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INFRASTRUCTURE LOANS TO UPGRADE RAHWAY VALLEY SEWERAGE PLANT

LAWRENCEVILLE – Robert A. Briant, Sr., Chairman of the New Jersey Environmental Infrastructure Trust announced on April 28 that loans of over \$200 million dollars were approved to upgrade the wastewater treatment plant, improve overall operating efficiencies of the existing wastewater and sludge facilities and construction of a gravity relief sewer.

The improvement to the WWTP will include construction of a new influent pumping station, grit removal facilities, new primary settling tanks, a new polymer system, new effluent filters, a new UV disinfection system, new effluent pumping station with effluent cascade aeration systems, a new odor control system, new sludge/waste pumping facilities, a new SCADA system, new engine generator, and improvements to sludge thickening facilities.

Improvements to the sludge handling facilities include a new cogeneration/sludge drying facility incorporating three new engine generators, a new sludge dryer, and rehabilitation of two digesters and renovation of an old laboratory/administration building. The project also includes construction of approximately 6,100 linear feet of 42 inch gravity relief sewer. This new sewer will convey excessive wet weather flow to the upgraded wastewater treatment plant, instead of discharging it into the Rahway River.

The RVSA owns and operates the existing wastewater treatment plant located within the City of Rahway in Union County and in the Township of Woodbridge in Middlesex County. The RVSA sewer service area includes all or a portion of 12 separate municipalities. These include Clark, Cranford, Garwood, Kenilworth, Mountainside, Rahway, Roselle

Park, Scotch Plains, Springfield, Westfield, Woodbridge, and Winfield Park.

The RVSA facility is currently permitted to discharge 40 million gallons per day (MGD) through its effluent discharge pipe which extends a distance of 3.5 miles east of the facility and discharges into the Arthur Kill. The treatment facility currently has a hydraulic capacity of approximately 60 MGD. However, during wet weather events, contributions from excessive infiltration and inflow cause flows to exceed the hydraulic capacity of the facility and excess flow is discharged into the Rahway River from two sanitary sewer overflow points. Under the terms of a Judicial Consent Order (JCO), these two sanitary sewer overflow points (DSN 003 and 004) will be eliminated, and the flows will be directed to the RVSA facility. Ultimately, the total capacity of the facility will be expanded to approximately 105 MGD to accommodate these additional wet weather flows.

The New Jersey Environmental Infrastructure Financing Program is a partnership between the Trust and the NJ DEP, which administers the State Revolving Funds. The Program provides loans for a variety of clean and safe drinking water projects to protect the state's drinking water supplies.

Since 1987 the Program has loaned \$2.8 billion dollars to local and county governments, and local, county and regional authorities. The savings produced by the Financing Program have saved taxpayers and ratepayers more than \$800 million dollars in avoided interest and other financing charges.



DEP, EIT and NJWSA PRESERVE HIGHLANDS PROPERTY Acquisition Will Protect Hunterdon County's Spruce Run Watershed

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Bradley M. Campbell -
Commissioner, New Jersey
Department of

Environmental Protection

Susan Bass Levin -
Commissioner,
New Jersey Department of
Community Affairs

TRENTON—Department of Environmental Protection (DEP) Commissioner Bradley M. Campbell announced the preservation of a 112-acre property located in the Spruce Run Reservoir watershed in Union and Bethlehem townships in Hunterdon County. The DEP Green Acres Program purchased the Highlands property in partnership with the New Jersey Water Supply Authority (NJWSA), Union Township and the Environmental Infrastructure Trust.

“The preservation of this property further demonstrates the state of New Jersey’s commitment to protect open space in the Highlands region,” said Acting Governor Richard J. Codey. “The Spruce Run initiative protects water resources and provides space for public recreation using funds provided by those who drink the Spruce Run’s water.”

The preserved property, which is located on Pattenburg Road, contains open fields, steep slopes and wooded areas. The Category One-designated Mulhockaway Creek runs through the property. The DEP Division of Fish and Wildlife and Union Township will manage the property for passive recreation.

“This acquisition is another victory toward the protection of the Spruce Run Reservoir watershed,” said Commissioner Campbell. “DEP’s partnership with EIT and NJWSA has resulted in the permanent preservation of almost 1,000 acres in the Spruce Run watershed. I look forward to continued progress as we approach this milestone.”

This property was purchased at a total cost of \$1,599,583. NJWSA contributed \$439,706, Union Township contributed \$213,706, and the DEP Green Acres Program contributed \$557,614 in State Acquisition funds and \$388,557 through a Planning Assistance Grant to Union Township. EIT financed NJWSA’s contribution.

“The New Jersey Environmental Infrastructure Trust began financing open space purchases in 2001 and has provided over \$52 million dollars for the preservation of 43 properties,” said EIT Chairman Robert A Briant, Sr. “We are proud to assist in the effort to protect our water supplies.”

Spruce Run Reservoir, which is designated a Category One waterbody, augments the resources of the Raritan River. The Raritan River provides drinking water to residents of 48 municipalities in Hunterdon, Mercer, Middlesex, Morris, Somerset and Union Counties. Fifty-five percent of the Raritan River’s source water area is located in the Highlands region.

“The preservation of this 112-acre property along the Mulhockaway Creek, which feeds the Spruce Run Reservoir, is a continuation of NJWSA’s commitment to our acquisition partners, our neighbors and our downstream users, to protect our water supplies,” said NJWSA Executive Director Henry Patterson III.

The purchase of this property is part of NJWSA’s Spruce Run Initiative, which dedicates a portion of its Raritan Basin System ratepayer funds to assisting local, county and state governments in the preservation of critical watershed properties. The objective is to maximize the efficiency of existing watershed preservation programs through a coordinated effort of government, non-profit, and private resources.

“Union Township is pleased to have been able to partner with the New Jersey Water Supply Authority and the DEP Green Acres Program in preserving this important property,” said Mayor Michael Beck. “Protecting water quality and well as preserving our rural quality of life in Union Township is an important part of Union Township’s open space preservation program.”

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Environmental Infrastructure Financing Program

In Need of Infrastructure project financing?

The time to begin the process for a **low interest** long term loan is now. Loans through the New Jersey Environmental Infrastructure Financing Program can be used for sewer and treatment plant construction, drinking water conveyance systems, storm-water control, brown-field remediation projects, open space purchases, equipment purchases and other infrastructure projects.

The Loan Program utilizes funds from the NJ DEP and proceeds from Trust Bond sales to fund long term, low interest loans to complete these projects. We accept applications for project financing until early October of each year for loans to be funded in November of the following year. In certain instances the projects can be initiated sooner provided that pre-award approval has been obtained from DEP. We can assist you with a ZERO interest “Interim Loan” to get your project started prior to the November bond closing...

Getting Started

The Trust sells bonds in October of each year. In order to be included in the financing program it is necessary to submit an application/letter of intent to utilize the financing program no later than the first of October for the following year bond sale. This provides the applicant with enough time to obtain all approvals and permits from the DEP, the Trust and the Local Finance Board. Applications can be submitted at any time throughout the year. As long as they are received prior to October 1st they are eligible for next year’s financing program.

It is important to submit your intent to request financing as soon as possible and also to initiate all application(s) for permit(s) and approvals required by NJDEP in order to obtain all required permits and approvals as quickly as practicable. Once all approvals and permits have been obtained and your project has received pre-award approval you may request an interim loan to begin the project. Currently the interim loan program interest rate is zero percent. The interim loan is then taken out (paid in full) by the proceeds of the permanent financing that takes place after the next scheduled bond sale. The interim loan program allows for project initiation as soon as pre award approval is obtained thereby saving time and cost and providing a faster time frame for project completion. The financing program is prepared to meet your scheduling needs for funds. This is especially evident in our ability to provide funds at closing on an “Open Space Purchase”.



Preserve Highlands Property

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The New Jersey Highlands is a 1,000 square mile area in the Northwest part of the State, stretching from Phillipsburg in the Southwest to Ringwood in the Northeast. It lies within portions of seven counties and 87 municipalities. Sixty-four percent of New Jersey residents, about 5.4 million people, receive their water from the Highlands. Those residents live in 292 municipalities, in 16 counties.

The DEP Green Acres Program purchases land to protect environmentally sensitive open space, water resources and other significant natural and historical open space. Land acquired becomes part of the statewide system of parks and forest, wildlife management areas and natural areas.

In 2005, the Green Acres Program has preserved 1,454 acres of open space. To date, Green Acres has protected over 568,000 acres of open space and provided funding to develop hundreds of parks statewide. The statewide system of preserved open space and farmland totals almost 1.3 million acres



New Jersey Environmental Infrastructure Financing Program-Process Timeline for 2006 loan program.

October 1, 2005	* Deadline for Submission of project application/letter of intent to utilize the financing program.
March 2006	* Financial addendum forms sent to borrowers-(FAF)
April 2006	* Borrowers invited to attend April Financing Seminars. The Trust utilizes these seminars to outline the loan process and answer questions from the borrowers. Borrowers are given a step by step outline of every aspect of the loan program. Borrowers are provided with information for all requirements of the loan completion and are free to ask any questions they may have.
May 2006	* Trust prepares May report to NJ Legislature containing projects on financing list. There is also another opportunity for the Borrower to seek LFB approval and the borrowers are also required to submit completed FAF's to the Trust.
June 2006	* Borrowers are notified of any discrepancies or need for additional information regarding their FAF submission. Trust Financial Advisor and Bond Counsel work with borrowers to resolve any outstanding loan issues. Trust Board adopt resolution necessary for escrow closings and tax requirements. Borrowers have an additional opportunity to obtain LFB approval if necessary.
July 2006	* Borrowers and Trust representatives/(Bond Counsel–Financial Advisor, etc.) meet and work out any problems unresolved issues and or revision requests, etc.
August 2006	* Trust Board Meeting - Trust approves 2006 Projects by conditional or final certification. Trust/Borrower escrow closings held.)
September 2006	*Trust financing documents are provided to bond rating agencies for use in rating 2006 Bond Issue. All issues surrounding 2006 Loan Program resolved, preliminary offering statement created.
October 2006	* Trust receives bond ratings, bond offering statement finalized, Bond Sale is completed
November 2006	* Final Loan closings take place.

Environmental Infrastructure loan assists in preserving Hamilton farm.

LAWRENCEVILLE—Robert A. Briant, Sr., Chairman of the New Jersey Environmental Infrastructure Trust today announced the loan of \$ 5.3 million dollars to assist in purchasing the Braghelli tract, the last significant parcel of open space adjacent to Veteran’s Park in Hamilton Township, Mercer County. As a result of this loan approximately 50% of the purchase will be funded. This portion 37.65 acres consists of densely forested upland and forested freshwater wetlands and is a potential habitat for the State threatened Cooper’s hawk which has nearby sightings in Veteran’s Park. This area will be preserved for passive recreation only.

The remaining portion of the tract some 46 acres will be funded by Mercer County open space funds, Hamilton Township open space funds and through the Green Acres Program.

The New Jersey Environmental Infrastructure Trust “Loan Program” has funded 43 land acquisition projects across New Jersey since 2001. These open space acquisitions have preserved 1,875 acres of open space for the people of New Jersey.

The New Jersey Environmental Infrastructure Financing Program is a partnership between the Trust and the NJ Department of Environmental Protection, which administers the State Revolving Funds. The Program provides loans for a variety of clean and safe drinking water projects. The loans can be used for open space preservation, wastewater management, non-point source pollution control, landfill construction and closure, and projects to protect the state’s drinking water supplies.

Since 1987 the Program has loaned \$2.8 billion to local and county governments, and local, county and regional authorities. The savings produced by the Financing Program have saved taxpayers and ratepayers more than \$800 million in avoided interest and other financing costs.



Schedule of Upcoming Events

You can obtain information and/or speak to a representative of the Trust at one of the following events. We schedule presentations across the state each year and are also in attendance at several annual functions in Atlantic City each year.

June 2005

New Jersey Association of Counties – Bally’s Park Place June 15-17, Atlantic City.

August 2005 Green Acres Open Space Seminars

August 3rd - Monmouth County -Holland Activity Center at Tatum Park, Middletown Township

August 9th - Morris County - Haggerty Ed. Center at the Frelinghuysen Arboretum, Morris Township

August 17th - Mercer County - Welcome Center in the State House, Trenton City

August 24th - Salem County - Appel Farm Arts & Music Center, Elmer Twp.

September 2005 Green Acres Open Space Seminars

September 13th - Camden County - Battleship New Jersey, Camden City

September 20th - Atlantic County - Atlantic City Convention Center, Atlantic City

**** Please note to attend any of the Green Acres Seminars you must register in advance. You can do this by contacting Green Acres at (609) 984-0570**

Utility Contractors Annual Meeting – September 22-24, 2005 – Tropicana Resort Casino – Atlantic City

November 2005

New Jersey League of Municipalities Annual Conference- Atlantic City Convention Center November 14-17

Richard J. Codey, Acting Governor
Robert A. Briant, Sr., Chairman
Dennis Hart, Executive Director

*We welcome story contributions
for inclusion in **The Tributary**.*



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2004 Open Space Land Acquisition Financing

The New Jersey Environmental Infrastructure Financing Program (EIFP) financed approximately \$21.3 million for open space land acquisition projects sponsored by eight applicants in the 2004 Program. The land acquisition loans awarded in November 2004 had a blended interest rate of approximately 1.01 percent. The EIFP is a partnership between the Department of Environmental Protection (Department) and the Environmental Infrastructure Trust that provides low-cost loans to municipalities, sewerage and utility authorities and other local government units for a wide variety of projects, including open space land acquisition and conservation. Land acquisition and conservation means the fee simple purchase or easement acquisition by a local government unit of land that is deemed by the Department as appropriate for water quality protection. This brings the total amount of funding for open space to just over \$50 Million dollars for the past three years. This funding has enabled the preservation of approximately 2,100 acres since the Trust Open Space program was initiated..

Maintaining open space has a positive effect on water quality. Headwaters, stream corridors, wetlands and aquifer recharge areas are among the types of land that provide a water quality benefit if preserved. Prior to project approval, the sponsor must agree to place restrictions on the property that limits activities that would be considered detrimental to water quality.

Applicants work with both the EIFP and the Department's Green Acres Program to receive the approvals required to obtain financing. The applicants that were approved and received loans in November 2004 were: Bethlehem Township, Lebanon Township and Readington Township in Hunterdon County; Burlington County; Ridgewood Village in Bergen County; Voorhees Township in Camden County; and the New Jersey Water Supply Authority. Old Bridge Township in Middlesex County received a supplemental loan to cover additional costs of a property originally financed in 2002. Of the approximate total 1280 acres of land that the applicants preserved through their purchases, approximately 776 acres were financed through the EIFP. The acquired properties are located in Bethlehem Township, Clinton Township, High Bridge Borough, Lebanon Township, Readington Township, and Union Township in Hunterdon County; Old Bridge Township in Middlesex County; Ridgewood Village in Bergen County; Springfield Township in Burlington County; and Voorhees Township in Camden County.

Victoria Jenkins
NJDEP-MFCE