

State of New Jersey
Department of Treasury
Integrity Monitor Report
Middlesex County Utility Authority - Pumping Stations Contract # T-2939; EQ2014-004-P2&P3
For Quarter Ending: 9/30/2017

The reporting period for this report is July 1, 2017 through September 30, 2017

Under Section A-60, this report must be submitted by Integrity Monitors on the first business day of each calendar quarter to the State Treasurer and will contain detailed information on the projects/contracts/programs funded by the Disaster Relief Appropriations Act.

No.	Recipient Data Elements	Response	Comments
A. General Info			
1.	Recipient of funding	Middlesex County Utility Authority (MCUA)	
2.	Federal Funding Agency? (e.g. HUD, FEMA)	FEMA	
3.	State Funding (if applicable)	Not Applicable	
4.	Award Type	Grant	
5.	Award Amount	Awarded Contractors and Award Amounts for Permanent Restoration and Mitigation work on Sayreville and Edison Pumping Stations are as follows: Sayreville Pump Station (SPS) award: \$67,398,000 to Northeast Remsco Construction Inc. Edison Pump Station (EPS) award: \$26,871,000 to Walsh Construction Co. II	
6.	Contract/Program Person/Title	Permanent Restoration and Mitigation work on Sayreville and Edison Pumping Stations Program Person: Richard Fitamant, Executive Director MCUA	
7.	Brief Description, Purpose and Rationale of Project/Program	During the ongoing incident period of Post Superstorm Sandy, beginning on October 26, 2012, the Middlesex County Utilities Authority (MCUA) suffered substantial damage to its Sayreville Pump Station and Edison Pump Station. These damages prompted the sub-grantee to immediately secure emergency contracts to prevent further damage to the existing infrastructure and prevent raw sewage from	
8.	Contract/Program Location	Middlesex County Utility Authority 2571 Main Street Sayreville, NJ 08872	
9.	Amount Expended to Date	Permanent Restoration and Mitigation work on Sayreville Pump Station: \$4,268,762.21 Permanent Restoration and Mitigation work on Edison Pump Station: \$4,576,000.18	
10.	Amount Provided to other State or Local Entities	Not Applicable	
11.	Completion Status of Contract or Program	Emergency Work for Sayreville Pumping Station- 100% Complete. Sayreville Pumping Station Permanent Restoration and Mitigation - 6% Edison Pumping Stations Permanent Restoration and Mitigation - 17%	
12.	Expected Contract End Date/Time Period	Sayreville and Edison Pumping Stations Permanent Restoration and Mitigation - November 2016 - November 2019	
B. Monitoring Activities			
13.	If FEMA funded, brief description of the status of the project worksheet and its support.	Funding for the approved Hazard Mitigation Proposals (HMP) was obligated under the respective FEMA PWs for Sayreville and Edison Pump Station. - For Sayreville Pump Station PW 5061, the HMP represents \$61,659,218.32 of the project worksheet's total value of \$73,877,840.25. - For Edison Pump Station PW 5075, the HMP represents \$11,799,830.00 of the project worksheet's total value of \$15,760,971.59. Pursuant to the approved project worksheet, this HMP includes the construction of a floodwall surrounding the Edison Pump Station, the construction of an isolation vault with a bypass pumping system, and the construction of a riser ring to elevate the Northwest Access Shaft & Tunnel top slab above the design 500-year flood elevation.	

State of New Jersey
Department of Treasury
Integrity Monitor Report
Middlesex County Utility Authority - Pumping Stations Contract # T-2939; EQ2014-004-P2&P3
For Quarter Ending: 9/30/2017

The reporting period for this report is July 1, 2017 through September 30, 2017

Under Section A-60, this report must be submitted by Integrity Monitors on the first business day of each calendar quarter to the State Treasurer and will contain detailed information on the projects/contracts/programs funded by the Disaster Relief Appropriations Act.

No.	Recipient Data Elements	Response	Comments
14.	Quarterly Activities/Project Description (include number of visits to meet with recipient and sub recipient, including who you met with, and any site visits warranted to where work was completed)	July 12, 2017: Reviewed SPS Northeast Remsco Construction (NRC) Payment Request No. 3 in the amount of \$550,494.96. July 13, 2017: Reviewed of EPS Walsh Construction Co. Payment Application No. 10. In the amount of \$955,263.68. August 15, 2017: Reviewed notes from EPS Construction Progress Meeting and followed up with Mott MacDonald on specific questions related to cost and schedule. September 12, 2017: Reviewed notes from EPS Construction Progress Meeting and followed up with Mott MacDonald on specific questions related to cost and schedule. September 28, 2017: Made a site visit to the Sayreville Pump Station. The attendees during the site visit were as follows: - James Major and Victor Santamarina - MCUA - John Orecchio - Arcadis - Feza Cirulis - R3M Engineering - Ryan Coco and Andrew LaPierre - KPMG September 28, 2017: Made a site visit to the Edison Pump Station. The attendees during the site visit were as follows: - James Major - MCUA - John Orecchio - Arcadis - Brian Oakes – Mott MacDonald - Ryan Coco and Andrew LaPierre - KPMG	
15.	Brief Description to confirm appropriate data/information has been provided by recipient and what activities have been taken to review in relation to the project/contract/program.	This quarter we frequently accessed both the SPS and EPS project SharePoint sites, which contain all key project data and information. KPMG receives notifications when additional documentation and data are uploaded in relation to these contracts and reviews accordingly.	
16.	Description of quarterly auditing activities that have been conducted to ensure procurement compliance with terms and conditions of the contracts and agreements.	This quarter we reviewed SPS and EPS contractor contracts (i.e., Northeast Remsco and Walsh Construction) . As part of this process, we assessed requirements related to procuring trade subcontractors. This period we obtained further details on the process for engaging Socially & Economically Disadvantaged (SED) Business Enterprises.	

State of New Jersey
Department of Treasury
Integrity Monitor Report
Middlesex County Utility Authority - Pumping Stations Contract # T-2939; EQ2014-004-P2&P3
For Quarter Ending: 9/30/2017

The reporting period for this report is July 1, 2017 through September 30, 2017

Under Section A-60, this report must be submitted by Integrity Monitors on the first business day of each calendar quarter to the State Treasurer and will contain detailed information on the projects/contracts/programs funded by the Disaster Relief Appropriations Act.

No.	Recipient Data Elements	Response	Comments
17.	Have payment requisitions in connection with the contract/program been reviewed? Please describe	KPMG reviewed the following payment requisitions this quarter. Sayreville Pump Station Pay Apps - - Northeast Remsco Construction Pay Req #4 (8/14/2017) - \$438,266.10 - Northeast Remsco Construction Pay Req #3 (9/15/2017) - \$279,464.89 Edison Pump Station - - Walsh Construction Company II Pay Req #10 (7/13/17) - \$955,263.68 - Walsh Construction Company II Pay Req #11 (8/15/17) - \$624,934.33 - Walsh Construction Company II Pay Req #12 (9/20/17) - \$275,797.07	
18.	Description of quarterly activity to prevent and detect waste, fraud and abuse.	This quarter we performed the following: - Attended monthly project meetings. - Visited project sites to assess status of work in field, resources on site, project oversight and safety. - Reviewed project documentation including meeting minutes to gain understanding of project status. - Reviewed payment applications. - Verified that Fraud Hotline signage was posted on all sites.	
19.	Provide details of any integrity issues/findings	No noted issues this quarter.	
20.	Provide details of any work quality or safety/environmental/historical preservation issue(s).	No noted issues this quarter.	
21.	Provide details on any other items of note that have occurred in the past quarter.	No other items to note this quarter.	
22.	Provide details of any actions taken to remediate waste, fraud and abuse	No actions required.	
C. Miscellaneous			
23.	Attach a list of hours and expenses incurred to perform your quarterly integrity monitoring review	Attached. See July - September 2017 Time & Expense Summary Tab.	
24.	Add any item, issue or comment not covered in previous sections but deemed pertinent to monitoring program.	None.	

Name of Integrity Monitor:	KPMG
Name of Report Preparer:	Kevin Max
Signature:	
Date:	1/2/2018

Time Summary		
Resource	Title	Hours Incurred (July - September)
Ryan Coco	DIRECTOR	26.00
Andrew LaPierre	PROJECT MANAGER	5.00
John Christensen	SENIOR CONSULTANT	12.00
Kevin Njinga	CONSULTANT	2.00
Grand Total		45.00