



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

Robert A. Briant, Jr., **Chairperson**  
Mark Longo, **Vice Chairperson**  
Jack Kocsis, Jr., **Treasurer**  
James McManus, Jr., **Secretary**  
Elizabeth Maher Muoio, **State Treasurer**  
Shawn LaTourette, **DEP Commissioner**  
Diane Gutierrez-Scaccetti, **DOT Commissioner**  
Lt. Governor, Sheila Y. Oliver, **DCA Commissioner**  
David E. Zimmer, **Executive Director**

March 3, 2022

## PUBLIC NOTICE

Public notice is hereby given that the I-Bank's Thursday, March 10, 2022 public meeting will **commence at 10:00 am and be held electronically.**

The March 10th public meeting will be held by webinar link – **REGISTRATION IS REQUIRED TO OBTAIN THE MEETING LINK** and is available up to and throughout the meeting. Pre-registration is encouraged. Formal action may be taken at the meeting. This notice is filed in accordance with the "Open Public Meetings Act," L.1975, c.231, as amended.

**GoToWebinar:** You may join the meeting from your computer, tablet or smartphone with a link obtained at the <https://www.njib.gov/nj/Board+Information.3> to register.

To the extent known, the agenda of the public meeting will be as follows:

1. **Call to Order – Chairperson**
2. **Open Public Meetings Act Statement**
3. **Roll Call**
- 4.\* **Approval of the Minutes of the February 10, 2022 Meeting**
5. **Announcements**
6. **Public Comment**
7. **Unfinished Business:**
  - A. Discussion of the **Water Bank Application** process (hand-out) (C. Jenkins)
  - B. Discussion of the **Transportation Bank Application** process (hand-out) (R. Fernandez)
  - C. Update on Water Bank, SAIL and Transportation Bank **Short-Term Loans** (D. Zimmer)
  - D. Update on Outstanding I-Bank **Requests for Proposals** (D. Zimmer)
- 8.\* **New Business:**
  - A.\* Discussion and Acceptance of the January 2022 Treasurer's Report; (C. Bruther)
  - B.\* Discussion and Approval of a Resolution Authorizing Various Actions and Forms of Documents Necessary for the Making of SFY2022 Loans with Proceeds of I-Bank Environmental Infrastructure Bonds to be Issued in Spring 2022; (D. Zimmer)
  - C.\* Discussion and Approval of a Resolution Authorizing Various Actions Necessary for an Application for Funding through SWIFIA; (D. Zimmer)
  - D.\* Discussion and Approval of a Resolution Authorizing the Award of a Contract for Financial Advisor Services for the NJIB's for the Water Bank Program; (L. Kaltman)
  - E.\* Discussion and Approval of a Resolution Authorizing a One Year Extension of Financial Auditing Services Contract; and (J. Karp)
  - F.\* Discussion and Approval of a Resolution Authorizing the Award of a Contract for IT Managed Security Services Provider. (D. Zimmer)
- 9.\* **Executive Session (if needed)**

### \*ACTION ITEMS

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



# State of New Jersey

OFFICE OF THE GOVERNOR  
P.O. Box 001  
TRENTON, NJ 08625-0001

PHILIP D. MURPHY  
GOVERNOR

NOREEN M. GIBLIN, ESQ.  
DEPUTY CHIEF COUNSEL

**TO:** Lynda Jeannette [ljeannette@njib.gov](mailto:ljeannette@njib.gov)  
Nancy Collazo [ncollazo@njib.gov](mailto:ncollazo@njib.gov)

**FROM:** Kelley Trimble, Authorities Unit, Office of the Governor

**DATE:** February 23, 2022

**RE:** New Jersey Infrastructure Bank Minutes

This email is confirmation that the Authorities Unit received the minutes from the February 10, 2022 Board meeting on February 10, 2022. The calculated veto date is February 25, 2022.

Thank you.

Attachment

cc: Joy Johnson



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Shawn LaTourette, DEP Commissioner  
Diane Gutierrez-Scaccetti, DOT Commissioner  
Lt. Governor, Sheila Y. Oliver, DCA Commissioner  
David E. Zimmer, Executive Director

February 10, 2022

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 minutes of the February 10, 2022 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,

David E. Zimmer, CFA  
Assistant Secretary

Enclosure

cc: Honorable Nicholas P. Scutari, President of the Senate  
Honorable Craig Coughlin, Speaker of the General Assembly



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**2/10/2022**

## **NEW JERSEY INFRASTRUCTURE BANK**

### **MINUTES OF THE BOARD OF TRUSTEES MEETING**

Thursday, February 10, 2022

#### **1. CALL TO ORDER:**

A meeting of the New Jersey Infrastructure Bank was convened electronically on Thursday, February 10, 2022, via Go-To-Webinar. Chairperson Briant called the meeting to order at 10:00 am.

#### **2. OPEN PUBLIC MEETING ACT STATEMENT:**

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

#### **3. ROLL CALL:**

Executive Director Zimmer conducted roll call to which Mr. Briant, Mr. Brown, Mr. Hauch, Mr. Kocsis, Mr. Longo, Mr. McManus and Mr. Moore and Ms. Rankin all responded affirmatively.

#### **DIRECTORS**

Robert Briant, Jr., Chairperson\*  
Mark Longo, Vice Chairperson \*  
Jack Kocsis, Jr., Treasurer\*  
James McManus, Jr., Secretary\*  
Paul Hauch\*  
(for DEP Commissioner Shawn LaTourette)  
Laine Rankin\*  
(for DOT Commissioner Diane Gutierrez-Scaccetti)  
David Moore\*  
(for State Treasurer Elizabeth M. Muoio)  
Walter Brown\*  
(for DCA Commissioner/Lt. Governor Sheila Y. Oliver)

#### **OTHERS**

David E. Zimmer, Executive Director  
Judy Karp, Assistant Director/Legal and Compliance Officer  
Leigh Peterson, Chief Operating Officer – Water  
Robert Fernandez, Chief Operating Officer - Transportation  
Maria Andujar, Accounting Manager  
George Rolon, Construction Project Manager  
Christopher Bruther, Comptroller  
Charles Jenkins, DEP Municipal Finance & Construction Elem\*  
Joy Johnson, Governor's Authority Unit\*  
Aimee Manocchio Nason, Deputy Attorney General\*  
Victoria Nilsson, Deputy Attorney General\*  
Richard Nolan, McCarter & English LLP\*  
Dorit Kressel, Chiesa Shahinian Giantomasi PC\*  
Tricia Gasparine, Chiesa Shahinian Giantomasi\*  
Anne Entrekin Burger, Hilltop Securities\*

(\*) Participated via teleconference/Go-To-Webinar

#### **4. APPROVAL OF THE MINUTES:**

Chairperson Briant opened discussion of the minutes of the I-Bank's Board meeting held Thursday, January 13, 2022.

There were no comments or questions related to the minutes from Thursday, January 13, 2022. Chairperson Briant requested a motion for approval.

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

Nancy Collazo conducted roll call. The motion was carried with 7 members voting in favor. Mr. Moore had technical difficulties and could not respond.

#### **5. ANNOUNCEMENTS:**

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

- On **February 9, 2022**; Executive Director Zimmer and Project Manager Rolon met with the Mayor and Administrative team from Edison at the I-Bank Office to discuss project financing;
- On **February 8, 2022**; Executive Director Zimmer participated on a call with members of the New Jersey Pathways to Career Opportunities program to discuss ways in which the Water Bank may assist with this worthy local workforce development initiative;
- On **February 4, 2022**; Executive Director Zimmer participated on a call with members of the Princeton Council and Engineering team to discuss transportation and water bank financing;
- On **February 2, 2022**; Executive Director Zimmer, and Assistant Director, Legal & Compliance Officer Karp participated on a call with DEP Assistant Commissioner Pat Gardner and several other senior officers at the DEP to discuss climate resilience and Water Bank financing;
- On **February 1, 2022**; Executive Director Zimmer and Project Manager Rolon, participated on a call with Chris Testa and Kathleen Lear of the NJ Office of Emergency Management to discuss requirements of FEMA's \$320,000 grant to the I-Bank for building a web-based application portal for BRIC projects;
- On **January 27, 2022**; Executive Director Zimmer and Bond Counsel Rich Nolan participated on a call with bond counsel for Merchantville-Pennsauken Water Commission to discuss Water Bank requirements;
- On **January 27, 2022**; Executive Director Zimmer and Chief Financial Officer Kaltman held a meeting with Paula McEvoy and Kevin O'Connor of Veolia Water at the NJIB office to discuss project financing;
- On **January 26, 2022**; Executive Director Zimmer, COO Peterson and DEP Bureau Chiefs Hauch and Jenkins attended a meeting at MCUA with Executive Director Cryon and senior Engineering staff to discuss financing for several large potential projects;
- On **January 25, 2022**; Executive Director Zimmer participated on a call with Tee Thomas of Quantified Ventures to discuss strategies around developing a storm water volume credit trading platform and a potential partnership with the Trust for Public Land;
- On **January 24 and 27, 2022**; Executive Director Zimmer participated with Assistant Commissioner Gardner and a number of DEP's senior staff on Commissioner LaTourette's Public Engagement WIIP Sessions for the IUP process to present and seek input on the Department's draft plans for incoming IJA funds;
- On **January 21, 2022**; Executive Director Zimmer presented on a webinar titled "Resilience for NJ Small Water Systems" hosted by USEPA Environmental Finance Centers for Regions 2 and 3;

- On **January 20, 2022**; COO Fernandez, Project Manager Rolon, and Assistant Project Manager Roslon participated on a call with the Mayor and administrative team of Waterford Township to discuss project financing;
- On **January 19, 2022**; Executive Director Zimmer, COO Fernandez, Construction Project Manager Rolon, and Assistant Project Manager Roslon conducted a webinar titled “NJIB’s Transportation Bank Financing Program Overview – CFO & Engineer Forum” to an audience comprised of Mayors, Council Members, CFOs, Engineers, and Bond Counsel;
- On **January 19, 2022**; Executive Director Zimmer, Commissioner LaTourette and Assistant Commissioner Gardner participated on an introduction call with USEPA Assistant Administrator Radhika Fox;
- On **January 18, 2022**; Executive Director Zimmer participated on a call with DEP Assistant Commissioner Gardner, members of the AG’s Office, State Comptroller, and DCA to discuss roles and responsibilities for handling WIPA applications; and
- The next I-Bank Board meeting is scheduled for **March 10, 2022**, at 10:00 am via GoToWebinar, which will be noticed in advance.

There were no comments or questions.

## 6. **PUBLIC COMMENTS:**

Chairperson Briant invited comments from the public. There were no comments.

## 7. **UNFINISHED BUSINESS:**

- A. DEP Bureau Chief, Mr. Charles Jenkins reported on the status of the Water Bank project pipeline noting 17 projects received authorization-to-award or certification this fiscal year-to-date with 47 additional projects pending in both categories totaling \$949 million.

There were no comments or questions.

- B. Chief Operating Officer Fernandez reported on the status of the Transportation Bank project pipeline noting that there were no allocations or applications during the 3rd Quarter of FY2022. There was one project (Raritan Township, TB1021-004, \$377K) that transitioned from the Bid Phase to the Construction phase. For FY2022, the Transportation Bank has allocated a total of four projects for an amount of \$7.1 million. Overall, the program has allocated 25 projects totaling \$102.8 million.

There were no comments or questions.

- C. Executive Director Zimmer reported on the status of the Water Bank Construction and SAIL Loan Programs noting the Water Bank closed 12 loans January 2022 totaling \$751,442 in aggregate for a fiscal year-to-date total \$173.8 M. The Program disbursed \$32.8 million of funds to 63 projects in January 2022 for a fiscal year-to-date total of \$290.4 million. The Water Bank has 221 projects with open construction loans totaling \$1.488 billion and has disbursed \$753.1 million to 217 projects, or approximately 50.59% of the Program’s outstanding short-term loan balance.

Executive Director Zimmer next reported on the status of the Transportation Construction Loan Program noting that the Transportation Bank did not close a new loan in January 2022 but increased one loan

amount by \$768,584. The Program disbursed \$588,701 to 2 projects in January 2022. The Transportation Bank has 13 projects with open construction loans totaling \$64.7 million and has disbursed \$30.8 million to these 13 projects, or approximately 47.57% of the Program's outstanding short-term loan balance.

There were no comments or questions.

D. Executive Director Zimmer next reported on outstanding Requests for Proposals.

The I-Bank issued an RFP for Investment Advisor Services for all Financing Programs of the I-Bank. A recommendation for contract award was scheduled for action under resolution number 22-09.

Pursuant to Resolution No. 21-69 authorizing issuance of an RFQ to establish a pool of qualified firms for General Engineering Consulting Services. A recommendation for contract award was scheduled for action under resolution number 22-10.

Pursuant to Resolution No. 20-50, an RFP for MSSP for IT Services was reissued on January 12, 2022 with responses due February 18, 2022.

Pursuant to Resolution No. 22-03 The I-Bank issued an RFP for Financial Advisor Services on January 28, 2022 with responses due March 1, 2022.

There were no comments or questions.

E. Executive Director Zimmer next reported on the status of Board authorized 2021 Resolutions. 70 Resolutions were approved in 2021, 60 of these Resolutions have been closed with the remaining 10 in process.

**8. NEW BUSINESS:**

A. Executive Director Zimmer introduced Comptroller Chris Bruther to present Resolution No. 22-06 accepting the December 2021 Treasurer's Report. In December 2021, the I-Bank earned revenues of \$705,064 consisting of \$428,181 in administrative fees, \$157,346 in interest income on Direct Loans, (\$13,797) loss in mark-to-market investment income and booked \$133,333 in TTF State Appropriations for Operations. The I-Bank has earned \$4,176,193 to-date, or 81% of the SFY2022 budgeted amount. The I-Bank incurred expenses during the month of December for products and services totaling \$638,136. The I-Bank has incurred expenses totaling \$4,132,310 to-date or 85% of the SFY2022 YTD budgeted amount.

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

The resolution was moved for adoption by Mr. Longo and seconded by Mr. Brown.

Nancy Collazo conducted roll call. The motion was carried with all 8 members present voting in favor.

B. Executive Director Zimmer introduced Resolution No. 22-07 authorizing the implementation of the State Fiscal Year (SFY) 2023 Transportation Bank Construction Loan Program (CLP) to make construction loans to qualifying Borrowers to finance the costs of transportation projects in anticipation of long-term

financing at construction completion. The Resolution authorizes CLP loans for amounts up to \$15,000,000 without additional Board approval.

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

The resolution was moved for adoption by Mr. Longo and seconded by Mr. Kocsis.

Nancy Collazo conducted roll call. The motion was carried with all 8 members present voting in favor.

- C. Executive Director Zimmer introduced Resolution No. 22-08 authorizing the implementation of the SFY2023 Water Bank Construction Loan Program (CLP) to make construction loans to qualifying Borrowers to finance the costs of environmental projects in anticipation of long-term financing at construction completion. The Resolution authorizes CLP loans for amounts up to \$15,000,000 without additional Board approval.

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

The resolution was moved for adoption by Mr. Longo and seconded by Mr. McManus.

Nancy Collazo conducted roll call. The motion was carried with all 8 members present voting in favor.

- D. Executive Director Zimmer introduced Accounting Manager Andujar to present Resolution No. 22-09 authorizing the award of the I-Bank's Investment Advisor Services Provider contract to PFM Asset Management LLC (PFMAM) for the period of March 1, 2022, through February 28, 2025, with options to extend for two additional one-year periods, each upon further approval of the Board. Based on the results from the review committee assigned to review the proposals submitted, the Executive Director recommended that the contract be awarded to PFMAM. PFMAM is the I-Bank's current Investment Advisor and the proposed fees are the same as the previous contract.

Accounting Manager Andujar asked if there were any comments or questions. Hearing none, Chairperson Briant requested a motion for approval.

The resolution was moved for adoption by Mr. Kocsis and seconded by Mr. Longo.

Nancy Collazo conducted roll call. The motion was carried with all 8 members present voting in favor.

- E. Executive Director Zimmer introduced Construction Project Manager Rolon to present Resolution No. 22-10 authorizing the establishment of a pre-qualified pool of five consulting engineering services firms (the "Pool") to provide consulting environmental and engineering services to the Water Bank. The Resolution authorizes the Executive Director to solicit proposals from the Pool when such consulting services are determined by the NJDEP and the I-Bank as necessary to augment existing program staff.

Project Manager/Engineer Rolon asked if there were any comments or questions. Hearing none, Chairperson Briant requested a motion for approval.

The resolution was moved for adoption by Mr. Longo and seconded by Mr. Brown.

Nancy Collazo conducted roll call. The motion was carried with all 8 members present voting in favor.



- F. Executive Director Zimmer introduced Assistant Director, Legal & Compliance Officer Karp to present Resolution No. 22-11 authorizing modifications to the WIFIA Term Sheet, which was previously adopted by the Board at its September 9, 2021, meeting. The amendments reflect refinements which include prepayment language, structural features relating to the WIFIA Debt Service Coverage Ratio, and issues related to additional indebtedness.

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

The resolution was moved for adoption by Mr. Longo and seconded by Mr. Kocsis.  
Nancy Collazo conducted roll call. The motion was carried with all 8 members present voting in favor.

- G. Executive Director Zimmer introduced Chief Operating Officer Peterson to present Resolution No. 22-12 authorizing an SFY2022 or SFY2023 Water Bank Financing Program Construction Loan to Passaic Valley Sewerage Commission in an amount not to exceed \$67 million for Project No. S340689-52, for PVSC's Advanced Electrical Project.

Chief Operating Officer Peterson asked if there were any comments or questions. Hearing none, Chairperson Briant requested a motion for approval.

The resolution was moved for adoption by Mr. Longo and seconded by Mr. Brown.  
Nancy Collazo conducted roll call. The motion was carried with all 8 members present voting in favor.

## **9. EXECUTIVE SESSION:**

Chairperson Briant asked if there was a need for an Executive Session or any further business. Executive Director Zimmer responded to both that there was not.

Chairperson Briant then asked for a motion for adjournment.

Mr. Longo moved to adjourn the meeting. The motion was seconded by Mr. Brown.  
Nancy Collazo conducted roll call. The motion was carried with all 8 members present voting in favor.

The meeting was adjourned 10:58 am.

**RESOLUTION NO. 22 - 06**

**RESOLUTION AUTHORIZING APPROVAL OF THE  
DECEMBER 2021 TREASURER'S REPORT**

**WHEREAS**, the New Jersey Infrastructure Bank (the "I-Bank") has reviewed the Treasurer's Report for December 2021; 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 December 2021 and requests that the same be entered into the record.

Adopted Date: February 10, 2022

Motion Made By: Mr. Mark Longo

Motion Seconded By: Mr. Walter Brown

Ayes: 8

Nays: 0

Abstentions: 0

## **RESOLUTION NO. 22 - 07**

### **RESOLUTION OF THE NEW JERSEY INFRASTRUCTURE BANK AUTHORIZING THE TRANSPORTATION BANK CONSTRUCTION FINANCING PROGRAM FOR STATE FISCAL YEAR 2023**

**WHEREAS**, the New Jersey Infrastructure Bank (the “I-Bank”), pursuant to and 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 (the “State”) (codified at N.J.S.A. 58:11B-1 *et seq.*), as the same has been, and in the future may from time to time be, amended and supplemented (the “Act”), and (ii) the policies to be established by the terms and provisions of the Transportation Infrastructure Financing Program Financial Plan, to be submitted to the New Jersey State Legislature (“State Legislature”) by the I-Bank, pursuant to and in satisfaction of the requirements of the Act, is authorized, pursuant to the Interim Transportation Financing Program (created pursuant to N.J.S.A. 58:11B-9(g) (“Section 9(g)”) (the “Transportation Bank Construction Financing Program”), to make loans (each, a “Construction Loan”) to “local government units” (as defined in the Act; N.J.S.A. 58:11B-3) that are eligible project sponsors (each, a “Borrower”) for the purpose of financing the allowable costs of “transportation projects” (as defined in the Act; N.J.S.A. 58:11B-3) (which allowable costs may include the costs of planning, acquisition, environmental planning, engineering, construction, reconstruction, repair and rehabilitation) (each, a “Transportation Bank Project”), provided that each such Construction Loan made by the I-Bank to any such Borrower satisfies the requirements of the Act, including, without limitation, Section 9(g), and any policy statements relating to the Transportation Bank Construction Financing Program to be set forth in the State Fiscal Year 2023 (“SFY2023”) Transportation Infrastructure Financing Program Financial Plan (“Financial Plan”); and

**WHEREAS**, pursuant to the terms and provisions of the Act and the Financial Plan, a proposed project sponsor is eligible to be a Borrower for a Construction Loan for purposes of financing the allowable costs of the Transportation Bank Project of such Borrower pursuant to the Transportation Bank Construction Financing Program, provided each of the following conditions is satisfied in full: (i) the requirements of the Act, including but not limited to those contained in Section 9(g)), (ii) the Transportation Bank Project is listed on the Department of Transportation’s (“NJDOT”) project priority list for the related funding cycle that has been submitted to the State Legislature pursuant to N.J.S.A. 58:11B-20.2 (the “Priority List”); (iii) the proposed Borrower has submitted a complete application for the Transportation Bank Project; (iv) the proposed Borrower has complied with the I-Bank’s Credit Policy, as then in effect pursuant to the adoption of an approving resolution of the Board of Directors of the I-Bank (the “Board” or the “Board of Directors”); (v) the Transportation Bank Project is in the fundable range in the forthcoming funding cycle and has been allocated funding given the Transportation Bank Project’s rank and the anticipated availability of Transportation Bank monies; (vi) the Transportation Bank Project (or, at a minimum, one contract thereof) has been certified for funding pursuant to the terms and provisions of the Act and the Financial Plan; and (vi) the proposed Borrower has not previously received a Construction Loan through the Transportation Bank Construction Financing Program for the same Transportation Bank Project scope (exclusive of a Construction Loan made solely for the purpose of extending the term of a prior Construction Loan or for a Supplemental Short Term Loan pursuant to Section 9(g)), or for a Construction Loan for a Transportation Bank Project that received a prior Construction Loan but lost such funds due to non-compliance with the Construction Contract Scheduled Award Date deadline and then requalified for a new Construction Loan) (collectively, the “Transportation Bank Construction Financing Program Conditions Precedent”); and

**WHEREAS**, it is the desire of the I-Bank, subject to the applicable terms and provisions of (i) the Act, (ii) the Financial Plan and (iii) this Resolution, to authorize the implementation of the Transportation Bank Construction Financing Program SFY2023 (the “SFY2023 Transportation Bank Construction Financing Program”); and

**WHEREAS**, in order to provide a source of funding for the implementation of the SFY2023 Transportation Bank Construction Financing Program, it is anticipated that the State Legislature and the Governor of the State will enact into law an appropriation act for SFY2023 that will appropriate funds to the Interim Transportation Financing Program Fund as defined in Section 9(g) (the “SFY2023 Appropriation”). The SFY2023 Appropriation in addition to any prior year appropriations made to the I-Bank by the State for such purposes are collectively referred to as the “Appropriation.” The Appropriation, as well as any investment earnings thereon, any fees earned, and any loan repayments or deobligations, shall be available to the I-Bank for purposes of funding the various transportation financing programs of the I-Bank pursuant to the Act, as well as operating expenses related to such transportation financing programs of the I-Bank. A portion of such Appropriation, in an amount that shall be determined by any Authorized Officer (as defined in Section 2 hereof), in his or her sole discretion, shall be deposited and held in the segregated fund that is entitled “Interim Transportation Financing Program Fund” and that has been established by the I-Bank pursuant to the Act (Section 9(g)) for the purpose of funding the Transportation Construction Financing Program, including the SFY2023 Transportation Construction Financing Program; and

**WHEREAS**, with respect to the SFY2023 Transportation Bank Construction Financing Program of the I-Bank and other future Transportation Bank Construction Financing Programs of the I-Bank (collectively, the “Current and Future Transportation Bank Construction Financing Programs”), the I-Bank may choose to utilize private sources of financing as approved by the Board as additional sources of funding for the Current and Future Transportation Bank Construction Financing Programs, including, without limitation, the issuance and incurrence of short-term obligations in the form of extendable commercial paper or other instrument (collectively, the “Future Credit Instrument” and with the Appropriation shall be referred to collectively herein as the “Available Funds”); and

**WHEREAS**, it is the desire of the I-Bank that, if a Borrower is eligible to receive financing from the SFY2023 Transportation Bank Construction Financing Program for a Transportation Bank Project that includes multiple contracts, the Borrower may receive a single, combined Construction Loan for such Transportation Bank Project, provided that (i) the Borrower has submitted to the I-Bank and the NJDOT a complete application with respect to the Transportation Bank Project, (ii) the I-Bank shall not be obligated to disburse any Available Funds pursuant to such Construction Loan with respect to any contract of such Transportation Bank Project until such contract and the Transportation Bank Project costs applicable thereto shall have been certified pursuant to the terms and provisions of the Act, and (iii) the Borrower otherwise satisfies each of the other requirements of the Act and the Financial Plan and the applicable terms and provisions of this Resolution; and

**WHEREAS**, it is the desire of the I-Bank to establish such additional terms and provisions for the SFY2023 Transportation Bank Construction Financing Program, including, without limitation, (i) the interest rate provisions applicable to each SFY2023 Construction Loan, (ii) the maturity with respect to each SFY2023 Construction Loan, and (iii) all fees applicable to each SFY2023 Construction Loan and the Transportation Bank Project financed thereby, as the Authorized Officers (as defined in Section 2 hereof) shall deem necessary and appropriate for the implementation of the SFY2023 Transportation Bank

Construction Financing Program, all in a manner consistent with the applicable terms and provisions of (i) the Act and (ii) the Financial Plan applicable thereto.

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

**Section 1. Recitals; Authorization, Establishment and Implementation of the SFY2023 Transportation Bank Construction Financing Program.** The recitals set forth above are incorporated by reference herein as if set forth at length. The Board hereby authorizes and directs the establishment and implementation of the SFY2023 Transportation Bank Construction Financing Program by the Authorized Officers, subject to compliance by the I-Bank with the applicable provisions of (i) the Act and (ii) the Financial Plan applicable thereto, and each of the following requirements of this Resolution:

- (a) Each Construction Loan made pursuant to the SFY2023 Transportation Bank Construction Financing Program shall be funded solely from the Available Funds applicable thereto and available therefor, as and to the extent provided in the recitals of this Resolution. The Authorized Officers are each hereby severally authorized and directed, after consultation with the I-Bank's Professional Advisors (as hereinafter defined), to determine the Available Funds that shall be the source of funding for any given Construction Loan made pursuant to the SFY2023 Transportation Bank Construction Financing Program.
- (b) Each Construction Loan made pursuant to the SFY2023 Transportation Construction Financing Program, and each Transportation Bank Project (including each contract thereof) funded thereby, shall comply fully with the applicable terms and provisions of the Act and the Financial Plan, as well as the terms and provisions of this Resolution.
- (c) No Construction Loan shall be made pursuant to the SFY2023 Transportation Bank Construction Financing Program unless and until the Transportation Bank Construction Financing Program Conditions Precedent applicable to a given Borrower and Transportation Bank Project have been satisfied, in full, in compliance with the applicable requirements of the Act, the Financial Plan, as well as the terms and provisions of this Resolution.
- (d) Each Construction Loan made pursuant to the SFY2023 Transportation Bank Construction Financing Program shall be made pursuant to the terms and provisions of the Loan Instruments, as defined in Section 2 hereof, which Loan Instruments shall include and address the requirements hereof, including, without limitation, those requirements as set forth in Sections 3, 4 and 5 hereof.

**Section 2. The Loan Instruments and the Terms and Provisions Thereof.** Any Construction Loan made by the I-Bank as part of the SFY2023 Transportation Construction Financing Program pursuant to the terms and provisions of this Resolution shall be evidenced by (i) a note or other appropriate obligation of the Borrower to be issued by the Borrower to the I-Bank (the "Obligation") in order to evidence and secure such Borrower's Construction Loan repayment obligation and its other obligations related to its Construction Loan, and (ii) any other documentation, including, without limitation, a written receipt of the I-Bank acknowledging its acceptance of a particular Obligation, as shall be deemed necessary and appropriate (the instruments identified in clauses (i) and (ii) hereof shall be referred to collectively herein as the "Loan Instruments") by the Chairperson of the I-Bank, the Vice Chairperson of the I-Bank, the

Secretary of the I-Bank, and/or the Executive Director of the I-Bank, or any other person or persons designated by the Board by resolution to act on behalf of the I-Bank, but in each case subject to the limitations of the by-laws of the I-Bank (each, an “Authorized Officer”), after consultation with Bond Counsel to the I-Bank, and, if necessary, the Office of the Attorney General of the State (collectively, the (“Legal Counsel”). Each Obligation shall be in substantially the form attached hereto as Exhibit A, with such revisions and modifications thereto as shall be approved by an Authorized Officer after consultation with Legal Counsel, with such approval by the Authorized Officer of such revisions and modifications thereto being evidenced by the signed receipt of such Obligation by such Authorized Officer. The Loan Instruments shall include such terms and provisions relating to the SFY2023 Transportation Construction Financing Program as shall be determined by an Authorized Officer, after consultation with Legal Counsel, as being necessary and appropriate in connection with (i) the satisfaction of the applicable requirements of the Act and the Financial Plan, and (ii) the implementation of the terms and provisions of this Resolution, including, without limitation, each of the following terms and provisions:

- (a) Each Construction Loan shall be in the stated principal amount as shall be determined in accordance with Section 3 hereof;
- (b) Each Construction Loan shall bear interest at a rate that shall be determined in accordance with the Interest Rate Calculation (as defined in Section 4 hereof) and, given the unique circumstances or credit risks of any project, all or any portion of such interest may or may not be capitalized at the sole discretion of the I-Bank and included in the principal amount as determined in accordance with Section 3 hereof and may be subject to repayment as set forth in the Obligation;
- (c) Each Construction Loan shall have a maturity date that shall be no later than the applicable date as shall be determined pursuant to Section 5 hereof;
- (d) Each Construction Loan shall be subject to the imposition of an administrative fee in such amount as shall be set forth in or calculated pursuant to the Financial Plan for the cost of the review of the loan application, technical submissions, and payment requisitions applicable to a given Transportation Bank Project and representing a portion of the cost of such Transportation Bank Project (the “Administrative Fee”); and
- (e) The Loan Instruments with respect to each Construction Loan shall include, as applicable, terms and provisions relating to the funding of a Transportation Bank Project with multiple contracts via a single Construction Loan and the proper disbursement of such Construction Loan proceeds for the funding of each Transportation Bank Project contract.

**Section 3. Principal Amount.** The principal amount of each Construction Loan (and the stated principal amount of the Obligation issued by the Borrower in connection with such Construction Loan), made as part of the SFY2023 Transportation Bank Construction Financing Program, shall not exceed \$15,000,000, unless a higher amount is authorized by official action of the Board at a future meeting thereof. For purposes of determining, at any time, the outstanding principal amount of a Construction Loan (and the Obligation issued by the Borrower in connection therewith), such outstanding principal amount shall equal the aggregate of all disbursements of proceeds thereof for Transportation Bank Project costs that have been made by the I-Bank as of the date of such determination inclusive of the Administrative Fee and capitalized interest, if any.

**Section 4. Interest Rate Calculation.** The rate of interest to be paid by a Borrower to the I-Bank with respect to the outstanding principal amount of a Construction Loan of such Borrower, made as part of the SFY2023 Transportation Bank Construction Financing Program (the “Interest Rate Calculation”) shall be calculated by an Authorized Officer at such times and in a manner consistent with (i) the terms and provisions of the financial plan (submitted in accordance with the requirements of section 22.3 of the Act), and (ii) the terms and provisions of the Obligation evidencing such Construction Loan, provided that the formula with respect to the Interest Rate Calculation shall be established by official action of the Board at a future meeting thereof. Such Interest Rate Calculation shall be made pursuant to this Resolution and reflective of the market as of the respective dates upon which the Interest Rate Calculation is performed.

**Section 5. Maturity Date.** The maturity date with respect to any Construction Loan made as part of the SFY2023 Transportation Bank Construction Financing Program and the Obligation issued in connection therewith, including any disbursement made pursuant thereto, shall not exceed the maximum maturity that is permitted pursuant to the terms of Section 9(g), as such Section may hereafter be amended and supplemented from time to time.

**Section 6. Delegation as to Approval of Borrowers.** The Authorized Officers are each hereby severally authorized and directed, after consultation with Legal Counsel, to approve, in his or her sole discretion, the participation of a Borrower in the SFY2023 Transportation Bank Construction Financing Program, provided that such Borrower qualifies for such participation pursuant to the applicable terms and provisions of the Act and the Financial Plan, and the terms and provisions of this Resolution, including, without limitation, satisfaction by such Borrower of the applicable Transportation Bank Construction Financing Program Conditions Precedent.

**Section 7. Delegation as to Transportation Bank Project Certification.** Prior to the making of any Construction Loan with respect to any Transportation Bank Project pursuant to the SFY2023 Transportation Bank Construction Financing Program, the Authorized Officers are each hereby severally authorized and directed to certify such Transportation Bank Project for funding through the SFY2023 Transportation Bank Construction Financing Program in accordance with the terms and provisions of the Financial Plan and the Act; provided, however, that as a condition precedent to such certification by an Authorized Officer, (i) the proposed Transportation Bank Project, or at least one contract thereof (as provided pursuant to the terms and provisions of Section 8 hereof), previously has been certified for funding pursuant to the terms and provisions of the Act and (ii) such proposed Transportation Bank Project (including each of the contracts thereof) shall otherwise qualify for funding through the SFY2023 Transportation Construction Financing Program pursuant to the terms and provisions of the Act and the Financial Plan, and the applicable terms and provisions of this Resolution.

**Section 8. Multiple Contracts of a Transportation Bank Project.** In the event that one, but not all, of the contracts of a Transportation Bank Project that is to be the subject of a Construction Loan pursuant to the SFY2023 Transportation Bank Construction Financing Program has been certified for funding pursuant to the provisions of Section 7 hereof, the Authorized Officers are each hereby severally authorized and directed to extend a Construction Loan to such Borrower for such Transportation Bank Project in a stated principal amount that may equal, but shall not exceed, the total estimated allowable costs of such Transportation Bank Project (subject to the further limitations set forth in the applicable provisions of the Act, the applicable terms and provisions of the Financial Plan and this Resolution, including, without limitation, Section 3 hereof); provided, however, that the Loan Instruments relating to such Construction Loan shall provide that the I-Bank shall not disburse to the Borrower any proceeds of

such Construction Loan with respect to those contracts of the Transportation Bank Project that have not been certified for funding pursuant to the terms and provisions of the Act, and such prohibition upon the disbursement by the I-Bank to the Borrower of such proceeds of the Construction Loan shall continue to apply until such date as such contracts have been certified pursuant to the terms and provisions of the Act.

**Section 9. Delegation as to Execution of Documents.** Each Authorized Officer is hereby severally authorized and directed to execute (i) any Loan Instrument to which the I-Bank is a party (the “I-Bank Loan Instruments”) and (ii) any certificates, instruments or documents contemplated therein or otherwise related to the participation of any Borrower in the SFY2023 Transportation Bank Construction Financing Program. Upon execution of the I-Bank Loan Instruments by an Authorized Officer, the Secretary and the Assistant Secretary of the I-Bank Board or their designee are each hereby severally authorized and directed, where required, to attest to the signature of such Authorized Officer, thereon and on any certificates, instruments or documents contemplated therein or related thereto.

**Section 10. Report to the Board on Loans.** At the next meeting of the Board following the month in which a Construction Loan closing occurred pursuant to the SFY2023 Transportation Bank Construction Financing Program, the Executive Director of the I-Bank, or a designee thereof, shall provide a report to the Board concerning the details of such transaction.

**Section 11. Delegation as to Certain Actions Relating to the Procurement of a Future Credit Instrument.** Each Authorized Officer is hereby severally authorized and directed to take such actions that such Authorized Officer, in his or her respective sole discretion, after consultation with Legal Counsel, the Office of the Attorney General of the State, and the Financial Advisor to the I-Bank (collectively, the “Professional Advisors”), deems necessary, convenient or desirable in order to undertake and complete the following with respect to the anticipated procurement by the I-Bank of a Future Credit Instrument:

- (a) Engage in discussions with one or more financial institutions, for the purpose of exploring potential structural, collateral and credit features relating to a Future Credit Instrument in favor of the I-Bank for the purpose of funding all or a portion of one or more of the Current and Future Transportation Bank Construction Financing Programs, and include in such discussions, at the discretion of such Authorized Officer, one or more of the Professional Advisors; and/or
- (b) Prepare and distribute, in consultation with the Professional Advisors, one or more Requests for Qualifications or Requests for Proposals (each, the “Future Credit Instrument RFP”) to financial institutions, for the establishment of a Future Credit Instrument in favor of the I-Bank for the purpose of funding all or a portion of one or more of the Current and Future Transportation Bank Construction Financing Programs, in such amount as shall be determined by such Authorized Officer to be necessary and appropriate for such purpose. Each such Future Credit Instrument RFP shall be prepared and distributed pursuant to and in compliance with I-Bank Policy and Procedure No. 4.00, entitled “Procurement of Goods and Services”.

Notwithstanding the foregoing terms and provisions of this Section 11, the award of any contract to any financial institution that has submitted to the I-Bank a response to a Future Credit Instrument RFP shall be made only upon authorization by official action of the Board at a future meeting thereof, where the



specific structural, collateral and credit features of the Future Credit Instrument shall be presented to the Board.

**Section 12.** Any Authorized Officer is hereby authorized and directed to take such other actions that such Authorized Officer, in his or her respective sole discretion, after consultation with Legal Counsel, deems necessary, convenient or desirable in order to affect the transactions contemplated hereby.

**Section 13. Effective Date.** 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:	February 10, 2022
Motion Made By:	Mr. Mark Longo
Motion Seconded By:	Mr. Jack Kocsis
Ayes:	8
Nays:	0
Abstentions:	0

[NAME OF MUNICIPALITY/COUNTY]  
NOTE  
RELATING TO:  
THE TRANSPORTATION BANK SHORT-TERM LOAN PROGRAM  
OF THE NEW JERSEY INFRASTRUCTURE BANK

\$ \_\_\_\_\_

Issue Date: \_\_\_\_\_, 20\_\_

NJTB - STLP- 202[2][3]-[01]

**FOR VALUE RECEIVED,** \_\_\_\_\_, New Jersey, a [municipal corporation] [county] duly created and validly existing pursuant to the laws of the State (as hereinafter defined), and its successors and assigns (the "Borrower"), hereby promises to pay to the order of the **NEW JERSEY INFRASTRUCTURE BANK**, a public body corporate and politic with corporate succession, duly created and validly existing under and by virtue of the Act (as hereinafter defined) (the "I-Bank"), the Principal (as hereinafter defined), together with all unpaid accrued Interest (as hereinafter defined), fees, late charges and other sums due hereunder, if any, in lawful money of the United States of America, on the Maturity Date (as hereinafter defined) or the date of any optional prepayment or acceleration in accordance with the provisions of this note (this "Note"); provided, however, that portions of the Principal and/or Interest may be due and payable earlier, at the time(s) and in the amount(s), as and to the extent provided in accordance with Section 4 hereof.

**SECTION 1. Definitions.** As used in this Note, unless the context requires otherwise, the following terms shall have the following meanings:

**"Act"** means the "New Jersey Infrastructure Trust Act", constituting Chapter 334 of the Pamphlet Laws of 1985 of the State (codified at N.J.S.A. 58:11B-1 *et seq.*), as the same has been, and in the future may from time to time be, amended and supplemented.

**"Administrative Fee"** means the fee as defined and calculated in Exhibit B hereto, which is an administrative fee that is payable by the Borrower (at the time and in the amount as is established by the provisions of Section 4(b) hereof) as a portion of the Cost of the Project that has been incurred by the Borrower for the review by the New Jersey Transportation Bank of (i) the Short-Term Loan Program Borrower application, (ii) various Borrower technical submissions, and (iii) the Loan Disbursement Requisitions, as such services are provided to the Borrower by the New Jersey Transportation Bank.

**"Anticipated Financing Program"** means the New Jersey Transportation Bank financing program of the I-Bank, pursuant to which the I-Bank will issue its I-Bank Bonds and/or make available Other Available I-Bank Funds for the purpose of financing, on a long-term basis, the Project as well as other projects of certain qualifying borrowers.

**"Anticipated Long-Term Loan"** means the long-term loan made by the I-Bank to the Borrower from the proceeds of its I-Bank Bonds and/or Other Available Funds of the I-Bank, as part of the Anticipated Financing Program.

**"Authorized Officer"** means any person authorized by the Borrower or the I-Bank, as the case may be, to perform any act or execute any document relating to the Loan or this Note.

**"Code"** means the Internal Revenue Code of 1986, as the same may from time to time be amended and supplemented, including any regulations promulgated thereunder, any successor code thereto and any administrative or judicial interpretations thereof.

**“Construction Completion Certificate”** means a certificate of the I-Bank to the effect that the construction of the Project is complete.

**“Cost”** or **“Costs”** means those costs that are allocable to the Project, as shall be determined on a project-specific basis in accordance with the Financial Plan, as further set forth in Exhibit B hereto, (i) as such Exhibit B shall be supplemented by an Authorized Officer of the I-Bank by means of either a substitute Exhibit B or an additional Exhibit B, such supplement to be implemented concurrently with the supplement to Exhibit A hereto (as provided in the definition of “Project” as set forth herein), and (ii) as the then-current Exhibit B may be amended by subsequent changes to eligible costs as evidenced by a certificate of an Authorized Officer of the I-Bank.

**“Credit Policy”** means the “New Jersey Infrastructure Bank Credit Policy” adopted by the Board of Directors of the I-Bank, as amended and as further supplemented from time to time.

**“Event of Default”** means any occurrence or event specified in Section 6 hereof.

**“Financial Plan”** means the then-applicable Financial Plan, as prepared for the then-current State Fiscal Year and as submitted to the State Legislature by the I-Bank and the NJDOT, all pursuant to, and in satisfaction of the requirements of, section 22.3 of the Act.

**“I-Bank Bonds”** means the revenue bonds of the I-Bank to be issued pursuant to and as part of the Anticipated Financing Program.

**“Interest”** means the interest that shall accrue on a daily basis with respect to Principal disbursed for Project costs, other than capitalized interest, to be calculated each day by applying the Interest Rate established for a State Fiscal Year divided by 360 to the Principal amount on that day.

**“Interest Rate”** means the rate of interest as shall be established by an Authorized Officer of the I-Bank in a manner consistent with the terms and provisions of the Financial Plan for each State Fiscal Year.

**“Issue Date”** means the date of issuance of this Note.

**“Loan”** means the loan of the Principal, made by the I-Bank to the Borrower, to finance or refinance a portion of the Cost of the Project, as evidenced and secured by this Note.

**“Loan Disbursement Requisition”** means the requisition, to be executed by an Authorized Officer of the Borrower and approved by the NJDOT, in a form to be determined by the I-Bank and the NJDOT.

**“Maturity Date”** means the Maturity Date as determined pursuant to clause (i), (ii), or (iii) of this definition, subject to being redetermined pursuant to clauses (iv) or (v) of this definition, but subject, in all events, to the rights and remedies of the I-Bank pursuant to the provisions of Section 6 hereof and the provisions of Section 7 hereof in furtherance of the enforcement by the I-Bank of all covenants and obligations of the Borrower hereunder, including, without limitation and in particular, the covenants and obligations of the Borrower set forth in Section 3 hereof.

(i) If the construction contract relating to the Project has not been certified for funding pursuant to the Act by the date that is the second anniversary of the Issue Date then the Maturity Date shall be the second anniversary of the Issue Date. If this clause (i) is applicable, then the Maturity Date shall be \_\_\_\_\_, being the second anniversary of the Issue Date.

(ii) If the construction contract relating to the Project has been certified for funding pursuant to the Act on or prior to the Issue Date, then the Maturity Date shall be June 30 of the third State Fiscal Year following the State Fiscal Year in which the Issue Date occurs, which is June 30, 2026. In the event that there is more than one

construction contract relating to the Project, the determination under this clause (ii) shall be based on the first construction contract that has been certified for funding pursuant to the Act.

(iii) If the construction contract relating to the Project has been certified for funding pursuant to the Act after the Issue Date and on or before the date that is the second anniversary of the Issue Date, then the Maturity Date shall be June 30 of the third State Fiscal Year following the State Fiscal Year in which the construction contract relating to the Project has been certified for funding pursuant to the Act. In the event that there is more than one construction contract relating to the Project, the determination under this clause (iii) shall be based on the first construction contract that has been certified for funding pursuant to the Act. Thus:

- (A) If this clause (iii) is applicable, and if the first construction contract relating to the Project has been certified for funding in the same State Fiscal Year as the State Fiscal Year during which the Issue Date occurs, then the Maturity Date shall be June 30, 2026, being June 30 of the third State Fiscal Year following the State Fiscal Year during which the Issue Date occurs.
- (B) If this clause (iii) is applicable, and if the first construction contract relating to the Project has been certified for funding in the first State Fiscal Year following the State Fiscal Year during which the Issue Date occurs, then the Maturity Date shall be June 30, 2027, being June 30 of the third State Fiscal Year following the State Fiscal Year in which the construction contract has been certified for funding.
- (C) If this clause (iii) is applicable, and if the first construction contract relating to the Project has been certified for funding in the second State Fiscal Year following the State Fiscal Year during which the Issue Date occurs (but on or before the second anniversary of the Issue Date), then the Maturity Date shall be June 30, 2028, being June 30 of the third State Fiscal Year following the State Fiscal Year in which the construction contract has been certified for funding.

(iv) Notwithstanding any of the foregoing, the Maturity Date shall be such earlier date as shall be determined by an Authorized Officer of the I-Bank in his or her sole discretion, which date shall be determined by such Authorized Officer of the I-Bank to be the date of the closing for the Anticipated Financing Program.

(v) Notwithstanding any of the foregoing, the Maturity Date shall be such later date (subject to the then-applicable limits of the Act) as shall be determined by an Authorized Officer of the I-Bank in his or her sole discretion, pursuant to a written certification thereof, as acknowledged and agreed by an Authorized Officer of the Borrower.

Pursuant to Section 9(e) of the Act, and notwithstanding any language to the contrary in the Borrower's bond ordinance, the Borrower acknowledges and agrees that the provisions of Section 9(e) of the Act supersede the provisions of the Local Bond Law with respect to the maturity of short-term or temporary loans and certain other matters, including but not limited to N.J.S.A. 40A:2-8.1. Accordingly, and solely if deemed necessary for the purposes of local law in connection with language in the Borrower's bond ordinance that does not reflect Section 9(e) of the Act, this Note shall be deemed to have an initial maturity of not greater than one year from the Issue Date and shall be deemed to automatically renew thereafter for additional one-year periods (or, if applicable, such shorter period of time as may be the case with respect to the final renewal period) until the Maturity Date as determined above pursuant to the other clauses of this definition of Maturity Date.

**"New Jersey Transportation Bank"** means the joint initiative of the I-Bank and the NJDOT to provide low-cost financing to qualified applicants with respect to the transportation projects that are identified in the Act.

**"NJDOT"** means the New Jersey Department of Transportation.

**"Other Available Funds of the I-Bank"** means funds of the I-Bank, other than proceeds of I-Bank Bonds,

which funds are available for the purpose of making Anticipated Long-Term Loans [pursuant to and as part of the Anticipated Financing Program].

**“Payment Date”** means, as applicable: (i) the Maturity Date or (ii) with respect to any optional prepayment or acceleration of the Loan pursuant to the terms of this Note, the date of such optional prepayment or acceleration; provided, however, that in all cases, a portion of the Principal and/or Interest shall be payable by the Borrower to the I-Bank prior to the Maturity Date as provided in Section 4 hereof.

**“Principal”** means the principal amount of the Loan, at any time being the lesser of (i) \_\_\_\_\_ Dollars (\$ \_\_\_\_\_), or (ii) the aggregate outstanding amount as shall actually be disbursed to the Borrower by the I-Bank, regardless of source, pursuant to one or more Loan Disbursement Requisitions, net of any repayments, which Principal shall be payable by the Borrower to the I-Bank (a) on the Maturity Date or (b) with respect to any optional prepayment or acceleration of the Loan pursuant to the terms of this Note, on the date of such optional prepayment or acceleration, as the case may be; provided, however, that in all cases, a portion of the Principal shall be payable by the Borrower to the I-Bank prior to the Maturity Date as provided in Section 4 hereof.

**“Project”** means the project of the Borrower for which the I-Bank is making the Loan to the Borrower, as such project is further described in Exhibit A hereto; provided, however, that the description of the Project, as set forth in Exhibit A attached hereto, may be supplemented by means of either (i) the substitution of a revised and updated Exhibit A for the current Exhibit A or (ii) the inclusion of an additional Exhibit A, in either case, promptly following the certification for funding pursuant to the Act and applicable Financial Plan of the remaining components of the Project, as applicable, such supplement to be undertaken by an Authorized Officer of the I-Bank.

**“Repayment Schedule”** means a Repayment Schedule as and if provided to the Borrower pursuant to Section 4(e) hereof.

**“Short-Term Loan Program”** means the short-term financing program of the I-Bank that is implemented pursuant to the New Jersey Transportation Bank for the purpose of making loans, such as this Loan, to qualifying applicants, such as the Borrower, for the purpose of undertaking transportation projects, such as the Project, that are identified in the Act.

**“State”** means the State of New Jersey.

**SECTION 2. Representations of the Borrower.** The Borrower hereby represents and warrants to the I-Bank as follows:

(a) Organization. The Borrower: (i) is a [municipal corporation] [county] duly created and validly existing under and pursuant to the Constitution and laws of the State; (ii) has full legal right and authority to execute, attest, issue and deliver this Note, to sell this Note to the I-Bank, and to perform its obligations hereunder; and (iii) has duly authorized, approved and consented to all necessary action to be taken by the Borrower for: (A) the issuance of this Note, the sale thereof to the I-Bank and the due performance of its obligations hereunder, and (B)

the execution, delivery and due performance of all certificates and other instruments that may be required to be executed, delivered and performed by the Borrower in order to carry out and give effect to this Note.

(b) Authority. This Note has been duly authorized by the Borrower and duly executed, attested and delivered to the I-Bank by Authorized Officers of the Borrower. This Note has been duly issued by the Borrower and duly sold by the Borrower to the I-Bank, and constitutes a legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms, except as the enforcement thereof may be affected by bankruptcy, insolvency or other similar laws or the application by a court of legal or equitable principles affecting creditors' rights.

(c) Pending Litigation. There are no proceedings pending or, to the knowledge of the Borrower, threatened against or affecting the Borrower that, if adversely determined, would adversely affect (i) the condition (financial or otherwise) of the Borrower, (ii) the ability of the Borrower to satisfy all of its Loan repayment obligations hereunder, (iii) the authorization, execution, attestation or delivery of this Note, (iv) the issuance of this Note and the sale thereof to the I-Bank, and (v) the Borrower's ability otherwise to observe and perform its duties, covenants, obligations and agreements under this Note, including, without limitation, the undertaking and completion of the Project.

(d) Compliance with Existing Laws and Agreements; Governmental Consent. (i) The due authorization, execution, attestation and delivery of this Note by the Borrower and the issuance and sale of this Note to the I-Bank, (ii) the observation and performance by the Borrower of its duties, covenants, obligations and agreements hereunder, including, without limitation, the repayment of the Loan and all other amounts due hereunder, and (iii) the undertaking and completion of the Project, will not (A) other than the lien, charge or encumbrance created by this Note and by any other outstanding debt obligations of the Borrower that are at parity with this Note as to lien on, and source and security for payment thereon from, the general tax revenues of the Borrower, result in the creation or imposition of any lien, charge or encumbrance upon any properties or assets of the Borrower pursuant to, (B) result in any breach of any of the terms, conditions or provisions of, or (C) constitute a default under, any existing ordinance or resolution, outstanding debt or lease obligation, trust agreement, indenture, mortgage, deed of trust, loan agreement or other instrument to which the Borrower is a party or by which the Borrower, its Project or any of its properties or assets may be bound, nor will such action result in any violation of the provisions of the charter, applicable law or other document pursuant to which the Borrower was established or any laws, ordinances, injunctions, judgments, decrees, rules, regulations or existing orders of any court or governmental or administrative agency, authority or person to which the Borrower, its Project or its properties or operations are subject. The Borrower has obtained all permits and approvals required to date by any governmental body or officer for the authorization, execution, attestation and delivery of this Note, for the issuance and sale of this Note to the I-Bank, for the making, observance and performance by the Borrower of its duties, covenants, obligations and agreements under this Note, including, without limitation, the undertaking and completion of the Project (provided that, with respect to the undertaking and completion of the Project, such permits and approvals are obtainable by the Borrower as of the date hereof).

(e) I-Bank Credit Policy. The Borrower is in full compliance with the applicable requirements of the Credit Policy as in effect on the date hereof.

(f) Reliance. The Borrower hereby acknowledges that the I-Bank is making the Loan to the Borrower pursuant to the terms hereof in reliance upon each of the representations of the Borrower set forth in this Section 2.

### **SECTION 3. Covenants of the Borrower.**

(a) Compliance with Existing Laws and Other Terms and Conditions of the Transportation Bank Short-Term Loan Program; Participation in the Anticipated Financing Program. The Borrower covenants and agrees that it shall comply, at all times during the term of this Loan, with (i) the Transportation Bank's terms and conditions

that are attached hereto as Exhibit B and Exhibit C and made a part hereof (the “Terms and Conditions”), including the Borrower’s obligation to meet the “Scheduled Award Date” set forth in Exhibit C (the “Scheduling Milestone”). [Further, the Borrower covenants and agrees that it shall undertake and complete in a timely manner (pursuant to and in satisfaction of a schedule determined and disseminated by the I-Bank) all conditions precedent identified by the I-Bank relating to (i) the participation by the Borrower in the Anticipated Financing Program, and (ii) the qualification by the Borrower for receipt of the Anticipated Long Term Loan.] [Further, the Borrower covenants and agrees that it shall undertake and complete in a timely manner (pursuant to and in satisfaction of a schedule determined and disseminated by the I-Bank) all conditions precedent identified by the I-Bank relating to (i) the participation by the Borrower in the Anticipated Financing Program, and (ii) the qualification by the Borrower for receipt of the Anticipated Long Term Loan, including, without limitation, (A) the issuance by the Borrower of a bond to the I-Bank in order to evidence and secure the repayment obligation of the Borrower with respect to the Anticipated Long Term Loan, which bond will be qualified pursuant to, and entitled to the benefits of the provisions of, the Municipal Qualified Bond Act, N.J.S.A. 40A:3-1 et seq. and (B) in connection with the issuance of such bond, compliance by the Borrower with the Qualified Bond Debt Service Coverage Ratio, as defined in and pursuant to the provisions of Section VI, 2(A)(i)(ii) of the Credit Policy (as defined herein) of the I-Bank.]

(b) Full Faith and Credit Pledge. To secure the repayment obligation of the Borrower with respect to this Note, and all other amounts due under this Note (including, without limitation, the payment of the Administrative Fee in the amount and at the time as required by the provisions of Section 4(b) hereof), the Borrower unconditionally and irrevocably pledges its full faith and credit and covenants to exercise its unlimited taxing powers for the punctual payment of any and all obligations and amounts due under this Note. The Borrower acknowledges that, to assure the continued operation and solvency of the I-Bank, the I-Bank may, pursuant to and in accordance with Section 12a of the Act, require that if the Borrower fails or is unable to pay promptly to the I-Bank in full any Loan repayments, any Interest or any other amounts due pursuant to this Note, an amount sufficient to satisfy such deficiency shall be paid by the State Treasurer to the I-Bank from State-aid otherwise payable to the Borrower.

(c) Disposition of the Project. The Borrower covenants and agrees that it shall not sell, lease, abandon or otherwise dispose of all or substantially all of its Project without the express written consent of the I-Bank, which consent may or may not be granted by the I-Bank in its sole discretion.

(d) Financing With Tax-Exempt Bonds. The Borrower acknowledges, covenants and agrees that it is the intention of the Borrower to finance the Project, in whole or in part, on a long-term basis with proceeds of I-Bank Bonds now or hereinafter issued, the interest on which is excluded from gross income for purposes of federal income taxation pursuant to Section 103(a) of the Code (“tax-exempt bonds”). In furtherance of such long-term financing with tax-exempt bonds, the Borrower covenants that, except to the extent expressly permitted in writing by the I-Bank, in its sole discretion, the Borrower will not take any action or permit any action to be taken which would result in any of the proceeds of the Loan being used (directly or indirectly) (i) in any “private business use” within the meaning of Section 141(b)(6) of the Code, (ii) to make or finance loans to persons other than the Borrower, or (iii) to acquire any “nongovernmental output property” within the meaning of Section 141(d)(2) of the Code. In addition, the Borrower covenants and agrees that no portion of the Project will be investment property, within the meaning of Section 148(b) of the Code. The Borrower covenants and agrees that any Costs of the Borrower’s Project to be paid or reimbursed with proceeds of the Loan will result in the expenditure of proceeds under Treasury Regulations §1.148-6(d) and Treasury Regulations §1.150-2.

(e) Operation and Maintenance of the Project. The Borrower covenants and agrees that it shall maintain its Project in good repair, working order and operating condition, and make all necessary and proper repairs and improvements with respect thereto.

(f) Records and Accounts; Inspections. The Borrower covenants and agrees that it shall keep accurate records and accounts for its Project, separate and distinct from its other records and accounts, which shall be audited

annually by an independent registered municipal accountant and shall be made available for inspection by the I-Bank upon prior written notice. The Borrower covenants and agrees that it shall permit the I-Bank (and any party designated thereby to act on its behalf or to assist it, including, without limitation, its professional advisors), at any and all reasonable times during construction of the Project and, thereafter, upon prior written notice, (i) to visit, inspect and examine the property constituting the Project and the site on which the Project is located, and (ii) to inspect (and make and retain copies of) any Borrower accounts, books, records, correspondence and files, including, without limitation, Borrower records regarding contracts, receipts, disbursements, investments and the overall financial standing of the Borrower, and any other matters related to the Borrower, the Project and the foregoing list of deliverables. In furtherance of the intent of this subsection, the Borrower covenants and agrees that it shall promptly prepare and provide such written reports and informational summaries as the I-Bank may reasonably require.

(g) Insurance. The Borrower covenants and agrees that it shall maintain insurance policies providing against risk of direct physical loss, damage or destruction of its Project, in an amount that will satisfy all applicable regulatory requirements. The Borrower covenants and agrees that it shall include, or cause to be included, the I-Bank as an additional “named insured” on any certificate of liability insurance procured by the Borrower and by any contractor or subcontractor for the Project.

(h) Other Funding. The Borrower covenants and agrees that it shall promptly notify the I-Bank if it expects to receive or does receive any funding from sources other than the I-Bank to be used for the Project, including without limitation funding in the form of other loans or in the form of grants (“Other Funding”), such notification to be made no later than three (3) days after the Borrower has determined that it will receive such Other Funding. The Borrower acknowledges that the receipt of Other Funding may result in a reduction in the Loan amount, such determination to be made by and within the discretion of the I-Bank.

(i) Exhibits. The Borrower covenants and agrees that it shall comply with the terms, procedures and requirements as set forth in each of the Exhibits attached hereto, which are made a part hereof.

(j) Reliance. The Borrower hereby acknowledges that the I-Bank is making the Loan to the Borrower pursuant to the terms hereof in reliance upon each of the covenants of the Borrower set forth in this Section 3.

#### **SECTION 4. Disbursement of the Loan Proceeds; Amounts Payable; Prepayment; and Late Fee.**

(a) The I-Bank shall effectuate the Loan to the Borrower by making one or more disbursements to the Borrower promptly after receipt by the I-Bank of a Loan Disbursement Requisition and the approval of such Loan Disbursement Requisition by an Authorized Officer of the I-Bank or a designee thereof, each such disbursement and the date thereof to be recorded and maintained by an Authorized Officer of the I-Bank or a designee thereof, in the records of the I-Bank with respect to the Loan; provided, however, that the approval by the I-Bank of any Loan Disbursement Requisition for disbursement pursuant to the terms hereof shall be subject to the terms, conditions and limitations as set forth in Section 4(d) of this Note. It is expected that the proceeds of the Loan will be disbursed to the Borrower in accordance with the schedule set forth in Exhibit C hereto, as Exhibit C shall be supplemented by an Authorized Officer of the I-Bank by means of either a substitute Exhibit C or an additional Exhibit C, such supplement to be implemented concurrently with the supplement to Exhibit A hereto (as provided in the definition of “Project” as set forth herein). The latest date upon which the Borrower may submit to the I-Bank a Loan Disbursement Requisition is the business day immediately preceding the date fixed by the I-Bank for the sale of its I-Bank bonds in connection with the Anticipated Financing Program, or such alternative date as shall be identified by the I-Bank for the Borrower in writing.

(b) Notwithstanding the provisions of Section 4(a) to the contrary, the Borrower hereby acknowledges and agrees, as follows: (i) to the extent that all or a portion of the Interest is funded by the Loan (as provided



pursuant to Exhibit B hereto, as Exhibit B may hereafter be amended or supplemented as provided by the provisions hereof), payment of such Interest shall be made to the I-Bank via one or more disbursements by the I-Bank hereunder, at the times and in the amounts, as and to the extent provided in one or more written notices provided to the Borrower pursuant to the terms hereof by an Authorized Officer of the I-Bank, or a designee thereof, and each such disbursement shall be recorded and maintained by an Authorized Officer of the I-Bank or a designee thereof, in the records of the I-Bank with respect to the Loan; and (ii) on the date of issuance of this Note, a disbursement shall be made by the I-Bank, and shall be recorded and maintained by an Authorized Officer of the I-Bank, or a designee thereof, in the records of the I-Bank with respect to the Loan in the amount set forth in Exhibit C hereto for the purpose of funding fifty percent (50%) of the Administrative Fee identified in Exhibit B hereto. Such disbursement shall be paid directly to the I-Bank by a draw on the proceeds of the Loan on behalf of the Borrower in satisfaction of the provisions hereof. The Borrower further acknowledges and agrees that the remaining unpaid balance of the Administrative Fee shall be due and payable on the Maturity Date or as otherwise established by the I-Bank pursuant to the terms of the Anticipated Financing Program.

(c) On the Maturity Date or, with respect to the payment of all or a portion of the Principal and/or Interest, on the applicable Payment Date(s) as and to the extent provided herein, the Borrower shall repay the Loan to the I-Bank in an amount equal to: (i) the Principal then due and owing pursuant to the provisions of this Note; (ii) the Interest then due and owing pursuant to the provisions of this Note; and (iii) any other amounts then due and owing pursuant to the provisions of this Note. The Borrower may prepay the Loan obligations hereunder, in whole or in part, upon receipt of the prior written consent of an Authorized Officer of the I-Bank. Each payment made to the I-Bank shall be applied to the payment of, first, the Interest then due and payable, second, the Principal then due and payable, third, any late charges, and, finally, any other amount then due and payable pursuant to the provisions of this Note. In the event that the repayment obligation set forth in this Note is received by the I-Bank later than the Maturity Date or the Payment Date, as the case may be, a late fee shall be payable to the I-Bank in an amount equal to the greater of twelve percent (12%) per annum or the prime rate as published in the Wall Street Journal on the Maturity Date or the Payment Date, as the case may be, plus one half of one percent per annum on such late payment from the Maturity Date or the Payment Date, as the case may be, to the date it is actually paid; provided, however, that any late payment charges incurred hereunder shall not exceed the maximum interest rate permitted by law.

(d) Notwithstanding the provisions of this Note to the contrary with respect to the funding, pursuant to Section 4(a) hereof, of any Loan Disbursement Requisition relating to all or any portion of the Project, the Borrower hereby acknowledges and agrees as follows: (i) the I-Bank shall not, and shall not be required to, commit funds, pursuant to the Short-Term Loan Program of the I-Bank, to any portion of the Project until such time as the particular portion of the Project in question has been certified for funding pursuant to the Act; (ii) no Loan Disbursement Requisition shall be approved by the I-Bank for disbursement pursuant to Section 4(a) hereof unless and until the portion of the Project to which such Loan Disbursement Requisition relates has been certified for funding pursuant to the Act; (iii) the I-Bank has no obligation pursuant to this Note to make all or any portion of any Loan Disbursement Requisition disbursement pursuant to the provisions of Section 4(a) hereof if the Borrower lacks the authority to pay interest on this Note in an amount equal to the Interest Rate; and (iv) the I-Bank has no obligation pursuant to this Note to make all or any portion of any Loan Disbursement Requisition disbursement pursuant to the provisions of Section 4(a) hereof if the Borrower has violated or otherwise failed to strictly comply with either (A) any one or more of the Terms and Conditions or (B) the Scheduling Milestone.

(e) Notwithstanding any provision of this Note to the contrary, commencing on the first November 1 that occurs two (2) months after the completion of the construction of the Project as evidenced by a Construction Completion Certificate, the Borrower shall be obligated to pay Principal and Interest calculated as of the date of the Construction Completion Certificate. The Principal and Interest amounts due each May 1 and November 1 shall be set forth in a written schedule (the "Repayment Schedule") as provided to the Borrower by an Authorized Officer of the I-Bank no more than thirty (30) days after the date of the Construction Completion Certificate. In addition, on the first Payment Date the Borrower shall pay Interest, as calculated pursuant to this Note, from the date of the

Construction Completion Certificate to the first Payment Date, and shall pay Interest on each subsequent Payment Date, as calculated pursuant to this Note, from the prior Payment Date to the subsequent Payment Date. Each payment date set forth in such Repayment Schedule shall be a "Payment Date" for purposes of this Note.

**SECTION 5. Unconditional Obligations.** The direct, general obligation of the Borrower to make the Loan repayments and all other payments required hereunder and the obligation to perform and observe the other duties, covenants, obligations and agreements on its part contained herein shall be absolute and unconditional, and shall not be abated, rebated, set-off, reduced, abrogated, terminated, waived, diminished, postponed or otherwise modified in any manner whatsoever while any Loan repayments, or any other payments due hereunder, remain unpaid, regardless of any contingency, act of God, event or cause whatsoever, including (without limitation) any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, the taking by eminent domain or destruction of or damage to the Project, commercial frustration of the purpose, any change in the laws of the United States of America or of the State or any political subdivision of either or in the rules or regulations of any governmental authority, any failure of the I-Bank to perform and observe any agreement or any duty, liability or obligation arising out of this Note, or any rights of set-off, recoupment, abatement or counterclaim that the Borrower might have against the I-Bank or any other party; provided, however, that payments hereunder shall not constitute a waiver of any such rights.

**SECTION 6. Events of Default.** The following events shall constitute an "Event of Default" hereunder: (i) failure by the Borrower to pay, when due, any and all of its Loan repayment obligations hereunder, and any other payment obligations due hereunder; (ii) failure by the Borrower to observe and perform any duty, covenant, obligation or agreement on its part to be observed or performed pursuant to the terms of this Note, including, without limitation, strict compliance with the Terms and Conditions and the Scheduling Milestone (as required by the provisions of Section 3(a) hereof); (iii) any representation made by the Borrower contained in this Note or in any instrument furnished in compliance with or with reference to this Note is false or misleading in any material respect; and (iv) a petition is filed by or against the Borrower under any federal or state bankruptcy or insolvency law or other similar law in effect on the date of this Note or thereafter enacted, unless in the case of any such petition filed against the Borrower such petition shall be dismissed within thirty (30) days after such filing and such dismissal shall be final and not subject to appeal, or the Borrower shall become insolvent or bankrupt or shall make an assignment for the benefit of its creditors, or a custodian of the Borrower or any of its property shall be appointed by court order or take possession of the Borrower or its property or assets if such order remains in effect or such possession continues for more than thirty (30) days.

**SECTION 7. Remedies upon Event of Default.** Whenever an Event of Default shall have occurred and be continuing pursuant to the terms hereof, the Borrower hereby acknowledges and agrees to the rights of the I-Bank to take any action permitted or required at law or in equity to collect the amounts then due and thereafter to become due hereunder or to enforce the observance and performance of any duty, covenant, obligation or agreement of the Borrower hereunder. If an Event of Default shall have occurred, the Borrower hereby acknowledges and agrees that the I-Bank shall have the right to (i) immediately cease disbursements of the proceeds of the Loan, and/or (ii) declare all Loan repayments and all other amounts due hereunder to be due and payable immediately without further notice or demand. The Borrower hereby acknowledges and agrees that no remedy herein is intended to be exclusive, and every remedy shall be cumulative and in addition to every other remedy given under this Note or now or hereafter existing at law or in equity. The Borrower hereby further acknowledges and agrees that no delay or omission by the I-Bank to exercise any remedy or right accruing upon any Event of Default shall impair any such remedy or right or shall be construed to be a waiver thereof, but any such remedy or right may be exercised as often as may be deemed expedient. The Borrower hereby further acknowledges and agrees that (a) pursuant to the I-Bank's Credit Policy, during such time as an Event of Default has occurred and is continuing hereunder, the Borrower shall be ineligible for additional financial assistance from the I-Bank (including, without limitation, long-term financing through the Anticipated Financing Program), in addition to certain other consequences as set forth in the Credit Policy, and (b) to the extent that an Event of Default has occurred hereunder due to the failure of the Borrower to strictly comply with the Scheduling Milestone (as required by the provisions of Section 3(a) hereof),

the Project shall be subject to a reduction in base ranking as and to the extent provided in the Financial Plan. The Borrower hereby agrees that upon demand it shall pay to the I-Bank the reasonable fees and expenses of attorneys and other reasonable expenses (including, without limitation, the reasonably allocated costs of in-house counsel and legal staff) incurred in the collection of Loan repayments or any sum due hereunder or in the enforcement of the observation or performance of any obligations or agreements of the Borrower upon an Event of Default. Any moneys collected by the I-Bank pursuant to this Section 7 shall be applied first to pay any attorneys' fees or other fees and expenses owed by the Borrower.

**SECTION 8. Certain Miscellaneous Provisions.** The Borrower hereby acknowledges and agrees as follows: (a) all notices hereunder shall be deemed given when hand delivered or when mailed by registered or certified mail, postage prepaid, to the Borrower at the following address: [Name and Address of Borrower, Attention: Name of Authorized Officer]; and to the I-Bank at the following address: New Jersey Infrastructure Bank, 3131 Princeton Pike, Building 4, Suite 216, Lawrenceville, New Jersey 08648-2201, Attention: Executive Director; (b) this Note shall be binding upon the Borrower and its successors and assigns; (c) in the event any provision of this Note is held illegal, invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate, render unenforceable or otherwise affect any other provision hereof; (d) the obligations of the Borrower pursuant to the terms of this Note may not be assigned by the Borrower for any reason, unless the I-Bank shall have approved said assignment in writing; (e) this Note may not be amended, supplemented or modified without the prior written consent of the I-Bank; (f) this Note shall be governed by and construed in accordance with the laws of the State; (g) the Borrower shall, at the request of the I-Bank, execute and deliver such further instruments as may be necessary or desirable for better assuring, conveying, granting, assigning and confirming the rights, security interests and agreements granted or intended to be granted by this Note; (h) whenever the Borrower is required to obtain the determination, approval or consent of the I-Bank pursuant to the terms hereof, such determination, approval or consent may be either granted or withheld by the I-Bank in its sole and absolute discretion; and (i) consistent with the provisions of N.J.S.A. 58:11B-13, neither the directors of the I-Bank nor any officer of the I-Bank taking any action with respect to this Loan shall be liable personally with respect to the Loan or any matters or transactions related thereto.

[The remainder of this page has been left blank intentionally.]

**IN WITNESS WHEREOF**, the Borrower has caused this Note to be duly executed, sealed and delivered on the date first above written.

**[NAME OF BORROWER]**

**[SEAL]**

**ATTEST:**

\_\_\_\_\_  
**Clerk**

**By:**\_\_\_\_\_  
**[Mayor][County Executive]**

**By:**\_\_\_\_\_  
**[Chief Financial Officer][County Treasurer]**

**EXHIBIT A**

**[Project Description]**

**[To be prepared by the I-Bank]**

**EXHIBIT B**

**[Project Costs]**

**[To be prepared by the I-Bank]**

**EXHIBIT C**

**[Project Schedule]**

**[To be prepared by the I-Bank]**

**EXHIBIT A**

**FORM OF OBLIGATION**



## RESOLUTION NO. 22 - 08

### RESOLUTION OF THE NEW JERSEY INFRASTRUCTURE BANK AUTHORIZING THE WATER BANK CONSTRUCTION FINANCING PROGRAM FOR STATE FISCAL YEAR 2023

**WHEREAS**, the New Jersey Infrastructure Bank (the “I-Bank”), pursuant to and 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 (the “State”) (codified at N.J.S.A. 58:11B-1 *et seq.*), as the same has been, and in the future may from time to time be, amended and supplemented (the “Act”), (ii) the regulations promulgated pursuant to the Act (N.J.A.C. 7:22-2.1 *et seq.*), as the same have been, and in the future may from time to time be, amended and supplemented (the “Regulations”), and (iii) the policies to be established by the terms and provisions of the Environmental Infrastructure Financing Program Financial Plan, to be submitted to the New Jersey State Legislature (“State Legislature”) by the I-Bank, pursuant to, and in satisfaction of, the requirements of the Act, N.J.S.A. 58:11B-21, -21.1, -22 and -22.1 (the “Financial Plan”), is authorized, pursuant to an Interim Environmental Financing Program (created pursuant to N.J.S.A. 58:11B-9(d) of the Act, for the I-Bank’s New Jersey Water Bank (the “Water Bank Construction Financing Program”), to make loans (each, a “Construction Loan”) to eligible project sponsors (each, a “Borrower”) for the purpose of financing the allowable costs of environmental infrastructure projects (each, a “Project”), provided that each such Construction Loan made by the I-Bank to any such Borrower satisfies the requirements of the Act, including, without limitation, N.J.S.A. 58:11B-9(d), the Regulations, including, without limitation, N.J.A.C. 7:22-4.47, and the applicable Financial Plan; and

**WHEREAS**, pursuant to the terms and provisions of N.J.A.C. 7:22-4.47, a proposed project sponsor is eligible to be a Borrower for a Construction Loan for purposes of financing the allowable costs of the Project of such Borrower pursuant to the Water Bank Construction Financing Program, provided each of the following conditions is satisfied in full: (i) the Project is listed on the New Jersey Department of Environmental Protection’s (“NJDEP”) project priority list that has been submitted to the State Legislature pursuant to N.J.S.A. 58:11B-20 or N.J.S.A. 58:11B-20.1 (the “Priority List”); (ii) the proposed Borrower has submitted a complete application for the Project in accordance with N.J.A.C. 7:22-4.11; (iii) the proposed Borrower has complied with the I-Bank’s Credit Policy, as then in effect pursuant to the adoption of an approving resolution of the Board of Directors of the I-Bank (the “Board” or the “Board of Directors”); (iv) the Project (or, at a minimum, an operable segment, as defined in the applicable Financial Plan, thereof) has been certified for funding by the I-Bank in accordance with N.J.A.C. 7:22-4.13; (v) the Project is in the fundable range in the forthcoming funding cycle given the Project’s rank and the anticipated availability of NJDEP and I-Bank funding; and (vi) the proposed Borrower has not previously received a Construction Loan through the Water Bank Construction Financing Program for the same project scope (exclusive of a Construction Loan made solely for the purpose of extending the term of a prior Construction Loan or for a “Supplemental Short Term Loan” pursuant to N.J.S.A. 58:11B-9(d)), which conditions shall be collectively referred to herein as the “Water Bank Construction Financing Program Conditions Precedent”; and

**WHEREAS**, it is the desire of the I-Bank, subject to the applicable terms and provisions of (i) the Act, (ii) the Regulations, (iii) the Financial Plan, and (iv) this Resolution, to authorize the implementation, for State Fiscal Year 2023 (“SFY2023”), of the Water Bank Construction Financing Program for the New Jersey Water Bank of the I-Bank (the “SFY2023 Water Bank Construction Financing Program”); and

**WHEREAS**, in order to provide a source of funding for the implementation of the SFY2023 Water Bank Construction Financing Program, it is anticipated that the State Legislature and the Governor of the

State will enact into law one or more appropriation acts (the “Appropriation”) that will appropriate to the I-Bank such sums to be deposited in the segregated fund created by the I-Bank, pursuant to the Act, for the purpose of funding the SFY2023 Water Bank Construction Financing Program; and

**WHEREAS**, in addition to the funds made available to the I-Bank pursuant to the Appropriation for purposes of funding the SFY2023 Water Bank Construction Financing Program, it is the desire of the I-Bank to provide, as additional sources of funding for the SFY2023 Water Bank Construction Financing Program, (i) net earnings with respect to New Jersey Water Bank funds that are held by the I-Bank and (ii) New Jersey Water Bank operating funds of the I-Bank that are not required for, or committed to, the operations by the I-Bank of the New Jersey Water Bank for State Fiscal Years 2023 and 2024 (collectively, the funds referenced in clauses (i) and (ii) hereof shall be referred to herein as the “Available I-Bank Revenues”), which Available I-Bank Revenues may be made available by the I-Bank, at the discretion of an Authorized Officer (as defined in Section 2 hereof), to any Borrowers participating in the SFY2023 Water Bank Construction Financing Program (a) up to a maximum of \$500,000 per Borrower, plus (b) that amount that may be required in order to finance payment to the NJDEP of the Loan Origination Fee (as defined in the Financial Plan) for each Project of such Borrower; and

**WHEREAS**, in addition to the funds made available to the I-Bank pursuant to the Appropriation and the Available I-Bank Revenues for purposes of funding the SFY2023 Water Bank Construction Financing Program, it is the desire of the I-Bank to provide, as an additional source of funding for the SFY2023 Water Bank Construction Financing Program, proceeds of its Environmental Infrastructure Extendable Commercial Paper Notes (the “ECP”), currently outstanding or hereafter issued by the I-Bank (the “ECP Proceeds”), which ECP Proceeds may be made available by the I-Bank, at the discretion of an Authorized Officer, to fund projects outstanding in the SFY2023 Water Bank Construction Financing Program as and to the extent permitted by the terms and provisions of the Indenture of Trust pursuant to which such ECP has been issued by the I-Bank; the Appropriation, the Available I-Bank Revenues and the ECP Proceeds shall be referred to collectively herein as the “Available Funds”); and

**WHEREAS**, it is the desire of the I-Bank that, if a Borrower is eligible to receive financing from the SFY2023 Water Bank Construction Financing Program for a Project that includes multiple operable segments, the Borrower may receive a single, combined Construction Loan for such Project, provided that (i) the Borrower has submitted to the I-Bank and the NJDEP a complete application with respect to the Project, including, without limitation, each operable segment of such Project, (ii) the I-Bank shall not disburse any Available Funds pursuant to such Construction Loan with respect to any operable segment of a given Project until such operable segment and the Project costs applicable thereto shall have been certified by the NJDEP, and (iii) the Borrower otherwise satisfies each of the other applicable requirements of the Act, the Regulations and the Financial Plan applicable thereto and the applicable terms of this Resolution; and

**WHEREAS**, it is the desire of the I-Bank to establish such additional terms and provisions for the SFY2023 Water Bank Construction Financing Program, including, without limitation, (i) the interest rate applicable to each Construction Loan made as part of the SFY2023 Water Bank Construction Financing Program, (ii) the maturity with respect to each Construction Loan made as part of the SFY2023 Water Bank Construction Financing Program, and (iii) all fees applicable to each Construction Loan made as part of the SFY2023 Water Bank Construction Financing Program and the Project financed thereby, all in a manner consistent with the applicable provisions of (a) the Act, (b) the Regulations and (c) the Financial Plan applicable thereto.

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

**Section 1. Recitals; Authorization, Establishment and Implementation of the SFY2023 Water Bank Construction Financing Program.** The recitals set forth above are incorporated by reference herein as if set forth at length. The Board hereby authorizes and directs the establishment and implementation by the Authorized Officers of the SFY2023 Water Bank Construction Financing Program, subject to compliance by the I-Bank with the applicable provisions of (i) the Act, (ii) the Regulations and (iii) the Financial Plan applicable thereto, and each of the following requirements of this Resolution:

- (a) Each Construction Loan made pursuant to the SFY2023 Water Bank Construction Financing Program shall be funded solely from the Available Funds applicable thereto and available therefor, as and to the extent provided in the recitals of this Resolution. The Authorized Officers are each hereby severally authorized and directed, after consultation with Legal Counsel (as defined in Section 2 hereof) and the Financial Advisor to the I-Bank, to determine those Available Funds that shall be the source of funding for any given Construction Loan made pursuant to the SFY2023 Water Bank Construction Financing Program.
- (b) Each Construction Loan made pursuant to the SFY2023 Water Bank Construction Financing Program, and each Project (including each operable segment thereof) funded thereby, shall comply fully with the applicable terms and provisions of the Act, the Regulations and the Financial Plan applicable thereto, as well as the terms and provisions of this Resolution.
- (c) No Construction Loan shall be made pursuant to the SFY2023 Water Bank Construction Financing Program unless and until the Water Bank Construction Financing Program Conditions Precedent applicable to a given Borrower and its Project have been satisfied, in full, in compliance with the applicable requirements of the Act, the Regulations and the Financial Plan applicable thereto, as well as the terms and provisions of this Resolution.
- (d) Each Construction Loan made pursuant to the SFY2023 Water Bank Construction Financing Program shall be made pursuant to the terms and provisions of the Loan Instruments, as defined in Section 2 hereof, which Loan Instruments shall include and address the requirements hereof, including, without limitation, those requirements as set forth in Sections 3, 4 and 5 hereof.

**Section 2. The Loan Instruments and the Terms and Provisions Thereof.** Any Construction Loan made by the I-Bank as part of the SFY2023 Water Bank Construction Financing Program pursuant to the terms and provisions of this Resolution shall be evidenced by (i) a note or other appropriate obligation of the Borrower to be issued by the Borrower to the I-Bank (the "Obligation") in order to evidence and secure such Borrower's Construction Loan repayment obligations and its other obligations related to its Construction Loan, and (ii) any other documentation, including, without limitation, a written receipt of the I-Bank acknowledging its acceptance of a particular Obligation, as shall be deemed necessary and appropriate by the Chairperson of the I-Bank, the Vice Chairperson of the I-Bank, the Secretary of the I-Bank and/or the Executive Director of the I-Bank, or any other person or persons designated by the Board by resolution to act on behalf of the I-Bank, but in each such case subject to the limitations of the by-laws of the I-Bank (each, an "Authorized Officer"), after consultation with Bond Counsel to the I-Bank, and, if

necessary, the Office of the Attorney General of the State (collectively, the “Legal Counsel”). The instruments identified in clauses (i) and (ii) hereof shall be referred to collectively herein as the “Loan Instruments”. Each Obligation shall be in substantially the applicable form attached hereto as Exhibit A, with such revisions and modifications thereto as shall be approved by an Authorized Officer after consultation with Legal Counsel, with such approval by the Authorized Officer of such revisions and modifications thereto being evidenced by the execution by such Authorized Officer of the written receipt with respect to such Obligation. The Loan Instruments shall include such terms and provisions relating to the SFY2023 Water Bank Construction Financing Program as shall be determined by an Authorized Officer, after consultation with Legal Counsel, as being necessary and appropriate in connection with (i) the satisfaction of the applicable requirements of the Act, the Regulations and the Financial Plan applicable thereto and (ii) the implementation of the terms and provisions of this Resolution, including, without limitation, each of the following terms and provisions:

- (a) Each Construction Loan shall be in the stated principal amount as shall be determined in accordance with Section 3 hereof;
- (b) Each Construction Loan shall bear interest at a rate that shall be determined in accordance with the Interest Rate Calculation (as defined in Section 4 hereof);
- (c) Each Construction Loan shall have a maturity date that shall be no later than the applicable date as shall be determined pursuant to Section 5 hereof;
- (d) Each Construction Loan shall be subject to the imposition of a fee (the “Administrative Fee”), in connection with the NJDEP loan origination fee applicable to a given Project and the engineering services provided by the NJDEP to such Project, in such amount as shall be set forth in and calculated pursuant to the Financial Plan applicable thereto; and
- (e) The Loan Instruments with respect to each Construction Loan shall include, as applicable, terms and provisions relating to the funding of a Project with multiple operable segments via a single Construction Loan and the proper disbursement of such Construction Loan proceeds for the funding of each operable segment of such Project.

**Section 3. Principal Amount.** The principal amount of each Construction Loan (and the stated principal amount of the Obligation issued by the Borrower in connection with such Construction Loan), made as part of the SFY2023 Water Bank Construction Financing Program, shall not exceed \$15,000,000, unless a higher amount thereof is authorized by official action of the Board at a future meeting thereof. For purposes of determining, at any time, the outstanding principal amount of a Construction Loan (and the outstanding principal amount of the Obligation issued by the Borrower in connection therewith), such outstanding principal amount shall equal the aggregate of all disbursements of proceeds thereof for Project costs that have been made by the I-Bank to the Borrower as of the date of such determination, inclusive of the Administrative Fee.

**Section 4. Interest Rate Calculation.** The rate of interest to be paid by a Borrower to the I-Bank with respect to the outstanding principal amount of a Construction Loan of such Borrower (and the outstanding principal amount of the Obligation issued by the Borrower in connection with such Construction Loan), made as part of the SFY2023 Water Bank Construction Financing Program (the “Interest Rate Calculation”), shall be calculated by an Authorized Officer at such times and in a manner

consistent with (i) the terms and provisions of the then-applicable Financial Plan, as prepared for the then-current State Fiscal Year, and (ii) the terms and provisions of the Obligation evidencing such Construction Loan, provided that the formula with respect to the Interest Rate Calculation shall be established by official action of the Board at a future meeting thereof. Such Interest Rate Calculation shall be performed pursuant to this Resolution and reflective of the market as of the respective dates upon which the Interest Rate Calculation is performed.

**Section 5. Maturity Date.** The maturity date with respect to any Construction Loan made as part of the SFY2023 Water Bank Construction Financing Program and the Obligation issued in connection therewith, including any disbursement made pursuant thereto, shall not exceed the maximum maturity that is permitted pursuant to the terms of N.J.S.A. 58:11B-9(d), as such Section may hereafter be amended and supplemented from time to time.

**Section 6. Delegation as to Approval of Borrowers.** The Authorized Officers are each hereby severally authorized and directed, after consultation with Legal Counsel, to approve, in his or her sole discretion, the participation of a Borrower in the SFY2023 Water Bank Construction Financing Program, provided that such Borrower qualifies for such participation pursuant to the applicable terms and provisions of the Act, the Regulations and the Financial Plan applicable thereto, and the terms and provisions of this Resolution, including, without limitation, satisfaction by such Borrower of the applicable Water Bank Construction Financing Program Conditions Precedent.

**Section 7. Delegation as to Project Certification.** Prior to the making of any Construction Loan with respect to any Project pursuant to the SFY2023 Water Bank Construction Financing Program, the Authorized Officers are each hereby severally authorized and directed to certify such Project for funding through the SFY2023 Water Bank Construction Financing Program in accordance with the provisions of N.J.A.C. 7:22-4.13; provided, however, that as a condition precedent to such certification by an Authorized Officer, (i) the proposed Project, or at least one operable segment thereof (as provided pursuant to the terms and provisions of Section 8 hereof), previously has been certified for funding by the Commissioner of the NJDEP, and (ii) such proposed Project (including each of the operable segments thereof) shall otherwise qualify for funding through the SFY2023 Water Bank Construction Financing Program pursuant to the applicable terms and provisions of the Act, the Regulations and the Financial Plan applicable thereto, and the terms and provisions of this Resolution.

**Section 8. Operable Segments of a Project.** In the event that a portion, but not all, of a Project that is to be the subject of a Construction Loan pursuant to the SFY2023 Water Bank Construction Financing Program has been certified for funding by the Commissioner of the NJDEP, the Authorized Officers are each hereby severally authorized and directed to extend a Construction Loan to such Borrower for such Project in a stated principal amount that may equal, but shall not exceed, the total estimated allowable costs of such Project (subject to the further limitations set forth in the applicable provisions of the Act, the Regulations and the Financial Plan applicable thereto, and this Resolution); provided, however, that the Loan Instruments relating to such Construction Loan shall provide that the I-Bank shall not disburse to the Borrower any proceeds of such Construction Loan with respect to those costs of the Project that have not been certified by the Commissioner of the NJDEP, and such prohibition upon the disbursement by the I-Bank to the Borrower of such proceeds of the Construction Loan shall continue to apply until such date as such costs have been certified by the Commissioner of the NJDEP.

**Section 9. Delegation as to Execution of Documents.** Each Authorized Officer is hereby severally authorized and directed to execute (i) any Loan Instrument to which the I-Bank is a party (the “I-Bank Loan Instruments”) and (ii) any certificates, instruments or documents contemplated therein or otherwise related to the participation of any Borrower in the SFY2023 Water Bank Construction Financing Program. Upon execution of the I-Bank Loan Instruments by an Authorized Officer, the Secretary and the Assistant Secretary of the I-Bank or their designee are each hereby severally authorized and directed, where required, to attest to the signature of such Authorized Officer, thereon and on any certificates, instruments or documents contemplated therein or related thereto.

**Section 10. Report to the Board.** At the next meeting of the Board following the month in which a Construction Loan closing occurred pursuant to the SFY2023 Water Bank Construction Financing Program, the Executive Director of the I-Bank, or a designee thereof, shall provide a report to the Board concerning the details of such transaction.

**Section 11. Delegation as to Certain Actions Relating to the Procurement of a Future Credit Instrument.** Each Authorized Officer is hereby severally authorized and directed to take such actions that such Authorized Officer, in his or her respective sole discretion, after consultation with Legal Counsel, the Office of the Attorney General of the State, and the Financial Advisor to the I-Bank (collectively, the “Professional Advisors”), deems necessary, convenient or desirable in order to undertake and complete the following with respect to the anticipated procurement by the I-Bank of a Future Credit Instrument:

- (a) Engage in discussions with one or more financial institutions, for the purpose of exploring potential structural, collateral and credit features relating to a Future Credit Instrument in favor of the I-Bank for the purpose of funding all or a portion of one or more of the Current and Future Water Bank Construction Financing Programs, and include in such discussions, at the discretion of such Authorized Officer, one or more of the Professional Advisors; and/or
- (b) Prepare and distribute, in consultation with the Professional Advisors, one or more Requests for Qualifications or Requests for Proposals (each, the “Future Credit Instrument RFP”) to financial institutions, for the establishment of a Future Credit Instrument in favor of the I-Bank for the purpose of funding all or a portion of one or more of the Current and Future Water Bank Construction Financing Programs, in such amount as shall be determined by such Authorized Officer to be necessary and appropriate for such purpose. Each such Future Credit Instrument RFP shall be prepared and distributed pursuant to and in compliance with I-Bank Policy and Procedure No. 4.00, entitled “Procurement of Goods and Services”.

Notwithstanding the foregoing terms and provisions of this Section 11, the award of any contract to any financial institution that has submitted to the I-Bank a response to a Future Credit Instrument RFP shall be made only upon authorization by official action of the Board at a future meeting thereof, where the specific structural, collateral and credit features of the Future Credit Instrument shall be presented to the Board.

**Section 12. Further Action.** Any Authorized Officer is hereby authorized and directed to take such other actions that such Authorized Officer, in his or her respective sole discretion, after consultation with Legal Counsel, deems necessary, convenient or desirable to affect the transactions contemplated hereby.

**Section 13. Effective Date.** This Resolution shall become effective in accordance with the terms of Section 4(i) of the Act (N.J.S.A. 58:11B).

Adopted Date: February 10, 2022

Motion Made By: Mr. Mark Longo

Motion Seconded By: Mr. James McManus

Ayes: 8

Nays: 0

Abstentions: 0

**EXHIBIT A**

**FORMS OF OBLIGATION**



**[NAME OF MUNICIPALITY]**  
**NOTE**  
**RELATING TO:**  
**THE WATER BANK CONSTRUCTION FINANCING PROGRAM**  
**OF THE NEW JERSEY INFRASTRUCTURE BANK**

\$ \_\_\_\_\_, 202[2][3]

NJWB - CFP – 2[2][3] -\_\_

**FOR VALUE RECEIVED**, \_\_\_\_\_, a municipal corporation duly created and validly existing pursuant to the laws of the State (as hereinafter defined), and its successors and assigns (the “Borrower”), hereby promises to pay to the order of the **NEW JERSEY INFRASTRUCTURE BANK**, a public body corporate and politic with corporate succession, duly created and validly existing under and by virtue of the Act (as hereinafter defined) (the “I-Bank”), the Principal (as hereinafter defined), together with all unpaid accrued Interest (as hereinafter defined), fees, late charges and other sums due hereunder, if any, in lawful money of the United States of America, on the Maturity Date (as hereinafter defined) or the date of any optional prepayment or acceleration in accordance with the provisions of this note (this “Note”); provided, however, that portions of the Interest may be due and payable earlier, at the time(s) and in the amount(s), as and to the extent provided in accordance with Section 4 hereof.

**SECTION 1. Definitions.** As used in this Note, unless the context requires otherwise, the following terms shall have the following meanings:

“**Act**” means the “New Jersey Infrastructure Trust Act”, constituting Chapter 334 of the Pamphlet Laws of 1985 of the State (codified at N.J.S.A. 58:11B-1 *et seq.*), as the same has been, and in the future may from time to time be, amended and supplemented.

“**Administrative Fee**” means the “NJDEP Fee” as defined and calculated in Exhibit B hereto, which is an administrative fee that is payable by the Borrower to the NJDEP (at the time and in the amount as is established by the provisions of Section 4(b) hereof) as a portion of the Cost of the Project that has been incurred by the Borrower for engineering and environmental services provided to the Borrower by the NJDEP.

“**Anticipated Financing Program**” means the New Jersey Water Bank financing program of the I-Bank, pursuant to which the I-Bank will issue its I-Bank Bonds for the purpose of financing, on a long-term basis, the Project as well as other projects of certain qualifying borrowers.

“**Anticipated Long-Term Loan**” means the long-term loan made by the I-Bank to the Borrower from the proceeds of its I-Bank Bonds, as part of the Anticipated Financing Program.

“**Authorized Officer**” means any person authorized by the Borrower or the I-Bank, as the case may be, to perform any act or execute any document relating to the Loan or this Note.

“**Code**” means the Internal Revenue Code of 1986, as the same may from time to time be amended and supplemented, including any regulations promulgated thereunder, any successor code thereto and any administrative or judicial interpretations thereof.

**“Cost” or “Costs”** means those costs that are allocable to the Project, as shall be determined on a project-specific basis in accordance with the Regulations, as further set forth in Exhibit B hereto, (i) as such Exhibit B shall be supplemented by an Authorized Officer of the I-Bank by means of either a substitute Exhibit B or an additional Exhibit B, such supplement to be implemented concurrently with the supplement to Exhibit A-1 hereto (as provided in the definition of “Project” as set forth herein), and (ii) as the then-current Exhibit B may be amended by subsequent changes to eligible costs as evidenced by a certificate of an Authorized Officer of the I-Bank.

**“Credit Policy”** means the “New Jersey Infrastructure Bank Credit Policy,” as adopted by the Board of Directors of the I-Bank and as further amended and supplemented from time to time.

**“Environmental Infrastructure Facilities”** means Wastewater Treatment Facilities, Stormwater Management Facilities or Water Supply Facilities (as such terms are defined in the Regulations).

**“Environmental Infrastructure System”** means the Environmental Infrastructure Facilities of the Borrower, including the Project, for which the Borrower is receiving the Loan.

**“Event of Default”** means any occurrence or event specified in Section 6 hereof.

**“Financial Plan”** means the then-applicable Financial Plan, as prepared for the then-current State Fiscal Year and as submitted to the State Legislature by the I-Bank and the NJDEP, all pursuant to, and in satisfaction of the requirements of, sections 21, 21.1, 22 and 22.1 of the Act.

**“I-Bank Bonds”** means the revenue bonds of the I-Bank to be issued pursuant to, and as part of, the Anticipated Financing Program.

**“Interest”** means the interest that shall accrue on a daily basis with respect to Principal to be calculated each day by applying the Interest Rate established for a State Fiscal Year divided by 360 to the Principal amount on that day.

**“Interest Rate”** means the rate of interest as shall be established by an Authorized Officer of the I-Bank in a manner consistent with the terms and provisions of the Financial Plan for each State Fiscal Year.

**“Issue Date”** means the date of issuance of this Note.

**“Loan”** means the loan of the Principal, made by the I-Bank to the Borrower to finance or refinance a portion of the Cost of the Project, as evidenced and secured by this Note.

**“Loan Disbursement Requisition”** means the requisition, to be executed by an Authorized Officer of the Borrower and approved by the NJDEP, in a form to be determined by the I-Bank and the NJDEP.

**“Maturity Date”** means the Maturity Date as determined pursuant to clause (i), (ii) or (iii) of this definition, subject to being redetermined pursuant to clause (iv) or (v) of this definition, but subject, in all events, to the rights and remedies of the I-Bank pursuant to the provisions of Section 6 hereof and the provisions of Section 7 hereof in furtherance of the enforcement by the I-Bank of all covenants and obligations of the Borrower hereunder, including, without limitation and in particular, the covenants and obligations of the Borrower set forth in Section 3 hereof.

(i) If the construction contract relating to the Project has not been certified for funding pursuant to the Act by the date that is the second anniversary of the Issue Date, then the Maturity Date shall be the second anniversary of the Issue Date. If this clause (i) is applicable, then the Maturity Date shall be \_\_\_\_\_, being the second anniversary of the Issue Date.

(ii) If the construction contract relating to the Project has been certified for funding pursuant to the Act prior to the Issue Date, then the Maturity Date shall be June 30 of the third State Fiscal Year following the State Fiscal Year in which the Issue Date occurs, which is June 30, 2026. In the event that there is more than one construction contract relating to the Project, the determination under this clause (ii) shall be based on the first construction contract that has been certified for funding pursuant to the Act.

(iii) If the construction contract relating to the Project has been certified for funding pursuant to the Act after the Issue Date and on or before the date that is the second anniversary of the Issue Date, then the Maturity Date shall be June 30 of the third State Fiscal Year following the State Fiscal Year in which the construction contract relating to the Project has been certified for funding pursuant to the Act. In the event that there is more than one construction contract relating to the Project, the determination under this clause (iii) shall be based on the first construction contract that has been certified for funding pursuant to the Act. Thus:

- (A) If this clause (iii) is applicable, and if the first construction contract relating to the Project has been certified for funding in the same State Fiscal Year as the State Fiscal Year during which the Issue Date occurs, then the Maturity Date shall be June 30, 2026, being June 30 of the third State Fiscal Year following the State Fiscal Year during which the Issue Date occurs.
- (B) If this clause (iii) is applicable, and if the first construction contract relating to the Project has been certified for funding in the first State Fiscal Year following the State Fiscal Year during which the Issue Date occurs, then the Maturity Date shall be June 30, 2027, being June 30 of the third State Fiscal Year following the State Fiscal Year in which the construction contract has been certified for funding.
- (C) If this clause (iii) is applicable, and if the first construction contract relating to the Project has been certified for funding in the second State Fiscal Year following the State Fiscal Year during which the Issue Date occurs (but on or before the second anniversary of the Issue Date), then the Maturity Date shall be June 30, 2028, being June 30 of the third State Fiscal Year following the State Fiscal Year in which the construction contract has been certified for funding.

(iv) Notwithstanding any of the forgoing, the Maturity Date shall be such earlier date as shall be determined by an Authorized Officer of the I-Bank in his or her sole discretion, which date shall be determined by such Authorized Officer of the I-Bank to be the date of the closing for the Anticipated Financing Program;

(v) Notwithstanding any of the forgoing, the Maturity Date shall be such later date (subject to the then-applicable limits of the Act) to be determined by an Authorized Officer of the I-Bank in his or her sole discretion, pursuant to a written certification thereof, as acknowledged and agreed by an Authorized Officer of the Borrower.

**“New Jersey Water Bank”** means the joint initiative of the I-Bank and the NJDEP to provide low-cost financing to qualified applicants with respect to water quality projects that are identified in the Act.

**“NJDEP”** means the New Jersey Department of Environmental Protection.

**“Payment Date”** means, as applicable: (i) the Maturity Date or (ii) with respect to any optional prepayment or acceleration of the Loan pursuant to the terms of this Note, the date of such optional prepayment or acceleration; provided, however, that in all cases, a portion of the Interest shall be payable by the Borrower to the I-Bank prior to the Maturity Date as provided in Section 4 hereof.

**“Principal”** means the principal amount of the Loan, at any time being the lesser of (i) \_\_\_\_\_ Dollars (\$ \_\_\_\_\_), or (ii) the aggregate outstanding amount as shall actually be disbursed to the Borrower by the I-Bank pursuant to one or more Loan Disbursement Requisitions, which Principal shall be payable by the Borrower to the I-Bank (i) on the Maturity Date or (ii) with respect to any optional prepayment or acceleration of the Loan pursuant to the terms of this Note, on the date of such optional prepayment or acceleration, as the case may be.

**“Project”** means the Environmental Infrastructure Facilities of the Borrower which constitute a project for which the I-Bank is making the Loan to the Borrower, as further described in Exhibit A-1 hereto; provided, however, that the description of the Project, as set forth in Exhibit A-1 attached hereto, may be supplemented by means of either (i) the substitution of a revised and updated Exhibit A-1 for the current Exhibit A-1 or (ii) the inclusion of an additional Exhibit A-1, in either case, promptly following the certification for funding by the NJDEP of the remaining components of the Project, as applicable, such supplement to be undertaken by an Authorized Officer of the I-Bank.

**“Regulations”** means the rules and regulations, as applicable, now or hereafter promulgated pursuant to N.J.A.C. 7:22-3 *et seq.*, 7:22-4 *et seq.*, 7:22-5 *et seq.*, 7:22-6 *et seq.*, 7:22-7 *et seq.*, 7:22-8 *et seq.*, 7:22-9 *et seq.* and 7:22-10 *et seq.*, as the same may from time to time be amended and supplemented.

**“State”** means the State of New Jersey.

**SECTION 2. Representations of the Borrower.** The Borrower hereby represents and warrants to the I-Bank, as follows:

(a) **Organization.** The Borrower: (i) is a municipal corporation duly created and validly existing under and pursuant to the Constitution and laws of the State; (ii) has full legal right and authority to execute, attest, issue and deliver this Note, to sell this Note to the I-Bank, and to perform its obligations hereunder; and (iii) has duly authorized, approved and consented to all necessary action to be taken by the Borrower for: (A) the issuance of this Note, the sale thereof to the I-Bank and the due performance of its obligations hereunder and (B) the execution, delivery and due performance of all certificates and other instruments that may be required to be executed, delivered and performed by the Borrower in order to carry out and give effect to this Note.

(b) **Authority.** This Note has been duly authorized by the Borrower and duly executed, attested and delivered to the I-Bank by Authorized Officers of the Borrower. This Note has been duly issued by the Borrower and duly sold by the Borrower to the I-Bank and constitutes a legal, valid and binding obligation of the Borrower, enforceable against the Borrower in accordance with its terms, except as the enforcement thereof may be affected by bankruptcy, insolvency or other similar laws or the application by a court of legal or equitable principles affecting creditors’ rights.

(c) **Pending Litigation.** There are no proceedings pending or, to the knowledge of the Borrower, threatened against or affecting the Borrower that, if adversely determined, would adversely affect (i) the condition (financial or otherwise) of the Borrower, (ii) the ability of the Borrower to satisfy all of its Loan repayment obligations hereunder, (iii) the authorization, execution, attestation or delivery of this Note, (iv) the issuance of

this Note and the sale thereof to the I-Bank, and (v) the Borrower's ability otherwise to observe and perform its duties, covenants, obligations and agreements under this Note, including, without limitation, the undertaking and completion of the Project.

(d) Compliance with Existing Laws and Agreements; Governmental Consent. (i) The due authorization, execution, attestation and delivery of this Note by the Borrower and the issuance and sale of this Note to the I-Bank, (ii) the observation and performance by the Borrower of its duties, covenants, obligations and agreements hereunder, including, without limitation, the repayment of the Loan and all other amounts due hereunder, and (iii) the undertaking and completion of the Project, will not (A) other than the lien, charge or encumbrance created by this Note and by any other outstanding debt obligations of the Borrower that are at parity with this Note as to lien on, and source and security for payment thereon from, the general tax revenues of the Borrower, result in the creation or imposition of any lien, charge or encumbrance upon any properties or assets of the Borrower pursuant to, (B) result in any breach of any of the terms, conditions or provisions of, or (C) constitute a default under, any existing ordinance or resolution, outstanding debt or lease obligation, trust agreement, indenture, mortgage, deed of trust, loan agreement or other instrument to which the Borrower is a party or by which the Borrower, its Environmental Infrastructure System or any of its properties or assets may be bound, nor will such action result in any violation of the provisions of the charter, applicable law or other document pursuant to which the Borrower was established or any laws, ordinances, injunctions, judgments, decrees, rules, regulations or existing orders of any court or governmental or administrative agency, authority or person to which the Borrower, its Environmental Infrastructure System or its properties or operations are subject. The Borrower has obtained all permits and approvals required to date by any governmental body or officer for the authorization, execution, attestation and delivery of this Note, for the issuance and sale of this Note to the I-Bank, for the making, observance and performance by the Borrower of its duties, covenants, obligations and agreements under this Note, including, without limitation, the undertaking and completion of the Project (provided that, with respect to the undertaking and completion of the Project, such permits and approvals are obtainable by the Borrower as of the date hereof).

(e) I-Bank Credit Policy. The Borrower is in full compliance with the applicable requirements of the Credit Policy as in effect on the date hereof.

(f) Reliance. The Borrower hereby acknowledges that the I-Bank is making the Loan to the Borrower pursuant to the terms hereof in reliance upon each of the representations of the Borrower set forth in this Section 2.

### **SECTION 3. Covenants of the Borrower.**

(a) Participation in the Anticipated Financing Program. The Borrower covenants and agrees that it shall undertake and complete in a timely manner all conditions precedent identified by the I-Bank relating to (i) the participation by the Borrower in the Anticipated Financing Program and (ii) the qualification by the Borrower for receipt of the Anticipated Long Term Loan.

(b) Full Faith and Credit Pledge. To secure the repayment obligation of the Borrower with respect to this Note, and all other amounts due under this Note (including, without limitation, the payment of the Administrative Fee in the amount and at the time as required by the provisions of Section 4(b) hereof), the Borrower unconditionally and irrevocably pledges its full faith and credit and covenants to exercise its unlimited taxing powers for the punctual payment of any and all obligations and amounts due under this Note. The Borrower acknowledges that, to assure the continued operation and solvency of the I-Bank, the I-Bank may, pursuant to and in accordance with Section 12a of the Act, require that if the Borrower fails or is unable to pay promptly to

the I-Bank in full any Loan repayments, any Interest or any other amounts due pursuant to this Note, an amount sufficient to satisfy such deficiency shall be paid by the State Treasurer to the I-Bank from State-aid otherwise payable to the Borrower.

(c) Disposition of Environmental Infrastructure System. The Borrower covenants and agrees that it shall not sell, lease, abandon or otherwise dispose of all or substantially all of its Environmental Infrastructure System without the express written consent of the I-Bank, which consent may or may not be granted by the I-Bank in its sole discretion.

(d) Financing With Tax-Exempt Bonds. The Borrower acknowledges, covenants and agrees that it is the intention of the Borrower to finance the Project, in whole or in part, on a long-term basis with proceeds of I-Bank Bonds now or hereinafter issued, the interest on which is excluded from gross income for purposes of federal income taxation pursuant to Section 103(a) of the Code ("tax-exempt bonds"). In furtherance of such long-term financing with tax-exempt bonds, the Borrower covenants that, except to the extent expressly permitted in writing by the I-Bank, in its sole discretion, the Borrower will not take any action or permit any action to be taken which would result in any of the proceeds of the Loan being used (directly or indirectly) (i) in any "private business use" within the meaning of Section 141(b)(6) of the Code, (ii) to make or finance loans to persons other than the Borrower, or (iii) to acquire any "nongovernmental output property" within the meaning of Section 141(d)(2) of the Code. In addition, the Borrower covenants and agrees that no portion of the Project will be investment property, within the meaning of Section 148(b) of the Code. The Borrower covenants and agrees that any Costs of the Borrower's Project to be paid or reimbursed with proceeds of the Loan will result in the expenditure of proceeds under Treasury Regulations §1.148-6(d) and Treasury Regulations §1.150-2.

(e) Operation and Maintenance of Environmental Infrastructure System. The Borrower covenants and agrees that it shall maintain its Environmental Infrastructure System in good repair, working order and operating condition, and make all necessary and proper repairs and improvements with respect thereto.

(f) Records and Accounts; Inspections. The Borrower covenants and agrees that it shall keep accurate records and accounts for its Environmental Infrastructure System, separate and distinct from its other records and accounts, which shall be audited annually by an independent registered municipal accountant and shall be made available for inspection by the I-Bank upon prior written notice. The Borrower covenants and agrees that it shall permit the I-Bank (and any party designated thereby to act on its behalf or to assist it, including, without limitation, its professional advisors), at any and all reasonable times during construction of the Project and, thereafter, upon prior written notice, (i) to visit, inspect and examine the property constituting the Project and the site on which the Project is located, and (ii) to inspect (and make and retain copies of) any Borrower accounts, books, records, correspondence and files, including, without limitation, Borrower records regarding contracts, receipts, disbursements, investments and the overall financial standing of the Borrower, and any other matters related to the Borrower, the Project and the forgoing list of deliverables. In furtherance of the intent of this subsection, the Borrower covenants and agrees that it shall promptly prepare and provide such written reports and informational summaries as the I-Bank may reasonably require.

(g) Insurance. The Borrower covenants and agrees that it shall maintain insurance policies providing against risk of direct physical loss, damage or destruction of its Environmental Infrastructure System, in an amount that will satisfy all applicable regulatory requirements. The Borrower covenants and agrees that it shall include, or cause to be included, the I-Bank as an additional "named insured" on any certificate of liability insurance procured by the Borrower and by any contractor or subcontractor for the Project.

(h) Reliance. The Borrower hereby acknowledges that the I-Bank is making the Loan to the Borrower pursuant to the terms hereof in reliance upon each of the covenants of the Borrower set forth in this Section 3.

#### **SECTION 4. Disbursement of the Loan Proceeds; Amounts Payable; Prepayment; and Late Fee.**

(a) The I-Bank shall effectuate the Loan to the Borrower by making one or more disbursements to the Borrower promptly after receipt by the I-Bank of a Loan Disbursement Requisition and the approval of such Loan Disbursement Requisition by an Authorized Officer of the I-Bank, or a designee thereof, each such disbursement and the date thereof to be recorded and maintained by an Authorized Officer of the I-Bank, or a designee thereof, in the records of the I-Bank with respect to the Loan; provided, however, that the approval by the I-Bank of any Loan Disbursement Requisition for disbursement pursuant to the terms hereof shall be subject to the terms, conditions and limitations as set forth in Section 4(d) of this Note. It is expected that the proceeds of the Loan will be disbursed to the Borrower in accordance with the schedule set forth in Exhibit C hereto, as Exhibit C shall be supplemented by an Authorized Officer of the I-Bank by means of either a substitute Exhibit C or an additional Exhibit C, such supplement to be implemented concurrently with the supplement to Exhibit A-1 hereto (as provided in the definition of “Project” as set forth herein). The latest date upon which the Borrower may submit to the I-Bank a Loan Disbursement Requisition is the business day immediately preceding the date fixed by the I-Bank for the sale of its I-Bank Bonds in connection with the Anticipated Financing Program, or such alternative date as shall be identified by the I-Bank for the Borrower in writing.

(b) Notwithstanding the provisions of Section 4(a) to the contrary, the Borrower hereby acknowledges and agrees, as follows: (i) to the extent that all or a portion of the Interest is funded by the Loan (as provided pursuant to Exhibit B hereto, as Exhibit B may hereafter be amended or supplemented as provided by the provisions hereof), payment of such Interest shall be made to the I-Bank via one or more disbursements by the I-Bank hereunder, at the times and in the amounts, as and to the extent provided in one or more written notices provided to the Borrower pursuant to the terms hereof by an Authorized Officer of the I-Bank, or a designee thereof, and each such disbursement shall be recorded by an Authorized Officer of the I-Bank or a designee thereof, and maintained in the records of the I-Bank with respect to the Loan; and (ii) on the date of issuance of this Note, a disbursement shall be made and shall be recorded and maintained by an Authorized Officer of the I-Bank, or a designee thereof, in the records of the I-Bank with respect to the Loan for the purpose of funding fifty percent (50%) of the Administrative Fee identified in Exhibit B hereto, with such disbursement (and any subsequent and supplemental disbursements made pursuant to Exhibit B hereto, as Exhibit B may hereafter be amended or supplemented as provided by the provisions hereof) being made by the I-Bank on behalf of the Borrower directly to the NJDEP. The Borrower further acknowledges and agrees that the remaining unpaid balance of the Administrative Fee shall be due and payable on the Maturity Date or as otherwise established by the I-Bank pursuant to the terms of the Anticipated Financing Program.

(c) On the Maturity Date or, with respect to the payment of all or a portion of the Interest, on the applicable Payment Date(s) as and to the extent provided herein, the Borrower shall repay the Loan to the I-Bank in an amount equal to: (i) the Principal; (ii) the Interest then due and owing pursuant to the provisions of this Note; and (iii) any other amounts then due and owing pursuant to the provisions of this Note. The Borrower may prepay the Loan obligations hereunder, in whole or in part, upon receipt of the prior written consent of an Authorized Officer of the I-Bank. Each payment made to the I-Bank shall be applied to the payment of, first, the Interest then due and payable, second, the Principal, third, any late charges, and, finally, any other amount then due and payable pursuant to the provisions of this Note. In the event that the repayment obligation set forth in this Note is received by the I-Bank later than the Maturity Date or the Payment Date, as the case may be, a late fee shall be payable to the I-Bank in an amount equal to the greater of twelve percent (12%) per annum or the prime rate as published in the Wall Street Journal on the Maturity Date or the Payment Date, as the case may be,

plus one half of one percent per annum on such late payment from the Maturity Date or the Payment Date, as the case may be, to the date it is actually paid; provided, however, that any late payment charges incurred hereunder shall not exceed the maximum interest rate permitted by law.

(d) Notwithstanding the provisions of this Note to the contrary with respect to the funding, pursuant to Section 4(a) hereof, of any Loan Disbursement Requisition relating to all or any portion of the Project, the Borrower hereby acknowledges and agrees, as follows: (i) the I-Bank shall not, and shall not be required to, commit funds, pursuant to the Water Bank Construction Financing Program of the I-Bank, to any portion of the Project until such time as the particular portion of the Project in question has been certified for funding by the NJDEP; (ii) no Loan Disbursement Requisition shall be approved by the I-Bank for disbursement pursuant to Section 4(a) hereof unless and until the portion of the Project to which such Loan Disbursement Requisition relates has been certified for funding by the NJDEP; and (iii) the I-Bank has no obligation pursuant to this Note to make all or any portion of any Loan Disbursement Requisition disbursement pursuant to the provisions of Section 4(a) hereof if the Borrower lacks the authority to pay interest on this Note in an amount equal to the Interest Rate.

**SECTION 5. Unconditional Obligations.** The direct, general obligation of the Borrower to make the Loan repayments and all other payments required hereunder and the obligation to perform and observe the other duties, covenants, obligations and agreements on its part contained herein shall be absolute and unconditional, and shall not be abated, rebated, set-off, reduced, abrogated, terminated, waived, diminished, postponed or otherwise modified in any manner whatsoever while any Loan repayments, or any other payments due hereunder, remain unpaid, regardless of any contingency, act of God, event or cause whatsoever, including (without limitation) any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, the taking by eminent domain or destruction of or damage to the Project or Environmental Infrastructure System, commercial frustration of the purpose, any change in the laws of the United States of America or of the State or any political subdivision of either or in the rules or regulations of any governmental authority, any failure of the I-Bank to perform and observe any agreement or any duty, liability or obligation arising out of this Note, or any rights of set-off, recoupment, abatement or counterclaim that the Borrower might have against the I-Bank or any other party; provided, however, that payments hereunder shall not constitute a waiver of any such rights.

**SECTION 6. Events of Default.** The following events shall constitute an “Event of Default” hereunder: (i) failure by the Borrower to pay, when due, any and all of its Loan repayment obligations hereunder, and any other payment obligations due hereunder; (ii) failure by the Borrower to observe and perform any duty, covenant, obligation or agreement on its part to be observed or performed pursuant to the terms of this Note; (iii) any representation made by the Borrower contained in this Note or in any instrument furnished in compliance with or with reference to this Note is false or misleading in any material respect; and (iv) a petition is filed by or against the Borrower under any federal or state bankruptcy or insolvency law or other similar law in effect on the date of this Note or thereafter enacted, unless in the case of any such petition filed against the Borrower such petition shall be dismissed within thirty (30) days after such filing and such dismissal shall be final and not subject to appeal, or the Borrower shall become insolvent or bankrupt or shall make an assignment for the benefit of its creditors, or a custodian of the Borrower or any of its property shall be appointed by court order or take possession of the Borrower or its property or assets if such order remains in effect or such possession continues for more than thirty (30) days.

**SECTION 7. Remedies upon Event of Default.** Whenever an Event of Default shall have occurred and be continuing pursuant to the terms hereof, the Borrower hereby acknowledges and agrees to the rights of the I-Bank to take any action permitted or required at law or in equity to collect the amounts then due and thereafter to become due hereunder or to enforce the observance and performance of any duty, covenant, obligation or



agreement of the Borrower hereunder. If an Event of Default shall have occurred, the Borrower hereby acknowledges and agrees that the I-Bank shall have the right to (i) immediately cease disbursements of the proceeds of the Loan, and/or (ii) declare all Loan repayments and all other amounts due hereunder to be due and payable immediately without further notice or demand. The Borrower hereby acknowledges and agrees that no remedy herein is intended to be exclusive, and every remedy shall be cumulative and in addition to every other remedy given under this Note or now or hereafter existing at law or in equity. The Borrower hereby further acknowledges and agrees that no delay or omission by the I-Bank to exercise any remedy or right accruing upon any Event of Default shall impair any such remedy or right or shall be construed to be a waiver thereof, but any such remedy or right may be exercised as often as may be deemed expedient. The Borrower hereby further acknowledges and agrees that, pursuant to the I-Bank's Credit Policy, during such time as an Event of Default has occurred and is continuing hereunder, the Borrower shall be ineligible for additional financial assistance from the I-Bank (including, without limitation, long-term financing through the Anticipated Financing Program), in addition to certain other consequences set forth in the Credit Policy. The Borrower hereby agrees that upon demand it shall pay to the I-Bank the reasonable fees and expenses of attorneys and other reasonable expenses (including, without limitation, the reasonably allocated costs of in-house counsel and legal staff) incurred in the collection of Loan repayments or any sum due hereunder or in the enforcement of the observation or performance of any obligations or agreements of the Borrower upon an Event of Default. Any moneys collected by the I-Bank pursuant to this Section 7 shall be applied first to pay any attorneys' fees or other fees and expenses owed by the Borrower.

**SECTION 8. Certain Miscellaneous Provisions.** The Borrower hereby acknowledges and agrees as follows: (a) all notices hereunder shall be deemed given when hand delivered or when mailed by registered or certified mail, postage prepaid, to the Borrower at the following address: [Name and Address of Borrower, Attention: Name of Authorized Officer]; and to the I-Bank at the following address: New Jersey Infrastructure Bank, 3131 Princeton Pike, Building 4, Suite 216, Lawrenceville, New Jersey 08648-2201, Attention: Executive Director; (b) this Note shall be binding upon the Borrower and its successors and assigns; (c) in the event any provision of this Note is held illegal, invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate, render unenforceable or otherwise affect any other provision hereof; (d) the obligations of the Borrower pursuant to the terms of this Note may not be assigned by the Borrower for any reason, unless the I-Bank shall have approved said assignment in writing; (e) this Note may not be amended, supplemented or modified without the prior written consent of the I-Bank; (f) this Note shall be governed by and construed in accordance with the laws of the State; (g) the Borrower shall, at the request of the I-Bank, execute and deliver such further instruments as may be necessary or desirable for better assuring, conveying, granting, assigning and confirming the rights, security interests and agreements granted or intended to be granted by this Note; (h) whenever the Borrower is required to obtain the determination, approval or consent of the I-Bank pursuant to the terms hereof, such determination, approval or consent may be either granted or withheld by the I-Bank in its sole and absolute discretion; and (i) consistent with the provisions of N.J.S.A. 58:11B-13, neither the directors of the I-Bank nor any officers of the I-Bank taking any action with respect to this Loan shall be liable personally with respect to the Loan or any matters or transactions related thereto.

[The remainder of this page has been left blank intentionally.]

**IN WITNESS WHEREOF**, the Borrower has caused this Note to be duly executed, sealed and delivered on the date first above written.

**[NAME OF BORROWER]**

**[SEAL]**

**ATTEST:**

**By:** \_\_\_\_\_  
**Mayor**

\_\_\_\_\_  
**Clerk**

**By:** \_\_\_\_\_  
**Chief Financial Officer**

## **RESOLUTION NO. 22 – 09**

### **RESOLUTION OF THE NEW JERSEY INFRASTRUCTURE AUTHORIZING THE AWARD OF A CONTRACT FOR INVESTMENT ADVISOR SERVICES PROVIDER**

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

**WHEREAS**, the I-Bank distributed an RFP for the appointment of an Investment Advisor Services Provider for the period of March 1, 2022 through February 28, 2025 with an option for two additional one-year periods upon approval of the Board in accordance with the I-Bank Policy No. 4.00 Purchase of Goods and Services;

**WHEREAS**, the RFP solicited proposals and enumerated the criteria and associated weights to be applied in the evaluation process;

**WHEREAS**, the I-Bank received one proposal, which was deemed to be compliant with the requirements of the RFP; and

**WHEREAS**, the Executive Director of the I-Bank appointed an Evaluation Committee (“Committee”) consisting of three I-Bank staff members to review and score the proposal;

**WHEREAS**, the Committee members independently reviewed the proposal and determined that it satisfied the needs set forth in the RFP and that the fees were reasonable for the services to be provided;

**WHEREAS**, the Committee recommended that the contract for Investment Advisor Services Provider be awarded to PFM Asset Management LLC (“PFMAM”);

**WHEREAS**, the Executive Director has reviewed the Committee’s recommendation and recommends that the I-Bank engage PFMAM to serve as I-Bank’s Investment Advisor Services Provider.

**NOW THEREFORE, BE IT RESOLVED** that the I-Bank selects and appoints PFMAM as the Investment Advisor Services Provider, which appointment shall be for the period of March 1, 2022 through February 28, 2025 with the option to extend for two one-year periods upon approval by the Board (“Contract Term”) and contingent upon the subsequent execution by all parties of an agreement substantially in the form presented at this meeting, which is hereby approved; provided that the Chairperson, Vice-Chairperson, and Secretary of the I-Bank are hereby authorized, with the advice the State Attorney General, to make such changes, insertions and deletions to and omissions from such form as may be necessary or appropriate; and

**BE IT FURTHER RESOLVED**, the Executive Director is hereby authorized to send a confirming letter to PFM Asset Management LLC confirming its appointment as the I-Bank’s Investment Advisor Services Provider for the Contract Term described above; and

**BE IT FURTHER RESOLVED**, the Chairperson or Vice-Chairperson of the I-Bank is hereby authorized to execute and deliver such agreement.

Adopted Date: February 10, 2022

Motion Made By: Mr. Jack Kocsis

Motion Seconded By: Mr. Mark Longo

Ayes: 8

Nays: 0

Abstentions: 0

## **RESOLUTION NO. 22 - 10**

### **RESOLUTION OF THE NEW JERSEY INFRASTRUCTURE BANK ESTABLISHING A POOL OF PROFESSIONAL ENGINEERING FIRMS FOR CONSULTING ENGINEERING SERVICES FOR THE WATER BANK**

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

**WHEREAS**, on November 29, 2021, pursuant to Resolution No. 21-69 the I-Bank published a Request for Qualifications ("RFQ") to prequalify a pool of engineering consulting services firms (the "Consulting Pool") to provide consulting environmental and engineering services, engineering design review and construction management services necessary for the review and approval of applications, construction design, requisitions and site inspections of projects anticipated to be in the New Jersey Environmental Infrastructure Financing Program ("Water Bank"); and

**WHEREAS**, the RFQ enumerated, among other things, the minimal qualifications (the "Selection Criteria") required of firms to be appointed to the Consulting Pool; and

**WHEREAS**, should the need arise to solicit proposals for a specific project(s), the I-Bank will select one or more firms for each specific project on a case-by-case basis from among the Consulting Pool pursuant to a solicitation of proposals for the specific project(s); and

**WHEREAS**, on or before January 10, 2022, the I-Bank received eleven (11) responsive proposals for the Consulting Pool in response to the RFQ; and

**WHEREAS**, the Executive Director of the I-Bank appointed an review committee consisting of two (2) I-Bank staff members and one (1) New Jersey Department of Environmental Protection ("NJDEP") staff member (collectively the "Committee") to review and score the proposals in accordance with the Selection Criteria; and

**WHEREAS**, the Committee's members independently reviewed and scored the proposals and provided their recommendations of which firms should be in the Consulting Pool to the Executive Director; and

**WHEREAS**, the Executive Director concurred with the recommendations of the Committee; and

**WHEREAS**, it is recommended that the Consulting Pool be comprised of the firms set forth in Exhibit A; and

**WHEREAS**, creation of the Consulting Pool shall not be construed as a guarantee that services will be required or utilized for any specific project.

**NOW THEREFORE BE IT RESOLVED**, that the Board of Directors of the I-Bank ("Board") has reviewed and accepts the recommendation of the Executive Director and directs the Executive Director to communicate same to the firms set forth in Exhibit A; and

**BE IT FURTHER RESOLVED**, that the Executive Director is hereby authorized to solicit subsequent proposals from the Consulting Pool for a specific project(s); and

**BE IT FURTHER RESOLVED**, the solicitation of proposals from the Consulting Pool shall be limited to circumstances in which consulting engineering services are determined by the NJDEP and the I-Bank to be necessary to augment existing program staff resources for the stated purposes of the Consulting Pool.

Adopted Date: February 10, 2022

Motion Made By: Mr. Mark Longo

Motion Seconded By: Mr. Walter Brown

Ayes: 8

Nays: 0

Abstentions: 0

## **Exhibit A**

### **Professional Engineering Firms for Water Bank General Services**

Arcadis, U.S. Inc.

Tetra Tech, Inc.

Dewberry Engineers Inc.

CME Associates

Remington & Vernick Engineers (RVE)

## RESOLUTION NO. 22 – 11

### RESOLUTION OF THE NEW JERSEY INFRASTRUCTURE BANK AUTHORIZING THE EXECUTION AND DELIVERY OF A FURTHER AMENDED AND RESTATED WIFIA TERM SHEET

**WHEREAS**, pursuant to the New Jersey Environmental Infrastructure Financing Program (the “Financing Program”) and in accordance with, *inter alia*, the terms and provisions of (i) the “New Jersey Infrastructure Trust Act”, constituting Chapter 334 of the Pamphlet Laws of 1985 of the State of New Jersey (the “State”) (codified at N.J.S.A. 58:11B-1 *et seq.*), as the same has been, and in the future may be, further amended and supplemented from time to time (the “Act”), and (ii) a financial plan developed by the I-Bank pursuant to, and in accordance with, Sections 21, 21.1, 22 and 22.1 of the Act, and approved by a concurrent resolution duly adopted by the Legislature of the State (the “Financial Plan”), the New Jersey Infrastructure Bank, a body corporate and politic with corporate succession, created pursuant to the Act (the “I-Bank”), may issue its revenue bonds (“I-Bank Bonds”), from time to time, for the purpose of making loans (each, an “I-Bank Loan”) to qualifying borrowers (each, a “Borrower”) from the proceeds of such I-Bank Bonds, pursuant to a loan agreement by and between the I-Bank and such Borrower (the “I-Bank Loan Agreement”), in order to finance a portion of the allowable costs of such Borrower’s environmental infrastructure facilities (consisting of wastewater treatment systems, stormwater management systems or water supply facilities (as such terms are defined in the Act)) (the “Environmental Infrastructure Facilities”); and

**WHEREAS**, in furtherance of the Financing Program and the financing, pursuant thereto, of a portion of the allowable costs of certain projects (the “WIFIA Projects”) consisting of the construction, acquisition, installation and renovation of the Environmental Infrastructure Facilities of certain qualifying Borrowers that are identified in the hereinafter defined WIFIA Loan Agreement (the “WIFIA Borrowers”), the I-Bank has successfully made application, pursuant to Section 23(c) of the Act, for a loan (the “WIFIA Loan”) to be made by the United States Environmental Protection Agency (the “USEPA”) to the I-Bank in an aggregate principal amount not to exceed \$221,363,600, pursuant to and in accordance with the federal Water Infrastructure Finance and Innovation Act of 2014, 33 U.S.C. 3901-3914, as the same may be amended and supplemented from time to time (the “WIFIA Act”), the terms and provisions of which WIFIA Loan, including, without limitation, the repayment obligations of the I-Bank to the USEPA with respect to such WIFIA Loan, are set forth in that certain Loan Agreement (the “WIFIA Loan Agreement”), by and between the USEPA and the I-Bank; and

**WHEREAS**, the repayment obligations of the I-Bank to the USEPA with respect to such WIFIA Loan and, specifically, each tranche thereof, pursuant to and in accordance with the terms and provisions of the WIFIA Loan Agreement, shall be evidenced and secured by an I-Bank Bond to be issued by the I-Bank to the USEPA; and

**WHEREAS**, as a condition to such WIFIA Loan by the USEPA to the I-Bank, and in satisfaction of certain requirements of the WIFIA Act and the WIFIA Loan Agreement, the I-Bank, in partnership with the New Jersey Department of Environmental Protection, is required to provide, from other available sources, that portion of the financing for the allowable costs of the WIFIA Project of each respective WIFIA Borrower that shall not be made from proceeds of the WIFIA Loan and that is necessary in order to ensure the successful completion of such WIFIA Projects; and



**WHEREAS**, in connection with (i) the Financing Program as it is applied to the terms and provisions of the WIFIA Loan Agreement (the “WIFIA Financing Program”), and (ii) the obligations of the I-Bank pursuant to the terms and provisions of the WIFIA Loan Agreement, the Board approved, pursuant to Resolution No. 21-46, duly adopted by the Board at its meeting held on August 16, 2021 (the “Approving Resolution”), the substantially final form of that certain Term Sheet, to be entered into by and between the I-Bank and the USEPA (the “Term Sheet”), which Term Sheet, as approved by the Board pursuant to the Approving Resolution (the “August Term Sheet”) set forth the terms and provisions relating to the financing anticipated by the WIFIA Financing Program and the WIFIA Loan Agreement as such terms and provisions were known and established as of August 16, 2021; and

**WHEREAS**, subsequent to the adoption by the Board of the Approving Resolution that served to approve the substantially final form of the August Term Sheet, the concept of the Default Rate Debt Service Reserve Fund (as defined in the hereinafter defined September Term Sheet) was developed and integrated into the WIFIA Financing Program and, therefore, such August Term Sheet was amended and restated pursuant to Resolution No. 21-52, duly adopted by the Board at its meeting held on September 9, 2021 (the “September Approving Resolution”), to approve a form of the Term Sheet that was updated, since the approval of the August Term Sheet, to reflect such Default Rate Debt Service Reserve Fund and related, updated terms and provisions (the “September Term Sheet”), as such terms and provisions were known and established as of September 9, 2021; and

**WHEREAS**, subsequent to the adoption by the Board of the September Approving Resolution that served to approve the substantially final form of the September Term Sheet, the concept of the Default Rate Debt Service Reserve Fund was further developed, refined and integrated into the WIFIA Financing Program together with other structural features relating to the WIFIA Financing Program, including, without limitation, issues relating to (i) prepayments of the WIFIA Loan, (ii) structural features relating to the WIFIA Debt Service Coverage Ratio (as such term is defined in the hereinafter defined Amended and Restated Term Sheet), and (iii) issues relating to additional indebtedness, and, therefore, it is the desire of the I-Bank to approve a form of the Term Sheet that has been updated, since the approval of the September Term Sheet, to reflect such updated terms and provisions (the “Amended and Restated Term Sheet”).

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

**Section 1. Recitals.** The recitals of this Resolution are incorporated herein by reference as if set forth at length herein.

**Section 2. Approval, Execution and Delivery of the Amended and Restated Term Sheet; Additional Action to be Taken by the I-Bank in Connection with the Amended and Restated Term Sheet.** In furtherance of the WIFIA Financing Program, the Board hereby approves the Amended and Restated Term Sheet, in substantially the form attached hereto as **Exhibit A** and made a part hereof. The September Term Sheet, as previously approved by the Board of Directors pursuant to the terms and provisions of the September Approving Resolution, is hereby superseded by the Amended and Restated Term Sheet as authorized by the Board pursuant to this Resolution. The Chairperson of the I-Bank, the Vice-Chairperson of the I-Bank, the Secretary of the I-Bank and the Executive Director of the I-Bank, or any other person or persons designated by the Board by resolution to act on behalf of the I-Bank, but in each case subject to the limitations of the bylaws of the I-Bank (each, an “Authorized Officer”), are hereby severally authorized

and directed to execute and deliver the Amended and Restated Term Sheet, in substantially the form attached hereto as **Exhibit A** and made a part hereof, in the name of the I-Bank by the manual or electronic signature thereof. With respect to the form of WIFIA Loan Agreement, and the form of such other transaction documents to be entered into by the I-Bank in connection with the WIFIA Financing Program, as each such document has been approved previously by the Board in substantially final form pursuant to one or more prior resolutions of the Board, each Authorized Officer is hereby authorized and directed, after consultation with Bond Counsel to the I-Bank and the Office of the Attorney General of the State, to implement such revisions to the form of such WIFIA Loan Agreement and such other WIFIA Financing Program documents as shall be necessary and appropriate in order to conform the WIFIA Loan Agreement and such other WIFIA Financing Program documents to the terms and provisions, and the requirements, of the Amended and Restated Term Sheet as approved hereby. In addition, in connection with any resolution of the Board adopted by the Board prior to the date hereof, which resolution sets forth the terms pursuant to which any Authorized Officer may exercise delegated authority to make such amendments, modifications and revisions to the forms of agreement relating to the WIFIA Financing Program as such agreements are identified in, and approved by, such resolution, such Authorized Officer, consistent with such delegation, shall make no such amendments, modifications or revisions that shall be inconsistent with, among other sources of authority as set forth in such resolution, the provisions of the Term Sheet, which Terms Sheet, for purposes of such delegation hereafter shall be in the form of the Amended and Restated Term Sheet as approved hereby.

**Section 3. Authorization of Other Action in Furtherance of this Resolution.** The Board hereby authorizes any Authorized Officer, after consultation with Bond Counsel to the I-Bank and the Office of the Attorney General of the State, to take such other actions, to execute such other documents and instruments, and to seek such other consents as may be necessary or desirable (and not inconsistent with the terms and provisions of the Act, the regulations of the I-Bank, the Financial Plan and this Resolution) to further the intent and purposes of this Resolution.

**Section 4. Effective Date.** 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: February 10, 2022

Motion Made By: Mr. Mark Longo

Motion Seconded By: Mr. Jack Kocsis

Ayes: 8

Nays: 0

Abstentions: 0

## EXHIBIT A

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

[Date], 2022

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

RE: WIFIA Loan Term Sheet for the New Jersey Infrastructure Bank -  
Eligible Projects (WIFIA Project No. 19149NJ)

Ladies and Gentlemen:

This WIFIA Term Sheet (this “**Term Sheet**”) constitutes (a) the approval of the United States Environmental Protection Agency, acting by and through the Administrator of the Environmental Protection Agency (hereinafter, the “**USEPA**”), of the application for credit assistance of the Borrower (as defined below) received January 28, 2021 (the “**Application**”) and (b) the agreement of USEPA to provide financing for the above-referenced project (as further described below, the “**Project**”) in the form of a secured loan (the “**WIFIA Loan**”), pursuant to the Water Infrastructure Finance and Innovation Act (“**WIFIA**”), § 5021 *et seq.* of Public Law 113-121 (as amended, and as may be further amended from time to time, the “**Act**”), codified as 33 U.S.C. §§ 3901-3914, subject in all respects to (i) the terms and conditions contained herein and (ii) the execution and delivery of the WIFIA loan agreement to be entered into on or after the date hereof (the “**WIFIA Loan Agreement**”) and the terms and conditions contained therein. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the WIFIA Loan Agreement.

By executing this Term Sheet, the Borrower confirms its agreement to reimburse USEPA for any and all documented fees and expenses that USEPA incurs for legal counsel, financial advice, and other consultants in connection with the evaluation of the Project and the negotiation and preparation of the WIFIA Loan Agreement and related documents, whether or not such WIFIA Loan Agreement is ultimately executed.

This Term Sheet 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 of New Jersey, if and to the extent such federal laws are not applicable. This Term Sheet, and any amendments, waivers, consents or supplements hereto, may be executed in any number of counterparts and by the 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 but one and the same instrument. Electronic delivery of an executed counterpart of a signature page shall be effective as delivery of an original executed counterpart.

## INDICATIVE TERMS OF THE WIFIA LOAN

PARTIES	<p>United States Environmental Protection Agency, an agency of the United States of America, acting by and through the Administrator of the Environmental Protection Agency (the “<b>WIFIA Lender</b>”).</p> <p>New Jersey Infrastructure Bank, a public body corporate and politic with corporate succession (the “<b>Borrower</b>”).</p>
PROJECT	<p>The project consists of the Eligible Projects, undertaken by New Jersey governmental entities and private entities that receive WIFIA Participant Loans that are collectively financed, in part, with proceeds of the WIFIA Loan. The Eligible Projects will be listed in a schedule to the WIFIA Loan Agreement. The schedule may be updated from time to time, for among other reasons, to maximize the Borrower’s ability to fully utilize the WIFIA Loan amount, subject to certain conditions, to reflect any (a) Additional Eligible Project or (b) Replacement Eligible Project, in either case, in accordance with the terms and conditions of the WIFIA Loan Agreement.</p>
WIFIA LOAN AMOUNT	<p>A maximum principal amount (sum of disbursements) not to exceed \$221,323,600; <u>provided</u> that (a) the maximum principal amount of the WIFIA Loan, together with the amount of any other credit assistance provided under the Act, shall not exceed forty-nine percent (49%) of reasonably anticipated Eligible Project Costs and (b) the total federal assistance for the Project, including but not limited to the maximum principal amount of the WIFIA Loan and all federal direct and indirect grants, shall not exceed eighty percent (80%) of Total Project Costs.</p>
WIFIA LOAN DISBURSEMENTS	<p>The WIFIA Loan will be funded in up to three (3) separate disbursements or tranches. Each disbursement will provide financing for a subset of the list of Eligible Projects that will be specified prior to the date of the Borrower’s request for such disbursement.</p>
WIFIA INTEREST RATE	<p>Each WIFIA Bond (as defined below) evidencing a disbursement of the WIFIA Loan shall bear interest at the same fixed rate, calculated by adding one basis point (0.01%) to the rate of securities of a similar maturity (based on the weighted average maturity of the entire WIFIA Loan as of the execution date of the WIFIA Loan Agreement) as published, on the execution date of the WIFIA Loan Agreement, in the United States Treasury Bureau of Public Debt’s daily rate table for State and Local Government</p>

	<p>Series (SLGS) securities, currently located on the Internet at <a href="https://www.treasurydirect.gov/GA-SL/SLGS/selectSLGSDate.htm">https://www.treasurydirect.gov/GA-SL/SLGS/selectSLGSDate.htm</a>.</p> <p>Interest shall accrue on each WIFIA Bond commencing upon the issuance thereof as calculated based upon the amount of the WIFIA Loan disbursed thereunder, and shall be computed on the basis of a 360-day year of twelve (12) thirty (30) day months, compounded semi-annually.</p>
DEFAULT RATE INTEREST	<p>The WIFIA Loan shall also bear default interest, upon the occurrence of a Payment Default or a Development Default (as defined below), at a rate of 200 basis points above the otherwise applicable interest rate, as provided in the WIFIA Loan Agreement (the “<b>Default Rate</b>”) for so long as the WIFIA Loan is held by USEPA or a Federal Agency. The portion of interest on the WIFIA Loan accrued at the Default Rate and in excess of interest accrued at the WIFIA Interest Rate shall be due at the same time as regular interest and shall be payable from amounts described in Section 4 (<i>Default Rate Debt Service Reserve Funds</i>) under “Trust Structure and Documentation” below.</p> <p>“<b>Development Default</b>” means the failure by the Borrower to achieve Substantial On-Lending by the sixth (6<sup>th</sup>) anniversary of the Effective Date.</p>
CAPITALIZED INTEREST	Interest on the WIFIA Loan will not be capitalized.
PAYMENT DATES AND REPAYMENT SCHEDULE	<ol style="list-style-type: none"> <li>1. <u>Interest</u>: Commencing after the date of the initial disbursement of the WIFIA Loan, interest on the then-outstanding balance of the WIFIA Loan shall be paid on each March 1 and September 1 or, if such date is not a Business Day, the next Business Day following such March 1 or September 1.</li> <li>2. <u>Principal</u>: Commencing after the date of the initial disbursement of the WIFIA Loan, principal of the WIFIA Loan shall be repaid on September 1 in the years specified in Exhibit F (<i>WIFIA Debt Service</i>) or, if such date is not a Business Day, the next Business Day following any such September 1.</li> <li>3. <u>Repayment Schedule</u>: Each WIFIA Bond (evidencing and securing the respective WIFIA Loan disbursement) will have a separate amortization schedule, the final version of which will be mutually agreed upon by the</li> </ol>

	<p>WIFIA Lender and the Borrower after the execution date of the WIFIA Loan Agreement and prior to the date of the Borrower's request for the applicable WIFIA Loan disbursement. The weighted average maturity of the entire WIFIA Loan will not exceed the weighted average maturity established as of the execution date of the WIFIA Loan Agreement.</p>
FINAL MATURITY DATE	<p>September 1, 2056; <u>provided</u>, that the Final Maturity Date shall be no later than the date that is thirty-five (35) years after the date on which WIFIA Loan amounts are first disbursed.</p>
DEDICATED SOURCE OF REPAYMENT	<p>The dedicated source of repayment for each WIFIA Bond and the publicly issued bonds (the "<b>I-Bank Bonds</b>") under each WIFIA Indenture will be the "Revenues" under and as defined in each such WIFIA Indenture. "Revenues" consist of all of the following:</p> <ul style="list-style-type: none"> <li>(i) debt service payments made by sponsors of the Eligible Projects being financed by the applicable WIFIA Loan disbursement under (A) loans provided to such sponsors by the Borrower ("<b>WIFIA Participant Loans</b>") and (B) State Loans to such sponsors;</li> <li>(ii) payments made to the WIFIA Indenture Trustee by (A) the WIFIA MPTA Trustee from amounts on deposit in the WIFIA Master Program Trust Account (and all subaccounts thereunder) in accordance with the terms of the WIFIA MPTA (as defined below) and (B) the MPTA Trustee from amounts on deposit in the Master Program Trust Account (and all subaccounts thereunder) in accordance with the terms of the MPTA (as defined below); and</li> <li>(iii) investment income earned on amounts held in (A) accounts maintained under the WIFIA Indentures as and to the extent provided therein, and (B) in the WIFIA Master Program Trust Account and the Master Program Trust Account, as and to the extent provided by the terms of the WIFIA MPTA and the MPTA, as the case may be;</li> </ul> <p><u>provided</u>, <u>however</u>, that Revenues shall not include payments of the administrative fee payable to the Borrower under Section 3.03 of the loan agreements associated with such WIFIA Participant Loans nor any</p>

	<p>administrative fees included as part of debt service payment associated with such State Loans, to the extent any such amounts are credited as “Administrative Fees” or “State Administrative Fees” pursuant to Section 5.04(2) of the applicable WIFIA Indenture.</p> <p>The portion of interest on the WIFIA Loan accrued at the Default Rate and in excess of interest accrued at the WIFIA Interest Rate shall be due at the same time as regular interest and shall be payable from amounts described in Section 4 (<i>Default Rate Debt Service Reserve Funds</i>) under “Trust Structure and Documentation” below.</p>
SECURITY AND LIEN PRIORITY	<p>Each WIFIA Bond (and the WIFIA Loan disbursement associated with it) shall be secured by a pledge of the trust estate established under the WIFIA Indenture applicable to such disbursement.</p> <p>Each WIFIA Bond (and the WIFIA Loan disbursement associated with it) will be a senior obligation under the respective WIFIA Indenture and will be <i>pari passu</i> with, and not subordinate to, the I-Bank Bonds issued by the Borrower pursuant to such WIFIA Indenture.</p> <p>Each WIFIA Bond (and the WIFIA Loan disbursement associated with it) will be further secured by a pledge of the WIFIA Master Program Trust Account established under the WIFIA MPTA, on a <i>pari passu</i> basis with (i) all other WIFIA Bonds and (ii) all I-Bank Bonds, in each case issued by the Borrower pursuant to the WIFIA Indentures.</p> <p>Each WIFIA Bond (and the WIFIA Loan disbursement associated with it) will be further secured by a pledge of the Master Program Trust Account established under the MPTA, on a <i>pari passu</i> basis with all other obligations of the Borrower designated as a Coverage Receiving Financing Program pursuant to the MPTA.</p> <p>The Revenues will be initially deposited into accounts and sub-accounts established under the applicable WIFIA Indenture. Subject to each WIFIA Indenture’s debt service fund (relating to both the WIFIA Bond and the I-Bank Bonds issued pursuant thereto) being fully funded, Revenues in respect of State Loans thereafter will be released from the respective WIFIA Indenture: <i>first</i>, to the WIFIA MPTA, where such funds will be available to fund shortfalls in the debt service funds of each WIFIA Bond and the I-Bank Bonds issued pursuant to each of the WIFIA Indentures; and <i>second</i>, to the MPTA, as and when</p>



	<p>permitted under the WIFIA MPTA, as security for all Coverage Receiving Financing Programs.</p> <p>The portion of interest on the WIFIA Loan accrued at the Default Rate and in excess of interest accrued at the WIFIA Interest Rate shall be secured by the Default Rate Debt Service Reserve Funds and the amounts deposited therein, as described in Section 4 (<i>Default Rate Debt Service Reserve Funds</i>) under “Trust Structure and Documentation” below.</p>
PREPAYMENT	<ol style="list-style-type: none"> <li>1. <u>Mandatory Prepayments</u>: Upon the prepayment or acceleration of the obligations of a WIFIA Program Participant pursuant to its I-Bank Loan Agreement (other than a refinancing), the sum of such prepayment or accelerated amount shall be applied to prepay Bonds in inverse order of maturity, starting with the Bond with the latest maturity among all Bonds issued pursuant to the applicable WIFIA Indenture.</li> <li>2. <u>Optional Prepayments</u>: The Borrower may prepay the WIFIA Loan in whole or in part, at any time without penalty or premium in accordance with the WIFIA Loan Agreement. Optional prepayments may not occur more than once annually or in a principal amount that is less than \$1,000,000 without the WIFIA Lender’s prior written consent.</li> </ol>
DEBT SERVICE COVERAGE COVENANT	<p>The Borrower shall take all reasonable steps to assure that the required aggregate payments of principal and interest with respect to the WIFIA Participant Loans will be at least sufficient to generate, during each annual period ending on August 31, a WIFIA Debt Service Coverage Ratio of at least one hundred percent (100%).</p> <p>“<b>WIFIA Debt Service Coverage Ratio</b>” means, with respect to each annual period ending on August 31 through the Final Maturity Date, the ratio of (a) the debt service payments received by the Borrower with respect to all of the WIFIA Participant Loans during such annual period, plus the aggregate amounts on deposit in any WIFIA Account described in clauses (a) and (b) of the definition thereof as of the August 31 on which such annual period ends to (b) the WIFIA Debt Service payable during such annual period.</p>
ADDITIONAL INDEBTEDNESS	<p>The Borrower shall not without the prior written consent of the WIFIA Lender issue or incur indebtedness of any kind payable (in whole or in part) from or secured by all or any part of the trust estate under any WIFIA Indenture or by the</p>

	<p>WIFIA Master Program Trust Account under the WIFIA MPTA (other than I Bank Bonds and Refunding Bonds that satisfy the requirements of the applicable WIFIA Indenture).</p> <p>The Borrower shall not issue or incur indebtedness that would cause the coverage ratios for any of the Coverage Receiving Financing Programs (assuming the inclusion of the proposed new indebtedness) to drop to levels below what is required for pool programs that maintain the highest S&amp;P rating category for such programs.</p> <p>The Borrower shall not, without the prior written consent of the WIFIA Lender, issue or incur indebtedness of any kind payable from, secured or supported by Pledged Collateral while a Payment Default, a Bankruptcy Related Event or a payment default under any WIFIA Indenture has occurred and is continuing.</p> <p>The Borrower shall not create, incur or suffer to exist any indebtedness that has a claim to or Lien on the Master Program Trust Account that is senior to, or that otherwise has priority over, the Lien on and claim to the Master Program Trust Account granted in favor of the WIFIA Loan (and each WIFIA Bond) as a Coverage Receiving Financing Program.</p> <p>The Borrower shall not create, incur or suffer to exist any indebtedness that provides funding for Eligible Projects and that is secured by collateral other than the Pledged Collateral.</p>
RESTRICTED PAYMENTS AND TRANSFERS	<p>The Borrower shall not use, and shall not permit the WIFIA Indenture Trustee under any WIFIA Indenture to use, Revenues for any purpose other than (i) payments of debt service in respect of the WIFIA Bond and the I-Bank Bonds issued under the respective WIFIA Indenture, (ii) payments of WIFIA Loan Expenses (e.g., with respect to the issuance of debt contemplated in the Project Budget, but excluding any annual fees payable hereunder), (iii) payments of administrative fees due and payable with respect to any WIFIA Participant Loans or related State Loans associated with the applicable WIFIA Indenture, (iv) prepayments of the WIFIA Bond and/or the I-Bank Bonds issued under the respective WIFIA Indenture, and (v) transfers to the WIFIA Master Program Trust Account of State Loan repayment amounts not required to pay debt service in respect of the</p>

	<p>WIFIA Bond and the I-Bank Bonds issued under the respective WIFIA Indenture (which in turn will be released to the Master Program Trust Account (and all Subaccounts as defined therein) in accordance with the terms of the WIFIA MPTA).</p>
TRUST STRUCTURE AND DOCUMENTATION	<ol style="list-style-type: none"> <li>1. <u>Indentures of Trust</u>: Each disbursement or tranche of the WIFIA Loan will be pursuant to a separate indenture of trust (each a “<b>WIFIA Indenture</b>”) and will be evidenced by a separate bond issued by the Borrower pursuant to such WIFIA Indenture (each a “<b>WIFIA Bond</b>”). The proceeds of each WIFIA Loan disbursement or tranche will be lent by the Borrower, together with proceeds of I-Bank Bonds issued on a pari passu basis with the applicable WIFIA Bond under the applicable WIFIA Indenture, to fund a portion of the costs of the subset of Eligible Projects identified in such WIFIA Indenture.</li> <li>2. <u>WIFIA MPTA</u>: The WIFIA Bonds and the I-Bank Bonds will be designated as Coverage Receiving Financing Programs and Coverage Providing Financing Programs pursuant to that certain WIFIA Master Program Trust Agreement (the “<b>WIFIA MPTA</b>”) to be entered into by the Borrower, the State of New Jersey and the trustee appointed thereunder. Payment of debt service on the WIFIA Bonds and the I-Bank Bonds will be supported by funds in the WIFIA Master Program Trust Account established under the WIFIA MPTA, which shall be funded with debt service payments paid by borrowers under loans made by the State of New Jersey (acting by and through the New Jersey Department of Environmental Protection (“<b>NJDEP</b>”)) in respect of the Eligible Projects (each a “<b>State Loan</b>”) and released by the trustee under the WIFIA Indentures to the WIFIA Master Program Trust Account after payment of all debt service then due and payable in respect of the WIFIA Bonds and I-Bank Bonds under the WIFIA Indentures.</li> <li>3. <u>MPTA</u>: The WIFIA Bonds and the I-Bank Bonds will be designated as Coverage Receiving Financing Programs and Coverage Providing Financing Programs pursuant to that certain Master Program Trust Agreement (the “<b>MPTA</b>”), dated as of November 1, 1995 (as amended from time to time). Payment of debt service on the WIFIA Bonds and the I-Bank Bonds will</li> </ol>

	<p>be supported by the Master Program Trust Account established under the MPTA, which holds debt service payments paid by borrowers under all loans made by the State of New Jersey (acting by and through NJDEP) that are made pursuant to each Coverage Providing Financing Program (and that are not otherwise used for payment of debt service on companion loans made by the Borrower or on the series of Borrower bonds financing such companion loans). The holding period for such State Loan debt service payments will be two consecutive semi-annual payment dates. State Loan debt service payments that are not needed (a) to pay debt service pursuant to each WIFIA Indenture, (b) to pay debt service for all other Coverage Receiving Financing Program bonds or (c) to satisfy the MPTA retention requirement, as of the second such payment date, will be released in accordance with paragraphs (4) and then (5) below.</p> <p>4. <u>Default Rate Debt Service Reserve Funds.</u> If on any March 1 or September 1 while the WIFIA Loan is outstanding, funding levels in the Master Program Trust Account (after taking into account deposits made to the Master Program Trust Account on such date) are equal to or less than ten percent (10%) of the aggregate amount that is projected to be on deposit therein, based on the debt service payment schedules for loans made by the State that are included in the Coverage Providing Financing Programs, the Borrower shall deposit (from one or more of the following sources: (i) State funds appropriated to the Borrower and available for the specific purpose of establishing a debt service reserve for debt service liabilities of the Borrower; (ii) amounts that are released from the Master Program Trust Account (and otherwise payable to the New Jersey Department of Environmental Protection for deposit in the respective Clean Water and Drinking Water State Revolving Funds) pursuant to the terms of the MPTA Default Rate Interest Amendment; and/or (iii) amounts available to the Borrower in the form of default penalties payable to the Borrower by a WIFIA Program Participant pursuant to the default provisions of the applicable I-Bank Loan Agreement thereof and applied as provided pursuant to the applicable WIFIA Indenture) into the Default Rate Debt Service Reserve Fund established under each WIFIA Indenture (and</p>
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	<p>pledged solely for the limited purpose of funding the Default Rate liability of the Borrower) an amount equal to the “Default Rate Debt Service Reserve Fund Requirement”, defined as an amount determined, upon the occurrence of a Default Rate Debt Service Reserve Trigger Event, as equal to the aggregate of Default Rate Interest with respect to the next two (2) consecutive Interest Payment Dates. The Borrower shall continue to maintain the Default Rate Debt Service Reserve Fund Requirement in each Default Rate Debt Service Reserve Fund until funding levels in the Master Program Trust Account are in excess of ten percent (10%) of the aggregate amounts that are anticipated to be on deposit therein.</p> <p>If the Borrower fails to make any required deposit to a Default Rate Debt Service Reserve Fund by the date required for such deposit, the applicable WIFIA Indenture Trustee shall direct the MPTA Trustee to transfer to such WIFIA Indenture Trustee for deposit into the applicable Default Rate Debt Service Reserve Fund an amount equal to any shortfall in the Default Rate Debt Service Reserve Fund Requirement, which the MPTA Trustee will source from funds that are released from the Master Program Trust Account pursuant to the terms of the MPTA and otherwise payable to the State in respect of payment obligations due under State Loans included in the Financing Programs (as defined in the MPTA).</p> <p>The Default Rate liability of the Borrower shall be a special and limited obligation of the Borrower that shall be secured and funded exclusively by the Default Rate Debt Service Reserve Fund, as established and administered pursuant to the applicable WIFIA Indenture.</p> <p>5. <u>Release to NJDEP</u>. After any required deposit to a Default Rate Debt Service Reserve Fund described above, any remaining State Loan debt service payments will be released to the NJDEP for deposit in the respective Clean Water and Drinking Water State Revolving Funds, as and to the extent provided by the terms of the MPTA.</p>
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WIFIA LOAN DOCUMENTATION	The WIFIA Loan shall be subject to the preparation, execution and delivery of the WIFIA Loan Agreement and any other loan documentation required by the WIFIA Lender in connection therewith, in each case acceptable to the WIFIA Lender and the Borrower, which will contain certain conditions precedent, representations and warranties, affirmative and negative covenants, events of default, and other provisions as are typical of WIFIA loan agreements.
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*[Signature pages follow]*

If the foregoing terms are acceptable, please countersign this letter in the space indicated below.

Sincerely,

**UNITED STATES ENVIRONMENTAL  
PROTECTION AGENCY**, acting by and  
through the Administrator of the United States  
Environmental Protection Agency

By: \_\_\_\_\_  
Name: Michael S. Regan  
Title: Administrator

*[Signature page to New Jersey Infrastructure Bank Eligible Projects – WIFIA Term Sheet]*

ACKNOWLEDGED AND AGREED:

**NEW JERSEY INFRASTRUCTURE BANK,**  
by its authorized representative

By: \_\_\_\_\_  
Name:  
Title:

*[Signature page to New Jersey Infrastructure Bank Eligible Projects – WIFIA Term Sheet]*





## RESOLUTION NO. 22 - 12

### RESOLUTION OF THE NEW JERSEY INFRASTRUCTURE BANK APPROVING AN SFY2022 OR SFY2023 NJ WATER BANK CONSTRUCTION FINANCING PROGRAM LOAN TO PASSAIC VALLEY SEWERAGE COMMISSION

**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 (the “State”) (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 for the New Jersey Water Bank (the “Water Bank Construction Financing Program”), to make loans (each, a “Construction Loan”) to eligible project sponsors (each, a “Borrower”) for the purpose of financing the allowable costs of environmental infrastructure projects, provided that each such Construction Loan made by the I-Bank to any such Borrower satisfies the requirements of the Act, including, without limitation, N.J.S.A. 58:11B-9(d), and the Regulations, including, without limitation, N.J.A.C. 7:22-4.47; and

**WHEREAS**, pursuant to the terms and provisions of N.J.A.C. 7:22-4.47, a proposed project sponsor is eligible to be a Borrower for a Construction Loan for purposes of financing the allowable costs of the project of such Borrower pursuant to the Water Bank Construction Financing Program, provided each of the following conditions is satisfied in full: (i) the Project is listed on the project priority list that has been submitted to the State Legislature pursuant to N.J.S.A. 58:11B-20 or N.J.S.A. 58:11B-20.1 (the “Priority List”); (ii) the proposed Borrower has submitted a complete application for the Project in accordance with N.J.A.C. 7:22-4.11; (iii) the proposed Borrower has complied with the I-Bank’s Credit Policy, as then in effect pursuant to formal adoption by the I-Bank; (iv) the Project has been certified for funding by the I-Bank in accordance with N.J.A.C. 7:22-4.13; (v) the Project is in the fundable range in the forthcoming funding cycle given the Project’s rank and the anticipated availability of New Jersey Department of Environmental Protection (the “Department” or “NJDEP”) and I-Bank monies; and (vi) the proposed Borrower has not previously received a Construction Loan through the Water Construction Financing Program for the same project scope (exclusive of a Construction Loan made solely for the purpose of extending the term of a prior Construction Loan or for a Supplemental Short Term Loan pursuant to N.J.S.A. 58:11B-9(d)); and

**WHEREAS**, the I-Bank duly adopted Resolution No. 21-07 on February 11, 2021, entitled “Resolution of the New Jersey Infrastructure Bank Authorizing the Water Bank Construction Financing Program for State Fiscal Year 2022” (the “SFY2022 Authorizing Resolution”) to provide funding for the implementation of the Water Bank Construction Financing Program during State Fiscal Year (“SFY”) 2022 (the “2022 Construction Loan Program”); and

**WHEREAS**, the I-Bank duly adopted Resolution No. 22-12 on February 10, 2022, entitled “Resolution of the New Jersey Infrastructure Bank Authorizing the Water Bank Construction Financing Program for State Fiscal Year 2023” (the “SFY2023 Authorizing Resolution”) to provide funding for the implementation of the Water Bank Construction Financing Program for SFY 2023 (the “2023 Construction Loan Program”); and

**WHEREAS**, it is the desire of the Board of Directors of the I-Bank (“Board”) to authorize Water Bank

Construction Loan Program loans pursuant to the 2022 Construction Loan Program for Construction Loans closings that occur in SFY2022 and the SFY2023 Water Construction Financing Program for loan closings occurring in SFY2023 (each the “Applicable Authorizing Resolution”); and

**WHEREAS**, pursuant to Section 1(a) of the SFY2022 Authorizing Resolution, up to a maximum of \$500,000 of Available I-Bank Revenues per Borrower may be available to finance loans under the Applicable Construction Loan Program at the discretion of an Authorized Officer; and

**WHEREAS**, pursuant to Section 1(a) of the SFY2023 Authorizing Resolution, up to a maximum of \$500,000 of Available I-Bank Revenues per Borrower may be available to finance loans under the Applicable Construction Loan Program at the discretion of an Authorized Officer; and

**WHEREAS**, pursuant to the terms and definitions of the Applicable Authorizing Resolutions, 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 Applicable Authorizing Resolution; and

**WHEREAS**, pursuant to Section 3 of the Applicable 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 Applicable 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 2 of the Applicable Authorizing Resolution, revisions and modifications may be made to terms and provisions of the Applicable Construction Loan Program pursuant to further official action in the form of the adoption of a resolution by the Board; and

**WHEREAS**, Passaic Valley Sewerage Commission (“PVSC”) has requested from the I-Bank a Construction Loan, in anticipation of a long-term loan from each of the I-Bank and the Department, to finance the planning, design and construction of Project No. S340689-52, for improvements and upgrades to the electrical switchgear equipment and power distribution around its Wastewater Treatment Facility (the “PVSC Project”); and

**WHEREAS**, pursuant to the PVSC Project construction schedule, a Construction Loan not to exceed two years for planning and three full fiscal years for construction will be made, all or a portion of which will be completed prior to PVSC’s receipt of I-Bank’s and the Department’s long-term New Jersey Environmental Infrastructure Financing Program loans, thereby resulting in PVSC’s request for a construction loan in an amount not to exceed \$67,000,000; and

**WHEREAS**, with respect to the Applicable Authorizing Resolution’s Construction Loan Limitation 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 Applicable 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 on Construction Loans, as part of the Applicable Construction Loan Program, to the aforementioned project sponsor in an amount not to exceed the stated amount for the purpose of completing the PVSC Project; and

**WHEREAS**, with respect to the total amount of Available I-Bank Revenues available to one Borrower pursuant to the Applicable Authorizing Resolution, the I-Bank desires, given the anticipated amount of the Administrative Fees as defined in Section 2(d) of the Applicable Authorizing Resolution (“Administrative Fee”) for the PVSC Project, to make an exception to such limitation as part of the Applicable Construction Loan Program, and approve the aforementioned Construction Loan to PVSC utilizing Available I-Bank Revenues in excess of \$500,000 to the extent required to finance the Administrative Fee; and

**WHEREAS**, it is the desire of the I-Bank that, other than the Applicable Authorizing Resolution’s Construction Loan Limitations described in the immediately preceding recitals, PVSC shall comply with (i) all other requirements of the Applicable Authorizing Resolution, (ii) all applicable requirements of the Act, (iii) all applicable requirements of the Regulations and (iv) satisfy the credit worthiness requirements of the Program.

**NOW, THEREFORE, BE IT RESOLVED** by the Board as follows:

**Section 1.** Notwithstanding the Applicable Authorizing Resolution’s Construction Loan Limitation providing that all Construction Loans approved by an Authorized Officer, following the requisite consultations, and made by the I-Bank to Borrowers as part of the Applicable Construction Loan Program, shall not exceed \$15 million in principal amount, the Board, given the facts and circumstances set forth in the recitals hereto, which are incorporated herein by reference, hereby authorizes, as an exception to the Construction Loan Limitation, a Construction Loan, as part of the Applicable Construction Loan Program, to PVSC for the stated project in an amount not to exceed the amount stated for the purpose of completing the project.

Project Sponsor	Project #	Description	Total Authorized Loan Amount
Passaic Valley Sewerage Commission	S340689-52	Advanced Electrical Project	\$67,000,000

**Section 2.** Notwithstanding the limit on the amount of Available I-Bank Revenues available to one Borrower to finance loans under the Applicable Construction Loan Program, the Board hereby authorizes an exception to such limitation and approves the aforementioned Construction Loan to PVSC utilizing Available I-Bank Revenues in excess of \$500,000 to the extent required to finance the Administrative Fee; and

**Section 3.** Notwithstanding the stated maximum loan amount of \$67,000,000 to PVSC, the Applicable Construction Loan Program funding commitment for the 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 project shall reflect the terms and conditions set forth in the Department’s Intended Use Plan and the Priority System and the I-Bank’s Financial Plan for the state fiscal year in which the construction contract is certified.

**Section 4.** Other than the exceptions created by the provisions of Sections 1 and 2 of this Resolution, the Construction Loan made to PVSC as part of the Applicable Construction Loan Program shall comply fully with (i) each of the terms, provisions and conditions precedent set forth in the Applicable Authorizing Resolution, (ii) all applicable requirements of the Act, (iii) all applicable requirements of the Regulations, and (iv) satisfy the credit worthiness requirements of the Program.

**Section 5. Further Action.** Any Authorized Officer is hereby authorized and directed to take such other actions that such Authorized Officer, in his or her respective sole discretion after consultation with Legal Counsel, deems necessary, convenient, or desirable to affect the transactions contemplated hereby.

**Section 6. Effective Date.** 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: February 10, 2022

Motion Made By: Mr. Mark Longo

Motion Seconded By: Mr. Walter Brown

Ayes: 8

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 February 9, 2022;** Executive Director Zimmer and Project Manager Rolon met with the Mayor and Administrative team from Edison at the I-Bank Office to discuss project financing;
- **On February 8, 2022;** Executive Director Zimmer participated on a call with members of the New Jersey Pathways to Career Opportunities program to discuss ways in which the Water Bank may assist with this worthy local workforce development initiative;
- **On February 4, 2022;** Executive Director Zimmer participated on a call with members of the Princeton Council and Engineering team to discuss transportation and water bank financing;
- **On February 2, 2022;** Executive Director Zimmer, and Assistant Director, Legal & Compliance Officer Karp participated on a call with DEP Assistant Commissioner Pat Gardner and several other senior officers at the DEP to discuss climate resilience and Water Bank financing;
- **On February 1, 2022;** Executive Director Zimmer and Project Manager Rolon, participated on a call with Chris Testa and Kathleen Lear of the NJ Office of Emergency Management to discuss requirements of FEMA's \$320,000 grant to the I-Bank for building a web-based application portal for BRIC projects;
- **On January 27, 2022;** Executive Director Zimmer and Bond Counsel Rich Nolan participated on a call with bond counsel for Merchantville-Pennsauken Water Commission to discuss Water Bank requirements;
- **On January 27, 2022;** Executive Director Zimmer and Chief Financial Officer Kaltman held a meeting with Paula McEvoy and Kevin O'Connor of Veolia Water at the NJIB office to discuss project financing;
- **On January 26, 2022;** Executive Director Zimmer, COO Peterson and DEP Bureau Chiefs Hauch and Jenkins attended a meeting at MCUA with Executive Director Cryon and senior Engineering staff to discuss financing for several large potential projects;
- **On January 25, 2022;** Executive Director Zimmer participated on a call with Tee Thomas of Quantified Ventures to discuss strategies around developing a storm water volume credit trading platform and a potential partnership with the Trust for Public Land;
- **On January 24 and 27, 2022;** Executive Director Zimmer participated with Assistant Commissioner Gardner and a number of DEP's senior staff on Commissioner LaTourette's Public Engagement WIIP Sessions for the IUP process to present and seek input on the Department's draft plans for incoming IJA funds;
- **On January 21, 2022;** Executive Director Zimmer presented on a webinar titled "Resilience for NJ Small Water Systems" hosted by USEPA Environmental Finance Centers for Regions 2 and 3;
- **On January 20, 2022;** COO Fernandez, Project Manager Rolon, and Assistant Project Manager Roslon participated on a call with the Mayor and administrative team of Waterford Township to discuss project financing;
- **On January 19, 2022;** Executive Director Zimmer, COO Fernandez, Project Manager Rolon, and Assistant Project Manager Roslon conducted the Transportation webinar "NJIB's Transportation Bank Financing Program Overview – CFO & Engineer Forum" to an audience comprised of Mayors, Council Members, CFOs, Engineers, and Bond Counsel;

- On **January 19, 2022**; Executive Director Zimmer, DEP Commissioner LaTourette and Assistant Commissioner Gardner participated on an introduction call with USEPA Assistant Administrator Radhika Fox;
- On **January 18, 2022**; Executive Director Zimmer participated on a call with DEP Assistant Commissioner Pat Gardner, members of the AG's Office, State Comptroller, and DCA to discuss roles and responsibilities for handling WIPA applications;
- **Since the January 13, 2022 Board meeting**; Program staff participated in various conference calls not noted above to discuss project financing issues or pre-planning and prospective financing program participation with:

#### **Water Bank**

Bayshore RSA	January 28th
Bergen County UA	January 25th, February 8th
Evesham MUA	January 24th
Jersey City MUA	January 18th
Camden City	February 3rd
MCBOA	January 21st
Middlesex County UA	January 26th
Monroe MUA	January 26th
Newark City	February 2nd
Trenton City (TWW)	January 20th
Waldwick Borough	January 26 <sup>th</sup>

#### **Transportation Bank**

French & Parrello Associates	January 26
NJDOT Qtrly County Engineers Mtg	January 28
Borough of River Edge	February 1

- Executive Director Zimmer, Assistant Director/LCO Karp, CFO Kaltman, COO Peterson, COO Fernandez, and bond counsel from CSG, and McCarter & English and Financial Advisors from PFM and Hilltop Securities continue to participate in weekly calls regarding the WIFIA and ECP Loan programs;
- Executive Director Zimmer continues to participate in monthly CIFA Legislative Committee meetings;
- COO – Transportation Rob Fernandez and Project Manager Rolon continue to participate in NJSACE/NJDOT quarterly meetings;
- Executive Director Zimmer holds weekly meetings with Integris to discuss and review MFA, Open orders and tickets;
- Assistant Director and Chief Legal & Compliance Officer Karp is serving as the point person for the I-Bank, regarding the development and adoption of Program regulations for both the Transportation Bank and Water Bank;
- **The next Board meeting is scheduled for Thursday, March 10, 2022, at 10:00 am via GoToWebinar.**

A copy of the announcements is available on the I-Bank's webpage (located under "Board Information", "2022 Meetings." Select "Minutes" and the announcements will be at the end of the file)

**SUMMARY OF CORRESPONDENCE:**

Last month, the I-Bank received or sent the noteworthy correspondence listed below. Board members should contact the I-Bank Administrative Assistant if they wish to receive full copies.

- On **January 20, 2022**; the New Jersey Infrastructure Bank Transportation Infrastructure Financing Program SFY2022 3<sup>rd</sup> Amended Interim Finance Program Priority List was sent to Senator Nicholas P. Scutari, Assemblyman Craig Coughlin, NJSL Librarian Deborah Mercer, OLS Librarian Ingrid Hernquist, OLS Principal Fiscal Analyst Patrick Brennan, OLS Senior Counsel Lauren Stutz, OLS Lead Counsels Sheree Henderson and Philip Mersinger;
- On **January 13, 2022**; the New Jersey Infrastructure Bank Transportation Infrastructure Financing Program January Report was sent to Senator Nicholas P. Scutari, Assemblyman Craig Coughlin, NJSL Librarian Deborah Mercer, OLS Librarian Ingrid Hernquist, OLS Principal Fiscal Analyst Patrick Brennan, OLS Senior Counsel Lauren Stutz, OLS Lead Counsels Sheree Henderson and Philip Mersinger;
- On **January 13, 2022**; the New Jersey Environmental Infrastructure Financing Program SFY2022 & Superstorm Sandy 3<sup>rd</sup> Amended Interim Finance **Program Priority List** was sent to Senator Nicholas P. Scutari, Assemblyman Craig Coughlin, NJSL Librarian Deborah Mercer, OLS Librarian Ingrid Hernquist, OLS Section Chief Judith L. Horowitz, OLS Associate Research Analyst Eric Hansen, OLS Principal Research Analyst, and OLS Research Librarian Maeve Pinto Singh.
- 5.02 Certificates were sent to the following Program borrowers for closeout of their loan proceeds:  
2017A-1                      Newark City                      0714001-015



**RESOLUTION NO. 22 - xx**

**RESOLUTION AUTHORIZING APPROVAL OF THE  
JANUARY 2022 TREASURER'S REPORT**

**WHEREAS**, the New Jersey Infrastructure Bank (the "I-Bank") has reviewed the Treasurer's Report for January 2022; 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 January 2022 and requests that the same be entered into the record.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

**RESOLUTION NO. 22 - xx**

**RESOLUTION OF THE NEW JERSEY INFRASTRUCTURE BANK AUTHORIZING VARIOUS ACTIONS AND FORMS OF DOCUMENTS NECESSARY FOR MAKING STATE FISCAL YEAR 2022 WATER BANK LOANS BY THE NEW JERSEY INFRASTRUCTURE BANK WITH PROCEEDS OF ITS ENVIRONMENTAL INFRASTRUCTURE BONDS TO BE ISSUED IN SPRING OF 2022**

**WHEREAS**, pursuant to Section 5(i) and Section 6(a) of the New Jersey Infrastructure Trust Act, constituting Chapter 334 of the Pamphlet Laws of 1985 of the State of New Jersey (the “State”), as amended and supplemented (N.J.S.A. 58:11B-1 *et seq.*) (the “Act”), the New Jersey Infrastructure Bank, a public body corporate and politic under the laws of the State, created pursuant to the Act (the “I-Bank”), is authorized to issue its bonds (the “I-Bank Bonds”) in any principal amounts (subject to the limitations of Section 6(g) of the Act) as in its judgment shall be necessary to provide funds sufficient for any of its corporate purposes, including, without limitation, the making of loans (each, an “I-Bank Loan”) to project sponsors (each, a “Project Sponsor”) to finance a portion of the costs of the respective environmental infrastructure (as defined in the Act) projects thereof (each, a “Water Bank Project”); and

**WHEREAS**, pursuant to Section 5(m) and Section 9(a) of the Act, the I-Bank is authorized to make and contract to make I-Bank Loans to Project Sponsors to finance a portion of the costs of the respective Water Bank Projects thereof, which Project Sponsors may lawfully undertake or acquire and for which they are authorized by law to borrow funds, subject to such terms and conditions as the I-Bank shall determine to be consistent with the purposes thereof; and

**WHEREAS**, the Board of Directors of the I-Bank (the “Board”) currently is scheduled to consider, as part of its agenda at its meeting to be held on or about April 14, 2022, the Water Bank Project applications of certain Project Sponsors for I-Bank Loans from the I-Bank, which I-Bank Loans, if approved, would be made, pursuant to the provisions of the Act, by the I-Bank to such Project Sponsors from the proceeds of I-Bank Bonds, to be issued pursuant to the State Fiscal Year 2022 New Jersey Water Bank Financing Program (Spring Pool) of the I-Bank (the “Program”), which I-Bank Bonds are expected to be issued by the I-Bank, pursuant to the Program, in June, 2022; and

**WHEREAS**, each I-Bank Loan made pursuant to the Program by the I-Bank to a Project Sponsor for its Water Bank Project shall be made according to the terms and provisions of a loan agreement, by and between the I-Bank and the respective Project Sponsor (each, an “I-Bank Loan Agreement”); and

**WHEREAS**, the I-Bank, in consultation with Bond Counsel to the I-Bank (“Bond Counsel”) and the Office of the State Attorney General (collectively, “counsel to the I-Bank”), has prepared master forms of the I-Bank Loan Agreement, such forms being attached hereto as Exhibit A and made a part hereof; and

**WHEREAS**, the I-Bank Loan Agreement contains all of the terms and conditions that are applicable to the receipt by each Project Sponsor of an I-Bank Loan from the I-Bank, including, without limitation, specific terms and conditions with which each Project Sponsor must comply prior to receipt of an I-Bank Loan from the I-Bank, but do not contain those terms and conditions that cannot be determined until completion of the sale of the I-Bank Bonds or until further evaluation of information to be received by the I-Bank from the Project Sponsors; and

**WHEREAS**, pursuant to the terms and provisions of the Program and subject to (i) satisfaction in full of the conditions precedent set forth in the hereinafter defined Escrow Agreement and (ii) the final certification of the respective Water Bank Project pursuant to the regulations and procedures of the New Jersey Department of Environmental Protection (the “NJDEP”), the I-Bank and each Project Sponsor shall deposit into escrow (the “Escrow Closing”) the duly authorized, executed and delivered I-Bank Loan Agreement (subject to completion to the extent of those terms and conditions that cannot be determined until completion of the sale of the I-Bank Bonds or until further evaluation of information to be received by the I-Bank from the Project Sponsor) and certain other Program-related documents (collectively, the “Escrowed Program Documents”), which Escrowed Program Documents shall be held in escrow by Zions Bancorporation, National Association d/b/a Zions Bank, a national banking association with trust and fiduciary powers in the State (the “Escrow Agent” or “Zions Bank”), duly appointed by the Board as escrow agent, pursuant to the terms and provisions of an escrow agreement (the “Escrow Agreement”) to which the I-Bank, the respective Project Sponsor and the Escrow Agent, *inter alia*, shall be parties, which Escrow Agreement shall establish the terms and conditions governing the holding in escrow and administering by the Escrow Agent of the Escrowed Program Documents, including, without limitation, the completion of those terms and conditions of the I-Bank Loan Agreement that cannot be determined until completion of the sale of the I-Bank Bonds or until the further evaluation of information to be received by the I-Bank from the Project Sponsor; and

**WHEREAS**, the I-Bank, in consultation with counsel to the I-Bank, has prepared master forms of the Escrow Agreement, such forms being attached hereto as Exhibit B and made a part hereof; and

**WHEREAS**, in furtherance of the intent and purposes of the Program, the Board currently is scheduled to consider, as part of its agenda at its meeting to be held on or about April 14, 2022, the adoption of one or more resolutions of the I-Bank, each of which shall authorize the issuance of I-Bank Bonds pursuant to the terms and provisions of an Indenture of Trust, by and between the I-Bank and Zions Bank, duly appointed by the Board to act as trustee thereunder (each such resolution and the Indenture of Trust authorized thereby to be referred to collectively herein as the “I-Bank Bond Indenture”), which I-Bank Bond Indenture shall authorize, *inter alia*, (i) the marketing, issuance and sale by the I-Bank of its I-Bank Bonds, (ii) the allocation of the proceeds of the I-Bank Bonds to the Water Bank Projects of the respective Project Sponsors pursuant to the terms of the respective I-Bank Loan Agreement, (iii) the investment of the proceeds of the I-Bank Bonds until expenditure thereof pursuant to the terms of the I-Bank Bond Indenture, and (iv) certain other matters as shall be set forth in the I-Bank Bond Indenture; and

**WHEREAS**, it is the desire of the Board, in furtherance of the intent and purposes of the Program, that the Chairperson of the I-Bank, the Vice-Chairperson of the I-Bank, the Secretary of the I-Bank, and the Executive Director of the I-Bank, or any other person or persons designated by the Board by resolution to act on behalf of the I-Bank, but in each case subject to the limitations of the by-laws of the I-Bank (each, an “Authorized Officer”), each be severally authorized to act on behalf of the I-Bank and implement in furtherance of the Program, as and to the extent authorized and directed hereby, (i) the completion of an Escrow Closing with respect to the I-Bank Loan to be made by the I-Bank to each qualifying Project Sponsor for its Water Bank Project from the proceeds of the I-Bank Bonds and, in connection therewith, the execution and delivery of each respective I-Bank Loan Agreement and each respective Escrow Agreement, (ii) the conduct, if deemed necessary by an Authorized Officer following consultation with counsel to the I-Bank, of a hearing (the “TEFRA Hearing”) with respect to the I-Bank Bonds pursuant to the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), and (iii) such other actions in connection with the foregoing or such other actions as shall be necessary or appropriate (and not

inconsistent with the terms and provisions of this Resolution) in furtherance of the intent and purposes of the Program.

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

**Section 1. Recitals.** The recitals are incorporated herein by reference as if set forth at length herein.

**Section 2. Authorization of the I-Bank Loan Agreement.** In furtherance of the intent and purposes of the Program, the Board hereby approves the execution and delivery at Escrow Closing (but only upon (i) satisfaction in full of the conditions precedent to Escrow Closing set forth in the respective Escrow Agreement and (ii) the final certification of the respective Water Bank Project pursuant to the regulations and procedures of the NJDEP) (together the “Precedent Conditions 1 and 2”) of an I-Bank Loan Agreement with respect to each I-Bank Loan to be made by the I-Bank to each Project Sponsor, pursuant to the Program, in connection with the respective Water Bank Project thereof.

Pursuant to the Program, and in connection with the respective Water Bank Projects to be financed thereby, each such I-Bank Loan Agreement is to be in substantially the form (as applicable) attached hereto as Exhibit A and made a part hereof; provided, however, that each I-Bank Loan Agreement executed and delivered at Escrow Closing pursuant to the authorization of the Board as set forth herein shall be exclusive of the following terms, which terms shall be completed, upon completion of the sale of the I-Bank Bonds and further evaluation of information to be received by the I-Bank from the Project Sponsors, by any Authorized Officer in a manner (i) consistent with the provisions of the I-Bank Bond Indenture and (ii) pursuant to the provisions of the respective Escrow Agreement relating to the completion of such terms: (a) the principal and interest repayment schedules and adjusted principal amount reflecting, as applicable and without limitation, capitalized interest, reserve capacity, administrative fees and issuance expenses, which cannot be finally determined until completion of the sale of the I-Bank Bonds; (b) if applicable pursuant to the then-current Credit Policy of the I-Bank that has been approved by the Board, provisions requiring additional forms of security, such as a deficiency agreement, a letter of credit or a special reserve fund securing the timely repayment of the I-Bank Loan; and (c) provisions relating to the satisfaction of the “funds available” or “cash on hand” requirement pertaining to the funding of unallowable Water Bank Project costs or that portion of allowable Water Bank Project costs not financed with proceeds of the I-Bank Bonds through the I-Bank Loan Agreement and the corresponding fund loan agreement entered into by and between the NJDEP and the Project Sponsor.

**Section 3. Authorization of the Escrow Agreement.** In furtherance of the intent and purposes of the Program, the Board hereby approves the execution and delivery at Escrow Closing (but only upon satisfaction in full of the Precedent Conditions 1 and 2) of an Escrow Agreement with respect to each I-Bank Loan to be made by the I-Bank to each Project Sponsor, pursuant to the Program, in connection with the respective Water Bank Project thereof, each such Escrow Agreement to be in substantially the form (as applicable) attached hereto as Exhibit B and made a part hereof.

**Section 4. Modifications to Forms of Loan Agreement and/or Escrow Agreement.** In connection with any of the transactions authorized by this Resolution, an Authorized Officer may make such amendments, modifications and revisions to the forms of I-Bank Loan Agreement and/or Escrow Agreement submitted to this meeting, prior to, or simultaneously with, either the issuance of the I-Bank Bonds or Escrow Closing, as the case may be, as (i) may be requested by any Rating Agency in connection

with obtaining a rating on any I-Bank Bonds from such Rating Agency, or (ii) such Authorized Officer may determine, in consultation with the Chairperson of the I-Bank and counsel to the I-Bank, are necessary or advisable in order to (1) reflect the actual Program provisions that shall be applicable, the I-Bank Loan Agreement, the Escrow Agreement, the Escrowed Program Documents and/or the I-Bank Bonds or (2) facilitate the issuance and sale of the I-Bank Bonds and/or the Escrow Closings; provided, however, that no such amendments, modifications or revisions shall be inconsistent with the terms and provisions of this Resolution.

**Section 5. Authorization of Escrow Closing.** In furtherance of the intent and purposes of the Program, the Board hereby authorizes any Authorized Officer to engage in an Escrow Closing (but only upon satisfaction in full of the Precedent Conditions 1 and 2), pursuant to the terms and procedures of the Escrow Agreement, with respect to each I-Bank Loan to be made by the I-Bank to each Project Sponsor, pursuant to the Program, in connection with the respective Water Bank Project thereof. The Board hereby authorizes any Authorized Officer, upon consultation with counsel to the I-Bank, (i) to determine the Escrow Closing schedule and (ii) to undertake any other action in furtherance of the Escrow Closing, relating to the I-Bank Loan made by the I-Bank to each Project Sponsor in connection with the respective Water Bank Project thereof, as such Authorized Officer shall determine to be necessary or appropriate and not inconsistent with the terms and provisions of this Resolution.

**Section 6. Authorization of Execution of the I-Bank Loan Agreement, the Escrow Agreement and any other Escrowed Program Documents.** In furtherance of the intent and purposes of the Program, the Board hereby authorizes (but only upon satisfaction in full of the Precedent Conditions 1 and 2) that (i) the I-Bank Loan Agreement, the Escrow Agreement, any other Escrowed Program Documents to which the I-Bank is a party, and any other document required to be executed by the I-Bank in connection with the undertaking and completion of the Escrow Closing with respect to each I-Bank Loan made by the I-Bank to each Project Sponsor, pursuant to the Program, shall be executed in the name of the I-Bank by the manual signature of any Authorized Officer of the I-Bank, and (ii) if required by the terms of such document, its corporate seal shall be impressed, imprinted or otherwise reproduced thereon and attested by the manual signature of the Secretary or Assistant Secretary or other Authorized Officer of the I-Bank.

**Section 7. Authorization of Other Action in Furtherance of Escrow Closing.** In furtherance of the intent and purposes of the Program, the Board hereby authorizes any Authorized Officer, after consultation with counsel to the I-Bank, to take such other actions and to execute such other documents and instruments as may be necessary or appropriate (and not inconsistent with the terms and provisions of this Resolution) to effect the consummation of an Escrow Closing with respect to each I-Bank Loan made by the I-Bank to each Project Sponsor, pursuant to the Program, in connection with the respective Water Bank Project thereof.

**Section 8. Authorization of TEFRA Hearing.** In furtherance of the intent and purposes of the Program, the Board hereby authorizes any Authorized Officer, after consultation with counsel to the I-Bank, to conduct a TEFRA Hearing with respect to the I-Bank Bonds (as well as publication prior to the TEFRA Hearing of public notice as required by the Code) at such time and in such manner as any Authorized Officer, after consultation with counsel to the I-Bank, shall determine to be necessary, convenient or desirable in order to satisfy the requirements of the Code.

**Section 9. Authorization of Other Action in Furtherance of the Program.** The Board hereby authorizes any Authorized Officer, after consultation with counsel to the I-Bank, to take such other

actions, to execute such other instruments and to seek such other consents as may be necessary or appropriate (and not inconsistent with the terms and provisions of this Resolution) to further the intent and purposes of the Program.

**Section 10. Effective Date.** This Resolution shall become effective in accordance with the terms of Section 4(i) of the Act (N.J.S.A. 58:11B-4(i)).

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

**EXHIBIT A**

**FORMS OF I-BANK LOAN AGREEMENT**

**EXHIBIT B**

**FORMS OF ESCROW AGREEMENT**



**RESOLUTION NO. 22 - xx**

**RESOLUTION AUTHORIZING VARIOUS ACTIONS NECESSARY FOR THE APPLICATION BY THE NEW JERSEY INFRASTRUCTURE BANK FOR FUNDING THROUGH THE STATE INFRASTRUCTURE FINANCING AUTHORITY WATER INFRASTRUCTURE FINANCE AND INNOVATION ACT**

**WHEREAS**, pursuant to Section 5(i) and Section 6(a) of the New Jersey Infrastructure Trust Act, constituting Chapter 334 of the Pamphlet Laws of 1985 of the State of New Jersey (the “State”), as amended and supplemented (N.J.S.A. 58:11B-1 *et seq.*) (the “Act”), the New Jersey Infrastructure Bank, a public body corporate and politic under the laws of the State, created pursuant to the Act (the “I-Bank”), is authorized to make and contract to make loans to eligible borrowers and issue bonds as in its judgment shall be necessary to provide funds sufficient for any of its corporate purposes, including, without limitation, the making of loans (each, a “Water Bank Loan”) to project sponsors (each, a “Project Sponsor”) to finance a portion of the costs of the respective environmental infrastructure projects thereof (each, a “Water Bank Project”); and

**WHEREAS**, the Water Infrastructure Finance and Innovation Act of 2014 (“WIFIA”), 33 U.S.C. § 3901 *et seq.*, is a federal credit program administered by the United States Environmental Protection Agency (“EPA”) offering loans or loan guarantees for water and wastewater infrastructure projects; and

**WHEREAS**, the State infrastructure financing authority WIFIA (“SWIFIA”) program, authorized in section 4201 of America’s Water Infrastructure Act (“AWIA”) of 2018 is a loan program within the WIFIA program that is exclusively for State infrastructure financing authority borrowers; and

**WHEREAS**, in furtherance of the State’s goal to adequately finance clean water and drinking water quality projects, the I-Bank is charged with seeking and providing the most affordable and efficient sources of funds to supplement State Revolving Fund (“SRF”) loans provided by the New Jersey Department of Environmental Protection (“DEP”) through the Water Bank Financing Program (the “Program”) to Project Sponsors within the State; and

**WHEREAS**, the I-Bank evaluated using SWIFIA to provide additional financing for the Program and found SWIFIA financing to be a competitive option; and

**WHEREAS**, on June 25, 2021, the I-Bank submitted a Letter of Interest (“LOI”), as a prerequisite to submission of an application, to the SWIFIA program; and

**WHEREAS**, on September 21, 2021, the EPA sent a letter of acceptance to the I-Bank inviting the I-Bank to submit an application for such funds in an amount not to exceed \$353,542,608 (“SWIFIA Application”); and

**WHEREAS**, the I-Bank is considering applying for and utilizing funds available through the SWIFIA program, as a supplemental source of funding for the I-Bank’s portion of a pool of Water Bank Loans; and

**WHEREAS**, the EPA requires an application fee of \$100,000 to be submitted with the SWIFIA Application which fee shall be applied to costs from USEPA incurred by the I-Bank in EPA’s underwriting and the closing of the SWIFIA Loan; and

**WHEREAS**, it is the desire of the Board to submit an application for SWIFIA funds, along with the application fee, in furtherance of the intent and purposes of the Program, that the Chairperson of the I-Bank, the Vice-Chairperson of the I-Bank, the Secretary of the I-Bank, and the Executive Director of the I-

Bank, or any other person or persons designated by the Board by resolution to act on behalf of the I-Bank, but in each case subject to the limitations of the By-Laws of the I-Bank (each, an “Authorized Officer”), each be severally authorized to act on behalf of the I-Bank to act in furtherance of the application for SWIFIA funds.

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

**Section 1. Recitals.** The recitals are incorporated herein by reference as if set forth at length herein.

**Section 2. Authorization of Application for SWIFIA Funds.** In furtherance of the intent and purposes of the Program, the Board hereby authorizes the Executive Director to submit a SWIFIA Application to the EPA.

**Section 3. Authorization of Development and Negotiation of Terms and Conditions.** The Board hereby authorizes the Executive Director, in consultation with the I-Bank’s Bond Counsel (“Bond Counsel”) and the Office of the State Attorney General (collectively, “counsel to the I-Bank”), to prepare necessary forms in furtherance of SWIFIA program financing including, but not limited to, preparation and review of loan documents, indenture, and term sheets and to negotiate on behalf of the I-Bank the terms and conditions of various SWIFIA program financing documents.

**Section 4. Authorization of the SWIFIA Application Fee.** In furtherance of the intent and purposes of the Program, the Board hereby authorizes the payment of costs and expenses related to the preparation of the SWIFIA Application including the SWIFIA Application fee of \$100,000 to the EPA.

**Section 5. Authorization of Other Action in Furtherance of Escrow Closing.** In furtherance of the intent and purposes of the Program, the Board hereby authorizes any Authorized Officer, after consultation with counsel to the I-Bank, to take such other actions and to prepare such other documents and instruments as may be necessary or appropriate (and not inconsistent with the terms and provisions of this Resolution) to affect the application of SWIFIA funds for selected Water Bank Projects.

**Section 6. Additional Board Action.** No SWIFIA program financing documents shall be entered into with the EPA without additional Board action.

**Section 7. Effective Date.** This Resolution shall become effective in accordance with the terms of Section 4(i) of the Act (N.J.S.A. 58:11B-4(i)).

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

RESOLUTION No. 22 - xx

**RESOLUTION OF THE NEW JERSEY INFRASTRUCTURE AUTHORIZING  
THE AWARD OF A CONTRACT FOR THE ENVIRONMENTAL INFRASTRUCTURE FINANCING PROGRAM  
FINANCIAL ADVISOR SERVICES PROVIDER**

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

**WHEREAS**, at its January 13, 2022 meeting, the Board of Directors of the I-Bank (“Board”) approved Resolution No. 22-03 authorizing the Executive Director to prepare and distribute a Request for Proposals (“RFP”) for the appointment of a New Jersey Environmental Infrastructure Financing Program (“Water Bank”) Financial Advisor;

**WHEREAS**, the I-Bank distributed an RFP for the appointment of a Water Bank Financial Advisory Services Provider for the period of July 1, 2022 through June 30, 2025, with an option for two additional one-year periods, each upon approval of the Board in accordance with the I-Bank Policy No. 4.00 Purchase of Goods and Services;

**WHEREAS**, the RFP solicited proposals and enumerated the criteria and associated weights to be applied in the evaluation process;

**WHEREAS**, the I-Bank received three proposals, all of which were deemed to be compliant with the requirements of the RFP;

**WHEREAS**, the Executive Director of the I-Bank appointed an Evaluation Committee (“Committee”) consisting of three I-Bank staff members to review and score the proposals;

**WHEREAS**, the Committee members independently reviewed and ranked the proposals;

**WHEREAS**, after the Committee members’ rankings were tabulated, and the highest ranking firm was invited to make a Best and Final Offer (“BAFO”), the Committee recommended that the contract for Water Bank Financial Advisory Services Provider be awarded to xxxx (“xxx”);

**WHEREAS**, the Executive Director concurred with the recommendations of the Committee and recommends that the I-Bank engage xxxx to serve as I-Bank’s Water Bank Financial Advisory Services Provider.

**NOW THEREFORE, BE IT RESOLVED** that the Board of Directors of the I-Bank (“Board”) selects and appoints xxxx to serve as the Water Bank Financial Advisory Services Provider and conduct the scope of work set forth in the RFP, which appointment shall be for the period of July 1, 2022 through June 30, 2025 with the option to extend for two one-year periods, each upon approval by the Board (“Contract Term”) and contingent upon the subsequent execution by all parties of an agreement substantially in the form presented to this meeting, which is hereby approved; provided that the Chairperson, Vice-Chairperson, and Secretary of the I-Bank are hereby authorized, with the advice the State Attorney General, to make such changes, insertions and deletions to and omissions from such form as may be necessary or appropriate; and

**BE IT FURTHER RESOLVED**, the Executive Director is hereby authorized to send a confirming letter to xxx. confirming its appointment as the I-Bank's Water Bank Financial Advisory Services Provider for the Contract Term described above; and

**BE IT FURTHER RESOLVED**, the Chairperson, Vice-Chairperson or Secretary of the I-Bank is hereby authorized to execute and deliver such agreement which includes the RFP, the technical proposal submitted by xxx, the I-Bank's Standard Terms and Conditions, and the Best and Final Offer of xxx.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

**RESOLUTION NO. 22 - xx**

**RESOLUTION OF THE NEW JERSEY INFRASTRUCTURE BANK AUTHORIZING  
A ONE-YEAR EXTENSION OF ITS AGREEMENT WITH CLIFTONLARSENALLEN, LLP  
FOR FINANCIAL AUDITING SERVICES**

**WHEREAS**, pursuant to Section 5(d) of 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.), the New Jersey Infrastructure Bank ("I-Bank") is authorized to enter agreements necessary to the performance of its duties; and

**WHEREAS**, pursuant to Resolution No. 18-59, the the Board of Directors of the I-Bank ("Board") authorized the Executive Director of the I-Bank to solicit proposals for financial auditing services; and

**WHEREAS**, the I-Bank competitively procured financial auditing services through formal advertisement and distribution of a Request for Proposals ("RFP") pursuant to I-Bank Policy and Procedure 4.0 and Executive Order No. 122 (McGreevey 2004); and

**WHEREAS**, pursuant to Resolution No. 19-05, the Board authorized the appointment of CliftonLarsenAllen, LLP ("CLA") for a contract period that covers work associated with financial auditing services for State Fiscal Years ("SFY") 2019 through 2021 with two options for one-year extensions for work associated with financial auditing services for SFY2022 and SFY2023 subject to Board approval; and

**WHEREAS**, on February 6, 2019, an agreement was entered between the I-Bank and CLA ("Original Contract") appointing CLA as provider of financial auditing services; and

**WHEREAS**, the Original Contract approved by the Board pursuant to Resolution No. 19-05 provides for two one-year extensions for work associated with financial auditing services for SFY2022 and SFY2023, each subject to Board authorization; and

**WHEREAS**, a one year contract extension was approved by the Board pursuant to Resolution No. 21-16, for work associated with financial auditing services for SFY2022; and

**WHEREAS**, it is the desire of the Board to exercise the last one-year option to renew the Original Contract with CLA for work associated with financial auditing services for SFY2023 as the Board deems continued appointment of CLA for financial auditing services to be appropriate.

**NOW THEREFORE BE IT RESOLVED, as follows:**

- a. The Board hereby authorizes the extension of the Original Contract with CLA for one (1) year for SFY2023 under the same terms and conditions, including price, set forth in the Original Contract.
- b. Pursuant to section (e) of Resolution No. 19-05, the I-Bank's agreement to pay CLA for said financial auditing services for SFY2023 shall not exceed \$84,600 without prior authorization of the Chairperson of the I-Bank's Audit Committee.
- c. The Executive Director is authorized to issue a contract extension to CLA in accordance with section (a) of this Resolution and to take such other actions as the Executive Director deems necessary and appropriate to carry out the terms of this Resolution.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

**RESOLUTION NO. 22 – xx**

**RESOLUTION OF THE NEW JERSEY INFRASTRUCTURE AUTHORIZING  
THE AWARD OF A CONTRACT FOR AN INFORMATION TECHNOLOGY MANAGED SECURITY SERVICES  
PROVIDER**

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

**WHEREAS**, at its August 13, 2020 meeting, the Board of Directors of the I-Bank (“Board”) approved Resolution No. 20-50 authorizing the Executive Director to prepare and distribute a Request for Proposals (“RFP”) for the appointment of an Information Technology Managed Security Services Provider (“IT MSSP”);

**WHEREAS**, the I-Bank distributed an RFP for the appointment of an IT MSSP for the period of July 1, 2022 through June 30, 2024 with an option for two additional one-year periods upon approval of the Board in accordance with the I-Bank Policy No. 4.00 Purchase of Goods and Services;

**WHEREAS**, the RFP solicited proposals and enumerated the criteria and associated weights to be applied in the evaluation process;

**WHEREAS**, the I-Bank received two proposals, both of which were compliant with the requirements of the RFP; and

**WHEREAS**, the Executive Director of the I-Bank appointed an Evaluation Committee (“Committee”) consisting of three I-Bank staff members to review and score the proposals;

**WHEREAS**, the Committee members independently reviewed and ranked the proposals;

**WHEREAS**, Committee members’ rankings were tabulated and the highest ranking firm was invited to make a Best and Final Offer (“BAFO”). The Committee recommended that the contract for IT MSSP be awarded to MGT of America (“MGT”);

**WHEREAS**, the Executive Director concurred with the recommendation of the Committee and recommends that the I-Bank engage MGT to serve as I-Bank’s IT MSSP.

**NOW THEREFORE, BE IT RESOLVED** that the I-Bank Board selects and appoints MGT as the IT MSSP, and conduct the scope of work set forth in the RFP, which appointment shall be for the period of July 1, 2022 through June 30, 2024 with the option to extend for two one-year periods upon approval by the Board (“Contract Term”) and contingent upon the subsequent execution by all parties of an agreement substantially in the form presented to this meeting, which is hereby approved; provided that the Chairperson, Vice-Chairperson, and Secretary of the I-Bank are hereby authorized, with the advice of the State Attorney General, to make such changes, insertions and deletions to and omissions from such form as may be necessary or appropriate; and

**BE IT FURTHER RESOLVED**, the Executive Director is hereby authorized to send a confirming letter to MGT confirming its appointment as the I-Bank's IT MSSP for the Contract Term described above; and

**BE IT FURTHER RESOLVED**, the Chairperson, Vice-Chairperson, and Secretary of the I-Bank are hereby authorized to execute and deliver such agreement, substantially in the form of the agreement authorized by the Attorney General, with MGT. The terms and conditions of that agreement shall include but not be limited to:

- a. The provision of services as outlined in the I-Bank's RFP distributed on January 12, 2022;
- b. The payment for all services and fees as detailed in the proposal submitted by MGT dated February 25, 2022 as modified by MGT's best and final offer submitted on March 2, 2022; and
- c. Such other terms and conditions as may be contemplated by the RFP and the materials enclosed therewith as deemed necessary and appropriate by the Chairperson, Vice-Chairperson, or Secretary of the I-Bank.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:



**RESOLUTION NO. 22 – xx**

**EXECUTIVE SESSION**

**BE IT HEREBY RESOLVED**, that pursuant to N.J.S.A. 10:4-12 and N.J.S.A. 10:4-13, the members of the New Jersey Infrastructure Bank (“I-BANK”) convene an executive session regarding contract negotiations, personnel matters and advice from counsel.

**BE IT FURTHER RESOLVED**, that discussions undertaken at this executive session will be made public once a final position is adopted by the I-Bank regarding such actions.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions: