

TO: ERNEST Y.W. LAU, P.E. MANAGER & CHIEF ENGINEER DATE: May 29, 2025

- FROM: RAELYNN NAKABAYASHI EXECUTIVE SUPPORT OFFICE
- **SUBJECT:** Approval of the Revision of the Fiscal Year 2024-2025 Capital Improvement Program Budget Amendment No. 3

We request your approval to reprogram funding in Fiscal Year 2025 (FY 2025) Capital Improvement Program (CIP) Budget to increase funding for the FY 2025 Contract Adjustment Account (CAA).

1. Decrease \$10,868,827 in project funding for:

<u>Item No. 4</u> Exploratory Wells for Red Hill Contamination Response – Waiau 550' Description: Prepare design for one (1) exploratory well, environmental assessment, and Public Infrastructure Map (PIM) Amendment for the well, pump station and connecting pipelines at Waiau 550'.

Appropriation		<u>Present</u>	Proposed
OPERATING FUND	P&E	\$1,750,000	\$1,638,834

Reason: Full funding for project 4 is not needed. The proposed amount reflects the actual cost of the project in FY 2025.

Item No. 5 BWS Water Master Plan Update

Description: Update the BWS Water Master Plan for the capacity expansion and repair and replacement of BWS water system and facilities, pumping optimization, resource protection, conservation, and development of long-range capital improvement program and financial plan with public outreach.

<u>Appropriation</u>		<u>Present</u>	Proposed
OPERATING FUND	P&E	\$4,000,000	\$3,851,500

Reason: Full funding for project 5 is not needed. The proposed amount reflects the actual cost of the project in FY 2025.

<u>Item No. 7</u> Construction Management for Various BWS Construction Projects Description: Provide construction management and training services for selected BWS construction projects.

Appropriation		Present	Proposed
OPERATING FUND	P&E	\$5,000,000	\$0

Reason: Funding for project 7 is not needed.

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Item No. 12 Pump Renewal and Replacement Description: Renewal and replacement of various BWS pumps and plant facilities.			
Appropriation OPERATING FUND	CONST	<u>Present</u> \$5,000,000	<u>Proposed</u> \$1,595,745
Reason: Full funding for project 12 is not needed. The proposed amount reflects the actual cost of the project in FY 2025.			
Item No. 17 Pump Renewal and Replacement Description: Renewal and replacement of various BWS pumps and plant facilities.			
Appropriation OPERATING FUND	P&E	<u>Present</u> \$300,000	<u>Proposed</u> \$0
Reason: Funding for project 17 is not r	needed.		
Item No. 28 Water Main Installation and Replacement Description: Install and replace water mains at various locations.			
Appropriation OPERATING FUND	CONST	<u>Present</u> \$100,000	<u>Proposed</u> \$0
Reason: Funding for project 28 is not r	needed.		
Item No. 29 Water System Improvements at Various Locations Description: Install mains and appurtenance to replace high risk water mains at various locations throughout the island.			
Appropriation OPERATING FUND	P&E	<u>Present</u> \$1,000,000	<u>Proposed</u> \$769,185
Reason: Full funding for project 29 is not needed. The proposed amount reflects the actual cost of the project in FY 2025.			
Item No. 30 Water Main Installation and Replacement Description: Install and replace water mains at various locations.			
Appropriation OPERATING FUND	P&E	<u>Present</u> \$100,000	<u>Proposed</u> \$0

Reason: Funding for project 30 is not needed.

Item No. 37 Pump Station Instrumentation & Controls and SCADA Upgrade Description: Upgrade instrumentation and controls equipment at various pump stations and revamp SCADA system to provide smarter functionality.			
Appropriation OPERATING FUND	CONST	<u>Present</u> \$1,500,000	<u>Proposed</u> \$625,909
Reason: Full funding for project 37 is not needed. The proposed amount reflects the actual cost of the project in FY 2025.			
Item No. 43 Professional Services for BWS Projects Description: Obtain services of archaeologists, botanists, environmental engineers, water quality labs, planners, government agencies and others.			
Appropriation OPERATING FUND	P&E	<u>Present</u> \$300,000	<u>Proposed</u> \$0
Reason: Funding for project 43 is not needed.			
Item No. 44 Pump Station Assessment and Operations/Repairs Description: Update pump station condition assessments and operations database.			
Appropriation OPERATING FUND	P&E	<u>Present</u> \$300,000	<u>Proposed</u> \$0
Reason: Funding for project 44 is not needed.			
2. Increase \$10,868,827 for the Contract Adjustment Account:			
Appropriation OPERATING FUND		<u>Present</u> \$11,575,000	<u>Proposed</u> \$22,443,827

Reason: The recommended reprogramming of the funds will enable the Department to execute projects that require additional funding. Due to continued economic uncertainty and volatility, the BWS is seeing increased project costs and more funding is required to award and complete projects.

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The following is a summarization of the FY 2025 Budget Amendment No. 3:

Resolution 985, 2024	
FY 2025 Operating Budget (as Adopted) FY 2025 CIP Budget (as Adopted)	\$272,619,998 \$310,291,000
Resolution 990, 2024	
FY 2025 – Amendment No. 1 Addition to Operating Budget OPERATING BUDGET SUB-TOTAL	<u>+\$    1,000,000</u> \$273,619,998
Projects – Added (Operating Fund) Projects – Deleted (SRF) CIP BUDGET SUB-TOTAL	+\$ 11,000,000 <u>(\$ 4,900,000)</u> \$316,391,000
FY 2025 Operating Budget (as Amended) FY 2025 CIP Budget (as Amended) <b>TOTAL APPROPRIATION</b>	\$273,619,998 <u>\$316,391,000</u> <b>\$590,010,998</b>
FY 2025 – Amendment No. 2 Projects – Deferred Contract Cost Adjustment Account FY 2025 CIP Budget (as Amended)	(\$ 8,275,000) <u>+\$ 8,275,000</u> \$316,391,000
FY 2025 – Amendment No. 3 Projects – Deferred Contract Cost Adjustment Account FY 2025 CIP Budget (as Amended)	(\$ 10,868,827) <u>+\$ 10,868,827</u> \$316,391,000

Upon approval, the appropriate changes will be affected.

APPROVED / DISAPPROVED

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

CC: Finance Capital Projects Water Resources ESO-MBO - Original