

RESOLUTION NO. 17-28

**RESOLUTION OF THE TRUST AUTHORIZING THE ISSUANCE OF
A REQUEST FOR PROPOSALS FOR A TRUSTEE/ESCROW AGENT**

WHEREAS, the New Jersey Environmental Infrastructure Trust (the “Trust”) is authorized to enter agreements for trustee and escrow agent pursuant to N.J.S.A. 58:11B-5(d); and

WHEREAS, the services of an escrow agent are necessary in the implementation of the New Jersey Environmental Infrastructure Financing Program (“NJEIFP” or “Financing Program”) for various functions prior to the closing of pooled loans including but not limited to collecting and releasing loan closing documents at the beginning and end of the escrow period respectively; and

WHEREAS, the services of a trustee are necessary in the implementation of the NJEIFP to perform various administrative functions set forth in the bond documents after bond sale such as establish various accounts, make interest payments to bond holders, and represent the interests of bond holders in the event of default; and

WHEREAS, the Trust typically utilizes the services of a single financial institution to provide trustee and escrow agent services; and

WHEREAS, the Trust deems the services of a trustee and escrow agent necessary to the success of the SFY2018 and SFY2019 Financing Programs.

NOW THEREFORE BE IT RESOLVED THAT the Trust hereby authorizes the Executive Director, in consultation with counsel, to prepare and distribute a Request for Proposals (RFP) for Trustee/Escrow Agent as may be determined in accordance with the provisions of Executive Order No. 26, and other laws of the State of New Jersey; and

BE IT FURTHER RESOLVED THAT the Executive Director is further authorized to establish a committee to review all proposals in accordance with Trust’s Policy and Procedures and to make a report and recommendation to the Trust Executive Director as to the selection of a Trustee/Escrow Agent for a contract period of two years with an option for an additional one-year period upon approval by the Board; and

BE IT FURTHER RESOLVED THAT the Executive Director is authorized to take all other actions consistent with approved procedures to procure the services of a Trustee/Escrow Agent.

Adopted Date:	April 13, 2017
Motion Made By:	Mr. Robert Briant
Motion Seconded By:	Mr. Michael Griffin
Ayes:	5
Nays:	0
Abstentions:	0



Request for Proposals

Trustee/Escrow Agent Services for SFY2018 & SFY2019 Financing Programs

Issued by the
New Jersey Environmental Infrastructure Trust

Date Issued:
May 1, 2017

Questions and Answer Cut-Off Date:
5:00PM EST May 9, 2017

Proposals Due Date:
12:00 PM EST May 31, 2017

In the Office of the Chief Budget Officer
3131 Princeton Pike, Building 4, Suite 216
Lawrenceville, NJ 08648
(609) 219-8600

Please Label Proposals with Firm's Name and
"Proposal for Trustee/Escrow Agent Services SFY18-19 Financing Programs"

**NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST
REQUEST FOR PROPOSAL
FOR TRUSTEE AND ESCROW AGENT**

For the SFY2018 & SFY2019 Environmental Infrastructure Financing Programs

I. OBJECTIVE

The New Jersey Environmental Infrastructure Trust (“NJEIT”) is looking to procure the services of a Trustee and Escrow Agent. Pursuant to this request for proposal, the NJEIT shall select a Trustee and Escrow Agent from the list of responsive bidders as prescribed in Section IV.

II. NJEIT / Program Background

a. Powers and Structure

The NJEIT was organized pursuant to N.J.S.A. 58:11B-1 et seq., in 1986 as an independent State Financing authority. The NJEIT's enabling legislation requires extensive legislative oversight of the NJEIT, including fiscal accountability and control over its operating expenses, loan and debt guarantee activities, and borrowing and debt obligations. No funds from State or federal sources or State bond issues are made available to the NJEIT absent legislative appropriation.

Through the New Jersey Environmental Infrastructure Financing Program (“NJEIFP” or “Financing Program”), the Department of Environmental Protection (“DEP”) and the NJEIT jointly issue short-term and long-term loans to provide funding for all aspects, phases and components of designing and building environmental infrastructure projects. NJEIFP Loans are issued upon approval of applicable NJEIFP program requirements for costs incurred for designing and constructing projects (and land preservation) that enhance and protect ground and surface water resources, ensure the safety of drinking water, and facilitate responsible, sustainable economic development. Generally, either the NJEIT or the Department may finance up to 75% of the allowable project costs.

b. Financing

General - Since its inception, the Financing Program has issued roughly 1,200 loans totaling over \$6.5 billion, with approximately \$2.7 billion funded from the NJEIT and the remaining \$3.8 billion funded from the DEP. Presently, the NJEIT has outstanding 41 publicly issued Revenue Bond Series totaling \$1.0 billion with maturities spanning over 30 years.

The Financing Program funds projects with short-term loans during the construction period. With limited exception, all relevant Program terms and conditions are established at the time of issuance of the short-term loans. Long-Term loans are largely a mechanism to refinance previously issued short-term loans once a percentage of construction is completed. As of January 31, 2017, there are 105 project accounts under the long-term loan program under management by current trustees.

Short-Term Financing - Short-Term Loans are issued for the project's construction period with a maximum timeframe of up to three fiscal years. Financing terms are currently funded 100% from the DEP at 0% interest rate with the option to fund up to 25% from the NJEIT at the NJEIT's short-term, AAA rated market interest rate, resulting in the equivalent of up to a 25% short-term market rate loan. The program is moving toward requiring construction to be completed prior to short-term loan maturity, which is typically refinanced through a long-term loan, funded through NJEIT bond proceeds and State and federal funds.

In order to increase funds available for Short-term loans, the NJEIT anticipates establishing a short-term commercial paper program with banks that (i) provides sufficient funds; to finance "construction on demand"; and (ii) that carries the highest credit ratings and the lowest possible interest costs for borrowers.

Long-Term Financing – Generally, the NJEIT issues revenue bonds to refinance its portion of the short-term loan and repay the source of funds that had been utilized for the short-term loan. Financing Program borrowers are required to secure both an NJEIT and State loan agreement. Each loan issued by the NJEIT and the DEP pursuant to loan agreements between the Borrower and the NJEIT or the DEP is evidenced by a bond from each Borrower. Financing Program borrowers must produce validly executed and authenticated or attested bonds evidencing such loans prior to the NJEIT publishing the notice of sale for the bonds it issues to finance the NJEIT Loans. These documents will be produced by each borrower at separate escrow closings. The selected Escrow Agent will be contacted by bond counsel and given the escrow closing schedule when it is available. Draft schedules for the November 2017 and May 2018 bond sales are attached as **Attachment A**.

Borrower loan repayments are received one month prior to the debt service payment dates on outstanding NJEIT bonds (March 1st and September 1st). Repayments of the DEP loans are remitted by the Trustee to the Master Program Trustee. DEP Loan repayments are held in the Master Program Trust Account for six (6) months plus one (1) day to provide additional collateral for principal and interest payments to the bond investors.

Bond Program

- (i) Security – The NJEIT's Long-term Bond Series are Special Obligations of the NJEIT, secured primarily by: The repayments by the Series Borrowers of the Series Trust Loans (which repayments are, in turn, collateralized by the bond of each Series Borrower issued to the Trust to secure the Series Borrower's obligation to make these repayments on time and in full);
- (ii) The repayments by the Series Borrowers for the companion Series State Fund Loans (which repayments are, in turn, collateralized by the bond of each Series Borrower issued to the State to secure the Series Borrower's obligation to make these repayments on time and in full);
- (iii) Certain of the repayments by those Borrowers in the Coverage Providing Financing Programs that have received Coverage Providing State Fund Loans that are held by the Master Program Trustee in accordance with the terms of the Master Program Trust Agreement;
- (iv) With respect to certain authority Series borrowers only, money deposited in the Series Borrower Debt Service Reserve Funds;

(v) Moneys payable under the Series Borrower Service Agreements and the Series Government Borrower Guaranties; and

(vi) Certain State-aid payable to certain of the Series Borrowers.

Neither the State nor any political subdivision thereof (other than the NJEIT, but solely to the extent of the applicable program Estate) is obligated to pay the principal of or interest on the Series Bonds, and neither the full faith and credit nor the taxing power of the State or any political subdivision thereof (the NJEIT has no taxing power) is pledged to the payment of the principal of or interest on the Series Bonds.

- Ratings - The NJEIT's Long-term bonds received the highest possible ratings of AAA/AAA/Aaa from Standard & Poor's, Fitch Ratings and Moody's Investors Service, respectively.
- Method of Sale - The NJEIT's long-term bonds are sold by competitive sale with award going to the bidder providing the lowest true interest cost (TIC) to the NJEIT over the life of the bonds.
- Series - The NJEIT anticipates issuing multiple Series (tax-exempt, AMT and taxable) of long-term bonds based upon the pool of borrowers. It is anticipated that the NJEIT will issue bonds twice a year in SFY2018 and SFY2019.
- Bond Counsel- The law firm of McCarter & English, LLP currently serves as the NJEIT's bond counsel.
- Repayments - Each NJEIT Bond Series is issued under and pursuant to a separate NJEIT Bond Resolution. On each semi-annual loan repayment due date, a borrower makes one payment in an amount equal to the NJEIT loan repayment (principal and interest), the NJEIT semi-annual administrative fee payment, the State loan repayment and State administrative fee payment. Upon receipt of each such payment, the Loan Servicer applies it in accordance with the directions in the applicable bond resolution. For Bond Series issued in 2003 and prior, the NJEIT and the State entered into Loan Servicing Agreements with respect to each financing cycle. Beginning with the 2004 Series, the NJEIT accounting staff performs the function of Loan Servicer with borrower payments flowing through a clearing account held by the Trustee. A summary of the flow of funds may be found in the Official Statements for each Bond Series. A copy of the NJEIT's most recent Official Statement, the Series 2016A-2, is available on the NJEIT's website under the "[Finance / Official Statements](#)" tab and attached hereto as **Attachment B**.

Refunding

NJEIT continually monitors market conditions to assess when interest rates meet NJEIT's savings threshold for refunding prior bonds. Upon the occurrence of such conditions, NJEIT may issue refunding bonds to partially or fully refund an outstanding bond series.

Program Fees - The NJEIT charges each borrower an annual fee calculated on the original principal amount of each borrower's loan over the entirety of the loan. This rate is set by the NJEIT prior to

the issuance of each bond Series. The DEP collects a fee from each Borrower based on a percentage of the total construction costs of each project. Borrowers pay a portion of the DEP fee at loan closing with bond proceeds and the remaining portion is incorporated in the borrower's repayment schedule and repaid over the first few payments of the loan. The NJEIT remits these cash flows to the DEP upon receipt of each payment.

c. Information Relevant to Customized Procurement

Pursuant to this Request for Proposal, NJEIT shall select an Escrow Agent to act as agent for the NJEIT, the State, and each Borrower to possess and administer the escrow documents in accordance with the instructions and subject to the terms and conditions set forth in the attached forms of the escrow agreements (**Attachment D**). Separate escrow agreements shall be executed for each borrower at escrow closings. However, several borrowers may have the same bond counsel, so some escrow closings might occur on the same day sequentially.

During the term of the contract, NJEIT may:

- Issue more than one pooled financing in any given year. Separate Tax-Exempt, Amt and Taxable bond issues may be necessary as well as separate bond issues for large complex projects.
- Issue refunding bonds when advisable to refund all or a portion of an outstanding bond Series.. In certain cases, a single series of refunding bonds may be issued to refund multiple series of NJEIT bonds (the "Refunded Bonds"). In such cases, NJEIT may choose to employ a structure in which the trustee for each series of Refunded Bonds (the "Series Trustee") remains in such capacity for purposes of receiving and processing loan repayments from borrowers, and maintaining records with respect to such series of Refunded Bonds. The Firm selected to serve as Trustee pursuant to this RFP would serve as "Refunding Fiduciary" and would receive payments from the various Series Trustees of the portion of debt service on the Refunding Bonds allocable to each series of Refunded Bonds, and would use such funds to pay debt service on the Refunding Bonds. If the refunding bonds represent a single series of Refunded Bonds, the original Trustee remains in place.
- Periodically, the NJEIT defeases bonds in accordance with the IRS Code for the handling of unexpended funds or due to borrowers' desire to prepay all or a part of their obligation

Annual Financing Programs

FY2016 Recap

The NJEIT issued two bond series during the SFY2016 financing program providing two opportunities for eligible loans to receive long-term funding to refinance the NJEIT portion of the short-term loan or in some instances to receive initial funding..

In November of 2015, the NJEIT sold \$9.6 million in par face amount of the 2015A-2 Series Bonds to fund its portion of 11 projects, which along with funding from the DEP financed \$37.5 million in projects. During May 2016, NJEIT issued revenue bonds in amounts sufficient to provide

approximately \$23.9 million in loans (the "NJEIT Loans") to finance a portion of the costs of construction, interest during construction and related issuance expenses for approximately 25 projects. An additional 28 projects received a construction loan prior to the June 30th fiscal year-end totaling approximately \$63.294 million.

SFY2017

For SFY2017, the DEP and NJEIT will continue to maximize the use of available funds for environmental infrastructure construction purposes. As in recent years, the Financing Program will continue to offer traditional Base SRF Loans at 25% of market rate (25% funded with NJEIT AAA-rated public bonds and 75% funded with DEP 0% funds).

The NJEIT completed a Bond Sale in December of 2016 of approximately \$7,200,000 in par face amount. The NJEIT anticipates completing another Bond Sale in May of 2017 estimated to be \$31 million in Bonds. The NJEIT also issued 2 Series of Refunding Bonds in January totaling approximately \$106,355,000 in par face amount.

For the second SFY2017 NJEIT Bond sale, NJEIT is holding escrow closings at the offices of McCarter & English, LLP in Newark with each borrower from approximately March 23 through April 6, 2017; bond sale will be held at NJEIT's offices in Lawrenceville on May 10, 2016; and pre-closing and closing are scheduled at the offices of McCarter & English, LLP, in Newark on May 24 and May 25, 2017 respectively.

The NJEIT Escrow Agent will pre-sign each borrower's loan closing documents in its capacity as escrow agent prior to closing. Escrow Agent will not be generally expected to attend escrow closings. The Trustee must attend pre-closing which typically occurs on the day immediately prior to closing.

SFY2018

The total estimated number of projects expected to receive short term financing in the SFY2018 Base NJEIFP and Sandy NJEIFP include a pool of one hundred (100) Clean Water and Drinking Water projects at a total estimated cost of \$60 million. This estimate of the total number and cost of projects to receive financing in SFY2018 is subject to fluctuations due to the fact that certain project applications will be (i) withdrawn by the applicants pursuant to independent business decisions; (ii) deemed ineligible for funding; (iii) revised to reflect actual project costs; and (iv) subject to continued review pending receipt of relevant approvals. The remaining borrower applications will likely be rolled over into the SFY2019 Financing Program.

It is anticipated that the NJEIT will issue Long-term bonds in November of 2017 and May of 2018 to finance its portion of the SFY2018 Financing Program. It is also possible that the NJEIT will issue refunding bonds based upon projected NPV Savings analysis.

For more information, please visit the NJEIT's website and go to the ["Funding Programs / Program Publications"](#) tab.

SOLICITATION SCHEDULE/PROCUREMENT SCHEDULE (SUBJECT TO CHANGE AS REQUIRED)

RFP published and distributed:	May 1, 2017
RFP Question Submission Cut-Off Date:	5:00 pm EST, May 9, 2017
Proposals due:	12:00 noon EST, May 31, 2017
Finalists interviews in person or via conference call:	Week of June 12, 2017
Board of Directors approval:	July 13, 2017
Contract term:	August 1, 2017 to July 31, 2019

QUESTION AND ANSWER PROCEDURE

The NJEIT will accept questions pertaining to this RFP from all potential bidders electronically. Questions shall be directed to John Hansbury, Chief Budget Officer, at the following e-mail address:

RFP@NJEIT.ORG

Please note that the “subject” line of your e-mail must specifically reference this RFP as follows: “RFP for SFY2018 and SFY2019 Trustee/Escrow Agent Services.”

Questions will be accepted until 5:00 pm EST on May 9, 2017.

In the event the NJEIT determines that additional clarification to this RFP or additional information is necessary, the NJEIT reserves the right to do so through telephone conference calls with eligible firms for the purpose of providing the same.

III. SCOPE OF SERVICES

a. Trustee

The duties of the Firm selected as Trustee will be similar if not identical to those set forth in the Bond Resolution attached hereto as **Attachment C**. Such duties for each series include, but are not limited to the following:

- Accept appointment as Trustee under the NJEIT Bond Resolution and establish the funds and accounts required thereby, including but not limited to (i) separate project accounts for each project, (ii) a Debt Service Fund which shall consist of an interest account and a principal account, (iii) a General Fund, (iv) a Revenue Fund, and (v) a Rebate Fund, each of these accounts may be divided between clean water and drinking water and further into SRF Subaccounts and Non-SRF Subaccounts;

- Establish a clearing account for the receipt of borrowers' semi-annual payments, from which transfers for NJEIT's bond indebtedness, NJEIT's Administrative Fee and amounts to US Bank, the Master Program Trustee, will be made as directed by NJEIT;
- Invest all balances within funds and accounts established pursuant to NJEIT Bond Resolutions at the direction of NJEIT or its advisor with earnings on all such balances to be applied in accordance with the terms of NJEIT Bond Resolutions;
- Administer payments transferred via ACH;
- Disburse monies from the project accounts to the borrowers upon receipt of documentation from NJEIT;
- Perform paying agent and registrar services as set forth in NJEIT Bond Resolutions;
- Generally serve as fiduciary for the holders of NJEIT Bonds in accordance with the terms of the bond resolution;
- Execute, deliver and file Uniform Commercial Code Continuances as required to perfect and maintain a security interest with respect to the funds in the Master Program Trust Account and all subaccounts thereunder as well as the obligations arising under the bond resolution attached hereto.
- Maintain books and records for all transactions required by NJEIT Bond Resolutions and supply NJEIT with monthly statements of all accounts;
- Verify the flow of funds statement for the bond proceeds at closing;
- Perform required obligations as set forth in the NJEIT Continuing Disclosure Agreement;
- Supply NJEIT with information in early March and September, concerning interest earnings on all funds;
- Supply the State with the clearing account statements;
- Provide all confirming bond balance and payment information for each bond series as requested by the NJEIT auditor on or before June 30th of each year, or within one week from date of request.
- Be willing to accept copies of bond transcripts in electronic version, specifically dvd and/or cd.
- Bank statements shall be submitted to NJEIT on a monthly basis electronically, specifically in a useable data format (i.e. excel, csv, or xml) as well as on compact disc in readable PDF format.
- Provide on-line access of all accounts via the internet.

- In the event of a partial refunding of the bonds, continue to act as trustee for that portion of the original series that remains outstanding.
- In the event of a partial refunding of the bonds, allocate loan repayments to both the portion of the original series that remains outstanding and to the refunding bonds.
- In the event of a partial or full refunding, act as Trustee and Escrow Agent with respect to refunding bonds arising during the contract term which will have the same benefit and security of the underlying bond resolution.

NOTE: NJEIT is not procuring the services of a Loan Servicer. NJEIT will bill the borrowers and instruct the Trustee of transfers of funds received from borrowers.

b. Escrow Agent

The duties of the Firm selected as Escrow Agent will be set forth in the Escrow Agreements. A sample copy has been enclosed (**Attachment D**). The Escrow Agent agrees to act as agent for NJEIT, the State and the individual borrowers.

The Escrow Agent will be responsible for the removal of the escrow agreements, executed NJEIT and State loan agreements, validly executed and authenticated or attested bonds and other related documents from the offices of McCarter & English, the NJEIT's Bond Counsel. For each bond closing, the Escrow Agent shall hold the Escrowed Documents in a secured facility until release and delivery for closing of the loans at the offices of the McCarter & English on or about November 2017 and 2018 and May of 2018 and 2019.

In the event that the closing does not occur and the Escrowed Documents are not released it is the duty of the escrow agent to mark the documents "CANCELLED" and shall return (a) the NJEIT Loan Bond and the Fund Loan Bond to the Borrower, (b) NJEIT Loan Agreement to NJEIT, and (c) the Fund Loan Agreement to the State.

IV. EVALUATION PROCEDURE and CRITERIA

a. Ranking Criteria - The NJEIT has appointed a committee to review the proposals submitted in response to this request for proposals and to make recommendations in accordance with Executive Order 26. The committee members will individually review all proposals in light of the following major evaluation criteria, ranking each firm on a scale of 1 to 10 and assign the following weights for each such criterion:

- Experience, qualifications and ability of the Firm to efficiently transfer funds, maintain accounts and records, and provide all other Trustee and Escrow services set forth in the "Scope of Services." (2);
- Experience, qualifications and ability of the individuals assigned by the Firm to provide the Trustee and Escrow services set forth in the "Scope of

Services." Provide the name, title, and years of service at the Firm, and years of service providing the services requested above. (3);

- Sufficient assets to assume and execute Trustee responsibilities. (The Trustee, and each successor thereto, shall be a bank or trust company organized and doing business under the laws of the United States of America or any of its states with trust powers, in good standing and having a reported capital, surplus and undivided profits of not less than \$50,000,000) (2);
- Reputation of the Firm as a respected, nationally known, experienced Trustee and Escrow Agent (2);
- Prior service to NJEIT or similar authorities in New Jersey (3);
- Investment services available and offered (1);
- On-line capabilities available to NJEIT (3);
- Firm's presence in New Jersey (1).

b. Submission Requirements (# copies, addressee, etc.)

Four (4) copies of your response should be sent to John G. Hansbury, Jr., Chief Budget Officer, New Jersey Environmental Infrastructure Trust. The address is 3131 Princeton Pike, Building 4, Suite 216, Lawrenceville, New Jersey 08648.

All proposals must be received by 12:00 Noon, May 31, 2017. Proposals received after this date and time will not receive further consideration.

c. Oral Presentation(s) and/or Clarification of Proposal

A bidder may be required to give an oral presentation to the Review Committee concerning its proposal. The Review Committee may also require a bidder to submit written responses to questions regarding its proposal.

The purpose of such communication with a bidder, either through an oral presentation or a letter of clarification, is to provide an opportunity for the bidder to clarify or elaborate on its proposal. Original proposals submitted, however, cannot be supplemented, changed or corrected in any way. No comments regarding other proposals are permitted. Proposers may not attend presentations made by their competitors.

It is within the Review Committee's discretion whether to require a proposer to give an oral presentation or require a proposer to submit written responses to questions regarding its proposal. Action by the Review Committee in this regard should not be construed to imply acceptance or rejection of a proposal. The Project Manager will be

the sole point of contact regarding any request for an oral presentation or clarification.

If it is necessary to interview one or more firms, the interview will take place the week of June 12, 2017. You will be notified if your Firm needs to appear.

V. TECHNICAL PROPOSAL – INFORMATION REQUIRED TO BE PROVIDED BY BIDDER

General Information To Be Provided By All Bidders

- 1) Identify and describe all professional or business relationships which your Firm has with any of the borrowers identified on the List of Potential Borrowers for SFY2018 (**Attachment E**).
- 2) If your Firm perceives any conflict or potential conflict, please explain whether the conflict or potential conflict can be avoided and how your Firm proposes to avoid it.
- 3) Describe the benefits to NJEIT, the State and your Firm if NJEIT were to select your Firm as Trustee/ Escrow Agent.
- 4) Within the last five years, has the Firm been involved in or been the subject of any administrative proceeding, regulatory action, investigation or litigation with or by any State or Federal regulatory agency? If so, please state the agency, the name of the proceeding, and the identification or case number if any, and describe the nature of the action and its resolution, if any.

Information Specific To Trustee Services:

- 1) Given your understanding of NJEIT's financing plan, what are the most critical concerns facing the Trustee and what will your Firm do to meet those concerns?
- 2) Explain how your Firm will organize its activities relating to this assignment. Describe the data processing, accounting, and reporting systems your Firm will use to fulfill this assignment. Can reporting formats be modified to meet special needs of this assignment, if necessary? If so, explain.
- 3) Provide the name of the employee within the Firm who will have senior responsibility for this assignment, the employee within the Firm who will deal with NJEIT on a daily basis, and other employees assigned to this project. Provide the name, title, services to be provided, years of performing such services, and years of service at the Firm.
- 4) Will NJEIT have access to the Firm's computerized system? If so, what are the hardware requirements?

- 5) Can the Firm supply NJEIT with the account information electronically, in the specified format required? How will this be accomplished?
- 6) Describe the Firm's ability and experience in making investments of the type required by the Bond Resolution. Describe the Firm's securities clearing relationships.
- 7) Provide a description of the money market fund, which meets the Trust Bond Resolution investment requirements, that you would utilize for applicable funds.
- 8) Describe the Firm's experience as Trustee for the following issues since June 1, 2015:
 - all book-entry tax-exempt bond issues;
 - all tax-exempt bond issues by a New Jersey State agency or authority; and
 - all tax-exempt bond issues financing a pooled loan program.

Include a summary of the following information:

Name of Issuer, Amount of Financing, Sale Date,
 Rating, Maturity and Pricing Structure
 Source of Repayment
 Use of Proceeds
 Personnel Assigned
 Client References
 Anything unique about the transaction affecting the trustee

- 9) The Firm must have available an AAA rated cash management fund for excess cash, identify such fund and your relationship with the fund.

Information Specific To Escrow Agent Services

- 1) State how the documents will be transported, stored and secured. In addition, give location of storage facility.
- 2) State who will have senior responsibility for this assignment, which officer of the Firm will attend escrow closings and closing, and describe that person's position with your Firm.
- 3) Describe your Firm's ability and experience to act as escrow agent in a program the size and complexity of this one.

Note: The NJEIT reserves the right; 1) to reject any and all proposals or 2) to waive any

informalities or irregularities therein. The award will be made to the firm whose appointment as Trustee and Escrow Agent is deemed to be in the best interest of the NJEIT and the State.

VI. COST PROPOSAL – (Separate Sealed Envelope)

Provide a compensation schedule by providing the following information:

- a. Fees stated are **all-inclusive** and therefore should include all counsel review fees, wire fees, data processing expenses, filing fees, etc. Fee should be based on an estimate of 50-75 borrowers.

Per Issue	TRUSTEE		ESCROW AGENT	
	SFY2018	SFY2019	SFY2018	SFY2019
INITIAL FEE (YEAR 1) (all inclusive)				
YEAR 2 (all inclusive)				
YEAR 3 (all inclusive)				
YEAR 4 (all inclusive)				
YEAR 5 (all inclusive)				
YEARS 6 Thru 20 (all inclusive)				
FEE IN YEAR 1 OF A REFUNDING * (all inclusive)				
DEFEASANCE FEE** (all inclusive)				

*** NOTE:** In the event of refunding, the initial year refunding fee will be in addition to the fee that would have otherwise been paid to the Trustee for that year. Thereafter, the Trustee will not be compensated for any fees in excess of the original issue fees.

****NOTE:** Price quote should be priced per participant and assume that there will be up to 10 defeasances per year during the first three years.

- b. Provide termination fee, if any, charged in the event the Trustee is removed prior to the maturity of the bond series.

VII. CONTRACT TERMS

a. Period of Services:

The term of the contract for the Trustee/Escrow Agent shall be for a period of two years with a one year option to renew. The contract for the Trustee shall commence with the start of escrow closings and shall continue for the duration of the bond resolutions for the SFY2018 and SFY2019 Financing Programs subject to the termination clauses in the bond resolutions. The Term of the contract for the Escrow Agent shall commence on the first day of escrow closings for the SFY2018 and SFY2019 Financing Programs and shall continue until bond closing or if bond closing cannot occur until the escrow documents are cancelled and disposed of in accordance with the scope of services.

b. Standard Terms and Conditions:

The attached Standard Contract Terms and Conditions (**Attachment F**) are in addition to the terms and conditions set forth in the Request for Proposal (RFP) and should be read in conjunction with same unless the RFP specifically indicates otherwise. If a bidder proposes changes or modifications or takes exception to any of NJEIT's terms and conditions, modification or exception in NJEIT's terms and conditions by a bidder will be a factor in the determination of an award of a contractor purchase agreement.

All of NJEIT's terms and conditions will become a part of any contract(s) or order(s) awarded as a result of the Request for Proposal, whether stated in part, in summary or by reference. In the event the bidder's terms and conditions conflict with NJEIT's, NJEIT's terms and conditions will prevail, unless the bidder is notified in writing of NJEIT's acceptance of the bidder's terms and conditions.

VIII. OTHER REQUIREMENTS

- a. Your proposal must be organized in the order set forth above and supply responses to all questions identify: the Trustee and Escrow Agent portions.
- b. Please submit the following requirements. For those requirements that require completion of a form, the required forms are attached as **Attachment G**.
 1. Ownership Disclosure Form
 2. Disclosure of Investigations/Actions
 3. MacBride Principles Certification
 4. Disclosure of Investment Activities in Iran
 5. Affirmative Action Forms

6. Pursuant to, entities providing goods or services to the NJEIT must be registered with the New Jersey Department of the Treasury, Division of Revenue. Please provide a copy of your firm’s business registration certification (or interim registration) (N.J.S.A. 52:32-44). If the firm is not already registered with the New Jersey Division of Revenue, the form should be completed, online, at the Division of Revenue website: www.state.nj.us/treasury/revenue/index.html.
7. State agencies and independent authorities, such as the NJEIT, are limited in their ability to enter into contracts with business entities that have made certain political contributions.
 - a. If your firm has not previously submitted the certification and disclosure form(s) pursuant to P.L. 2005, c. 51/Executive Order No. 117, they must be completed and are attached to this RFQ. (see, P.L. 2005, c. 51, enacted March 22, 2005, which codified Executive Order No. 134 (McGreevey 2004), as amended by Executive Order No. 117 (Corzine 2008), (“P.L. 2005, c. 51/Executive Order No. 117”))
 - b. If your firm has previously submitted the certification and disclosure form(s) pursuant to P.L. 2005, c. 51/Executive Order No. 117 you are required only to submit the P.L. 2005, c. 51/Executive Order No. 117 “Certification of No Change,”
8. Firms are also advised of their responsibility to file an annual disclosure statement on political contributions with the New Jersey Election Law Enforcement Commission (“ELEC”) pursuant to N.J.S.A. 19:44A-20.13 (P.L. 2005, c. 271, section 3) if the firm receives contracts with public entities in excess of \$50,000 or more in the aggregate from public entities, such as the NJEIT, in a calendar year. It is the firm’s responsibility to determine if filing is necessary. Failure to so file can result in the imposition of financial penalties by ELEC. Additional information about this requirement is available from ELEC at 888-313-3532 or at www.elect.state.nj.us.
9. In compliance with Executive Order No. 129 (McGreevey 2004) and P.L. 2005, c. 92, all service performed pursuant to this RFQ shall be performed within the United States.
10. Emergency Preparedness – To support continuity of operations during an emergency, including a pandemic, NJEIT needs a strategy for maintaining operations for an extended period of time. One part of this strategy is to ensure that essential contracts that provide critical business services to NJEIT have planned for such an emergency and put contingencies in place to provide needed goods and services.
 1. Describe how you anticipate such a crisis will impact your operations.
 2. Describe your emergency response continuity of operations plan. Please attach a copy of your plan, or at a minimum, summarize how your plan addresses the following aspects of pandemic preparedness:
 - Employee training (describe your organization’s training plan, and how

frequently your plan will be shared with employees).

- Identify essential business functions and key employees (within your organization) necessary to carry them out.
- Contingency plans for:
 - How your organization will handle staffing issues when a portion of key employees are incapacitated due to illness.
 - How employees in your organization will carry out the essential functions if contagion control measures prevent them from coming to the primary workplace.
- How your organization will communicate with staff and suppliers when primary communications systems are overloaded or otherwise fail, including key contacts, chain of communications (including suppliers), etc.
- How and when your emergency plan will be tested, and if the plan will be tested by a third-party.

NOTE: Each firm submitting a response to this RFP is required to provide the State with proof of business registration in New Jersey. Further, in compliance with Executive Order No. 129 issued September 9, 2004 each firm submitting a response to this RFP is required to indicate in their proposal the location by country where services under the contract will be performed.

FURTHER NOTE: The firm selected pursuant to this RFP will be required to comply with Executive Order 134 issued on September 22, 2004, limiting the ability of State agencies and independent authorities to enter into contracts with business entities that have made certain political contributions.

Attachments

- A. Preliminary SFY2018 Financing Program Schedule
- B. NJEIT 2016A-2 Official Statement
- C. Sample NJEIT Bond Resolution *
- D. Sample NJEIT Escrow Agreement *
- E. List of potential borrowers for SFY2018
- F. Standard Form Contract and Standard Contract Terms and Conditions
- G. State Required Forms
- H. Ranking Sheet

*Any references to the Loan Servicer or Loan Servicing Agreement do not apply.

[PLEASE NOTE: THE ATTACHMENTS LISTED BELOW ARE AVAILABLE ON THE NJEIT'S WEBSITE UNDER THE PROCUREMENT SECTION:](#)

Dated: __ __, 2017