

RESOLUTION NO. 18 - 41

**RESOLUTION OF THE NEW JERSEY INFRASTRUCTURE BANK
APPROVING CONSTRUCTION LOANS TO
NORTH HUDSON SEWER AUTHORITY AND PLUMSTED TOWNSHIP**

WHEREAS, the New Jersey Infrastructure Bank (the "I-Bank"), in accordance with (i) the "New Jersey Infrastructure Trust Act", constituting Chapter 334 of the Pamphlet Laws of 1985 of the State of New Jersey (codified at N.J.S.A. 58:11B-1 *et seq.*), as the same may from time to time be amended and supplemented (the "Act"), and (ii) the regulations promulgated pursuant to the Act (N.J.A.C. 7:22-2.1 *et seq.*), as the same may from time to time be amended and supplemented (the "Regulations"), is authorized, pursuant to an construction financing program (the "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 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 a Construction Loan pursuant to the Construction 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 I-Bank 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 I-Bank monies; and (v) the proposed project sponsor has not previously received a Construction Loan through the Construction Financing Program for the same project scope; and

WHEREAS, the I-Bank duly adopted Resolution No. 18-04 on January 11, 2018 entitled "Resolution Authorizing the Construction Loan Financing Program for State Fiscal Year 2019" (the "SFY2019 Authorizing Resolution") to provide funding for the implementation of the Construction Financing Program during State Fiscal Year 2019 (the "SFY2019 Construction Loan Program"); and

WHEREAS, it is the desire of the Board to authorize Construction Loan closings pursuant to the SFY2019 Construction Loan Program for loan closings occurring in SFY2019; and

WHEREAS, pursuant to the terms of the SFY2019 Authorizing Resolution, the Authorized Officers (as defined therein) 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 SFY2019 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 SFY2019 Authorizing Resolution; and

WHEREAS, pursuant to Section 5 of the SFY2019 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 SFY2019 Construction Loan Program shall not exceed \$15,000,000 in principal amount (“SFY2019 Construction Loan Limitation”); and

WHEREAS, pursuant to Section 2 of the SFY2019 Authorizing Resolution, revisions and modifications may be made to terms and provisions of the Construction Financing Program pursuant to further official action in the form of the adoption of a resolution by the Board of Directors of the I-Bank; and

WHEREAS, each of the municipalities or authorities listed in Section 1 below (each a “Project Sponsor”) 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, for the purpose of completing environmental infrastructure projects; and

WHEREAS, pursuant to the construction schedules submitted by the Project Sponsors for each Project, a Construction Loan in the corresponding amount set forth in Section 1, not to exceed the maturity date authorized by the Act, will be made available to each Project Sponsor for construction, all or a portion of which will be completed prior to each Project Sponsors’ receipt of an I-Bank and Department long-term New Jersey Environmental Infrastructure Financing Program (“Water Bank”) loan; and

WHEREAS, with respect to the SFY2019 Authorizing Resolution’s Construction Loan Limitations providing that 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 SFY2019 Construction Loan Program shall not exceed \$15,000,000, in principal amount, subject to further official action in the form of the adoption of a resolution by the Board of Directors of the I-Bank, the I-Bank now desires, given the facts and circumstances set forth in the recitals hereto, to create as an exception to such limitation of Construction Loans, as part of the SFY2019 Construction Loan Program, to the aforementioned Project Sponsors in amounts not to exceed the amount stated for the purpose of completing each the North Hudson Sewer Authority Project and the Plumsted Township Project; and

WHEREAS, it is the desire of the I-Bank that, other than the SFY2019 Authorizing Resolutions’ Construction Loan Limitations described in the immediately preceding recital, each project sponsor shall comply with (i) all other requirements of the SFY2019 Authorizing Resolution, (ii) all applicable requirements of the Act, and (iii) all applicable requirements of the Regulations.

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

Section 1. Notwithstanding the SFY2019 Authorizing Resolutions’ Construction Loan Limitations providing that all Loans approved by the Authorized Officers, following the requisite consultations, and made by the I-Bank to Borrowers as part of the SFY2019 Construction Loan

Program, shall not exceed \$15,000,000 in principal amount, the Board of Directors of the I-Bank, given the facts and circumstances set forth in the recitals hereto, hereby authorizes, as an exception to Construction Loan Limitations, Construction Loans, as part of the SFY2019 Construction Loan Program, to the following project sponsors for the stated projects in amounts not to exceed the amounts stated for the purpose of completing each such project.

Project Sponsor	Project #	Description	Total Authorized Loan Amount
North Hudson Sewer Authority	S340952-30	Adams Street wastewater treatment plant improvements	\$23,200,000
Plumsted Township	S340607-03	Advanced waste water treatment and collection system	\$27,000,000

Section 2. Notwithstanding the stated loan amounts of \$23,200,000 and \$27,000,000 for each of North Hudson Sewer Authority and Plumsted Township, respectively, the Water Bank funding commitment 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.

Section 3. Other than the exceptions created by the provisions of Section 1 of this Resolution, the Construction Loans made to the aforementioned Project Sponsors as part of the SFY2019 Construction Loan Program shall comply fully with (i) each of the terms, provisions and conditions precedent set forth in the Authorizing Resolution, (ii) all applicable requirements of the Act, and (iii) all applicable requirements of the Regulations.

Adopted Date: June 18, 2018

Motion Made By: Mr. Michael Kanef

Motion Seconded By: Mr. Robert Long

Ayes: 7

Nays: 0

Abstentions: 0