

TO: ERNEST Y.W. LAU, P.E. MANAGER & CHIEF ENGINEER DATE: May 5, 2023

FROM: RAELYNN NAKABAYASHI EXECUTIVE SUPPORT OFFICE

SUBJECT: Approval of the Revision of the Fiscal Year 2022-2023 Capital Improvement – Program Budget– Amendment No. 3

We request your approval to correct an error entered under Project Item No. 27 and to reduce funding for Project Item No. 3 and 16a listed in the Fiscal Year 2023 (FY 2023) Capital Improvement Program (CIP) Budget to increase funding in the CIP Contract Adjustment Account.

1. Correct appropriations for the following CIP project:

<u>Item No. 27</u> KAPOLEI PARKWAY 24-INCH R-1 WATER MAIN Description: Install 24-inch mains and appurtenances along Kapolei Parkway, from near FH No. L04892 to Kamokila Boulevard - approx. 700 lin. ft.

Appropriation		Present	Proposed
OPERATING FUND - SRF	P&E	500,000	0
OPERATING FUND	P&E	0	500,000

Reason: In May 2023, it came to the attention of the Executive Support Office that Project Item No. 27 in the FY2022-2023 CIP was mis-characterized as a project to be submitted for State Revolving Fund Loan proceeds. The subject project, Project Item No. 27 "Kapolei Parkway 24-Inch R-1 Water Main" did not receive a Clean Water State Revolving Fund Loans (CWSRF). This correction to Budget Amendment No. 3 does not modify any appropriations or reallocate funding it clarifies that this is not a CWSRF project.

2. Reduce appropriations for the following CIP projects:

<u>Item No. 3</u> MONITORING WELLS FOR RED HILL CONTAMINATION RESPONSE Description: Drill and case up to three (3) monitoring wells for use as "sentinel" wells to warn of the presence of an underground fuel plume from the Red Hill fuel contamination.

Appropriation		Present	Proposed
OPERATING FUND	CONST	3,228,250	0

Reason: Additional time is needed to plan and execute contracts for monitoring wells. These projects are planned in Fiscal Year 2024.

Item No. 16a KEOLU HILLS WATER SYSTEM IMPROVMENTS, PART II

Description: Install 12-inch mains and appurtenances along Keolu Drive, from Akumu Street to Nanialii Street; along Akumu Street, from Keolu Drive to Alahaki Street; along lana Street, from Keolu Drive to FH W00766; and along Keolu Drive, from Kanapuu Drive to Akalani Loop - approx. 3,580 lin. ft. Install 8-inch mains and appurtenances along Akumu Street, from Alahaki Street to Holoholo Street; along Keolu Drive, from Akalani Loop to Akahai Street; along Akahai Street, from Keolu Drive to Akamai Street; along Akaiki Street, from Akahai Street to Akamai Street; and along Halula Place, from Akumu Street to end - approx. Street; along Akahai Street, from Keolu Drive to Akamai Street; along Akaiki Street, from Akahai Street to Akamai Street; and along Halula Place, from Akumu Street to end - approx. 4,270 lin. ft. Install 4-inch mains and appurtenances along Akumu Place, from Akumu Street to end; along Akiu Place, from Akumu Street to end; and along Akalei Place from Akumu Street to end - approx. 540 lin.

Appropriation		<u>Present</u>	Proposed
IMPROVEMENT FUND	CONST	8,500,000	0

Reason: This project is being deferred to a future fiscal year.

3. Increase the CIP Contract Adjustment Account:		
Appropriation	Present	Proposed
OPERATING FUND	14,950,000	18,178,250
SPECIAL EXPENDABLE	6,500,000	6,500,000
IMPROVEMENT FUND	0	8,500,000

Reason: The recommended reprogramming of the project funds entered under Project Item No. 3 and 16a will enable the department to fund the Contract Adjustment Account which is used to provide additional funding for other CIP projects where the lowest bids are anticipated to come in higher than budgeted and to provide funding for contract change orders to previously awarded contracts. Due to continued supply chain issues and an increase in inflation, the cost of supplies has increased, and more funding is needed to complete projects.

The following is a summarization of the FY 2023 Budget Amendment No. 3:

\$181,109,325 <u>\$237,240,444</u> \$418,349,769
+\$33,500,000
(\$30,920,000)
+\$387,000
(\$6,500,000)
+ <u>\$6,500,000</u>
\$184,076,325
<u>\$237,240,444</u>
\$421,316,769
<u>(\$5,000,000)</u>

ERNEST Y.W. LAU, P.E. May 5, 2023 Page 3

OPERATING BUDGET SUB-TOTAL \$	242,240,444
FY 2023 – Amendment No. 3	
Projects – Deferred (\$11,728,250)
	\$11,728,250
	\$ 500,000)
	\$ 500,000
	179,076,325
FY 2023 CIP Budget (as Amended) \$	179,076,325
	242,240,444
	421,316,769

Upon approval, the appropriate changes will be effected.

APPROVED/ DISAPPROVED:

tan s/spors

ERNEST Y.W. LAU, P.E. Date

CC: Finance Capital Projects ESO-MBO - Original