

## RESOLUTION NO. 24 - 48

### RESOLUTION OF THE NEW JERSEY INFRASTRUCTURE BANK APPROVING WATER BANK CONSTRUCTION FINANCING PROGRAM LOAN TO BERGEN COUNTY UTILITIES AUTHORITY

**WHEREAS**, the New Jersey Infrastructure Bank (the “I-Bank”), in accordance with (i) the New Jersey Infrastructure Trust Act, constituting Chapter 334 of the Pamphlet Laws of 1985 of the State of New Jersey (the “State”) (codified at N.J.S.A. 58:11B-1 et seq.), as the same may from time to time be amended and supplemented (the “Act”), and (ii) the regulations promulgated pursuant to the Act (N.J.A.C. 7:22-2.1 et seq.), as the same may from time to time be amended and supplemented (the “Regulations”), is authorized, pursuant to an interim financing program for the New Jersey Water Bank (the “Water Bank Construction Financing Program”) to make loans (each, a “Construction Loan”) to eligible project sponsors (each, a “Borrower”) for the purpose of financing the allowable costs of environmental infrastructure projects (each a “Project”), provided that each such Construction Loan made by the I-Bank to any such Borrower satisfies the requirements of the Act, including, without limitation, N.J.S.A. 58:11B-9(d), and the Regulations, including, without limitation, N.J.A.C. 7:22-4.47; and

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

**WHEREAS**, the I-Bank duly adopted Resolution No. 23-15 on February 9, 2023, entitled “Resolution of the New Jersey Infrastructure Bank Authorizing the Water Bank Construction Financing Program” to provide funding for the implementation of the Water Bank Construction Financing Program; and

**WHEREAS**, the I-Bank adopted Resolution No. 23-68 on November 2, 2023, entitled “Amended and Restated Resolution of the New Jersey Infrastructure Bank Authorizing the Water Bank Construction Financing Program” (the “Authorizing Resolution”); and

**WHEREAS**, it is the desire of the Board of Directors of the I-Bank (the “Board” or “Board of Directors”) to authorize Construction Loans pursuant to the Water Bank Construction Financing Program; and

**WHEREAS**, pursuant to Section 1(b) of the Authorizing Resolution, the Authorized Officers are each hereby severally authorized and directed, after consultation with Legal Counsel and the Financial Advisor to the I-Bank, to determine those Available Funds that shall be the available source of funding for any given Construction Loan during any given State fiscal year made pursuant to the Water Bank Construction Financing Program; and

**WHEREAS**, pursuant to the terms and definitions of the Authorizing Resolution, the Authorized Officers are each severally authorized, after consultation with Bond Counsel to the I-Bank, to approve the participation of a Borrower in the Water Bank Construction Financing Program, provided that such Borrower qualifies for such participation pursuant to the provisions of the Act and the Regulations and the terms of the Authorizing Resolution; and

**WHEREAS**, pursuant to Section 3 of the Authorizing Resolution, the principal amount of each Construction Loan (and the stated principal amount of the Obligation issued by the Borrower in connection with such Construction Loan), made by the I-Bank as part of the Water Bank Construction Financing Program shall not exceed \$30,000,000, unless a higher principal amount thereof is authorized by official action of the Board at a future meeting thereof; and

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

**WHEREAS**, Bergen County Utilities Authority (“BCUA”) has requested from the I-Bank a Construction Loan, in anticipation of a long-term loan from each of the I-Bank and the Department, to finance the planning, design and construction of Project No. S340386-13, for the consolidation of Edgewater/Little Ferry service area, (the “BCUA-13 Project”); and

**WHEREAS**, pursuant to Resolution No. 23-46, the Board authorized a Construction Loan in the amount of \$75,500,000 for the BCUA-13 Project at its July 13, 2023, meeting (the “Original BCUA -13 Total Authorized Amount”), and on January 1, 2024, the I-Bank closed a Construction Loan in the amount of \$75,000,000 (the “Original BCUA Project Loan”); and

**WHEREAS**, BCUA has requested from the I-Bank an increase of \$9,500,000 to the Original BCUA-13 Total Authorized Amount to finance increased construction costs to procure an additional contract which has been identified as necessary to complete the construction of the BCUA-13 Project; and

**WHEREAS**, pursuant to the BCUA-13 Project construction schedule, a Construction Loan not to exceed the maximum statutory term will be made, all or a portion of which will be completed prior to BCUA’s receipt of a long-term New Jersey Environmental Infrastructure Financing Program loan from the I-Bank and the Department, thereby resulting in BCUA’s request for a construction loan in an amount not to exceed \$85,000,000; and

**WHEREAS**, with respect to the Authorizing Resolution’s Construction Loan limitation that any Construction Loan approved by any of the Authorized Officers, following the requisite consultations, and made by the I-Bank to a Borrower as part of the Construction Financing Program shall not exceed \$30,000,000 in principal amount, subject to further official action in the form of the adoption of a resolution by the Board (“Construction Loan Limitation”), the I-Bank now desires, given the facts and circumstances set forth in the recitals hereto, to create as an exception to such limitation on Construction Loans, as part of the Construction Financing Program, to the aforementioned project sponsor in an amount not to exceed the stated amount for the purpose of completing the BCUA-13 Project; and

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

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

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

**Section 2.** Notwithstanding the Authorizing Resolution’s Construction Loan Limitation providing that all Construction Loans approved by an Authorized Officer, following the requisite consultations, and made by the I-Bank to Borrowers as part of the Construction Loan Program, shall not exceed \$30,000,000 in principal amount, the Board, given the facts and circumstances set forth in the recitals hereto, hereby authorizes, as an exception to the

Construction Loan Limitation, a Construction Loan, as part of the Construction Financing Program, to BCUA for the stated project in amount not to exceed the amount stated for the purpose of completing the project.

Project Sponsor	Project #	Description	Previously Authorized Loan Amount	Increase	Total Authorized Loan Amount
1) Bergen County Utilities Authority	S340386-13	Consolidation of Edgewater/Little Ferry service area by converting Edgewater WPCF to a PS & diverting service area to Little Ferry WPCF	\$75,500,000	\$9,500,000	\$85,000,000

**Section 3.** Notwithstanding the stated maximum loan amounts of \$85,000,000 to BCUA, the Construction Financing Program funding commitment for the loan shall be limited to the operable segments certified, in amounts set forth in the Department’s allowable cost determination for each such operable segment, and such funding commitment shall arise at the time of loan closing of the first such operable segment, and upon the Department’s allowable cost determination for each subsequent operable segment certified thereafter, recognizing that the terms and conditions of the long-term New Jersey Environmental Infrastructure Financing Program loan for said project shall reflect the terms and conditions set forth in the Department’s Intended Use Plan and the Priority System and the I-Bank’s Financial Plan for the state fiscal year in which the construction contract is certified.

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

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

**Section 6. Effective Date.** This Resolution shall become effective in accordance with the terms of Section 4(i) of the Act (N.J.S.A. 58:11B-4(i)).

Adopted Date: September 12, 2024

Motion Made By: Mr. Mark Longo

Motion Seconded By: Mr. James McManus

Ayes: 6

Nays: 0

Abstentions: 0