

RESOLUTION NO. 14 - 46

**RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST AUTHORIZING
A STATE FISCAL YEAR 2015 INTERIM FINANCING PROGRAM LOAN TO
THE BOROUGH OF HOPATCONG**

WHEREAS, the New Jersey Environmental Infrastructure Trust (the "Trust"), in accordance with (i) the "New Jersey Environmental Infrastructure Trust Act", constituting Chapter 334 of the Pamphlet Laws of 1985 of the State of New Jersey (codified at N.J.S.A. 58:11B-1 *et seq.*), as the same may from time to time be amended and supplemented (the "Act"), and (ii) the regulations promulgated pursuant to the Act (N.J.A.C. 7:22-2.1 *et seq.*), as the same may from time to time be amended and supplemented (the "Regulations"), is authorized, pursuant to an interim financing program (the "Interim Financing Program"), to make loans (each, an "Interim Loan") to eligible project sponsors (each, a "Borrower") for the purpose of financing the allowable costs of environmental infrastructure projects, provided that each such Interim Loan satisfies the requirements of the Regulations, including, without limitation, N.J.A.C. 7:22-4.47; and

WHEREAS, pursuant to the provisions of N.J.A.C. 7:22-4.47, a proposed project sponsor is eligible to be a Borrower for an Interim Loan pursuant to the Interim Financing Program, provided all of the following conditions are satisfied in full: (i) the project is listed on the project priority list developed in accordance with N.J.A.C. 7:22-4.8(a) for funding in the forthcoming State Fiscal Year; (ii) the proposed project sponsor has submitted a complete application for the project in accordance with N.J.A.C. 7:22-4.11; (iii) the project has been certified for funding by the Trust in accordance with N.J.A.C. 7:22-4.13; (iv) the project is in the fundable range in the forthcoming funding cycle given the project's rank and the anticipated availability of Department of Environmental Protection (the "Department") and Trust monies; and (v) the proposed project sponsor has not previously received an Interim Loan through the Interim Financing Program for the same project scope; and

WHEREAS, in order to provide funding for the implementation of the Interim Financing Program during State Fiscal Year 2015 (the "Interim Financing SFY 2015 Trust Loan Program"), the Trust duly adopted a resolution on May 8, 2014 (the "Trust Authorizing Resolution") entitled "Amended and Restated Resolution of the New Jersey Environmental Infrastructure Trust Authorizing the Interim Financing State Fiscal Year 2015 Trust Loan Program" (the "Authorizing Resolution"); and

WHEREAS, pursuant to the terms of the Authorizing Resolution, the Authorized Officers (as defined therein) are each severally authorized, after consultation with Bond Counsel to the Trust and the Office of the Attorney General of the State, to approve the participation of a Borrower in the Interim Financing SFY 2015 Trust 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 Trust Authorizing Resolution; and

WHEREAS, pursuant to Section 3 of the Trust Authorizing Resolution, any Interim Loan

approved by the Authorized Officers, following the requisite consultations, and made by the Trust to a Borrower as part of the Interim Financing SFY 2015 Trust Loan Program shall not exceed \$10,000,000 in principal amount, subject to further official action in the form of the adoption of a resolution by the Board of Directors of the Trust; and

WHEREAS, the Borough of Hopatcong (“Hopatcong”) has requested from the Trust an Interim Loan from the Interim Financing SFY 2015 Trust Loan Program, in anticipation of a long-term loan from each of the Trust and the Department as part of the SFY 2015 New Jersey Environmental Infrastructure Financing Program, for the purpose of completing an environmental infrastructure project to be constructed in Hopatcong and designated by the Department as Project #S340488-04-1 (the “Hopatcong Project”); and

WHEREAS, pursuant to the construction schedules with respect to the completion of the Hopatcong Project, the expenditure of approximately \$12,366,000 for the Hopatcong Project is required prior to the anticipated procurement by Hopatcong of the long-term loan from each of the Trust and the Department as part of the SFY 2015 New Jersey Environmental Infrastructure Financing Program, thereby resulting in a request by Hopatcong for an Interim Loan from the Interim Financing SFY 2015 Trust Loan Program in an amount not to exceed \$12,366,000; and

WHEREAS, with respect to the limitation established in Section 3 of the Authorizing Resolution providing that any Interim Loan approved by the Authorized Officers, following the requisite consultations, and made by the Trust to a Borrower as part of the Interim Financing SFY 2015 Trust Loan Program shall not exceed \$10,000,000 in principal amount, subject to further official action in the form of the adoption of a resolution by the Board of Directors of the Trust, the Trust now desires, given the facts and circumstances set forth in the recitals hereto, to create as an exception to such limitation an Interim Loan, as part of the Interim Financing SFY 2015 Trust Loan Program, to Hopatcong in an amount not to exceed \$12,366,000 for the purpose of completing the Hopatcong Project; and

WHEREAS, it is the desire of the Trust that, other than the exception to Section 3 of the Authorizing Resolution described in the immediately preceding recital, Hopatcong shall comply with (i) all other requirements of the Authorizing Resolution, (ii) all applicable requirements of the Act, and (iii) all applicable requirements of the Regulations.

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

Section 1. Notwithstanding the limitation established in Section 3 of the Authorizing Resolution providing that any Interim Loan approved by the Authorized Officers, following the requisite consultations, and made by the Trust to a Borrower as part of the Interim Financing SFY 2015 Trust Loan Program shall not exceed \$10,000,000 in principal amount, the Board of Directors of the Trust, given the facts and circumstances set forth in the recitals hereto, hereby authorizes, as an exception to such limitation established in Section 3 of the Authorizing Resolution, an Interim Loan, as part of the Interim Financing SFY 2015 Trust Loan Program, to Hopatcong in an amount not to exceed \$12,366,000 for the purpose of completing the

Hopatcong Project.

Section 2. Other than the exception created by the provisions of Section 1 of this Resolution, the Interim Loan made to Hopatcong as part of the Interim Financing SFY 2015 Trust Loan Program shall comply fully with (i) each of the terms, provisions and conditions precedent set forth in the Authorizing Resolution, (ii) all applicable requirements of the Act, and (iii) all applicable requirements of the Regulations.

Adopted Date: August 14, 2014

Motion Made By: Robert Braint, Jr.

Motion Seconded By: James Requa

Ayes: 7

Nays: 0

Abstentions: 0