

NEW JERSEY TRANSPORTATION TRUST FUND AUTHORITY

Minutes of the meeting of the New Jersey Transportation Trust Fund Authority (“Authority” or “NJTTFA”) held via GoToMeeting from the Office of the Commissioner in the Main Office Building of the New Jersey Department of Transportation (“NJDOT”), 1035 Parkway Avenue, Trenton, New Jersey on October 20, 2022 at 11:03 AM (ET).

The following Authority Board members were present:

- Diane Gutierrez-Scaccetti, NJTTFA Chairperson / NJDOT Commissioner
- David Moore, NJTTFA Treasurer / Director, Office of Public Finance, NJ Department of the Treasury (Designee for the Honorable Elizabeth Maher Muoio, New Jersey State Treasurer)
- Robert Briant, Jr., NJTTFA Public Member
- Jack Kocsis, NJTTFA Public Member
- Gregory Lalevee, NJTTFA Public Member

Constituting a quorum of the Members of the Authority.

There were also present:

- Lewis Daidone, NJTTFA Executive Director / Assistant Commissioner, Finance and Administration, NJDOT
- Samuel Braun, NJTTFA Comptroller, NJDOT
- Naileen Rodriguez, NJTTFA Secretary, NJDOT
- Kimberly Minter, NJTTFA Assistant Secretary, NJDOT
- Anthony Longo, NJTTFA Assistant Treasurer, NJ Department of the Treasury
- Victoria Nilsson, Deputy Attorney General, NJ Attorney General’s Office
- Stephanie Gibson, Deputy Attorney General, NJ Attorney General’s Office

- Jeffry Nielsen, NJ Governor's Authorities Unit
- Justin Braz, Chief of Staff, NJDOT
- Parth Oza, Acting Assistant Commissioner, Capital Program Management, NJDOT
- Mohab Hussein, Project Engineer, Bureau of Structural Design & Geotechnical Engineering, NJDOT
- Laine Rankin, Director, Division of Local Aid & Economic Development, NJDOT
- Andrew Tunnard, Assistant Commissioner, Transportation Operations Systems & Support, NJDOT
- Chuck Maciejunes, Director, Division of Budget, NJDOT
- Tyrone Woodward, Division of Information Technology, NJDOT
- Yims Ngoy, Division of Information Technology, NJDOT
- Jeremy Ostow, Esq., Bond Counsel
- Sucheta Bose, BofA Securities, Inc.
- David McCarthy, BofA Securities, Inc.
- Will Sicks, BofA Securities, Inc.
- Adam Keith, BofA Securities, Inc.

Chairperson Diane Gutierrez-Scaccetti presided at the meeting and Naileen Rodriguez, NJTTFA Secretary, kept the minutes.

Chairperson Diane Gutierrez-Scaccetti convened the meeting at 11:03 AM. She introduced herself and made the following statement:

“I wish to announce that adequate notice of today’s meeting of the New Jersey Transportation Trust Fund Authority has been provided in accordance with the Open Public Meetings Act. Notice was filed with the Secretary of State. This notice was e-mailed and mailed to five newspapers of general distribution (The Trentonian, Trenton Times, Courier Post, Star Ledger, and the Atlantic City Press); posted on the Authority’s website and posted in the main entrance of the New Jersey Department of Transportation’s Headquarters in Ewing, New Jersey.”

Secretary Naileen Rodriguez called the roll. The following Board members acknowledged their presence: Diane Gutierrez-Scaccetti, Robert Briant, Jr., Jack Kocsis, Gregory Lalevee and David Moore. Secretary Naileen Rodriguez confirmed that a quorum was present.

Chairperson Diane Gutierrez-Scaccetti stated that this was a virtual meeting and requested Board members to identify themselves before making or seconding a motion.

Chairperson Diane Gutierrez-Scaccetti opened the floor for public comment and requested that members of the public identify themselves before expressing their comments or questions. There were no public comments.

Chairperson Diane Gutierrez-Scaccetti called the first order of business by requesting a motion to adopt the resolution approving the minutes of the Authority’s Board Meeting held on August 18, 2022. Greg Lalevee moved to approve the following resolution:

WHEREAS, Article II, Section 2 of the By-laws of the New Jersey Transportation Trust Fund Authority (the “Authority”) provides that the minutes of actions taken at the meetings of the Authority be approved by the Authority.

NOW, THEREFORE, BE IT RESOLVED, that the minutes taken at the meeting of August 18, 2022 of the New Jersey Transportation Trust Fund Authority are hereby approved.

The motion was seconded by Jack Kocsis and carried by unanimous vote.

Chairperson Diane Gutierrez-Scaccetti moved on to the next order of business: a discussion of the Twelfth Supplemental Transportation Program Bond Resolution and the financing of the

State's Transportation System Costs, which is achieved, in part, by the Authority's issuance of bonds. The Twelfth Supplemental Transportation Program Bond Resolution authorizes the Authority to issue the Transportation Program Bonds, 2022 Series CC. Chairperson Diane Gutierrez-Scaccetti reiterated that no action would be taken at this time as the purpose was briefing the Board members. Chairperson Diane Gutierrez-Scaccetti called upon Jeremy Ostow, bond counsel to the Authority, to provide a brief overview of the Twelfth Supplemental Program Bond Resolution.

Jeremy Ostow stated that the Twelfth Supplemental Program Bond Resolution authorizes the issuance of one or more series of Transportation Program Bonds in an aggregate principal amount not exceeding \$750 million to pay State Transportation System Costs. It provides that the true interest cost on each series of bonds shall not exceed seven percent per annum and the final maturity of each series of the bonds shall not exceed 31 years. The resolution authorizes a negotiated sale of the bonds to BofA Securities, Inc., as Manager, and other matters in connection therewith, including the distribution of a Preliminary Official Statement and final Official Statement and the execution and delivery of a Bond Purchase Contract and a Continuing Disclosure Agreement. Drafts of these documents were included in the agenda package.

Chairperson Diane Gutierrez-Scaccetti noted that this transaction supports the financing of the NJDOT's capital program as a whole as opposed to being directly tied to any particular set of projects.

Chairperson Diane Gutierrez-Scaccetti moved on to the next order of business: a discussion of the resolution authorizing payment of the costs of issuance in connection with the issuance of the Transportation Program Bonds, 2022 Series CC. She reiterated that no action would be taken

at this time. She called upon David Moore, Director of the Office of Public Finance, to provide a brief overview of the resolution.

David Moore stated that the costs for this transaction were typical for the Authority and in line with similar transactions conducted by the State. The costs very closely match those of the Authority's previous issuance.

Board member Robert Briant, Jr. asked whether having four credit rating agencies was typical. David Moore explained that this was consistent with the State Treasurer's policy for these transactions. Chairperson Diane Gutierrez-Scaccetti elaborated on how the standard number of agencies had evolved to four. David Moore noted that all four agencies have indicated "positive outlooks" and three of the four have assigned rating upgrades. Chairperson Diane Gutierrez-Scaccetti explained that the other costs of issuance were typical administrative costs including bond counsel fees.

Chairperson Diane Gutierrez-Scaccetti stated that BofA Securities, Inc. had been selected as the senior managing underwriter for the Transportation Program Bonds, 2022 Series CC issuance. She called upon David McCarthy from BofA Securities to provide a brief market update.

David McCarthy expressed gratitude and thanked the State and the Authority for the opportunity to work on this important transaction. He stated that, overall, current markets are supportive of primary issuances, including the currently proposed offering. He highlighted the recent pricing of \$581 million of bonds by the State and the NJEDA for the Portal Bridge North project. BofA Securities participated in the underwriting. He noted that yields in the earlier maturities were reduced due to strong demand, while the yields of longer maturities were maintained flat to what was initially offered. This was during a time where Treasury rates were moving dramatically. This underscored that the market was still volatile due to persistent inflation

and the response by the Federal Reserve to increase interest rates in an effort to bring inflation back down. This has caused an increase in both taxable and tax-exempt rates. Since the beginning of the year, the tax-exempt MMD index has increased by over 200 basis points (or 2%) but current interest rates are still well below the highs within the past 25 years. He concluded that, based on recent transactions, the proposed issuance would be well received in the marketplace.

Chairperson Diane Gutierrez-Scaccetti asked about another recent issuance by the New Jersey Turnpike Authority. David McCarthy stated that although BofA Securities was not involved, the transaction had also priced very well. The transaction had been upsized and the interest rates were able to be reduced by up to 10 basis points. The issuance was well received by marketplace.

Chairperson Diane Gutierrez-Scaccetti asked about the timing of the transaction considering the Board's vote expected to take place in November 2022 along with continued monitoring of the market. David McCarthy responded that the target date for pricing was November 29 or November 30 and he explained how the time window was relatively tight due to several upcoming significant events in the marketplace.

Chairperson Diane Gutierrez-Scaccetti reminded Board members that the purpose of this discussion was to provide a briefing in anticipation of a vote to take place at an upcoming meeting. If there were any questions, Board members could reach out to Executive Director Lew Daidone.

There being no further business or discussion, Chairperson Diane Gutierrez-Scaccetti asked for a motion to adjourn the meeting. David Moore moved that the October 20, 2022, meeting of the Authority be adjourned. The motion was seconded by Greg Lalevee and carried by unanimous vote.

The October 20, 2022 meeting of the New Jersey Transportation Trust Fund Authority ended at approximately 11:17 AM.

Respectfully Submitted,

Naileen Rodriguez

Naileen Rodriguez
NJTTFa Secretary