

Firm Name: Thacher Associates  
 Engagement: DEP Rebuild by Design Program  
 For Quarter Ending: 12/31/2021

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 - \$54,065,909; Meadowlands - \$47,312,646; 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>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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| 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-4 2021, 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, historic preservation, 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. <ul style="list-style-type: none"> <li>• We performed requisition testing of UUC requisitions. We found no compliance issues during Q4 in connection with these activities.</li> <li>• We reviewed prevailing wage compliance by reviewing documentation and performing prevailing wage interviews with workers on site. We found no compliance issues during Q4 in connection with these activities.</li> <li>• In connection with the domestic sourcing requirements, we reviewed the domestic sourcing log of contractor UUC and the compliance processes in place. We made recommendations adopted by the Project Team for enhancing implementation of the compliance processes.</li> <li>• 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 identified material being installed in the field that did not match the approved Product Submittal. We flagged this occurrence to the CMF and project team, and we confirmed that the product was subsequently approved by the Engineer of Record. The CMF agreed with our recommendation to enhance scrutiny of the requirement for approved material submittals before installation on site.</li> <li>• 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, and other related</li> </ul> |          |
| 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 Q4-2021, please see the answer to question 14.   |          |

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|-------------------------|---|---|----------|
| 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-4 2021, 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   |          |
| <b>C. Miscellaneous</b> |   |   |          |
| 23.                     | Attach a list of hours and expenses incurred to perform your quarterly integrity monitoring review  | Martin Aronchick - 45.50; Scott Millman - 79.50; Chris Ward - 23.25; Robert Thompson - 77.75  |          |
| 24.                     | Add any item, issue or comment not covered in previous sections but deemed pertinent to monitoring program.   | None noted.   |          |

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| Name of Integrity Monitor: | Thacher Associates   |
| Name of Report Preparer:   | Martin C. Aronchick  |
| Signature:                 |  |
| Date:                      | February 9, 2022   |