

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: 09/30/2022

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 |
|---------------------------------|-------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|
| <b>A. General Info</b>          |                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |          |
| 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 \$64,527,160; Meadowlands \$55,071,133; 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, per original plans. The Covid-19 pandemic caused delays in the progress of the projects, and it is anticipated that a revised schedule will be established.                                                                                                                                                     |          |
| <b>B. Monitoring Activities</b> |                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |          |
| 13.                             | If FEMA funded, brief description of the status of the project worksheet and its support. | N/A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |          |

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| 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) | For the Hudson River Project, during Q-3 2022, the NJ DEP Project team was preparing to move forward with the Resist/ Cove Park phase of the Project, which includes the construction of green infrastructure, a sea wall, and pump stations to redirect water. Selection of a General Contractor is anticipated in Q4 2022. The IOM Team has its plans in place to monitor this phase of the Project, once it moves forward. For the Meadowlands Project, the NJ DEP Project team anticipates the selection of a General Contractor in Q1 2023 and the start of work in summer 2023. The NJ DEP Project team has been engaged in preparatory activities, including the acquisition of property and property easements in accordance with the requirements of the Uniform Relocation Act (URA). During Q-3 2022, the IOM team reviewed and tested URA compliance documentation from the Meadowlands Project. During Q3 2022, the IOM team also received training on Section 3 compliance, to enhance our monitoring of section 3 compliance by the contractors, once they are selected. |          |
| 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 periodically been providing additional documents it believes are relevant to our scope of services. Thacher Associates has supplemented those document requests 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 Q3-2022, 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 not review payment requisitions.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |          |
| 18. | Description of quarterly activity to prevent and detect waste, fraud and abuse.                                                                                                                     | During Q-3 2022, the IOM Team's fraud prevention activities consisted of reviewing URA 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.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |          |

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| No.                     | Recipient Data Elements                                                                                     | Response                                                           | Comments |
|-------------------------|-------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|----------|
| 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                                                                |          |
| <b>C. Miscellaneous</b> |                                                                                                             |                                                                    |          |
| 23.                     | Attach a list of hours and expenses incurred to perform your quarterly integrity monitoring review          | Martin Aronchick - 14.50; Scott Millman - 10.00; Chris Ward - 1.00 |          |
| 24.                     | Add any item, issue or comment not covered in previous sections but deemed pertinent to monitoring program. | None noted.                                                        |          |

|                            |                     |                                                                                    |
|----------------------------|---------------------|------------------------------------------------------------------------------------|
| Name of Integrity Monitor: | Thacher Associates  |  |
| Name of Report Preparer:   | Martin C. Aronchick |                                                                                    |
| Signature:                 |                     |                                                                                    |
| Date:                      | October 26, 2022    |                                                                                    |