



# Honolulu Board of Water Supply

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

**DATE:** April 23, 2021

**FROM:** RAELYNN NAKABAYASHI  
EXECUTIVE SUPPORT OFFICE



**SUBJECT:** Approval of the Revision of the Fiscal Year 2020-2021 Capital Improvement - Program Budget – Amendment No. 2

We request your approval to reduce funding and delete the following projects listed in the FY 2021 Capital Improvement Program (CIP) Budget to provide additional funding to the Contract Adjustment Account, Capital Projects Division Allocation.

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 2021 CIP budget without causing any significant delays to the overall CIP construction schedule.

1. Reduce the appropriations for the following CIP projects:

Item No. 1 CONSTRUCTION MANAGEMENT FOR VARIOUS BWS CONSTRUCTION PROJECTS

		<u>Appropriation</u>	
		<u>Present</u>	<u>Proposed</u>
OPERATING FUND	P&E	2,000,000	500,000

Description: Provide construction management and training services for selected BWS construction projects.

Reason: The funding for this project is being reduced in amount based on awarding only one construction management contract for the Manana supplemental lab. The balance of the funds for this project will be programmed into the Operating Fund – Contract Adjustment Account, Capital Projects Division Allocation.

Item No. 2 PIPELINE CONDITION ASSESMENT

		<u>Appropriation</u>	
		<u>Present</u>	<u>Proposed</u>
OPERATING FUND	P&E	100,000	0

Description: Condition assessment of transmission pipelines as identified by the InfoMaster decision framework.

Reason: This appropriation was intended to fund a pilot assessment however, the preliminary work has not been completed to the point of identifying a pilot area or technology. The funds for this project will be programmed into the Operating Fund – Contract Adjustment Account, Capital Projects Division Allocation.

Item No. 6 WAIHEE LINE BOOSTER

		<u>Appropriation</u>	
		<u>Present</u>	<u>Proposed</u>
OPERATING FUND	CONST	3,800,000	0

Description: Remove all eight (8) booster pumps including pumps, motors, piping, valves, concrete supports, gauges, and all electrical components. Install two (2) new booster pumps and new free flow lines including piping, control valves, flow tubes, elevated steel platform, MCC, and appurtenant electrical equipment. Install new back-feed line connecting Waihee and Punaluu systems.

Reason: During design, assessment of the valves needed to isolate the station indicated that they cannot/should not be operated as there is a possibility that, due to their age, the valves may not be able to reopen once they are closed. This project will be re-budgeted in a future fiscal year subject to design adjustments. The funds for this project will be programmed into the Operating Fund – Contract Adjustment Account, Capital Projects Division Allocation.

Item No. 9 PUMP RENEWAL AND REPLACEMENT

		<u>Appropriation</u>	
		<u>Present</u>	<u>Proposed</u>
OPERATING FUND	CONST	5,500,000	2,500,000

Description: Renewal and replacement of various BWS pumps and plant facilities.

Reason: This item was budgeted for pump renewal and replacement projects as they arose during the fiscal year. In FY 2021, only \$2,500,000 of pump renewal and replacement projects were identified. The remaining funds for this project will be programmed into the Operating Fund – Contract Adjustment Account, Capital Projects Division Allocation.

Item No. 12 PUMP RENEWAL AND REPLACEMENT

		<u>Appropriation</u>	
		<u>Present</u>	<u>Proposed</u>
OPERATING FUND	P&E	500,000	0

Description: Renewal and replacement of various BWS pumps and plant facilities.

Reason: No projects were identified during the fiscal year to use this appropriation. The funds for this project will be programmed into the Operating Fund – Contract Adjustment Account, Capital Projects Division Allocation.

Item No. 18 KAPOLEI PARKWAY 12-INCH BLOW-OFF MAIN

		<u>Appropriation</u>	
		<u>Present</u>	<u>Proposed</u>
IMPROVEMENT FUND	CONST	1,100,000	0

Description: Install 12-inch mains and appurtenances along Kapolei Parkway, from Park Row to Kolowaka Drive - approx. 1,100 lin. ft.

Reason: Based on further consultation, the current design is inadequate in meeting the requirements of the Hawaiian Railway Society, State Department of Transportation, and State Historic Preservation Division as the crossing at the railway tracks needs to eliminate any possible impact to the tracks. The funds for this project will be programmed into the Improvement Fund – Contract Adjustment Account, Capital Projects Division Allocation.

Item No. 21 NEW SERVICE LATERAL INSTALLATIONS AT VARIOUS LOCATION

		<u>Appropriation</u>	
		<u>Present</u>	<u>Proposed</u>
OPERATING FUND	CONST	1,875,000	0
	P&E	500,000	0

Description: Install new service laterals at various locations.

Reason: No projects were identified during the fiscal year to use this appropriation. The funds for this project will be programmed into the Operating Fund – Contract Adjustment Account, Capital Projects Division Allocation.

Item No. 32 NON-POTABLE IRRIGATION CONVERSION FOR KEEHI LAGOON BEACH PARK

		<u>Appropriation</u>	
		<u>Present</u>	<u>Proposed</u>
OPERATING FUND	P&E	100,000	0

Description: Install new irrigation meter and appurtenances along Lagoon Drive for Keehi Lagoon Beach Park. Remove existing potable irrigation meter and perform cross-connection survey of irrigation system.

Reason: The City Department of Design and Construction notified the BWS they will program this work in their own CIP, so the work will not be performed as a BWS project. The funds for this project will be programmed into the Operating Fund – Contract Adjustment Account, Capital Projects Division Allocation.

Item No. 35 WATER MAIN ISOLATION & REPLACEMENT

		<u>Appropriation</u>	
		<u>Present</u>	<u>Proposed</u>
OPERATING FUND	P&E	100,000	0

Description: Install and replace water mains at various locations.

Reason: No projects were identified during the fiscal year to use this appropriation. The funds for this project will be programmed into the Operating Fund – Contract Adjustment Account, Capital Projects Division Allocation.

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


		<u>Appropriation</u>	
		<u>Present</u>	<u>Proposed</u>
OPERATING FUND		17,300,000	\$28,775,000
IMPROVEMENT FUND		0	1,100,000

The following is a summarization of the FY 2021 CIP Budget Amendment No. 2:

FY 2021 CIP Budget (as Adopted)	\$170,127,500
FY 2021 - Amendment No. 1 (Resolution No. 915 Adopted September 28, 2020)	<u>+\$31,460,000</u>
SUBTOTAL	\$201,587,500
Projects – Modified Appropriations	(\$4,500,000)
Projects – Deleted	<u>(\$8,075,000)</u>
SUBTOTAL	(\$12,575,000)
Contract Adjustment Account	+\$12,575,000
FY 2021 CIP Budget (as Amended)	<u>\$201,587,500</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

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

