

State of New Jersey
Department of the Treasury
Integrity Oversight Monitoring Reporting Model

Firm Name: Thacher Associates
Engagement: DEP Rebuild by Design Program
For Quarter Ending: 03/31/2022

Reports required under A-60 will 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	NJ Department of Environmental Protection ("DEP") as a subrecipient per a Memorandum of Understanding between the NJ Department of Community Affairs ("DCA") and DEP.	
2.	Federal Funding Agency? (e.g. HUD, FEMA)	HUD	
3.	State Funding (if applicable)	N/A	
4.	Award Type	CDBG-DR	
5.	Award Amount	\$380 million	
6.	Contract/Program Person/Title	Dennis Reinknecht, RBD Program Manager, Bureau of Flood Resilience	
7.	Brief Description, Purpose and Rationale of Project/Program	This program consists of two separate New Jersey projects that have been approved by the federal government as part of its Rebuild by Design competition to improve physical, ecological and economic resilience in regions affected by Superstorm Sandy. HUD is providing CDBG-DR funding for the feasibility, design and construction of these two projects. The Meadowlands project has been allocated \$150 million and the Hudson River project has been allocated \$230 million.	
8.	Contract/Program Location	Hudson River Region and Meadowlands Region	
9.	Amount Expended to Date	Hudson River \$58,873,766; Meadowlands \$48,771,868; Admin- 888,235.	
10.	Amount Provided to other State or Local Entities	N/A	
11.	Completion Status of Contract or Program	Ongoing	
12.	Expected Contract End Date/Time Period	AECOM was awarded the design contract for both projects. The site development and construction phases of both projects have been/ will be performed from 2019 to 2022.	
B. Monitoring Activities			
13.	If FEMA funded, brief description of the status of the project worksheet and its support.	N/A	

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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)	During Q-1 2022, the only active portion of the RBD projects was the SSM contract on the Hudson River Project. This contract was awarded to Underground Utilities Corp. ("UUC"). In connection with the SSM contract, we prepared and revised our monitoring plans, conferring with the NJ DEP Project Team as appropriate. We reviewed project documents provided by +NJ DEP and/ or the CMF, including those related to requisitions and change orders, environmental and safety compliance, QA/QC and domestic sourcing, and other issues. We also performed site visits to the SSM Project and made observations regarding the work in progress and compliance issues, spoke with individuals on site, took site photographs, and documented observations for subsequent reviews. We had multiple discussions and teleconferences regarding various Project issues with the NJDEP and CMF Project team. • We performed requisition testing of UUC requisitions. We found no compliance issues during Q1 in connection with these activities. • We reviewed prevailing wage compliance by reviewing documentation and performing prevailing wage interviews with workers on site. We found no compliance issues during Q1 in connection with these activities. • We reviewed materials being installed in the field to assure they confirm they meet requirements outlined in Project Specifications and that they are from approved manufacturers. We found no compliance issues during Q1 in connection with these activities. • In connection with environmental requirements, we reviewed compliance with State law and contractual requirements applicable to contaminated soil transportation, re-use of clean fill, soil compaction, licensing, unit pricing of removal of non- hazardous excavated material, dewatering process, and other related issues applicable to the SSM contract. During Q1, we reviewed with the Project team various compliance issues in connection with these activities; all were answered to our satisfaction. • In connection with the change order process, we reviewed selected change orders and other project documentation. We made recommendations adopted by the Project Team for augmenting and memorializing change order controls and practices in order to improve the strength, transparency and auditability of the process and controls. At the end of Q1, we began preparing risk monitoring plan for the Resist/ Cove Park portion of Hudson River Project that will be moving forward in the near future.	

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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.	During the monitorship, in addition to Thacher Associates' initial request for documents required of NJDEP's financial, administrative, and procurement processes, NJDEP has since periodically been providing additional documents it believes are relevant to our scope of services. Thacher Associates has supplemented those documents with additional requests as needed, all of which have been complied with. Thacher Associates has reviewed those documents for compliance with CDBG-DR laws, rules, and regulations, and to track the status and progress of the projects. For more detail regarding relevant activities during Q1-2022, please see the answer to question 14.	
16.	Description of quarterly auditing activities that have been conducted to ensure procurement compliance with terms and conditions of the contracts and agreements.	No procurement related activities were monitored during the reporting period.	
17.	Have payment requisitions in connection with the contract/program been reviewed? Please describe	During the period covered by this report, Thacher Associates did review UUC payment requisitions. Please see the answer to Question 14.	
18.	Description of quarterly activity to prevent and detect waste, fraud and abuse.	During Q-1 2022, the SSM portion of the Hudson River Project began moving forward after a long pandemic-related delay, and Thacher Associates' fraud prevention activities consisted of reviewing the various project processes in order to identify possible vulnerabilities, recommend improvements, and monitor compliance, as described in the answer to Question 14.	
19.	Provide details of any integrity issues/findings	None noted.	
20.	Provide details of any work quality or safety/environmental/historical preservation issue(s).	None noted.	
21.	Provide details on any other items of note that have occurred in the past quarter	N/A	
22.	Provide details of any actions taken to remediate waste, fraud and abuse noted in past quarters	N/A	
C. Miscellaneous			
23.	Attach a list of hours and expenses incurred to perform your quarterly integrity monitoring review	Martin Aronchick - 37.50; Scott Millman - 89.75; Chris Ward - 18.50; Robert Thompson - 58.50	
24.	Add any item, issue or comment not covered in previous sections but deemed pertinent to monitoring program.	None noted.	

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No.	Recipient Data Elements	Response	Comments
	Name of Integrity Monitor:	Thacher Associates	
	Name of Report Preparer:	Martin C. Aronchick	
	Signature:		
	Date:	April 21, 2022	