

 **Honolulu Board of Water Supply**

TO: ERNEST Y.W. LAU, P.E.
MANAGER & CHIEF ENGINEER

DATE: April 17, 2020

FROM: RAELYNN NAKABAYASHI
EXECUTIVE SUPPORT OFFICE



SUBJECT: Approval of the Revision of the Fiscal Year 2019-2020 Capital Improvement -
Program Budget – Amendment No. 1

We request your approval to reduce funding and delete the following projects listed in the FY 2020 Capital Improvement Program (CIP) Budget to provide additional funding to the Contract Adjustment Account.

The Contract Adjustment Account 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.

The recommended deferral and reprogramming of these projects will enable the department to award several projects in the FY 2019 CIP budget without causing any significant delays to the overall CIP construction schedule.

1. Reduce the appropriation for the following CIP project:

Item No. 46 SECURITY IMPROVEMENTS AT VARIOUS LOCATIONS

		<u>Appropriation</u>	
		<u>Present</u>	<u>Proposed</u>
OPERATING FUND	CONST	3,800,000	1,750,000

Description: Security improvements and enhancements includes, but not limited to fencing, doors and windows, vegetation setbacks and access control systems at various BWS locations.

Reason: The funding for this project is being reduced in amount based on the specific security projects being pursued in FY 2020. The balance of the funds for this project will be programmed into the Operating Fund – Contract Adjustment Account.

2. Delete the following CIP projects and appropriations:

Item No. 17 AULOA ROAD AND ULUKAHIKI STREET 16-INCH MAIN

		<u>Appropriation</u>	
		<u>Present</u>	<u>Proposed</u>
IMPROVEMENT FUND	CONST	10,000,000	0

Description: Install 16-inch mains and appurtenances along Auloa Road, from FH W03044 to Kalaniana'ole Highway; and along Ulukahiki Street, from Kalaniana'ole Highway to Kailua Road - approx. 7,635 lin. ft. Install 8-inch main along Ulukahiki Street, from near Manu Aloha Street to Kailua Road – approx. 250 lin. ft.

Reason: This project is being deferred and will be re-programmed in FY 2021. With the unprecedented economic uncertainty we are faced with at this time, the projected timeline for solicitation, evaluation and selection will not occur in time to encumber funds from the current fiscal year. The funds for this project will be programmed into the Improvement Fund – Contract Adjustment Account.

Item No. 27 KAAHELE STREET AND MOANALUA ROAD 16-INCH MAIN

		<u>Appropriation</u>	
		<u>Present</u>	<u>Proposed</u>
OPERATING FUND	P&E	240,000	0

Description: Install 16-Inch mains and appurtenances along Kaahele Street, from Kilinoe Street to Moanalua Road; and along Moanalua Road, from Kaahele Street to near FH L00646 - approx. 1,460 lin. ft.

Reason: The funding for this project is no longer needed. This project overlaps with a prior year project (Job 18-36) Moanalua Road 8-inch main. The critical segments of this project will be addressed by that project. The funds for this project will be programmed into the Operating Fund – Contract Adjustment Account.

Item No. 36 KAHALA MALL MASTER METER IMPROVEMENTS

		<u>Appropriation</u>	
		<u>Present</u>	<u>Proposed</u>
OPERATING FUND	P&E	200,000	0

Description: Install master meters and appurtenances along Hunakai Street and Kilauea Avenue.

Reason: The funding for this project is not needed in fiscal year 2019-2020. This project will be programmed in the future. These funds will be programmed into the Operating Fund – Contract Adjustment Account.

Item No. 45 BERETANIA PUBLIC SERVICE BUILDING EXTERIOR IMPROVEMENTS

		<u>Appropriation</u>	
		<u>Present</u>	<u>Proposed</u>
OPERATING FUND	CONST	3,100,000	0

Description: Repave parking lot and courtyard, reconstruction curb and gutter, install curb ramps, repairs to the catwalk and fountain, and repaint the public service building exterior.

Reason: This project is being deferred and will be re-programmed in FY 2021. With the unprecedented economic uncertainty we are faced with at this time, the projected timeline for solicitation, evaluation and selection will not occur in time to encumber funds from the current fiscal year. The funds for this project will be programmed into the Operating Fund – Contract Adjustment Account.

Item No. 51 HAIKU STAIRS REMOVAL

		<u>Appropriation</u>	
		<u>Present</u>	<u>Proposed</u>
OPERATING FUND	P&E	250,000	0

Description: Removal of Haiku Stairs.

Reason: This project is being deferred. The scope of the design services will not be finalized in FY 2020. This project will be re-programmed when future direction is determined. The funds for this project will be programmed into the Operating Fund – Contract Adjustment Account.

Item No. 61 EAST KAPOLEI 215' R-1 3.0 MG RESERVOIR

		<u>Appropriation</u>	
		<u>Present</u>	<u>Proposed</u>
SPECIAL EXPENDABLE FUND	P&E	800,000	0

Description: Install 3.0 MG R-1 reservoir and appurtenances (TMK: 9-1-018:008). Install 16-inch main and appurtenances along the access road, from the proposed reservoir to the Farrington Highway - approx. 2,300 lin. ft.

Reason: This project is being deferred and will be re-programmed in FY 2021. The Environmental Assessment required to pursue this project will not be finalized in FY 2020. The funds for this project will be programmed into the Special Expendable Fund – Contract Adjustment Account.

3. Increase the CIP Contract Adjustment Account for the following funds:

	<u>Appropriation</u>	
	<u>Present</u>	<u>Proposed</u>
OPERATING FUND	10,000,000	15,840,000
SPECIAL EXPENDABLE FUND	0	800,000
IMPROVEMENT FUND	0	10,000,000

The following is a summarization of the FY 2019 CIP Budget Memorandum No. 1:

FY 2020 CIP Budget (as Adopted)	\$166,305,000
Projects – Added	0
Projects – Modified Appropriations	(\$2,050,000)
Projects – Deleted	<u>(\$14,590,000)</u>
SUBTOTAL	<u>(\$16,640,000)</u>
Contract Adjustment Account	+\$16,040,000
FY 2020 CIP Budget (as Amended)	<u>\$166,305,000</u>

Upon approval, the appropriate pages of the current Capital Improvement Program budget will be revised.

APPROVED/ DISAPPROVED:



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

cc: Finance
Capital Projects
Water Resources
ESO-MBO (Original)