Firm Name:	Addx Corporation
Engagement:	Integrity Oversight Monitor
For Quarter Ending:	12/31/2016

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
Α.	General Info		
1.	Recipient of funding	Bayshore Regional Sewage Authority (BRSA)	
2.	Federal Funding Agency? (e.g. HUD, FEMA)	Federal Emergency Management Authority (FEMA)	
3.	State Funding (if applicable)	N/A	
4.	Award Type	Public Assistance - Category G	
5.	Award Amount	Stone Hill Contracting inc., Doylestown, PA	\$17,536,302
6.	Contract/Program Person/Title	Bayshore Regional Sewage Authority (BRSA), Union Beach,NJ	Robert Fischer, Executive Director; George Rolon, Project Manager, New Jersey Environmental Infrastructure Trust (NJEIT)
7.	Brief Description, Purpose and Rationale of Project/Program	Due to high winds, heavy rain, subsequent flooding and storm surge from Superstorm Sandy, the BRSA sustained major damage to two incinerators; the Dorr Oliver as well as the Niro incinerator, in addition to its adjacent equipment. The Project Worksheet (PW) relates to the demolition and reconstruction of these two incinerators and adjacent equipment.	
8.	Contract/Program Location	BRSA, Union Beach, NJ	
9.	Amount Expended to Date	\$16,041,113.91 expended by Stone Hill Contracting	
10.	Amount Provided to other State or Local Entities	None	
11.	Completion Status of Contract or Program	Project is approximately 94% complete.	
12.	Expected Contract End Date/Time Period	4/15/2017	
В.	Monitoring Activities		

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No.	Recipient Data Elements	Response	Comments
	If FEMA funded, brief description of the status of the project worksheet and its support.	During the month of December, the manufacturer of the mercury adsorber scrubber system, Carbon Process & Plant Engineering S.A. (CPPE), began to cooperate with Bayshore Regional Sewerage Authority (BRSA), as all parties seek to mitigate against any potential for a malfunction of the system since malfunctions have occurred at two other US facilities. BRSA pushed for communication with CPPE to resolve the disputes surrounding which parties are accountable for modifying the mercury adsorber scrubber system to prevent malfunctions and to install suppression systems in the event that a malfunction was to happen. Milestone 5 completion date will slip again to January 19th. Hazen also instructed SHC that no further payment requests for work associated with the HVAC, Lighting or Fire Alarm System will be processed until these critical systems have been completed in accordance with the Milestone 5 date of January 19, 2017. During the month of October, the owner, BRSA, Hazen and Sawyer Engineers (Hazen) and SHC discussed responsibility for the cost of adding two additional hazard mitigation features to the CPPE report of investigation into the root cause of the malfunctions of its system at the High Point, NC wastewater treatment plant. BRSA and Hazen disputed the conclusions of the CPPE report. Routine matters such as a completed fire alarm system and HVAC system are entering their final completion phases. The parties preliminary acceptance testing and milestone 5-substantial completion. All parties agreed that the CPPE issue was driving milestone 4, as were some issues regarding using either natural gas or oil to fuel the incinerator, and, some software issues with the Continuous Emissions Monitoring System and HVAC system are driving milestone 5.	
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)	The Addx Monitor attended weekly progress meetings with BRSA, SHC & Hazen on 10/11/16, 11/1/16, 11/22/16, 12/7/16. The Addx Monitor attended monthly scheduled update meeting on 12/7/17. The Addx Monitor attended a scheduled update meeting with BRSA, SHC, and Hazon on 11/22/16. The Addx Monitor attended a conference call meeting with Addx and NJ customer 11/16/16. The Addx Monitor attended a BRSA CPPE Kombisorbon GAC System High Temperature Prevention and SOP Meeting on 10/3/17.	
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.	As previously noted, the NJEIT and BRSA have been very cooperative as part of this review. Addx compliance examiners have been able to review all project related documents to include contract, drawings, bonds, invoices and supporting documentation.	
16.	Description of quarterly auditing activities that have been conducted to ensure procurement compliance with terms and conditions of the contracts and agreements.	In addition to continuing to analyze and review all invoices and materials as set forth in the project and review of certified payroll rates and hours compared with books and records, the Addx Monitor appears on site regularly to do monitoring, attend meetings, site inspections, and help ensure compliance with requirements.	

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18. D	lave payment requisitions in connection with the ontract/program been reviewed? Please describe	Yes, payment requisitions are reviewed. Data analytics are performed during the review to ensure all claims for payments are supported with adequate	
18. D		review to ensure all claims for payments are supported with adequate	1
		documentation.	
w	Description of quarterly activity to prevent and detect	Appear on site nearly every week to do monitoring, site inspections, and help	
	vaste, fraud and abuse.	ensure compliance with requirements.	
19. P	Provide details of any integrity issues/findings	None	
20. P	Provide details of any work quality or		
s	afety/environmental/historical preservation issue(s).	At two other sanitary sewage incinerator sites preparing to meet the new federal	
		stack tests emissions, the identical mercury removal equipment installed at those	
		sites as well as at BRSA, manufactured by the same company, have essentially	
		spontaneously combusted. BRSA purchased and installed a new suite of	
		equipment, primarily manufactured and warranted by IFCO unlike at the other two	
		sites – they did not contract with IFCO. Hence, BRSA has IFCO's overly sufficient	
		and redundant installation of monitors and risk mitigation controls and operator	
		training which were not present at the other two sites.	
21. P	Provide details on any other items of note that have		
o	occurred in the past quarter	At the monthly schedule review in December, the contractor announced that	
		Milestone 5, Substantial Completion, had slipped again. The slippage is all	
		electrical; completion of the fire alarm system, completion of lighting and	
		completion of the HVAC system. SHC only has two electricians on site. Based upon	
		the analysis of the engineer, Hazen and Sawyer (Hazen), with only two electricians,	
		the work wouldn't actually be completed until March 6, 2017. SHC informed Hazen	
		that it assigned two more electricians to the job, bringing the total number of	
		electricians to four. It is assumed that four electricians can perform the work	
		associated with the critical paths to complete Milestone 5 by January 19, 2017.	
22. P	provide details of any actions taken to remediate waste,	No action required.	
	raud and abuse noted in past quarters	······································	
	Aiscellaneous		
	Attach a list of hours and expenses incurred to perform	Quarterly – 30 hours; \$3,636.82 labor and \$77.50 in the Other Director Costs (ODCs).	
	our quarterly integrity monitoring review	Totaling \$3,714.32 for the quarter ending 12/31/16.	
	Add any item, issue or comment not covered in previous		
	ections but deemed pertinent to monitoring program.		
		None	

Name of Integ	Name of Integrity Monitor: Jennifer Sirois	
Name of Repo	rt Preparer: Allison Kennett	
Signature:	A-r	
Date: 4/3/17		