting of SIB balances at the beginning and end of the accounting period, so that audits may be performed to ensure compliance with this Agreement. The I-Bank shall use accounting, audit and fiscal procedures conforming to generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board.

(b) Monitoring

The I-Bank agrees that, in its capacity as the SIB administrator, it shall establish compliance monitoring requirements to ensure that each Sub-borrower remains in compliance with applicable Federal requirements.

(c) Sub-borrower Accounting and Audit Procedures

The I-Bank shall ensure that each SIB Financing Agreement and each State Match Funds Financing Agreement shall require each Sub-borrower to maintain project accounts in accordance with generally accepted accounting standards.

(d) Annual Compliance Audit

The I-Bank shall conduct or shall cause to be conducted an annual independent financial and compliance audit of the Account and the operations of the I-Bank in its capacity as the SIB in accordance with 2 C.F.R. Part 200 Subpart F and 31 U.S.C. § 7501 et seq. Further, on or before November 1 of each year, the I-Bank shall submit such audit to the FHWA.

The audit required pursuant to the applicable TIFIA Loan Agreement shall satisfy the above requirement. The I-Bank shall promptly provide a copy of the audit to FHWA upon its completion.

(e) Annual Report

The I-Bank shall submit an annual report to the FHWA on the status of the SIB no later than September 30 of each year. The report shall conform with the SIB and TIFIA Guidance adopted from time to time.

(f) Other Documents

In addition to the annual report and the annual audit, the I-Bank shall provide in a timely fashion other reports and records that the USDOT may require in connection with the SIB Program administration under 23 U.S.C §610.
(g) Records Retention

The I-Bank shall maintain and retain all official project files relating to the SIB until the later of the date on which (i) all SIB Financial Assistance has been repaid and necessary audits have been performed or (ii) all rights and duties under each TIFIA Loan Agreement have been fulfilled. Retention and ultimate disposition of the SIB project files shall be in accordance with State law unless such period for retention conflicts with the requirement above or the 3-year minimum requirement of 2 CFR 200.333, in which event the later period of retention shall prevail.

6. **COMPLIANCE AND REMEDIES**

   (a) Corrective Actions

   If the FHWA determines that the I-Bank has not complied with the terms of this Agreement and/or the requirements of the 23 U.S.C. § 610, the FHWA shall notify the I-Bank, in writing, of the noncompliance and of the requested corrective action. The I-Bank shall, within 60 days from the date of receipt of such notice (the “Cure Period”), (i) take appropriate corrective actions satisfactory to the FHWA or (ii) submit an acceptable compliance plan to the FHWA, setting forth a course of action (including implementation schedule) for implementing corrective actions satisfactory to FHWA, and timely implement such corrective actions to the FHWA’s satisfaction. Notwithstanding the foregoing, if the I-Bank disagrees with the FHWA’s determination of non-compliance, the parties shall, in good faith, attempt to resolve such disagreement. Such good faith discussions shall pause the running of the Cure Period. If good faith discussions are unable to resolve the matter within the Cure Period, subject to the pause as noted above, FHWA shall advise the Bank of its action under its authority under 23 CFR 1.32(a) and 1.36.

   In the event of a conflict between the provisions of Section 6(a) of this Agreement and any TIFIA Loan Agreement, the provisions of the TIFIA Loan Agreement shall be given precedence.

   (b) Remedies of Failure to Comply with this Agreement

   If the I-Bank fails to take corrective action or provide an acceptable compliance plan to correct the noncompliance within the Cure Period, the USDOT may prohibit the I-Bank from receiving additional Federal Funds for deposit into the Account, and/or suspend the disbursement of TIFIA Loan proceeds pursuant to the terms of each applicable TIFIA Loan Agreement.

   In the event of a conflict between the provisions of Section 6(b) of this Agreement and any TIFIA Loan Agreement, the provisions of the TIFIA Loan Agreement shall be given precedence.
7. EXECUTION, AMENDMENTS, AND TERM OF AGREEMENT

(a) Amendments and Waivers

This Agreement may be amended at any time by mutual agreement of the parties hereto. No amendment, modification, termination or waiver of any provision of this Agreement shall in any event be effective without the written consent of each of the parties hereto.

(b) Effective Date

This Agreement shall be effective as of the [___] day of [].

(c) Counterparts

This Agreement and any amendments, waivers, consents or supplements hereto or in connection herewith may be executed in any number of counterparts and by the different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed an original, but all such counterparts together shall constitute one and the same instrument; signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached to the same document. Electronic delivery of an executed counterpart of a signature page of this Agreement or any document or instrument delivered in connection herewith shall be effective as delivery of an original executed counterpart of this Agreement or such other documents or instrument, as applicable.

(d) Termination

This Agreement shall remain in effect until terminated in writing by the parties hereto.

8. MISCELLANEOUS

(a) Governing Law

This Agreement shall be governed by the Federal laws of the United States of America if and to the extent such federal laws are applicable and the internal laws of the State, if and to the extent such Federal laws are not applicable.

(b) Severability

In case any provision in or obligation under this Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

(c) Successors and Assigns

This Agreement shall be binding upon the parties hereto and their respective permitted successors and assigns and shall inure to the benefit of the parties hereto and their permitted
successors and assigns. None of the I-Bank’s rights or obligations hereunder or any interest therein may be assigned, delegated or transferred by the I-Bank without the prior written consent of the USDOT.

(d) Notices

Notices hereunder shall be (a) in writing and (b) given by (i) nationally recognized courier service, (ii) hand delivery, or (iii) email, in each case to:

If to FHWA: Federal Highway Administration
Center for Innovative Finance Support
United States Department of Transportation
Room E74-302
1200 New Jersey Avenue, SE
Washington, D.C. 20590
Attention: Director
Email: Mark.Sullivan@dot.gov

If to New Jersey Infrastructure Bank: New Jersey Infrastructure Bank
3131 Princeton Pike
Building 4, Suite 216
Lawrenceville, N.J. 08648
Attention: Executive Director
Email: dzimmer@njib.gov

With copies to: [Insert relevant parties]

Notices required to be provided herein shall be provided to such different addresses or to such further parties as may be designated from time to time by the parties’ respective authorized representatives. Each notice, request or communication shall be effective (x) if delivered by hand or by nationally recognized courier service, when delivered at the address specified in this Section 8(d) (or in accordance with the latest unrevoked written direction from the receiving party) and (y) if given by email, when such email is delivered to the address specified in this Section (or in accordance with the latest unrevoked written direction from the receiving party); provided that notices received on a day that is not a Business Day or after 5:00 p.m. Eastern Time on a Business Day will be deemed to be effective on the next Business Day.

(e) Establishment of Federal-aid-funded State Infrastructure Bank

Nothing in this Agreement shall preclude the New Jersey Department of Transportation from establishing a Federal-aid-funded State Infrastructure Bank separate and apart from the State Infrastructure Bank established pursuant to the terms of the this Agreement.
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date written below.

STATE OF NEW JERSEY
NEW JERSEY INFRASTRUCTURE BANK

By: ________________________________
Name: ______________________________
Title: ______________________________
Date Signed: ________________________

FEDERAL HIGHWAY ADMINISTRATION

By: ________________________________
Name: ______________________________
Title: ______________________________
Date Signed: ________________________
RESOLUTION NO. 19-48

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:       September 12, 2019

Motion Made By:     Kimberly Holmes

Motion Seconded By:  Mark Longo

Ayes:              6

Nays:               0

Abstentions:        0
The Build America Bureau (the “Bureau”) administers the application processes for the Railroad Rehabilitation and Improvement Financing (“RRIF”) and Transportation Infrastructure Finance and Innovation Act of 1998 (“TIFIA”) credit programs. The Bureau has developed this form to be used as the letter of interest (“LOI”) to be used by persons seeking credit assistance from the Department.

Before submitting an LOI, however, a party seeking credit assistance from the Department should work with one of the Bureau’s project development leads, or “PDLs,” who will assist the party in determining project needs and the specific ways in which the Bureau can provide TIFIA and RRIF credit assistance. After a party has completed the initial consultation process with a PDL, and if the proposed project appears reasonably likely to be able to satisfy the eligibility requirements of the applicable credit program, the Department will request an LOI for the project.

A party seeking TIFIA credit assistance must, as required by 23 U.S.C. 602(a)(1)(A), submit an LOI to the Bureau as a prerequisite to submission of a credit application (“Application”). A party seeking RRIF credit assistance is encouraged to submit an LOI to the Bureau to present information about its organization and proposed project prior to submitting an Application. The Bureau may ask for additional supporting evidence, clarifying or quantifying details, or updates to previously submitted information at any time during the LOI review process.

Under the Paperwork Reduction Act of 1995, a federal agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. The valid OMB control number for this information collection is [2105-0569]. The Department estimates that it will generally take applicants fewer than twenty (20) hours to assemble a single RRIF or TIFIA LOI. A party seeking credit assistance under both Bureau programs may submit a single completed form for both credit programs, except under certain circumstances. The party submitting this form will be referred to herein as the “Applicant.” The party proposed to enter into the credit instrument will be referred to herein as the “Borrower.”

Additional information about the application process is included as Appendix 1 to this form.

DETAILED GUIDANCE WITH RESPECT TO SPECIFIC SECTIONS OF THIS LOI FORM IS AVAILABLE IN THE BUREAU CREDIT PROGRAMS GUIDE. THE CREDIT PROGRAMS GUIDE CAN BE DOWNLOADED HERE.

If you still have questions regarding how to complete this form, please contact the PDL assigned to your project or the Bureau at (202) 366-2300 or BuildAmerica@dot.gov.

---

**Summary Information**

**Applicant Name:** New Jersey Infrastructure Bank (“NJIB”)

**Project Name:** NJIB Rural Projects Fund Capitalization Project (the “Project” or the “NJIB RPF Cap Project”)

**Project Location:** New Jersey rural areas

☑️ **TIFIA**

- **Amount Requested:** $ 74,900,000
- **Estimate of Eligible Project Costs:** $ 93,625,000
- **Credit Instrument Requested:** TIFIA direct loan

☐ **RRIF**

- **Amount Requested:** $ Click or tap here to enter text.
- **Estimate of Eligible Project Costs:** $ Click or tap here to enter text.
- **Credit Instrument Requested:** Click or tap here to enter text.

1 Duplicate this box as necessary for master credit agreement requests.
Section A: Applicant Information

Provide the following information about the Applicant.

☐ Check this box if the Applicant is different from the Borrower and duplicate Section A to provide information for the Borrower, to the extent known.

1. Legal Name and Principal Business Address:
   New Jersey Infrastructure Bank, 3131 Princeton Pike, Building 4, Suite 216 Lawrenceville, New Jersey 08648

2. Authorized Point of Contact: Provide the name, title, and contact information of the person authorized to be the point of contact for all matters related to this LOI.
   a. Name and Title: David Zimmer, Executive Director
   b. Email Address: dzimmer@njib.gov
   c. Telephone Number: (609) 219-8600
   d. Mailing Address (if different from principal business address) – include for both U.S. mail and courier purposes (i.e., no P.O. Box) address:
      Click or tap here to enter text.

3. Applicant Information.
   a. Chose an entity type: State Infrastructure Bank (TIFIA Only)
   b. If “Other”: Click or tap here to enter text.
   c. Freight railroads, please identify your revenue class: Choose a Class.
   d. Identify the date and place of incorporation or organization, legal and organizational structure, ownership structure, as applicable, and the state(s) or territory(ies) in which the Applicant does business. Provide a hyperlink to the Applicant’s web site, if available:
      The NJIB, originally organized in August of 1986 as the “New Jersey Wastewater Treatment Trust”, is a public body corporate and politic with corporate succession, constituted as an instrumentality of the State of New Jersey (the “State”), exercising public and essential government functions, and organized and existing under and pursuant to the NJIB Act (N.J.S.A. 58:11B-1 et seq., the “Act”). For the purpose of complying with Article V, Section IV, Paragraph 1 of the State Constitution, the NJIB is allocated within, but is independent of any supervision or control by, the New Jersey Department of the Treasury. https://www.njib.gov/
   e. Provide an organizational chart showing the leadership structure as Attachment A-1. List financial, legal, and other advisors for the Project, as applicable.

4. If the Applicant is different from the Borrower, explain why the Applicant is submitting this form instead of the Borrower:
   Click or tap here to enter text.

TIFIA Applicants Only

5. Private entities seeking TIFIA credit assistance must provide the name, and a brief description of, the public entity sponsoring the Project for state/local planning purposes. See Section B.5 for more information.
   Click or tap here to enter text.
RRIF Joint Venture Applicants Only

6. **If you selected “Joint Venture” in Section 3.a, provide the following information about the Joint Venture party that is eligible to apply for a RRIF loan (referred to in this section as the “JV eligible applicant”).** See the Credit Programs Guide for more information.

   a. Identify the legal name and principal business address of the JV eligible applicant:
      Click or tap here to enter text.

   b. Identify the JV eligible applicant’s entity type:
      Choose the JV eligible entity type.

   c. Identify the date and place of incorporation or organization, legal and organizational structure, ownership structure, as applicable, and the state(s) or territory(ies) in which the JV eligible applicant does business.
      Click or tap here to enter text.

   d. Provide a hyperlink to the JV eligible applicant’s web site, if available. Click or tap here to enter text.

   e. Provide an organizational chart showing the leadership structure of the JV eligible applicant as Attachment A-2. List financial, legal, and other advisors for the Project, as applicable.
      Click or tap here to enter text.

   f. Provide the name, title, and contact information of the person authorized to be the point of contact for all matters related to this LOI.
      Click or tap here to enter text.

   g. Describe the nature of the Joint Venture relationship and any documentation supporting the existence of the Joint Venture relationship.
      Click or tap here to enter text.

   h. If your Joint Venture includes parties other than the Applicant and the JV eligible applicant, please describe them here.
      Click or tap here to enter text.

Section B: Project Information

☐ Check this box if requesting a **master credit agreement** and duplicate this Section B for each project to be covered under the master credit agreement. For information about master credit agreements, see the Credit Programs Guide.

☒ **TIFIA State Infrastructure Bank Projects:** Check this box if the Borrower will be a state infrastructure bank (SIB) seeking to capitalize or fund a rural projects fund with the proceeds of a secured TIFIA loan. See the Credit Programs Guide for more information about SIB projects. SIB Borrowers must provide the information required of this Section B for each project that the SIB anticipates offering a loan.

1. **Project Name.** Assign a short name to the Project, for purposes of identification.
   - NJIB RPF Cap Project

2. **Project Location.**
   a. Describe the location of the Project. Wherever possible, identify: each city and/or county, Metropolitan Statistical Area (MSA), if applicable, and state in which the Project is located; the cities and/or counties and MSA that the Project will serve; any major highways, rail or transit routes intersecting the Project; and the Congressional districts impacted by the Project. If the Project will cross state lines, please provide the above information for each state impacted.
      All projects will be located in and sponsored by either counties, municipalities or regional transportation authorities in New Jersey (each a “Sub-borrower” and, collectively, “Sub-borrowers”), and each project will constitute a “rural infrastructure project” as defined in 23 U.S.C. 601(a)(15).

   b. Attach a vicinity map showing the Project’s location, impacted cities and/or counties and states, and all major highways, rail or transit routes as Attachment B-1. Provide a high-level map of the Project showing major design...
elements as part of Attachment B-1.

Click or tap here to enter text.

c. \[\checkmark\] Check this box if the Project is a surface transportation project located wholly or partially outside of an urbanized area with a population greater than 150,000 individuals, as determined by the U.S. Census Bureau. Provide information about the rural area in which the Project will be implemented and the population as determined in the latest Census. Attachment B-1

3. Eligible Project Costs.
   a. Provide an estimate for each of the total Project costs and the eligible Project costs, inclusive of any project development activities, professional services, and financing costs, as applicable, and including costs incurred to date:
   Approximately $93,625,000 in total rural project costs expected to be funded for multiple Sub-borrowers for rural infrastructure projects in the State. $74,900,000 in TIFIA loan proceeds to be utilized, in the first instance, to capitalize a rural projects fund and then applied to pay up to 80% of the eligible project costs of such rural infrastructure projects.

   See the Credit Programs Guide for a discussion of eligible costs for each credit program. Capitalizing a rural projects fund is an “eligible project cost” pursuant to 23 U.S.C. 601(a)(2)(D).

   b. Provide a high-level Project budget as Attachment B-2 that identifies the eligible project cost associated with all major work activities. If you are requesting that the Department include as an eligible project cost those project development or right-of-way acquisition costs incurred or anticipated to be incurred prior to submission of an Application for Bureau credit assistance, those costs, per each work activity, should be separately identified in the Project budget. N/A

4. Project Description.
   a. Provide a detailed Project scope, inclusive of all major functional elements and operations and maintenance. Describe all features to be constructed. Identify the anticipated useful life of the Project, the method of Project delivery, and the name of the entity or entities responsible to implement the Project.

   In 2016, the Act was amended to authorize NJIB to establish and operate the New Jersey Transportation Infrastructure Financing Program (the “Transportation Financing Program”). State legislation appropriated $22.6 million for each of the State fiscal years 2018 and 2019 and authorized funding for an additional five years (State FY 2020 to 2024) to fund the Transportation Financing Program. Pursuant to the Act, the NJIB is authorized to issue transportation project loans to Sub-borrowers in both urban and rural areas of the State. Pursuant to Section 20.2 of the Act, the State Commissioner of Transportation (the “Commissioner”) is required to develop a priority system for transportation projects for each State fiscal year and to set forth a Transportation Financing Program Project Priority List (the “Project Priority List”) for funding by the NJIB for each fiscal year. The Project Priority List shall include the aggregate amount of funds of the NJIB to be authorized for these purposes, a description of each project and an explanation of the manner in which projects are ranked. The Project Priority List for the ensuing fiscal year must be submitted to the State Legislature on or before January 15 of each year. In addition, the Project Priority List for any fiscal year may be amended and resubmitted no more than 4 times during the year. In practice, the NJIB resubmits an Amended Project Priority List each quarter. For the Transportation Bank SFY2020 January Report and Project Ranking Methodology, please see: https://cdn.njib.gov/njtib/publications/sfy2019/January-Report.pdf. For the most recent quarterly SFY2020 Amended Transportation Bank Project Priority List, please go to: https://www.njib.gov/nj/Transportation+Bank+Program+Publications.27

   Pursuant to the terms of the Cooperative Agreement expected to be executed by and between the NJIB and FHWA in early Fall 2019 (the “Cooperative Agreement”), a federally funded subaccount (the “Account”) will be established to serve as the State’s SIB pursuant to 23 U.S.C. 610. The SIB shall be held and administered by the NJIB.
The NJIB wishes to apply the proceeds of the TIFIA loan to capitalize a rural projects fund (the “Rural Projects Fund”) within the SIB to specifically target NJ rural transportation projects. Once capitalized, the Rural Projects Fund will on-lend funds to qualified rural projects which are located in rural areas of the State and sponsored by qualified Sub-borrowers. Each project will constitute a “rural infrastructure project” as defined in 23 U.S.C. 601(a)(15).

As described in attachment Y under “Eligible Projects”, the Rural Projects Fund will provide loans for capital projects which will be limited to surface transportation projects as set forth in 23 USC 601(a)(12).

As described in attachment Y under “Sub-borrower Representations and Loan Covenants” each Sub-borrower will be responsible for, and will make covenants relating to, among other things, implementing the project, operating and maintaining the project in good repair and securing and maintaining requisite insurance coverages. The projects will be delivered via traditional DBB or DB method of procurement.

b. Provide a link to the Project web site, if any: https://www.njib.gov/njtib

c. Provide a high-level Project schedule, including milestones related to: planning, environmental review, design, procurement, construction, start of revenue service and anticipated receipt of any Federal financial assistance, including the credit instrument requested. Indicate the status of the Project within the schedule. The Rural Projects Fund will fund a pool of rural projects at different stages of development and implementation; environmental review will be done on a project by project basis. NEPA compliance, as well as compliance with all federal requirements, will be a condition precedent to disbursement of TIFIA funds from DOT to the SIB and from NJIB, as the administrator of the SIB, to Sub-borrowers.

d. □ Check this box if the Project is anticipated to be delivered as a public-private partnership. Describe the value-for-money (or comparable) analysis undertaken before deciding to advance the Project as a public-private partnership. Click or tap here to enter text.

e. If you are requesting expedited processing, explain why your Application and Project are suitable candidates for expedited processing. See the Credit Programs Guide for more information. Click or tap here to enter text.

f. Identify all entities that are anticipated to contribute funding, real property, design or construction of discrete elements of Project scope, or other valuable consideration to the Project. Identify all entities currently entitled or anticipated to be entitled in the future to utilize the Project after substantial completion and the anticipated level of usage and maintenance responsibilities. Provide documentation and evidence of such contributions as Attachment B-3. The project details (Sub-borrowers, funding contributions and roles) will be determined on a project by project basis. The proposed TIFIA loan will be utilized, in the first instance, to capitalize the Rural Projects Fund and then applied to pay up to 80% of the eligible project costs of rural infrastructure projects. NJIB will fund the required 20% match through a portion of its annual State appropriation ($22.6 annually) and municipal borrowing. Attachment C includes the proposed flow of funds diagrams for further details.

g. Provide conceptual design plans for all Project elements as Attachment B-4. NJIB will review the design plans of each individual project.

5. Transportation Planning and Programming Process Approvals. Indicate whether the Project has been included in the long-range transportation plan, the metropolitan transportation improvement program (TIP), and the approved statewide transportation improvement program (STIP) of each state affected by the Project. Information relating to state freight plans and state rail plans should also be discussed. Provide any supporting documentation as Attachment B-5. Only the cover page and project page for each document should be provided. Each Sub-borrower project that is funded from proceeds of the TIFIA loan will have been included in the approved Statewide transportation improvement program (STIP) of New Jersey.

6. Environmental Review. Describe the status of the Project’s environmental review. If known, identify the lead federal agency and lead local agency responsible for the environmental review. If completed, identify the final environmental decision document for the Project and attach as Attachment B-6.
FHWA will be the lead agency for NEPA actions and oversight (FHWA is also the signatory for the Cooperative Agreement). The TIFIA statute includes a special NEPA provision requiring a NEPA determination prior to obligating funding for a project. The TIFIA statute defines the capitalization loan to a SIB as the “project”. Given the unique SIB structure and the statutory NEPA requirement, a two-stage NEPA review process will be implemented (discussed with the TIFIA Program staff). The SIB capitalization decision and the project-specific funding decision will be treated as separate from each other. The first NEPA review will be done prior to the SIB capitalization decision. The capitalization decision would qualify for a Categorical Exclusion because there would no be significant environmental impacts from the obligation of TIFIA funds. The capitalization loan is a loan for a program rather than for a pool of specific projects and borrowers. The second NEPA review and action will be done at the individual project level. The TIFIA Loan Agreement will require completion of project-specific NEPA reviews for each project as a condition precedent to the disbursement of TIFIA loan proceeds to the SIB for a Sub-borrower for a specific project.

### Section C: Financial Plan

☐ Check if requesting a master credit agreement and modify each response accordingly to address all projects proposed to be covered under the master credit agreement.

1. Specify the type of Bureau credit assistance (RRIF, TIFIA or both), total dollar value of credit assistance, and the type of credit instrument requested.

   The NJIB is seeking credit assistance in the form of a TIFIA direct loan in the amount of $74,900,000 to be utilized, in the first instance, to capitalize the Rural Projects Fund held under the Account (which Account serves as the SIB pursuant to the Cooperative Agreement for purposes of 23 U.S.C. 610) and then applied to pay up to 80% of the eligible project costs of rural infrastructure projects.

2. Specify the value of Bureau credit assistance requested (or anticipated to be requested) as a percentage of the total eligible Project costs.

   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.

3. Identify the value of other Federal financial assistance requested (e.g., grants or other loans), separately identifying the non-Federal share for such assistance.
   
   No additional Federal financial assistance is requested.

4. Identify the total value of all anticipated Federal financial assistance, including Bureau credit assistance requested, as a percentage of the total eligible Project costs.

   As stated in C(2) above, less than or equal to 80%

5. Describe the sources and uses of funds for the Project.

   Each Sub-borrower will receive multiple loans for its project consisting of (1) a loan made from TIFIA loan proceeds, in the amount of up to 80% of the eligible project costs, and (2) one or more loans made from NJIB funds and/or the proceeds of a public NJIB bond issue, in the aggregate amount of at least 20% of the eligible project costs. [Each project may also qualify for separate State funding which funding, if available, will take the form of a grant.]

   a. Indicate the status of commitments (e.g., approved, budgeted, appropriated, applied for, etc.) of each source. Discuss, as necessary, any additional approvals required to ensure availability of each source of funds for the Project.

   b. Uses should include a high-level description of major work activities included as eligible project costs (e.g., right-of-way, site work, rolling stock, systems).

6. If available, provide the proposed amortization schedule for the Bureau credit assistance requested.

   Not available at this time.
7. Indicate, as applicable, whether the Bureau credit assistance requested will be under a new or existing indenture, resolution, or collateral agency agreement.
   The Bureau credit assistance requested will be under a new, yet-to-be-drafted bond indenture that will govern the issuance of bonds and notes of the NJIB, including the bond(s) issued to secure the TIFIA Loan and any publicly issued bonds.

8. Identify the lien priority for the requested Bureau credit assistance. Except in certain circumstances, the Bureau credit assistance may not be subordinated to the claims of holders of Project obligations in the event of bankruptcy, insolvency, or liquidation of the obligor. See the Credit Programs Guide for more information on non-subordination requirements.
   Please see Attachment X (Structure Flow Chart)

9. Explain how the Bureau credit assistance requested will benefit the Project. Discuss how the Project would be impacted if the requested financial assistance were unavailable or available in lowered amounts.
   Although the NJIB has successfully run a well-respected loan program through its Water Bank for over 33 years (making approximately $7.5 billion in loans to date), the Transportation Bank did not receive its first funds from the State until May, 2018. State funding for the Transportation Bank is limited and, without the Bureau’s credit assistance, the NJIB would not have sufficient loan proceeds to fund high priority transportation projects in rural areas of the State.

Section D: Creditworthiness

☐ Check if requesting a master credit agreement and modify each response accordingly to address all projects proposed to be covered under the master credit agreement.

1. Provide an overview of the Borrower’s key business lines, if available. Attach cash flows for such business lines for the last five years as Attachment D-1.
   The NJIB has over 33 years of experience in lending to wastewater projects and drinking water projects as part of a State-wide, comprehensive Financing Program pursuant to the federal Water Quality Act and Safe Drinking Water Act and is a designated State Revolving Fund leveraged with proceeds of the NJIB’s bonds. In 2016, NJIB statutory authority was expanded to include transportation projects. NJIB’s water and transportation lending organizationally are structured as two distinct programs: the New Jersey Water Bank and the New Jersey Transportation Bank. For Comprehensive Annual Financial Reports refer to the site: https://www.njib.gov/nj/Annual+Reports.

2. Describe the source(s) pledged to repay the requested Bureau credit assistance.
   Each Sub-borrower loan will be secured by a Sub-borrower bond pursuant to which it will pledge its general obligation, full faith and credit ad valorem taxing power (i.e., to raise taxes without regard to rate or amount). Please see Attachment X (Structure Flow Chart), Attachment Y (Loan Approval Process and Loan Administration), and Attachment Z (Underwriting Standards). In addition, if and to the extent required by the rating agency to secure an investment grade rating, additional equity from the NJIB may be pledged to repay the TIFIA loan.

3. Provide the details of any proposed flow of funds and any accompanying escrow or trust agreements that would govern the repayment of requested Bureau credit assistance.
   Please see Attachment X (Structure Flow Chart)

4. Provide the most recent corporate rating for the Borrower, if available. No bonds have been issued yet to fund NJIB’s Transportation Financing Program. However, as stated above, the NJIB has over 33 years of experience in lending to wastewater projects and drinking water projects as part of a State-wide, comprehensive Financing Program pursuant to the federal Water Quality Act and Safe Drinking Water Act and is a designated State Revolving Fund leveraged with proceeds of the NJIB’s bonds. The NJIB has approximately $1 billion of bonds currently outstanding issued under its Master Program Trust (MPT) agreement that provides cross collateralization between bond series. These NJIB bonds are rated AAA by Fitch, S&P and Moody's. The NJIB issues its bonds on behalf of a designated pool to achieve low-cost financing for each borrower in the pool. A companion zero interest loan is made to each borrower in the pool by
the State through the NJ Department of Environmental Protection. Through its lending Program, the NJIB has made approximately 1,500 loans to a diverse pool of over 400+ borrowers, with loan repayments secured by general obligation and water fee revenues. Out of all the Program’s long-term loans made to date under the Master Program Trust (approximately $7.0 billion in total value), each borrower, without exception, has made its loan repayments in full, thereby enabling the NJIB to pay debt service on its outstanding bonds on time and in full.

Within the lending Program, the NJIB also makes a limited number of loans funded with its cash on hand (rather than with bond proceeds as described above) to certain small borrowers and certain unique projects that must demonstrate specific qualifications for such lending sources. With respect to these specialized lending programs, only two loans funded directly with NJIB’s cash (i.e. not funded with proceeds of NJIB bonds) have been the subject of late payments, which deficiency, in each case, was cured in full, inclusive of any recovery expenses. In a third instance, a loan (that was funded with proceeds of NJIB bonds but not included as part of the MPT agreement described above) was paid immediately from draws on a Letter of Credit upon default by the borrower; this collateral structure ensured that the NJIB’s bondholders were paid on time and in full.

5. Identify all outstanding or anticipated obligations against the proposed source of repayment. For all such outstanding obligations, provide credit ratings, if available, as Attachment D-2. All Sub-borrowers will be local or county governmental entities or regional transportation authorities with a bond backed by a General Obligation (G.O.) pledge of ad valorem taxing power. Each of these entities may have outstanding bond/note obligations at the time of borrowing through the NJIB. However, each borrower must meet the NJIB underwriting standards, which include meeting minimum debt ratings thresholds, and each Sub-borrower is limited in the amount of debt it can issue pursuant to State law. See Attachment Y (Loan Approval Process, Underwriting Standards and Loan Administration).

6. TIFIA Borrowers: Indicate when preliminary ratings for the proposed senior Project debt (if any) and TIFIA credit assistance will be available. The NJIB is in the process of developing a representative portfolio of projects and is currently in discussions with S&P regarding obtaining a preliminary rating based on its underwriting standards, the proposed draft structure (See Attachment C) and the aforementioned representative portfolio for the TIFIA Loan.

7. RRIF Borrowers: Indicate whether the Borrower intends to provide a rating on the requested Bureau credit assistance as a basis for determining any credit risk premium. See the Credit Programs Guide for more information about the credit risk premium.

8. Describe the economic impact of the Project and any market or feasibility report, ridership/traffic study, engineering/technical report, insurance report or other study that has been or will be prepared for the Project by the Borrower or on behalf of lenders to the Project. Projects are expected to have positive impact in rural areas of the State. Beyond State grants, the SIB is the most cost-effective way to deliver transportation funds to rural areas.

9. To the extent applicable, provide information concerning any physical collateral offered as security for requested Bureau credit assistance. (Add rows as needed.) N/A

<table>
<thead>
<tr>
<th>Collateral Description</th>
<th>Value</th>
<th>Basis of Evaluation</th>
<th>Year of Evaluation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Click or tap here to enter text.</td>
<td>$ Click or tap here to enter text.</td>
<td>Click or tap here to enter text.</td>
<td>Click or tap here to enter text.</td>
</tr>
<tr>
<td>Click or tap here to enter text.</td>
<td>$ Click or tap here to enter text.</td>
<td>Click or tap here to enter text.</td>
<td>Click or tap here to enter text.</td>
</tr>
<tr>
<td>Click or tap here to enter text.</td>
<td>$ Click or tap here to enter text.</td>
<td>Click or tap here to enter text.</td>
<td>Click or tap here to enter text.</td>
</tr>
</tbody>
</table>
E. General Terms and Certifications

**Fees.** Except in certain circumstances, the Applicant or Borrower will be responsible to pay costs incurred for services duly provided by the Department’s legal, financial or other third-party advisors involved with the evaluation of the Letter of Interest, evaluation of an Application, and negotiation of any TIFIA/RRIF credit agreement and related transactional documentation, in each case as applicable, irrespective of whether a credit agreement is executed. Please refer to the Credit Programs Guide for further information with respect to exceptions to this requirement as well time and method of payment for such services. Please note that the NJIB would like to be considered for assistance pursuant to 23 U.S.C. 605(f).

**Lobbying.** The undersigned certifies, to the best of his or her knowledge and belief, that: (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement; (2) if any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, “Disclosure Form to Report Lobbying,” in accordance with its instructions. (3) the undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly. See 31 U.S.C. § 1352; 49 C.F.R. part 20; Appendix A to Part 20.

**Debarment and Suspension.** The Applicant shall timely make all disclosures required of 2 C.F.R. 180.335.

**Default/Delinquency.** The undersigned certifies that the Applicant: 1) is not currently in default or delinquent on any debt or loans provided or guaranteed by the Federal Government, and 2) does not have any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted, or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability.

**Reporting Subaward and Executive Compensation.** The undersigned certifies that the Applicant has the necessary processes and systems in place to comply with the reporting requirements under the Federal Funding Accountability and Transparency Act of 2006 (Pub. L. 109-282; 31 U.S.C. § 6101 note), as amended by the Government Funding and Transparency Act (Pub. L. 110-252, title VI, § 6202(a)), and the related regulations at 2 C.F.R. Part 170, should the undersigned be approved to receive credit assistance from the Department.

**Signature.** By signature below, the undersigned: (i) acknowledges and agrees to the general terms and conditions identified in this Section E; (ii) certifies that the facts stated and the certifications and representations made in this LOI are, to the best of the his or her knowledge and belief after due inquiry, true, and the Applicant has not omitted any material facts; and (iii) certifies that he or she is authorized by the Applicant to submit this Application, bind the Applicant to the terms and conditions acknowledged and agreed, and make the certifications made by submission of this LOI.

**Legal Name of Applicant:** New Jersey Infrastructure Bank

By:

Name and Title:  David Zimmer, Executive Director

Date:  Click or tap to enter a date.
APPENDIX 1
INFORMATION ABOUT THE APPLICATION PROCESS

DETAILED GUIDANCE WITH RESPECT TO THE SPECIFIC SECTIONS OF THIS LOI FORM IS AVAILABLE IN THE BUREAU CREDIT PROGRAMS GUIDE. THE CREDIT PROGRAMS GUIDE CAN BE DOWNLOADED HERE. If you still have questions regarding how to complete this form, please contact the PDL assigned to your project or the Bureau at (202) 366-2300 or BuildAmerica@dot.gov.

This Letter of Interest (“LOI”) form requires the Applicant to describe its project, describe the Borrower’s ability to meet DOT’s creditworthiness requirements, detail how applicable statutory eligibility requirements are met, and outline the proposed financial plan, including the amount and type of requested Bureau credit assistance. Letters of Interest should not be submitted to the Bureau until the Applicant has completed the initial consultation process with a Project Development Lead, as discussed on page 1 and in the Credit Programs Guide. Unless the Bureau directs otherwise, completed LOIs will be submitted electronically. The Bureau will provide Applicants detailed instructions on how to transmit the LOI files to the Department.

Federal Requirements. Projects receiving Federal financial assistance, including Bureau credit assistance, must comply with certain Federal requirements. Applicants should discuss applicable Federal requirements with the Bureau during the initial consultation process.

Supplemental Information. After an LOI is received and is considered complete, DOT will conduct a preliminary creditworthiness review, which involves an evaluation of the plan of finance, the financial model, the feasibility of the anticipated pledged revenue, and the sufficiency of any collateral pledged. In connection with these reviews, the Bureau may ask Applicants to provide additional materials, as necessary.

Creditworthiness. If the Department determines that the Project appears to satisfy statutory eligibility criteria, including the preliminary creditworthiness review, the Bureau will seek information necessary to proceed with the credit review process. TIFIA Applicants will be required to provide a preliminary rating opinion letter from at least one nationally recognized statistical rating organization. All Applicants for Bureau credit assistance will be asked to provide an oral presentation on their Project and plan of finance. Finally, if the Department has determined that a Project has met statutory eligibility requirements, including a full review of the creditworthiness of the Project, the Borrower will be invited to submit an Application and supporting materials. Please note that an invitation by the Department to submit an Application does not guarantee that a Project will receive Bureau credit assistance, which remains subject to a Project’s continued eligibility and final approval by the Secretary.

Requests for Information. If an Applicant or Borrower desires that any information submitted in its LOI, or any supplement thereto, not be released by the Department upon request from a member of the public or otherwise be made publicly available, the Applicant must specifically identify the information requested to be withheld and set forth any reasons why such information should not be released, including details as to any competitive harm which would potentially result from the release of such information. The Department will keep such information confidential to the extent permitted by law.

Fees. Except in certain circumstances, the Borrower will be responsible to pay costs incurred for services duly provided by the Department’s legal, financial or other third-party advisors involved with the evaluation of the LOI and Application and negotiation of any TIFIA/RRIF credit agreement and related transactional documentation, in each case as applicable, irrespective of whether a credit agreement is executed. Please refer to the Credit Programs Guide for further information with respect to exceptions to this requirement as well time and method of payment for such services.
RESOLUTION NO. 19-49

RESOLUTION OF THE NEW JERSEY INFRASTRUCTURE BANK
APPROVING CONSTRUCTION LOANS TO
NEWARK CITY IN AMOUNT THAT SHALL NOT EXCEED $15 MILLION

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. 0714001-021 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.

<table>
<thead>
<tr>
<th>Project #</th>
<th>Description</th>
<th>Project Priority List</th>
</tr>
</thead>
<tbody>
<tr>
<td>0714001-019</td>
<td>Phase 1 - Lead Service Line Replacement</td>
<td>$ 12,500,000</td>
</tr>
<tr>
<td>0714001-020</td>
<td>Phase 2 – Lead Service Line Replacement</td>
<td>$ 15,700,000</td>
</tr>
<tr>
<td>0714001-021</td>
<td>Phases 3-10 Lead Service Line Replacement</td>
<td>$ 126,800,000</td>
</tr>
<tr>
<td><strong>Total Authorized Loan Amount:</strong></td>
<td></td>
<td><strong>$ 155,000,000</strong></td>
</tr>
</tbody>
</table>

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: September 12, 2019

Motion Made By: Kimberly Holmes

Motion Seconded By: Mark Longo

Ayes: 6

Nays: 0

Abstentions: 0
BE IT HEREBY RESOLVED, That pursuant to N.J.S.A. 10:4-12(b)(6) and N.J.S.A. 10:4-13, the members of the New Jersey Infrastructure Bank (I-Bank) convene an executive session regarding tactics and techniques utilized in protecting the safety and property of the public information technology of the I-Bank as their disclosure could impair that protection.

BE IT FURTHER RESOLVED, That discussions undertaken at this executive session will be made public at a time when the need for confidentiality no longer exists.

Adopted Date: September 12, 2019

Motion Made By: Mark Longo

Motion Seconded By: Kimberly Holmes

Ayes: 6

Nays: 0

Abstentions: 0
SUMMARY OF ANNOUNCEMENTS:

Executive Director Zimmer summarized the substantive events and correspondence issued since the last I-Bank Board meeting.

- **On September 6, 2019,** Executive Director Zimmer, Construction Project Manager Rolon and DOT Director Laine Rankin met with members of Mercer County to discuss financing for Trenton’s Lincoln Bridge project;
- **On August 20, 2019,** Executive Director Zimmer and Board Vice Chairman Briant met with representatives from the City of Hackensack to discuss the I-Bank’s Financing Program for transportation projects;
- **On August 14, 2019,** Executive Director Zimmer and COO Peterson participated on a call with members of Camden County to discuss financing for Camden’s 27th Street project;
- **On August 12, 2019,** Executive Director Zimmer and COO Peterson met with senior staff from DEP, representatives of CCMUA and Covanta to discuss financing for an energy production project;
- Program staff participated in various conference calls to discuss pre-planning and prospective financing program participation with:
  - **Water Bank**
    - Newark City, South Jersey Port Corp., Princeton, BCUA, MCUA; **Water Project Pre-Planning**
  - **Transportation Bank**
    - Fair Haven Borough, Mercer County; **Potential Transportation Projects**
- Executive Director Zimmer continues to serve as a Steering Committee member and co-Chair of the Jersey Water Works Asset Management and Finance Committee and co-host quarterly Finance Committee meetings;
- Assistant Director/Legal and Compliance Officer Karp is serving as the point person for the I-Bank, holding regular meetings with counterparts at NJDOT and NJDEP regarding the development and adoption of Program regulations for the Transportation Bank and Water Bank respectively;
- The next Board meeting is scheduled for **Thursday, October 10, 2019 at 10:00 a.m.** at the I-Bank’s offices.

A copy of the announcements is available on the I-Bank’s webpage [https://www.njib.gov/nj/Board+Information.3](https://www.njib.gov/nj/Board+Information.3) (locate under “Board Information”, “2019 Meetings”, then select “Minutes”, the announcements will be at the end of the file).
SUMMARY OF ANNOUNCEMENTS:

Executive Director Zimmer summarized the substantive events and correspondence issued since the last I-Bank Board meeting.

- On **September 6, 2019**, Executive Director Zimmer, Construction Project Manager Rolon and DOT Director Laine Rankin met with members of Mercer County to discuss financing for Trenton’s Lincoln Bridge project;
- On **August 20, 2019**, Executive Director Zimmer and Board Vice Chairman Briant met with representatives from the City of Hackensack to discuss the I-Bank’s Financing Program for transportation projects;
- On **August 14, 2019**, Executive Director Zimmer and COO Peterson participated on a call with members of Camden County to discuss financing for Camden’s 27th Street project;
- On **August 12, 2019**, Executive Director Zimmer and COO Peterson met with senior staff from DEP, representatives of CCMUA and Covanta to discuss financing for an energy production project;
- Program staff participated in various conference calls to discuss pre-planning and prospective financing program participation with:
  - **Water Bank**
    - Newark City, South Jersey Port Corp., Princeton, BCUA, MCUA; **Water Project Pre-Planning**
  - **Transportation Bank**
    - Fair Haven Borough, Mercer County; **Potential Transportation Projects**
- Executive Director Zimmer continues to serve as a Steering Committee member and co-Chair of the Jersey Water Works Asset Management and Finance Committee and co-host quarterly Finance Committee meetings;
- Assistant Director/Legal and Compliance Officer Karp is serving as the point person for the I-Bank, holding regular meetings with counterparts at NJDOT and NJDEP regarding the development and adoption of Program regulations for the Transportation Bank and Water Bank respectively;
- The next Board meeting is scheduled for **Thursday, October 10, 2019 at 10:00 a.m.** at the I-Bank’s offices.

A copy of the announcements is available on the I-Bank’s webpage [https://www.njib.gov/nj/Board+Information.3](https://www.njib.gov/nj/Board+Information.3) (locate under “Board Information”, “2019 Meetings”, then select “Minutes”, the announcements will be at the end of the file).