



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

Roger Ellis, **Treasurer**
Mark Longo, **Secretary**
Jack Kocsis Jr.
Elizabeth M. Muoio, **State Treasurer**
Catherine R. McCabe, **DEP Commissioner**
Diane Gutierrez-Scaccetti, **DOT Commissioner**
Sheila Oliver, **DCA Commissioner**
David E. Zimmer, **Executive Director**

2/20/2020

NEW JERSEY INFRASTRUCTURE BANK

OPEN PUBLIC MEETING

Thursday, February 20, 2020

1. CALL TO ORDER:

A meeting of the New Jersey Infrastructure Bank was convened on Thursday, February 20, 2020 in the conference room of 3131 Princeton Pike, Building 4, Suite 216, Lawrenceville, New Jersey. Treasurer Ellis called the meeting to order at 10:00 a.m.

2. OPEN PUBLIC MEETING ACT STATEMENT:

Executive Director Zimmer read the Open Public Meeting Act Statement into the record.

3. ROLL CALL:

Ms. Nancy Collazo conducted roll call to which Mr. Ellis, Mr. Longo, Mr. Kocsis, Mr. Hauch, Ms. Rankin, Mr. Kanef, and Ms. Holmes all responded affirmatively.

DIRECTORS

Roger Ellis, Treasurer
Mark Longo, Secretary*
Jack Kocsis Jr.
Paul Hauch
(for DEP Commissioner Catherine R. McCabe)
Michael Kanef*
(for State Treasurer Elizabeth M Muoio)
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, Legal and Compliance Officer
Robert Fernandez, Chief Operating Officer - Transportation
Chris Bruther, Comptroller
Charles Jenkins, DEP, Municipal Finance & Construction Elem
Joy Johnson, Governor's Authorities Unit*
Aimee Manocchio Nason, Deputy Attorney General
Richard Nolan, McCarter & English LLP
Tricia Gasparine, Chiesa Shahnian Giantomasi PC
Bob Lamb, Lamont Financial

(*) Participated via teleconference

4. APPROVAL OF THE MINUTES:

Treasurer Ellis opened discussion of the minutes of the I-Bank's January 2020 Board meeting.

There were no comments or questions. Treasurer Ellis requested a motion for approval.

Mr. Kanef moved for the approval of the minutes. Mr. Kocsis seconded the motion.

The motion was carried with all 7 members voting in favor of the motion.

5. ANNOUNCEMENTS:

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

- On **February 20, 2020**, Leigh Peterson, Chief Operating Officer – Water, and George Rolon, Construction Project Manager accepted the Alliance for Action's "New Jersey's Leading Infrastructure Projects" award as representatives of the I-Bank in honor of the Water Bank's financing of the City of Newark Lead Service Line Replacement Phase 1 and 2 projects;
- On **February 18, 2020**, Executive Director Zimmer and CPM Rolon presented the Transportation Bank Financing Program to various municipalities in Camden County;
- On **February 11-13, 2020**, Executive Director Zimmer participated as a Board member in the USEPA's Environmental Financial Advisory Board (EFAB) meeting in Washington, DC;
- On **February 7, 2020**, Executive Director Zimmer attended the JWW Asset Management and Finance Committee meeting held in Trenton, NJ;
- On **February 7, 2020**, Executive Director Zimmer, COO Peterson, and Charles Jenkins and Karen Cole of the DEP met with Joe Cunha, Joseph Coviello and Richard Haytas of Jersey City Municipal Utilities Authority and their representatives to discuss the status of JCMUA's outstanding project list;
- On **February 6, 2020**, Executive Director Zimmer, accompanied by Rob Fernandez, Chief Operating Officer - Transportation, and CPM Rolon presented the Transportation Bank Financing Program at the Alliance for Action's "Inside Scoop" meeting in Edison, NJ;
- On **January 31, 2020**, Executive Director Zimmer, COO Peterson, and CPM Rolon, met with Bradley Waugh and Chris Testa of NJOEM, Dan Kelly, Executive Director of NJ GORR and Joy Johnson, Associate Counsel for the Authorities Unit to discuss FEMA BRIC Financing at the I-Bank's Office;
- On **January 29, 2020**, Executive Director Zimmer met with Board Secretary Mark Longo and Greg Lalevee, Chairman of Elec 825 to discuss the construction pipelines in the I-Bank's financing programs;
- On **January 22, 2020**, Executive Director Zimmer participated in a conference call hosted by the USEPA EFAB Board regarding Federal financing incentives for Opportunity Zones;
- On **January 21, 2020**, Executive Director Zimmer, Assistant Director and Chief Legal & Compliance Officer, Karp and COO Peterson met with Bob Allen and Stacy McCormack of The Nature Conservancy to discuss collaboration strategies at the I-Bank's Offices;
- On **January 17, 2020**, Executive Director Zimmer, COO Peterson, and Eugene Chebra, Charles Jenkin and Karen Cole of the DEP; met with representatives from Richwood Development – Harrison Township and Maser Consulting to discuss potential project financing at the I-Bank Office;

The next I-Bank Board meeting is scheduled for Friday, March 20, 2020 at 10:00 am 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> (locate under "Board Information", "2020 Board Meetings", then select "Minutes", the announcements will be at the end of the file.)

There were no comments or questions.

6. PUBLIC COMMENTS:

Treasurer Ellis invited comments from the public. There were no comments.

7. UNFINISHED BUSINESS:

A. Charles Jenkins of the DEP's Municipal Finance and Construction Element gave the status of the Water Bank Loan applications reporting that 35 projects have been certified or received Authorization to Award since July 1, 2019 totaling \$260.1 million, and an additional 35 projects have received Authorization to Advertise totaling \$766.5 million.

There were no comments or questions.

B. COO Fernandez discussed the status of Transportation Bank Loan applications reporting that 6 projects have received certification and concurrence of award since July 1, 2019 totaling \$30.6 million and an additional 8 projects with a total value of \$39 million are under design review and expected to receive certification and concurrence of award by December 31, 2020.

There were no additional comments or questions.

C. Executive Director Zimmer reported on the status of the Water Bank Construction and SAIL Loan Program noting that the I-Bank received 8 new **applications** since January 1, 2020 for loans totaling \$94.9 million. The Program received 38 Water Bank Loan applications as of January 31, 2020 totaling \$369.2 million. The Water Bank **closed** 2 Construction Loans since January 1, 2020 totaling \$6.2 million. The Program has 165 Construction and SAIL Loan's outstanding totaling \$993.5 million. The Program **disbursed** \$40.3 million of funds to 37 projects in January 2020. 162 projects with open Construction and SAIL Loans have received disbursements from the Water Bank through January 31, 2019 totaling \$550.4 million, or approximately 55.4% of the outstanding short-term loan balance.

Executive Director Zimmer next reported on the status of the Transportation Construction Loan Program noting that the Transportation Bank received 4 new **applications** for financing since January 1, 2020 totaling \$10.9 million. The Transportation Bank has a total of 8 Loan applications outstanding as of January 31, 2020 for \$39.1 million. The Transportation Bank **closed** no loans since January 1, 2020. The Transportation Bank has 7 closed loans outstanding totaling \$30.6 million. The Transportation Bank **disbursed** \$24 thousand to 1 project in January 2020. 7 projects with open Construction Loans have received disbursements from the Transportation Bank through January 31, 2020 totaling \$3.7 million.

There were no comments or questions.

D. Executive Director Zimmer reported the following Requests for Proposal.

On February 4, 2020, pursuant to Resolution No. 20-03, the I-Bank issued an RFP for Trustee/Escrow Agent Services for SY2021 & SFY2022. The RFP was posted on the I-Bank's website and sent directly to 20 recipients. On February 21, 2020 the I-Bank will respond to three questions from potential bidders. Proposal are due by March 5, 2020 and a recommendation will be made to the Board at the March meeting.

E. Legal and Compliance Officer Karp and DEP's Mr. Paul Hauch reported on the Water Bank Regulations that the stakeholder meetings are being conducted bi-weekly with the intention to have proposal publication in August 2020. The Rules Team is recommending recodification of Chapter 7:14 "Water Pollution Control Act" into Chapter 7:22, "Program Rules".

There were no comments or questions.

F. Executive Director Zimmer presented the Board with the annual status update regarding Board actions authorized during the previous calendar year.

The Board approved 60 Resolutions in 2019, 57 of which have been fully executed. Of the remaining three Resolutions, two resolutions pertain to 3 construction loans greater than \$15 million, all of which are expected to close within 60 days. The third resolution pertains to the submission of a Letter of Interest to the US FHWA for a TIFIA Loan and is currently in process.

There were no comments or questions.

8. NEW BUSINESS:

A. Executive Director Zimmer introduced Comptroller Bruther to present Resolution No. 20-05 accepting the December 2019 Treasurer's Report.

In December 2019, the I-Bank earned \$615,777 consisting of \$459,984 in administrative fees, \$15,241 in interest income on Direct Loans and \$140,552 in investment income on cash-on-hand. I-Bank has earned \$3,869,229 to-date or 92% of the SFY2020 budgeted amount. The I-Bank incurred expenses during the month of December for products and services totaling \$407,329. The I-Bank has incurred expenses to-date totaling \$3,051,043 or 70% of the SFY2020 YTD budgeted amount

Comptroller Bruther asked if there were any comments or questions. Hearing none, Treasurer Ellis requested a motion for approval.

The resolution was moved for adoption by Mr. Kocsis and seconded by Ms. Holmes. The motion was carried with all 7 members voting in favor of the motion.

B. Executive Director Zimmer introduced Resolution No. 20-06 authorizing the SFY2021 Water Bank

Construction Financing Program, pursuant to which the I-Bank will make construction loans to qualifying Borrowers to finance the costs of water projects in anticipation of future long-term financing through the NJ Water Bank.

Executive Director Zimmer asked if there were any comments or questions. Hearing none, Treasurer Ellis requested a motion for approval.

The resolution was moved for adoption by Ms. Holmes and seconded by Mr. Kocsis. The motion was carried with all 7 members voting in favor of the motion.

- C. Executive Director Zimmer introduced Resolution No. 20-07 authorizing the SFY2021 Transportation Bank Construction Financing Program, pursuant to which the I-Bank will make construction loans to qualifying Borrowers to finance the costs of transportation projects in anticipation of future long-term financing through the NJ Transportation Bank.

Executive Director Zimmer asked if there were any comments or questions. Hearing none, Treasurer Ellis requested a motion for approval.

The resolution was moved for adoption by Mr. Kocsis and seconded by Ms. Rankin. The motion was carried with all 7 members voting in favor of the motion.

- D. Executive Director Zimmer introduced Resolution No. 20-08 authorizing the Executive Director to take the actions necessary to market and issue the I-Bank's anticipated long-term financing bond sales (the authorization for bond issuance is expected to be presented to the Board for approval at the March 20, 2020 Board meeting).

Executive Director Zimmer asked if there were any comments or questions. Hearing none, Treasurer Ellis requested a motion for approval.

The resolution was moved for adoption by Ms. Holmes and seconded by Mr. Kocsis. The motion was carried with all 7 members voting in favor of the motion.

- E. Executive Director Zimmer introduced Assistant Director and Chief Legal & Compliance Officer Karp to present Resolution No. 20-09 authorizing an SFY2020 or SFY2021 NJ Water Bank Financing Program Construction Loan to the Two Rivers Water Reclamation Authority for a loan amount not to exceed \$75,000,000. The project involves the construction of a new main interceptor and new pump station as well as demolition of existing structures.

Assistant Director and Chief Legal & Compliance Officer Karp asked if there were any comments or questions. Hearing none, Treasurer Ellis requested a motion for approval.

The resolution was moved for adoption by Mr. Kocsis and seconded by Ms. Holmes. The motion was carried with all 7 members voting in favor of the motion.

- F. Executive Director Zimmer introduced CFO Kaltman to present Resolution No. 20-10 authorizing a one-year extension of the Custodial Banking Services contract for the Transportation Financing

Program pursuant to the terms and conditions set forth in the original agreement.

CFO Kaltman asked if there were any comments or questions. Hearing none, Treasurer Ellis 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 7 members voting in favor of the motion.

9. EXECUTIVE SESSION:

Treasurer Ellis asked if there was a need for an Executive Session. Executive Director Zimmer responded there was not.

Treasurer Ellis asked Executive Director Zimmer if there was any further action required by the Board. Executive Director Zimmer answered there was not.

Treasurer Ellis then asked for a motion for an adjournment.

Ms. Holmes moved to adjourn the meeting. The motion was seconded by Mr. Kocsis. The motion was carried with all 7 members voting in favor of the motion.

The meeting was adjourned at 10:55 am.