Firm Name: Guidehouse	
Engagement:	PVSC Integrity Oversight Monitor EQ2015-001-PS
For Quarter Ending:	12/31/2023

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	Recipient Data Elements General Info	lueshouse	Comments
Α.	General Into		
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1.	Recipient of funding	Passaic Valley Sewerage Commission (PVSC)	
2.	Federal Funding Agency? (e.g. HUD, FEMA)	FEMA	
3.	State Funding (if applicable)	N/A	
4.	Award Type	FEMA 406 Restoration and 406 Mitigation Funding	
5.	Award Amount	\$555.9 million	
6.	Contract/Program Person/Title	E. David Barth, Guidehouse Project Manager	
7.	Brief Description, Purpose and Rationale of Project/Program	Passaic Valley Sewerage Commission has received federal FEMA funding in the amount \$555.9 million through 47 different Project Worksheets (PW). The scope of Guidehouse's work is limited to 12 specific projects where the anticipated contract values would exceed \$5 million. As of Decmber 31, 2023 eight (8) projects representing nine contracts exceeded the integrity monitoring threshold: Project #1 Temporary By-Pass Cabling - Travis A919 Contract; Project #2 Administration Controls Building - Fine Wall Contract; Project #3 Program Management Services - AECOM/HDR Contract; Project #4 Floodwall Engineering - STV-MottMacDonald Contract; Project #5 Floodwall Construction - Railroad - Poscillico JV; Project #6 Standby Power Plant Engineering - Black & Veatch Contract; Project #7 Standby Power Plant Construction - Siemens Contract and Kyle Conti Contract and Project #9 Switchgears and Motor Controls Center - Tomar Construction. The work under Projects #8 Phase 2 Motor Repairs, #10 Motor / Pump Repairs, #11 PAC Motor Repairs, and #12 Additional By-Pass Cabling did not exceed the integrity monitoring threshold. Accordingly these four contracts/projects were not monitored.	
8.	Contract/Program Location	PVSC, 600 Wilson Avenue, Newark, NJ	
9.	Amount Expended to Date	As of December 31, 2023 the following payments (associated with the eight of the above referenced projects) have been made: Project #1 Temporary By-Pass Cabling - Travis - \$16,064,126; Project #2 Administration Controls Building - Fine Wall - \$6,247,151; Project #3 Program Management Service - AECOM/HDR - \$32,406,625; Project #4 Floodwall Engineering - STV-MottMacDonald - \$5,428,060; Project #5 Floodwall Construction - Railroad-Posillico JV - \$200,788,376; Project #6 Standby Power Plant Engineering - Black & Veatch - \$5,807,502; Project #7 Standby Power Plant Construction - Siemens Energy - \$33,532,215 and Kyle Conti - \$3,904,413; and Project #9 Switchgears and Motor Controls Center - Tomar Construction - \$26,292,650.	

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	Recipient Data Elements	Response	Comments
10.	Amount Provided to other State or Local Entities	\$0	
11.	Completion Status of Contract or Program	The Completion Status for each of the eight projects, currently subject to our review, is as follows:	
		#1) Temporary By-Pass Cabling - Travis contract. The work authorized under this contract has	
		been completed.	
		#2) Administration Controls Building - Finewall Construction. The work authorized under this	
		contract has been completed.	
		#3) Program Management Services - AECOM/HDR contract. The AECOM/HDR contract was	
		awarded on February 13, 2015. The initial contract period was for two years. On March 16, 2017	
		PVSC extended the AECOM-HDR contract an additional two years. On March 12, 2019 PVSC	
		authorized Contract Amendment #8 extending the contract an additional two years to April 5,	
		2021. On March 11, 2021 PVSC authorized Contract Amendment #10 extending the contract an	
		additional two years to April 2, 2023. On March 9, 2023 PVSC authorized Contract Amendment #11	
		extending the contract an additional two years to April 2, 2025.	
		#4) Floodwall Engineering - STV/Mott MacDonald (MM) contract. The contract award was	
		authorized on September 20, 2016. The contract was executed on November 14, 2016. As of	
		December 31, 2023 STV - MM is continuing to provide construction management services.	
		#5) Floodwall Construction - Railroad - Posillico Joint Venture contract. The construction contract	
		was awarded in the amount of \$225,900,000. The Notice to Proceed issued on March 4, 2020.	
		Construction work of the floodwall is nearly complete along with the stormwater collection	
		system, work continues on the stormwater pump stations. The anticipated substantial completion	
		date is August 2024.	
		#6) Standby Power Plant Engineering - Black & Veatch contract. The contract award was	
		authorized on July 14, 2016 with the contract being executed on October 20, 2016. Engineering	
		design for the generators and site prep work has been completed with acquisition and site prep	
		contracts awarded. As of December 31, 2023 Black & Veatch is continuing to provide construction	
		management services. The engineering design of the Standby Power Plant's construction has been	
		completed. The award of the construction contract is pending the issuance of the NJDEP Title V Air	
		Permit	

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No. R	Recipient Data Elements	Response	Comments
		#7a) Standby Power Plant Construction (Site Prep) - Kyle Conti Construction contract. The contract was awarded in the amount of \$5,496,000. The Site Prep work has been completed. #7b) Standby Power Plant Construction (Turbine Acquisition) - Siemens Energy contract. On May 16, 2019 PVSC recommended the award of the turbine generator acquisition to Siemens Energy. The generator purchase award totaled \$51,466,049. Fabrication of the generators has been completed. Delivery is dependent on the Standby Power Plant's construction. #7c) Standby Power Plant Construction (Facility Construction) - The construction contract was advertised on May 6, 2021 with bids received on October 14, 2021. As of December 31, 2023, the award of the construction contract is pending approval of New Jersey's Department of Environmental Protection Title V Air Permit. #9) Switchgears and Motor Controls Center - Tomar Construction contract - The construction contract was awarded on October 12, 2017. All work has been completed.	
12. E	Expected Contract End Date/Time Period	The contract end dates for the eight projects currently subject to our review are as follows: #1) Travis - March 22, 2016; #2) Fine Wall - October 28, 2016; #3) AECOM/HDR - April 2, 2025; #4) STV-MottMacDonald JV - May 1, 2024; #5) Railroad-Posillico Joint Venture - December 2024; #6) Black & Veatch - December 18, 2022; #7 Siemens Energy - June 10, 2021 and Kyle Conti - February 3, 2020; and #9) Tomar Construction - December 31, 2021. The contract end dates for the Railroad-Posillico JV and Tomar Construction contracts were extended due to the COVID-19 closure.	

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	Recipient Data Elements	Response	Comments
13		Guidehouse is currently monitoring five active projects/contracts. Funding is provided primarily	
	worksheet and its support.	through two Project Worksheets (PW):	
		PW 4701 (Substations and Cables) supported the Temporary By-Pass Cabling Project (Travis	
		contract); Standby Power Plant Construction - Site Prep (Kyle Conti Construction contract); and	
		Motor Controls Center Construction (Tomar Construction contract); and supports ongoing Program	
		Management Services (AECOM-HDR contract); Floodwall Engineering (STV-MottMacDonald	
		contract); Floodwall Construction (Railroad Construction - Posillico JV contract); Standby Power	
		Plant Engineering (Black & Veatch contract); Standby Power Plant Construction - Generator	
		Acquisition (Siemens Energy contract), and Standby Power Plant Facility Construction (Pending	
		Award) . In addition PW 4701 is supporting the construction of the Underground Cable	
		Replacement and Tunnel Bulkhead Doors project and the Advance Electric I and II projects. Neither	
		of these projects are subject to our monitoring.	
		The authorized/eligible amount for PW 4701 is \$554.7 million althought only 504.7 has been	
		obligated. PVSC along with NJOEM has submitted a new Scope Change Request for PW 4701	
		increasing the cost from \$504 million to \$554 million to address increased construction cost and	
		related work, which FEMA has approved. As of December 31, 2023, the increased funding has not	
		been obligated by FEMA even through the Scope Change was approved by FEMA on June 21, 2023.	
		The current end date of the PW's Period of Performance was extended to December 31, 2024,	
		even thought PVSC requested an extension through October 30, 2025.	
		PW 4803 (Administration Controls Building) supported the Administration Building Reconstruction	
		(Finewall Construction contract). PW 4803's authorized amount was \$12.2 million. All authorized	
		work has been completed. FEMA closed this project on October 8, 2021.	
L.			
14	4 ,	Guidehouse's activities during this quarter were limited to virtual attendance at the Bi-Weekly	
	visits to meet with recipient and sub recipient, including who	FEMA Coordination Meetings and the Construction Progress Meeting for the Floodwall	
	you met with, and any site visits warranted to where work	Construction.	
	was completed)	During the quarter Guidehouse communicated on a monthly basis the status of its' monitoring	
		activities to the Treasury Integrity Monitor Liaison and PVSC executive leadership.	
		During the quarter Guidehouse met with PVSC and others on the following dates: October 10, 2023- PVSC Engineering, AECOM-HDR, STV-MM, PS&S, Jacobs Engineering, Railroad Construction -	
		Posillico JV, and NJDEP; October 11, 2023 - PVSC Engineering, AECOM-HDR, FEMA, NJOEM and	
		NJDEP; October 25, 2023 - PVSC Engineering, AECOM-HDR, FEMA, NJOEM and NJDEP; November	
		8, 2023 - PVSC Engineering, AECOM-HDR, FEMA, NJOEM and NJDEP; November 14, 2023 - PVSC	
		Engineering, AECOM-HDR, STV-MM, PS&S, Jacobs Engineering, Railroad Construction - Posillico JV,	
		and NJDEP; December 6, 2023 - PVSC Engineering, AECOM-HDR, FEMA, NJOEM and NJDEP;	
		December 12, 2023 - PVSC Engineering, AECOM-HDR, STV-MM, PS&S, Jacobs Engineering, Railroad	
		Construction - Posillico JV, and NJDEP; and December 20, 2023 - PVSC Engineering, AECOM-HDR,	
		FEMA, NJOEM and NJDEP.	
		,	

Firm Name:	Guidehouse	
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For Quarter Ending:	12/31/2023	

		Recipient Data Elements	Response	Comments
		Brief Description to confirm appropriate data/information	PVSC has provided Guidehouse copies of Travis, Fine Wall, AECOM/HDR, STV-MottMacDonald,	
-		has been provided by recipient and what activities have been	Railroad-Poscillico JV, Black & Veatch, Siemens Energy, Kyle Conti Construction and Tomar	
		taken to review in relation to the project/contract/program.	Construction invoices and supporting documentation. With this information Guidehouse was able	
		taken to review in relation to the project/contract/program.	to confirm PVSC's compliance with FEMA and/or State administrative grant requirements and	
			processes; and identify any issues that represented potential loss of Federal reimbursements.	
			processes, and identify any issues that represented potential ioss of rederal reimbursements.	
1	l6.	Description of quarterly auditing activities that have been	During the Quarter Guidehouse continued to monitor the AECOM-HDR (Program Management	
		conducted to ensure procurement compliance with terms	Services), the STV-MottMacDonald (Floodwall Engineering) and Black and Veatch (Standby Power	
		and conditions of the contracts and agreements.	Plant Engineering) engineering contracts to verify compliance with contract pricing and/or	
			deliverables. Guidehouse continued its review of the construction contract invoices for the	
			Floodwall construction (Railroad - Posillico JV). During the quarter Guidehouse continued its	
			monitoring of the contractor's performance and construction progress.	
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1		Have payment requisitions in connection with the	In aggregate, as of December 31, 2023, Guidehouse has reviewed 169 of 169 Travis (A919)	
	-	contract/program been reviewed? Please describe	invoices; 19 of 19 Fine Wall invoices; 93 of 96 AECOM/HDR invoices; 41 of 43 STV-MottMacDonald	
			invoices; 42 of 44 Railroad-Poscillico JV invoices; 31 of 31 Black & Veatch invoices; 13 of 13 Kyle	
			Conti invoices; 4 of 4 Siemens Energy invoices; and 49 of 49 Tomar invoices.	
			The total value of the 169 reviewed Travis invoices represents \$16.1 million. The total value of the	
			19 Fine Wall reviewed invoices is \$6.2 million. The total value of the 93 AECOM/HDR invoices	
			represents \$30.9 million. The total value of the 41 STV-MottMacDonald invoices represent \$5.4	
			million. The total value of the 42 Railroad-Posillico JV invoice represents \$193.4 million. The total	
			value of the 31 Black & Veatch invoices represent \$5.8 million. The total value of the 13 Kyle Conti	
			invoices represent \$3.9 million. The total value of the 4 Siemens Energy invoice totals \$33.5	
			million. The total value of the 49 Tomar invoices represent \$26.3 million.	
L		Donaisking of montally activity to a second of the control of the	During the Occurrent Colidate and according to the DVCC For the contract of DVCC Fig.	
		Description of quarterly activity to prevent and detect waste,	During the Quarter, Guidehouse worked with PVSC Engineering and PVSC Finance staff to review	
		fraud and abuse.	contract invoices. PVSC has provided Guidehouse the requested documentation.	
L				
1	L9.	Provide details of any integrity issues/findings	None noted	

Firm Name:	Guidehouse
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No.	Recipient Data Elements	Response	Comments
	Provide details of any work quality or	During this quarterly period Guidehouse's physical presence for the onsite construction oversight	
	safety/environmental/historical preservation issue(s).	was limited due to COVID restrictions. All progress meeting were held virtually.	
21.	Provide details on any other items of note that have occurred	PVSC continues to provide Guidehouse access to its procurement, financial and administrative files	
	in the past quarter	necessary to perform our reviews.	
		PW Closeouts : As of December 31, 2023 PVSC has submitted a total of 42 Project Worksheets	
		(PW) Closeouts to NJOEM and FEMA. FEMA has closed 30 PWs with the remaining 12 under	
		review.	
		Other FEMA Funded Work: Based on the scope of our contract, Guidehouse is not monitoring the	
		following FEMA funded projects:	
		<u>Plant Wide Improvements</u> : Two contract awards totaling \$23.7 million were made to Cherokee 8A Groupd and Riggs Distiller. The Cherokee work has been completed. Riggs Distiller is continuing	
		work on 6 task orders associated with 6 different PWs, with an estimated cost of \$10.6 million.	
		Once this work is completed, PVSC will be able to closeout another 5 PWs	
		Advanced Electrical Construction (Phase I): Tomar Construction was awarded the construction	
		contract in the amount of \$49.5 million on April 6, 2022. Approximately 30% of the work has been	
		completed.	
		Advanced Electrical Construction (Phase II): The construction cost estimate is \$67.5 million. The	
		scheduled advertising date has been delayed pending the finalization of the NJDEP Title V Air	
		Permit and construction of the Standby Power Plant.	
		Replacement of the Underground Electric Cables and Utility Tunnel Bulkheads: Five Star Electric	
		was awared the contract in the amount of \$59.2 million. Approximately 37% of the work has been	
		completed.	
		None of these four projects are within the current scope of Guidehouse's integrity monitoring	
		contract.	
22.	Provide details of any actions taken to remediate waste,	No action has been taken or been necessary during the quarter.	
	fraud and abuse noted in past quarters	The action has been taken or been necessary autimg the quartern	
	Free days of the same of the s		
C.	Miscellaneous		
23.	Attach a list of hours and expenses incurred to perform your	See Attached Time and Expense Report. During the quarter Guidehouse provided a total of 41.0	
	quarterly integrity monitoring review	hours for a cost of \$7,304.66. There were no travel related expenses during the Quarter due to	
		limited travel restrictions.	

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No.	Recipient Data Elements	Response	Comments
24	Add any item, issue or comment not covered in previous	Based on our review of PVSC's financial and administrative processes, we concluded that PVSC's	
	sections but deemed pertinent to monitoring program.	processes are appropriate for complying with FEMA grant management requirements and NJOEM	
		standards. Proper controls appear to be in place to minimize the risk of deobligation of federal	
		funds; duplication of benefits; process and payment errors; and waste, fraud and abuse.	
		In aggregate PVSC has submitted a total of 156 Time Extension Requests on 42 PWs. All have been	
		submitted on a timely basis and as necessary. As of December31, 2023, 155 of the Time Extension	
		requests have been approved by by FEMA. The Time Extension Request for PW 3471 is pending	
		FEMA's review moving the end date from October 31, 2023 to April 30, 2024.	
		PVSC has submitted 42 PW Closeout Requests to NJOEM. As of December 31, 2023, 30 PWs have	
		been closed by NJEOM and FEMA, with 1 being finalized by NJOEM and the remaining 11 were	
		pending FEMA's review/finalization.	
		Delays with the issuing of the Title V Air Permit for the construction of the Standby Power	
		Generator is impacting the completion of the overall FEMA Project and the closeout of PW 4701.	
		Based on the current construction forecast, construction will take approximately three (3) years to	
		complete once the permit is issued. FEMA has expressed concerns with New Jersey's delay in	
		issuing the permit. A public hearing required by NJDEP was held on April 26, 2022 and PVSC	
		responded to all public comments on July 3, 2022. The delays in the permit's approval is impacting	
		the cost of the project and FEMA funding.	

Name of Integrity Monitor:	Guidehouse
Name of Report Preparer:	Raquel Malmberg
Signature:	Rage Mila
Date:	15-Mar-24