New Jersey Environmental Infrastructure

"Financing New Jersey's Water Quality Future"

Warren H. Victor, Chairman
Herbert Barrack, Vice Chairman
Roger Ellis, Secretary
Robert A. Briant, Jr., Treasurer
Andrew P. Sidamon-Eristoff, State Treasurer
Bob Martin, DEP Commissioner
Richard E. Constable, III, DCA Commissioner

David E. Zimmer, CFA, Executive Director

December 5, 2013

PUBLIC NOTICE

Public notice is hereby given that the New Jersey Environmental Infrastructure Trust ("Trust") Board of Directors will hold a public meeting on **Thursday, December 12, 2013 at 10:00 a.m., in the large conference room, at 3131 Princeton Pike, Building 4, Suite 216, Lawrenceville, New Jersey.** Formal action may be taken at this meeting.

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

1. Call to Order – Chairman
2. Open Public Meeting Act Statement
3. Roll Call
*4. Approval of Minutes of the November 14, 2013 Meeting
5. Announcements
6. Public Comment
7. Unfinished Business:
   - A. Discussion of the Construction Status Report (hand-out)
     (DEP representative)
   - B. Discussion and Status of the SFY2014 Financing Program Projects (hand-out)
     (DEP representative)
   - C. Aged Inventory Report
     (L. Kaltman)
   - D. Status of Outstanding Trust Requests for Proposals
     (D. Zimmer)
   - E. Update on Closed Interim Financing Program Loans
     (D. Zimmer)
8. New Business
   - *A. Discussion and Approval of the November 2013 Treasurer's Report
     (J. Hansbury)
   - *B. Discussion and Approval of a Resolution Awarding a Contract for Engineering Consultant Oversight Services
     (D. Zimmer)
   - *C. Discussion and Approval of a Resolution Confirming Forms of Loan Agreements for and Authorizing Various Actions Relevant to the State Fiscal Year 2014 New Jersey Environmental Infrastructure Financing Program
     (F. Scangarella)
   - *D. Discussion and Approval of a Resolution Authorizing the SFY2015 Interim Financing Program
     (L. Kaltman)
   - *E. Discussion and Approval of a Resolution Authorizing the SFY2015 Supplemental Financing Program
     (L. Kaltman)
   - *F. Discussion and Approval of a Resolution Authorizing the SFY2015 Planning & Design Financing Program
     (L. Kaltman)

*G. Approval of a Resolution Relating to Certain Actions to be taken by the Trust in Order to Authorize the Dissolution of the Atlantic Highlands-Highlands Regional Sewerage Authority and the Assumption of the Duties and Obligations by the Boroughs of Highlands and Atlantic Highlands Respectively
(F. Scangarella)

*H. Discussion and Approval of a Resolution Authorizing Execution of a Memorandum of Agreement with the New Jersey Department of Environmental Protection Regarding H2lOans Technology Staffing Assistance and Additional Purchases
(D. Zimmer)

I. Discussion of the Draft SFY2015 Financing Program January Report to the Legislature
(E. Chebra)

9.* Executive Session (if necessary)

*ACTION ITEMS

Please note this is a proposed agenda and the New Jersey Environmental Infrastructure Trust may consider and take action on such other business, which may come before it at this public meeting. In addition, the New Jersey Environmental Infrastructure Trust may not act upon the items listed in the above-proposed agenda in its discretion.

New Jersey Environmental Infrastructure Trust

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OFFICE OF THE GOVERNOR
NOV 14 2013
Veto 11-29-13
AUTHORITIES UNIT

November 14, 2013

Honorable Chris Christie
Governor of the State of New Jersey
State House
PO Box 001
Trenton, New Jersey 08625

Dear Governor Christie:

In accordance with the provisions of the New Jersey Environmental Infrastructure Trust Act, I hereby transmit for your review and consideration the minutes of the November 14, 2013 meeting of the New Jersey Environmental Infrastructure Trust. The New Jersey Environmental 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,

Roger Ellis
Secretary

Enclosure
Cc: Honorable Stephen Sweeney, President of the Senate
Honorable Sheila Oliver, Speaker of the General Assembly

Warren H. Victor, Chairman
Herbert Barrack, Vice Chairman
Roger Ellis, Secretary
Robert A. Briant, Jr.
Andrew P. Sidamon-Eristoff, State Treasurer
Bob Martin, DEP Commissioner
Richard E. Constable, III, DCA Commissioner

David E. Zimmer, CFA, Executive Director

November 14, 2013

NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST

OPEN PUBLIC MEETING

MINUTES – November 14, 2013

1. CALL TO ORDER:

A meeting of the New Jersey Environmental Infrastructure Trust was convened on Thursday, November 14, 2013 in the conference room of 3131 Princeton Pike, Building 6, Suite 201, Lawrenceville, New Jersey. Chairman Victor called the meeting to order at 10:00 a.m.

2. OPEN PUBLIC MEETING ACT STATEMENT:

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

3. ROLL CALL:

Ms. Josephine Manzo conducted roll call to which Chairman Victor, Mr. Barrack, Mr. Ellis, Mr. Briant, Mr. Chebra, Mr. Requa, and Ms. Campbell all responded affirmatively.

DIRECTORS
Warren Victor, Chairman
Herbert Barrack, Vice Chairman (*)
Roger Ellis, Secretary
Robert A. Briant, Jr., Treasurer
Eugene Chebra
(for DEP Commissioner Martin)
Christine Campbell
(for State Treasurer Sidamon-Eristoff)
James Requa
(for DCA Commissioner Constable)

OTHERS
David E. Zimmer, Executive Director
Frank Scangarella, Assistant Director
Lauren Seidman Kaltman, Chief Financial Officer
Amy Herbold, Governor's Authorities Unit (*)
Clifford T. Rones, Deputy Attorney General
Richard Nolan, McCarter & English LLP
Geoffrey Stewart, Public Financial Management
Gautam Patel, Municipal Finance & Construction

(*) Participated via teleconference

4. APPROVAL OF THE MINUTES:

Chairman Victor opened discussion of the minutes of the October 17, 2013 Trust Board meeting.

There were no comments or questions. Chairman Victor requested a motion for approval.

Mr. Requa moved for the approval of the minutes. Mr. Briant seconded the motion.
The motion was carried 7 to 0 with 0 abstentions.

5. ANNOUNCEMENTS:

Executive Director Zimmer summarized the substantive events that occurred and correspondence which was issued since the last Trust Board meeting:

- Trust senior staff participated in a number of client project meetings to discuss program qualification requirements for funding. Specifically, the EIT participated in the following project funding meetings:
    - Mountain Shores HOA , DEP's Drinking Water team, and our advisors;
    - Atlantic City Engineers, and DEP's Clean Water team;
    - Bayshore RSA, and DEP's Clean Water team; and
    - North Jersey District Water Supply Commission, and Gene Chebra

- Board member Roger Ellis arranged and participated in "Meet & Greet" meetings with Executive Director Zimmer and Assistant Director Scangarella with the following State and local officials:
    - Senator Bob Smith (November 13, 2013)
    - Senator Kip Bateman (October 29, 2013)
    - Assemblyman John Wisniewski (October 31, 2013)
    - Assemblywoman Linda Stender (November 7, 2013)
    - Borough of Fanwood Mayor, Colleen Mahr (November 11, 2013)

- Board member Roger Ellis arranged and participated in a "Meet & Greet" meeting with Executive Director Zimmer, Assistant Director Scangarella and ULLICO Investment Company Director Deborah Nisson to discuss the potential development of an investment partnership program.

- A copy of the proposed 2014 meeting dates were distributed. The Trust is moving to a new building and suite within the business park. The new address is Building 4, Suite 216 and the expected move in date is November 26, 2013.

- The next Board meeting is scheduled for Thursday, December 12, 2013 at 10:00 a.m. at the Trust's new offices.

SUMMARY OF CORRESPONDENCE:

In keeping with the Trust's green initiative, a copy of the full list of announcements is available on the Trust's webpage in a format that allows for copying under the General Information tab at:
http://www.njeit.org/general-information/miscellaneous/board-meeting-agendas

There were no comments or questions.

6. PUBLIC COMMENTS:

Chairman Victor invited comments from the public. There were no comments.

7. UNFINISHED BUSINESS:

A. Mr. Patel, of the NJDEP's Municipal Finance and Construction Element, reported that there are 231 active projects totaling $1,270,834,604 and 879 closed projects with loans outstanding totaling $4,313,582,127 for a grand total of 1110 projects at $5,584,416,731.

B. Mr. Patel also discussed the SFY2014 Combined Financing Loan Programs:

SFY2014 Clean Water Financing Program:

Traditional and Supplemental Program:	70 Projects Totaling	$467,346,000
Supplemental Program:	5 Projects Totaling	$48,285,000
Track II Projects:	7 Projects Totaling	$31,894,000
Barnegat Bay Projects:	6 Projects Totaling	$9,677,000
Total Clean Water Projects	88 Projects Totaling	$557,202,000

SFY2014 Drinking Water Financing Program:

Traditional and Supplemental Program:	61 Projects Totaling	$177,699,000
Supplemental Program:	2 Projects Totaling	$1,906,000
Legacy:	1 Project Totaling	$2,678,000
Track II Projects	10 Projects Totaling	$39,849,000
Total Drinking Water Projects	74 Projects Totaling	$222,132,000

SFY2014 Grand Totals:

Clean & Drinking Water Program Totals:	**162 Projects**	**$779,334,000**

Mr. Patel estimated that of this total, 112 projects totaling $465M will be ready and certified for funding in SFY2014.

There were no questions or comments.

C. Executive Director Zimmer requested CFO Lauren Kaltman to discuss the status of the Aged Inventory Report. This report reflects the outstanding available balance for each open construction project. CFO Kaltman discussed the efforts that the Trust and DEP have initiated to close the oldest of these open construction projects, in order to maintain compliance with IRS rules and regulations. Board members Messieurs Briant and Barrack questioned a number of outstanding loans issued prior to 2007. Mr. Zimmer reported that the Trust and DEP are communicating with a number of these borrowers to address this issue and are making solid progress. Mr. Barrack questioned the Trust's authority to close those projects with outstanding available funds once the borrowers are notified by the Trust of its anticipated plan of

action. Executive Director Zimmer reported that the Trust has such authority as defined in each borrower's loan agreement.

There were no additional questions or comments.

D. Executive Director Zimmer reported on the status of the Trust's outstanding Requests For Proposals (RFPs):

- RFP for Internal Controls Audit
  Pursuant to Resolution No. 13-52, the RFP was released and distributed on October 17, 2013 with a response due date of November 21, 2013. The Trust received requests for 11 bid packages. The contract award will be added to the December Agenda for the Board's consideration and approval.

- RFP for Engineering Consulting Services
  Pursuant to Resolution No. 13-56, the RFP was released and distributed to a preapproved list of State Integrity Monitor participants with a response due date of November 19, 2013. Executive Director Zimmer reported that there may be the need to hold a special Board meeting to approve the award of this contract. In a related manner, pursuant to Resolution No. 13-58, Executive Director Zimmer reported that he is working on the notice to the Departments of Environmental Protection and Treasury regarding the Board's concern of Trust exposure to unpaid or non-reimbursed expenses for the Engineering Consulting contract.

E. Executive Director Zimmer reported on the status of the Interim Financing Program (IFP):

- The Trust received 4 new applications from the previous month; two from the PVSC, one from the Town of Hammonton, and one from Watchung Borough. The Trust currently has a total of 18 IFP loan applications totaling $27,274,821.

- The Trust has closed on twelve (12) IFP loan applications resulting in a total amount closed of $17,676,919.

- Eight (8) projects have received IFP loan disbursements from the Trust to-date totaling $3,985,949.

  The IFP report was provided to the Board of Directors of the Trust in satisfaction of the requirements of Section 6 of the authorizing Resolution No. 12-61 adopted on December 13, 2012.

There were no comments or questions.

8. NEW BUSINESS:

A. Executive Director Zimmer introduced Resolution No. 13-62 accepting the revised October 2013 Treasurer's Report.

Mr. Zimmer reported that the Trust received revenues in October from administrative fees of $1,770.00 and paid bills totaling $65,103.40. The Trust has received and is reviewing bills for payment totaling a revised $116,245.68 including $60,111.22 in new bills that were not included in the original Board packet.

Mr. Zimmer asked if there were any comments or questions regarding the report as presented. Hearing none, Chairman Victor requested a motion for approval.

The resolution was moved for adoption by Mr. Briant and seconded by Mr. Ellis.
The motion was carried 7 to 0 with 0 abstentions.

The breakdown of pending bills was presented to the board in written form is as follows:

Princeton Pike Office Park, LLC Rent - November 2013 - Current lease is month-to-month [Annual Rent $62,675.00 + Estimated annual CAMs $51,090.38] divided by 12 months = $9,480.45 per month.	**$9,480.45**
PFM Asset Management, LLC (Investment Advisor - September 2013) Pursuant to Trust Resolution number 12-43, Current contract runs from 7/30/2012 to 7/30/2014. Fee based on aggregate assets under management. Invoice# 147753	**$11,113.47**
J&J Staffing Resources (Part-Time salaries October 2013, invoice #'s: 314837, 316622, 316986, 317339, 317682)	**$22,152.20**
JJC Communications (Voice & Data cabling work at new office (75% of balance))	**$4,708.30**
Dell Marketing L.P. (New Server Rack, UPS Tower, External Batteries, P.O.#NJEIT045)	**$5,812.04**
Anchor Moving & Storage (Moving company for move to new office – 100% pre-paid)	**$2,868.00**
Bank of America Business Card (Credit Card Payment #0766)	**$3,636.69**
PFM Asset Management, LLC (Financial Structuring of 2013 Defeasance Porfolios)	**$7,600.00**
Public Financial Management, Inc. Financial Advisor SFY2014 Program (July 1 – October 31, 2013)	**$24,944.53**
WithumSmith+Brown (Internal Control Audit – Final Payment)	**$21,030.00**
Mercadien (Verification Services for 2013 Defeasances)	**$3,000.00**
Total	**$116,245.68**

B. Executive Director Zimmer requested Assistant Director Scangarella to introduce Resolution No. 13-63. This resolution approves Phase II for the purchase of up to an additional 80 desktop computers and 160 monitors from Dell Computer pursuant to State Vendor Control #70256 for the remaining NJEIFP staff with a cost estimate not to exceed $144,000. Mr. Scangarella explained the H2IOans system's capabilities for improving the sharing of information for both staffs of the Trust, DEP and its borrowers and the need of all NJEIFP staff for the appropriate hardware to work within the H2IOans system.

Mr. Scangarella asked if there were any comments or questions, hearing none, Chairman Victor requested a motion for approval.

The resolution was moved for adoption by Mr. Barrack and seconded by Mr. Ellis.
The motion was carried 7 to 0 with 0 abstentions.

C. Executive Director Zimmer requested Chief Financial Officer Kaltman to introduce Resolution No. 13-64 amending and restating the Agreement for Financial Advisory Services and certain Investment Advisory Services with Public Financial Management, Inc. Ms. Kaltman discussed the changes identified in the revised black-line version of the original contract with the Board. This resolution addresses the recent discovery of an administrative oversight in omitting PFM Assessment Management as a signatory to the original contract to act as the investment advisor for obligated funds in a form of the agreement authorized pursuant to Resolution No. 12-23.

There were no comments or questions. Chairman Victor requested a motion for approval.

The resolution was moved for adoption by Mr. Briant and seconded by Ms. Campbell.
The motion was carried 7 to 0 with 0 abstentions.

9. <u>EXECUTIVE SESSION</u>:

Chairman Victor asked if there was a need for an Executive Session. Executive Director Zimmer responded there was not.

Chairman Victor asked Executive Director Zimmer if there was any future action required by the Board. Mr. Zimmer answer there was not.

Chairman Victor then asked for a motion for an adjournment.

Mr. Requa motioned to adjourn the meeting.

The motion was seconded by Mr. Chebra.
The motion was carried 7 to 0 with 0 abstentions.

The meeting was adjourned at 10:45 a.m.

RESOLUTION NO. 13 - 62

RESOLUTION AUTHORIZING APPROVAL OF THE OCTOBER 2013 TREASURER'S REPORT

WHEREAS, the New Jersey Environmental Infrastructure Trust (the "Trust") has reviewed the Treasurer's Report for October 2013 and

WHEREAS, the Trust has placed in its files certain correspondence relating to expenses incurred in relation to the Trust.

NOW THEREFORE BE IT RESOLVED, that the Trust hereby accepts the Treasurer's Report for October 2013 and requests that the same be entered into the record.

Adopted Date:	November 14, 2013
Motion Made By:	Mr. Briant
Motion Seconded By:	Mr. Ellis
Ayes:	7
Nays:	0
Abstentions:	0

RESOLUTION NO. 13-63

RESOLUTION OF THE TRUST
AUTHORIZING THE PROCUREMENT OF DESKTOP COMPUTERS

WHEREAS, the Trust is authorized to procure office computer servers and desktop computers pursuant to N.J.S.A. 58:11B-5G; and

WHEREAS, Trust Policy and Procedure No. 4.00 (hereafter "Policy") requires Board approval for procurements in excess of $12,500 and requires staff to undertake a competitive process for such purchases with limited exception; and

WHEREAS, the Policy provides that a competitive procurement is not required for procurements made pursuant to an existing State of New Jersey contract (Trust Policy and Procedure 4(II)(D)(1)), Exhibit 1.

WHEREAS, the New Jersey Environmental Infrastructure Financing Program Application known as H2lOans is a web based platform to process and administer applications and loans that will significantly improve program transparency, efficiency of program operations, and reduce transaction costs for applicants and borrowers; and

WHEREAS, H2lOans serves as a single user platform for all program staff including bond counsel, financial advisor, Trust and DEP staff for business operations such as developing program documents, internal email communications, importing data from external servers (such as NJ Environmental Management Systems data), processing electronic requisitions, and the review of construction drawings; and

WHEREAS, H2lOans' single user platform necessitates consistent desktop computer performance and viewing standards among program staff to ensure proper operability of the features of H2lOans, and it is the desire of the Trust to secure desktop computers for all Trust and DEP program staff assigned to the New Jersey Environmental Infrastructure Financing Program; and

WHEREAS, approximately a total of one hundred and twenty (120) computers and two hundred and forty (240) monitors will be required for staff's utilization of H2lOans; and

WHEREAS, pursuant to Resolution No. 12-27, the Board authorized the purchase of the first forty (40) computers and eighty (80) monitors for H2lOans (Phase I) on May 10, 2012 to provide a core set of staff with computers and monitors optimized for H2lOans; and

WHEREAS, the State of New Jersey has executed vendor contract #70256 with DELL Computer for State purchases of office computer servers and desktop computers; and

WHEREAS, it is the desire of the Board to procure the remaining computers and monitors (Phase II) for all remaining staff participating in H2lOans using Contract #70256.

NOW THEREFORE BE IT RESOLVED, that the Board authorizes the procurement of the following computer related equipment from DELL Computer pursuant to State Vendor Contract # 70256:

- H2lOan Desktop computers (Phase II): eighty (80) DELL Optiplex 7010 Intel Core I5-3470 mini tower computers or equivalent; and one hundred and sixty (160) DELL U2412M monitors or equivalent, at a total per unit price not to exceed $1,800 and a total cost not to exceed $144,000 for eighty (80) computers and units.

Adopted Date:	November 14, 2013
Motion Made By:	Mr. Barrack
Motion Seconded By:	Mr. Ellis
Ayes:	7
Nays:	0
Abstentions:	0

RESOLUTION No. 13-64

RESOLUTION APPROVING THE AMENDED AND RESTATED AGREEMENT FOR FINANCIAL ADVISORY SERVICES AND CERTAIN INVESTMENT ADVISORY SERVICES

WHEREAS, the New Jersey Environmental Infrastructure Trust (TRUST) is authorized to contract for Financial Advisory Services and Investment Advisory services pursuant to N.J.S.A. 58:11B-5(d); and

WHEREAS, the TRUST issued a Request for Proposals, dated February 15, 2012 (the "RFP"), to secure (i) financial advisory services and (ii) investment advisory services with respect to the investment of (A) proceeds of TRUST bonds and (B) funds that secure TRUST bonds (collectively, the "Obligated Funds"); and

WHEREAS, the need for investment advisory services for the investment of Obligated Funds was expressly stated in the public notice of the TRUST'S procurement; and

WHEREAS, the need for investment advisory services for the investment of Obligated Funds was expressly stated in the TRUST'S RFP; and

WHEREAS, Public Financial Management, Inc. (PFMI) and PFM Asset Management, LLC (PFMAM) jointly submitted to the TRUST a response to RFP, dated March 15, 2012 (the "Response to RFP"), for financial advisory services and investment advisory services in connection with the investment of Obligated Funds, with PFMAM designated therein as the entity that shall provide investment advisory services to the TRUST in connection with the investment of Obligated Funds; and

WHEREAS, On April 12, 2014, the Trust authorized the appointment of PFMI to provide Financial Advisory services and Investment Advisory Services for the period of July 1, 2012 through June 30, 2014, pursuant to Resolution No. 12-23; and

WHEREAS, it was, at the time of the execution and delivery of the Agreement for advisory services (Original Agreement), and it currently remains, the intent of the TRUST to formally engage PFMI and PFMAM to provide the financial advisory services and the investment advisory services, that include but are not limited to the scope of services as are set forth in the RFP and the Response to the RFP; and

WHEREAS, the TRUST deems the investment advisory services relating to the investment of Obligated Funds to be provided by PFMAM, as described in the RFP and the Response to RFP, to be essential to the operations of the TRUST and its administration of Obligated Funds, and, therefore, deems it necessary and appropriate to amend the Original Agreement to include PFMAM as a party thereto; and

NOW THEREFORE BE IT RESOLVED, the Chairman or Vice Chairman of the Trust is hereby authorized to execute an Amendment to the Original Agreement with PFMI for the limited purpose of including PFMAM as advisor for the investment of Obligated Funds in a form of agreement authorized by the Attorney General.

Adopted Date:	November 14, 2013
Motion Made By:	Mr. Briant
Motion Seconded By:	Ms. Campbell
Ayes:	7
Nays:	0
Abstentions:	0

NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST

AMENDED AND RESTATED AGREEMENT
FOR FINANCIAL ADVISORY SERVICES
AND CERTAIN INVESTMENT ADVISORY SERVICES

This Amended and Restated Agreement (the "Amended and Restated Agreement" or the "Agreement"), made and entered into on this ____ day of _____, 2013, by and among the New Jersey Environmental Infrastructure Trust (the "TRUST"), Public Financial Management, Inc. ("PFMI") and PFM Asset Management LLC ("PFMAM"; PFMI and PFMAM being referred to collectively hereinafter as the "CONTRACTORS"), amends and restates in its entirety that certain Agreement made and entered into on the 30th day of June, 2012 (the "Original Agreement"), by and between the TRUST and PFMI.

WHEREAS, the TRUST issued a Request for Proposals, dated February 15, 2012 (the "RFP"), to secure (i) financial advisory services and (ii) investment advisory services with respect to the investment of (A) proceeds of TRUST bonds and (B) funds that secure TRUST bonds (collectively, the "Obligated Funds"); and

WHEREAS, the need for investment advisory services for the investment of Obligated Funds was expressly stated in the public notice of the TRUST'S procurement; and

WHEREAS, the need for investment advisory services for the investment of Obligated Funds was expressly stated in the TRUST'S RFP; and

WHEREAS, PFMI and PFMAM jointly submitted to the TRUST a response to RFP, dated March 15, 2012 (the "Response to RFP"), for financial advisory services and investment advisory services in connection with the investment of Obligated Funds, with PFMAM designated therein as the entity that shall provide investment advisory services to the TRUST in connection with the investment of Obligated Funds; and

WHEREAS, on the basis of the Response to RFP of PFMI and PFMAM, the TRUST selected PFMI and PFMAM to provide the financial advisory services and the investment advisory services as defined and set forth in the RFP and the Response to RFP; and

WHEREAS, it was, at the time of the execution and delivery of the Original Agreement, and it currently remains, the intent of the TRUST to formally engage PFMI and PFMAM to provide the financial advisory services and the investment advisory services, that include but are not limited to the scope of services as are set forth in the RFP and the Response to RFP; and

WHEREAS, a review of the Original Agreement reveals the absence of PFMAM as a party thereto; and

WHEREAS, the TRUST deems the investment advisory services relating to the investment of Obligated Funds to be provided by PFMAM, as described in the RFP and the Response to RFP, to be essential to the operations of the TRUST and its administration of Obligated Funds, and, therefore, deems it necessary and appropriate to amend the Original Agreement to include PFMAM as a party thereto; and

WHEREAS, the CONTRACTORS have submitted their Response to RFP along with a revised pricing matrix dated April 4, 2012 to provide such services and represent that they are qualified by training and experience to perform the required services in the manner and on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual promises and undertakings contained herein, the parties hereto covenant and agree as follows:

ARTICLE I

A. The CONTRACTORS shall provide the required services in accordance with the terms, conditions, specifications, and scope of the work set forth in:

1. the RFP, and related materials attached to and enclosed with the RFP; and

2. the Response to RFP of the CONTRACTORS;

3. the Executive Director's letter dated April 26, 2012;

The aforementioned documents are hereby incorporated by reference into this contract as if set forth in their full text herein.

B. In the event that there exists a conflict in terms, conditions, specifications, or scope of work between the RFP and the Response to RFP of the CONTRACTORS, the provisions of the RFP, the Executive Director's letter of April 26, 2012 and this Agreement shall prevail.

C. The TRUST'S obligations hereunder are contingent upon the availability of assessed or appropriated funds from which payment for contract purposes can be made in accordance with the provisions of the Environmental Infrastructure Trust Act, N.J.S.A. 58:11B-1 et seq. (the "Act"). No legal liability on the part of the TRUST for payment of any money shall arise unless and until funds are available each year to the TRUST from administrative fees or loan surcharges lawfully assessed against local government units or otherwise made available each year to the TRUST by the Legislature as may be required by the Act.

D. The CONTRACTORS shall maintain accounting records and other evidence pertaining to costs incurred on the project and shall make the records available to the TRUST at

all reasonable times during the contract period and for two full years from the date of the final payment. These records are subject to audit by the TRUST.

E. Ownership of all data, material and documentation originated and prepared for the TRUST pursuant to this Agreement shall belong exclusively to the TRUST. All such data, materials or documentation shall be delivered to the TRUST without any additional charge upon demand after termination of the Agreement, except as otherwise provided under the terms of this Agreement.

F. Except as otherwise permitted by this Agreement, the CONTRACTORS shall not publish, permit to be published, or distribute, use or disclose to anyone for public consumption, any information which it acquires in performance of the Agreement, without prior written consent of the TRUST.

G. The TRUST and the CONTRACTORS each reserve the right to terminate this contract, provided written notice has been given to the other party at the address set forth in Article V at least thirty (30) days prior to such proposed termination date.

ARTICLE II

A. In full consideration of all services to be performed under this Agreement, the CONTRACTORS shall be compensated in accordance with the compensation schedule set forth in the Response to RFP of the CONTRACTORS.

B. In full consideration of all services to be performed for the refunding of any Bond Issue (containing one or more series) previously issued by the TRUST, if the TRUST determines to undertake such a refunding and upon the successful closing of the transaction, the CONTRACTORS shall be compensated in accordance with the compensation schedule set forth in the Response to RFP of the CONTRACTORS, except that this consideration shall not exceed $75,000 for the first series of refunding bonds and $10,000 per each additional series sold as part of the same issue plus disbursements up to a cap of $2,000 for each issue.

C. In full consideration of professional services to be performed by the CONTRACTORS to the TRUST, other than that set forth above, the parties shall negotiate a project-specific fee prior to the commencement of the project pursuant to the hourly rates set forth below. A formal contract amendment will be executed if the anticipated total fee for professional services for any project exceeds $2,500.

Managing Director - $275.00
Senior Managing Consultant - $225.00
Consultant - $180.00
Associate - $100.00

D. Invoices must be submitted to the Executive Director of the TRUST before any payments will be made to the CONTRACTORS.

E. The CONTRACTORS must submit supporting evidence with the invoices identifying the project task and indicating among other things the actual time by employee (on an hourly basis) devoted to the project for which billing is submitted. All disbursements shall be itemized.

F. It is the responsibility of the TRUST to ascertain that services have been performed in a proper and satisfactory manner in accordance with the terms and conditions set forth in the Agreement prior to the approval of such invoices. However, approval of invoices for payment by the TRUST shall not constitute a release or waiver of any claim the TRUST has or may have for latent defects or errors or other breaches of this Agreement on the part of the CONTRACTORS, or any claims for breach of warranty, negligence or misconduct.

G. The CONTRACTORS shall be compensated for actual services performed and disbursements made in accordance with the terms of this ARTICLE.

H. Final payment shall be withheld by the TRUST until all services under this Agreement have been performed in a manner satisfactory to the TRUST and upon submission of any final report if stipulated in the supporting documentation.

I. The CONTRACTORS agree that they shall be directly responsible to and shall submit drafts, reports, and other documents and information or other production items contracted for to the Executive Director of the Trust, at the address indicated in ARTICLE V, for his approval on behalf of the TRUST before any payments are made in accordance with the terms of this ARTICLE II. Production items contracted for include but are not limited to 1) all requested debt service, repayment or amortization schedules, bond sizings, cash flow reports, and bond pool structures; 2) disclosure information and various other tables and charts required for the P.O.S. and O.S.; 3) arbitrage yield calculations; and 4) final pricing books.

ARTICLE III

A. This Agreement shall commence as of July 1, 2012 and continue in full force and effect until June 30, 2014 except as otherwise set forth in this Agreement.

B. The TRUST and the CONTRACTORS reserve the right to extend the term of this Agreement for additional periods of one year or less. Such extensions shall be offered by the Trust in writing not less than 30 days prior to the termination of the initial term of the Agreement. Acceptance of any extensions by the CONTRACTORS is to be in writing and must

be on file in the TRUST'S office within 5 days of the date of such offer of extension. In the event the Agreement is extended, all of the original terms will remain in effect for the extended period, except as otherwise agreed upon by the parties at the time of extension.

C. In the event of the termination of this Agreement, as provided in Article I, the CONTRACTORS shall furnish to the Executive Director of the TRUST such report or reports as he may require, based upon work completed under the provisions of this Agreement. The CONTRACTORS shall not be compensated for the time necessary to prepare such reports as may be required under this provision.

ARTICLE IV

A. Each CONTRACTOR'S status shall be that of an independent principal and not as an agent or employee of the TRUST.

B. The CONTRACTORS agree not to assign this Agreement or any monies due hereunder, or enter into any subagreement under this Agreement, without the prior written approval of the TRUST.

C. The CONTRACTORS agree that in the performance of this Agreement they will obey, abide and comply with the applicable Federal and State laws and regulations.

D. If incorporated in a state other than the State of New Jersey, each of the CONTRACTORS shall promptly file with the Secretary of the State any documents required in order to do business in the STATE OF NEW JERSEY and shall otherwise comply with the provisions of the laws of the STATE OF NEW JERSEY in that regard.

E. This Agreement shall be governed and construed and the rights and obligations of the parties hereto shall be determined in accordance with the laws of the STATE OF NEW JERSEY.

F. If it becomes necessary for the CONTRACTORS, either as principals or by agents, subcontractors, or employees, to enter upon the premises or property of the TRUST or the State of New Jersey for any purpose whatsoever pursuant to this Agreement, the CONTRACTORS hereby covenant and agree to take, use, provide and make all proper, necessary and sufficient precautions, safeguards and protections against the occurrence of happenings of any accidents, injuries or damages to any person or property in connection with performance of the services under this Agreement, and to be responsible for, and to indemnify and save harmless the TRUST and the State of New Jersey from the payment of all sums of money, including the cost of defense, by reason of all, or any, such accidents, injuries or damages that may happen in connection with the performance of services under this Agreement.

The CONTRACTORS shall be responsible for and shall indemnify and hold the TRUST and State harmless for all fines, penalties and losses incurred, including the cost of defense, for or by reason of the violation of any local, State or Federal ordinance, regulation, or law, in connection with the performance of said services.

The CONTRACTORS will maintain sufficient insurance to indemnify the TRUST and the State of New Jersey and the members, officers and employees of the TRUST and State against any claim for loss, damage or injury to property or persons arising out of the performance of the CONTRACTORS or their subcontractors, employees and agents of the services contemplated by the Agreement and the use, misuse or failure of any equipment or machinery used by the CONTRACTORS or their subcontractors, employees or agents, and shall if requested provide certificates of such insurance to the TRUST. The CONTRACTORS shall also carry errors and omissions, professional liability and/or professional liability malpractice insurance sufficient to protect the CONTRACTORS from any liability arising out of the professional obligations performed pursuant to this Agreement.

The CONTRACTORS shall defend, indemnify and otherwise hold harmless the TRUST, its directors, officers and employees, and any officers and employees of the State of New Jersey authorized to render services to the TRUST, from any and all claims or actions at law of any and all kinds or nature including the costs of defense (1) which arise from acts or omissions whether negligent or not of the CONTRACTORS or their agents, employees, servants, subcontractors, materialmen or others working for or on behalf of the CONTRACTORS, irrespective of whether such risks are directly within the control of the CONTRACTORS, or (2) which arise from any failure to perform the CONTRACTORS' obligations under this Agreement or any improper performance of said obligations.

It is expressly agreed and understood that any approval by the TRUST of the services performed and/or reports or other productions items provided by the CONTRACTORS shall not operate to limit the obligations of the CONTRACTORS assumed in this Agreement. Furthermore, the CONTRACTORS expressly understand and agree that the provisions of the preceding indemnification clause shall in no way limit the CONTRACTORS' obligations assumed in this Agreement, nor shall they be construed to relieve the CONTRACTORS from any liability, nor preclude the TRUST from taking any other actions available to it under any other provisions of this Agreement or otherwise at law. The CONTRACTORS will be liable to the TRUST for any reasonable costs incurred by the TRUST to correct, modify or redesign any technical information or production item submitted by the CONTRACTORS that is found to be defective or not in accordance with the provisions of this Agreement as a result of negligent act, error or omission on the part of the CONTRACTORS, their respective officers, agents, servants, employees, consultants or subcontractors. The CONTRACTORS shall be given a reasonable opportunity to correct any deficiency.

G. During the performance of this Agreement, the CONTRACTORS agree as follows:

1. The CONTRACTORS will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, martial status or sex. The CONTRACTORS will take affirmative action to ensure that applicants are recruited and employed, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status or sex. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The CONTRACTORS agree to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause. The CONTRACTORS shall insert a similar provision in all subcontracts.

2. The CONTRACTORS will, in all solicitations or advertisements for employees placed by or on behalf of the CONTRACTORS, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin ancestry, marital status or sex;

3. Each CONTRACTOR will send to each labor union or representative of workers with which they have a collective bargaining Agreement or other contract or understanding, a notice advising the labor union or worker's representative of the CONTRACTORS' commitments under this Agreement and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

H. The CONTRACTORS hereby agree to comply with the provision of N.J.S.A. 10:2-1 through 10:2-4 and P.L. 1975, c. 127 (N.J.S.A. 10:5-31 et seq.) and the Rules and Regulations promulgated pursuant thereunto.

I. Each CONTRACTOR does hereby warrant and represent that this Agreement has not been solicited or secured, directly or indirectly, in a manner contrary to the laws of the STATE OF NEW JERSEY and that said laws have not been violated and shall not be violated as they relate to the procurement or the performance of this Agreement by any conduct, including the paying or giving of any fee, commission, compensation, gift, gratuity or consideration of any kind, directly, or indirectly, to any State employee, officer or official or to any Special State officer or employee as defined in N.J.S.A. 52:13D-13.

J. Each CONTRACTOR warrants and represents that no person or selling agency has been employed or retained to solicit or secure this Agreement upon any Agreement or understanding for a commission, percentage, brokerage or contingent fee excepting bona fide employees or bona fide established commercial or selling agencies maintained by the CONTRACTORS for the purpose of securing business.

K. Unless it has already done so as part of its Response to RFP, each CONTRACTOR agrees to complete the attached Stockholder Disclosure Form before executing this Agreement.

L. It is agreed and understood that the TRUST reserves the right under this Agreement to determine whether a conflict of interest or the appearance of a conflict of interest exists which would under State law adversely affect the Agreement, or would otherwise be contrary to the best interest of the TRUST and the State of New Jersey.

M. The CONTRACTORS and TRUST agree that any claims asserted against the TRUST shall be subject to the New Jersey Tort Claims Act, N.J.S.A. 59:1-1 et seq. and the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1 et seq. (except for section 9 of the Contractual Liability Act, N.J.S.A. 59:13-9), notwithstanding that the Contractual Liability Act is not applicable by its provisions to claims arising under contracts with the TRUST.

N. Each CONTRACTOR does hereby warrant and represent that it is qualified by training and experience to perform the required respective services in the manner and on the terms and conditions set forth herein.

O. Invalidation of any one of the provisions of this Agreement, by judgment or court order, shall in no way affect any other provisions herein contained, which provisions shall remain in full force and effect.

P. This Agreement may only be amended, modified or supplemented in writing consented to by the parties hereto.

Q. This Agreement may be executed by the parties hereto in three counterparts, each of which shall be deemed an original, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart, which together shall constitute but one and the same Agreement.

R. It is understood that PFMAM performs investment advisory services for other clients. The TRUST hereby agrees that PFMAM may give advice and take action with respect to any of its other clients which may differ from the advice given, or the timing, or the nature of actions taken, with respect to funds managed by PFMAM hereunder.

S. PFMAM warrants that it has delivered to the TRUST prior to the execution of this Agreement PFMAM's current Securities and Exchange Commission Form ADV, Part 2A (brochure) and Part 2B (brochure supplement). The TRUST acknowledges receipt of such brochure and brochure supplement prior to the execution of this Agreement.

ARTICLE V

In accordance with Public Law 2005, Chapter 92, the CONTRACTORS each covenant

and agree that all services performed under this Agreement by each CONTRACTOR shall be performed within the United States of America.

In accordance with Public Law 1995, Chapter 134, each CONTRACTOR certifies that it either has no business operations in Northern Ireland or it has business operations in Northern Ireland and it will take lawful steps in good faith to conduct any such business operations in accordance with the MacBride principles of nondiscrimination in employment as set forth in section 2 of P.L.1987, c.177 (C.52:18A-89.5), and in conformance with the United Kingdom's Fair Employment (Northern Ireland) Act of 1989, and permit independent monitoring of their compliance with those principles.

Pursuant to Public Law 2005 (Chapter 51), State departments, agencies and authorities are precluded from awarding contracts exceeding $17,500 to vendors who make certain political contributions on and after October 15, 2004, to avoid any appearance that the selection of State contractors is based on the contractors' political contributions. Each CONTRACTOR agrees to complete the attached Chapter 51 Disclosure Form (Exhibit B), execute, and submit same with this Agreement to the Trust. Chapter 51 also requires the disclosure of all contributions to any political organization organized under 26 U.S.C. 527 that also meet the definition of a "continuing political committee" within the meaning of N.J.S.A 19:44A-3(n) and N.J.A.C. 19:25-1.7. If either CONTRACTOR fails to fully comply with Chapter 51 upon contract execution, this contract is void *ab inito*, as such failure is a material defect that invalidates this Agreement. If either CONTRACTORS solicit or make any Chapter 51 political contributions prior to the completion of this Contract, such act shall constitute a material breach of this Agreement.

Pursuant to Public Law 2005, Chapter 271 (Chapter 271), each CONTRACTOR is required to disclose its (and its principals') political contributions within the immediately preceding twelve (12) month period as set forth in the attached Chapter 271 disclosure statement. Each CONTRACTOR agrees to complete the attached Chapter 271 Disclosure Form (Exhibit C) execute, and submit same with this Agreement to the TRUST. Each CONTRACTOR also has a continuing duty to immediately report any Chapter 271 political contributions it makes during the term of this Agreement to the TRUST. The CONTRACTORS will not be precluded from entering a contract with the TRUST by virtue of the information provided in the Chapter 271 disclosure provided the form is fully and accurately completed. If either CONTRACTOR fails to fully comply with Chapter 271 upon contract execution, this Agreement is void *ab inito*, as such failure is a material defect that invalidates this Agreement.

Each CONTRACTOR represents and warrants that all information, certifications and disclosure statements, previously provided in connection with Public Law 2005, Chapter 51 and Executive Order No. 117 (2008)("EO 117"), are true and correct as of the date hereof and all such statements have been made with full knowledge that the TRUST and the State of New Jersey (the "State") will rely upon the truth of the statements contained therein in engaging the CONTRACTORS. Each CONTRACTOR agrees that it shall maintain continued compliance

with Public Law 2005, Chapter 51, EO 117 and regulations promulgated thereunder during the term of this Agreement. Each CONTRACTOR acknowledges that upon its failure to make required filings thereunder or the making of a contribution prohibited thereunder, the Trust may terminate this Agreement and any remedies available to the Trust may be exercised against the applicable CONTRACTOR at law or in equity.

Please also be advised of your 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 CONTRACTORS receive contracts in excess of $50,000 from a public entity during a calendar year. It is each CONTRACTOR'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 www.elec.state.nj.us.

ARTICLE VI

The addresses given below shall be the addresses of the representative parties to which notices and reports required by this Agreement shall be sent by mail:

For PFMI:	GEOFFREY W. STEWART Senior Managing Consultant Public Financial Management, Inc. Two Logan Square, Suite 1600 Philadelphia, PA 19103-2270
For PFMAM:	STEPHEN B. FABER Managing Director PFM Asset Management LLC Princeton Metro Center III 821 Alexander Road, Suite 110 Princeton, NJ 08540
For the TRUST:	DAVID E. ZIMMER, CFA Executive Director New Jersey Environmental Infrastructure Trust 3131 Princeton Pike, Building 6, Suite 201 Lawrenceville, NJ 08648

IN WITNESS WHEREOF, the parties, hereto have caused this Agreement to be executed by these duly authorized representatives as of the dates indicated.

Witness:

_____

PUBLIC FINANCIAL MANAGEMENT, INC.

By: _____

Dated:

Witness:

_____

PFM ASSET MANAGEMENT LLC

By: _____

Dated:

Witness:

_____

NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST

By: _____

Dated:

Approved as to form only:
ATTORNEY GENERAL
STATE OF NEW JERSEY
By: _____
Deputy Attorney General
Dated:

State of New Jersey

New Jersey Environmental Infrastructure Trust

STOCKHOLDER DISCLOSURE FORM

Name
Address
City & State

List the names and addresses of all individuals, partnerships, corporations or any other owner having 10% or greater interest in the corporation or any other owner having 10% or greater interest in the corporation or partnership bidding under this Request for Proposals. If a listed owner is a corporation or partnership, then list the names and addresses of holders of 10% or more interest in that corporation or partnership. If additional space is necessary, list on an attached sheet. If there are no owners with 10% or more interest in your company, enter "None".

NAME ADDRESS (include zip)

President of the Firm (Type/print name) Phone

I certify that: ___ The list of stockholders above is current and correct to the best of my knowledge.

___ There are no stockholders holding 10% or more interest in this corporation or Firm to the best of my knowledge.

___ Firm is solely owned and not subject to corporation or partnership disclosure requirement.

Signature, Authorized Representative

Type/Print Name _____ Title

Witness _____ Date

NJEIT BOARD MEETING NOVEMBER 14, 2013

SUMMARY OF ANNOUNCEMENTS:

Executive Director Zimmer summarized the substantive events and correspondence issued since the last Trust Board meeting.

- Trust senior staff participated in a number of client project meetings to discuss program qualification requirements for funding, all which turned out to be very helpful and effective for both sides. Specifically, the EIT participated in project funding meetings with:
    - Mountain Shores HOA , DEP's Drinking Water team, and our advisors;
    - Atlantic City Engineers, and DEP's Clean Water team;
    - Bayshore RSA, and DEP's Clean Water team; and
    - North Jersey District Water Supply Commission, and Gene Chebra

- Board member Roger Ellis arranged and participated in "Meet & Greet" meetings with Executive Director Zimmer and Assistant Director Scangarella with the following legislators:
    - Senator Bob Smith (November 13, 2013)
    - Senator Kip Bateman (October 29, 2013)
    - Assemblyman John Wisniewski (October 31, 2013)
    - Assemblywoman Linda Stender (November 7, 2013)
    - Borough of Fanwood Mayor, Colleen Mahr (November 11, 2013)

- Board member Roger Ellis arranged and participated in a "Meet & Greet" meeting with ULLICO Investment Company Director Deborah Nisson to discuss the potential development potential of an investment partnership program.

- Executive Director Zimmer and CFO Kaltman participated on conference calls with the New Jersey Bankers Association's President John McWeeney and various local banking intuitions to discuss the parameters of the SAIL Financing Program.

- On October 22, 2013, Trust and DEP staff met to discuss Cash Appropriations for the SAIL Loan Program as a result, 2 accounts have been established for CW & DW SAIL loans totaling $65MM.

- On October 21, 2013, Executive Director Zimmer and Assistant Director Scangarella participated on a conference call with Department of Treasury's David Ridolfino and Roseann Koval regarding solicitation for bids for SAIL Program Engineering Consultants.

- A copy of the proposed 2014 meeting dates were distributed. Please note the new building and suite address as the Trust is locating across the street, in Building 4, Suite 216. Our expected move date is 11/26/13, the Tuesday prior to Thanksgiving.

- The next Board meeting is scheduled for Thursday, December 12, 2013 at 10:00 am at the Trust's new offices. Please mark your calendars.

SUMMARY OF CORRESPONDENCE:

During the past month, the Trust received or sent the following noteworthy correspondence. Pursuant to the Trust's Green Initiative, the agenda package does not include copies of the following correspondence. Board members should contact the Trust Secretary if they wish to receive hard copies.

- 5.02 Certificates were sent to the following Program borrowers:

2007A	Stony Brook RSA	Project No. S340400-04
2006	City of Linden	Project No. S340679-01-1

- On November 6, 2013, CD versions of the 2013 Financing Program closing documents were mailed to the borrowers their bond counsel, general counsel and financial advisors.

- On October 25, 2013, Executive Director Zimmer received a letter from the Mercadien, PC regarding the 2013 Defeasance of portions of the 2008A, 2010A and 2010B Financing Programs.

A copy of the full list of announcements is available on the Trust's webpage in a format that allows for copying under the General Information tab at:
http://www.njeit.org/general-information/miscellaneous/board-meeting-agendas

Agenda Item 8A

RESOLUTION NO. 13 - ____

RESOLUTION AUTHORIZING APPROVAL OF THE NOVEMBER 2013 TREASURER'S REPORT

WHEREAS, the New Jersey Environmental Infrastructure Trust (the "Trust") has reviewed the Treasurer's Report for November 2013 and

WHEREAS, the Trust has placed in its files certain correspondence relating to expenses incurred in relation to the Trust.

NOW THEREFORE BE IT RESOLVED, that the Trust hereby accepts the Treasurer's Report for November 2013 and requests that the same be entered into the record.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

RESOLUTION NO. 13-___

RESOLUTION OF THE TRUST AUTHORIZING THE AWARD OF A CONTRACT FOR ENGINEERING CONSULTING SERVICES FOR THE TRUST'S STATEWIDE ASSISTANCE INFRASTRUCTURE LOAN PROGRAM (SAIL)

WHEREAS, the New Jersey Environmental Infrastructure Trust (Trust) 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); and

WHEREAS, in Resolution No. 13-47, the Board authorized the Disaster Relief Emergency Financing Program wherein authorization is given to issue loans to qualified borrowers through SAIL; and

WHEREAS, in Resolution No. 13-56, the Board authorized the Executive Director to solicit bids through Treasury for engineering consulting services for projects seeking financing through SAIL for costs sought to be reimbursed by FEMA;

WHEREAS, the Trust in partnership with Treasury received proposals from four firms for engineering consulting services; and

WHEREAS, the Trust created a Review Committee, the members of which independently reviewed and ranked the proposals based on value, price and other factors; and

WHEREAS, the engineering consultant proposal submitted by Grant Thornton received the highest ranking by the Review Committee.

NOW THEREFORE BE IT RESOLVED THAT the Executive Director is directed to send a letter of intent of appointment to Grant Thornton, which letter also states that the appointment is for a term ending November 8, 2016 and contingent upon the subsequent execution by all parties of an agreement substantially in the form of the agreement attached hereto; and

BE IT FURTHER RESOLVED THAT the Chairman or Vice Chairman of the Trust is hereby authorized to execute an agreement, substantially in the form of the agreement attached to the Request for Proposals, with Grant Thornton. The terms and conditions of the agreement shall include but not be limited to:

a. the provision of services as outlined in the Request for Proposal (RFP) distributed on November 4, 2013, the RFP Addendum dated November 13, 2013, and the proposal submitted by Grant Thornton dated November 19, 2013.

b. the agreement will provided for two one (1) year extensions only as specifically authorized by the Board.

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 Chairman or Vice Chairman of the Trust.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

Agenda Item 8C

RESOLUTION NO. 13-__

RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST AUTHORIZING THE FORM OF THE TRUST LOAN AGREEMENT AND THE ESCROW AGREEMENT AND AUTHORIZING AND DIRECTING ANY AUTHORIZED OFFICER OF THE TRUST (I) TO UNDERTAKE AND COMPLETE AN ESCROW CLOSING WITH RESPECT TO EACH PROJECT SPONSOR PARTICIPATING IN THE STATE FISCAL YEAR 2014 ENVIRONMENTAL INFRASTRUCTURE FINANCING PROGRAM, (II) IN CONNECTION WITH EACH ESCROW CLOSING, TO EXECUTE AND DELIVER A TRUST LOAN AGREEMENT AND AN ESCROW AGREEMENT SUBSTANTIALLY IN THE FORM APPROVED HEREBY, (III) TO TAKE ANY OTHER ACTION AS MAY BE NECESSARY OR APPROPRIATE TO EFFECT THE CONSUMMATION OF AN ESCROW CLOSING FOR EACH PROJECT SPONSOR, (IV) TO CONDUCT A TEFRA HEARING IN ORDER TO SATISFY THE REQUIREMENTS OF SECTION 147(f) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, (V) TO SUBMIT FOR THE APPROVAL OF THE DIRECTOR OF THE DIVISION OF INVESTMENTS IN THE NEW JERSEY DEPARTMENT OF THE TREASURY THE INVESTMENT AUTHORIZATION REQUEST AND TO UNDERTAKE ANY OTHER ACTION NECESSARY IN CONNECTION THEREWITH, AND (VI) TO TAKE SUCH OTHER ACTIONS IN CONNECTION WITH THE FOREGOING OR SUCH OTHER ACTIONS AS SHALL BE NECESSARY IN FURTHERANCE OF THE INTENT AND PURPOSES OF THE PROGRAM.

WHEREAS, pursuant to Section 5(i) and Section 6(a) of the New Jersey Environmental 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 Environmental Infrastructure Trust, a public body corporate and politic under the laws of the State, created pursuant to the Act (the "Trust"), is authorized to issue its bonds (the "Trust 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 a "Trust Loan") to project sponsors (each a "Project Sponsor") to finance a portion of the costs of the respective environmental infrastructure system projects thereof (each a "Project"); and

WHEREAS, pursuant to Section 5(m) and Section 9(a) of the Act, the Trust is authorized to make and contract to make Trust Loans to Project Sponsors to finance a portion of the costs of the respective 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 Trust shall determine to be consistent with the purposes thereof; and

WHEREAS, the Board of Directors of the Trust (the "Board") currently is scheduled to consider, as part of its agenda at its February 12, 2014 meeting, the Project applications of certain Project Sponsors for Trust Loans from the Trust, which Trust Loans, if so approved, would be made, pursuant to the provisions of the Act, by the Trust to such Project Sponsors from the proceeds of Trust Bonds, to be issued pursuant to the State Fiscal Year 2014 Environmental Infrastructure Financing Program of the Trust (the "Program"); and

WHEREAS, each Trust Loan made by the Trust to a Project Sponsor pursuant to the Program shall be made pursuant to the terms and provisions of a loan agreement, by and between the Trust and the respective Project Sponsor (the "Trust Loan Agreement"); and

WHEREAS, the Trust, in consultation with its professional advisors, has prepared master forms of the Trust Loan Agreement, such forms being attached hereto as Exhibit A and made a part hereof; and

WHEREAS, the Trust Loan Agreement contains all of the terms and conditions that are applicable to the receipt by the Project Sponsors of Trust Loans from the Trust, including, without limitation, specific terms and conditions with which certain Project Sponsors must comply prior to receipt of Trust Loans from the Trust, but do not contain those terms and conditions that cannot be determined until completion of the sale of the Trust Bonds or until further evaluation of information to be received by the Trust 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 Project pursuant to the regulations and procedures of the New Jersey Department of Environmental Protection (the "NJDEP"), the Trust and each Project Sponsor shall deposit into escrow (the "Escrow Closing") the duly authorized, executed and delivered Trust Loan Agreement (subject to completion to the extent of those terms and conditions that cannot be determined until completion of the sale of the Trust Bonds or until further evaluation of information to be received by the Trust 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 a national banking association or a banking corporation with trust and fiduciary powers in the State, duly appointed by the Board as escrow agent (the "Escrow Agent"), pursuant to the terms and provisions of an escrow agreement (the "Escrow Agreement") to which the Trust, 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 Trust Loan Agreement that cannot be determined until completion of the sale of the Trust Bonds or until the further evaluation of information to be received by the Trust from the Project Sponsor; and

WHEREAS, the Trust, in consultation with its professional advisors, 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 goals 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 10, 2014, the adoption of one or more Environmental Infrastructure Bond Resolutions (collectively, the "Trust Bond Resolution"), which Trust Bond Resolution shall authorize, *inter alia*, (i) the marketing, issuance and sale by the Trust of its Trust Bonds, (ii) the allocation of the proceeds of the Trust Bonds to the Projects of the respective Project Sponsors pursuant to the terms of the

respective Trust Loan Agreement, (iii) the investment of the proceeds of the Trust Bonds until expenditure thereof pursuant to the terms of the Trust Bond Resolution, and (iv) certain other matters as shall be set forth in the Trust Bond Resolution; and

WHEREAS, prior to consideration by the Board of the Trust Bond Resolution, as part of the agenda of its meeting to be held on or about April 10, 2014, in furtherance of the intent and purposes of the Program, it will be necessary for the Trust to implement certain elements of the Program, including, without limitation, (i) the completion of an Escrow Closing with respect to the Trust Loan to be made by the Trust to each qualifying Project Sponsor from the proceeds of the Trust Bonds, (ii) the conduct, if necessary, of a hearing (the "TEFRA Hearing") with respect to the Trust Bonds pursuant to the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), and (iii) the submission of a written request by the Trust (the "Investment Authorization Request") to the Director of the Division of Investments in the New Jersey Department of the Treasury (the "Director") for approval of the investment by the Trust of proceeds of the Trust Bonds pursuant to, among other investment instruments that may be deemed appropriate and advantageous, a repurchase agreement that does not conform with State Investment Council regulations, which approval by the Director is dependent upon a finding thereby that such investment is consistent with the corporate purposes of the Trust; and

WHEREAS, it is the desire of the Board, in furtherance of the intent and purposes of the Program, that the Executive Director of the Trust, or any other person or persons designated by the Board by resolution to act on behalf of the Trust (each, an "Authorized Officer"), each be severally authorized to act on behalf of the Trust and implement in furtherance of the Program (i) the completion of an Escrow Closing with respect to the Trust Loan to be made by the Trust to each qualifying Project Sponsor from the proceeds of the Trust Bonds, (ii) the conduct, if determined to be necessary by any Authorized Officer, of a TEFRA Hearing with respect to the Trust Bonds pursuant to the requirements of the Code, (iii) the submission of the Investment Authorization Request to the Director, and (iv) such other actions in connection with the foregoing or such other actions as shall be necessary in furtherance of the intent and purposes of the Program.

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

Section 1. 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 Project pursuant to the regulations and procedures of the NJDEP) of a Trust Loan Agreement with respect to each Trust Loan to be made by the Trust to each Project Sponsor in connection with the respective Project thereof, each such Trust Loan Agreement to be in substantially the form attached hereto as Exhibit A and made a part hereof, with such revisions and modifications thereto as shall be approved by any Authorized Officer, after consultation with counsel to the Trust, such approval to be evidenced by the execution thereof by such Authorized Officer; provided, however, that each Trust Loan Agreement

executed and delivered at Escrow Closing pursuant to the authorization of the Board set forth herein shall be exclusive of the following terms, which terms shall be completed, upon completion of the sale of the Trust Bonds and further evaluation of information to be received by the Trust from the Project Sponsors, by any Authorized Officer in a manner (i) consistent with the provisions of the Trust Bond Resolution 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, including, without limitation, bond insurance premiums, if any, which cannot be finally determined until completion of the sale of the Trust Bonds; (b) if applicable, 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 Trust Loan; and (c) provisions relating to the satisfaction of the "funds available" or "cash on hand" requirement pertaining to the funding of unallowable Project costs or that portion of allowable Project costs not financed with proceeds of the Trust Bonds through the Trust Loan Agreement and the corresponding fund loan agreement entered into by and between the NJDEP and the Project Sponsor.

Section 2. 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 Project pursuant to the regulations and procedures of the NJDEP) of an Escrow Agreement with respect to each Trust Loan to be made by the Trust to each Project Sponsor in connection with the respective Project thereof, each such Escrow Agreement to be in substantially the form attached hereto as Exhibit B and made a part hereof, with such revisions and modifications thereto as shall be approved by any Authorized Officer, after consultation with counsel to the Trust, such approval to be evidenced by the execution thereof by such Authorized Officer.

Section 3. 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 (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 Project pursuant to the regulations and procedures of the NJDEP), pursuant to the terms and procedures of the Escrow Agreement, with respect to each Trust Loan to be made by the Trust to each Project Sponsor in connection with the respective Project thereof. The Board hereby authorizes any Authorized Officer, upon consultation with counsel to the Trust, (i) to determine the Escrow Closing schedule and (ii) to undertake any other action in furtherance of the Escrow Closing, relating to the Trust Loan made by the Trust to each Project Sponsor in connection with the respective Project thereof, as such Authorized Officer shall determine to be necessary.

Section 4. In furtherance of the intent and purposes of the Program, the Board hereby authorizes (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 Project pursuant to the regulations and procedures of the NJDEP) that (i) the Trust

Loan Agreement, the Escrow Agreement, any other Escrowed Program Documents to which the Trust is a party, and any other document required to be executed by the Trust in connection with the undertaking and completion of the Escrow Closing shall be executed in the name of the Trust by the manual signature of the Chairman or any Authorized Officer of the Trust, 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 Trust.

Section 5. In furtherance of the intent and purposes of the Program, the Board hereby authorizes any Authorized Officer, after consultation with counsel to the Trust, 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 Trust Loan made by the Trust to each Project Sponsor in connection with the respective Project thereof.

Section 6. In furtherance of the intent and purposes of the Program, the Board hereby authorizes any Authorized Officer, after consultation with counsel to the Trust, to conduct the TEFRA Hearing with respect to the Trust Bonds at such time in such manner as any Authorized Officer, after consultation with counsel to the Trust, shall determine to be necessary, convenient or desirable in order to satisfy the requirements of the Code.

Section 7. In furtherance of the intent and purposes of the Program, the Board hereby authorizes any Authorized Officer, after consultation with counsel to the Trust, to submit the Investment Authorization Request to the Director for approval and to undertake any other action necessary in connection with (i) the approval by the Director of the investment by the Trust of a portion of the proceeds of the Trust Bonds pursuant to, among other investment instruments that may be deemed appropriate and advantageous, a repurchase agreement that does not conform with State Investment Council regulations and (ii) the finding by the Director that such investment is consistent with the corporate purposes of the Trust.

Section 8. The Board hereby authorizes any Authorized Officer, after consultation with counsel to the Trust, 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.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nayes:

Abstentions:

EXHIBIT A

EXHIBIT B

Agenda Item 8D

RESOLUTION NO. 13-___

RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST AUTHORIZING THE INTERIM FINANCING STATE FISCAL YEAR 2015 TRUST LOAN PROGRAM

WHEREAS, the New Jersey Environmental Infrastructure Trust (the "Trust"), pursuant to and in accordance with (i) the "New Jersey Environmental 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 (the "Act"), and (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"), 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 made by the Trust 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 for purposes of financing the allowable costs of the environmental infrastructure project of such Borrower pursuant to the Interim Financing Program, provided each of the following conditions is 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 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, it is the desire of the Trust, subject to the terms and provisions of the Act, the Regulations and this Resolution, to authorize the implementation of the Interim Financing Program for the State Fiscal Year 2015 ("SFY 2015") Environmental Infrastructure Financing Program of the Trust (the "Interim Financing SFY 2015 Trust Loan Program"); and

WHEREAS, in order to provide a source of funding for the implementation of the Interim Financing SFY 2015 Trust Loan Program, the New Jersey State Legislature and the Governor of the State of New Jersey have enacted into law an appropriation act (the "Appropriation") that has appropriated to the Trust, from repayments of loans deposited in any account, including the Clean Water State Revolving Fund Accounts contained within the "Wastewater Treatment Fund", the "1992 Wastewater Treatment Fund", the "Water Supply Fund", the "Stormwater Management and Combined Sewer Overflow Abatement Fund", or the Drinking Water State Revolving Fund, as appropriate, and from any net earnings received from the investment and reinvestment of such deposits, the sum of $200,000,000, such sum having been deposited, or to be deposited, in the

segregated fund created by the Trust for the purpose of funding the Interim Financing Program; and

WHEREAS, in addition to the funds made available to the Trust pursuant to the Appropriation for purposes of the Interim Financing SFY 2015 Trust Loan Program, it is the desire of the Trust to provide, as additional sources of funding for the Interim Financing SFY 2015 Trust Loan Program, (i) net earnings with respect to funds held by the Trust and (ii) operating funds of the Trust that are not required for, or committed to, the operations of the Trust for fiscal years 2014 and 2015 (collectively, the "Available Trust Revenues"; the Appropriation and the Available Trust Revenues shall be referred to collectively herein as the "Available Funds"), which Available Trust Revenues may be made available by the Trust to (i) Borrowers participating in the Interim Financing SFY 2015 Trust Loan Program that do not qualify for funding from the Appropriation, as well as (ii) at the election of the Trust, any other Borrowers participating in the Interim Financing SFY 2015 Trust Loan Program; and

WHEREAS, with respect to the Interim Financing SFY 2015 Trust Loan Program of the Trust and other future Interim Financing Programs of the Trust (collectively, the "Current and Future Interim Financing Trust Loan Programs"), it is the desire of the Trust to explore, as an additional source of funding for the Current and Future Interim Financing Trust Loan Programs, the procurement of a line of credit or other similar financial instrument procured by the Trust from a commercial bank (the "Credit Instrument"), and in furtherance of such exploration, the Trust desires to prepare and distribute a Request for Proposals seeking proposals from qualified providers of a Credit Instrument.

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

Section 1. The Board of Directors of the Trust hereby authorizes the establishment of the Interim Financing SFY 2015 Trust Loan Program, provided (i) such Interim Financing SFY 2015 Trust Loan Program shall be funded solely from the Available Funds and (ii) such Interim Financing SFY 2015 Trust Loan Program shall comply fully with the provisions of the Act and the Regulations applicable thereto and the terms of this Resolution.

Section 2. Any Interim Loan made by the Trust as part of the Interim Financing SFY 2015 Trust Loan Program shall be evidenced by (i) a note or other appropriate obligation of the Borrower to be issued to the Trust, all in satisfaction of the requirements of Section 9 of the Act (the "Obligation"), and (ii) any other documentation as shall be deemed necessary and appropriate by the Executive Director of the Trust, or any other person or persons designated by the Board of Directors of the Trust by resolution to act on behalf of the Trust (each, an "Authorized Officer"), after consultation with Bond Counsel to the Trust and the Office of the Attorney General of the State (collectively, 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 Bond Counsel to the Trust and the Office of the Attorney General of the State. The Loan Instruments shall include such terms and provisions relating to the Interim Financing SFY 2015 Trust Loan Program as shall be determined by an Authorized Officer, after consultation with Bond Counsel to

the Trust and the Office of the Attorney General of the State, as being necessary in connection with (i) the satisfaction of the requirements of the Act and the Regulations and (ii) the implementation of the terms of this Resolution. Any Interim Loan made by the Trust to a Borrower as part of the Interim Financing SFY 2015 Trust Loan Program (i) shall bear interest at a rate determined in accordance with the Interest Rate Calculation (as hereinafter defined), (ii) shall not exceed $10,000,000 in principal amount; (iii) shall have a maturity date to be determined by an Authorized Officer, in consultation with Bond Counsel to the Trust and the Attorney General of the State, which shall be no later than the last day of the third succeeding State Fiscal Year following the closing date with respect to such Interim Loan; and (iv) shall not be subject to the imposition of an administrative fee.

Section 3. The rate of interest to be paid by a Borrower to the Trust with respect to the repayment of a SFY 2015 interim loan shall be calculated in the following manner (the "Interest Rate Calculation"), so as to achieve an objectively determined rate of interest that is reflective of the policy goals as set forth in this Resolution and the market as of the date on which the Interim Loan is made by the Trust:

(a) with respect to an Interim Loan made to a local government unit (as such term is defined in the Act), other than an Interim Loan made from amounts made available to the Trust pursuant to a Credit Instrument, the product of (A) the interest rate as defined by the Thompson Financial TM3 "AAA" Municipal Market Data General Obligation Index (Tax Exempt) for the number of years that corresponds to the term of the Interim Loan, and (B) 0.25;

(b) with respect to an Interim Loan made to a made to a public water utility (as such term is defined in the Act), a small water company (as such term is defined in the Act), any other private person, or a local government unit on behalf of any private person, other than an Interim Loan made from amounts made available to the Trust pursuant to a Credit Instrument, the product of (A) the interest rate as defined by the Thompson Financial TM3 "AAA" Municipal Market Data General Obligation Index (AMT) for the number of years that corresponds to the term of the Interim Loan, and (B) 0.25; and

(c) with respect any portion of an Interim Loan made from amounts made available to the Trust pursuant to a Credit Instrument, a rate to be determined by the Trust in connection with its approval of any such Credit Instrument as required by Section 9 hereof, which rate shall be commensurate with the cost to the Trust of obtaining funds pursuant to such Credit Instrument for the purpose of making such Interim Loan or portion thereof.

For purposes of determining the term of an Interim Loan in order to perform the Interest Rate Calculation as set forth above, the Authorized Officers shall calculate from the date such Interim Loan is made to the maturity date of such Interim Loan, rounding to the nearest year.

Section 4. The Authorized Officers are each hereby severally authorized and directed, 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 this Resolution.

Section 5. Prior to the making of an Interim Loan pursuant to the Interim Financing SFY 2015 Trust Loan Program with respect to any Project, an Authorized Officer shall certify the Project for funding thorough the Interim Financing SFY 2015 Trust Loan Program in accordance with the provisions of N.J.A.C. 7:22-4.13, provided, however, that (i) the proposed Project previously has been certified for funding by the Commissioner of the New Jersey Department of Environmental Protection pursuant to the provisions of N.J.A.C. 7:22-3.13, and (ii) such Project shall otherwise qualify for funding through the Interim Financing SFY 2015 Trust Loan Program pursuant to the terms and provisions of the Act and the Regulations and the terms and provisions of this Resolution.

Section 6. Each Authorized Officer is hereby severally authorized and directed to execute (i) any Loan Instrument to which the Trust is a party (the "Trust Loan Instruments") and (ii) any certificates, instruments or documents contemplated therein or otherwise related to the participation of any Borrower in the Interim Financing SFY 2015 Trust Loan Program.

Section 7. Upon execution of the Trust Loan Instruments by an Authorized Officer, the Secretary and the Assistant Secretary of the Trust are each hereby severally authorized and directed, where required, to affix the corporate seal of the Trust, and to attest to the signature of such Authorized Officer, thereon and on any certificates, instruments or documents contemplated therein or related thereto.

Section 8. At the meeting of the Board of Directors of the Trust immediately following the execution and delivery of any Loan Instruments relating to any Interim Loan made to any Borrower pursuant to the Interim Financing SFY 2015 Trust Loan Program, the Executive Director of the Trust shall provide a report to the Board of Directors of the Trust concerning the details of such transaction.

Section 9. Each Authorized Officer is hereby severally authorized to prepare and distribute, in consultation with Bond Counsel to the Trust, the Office of the Attorney General of the State and the Financial Advisor to the Trust (collectively, the "Professional Advisors"), a Request for Proposals (the "RFP"), to banking corporations having membership in the federal depository insurance corporation, for a Credit Instrument for the purpose of funding all or a portion of one or more of the Current and Future Interim Financing Trust Loan Program, in such amount as is determined by such authorized Officer to be necessary and appropriate for such purpose. Such RFP shall be prepared and distributed pursuant to and in compliance with Trust Policy and Procedure No. 4.00, entitled "Procurement of Goods and Services". The award of any contract to a banking corporation that has submitted to the Trust a response to RFP for the provision of a Credit Instrument for the purpose of funding all or a portion of one or more of the Current and Future Interim Financing Trust Loan Programs shall be made only upon authorization by official action of the Board of Directors of the Trust at a future meeting thereof. The Authorized Officers are each hereby severally authorized and directed to take such other actions as any Authorized Officer, in his respective sole discretion, after consultation with the Professional

Advisors, deems necessary, convenient or desirable in order to prepare and distribute the RFP and to receive proposals for the provision of a Credit Instrument, in a manner consistent herewith.

Section 10. Any Authorized Officer is hereby authorized and directed to take such other actions that such Authorized Officer, in his respective sole discretion after consultation with Bond Counsel to the Trust and the Office of the Attorney General of the State, deems necessary, convenient or desirable to effect the transactions contemplated hereby.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

EXHIBIT A

FORMS OF OBLIGATION

Agenda Item 8E

RESOLUTION NO. 13-__

RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST AUTHORIZING THE STATE FISCAL YEAR 2015 SUPPLEMENTAL FINANCING PROGRAM

WHEREAS, the New Jersey Environmental Infrastructure Trust (the "Trust"), pursuant to and 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 (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 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"), is authorized, pursuant to a supplemental financing program (the "Supplemental Financing Program"), to make short-term or temporary loans (each, a "Supplemental Loan") to eligible project sponsors (each, a "Borrower") for the purpose of financing, with respect to a project (each, an "Existing Project") for which a loan previously has been made to such Borrower by the Trust pursuant to N.J.S.A. 58:11B-9(a) (each, an "Existing Loan"), to pay for additional eligible costs of such Existing Project (the "Additional Costs"), that have been incurred by such Borrower in connection with the completion of such Existing Project and in excess of (i) the principal amount of the Existing Loan, plus (ii) the principal amount of the companion loan made to the Borrower by the State, acting by and through the New Jersey Department of Environmental Protection (the "NJDEP"), provided that each such Supplemental Loan made by the Trust to a Borrower satisfies the requirements of the Act, including, without limitation, N.J.S.A. 58:11B-9.4, and any applicable Regulations; and

WHEREAS, the Act, specifically N.J.S.A. 58:11B-9.4, provides for the making of Supplemental Loans to Borrowers with respect to Existing Projects that are not included on the project priority lists, for the ensuing fiscal year, that have been submitted to the State Legislature pursuant to N.J.S.A. 58:11B-20 and/or N.J.S.A. 58:11B-20.1 (collectively, the "Priority List"); and

WHEREAS, pursuant to the Act, the source of funding for the Supplemental Financing Program authorized hereby shall be amounts on deposit in the Supplemental Loan Fund created by N.J.S.A. 58:11B-9.4(a) (the "Available Funds"); and

WHEREAS, it is the desire of the Trust, subject to the terms and provisions of the Act, the Regulations and this Resolution, to authorize the implementation of the Supplemental Financing Program for State Fiscal Year 2015 (the "SFY 2015 Supplemental Financing Program"), pursuant to the parameters set forth herein, including, without limitation, the following conditions precedent that must be satisfied in full in connection with any Supplemental Loan made by the Trust to a qualifying Borrower for the Additional Costs of its Existing Project: (i) the Borrower has submitted to the Trust and the NJDEP a complete Supplemental Financing Program application with respect to the Additional Costs of the Existing Project; (ii) the proposed scope of the Additional Costs of the Existing Project have been certified for funding by the Trust through the Supplemental Financing Program in accordance with N.J.A.C. 7:22-4.13; (iii) there exists sufficient Available Funds for the

making of the Supplemental Loan to the Borrower for the Additional Costs of the Existing Project; and (iv) the Borrower has not previously received financing from the Trust or the NJDEP, through the Supplemental Financing Program or otherwise, for the Additional Costs of the Existing Project proposed to be financed through the SFY 2015 Supplemental Financing Program (items (i) through (iv) hereof shall be referred to collectively herein as the "Supplemental Financing Program Conditions Precedent"); and

WHEREAS, it is the desire of the Trust to establish certain terms for each Supplemental Loan made by the Trust as part of the SFY 2015 Supplemental Financing Program authorized hereby.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Trust (the "Board"), as follows:

Section 1. The Board hereby authorizes the establishment of the SFY 2015 Supplemental Financing Program, provided (i) such SFY 2015 Supplemental Financing Program shall be funded solely from the Available Funds, (ii) aggregate, outstanding Supplemental Loans shall not exceed $2,000,000 at any time, (iii) the availability to qualifying applicants of Supplemental Loans shall be prioritized based upon the chronological order of the certification of proposed Additional Costs of Existing Projects for funding through the SFY 2015 Supplemental Financing Program by the Trust in accordance with N.J.A.C. 7:22-4.13, (iv) Supplemental Loans shall fully comply with the provisions of the Act, the Regulations applicable thereto and the terms of this Resolution, including, without limitation, the Supplemental Financing Program Conditions Precedent.

Section 2. Any Supplemental Loan made by the Trust as part of the SFY 2015 Supplemental Financing Program shall be evidenced by (i) a note or other appropriate obligation of the Borrower to be issued to the Trust (the "Obligation"), and (ii) any other documentation as shall be deemed necessary and appropriate by the Chairman, Vice Chairman or Executive Director of the Trust (each, an "Authorized Officer"), after consultation with Bond Counsel to the Trust and the Office of the Attorney General of the State (collectively, 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 Bond Counsel to the Trust and the Office of the Attorney General of the State. The Loan Instruments shall include such terms and provisions relating to the SFY 2015 Supplemental Financing Program as shall be determined by the Authorized Officer, after consultation with Bond Counsel to the Trust and the Office of the Attorney General of the State, as being necessary in connection with (i) the satisfaction of the requirements of the Act and the Regulations and (ii) the implementation of the terms of this Resolution. Any Supplemental Loan made by the Trust to a Borrower as part of the SFY 2015 Supplemental Financing Program:

(i) shall be funded solely from the Available Funds;

(ii) shall bear interest at a rate of (a) with respect to a Supplemental Loan made to (1) a local government unit (as such term is defined in the Act) or (2) a public water utility (as such term is defined in the Act) or small water company (as such term is defined in the

Act), in each case, serving fewer than 10,000 residents, 0%, and (b) with respect to a Supplemental Loan made to (1) a public water utility or small water company, in each case, serving greater than 10,000 residents, (2) any other private person, or (3) a local government unit on behalf of any private person, 2%;

(iii) shall not exceed $300,000 in principal amount;

(iv) shall have a maturity date (the "Maturity Date") not later than the date of closing with respect to the applicable long-term financing within the State Fiscal Year 2016 New Jersey Environmental Infrastructure Financing Program as administered by the Trust and the NJDEP (the "Financing Program"), which shall be no later than June 30, 2016;

(v) shall be repaid by the Borrower from the participation by the Borrower in the Financing Program prior to the Maturity Date, or, in the event of the failure on the part of the Borrower to qualify for and participate in the Financing Program prior to the Maturity Date for any reason, a source of funds, other than the Financing Program, that is available to the Borrower for such purpose, including, without limitation, the proceeds of short-term or long-term debt that may be incurred by the Borrower; and

(vi) shall not be subject to the imposition by the Trust of an administrative fee.

Section 3. No Supplemental Loan shall be made by the Trust to a Borrower with respect to the Additional Costs of its Existing Project without the prior approval of the Board in the form of a resolution duly adopted pursuant to and in satisfaction of the requirements of the Act (the "Authorizing Resolution"), provided that such Borrower and such Additional Costs of such Existing Project each shall qualify for funding through the SFY 2015 Supplemental Financing Program pursuant to the terms and provisions of the Act and the Regulations and the terms and provisions of this Resolution, including, without limitation, the Supplemental Financing Program Conditions Precedent. The Authorizing Resolution shall include, without limitation, the certification for funding of the proposed scope of the Additional Costs of the Existing Project in accordance with the provisions of N.J.A.C. 7:22-4.13, provided, however, that prior to the closing with respect to such Supplemental Loan, the proposed scope of the Additional Costs of the Existing Project shall have been certified for funding by the Commissioner of the NJDEP pursuant to and in satisfaction of the provisions of N.J.A.C. 7:22-3.13.

Section 4. The Authorized Officers are hereby severally authorized and directed to execute (i) any Loan Instrument to which the Trust is a party (the "Trust Loan Instruments") and (ii) any certificates, instruments or documents contemplated therein or otherwise related to the participation of any Borrower in the SFY 2015 Supplemental Financing Program.

Section 5. Upon execution of the Trust Loan Instruments by an Authorized Officer, the Secretary and the Assistant Secretary of the Trust are each hereby severally authorized and directed, where required, to affix the corporate seal of the Trust, and to attest to the signature of such

Authorized Officer, thereon and on any certificates, instruments or documents contemplated therein or related thereto.

Section 6. 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 OBLIGATION

Agenda Item 8F

RESOLUTION NO. 13-__

RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST AUTHORIZING THE STATE FISCAL YEAR 2015 PLANNING AND DESIGN FINANCING PROGRAM

WHEREAS, the New Jersey Environmental Infrastructure Trust (the "Trust"), pursuant to and 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 (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 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"), is authorized, pursuant to a planning and design financing program (the "Planning and Design Financing Program"), to make loans (each, a "Planning Loan") to eligible project sponsors (each, a "Borrower") for the purpose of financing the allowable environmental planning and engineering design costs of environmental infrastructure projects (each, a "Project"), provided that each such Planning Loan made by the Trust to a Borrower for a Project satisfies the requirements of the Act, including, without limitation, N.J.S.A. 58:11B-9.2, and any applicable Regulations; and

WHEREAS, the Act, specifically N.J.S.A. 58:11B-9.2, provides for the making of Planning Loans to Borrowers with respect to Projects that are included on the project priority lists for the ensuing fiscal year 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 (collectively, the "Priority List"), as well as Projects that are not included on the Priority List; and

WHEREAS, pursuant to the Act, the sources of funding for the Planning and Design Financing Program authorized hereby shall be (i) the Planning and Design Fund created by N.J.S.A. 58:11B-9.2(a) and (ii) the Interim Financing Program Fund created by N.J.S.A. 58:11B-9(d) (collectively, the "Available Funds"), provided that a Planning Loan made from moneys on deposit in the Interim Financing Program Fund may be made only with respect to a Project that is included on the Priority List; and

WHEREAS, it is the desire of the Trust, subject to the terms and provisions of the Act, the Regulations and this Resolution, to authorize the implementation of the Planning and Design Financing Program for State Fiscal Year 2015 (the "SFY 2015 Planning and Design Financing Program"), pursuant to the parameters set forth herein, including, without limitation, the following conditions precedent that must be satisfied in full in connection with any Planning Loan made by the Trust to a qualifying Borrower for its Project: (i) the Borrower has submitted to the Trust and the New Jersey Department of Environmental Protection (the "NJDEP") a complete Planning and Design Financing Program application with respect to the Project; (ii) the proposed scope of the Project has been certified for funding by the Trust through the Planning and Design Financing Program in accordance with N.J.A.C. 7:22-4.13; (iii) there exists sufficient Available Funds for the

making of the Planning Loan; (iv) if the Project is on the Priority List for State Fiscal Year 2015 (the "SFY 2015 Priority List"), the Project is in the fundable range in the forthcoming funding cycle given the Project's rank and the anticipated availability of NJDEP and Trust monies; and (v) the proposed Borrower has not previously received financing from the Trust or the NJDEP, through the Planning and Design Financing Program or otherwise, for the same project scope (items (i) through (v) hereof shall be referred to collectively herein as the "Planning and Design Financing Program Conditions Precedent"); and

WHEREAS, it is the desire of the Trust to establish certain terms for each Planning Loan made by the Trust as part of the SFY 2015 Planning and Design Financing Program authorized hereby.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Trust (the "Board"), as follows:

Section 1. The Board hereby authorizes the establishment of the SFY 2015 Planning and Design Financing Program, provided (i) such SFY 2015 Planning and Design Financing Program shall be funded solely from the Available Funds, (ii) aggregate, outstanding Planning Loans shall not exceed $2 million at any time, (iii) the availability to qualifying applicants of Planning Loans shall be prioritized based upon the chronological order of the certification of proposed Projects for funding through the SFY 2015 Planning and Design Financing Program by the Trust in accordance with N.J.A.C. 7:22-4.13, (iv) Planning Loans shall fully comply with the provisions of the Act, the Regulations applicable thereto and the terms of this Resolution, including, without limitation, the Planning and Design Financing Program Conditions Precedent.

Section 2. Any Planning Loan made by the Trust as part of the SFY 2015 Planning and Design Financing Program shall be evidenced by (i) a note or other appropriate obligation of the Borrower to be issued to the Trust (the "Obligation"), and (ii) any other documentation as shall be deemed necessary and appropriate by the Executive Director of the Trust, or any other person or persons designated by the Board by resolution to act on behalf of the Trust (each, an "Authorized Officer"), after consultation with Bond Counsel to the Trust and the Office of the Attorney General of the State (collectively, 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 Bond Counsel to the Trust and the Office of the Attorney General of the State. The Loan Instruments shall include such terms and provisions relating to the SFY 2015 Planning and Design Financing Program as shall be determined by the Authorized Officer, after consultation with Bond Counsel to the Trust and the Office of the Attorney General of the State, as being necessary in connection with (i) the satisfaction of the requirements of the Act and the Regulations and (ii) the implementation of the terms of this Resolution. Any Planning Loan made by the Trust to a Borrower as part of the SFY 2015 Planning and Design Financing Program:

(i) shall be funded solely from the Available Funds; provided that any Planning Loan made with respect to a Project that is not on the SFY 2015 Priority List shall be funded

solely from Available Funds other than amounts on deposit in the Interim Financing Program Fund established pursuant to N.J.S.A. 58:11B-9(d);

(ii) shall bear interest at a rate of (a) with respect to a Planning Loan made to (1) a local government unit (as such term is defined in the Act) or (2) a public water utility (as such term is defined in the Act) or small water company (as such term is defined in the Act), in each case, serving fewer than 10,000 residents, 0%, and (b) with respect to a Planning Loan made to (1) a public water utility or small water company, in each case, serving greater than 10,000 residents, (2) any other private person, or (3) a local government unit on behalf of any private person, 2%;

(iii) shall not exceed $500,000 in principal amount;

(iv) shall have a maturity date (the "Maturity Date") not later than (a) with respect to a Project included on the SFY 2015 Priority List, the date of closing with respect to the State Fiscal Year 2016 New Jersey Environmental Infrastructure Financing Program as administered by the Trust and the NJDEP (the "Financing Program"), which shall be no later than June 30, 2016, and (b) with respect to a Project not included on the SFY 2015 Priority List, the date of closing with respect to the applicable long-term financing within the State Fiscal Year 2017 Financing Program, which shall be no later than June 30, 2017;

(v) shall be repaid by the Borrower from the participation by the Borrower in the Financing Program prior to the Maturity Date, or, in the event of the failure on the part of the Borrower to qualify for and participate in the Financing Program prior to the Maturity Date for any reason, a source of funds, other than the Financing Program, that is available to the Borrower for such purpose, including, without limitation, the proceeds of short-term or long-term debt that may be incurred by the Borrower; and

(vi) shall not be subject to the imposition by the Trust of an administrative fee.

Section 3. Prior to the making of a Planning Loan with respect to a Project that is included on the SFY 2015 Priority List, the Authorized Officer shall certify the proposed scope of such Project for funding thorough the SFY 2015 Planning and Design Financing Program in accordance with the provisions of N.J.A.C. 7:22-4.13, provided, however, that (i) the proposed scope of such Borrower's Project previously has been certified for funding by the Commissioner of the NJDEP pursuant to the provisions of N.J.A.C. 7:22-3.13, and (ii) such Project shall qualify for funding through the SFY 2015 Planning and Design Financing Program pursuant to the terms and provisions of the Act and the Regulations and the terms and provisions of this Resolution, including, without limitation, the Planning and Design Financing Program Conditions Precedent.

Section 4. No Planning Loan shall be made by the Trust to a Borrower with respect to a Project not included on the SFY 2015 Priority List pursuant to the SFY 2015 Planning and Design Financing Program without the prior approval of the Board in the form of a resolution duly adopted pursuant to and in satisfaction of the requirements of the Act (the "Authorizing Resolution"),

provided that such Borrower and such Project each shall qualify for funding through the SFY 2015 Planning and Design Financing Program pursuant to the terms and provisions of the Act and the Regulations and the terms and provisions of this Resolution, including, without limitation, the Planning and Design Financing Program Conditions Precedent. The Authorizing Resolution shall include, without limitation, the certification of the proposed scope of such Borrower's Project for funding in accordance with the provisions of N.J.A.C. 7:22-4.13, provided, however, that the proposed scope of such Borrower's Project previously has been certified for funding by the Commissioner of the NJDEP pursuant to the provisions of N.J.A.C. 7:22-3.13.

Section 5. The Authorized Officer is hereby authorized and directed to execute (i) any Loan Instrument to which the Trust is a party (the "Trust Loan Instruments") and (ii) any certificates, instruments or documents contemplated therein or otherwise related to the participation of any Borrower in the SFY 2015 Planning and Design Financing Program.

Section 6. Upon execution of the Trust Loan Instruments by an Authorized Officer, the Secretary and the Assistant Secretary of the Trust are each hereby severally authorized and directed, where required, to affix the corporate seal of the Trust, and to attest to the signature of such Authorized Officer, thereon and on any certificates, instruments or documents contemplated therein or related thereto.

Section 7. At the meeting of the Board immediately following the execution and delivery of any Loan Instruments by the Trust relating to any Planning Loan made by the Trust to any Borrower pursuant to the SFY 2015 Planning and Design Financing Program, the Executive Director of the Trust shall provide a report to the Board concerning the details of such transaction.

Section 8. 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 OBLIGATION

Agenda Item 8G

RESOLUTION NO. 13-__

RESOLUTION OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST RELATING TO CERTAIN ACTIONS TO BE TAKEN BY THE TRUST IN ORDER TO AUTHORIZE THE DISSOLUTION OF THE ATLANTIC HIGHLANDS-HIGHLANDS REGIONAL SEWERAGE AUTHORITY AND THE ASSUMPTION OF THE DUTIES AND OBLIGATIONS THEREOF BY THE BOROUGH OF HIGHLANDS AND THE BOROUGH OF ATLANTIC HIGHLANDS, RESPECTIVELY

WHEREAS, the New Jersey Environmental Infrastructure Trust (the "Trust"), a public body corporate and politic under the laws of the State of New Jersey (the "State"), is organized and existing pursuant to the New Jersey Environmental 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 be, amended and supplemented from time to time (the "Act"); and

WHEREAS, pursuant to Sections 5(m) and 9(a) of the Act, the Trust is authorized (i) to make and contract to make loans (the "Trust Loans") to certain borrowers (the "Borrowers") to finance a portion of the cost of environmental infrastructure projects (the "Projects") and (ii) to acquire and contract to acquire notes, bonds or other obligations issued or to be issued by the Borrowers to evidence and secure the Trust Loans, all in accordance with the provisions of the Act; and

WHEREAS, prior to the date hereof, the Trust entered into that certain Loan Agreement, dated as of March 1, 2010 (the "Authority Trust Loan Agreement"), by and between the Trust and the Atlantic Highlands-Highlands Regional Sewerage Authority (the "Authority"); and

WHEREAS, pursuant to Section 6(a) of the Act, the Trust may from time to time issue bonds, notes or other obligations in any principal amount as in the judgment of the Trust shall be necessary to provide sufficient funds for any of its corporate purposes, all in accordance with the provisions of the Act; and

WHEREAS, pursuant to Section 6(c) of the Act, bonds, notes or other obligations of the Trust shall be authorized by a resolution of the Trust; and

WHEREAS, the Trust adopted its "Environmental Infrastructure Bond Resolution, Series 2010A" on January 28, 2010 (the "Bond Resolution"), authorizing the issuance of its $127,595,000 original aggregate principal amount of "Environmental Infrastructure Bonds, Series 2010A" (the "Series 2010A Bonds"), for the purpose of funding certain Trust Loans to those Borrowers set forth in Schedule I attached to the Bond Resolution, including, without limitation, a Trust Loan to the Authority, made, pursuant to the terms of the Authority Trust Loan Agreement, in the original aggregate principal amount of $225,000 (the "Authority Trust Loan"), for the purpose of financing a portion of the cost of the Authority's Project (the "Authority Project"), as more fully described in the Authority Trust Loan Agreement; and

DRAFT

WHEREAS, on August 22, 2013, pursuant to Section 9(d) of the Act and a Resolution adopted by the Trust on December 13, 2012 and entitled "Resolution of the New Jersey Environmental Infrastructure Trust Authorizing the Interim Financing State Fiscal Year 2014 Trust Loan Program" (the "IFP Resolution"), the Trust made an interim loan to the Authority in the principal amount of $2,833,082 (the "Authority Interim Loan"), which Authority Interim Loan is evidenced and secured by a Note issued to the Trust by the Authority in the principal amount of $2,833,082 (the "Authority Note"); and

WHEREAS, the Borough of Atlantic Highlands ("Atlantic Highlands") and the Borough of Highlands ("Highlands"; Atlantic Highlands and Highlands shall be referred to collectively herein as the "Municipalities") jointly have determined, pursuant to the provisions of Section 20 of the Local Authorities Fiscal Control Law, constituting Chapter 313 of the Pamphlet Laws of 1983 of the State (codified at N.J.S.A. 40A:5A-1 *et seq.*), and the acts amendatory thereof and supplemental thereto, to dissolve the Authority; and

WHEREAS, each of the Municipalities, as part of the dissolution of the Authority, has determined by ordinance to assume responsibility for (i) the payment of fifty percent (50%) of the amounts due to all creditors and obligees of the Authority, (ii) all services provided by the Authority to such Municipality and deemed necessary for the health, safety and welfare of the recipients of such services located in such Municipality, and (iii) the payment of fifty percent (50%) of the debt service with respect to the bonds or notes of the Authority previously issued and outstanding, including, without limitation, (a) the Borrower Bond (as defined in the Authority Trust Loan Agreement) issued by the Authority to evidence and secure the repayment obligations of the Authority to the Trust in connection with the Authority Trust Loan (the "Authority Bond") and (b) the Authority Note (the Authority Bond and the Authority Note shall be referred to collectively herein as the "Authority Obligations"); and

WHEREAS, pursuant to Section 4.02 of the Authority Trust Loan Agreement, neither the Authority Trust Loan Agreement nor the Authority Bond may be assigned or assumed by the Authority for any reason, unless (i) the Trust and U.S. Bank National Association, Morristown, New Jersey (the "Trustee"), shall have approved said assignment or assumption in writing, (ii) the Municipalities, as assignees, shall have expressly assumed in writing the full and faithful observance and performance of the Authority's duties, covenants, agreements and obligations under the Authority Trust Loan Agreement and, to the extent permitted under applicable law, the Authority Bond, (iii) immediately after such assignment or assumption, each Municipality, as assignee, shall not be in default in the performance or observance of any duties, covenants, obligations or agreements of the Authority under the Authority Trust Loan Agreement or the Authority Bond, and (iv) the Trust shall have received an opinion of Bond Counsel (as defined in the Bond Resolution) to the effect that such assignment or assumption will not adversely affect the exclusion of interest on the Series 2010A Bonds from gross income for the purpose of Federal income taxation pursuant to Section 103(a) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, pursuant to Section 2.02(e) of the Authority Trust Loan Agreement, the Authority shall not sell, lease, abandon or otherwise dispose of all or substantially all of its Environmental Infrastructure System except on ninety (90) days' prior written notice to the Trust and, in any event, shall not so sell, lease, abandon or otherwise dispose of the same unless (i) in accordance with Section 4.02 of the Authority Trust Loan Agreement, the acquirer or lessee of the Environmental Infrastructure System shall assume the covenants, obligations and agreements of the Authority under the Authority Trust Loan Agreement and the Authority Bond, and (ii) the Trust shall by appropriate action determine, in the reasonable exercise of its sole discretion, that such sale, lease, abandonment or other disposition will not adversely affect the Trust's ability to meet its duties, covenants, obligations and agreements under the Bond Resolution, and will not adversely affect the value of the Authority Trust Loan Agreement or the Authority Bond as security for the payment of the Series 2010A Bonds and interest thereon or adversely affect the excludability from gross income for Federal income tax purposes of interest on the Series 2010A Bonds then outstanding or which could be issued in the future; and

WHEREAS, pursuant to Sections 3(c) and 3(h) of the Authority Note, the dissolution of the Authority may not take effect, and the Authority 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 Trust; and

WHEREAS, it is the desire of the Trust to approve and consent to the dissolution of the Authority and the assumption by the Municipalities of the obligations of the Authority to the Trust pursuant to the Authority Trust Loan Agreement and the Authority Obligations.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE NEW JERSEY ENVIRONMENTAL INFRASTRUCTURE TRUST (the "Board"), as follows:

Section 1. Pursuant to the requirements of Section 4.02(i) of the Authority Trust Loan Agreement and Sections 3(c) and 3(h) of the Authority Note, the Board hereby consents to, and approves of, (i) the assumption of the duties and obligations of the Authority, pursuant to the Authority Trust Loan Agreement and the Authority Note, by the Municipalities, in such manner as is further described in the Application, dated October 23, 2013 (the "LFB Application"), submitted by the Municipalities to the Local Finance Board of the Division of Local Government Services within the New Jersey Department of Community Affairs (the "LFB"), and (ii) the assumption by each of the Municipalities of fifty percent (50%) of the obligations of the Authority pursuant to the Authority Obligations, all pursuant to the "Assumption Agreement among the New Jersey Environmental Infrastructure Trust, the Borough of Atlantic Highlands, and the Borough of Highlands" (the "Assumption Agreement"), in substantially the form attached hereto as Exhibit A and made a part hereof, and the Board hereby authorizes and directs the execution and delivery of the Assumption Agreement by the Chairman, the Vice Chairman or the Executive Director of the Trust, acting as an authorized officer on behalf of the Trust (each an "Authorized Officer"), and the attestation thereof by the Secretary of the Trust or the Assistant Secretary of the Trust (the "Secretary"), who also shall

apply the seal of the Trust thereto, such approval being subject to the prior approval of the dissolution of the Authority by the LFB.

Section 2. Pursuant to the requirements of Section 4.02(i) of the Authority Trust Loan Agreement, the Board hereby authorizes and directs the Authorized Officer to seek from the Trustee written approval of the assumption by the Municipalities of the obligations of the Authority pursuant to the Authority Trust Loan Agreement and the Authority Bond, all pursuant to the Assumption Agreement.

Section 3. Pursuant to the requirements of Section 4.02(iv) of the Authority Trust Loan Agreement, the Board hereby authorizes and directs the Authorized Officer to obtain the written opinion of Bond Counsel, which opinion shall state that the assumption, pursuant to the Assumption Agreement, described in Section 1 hereof will not adversely affect the exclusion of interest on the Series 2010A Bonds from gross income for the purpose of Federal income taxation pursuant to Section 103(a) of the Code.

Section 4. Pursuant to the requirements of Section 2.02(e) of the Authority Trust Loan Agreement, the Board hereby acknowledges receipt of written evidence of the desire and intent of the Municipalities to assume the ownership and operation of the Environmental Infrastructure System in such manner as is set forth in the LFB Application.

Section 5. Upon receipt and in reliance thereon of the opinion described in Section 3 hereof, the Authorized Officer is authorized and directed, after consultation with Bond Counsel, the office of the Attorney General of the State, acting as general counsel to the Trust (the "General Counsel"), and, if necessary, Public Financial Management, Inc., acting as financial advisor to the Trust (the "Financial Advisor"; Bond Counsel, General Counsel and the Financial Advisor shall be referred to collectively herein as the "Consultants"), to execute a certificate pursuant to the requirements of Section 2.02(e)(ii) of the Authority Trust Loan Agreement stating that the Trust, in the reasonable exercise of its sole discretion, has determined that the assumption of the Environmental Infrastructure System by the Municipalities will not adversely affect the Trust's ability to meet its duties, covenants, obligations and agreements under the Bond Resolution, and will not adversely affect the value of the Authority Trust Loan Agreement or the Authority Bond as security for the payment of the Series 2010A Bonds and interest thereon, or adversely affect the exclusion of interest on the Series 2010A Bonds then outstanding, or that could be issued in the future, from gross income for the purpose of Federal income taxation pursuant to Section 103(a) of the Code.

Section 6. The Authorized Officer is hereby authorized and directed to take all actions deemed necessary or desirable by the Authorized Officer in consultation with the Consultants to complete the dissolution of the Authority and the assumption of the duties and obligations thereof, pursuant to the Authority Trust Loan Agreement and the Authority Obligations, by the Municipalities, in such manner as is set forth in the LFB Application (collectively, the "Dissolution"), including, without limitation, the execution of any certificates in furtherance thereof. The Authorized Officer is further authorized and directed to obtain from Bond Counsel

and General Counsel those letters of opinion that the Authorized Officer, in consultation with the Consultants, deems necessary and desirable in order to complete the Dissolution.

Section 7. Notwithstanding (i) the provisions of this Resolution relating to the assumption by the Municipalities of the obligations of the Authority pursuant to the Authority Note, and (ii) the provisions of the Resolution adopted by the Trust on February 9, 2012 and entitled "Amended and Restated Resolution of the New Jersey Environmental Infrastructure Trust Relating to the Direct Loan Program and Certain Policies Regarding the Administration Thereof and the Granting of Direct Loans" (the "Direct Loan Resolution") relating to the limitation of $300,000 on the principal amount of a Direct Trust Loan (as defined in the Direct Loan Resolution) that may be made by the Trust, and as an alternative to the assumption by the Municipalities of the obligations of the Authority pursuant to the Authority Note, the Authorized Officer is hereby directed, after consultation with the Consultants, to extend to the Authority, prior to the Dissolution, a Direct Trust Loan in a principal amount not to exceed $816,400, for the purpose of refinancing a portion of the Authority Note, provided that (a) such Direct Trust Loan otherwise complies with the provisions of the Direct Loan Resolution, and (b) the obligations of the Authority with respect to such Direct Trust Loan shall be assumed by the Municipalities pursuant to the Assumption Agreement.

Section 8. The Authorized Officer is hereby authorized and directed to make such changes to the form of the Assumption Agreement, including, without limitation, such changes as may be necessary in connection with the making of a Direct Trust Loan to the Authority as set forth in Section 7 hereof, as the Authorized Officer, after consultation with the Consultants, deems in his sole discretion to be necessary or desirable for the execution thereof and to consummate the transactions contemplated and authorized hereby, which execution thereof shall conclusively evidence the Authorized Officer's approval of the final form thereof.

Section 9. The Authorized Officer is hereby authorized and directed to take all actions deemed necessary or desirable thereby, in consultation with the Consultants, to complete the Dissolution, including, without limitation, the execution of any certificates in furtherance thereof.

Section 10. 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

Form of Assumption Agreement

DRAFT

Agenda Item 8H

RESOLUTION No. 13-___

RESOLUTION APPROVING A MEMORANDUM OF UNDERSTANDING BETWEEN THE NJ DEPARTMENT OF ENVIRONMENTAL PROTECTION AND THE NJ ENVIRONMENTAL INFRASTRUCTURE TRUST FOR H2LOANS TECHNOLOGY STAFFING ASSISTANCE AND ADDITIONAL PROCUREMENTS

WHEREAS, the New Jersey Environmental Infrastructure Trust (Trust) was established pursuant to N.J.S.A. 58:11B-1 et seq. (Trust Act)) as an independent authority, in but not of the New Jersey Department of Environmental Protection (Department) authorized to provide essential governmental services for the purpose of making loans to both publicly and privately owned community and nonprofit, non-community water systems (project sponsors); and

WHEREAS, Section 5(m) of the Trust Act authorizes the Trust to issue loans to local government units and water systems for the acquisition, construction, improvement, repair or reconstruction of all or part of any structure, facility or equipment, or real or personal property necessary for or ancillary to any (1) wastewater treatment system project, including any stormwater management or combined sewer overflow abatement projects; or (2) water supply project, as authorized pursuant to P.L.1985, c.334 (C.58:11B-1 et seq.) or P.L.1997, c.224 (C.58:11B-10.1 et al.), including any water resources project, as authorized pursuant to P.L.2003, c.162 (hereafter "environmental infrastructure project"); and

WHEREAS, Section 5(e) of the Trust Act authorizes the Trust to accept the cooperation of any State Agency, for the purpose of the Trust Act and do anything necessary in order to avail itself of that aid and cooperation; and

WHEREAS, each year the Department receives Clean Water Act, State Revolving Fund Capitalization Grant (33 U.S.C. Section 1381, et seq.), and Safe Drinking Water Act Capitalization Grants (42 U.S.C. 300j–12, Section 1452 and 65 FR 48299, Section 35.3500)for the purpose of making loans and grants to local government units and water systems for environmental infrastructure projects; and

WHEREAS, since 1987, the Trust and Department have jointly issued loans in excess of $6 billion for environmental infrastructure projects through a combination of Trust market rate loans and State zero interest loans (hereafter "H2LOans"); and

WHEREAS, in administering the H2LOANS, more than

- One hundred and twenty five (125) loan applications are reviewed annually by the Trust and Department independently for financial eligibility and project eligibility;
- One-hundred and sixty (160) H2LOANS loan agreements are executed annually consisting of substantially similar Trust loan agreements and Department loan agreements;
- Three hundred (300) payment requisitions are reviewed and disbursed annually requiring substantially similar reviews by the Department and the Trust; and
- One thousand (1,000) loan repayments are received and processed separately by the Trust and Department pursuant to their respective loan agreements semi-annually; and

WHEREAS, the daily operations of the H2LOANS requires significant communication, cooperation and coordination between and among more than 150 staff and professional advisors; and

WHEREAS, in recognition of the necessity to effectuate program improvements, it is the desire of the Department for the Trust to execute a Memorandum of Understanding (MOU) to address the Department's agreement to assign additional staff and the Trust's agreement to procure certain information technology equipment and software for the purpose of supporting H2LOans program activities.

NOW THEREFORE BE IT RESOLVED, the Trust authorizes the Executive Director to execute a MOU with the NJDEP having the following terms and conditions:

1. The Department agrees to provide, at its own expense, two temporary contractors via the New Jersey IT Staff Augmentation Contract (M-0817) to serve under the supervision of the NJEIT, for a combined seventy hours per week for a period of twenty five weeks, said contractors having computer programming experience to assist in maintaining H2LOans pertaining to environmental planning reviews for SuperStorm Sandy recovery projects; and

2. The Trust agrees to procure information technology equipment and software on behalf of the Department integral to H2LOans, for use by Department staff, in the amount not to exceed $760,260, as follows:

    i. Geographic Information System (GIS) Software and Licensing and Services in the amount not to exceed $319,320;

    ii. Infrastructure and Hardware in the amount not to exceed $371,255; and

    iii. Business Intelligence Software Licensing in the amount not to exceed $69,685.

3. Such other terms and conditions necessary to further delineate and ensure the successful implementation of the actions set forth herein.

BE IT FURTHER RESOLVED, the Executive Director is authorized to solicit proposals for the above equipment and services pursuant to Environmental Trust Policy and Procedure number 4.00, "Purchase of Goods and Services" and secure Board authorization prior to any contract award.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions:

Agenda Item 9

RESOLUTION NO. 13-__

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 Environmental Infrastructure Trust (the "Trust") hold an executive session regarding contract negotiations, personnel matters and advice from counsel.

BE IT FURTHER RESOLVED, That it is expected that discussions undertaken at this executive session will be made public once a final position is adopted by the Trust regarding such actions.

Adopted Date:

Motion Made By:

Motion Seconded By:

Ayes:

Nays:

Abstentions: