



DATE: February 12, 2026

TO: Commissioner Joshua Arce, President
 Commissioner Stephen E. Leveroni, Vice President
 Commissioner Avni Jamdar
 Commissioner Kate H. Stacy
 Commissioner Meghan Thurlow

FROM: Dennis J. Herrera, General Manager DJH

SUBJECT: Water System Improvement Program
 Quarterly Report (2nd Quarter / FY 2025-2026)

Enclosed please find the Water System Improvement Program (WSIP) Quarterly Report for the 2nd Quarter (Q2) of Fiscal Year (FY) 2025-2026. The primary intent of the report is to provide the Commission, stakeholders, and the public with a status summary of the Water System Improvement Program based on data for the period of October 1, 2025 to December 31, 2025. This quarterly report provides a summary update on the Regional WSIP projects. The Local WSIP was completed in June 2020.

Quarterly Report Format Changes

In response to the U. S. Department of Justice’s requirement that all public documents be digitally accessible to individuals with disabilities by April 24, 2026, staff implemented the following format revisions to the WSIP Quarterly Reports, beginning with the Q2 FY2025-2026 report:

- Removed pie charts, schedule and cost bar charts, and photographs, and replaced with text and tables.
- Removed the Level of Service Goal table previously included in the Appendix; summary information remains available in the body of the report.

Daniel Lurie
Mayor

Joshua Arce
President

Stephen E. Leveroni
Vice President

Avni Jamdar
Commissioner

Kate H. Stacy
Commissioner

Meghan Thurlow
Commissioner

Dennis J. Herrera
General Manager

These changes ensure the report complies with emerging Americans with Disabilities Act (ADA) accessibility requirements for published documents. Note that all data previously published remains in this reformatted report.

Attachment



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WATER SYSTEM IMPROVEMENT PROGRAM



QUARTERLY REPORT

Regional Projects
Q2 FY 2025 | 2026
October 2025 — December 2025

Rebuilding Today for a Better Tomorrow

Published: February 12, 2026

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Water System Improvement Program (WSIP) Quarterly Report

Quarter 2, Fiscal Year October 2025 - December 2025

Program Description

The Water System Improvement Program (WSIP) is a \$4.8 billion, multi-year capital program to upgrade the City of San Francisco's regional and local drinking water systems. The program will deliver improvements that enhance the City's ability to provide reliable, affordable, high quality drinking water to its 26 wholesale customers and regional retail customers in Alameda, Santa Clara, and San Mateo Counties, and to 800,000 retail customers in San Francisco, in an environmentally sustainable manner. The WSIP is structured to cost-effectively meet water quality requirements, improve seismic and delivery reliability, and achieve water supply goals.

Built in the early to mid-1900s, the water system has many components nearing the end of their working life, with crucial facilities crossing, or in close proximity to, three major earthquake faults. The San Francisco Public Utilities Commission (SFPUC) initiated the WSIP to repair, replace, and seismically upgrade the system's deteriorating pipelines, tunnels, dams, reservoirs, pump stations, storage tanks, and treatment facilities.

The program consists of 35 local projects located within San Francisco and 52 regional projects spread over seven different counties from the Sierra foothills to San Francisco. Local projects only benefit San Francisco residents whereas regional projects benefit both City residents and the 26 wholesale agencies that receive water from the SFPUC. The management of regional projects is divided into 6 regions – San Joaquin, Sunol Valley, Bay Division, Peninsula, San Francisco Regional, and Support Projects.

The WSIP is funded through the issuance of revenue bonds. Local Measures A and E, which were approved by San Francisco voters in November 2002, allowed for the financing of improvements to the City's water system using revenue bonds and/or other forms of revenue financing. Increases in the water rates of retail and wholesale customers are used to pay back the debt service on the bonds.

The program budget and schedule were originally adopted by the San Francisco Public Utilities Commission on March 1, 2003. The program at the time was referred to as the Capital Improvement Program (CIP). The scope of the CIP was changed significantly following the adoption of Level of Service (LOS) goals in early 2005. The program changes were so substantial that the program was renamed the WSIP and a new program budget and schedule were adopted on November 29, 2005. Since the scope of the 2005 Revised WSIP is in general representative of the program that is in the end stage of being implemented today, the 2005 budget and schedule are considered the "Baseline Budget and Schedule."

Subsequently, the WSIP Baseline Budget and Schedule were revised in 2007, 2009, 2011, 2013, 2014, 2015, 2016, 2017, 2018, 2020, 2022, and 2024, and these revisions were approved by the San Francisco Public Utilities Commission on February 26, 2008, July 28, 2009, July 12, 2011, April 23, 2013, April 22, 2014, December 8, 2015, April 26, 2016, February 14, 2017, April 10, 2018, April 14, 2020, April 26, 2022, and April 9, 2024, respectively.

Program Revision	Commission Approval	Budget	Project Finish Date
2003 (Original)	March 1, 2003	\$3,628M	03/15/16
2005 (Baseline)	November 29, 2005	\$4,343M	06/30/14
2007 (Revised)	February 26, 2008	\$4,392M	12/18/14
2009 (Revised)	July 28, 2009	\$4,586M	12/04/15
2011 (Revised)	July 12, 2011	\$4,586M	07/29/16
2013 (Revised)	April 23, 2013	\$4,640M	04/11/19
2014 (Revised)	April 22, 2014	\$4,765M	05/24/19
2015 (Revised)	December 8, 2015	\$4,765M	05/24/19
2016 (Revised)	April 26, 2016	\$4,845M	12/20/19
2017 (Revised)	February 14, 2017	\$4,845M	12/20/19
2018 (Revised)	April 10, 2018	\$4,788M	12/30/21
2020 (Revised)	April 14, 2020	\$4,788M	05/05/23
2022 (Revised)	April 26, 2022	\$4,788M	02/01/27
2024 (Revised)	April 9, 2024	\$4,793M	06/30/32

Program Status

This quarterly report provides a summary update on the regional projects in the Water System Improvement Program (WSIP) for the 2nd Quarter (Q2) of Fiscal Year (FY) 2025-2026. The primary intent of the report is to provide the San Francisco Public Utilities Commission (“Commission”), stakeholders, and the public with a status summary of the program’s regional projects for the period of October 1, 2025 through December 31, 2025.

This quarterly report incorporates program and project changes from the March 2024 Revised WSIP, which was approved by the Commission on April 9, 2024 by Resolution No. 24-0089.

Program Current Status

Table A shows the number of WSIP Regional projects and the total approved value in each phase of program based on Current Approved Budget as of December 31, 2025. “Not Applicable” category is for one project that does not include construction: Long Term Mitigation Endowment. Program Management costs are included in project budgets.

Table A. Status of WSIP Regional Projects (as of December 31, 2025)

Project Phase	No. of Projects	Percent by No. of Projects	Total Project Value	Percent by Project Value
Planning	1	2%	\$51M	1%
Design	0	0%	\$0M	0%
Bid & Award	0	0%	\$0M	0%
Construction	1	2%	\$164M	4%
Close-Out	1	2%	\$96M	3%
Completed	48	92%	\$3,485M	92%
Not Applicable	1	2%	\$12M	0%
Total	52	100%	\$3,808M	100%

Forty-one (41) out of forty-three (43) Regional WSIP projects with specific Level of Service (LOS) goals have achieved their LOS goals to date.

Tables B and C provide an overall program-level cost and schedule summary of the WSIP Regional Program. The total Current Approved WSIP Budget (including Regional and Local Programs, Local Water Supply Projects, and Financing Costs) and the Current Forecasted Cost at completion are each \$4,792.8 million. The Current Approved WSIP Budget and Forecasted Cost at completion for only the Regional Program (including construction contingency) are each \$3,808.1 million.

Table B. Program Cost Summary

Cost Categories	Expenditures To Date	Current Approved Budget	Forecasted Costs	Cost Variance = (Current Approved Budget – Forecasted Costs)	Variance Over Reporting Period = (Previous Report – Current Forecasted Costs)
Regional Program	\$3,750.0M	\$3,808.1M	\$3,808.1M	None	None
Local Improvement Projects	\$331.9M	\$331.9M	\$331.9M	None	None
Local Water Supply Projects	\$231.4M	\$280.9M	\$280.9M	None	None
Finance	\$372.0M	\$372.0M	\$372.0M	None	None
PROGRAM TOTAL	\$4,685.2M	\$4,792.8M	\$4,792.8M	None	None

The Current Approved and Forecasted Schedule completion for the Regional WSIP (Local WSIP was completed in June 2020) is June 2032.

Table C. Program Schedule Summary

Category	Current Approved Start	Actual Start	Current Approved Finish	Current Forecasted Finish	Schedule Variance (Months)
Regional Program	03/31/03	03/01/03	06/30/32	06/30/32	None
Local Program (Excluding Local Water Supply projects.)	03/31/03	03/01/03	06/03/20	06/03/20 Actual	Completed
Overall WSIP	03/31/03	03/01/03	06/30/32	06/30/32	None

As of the end of the reporting period, the forecasted total program cost (regional and local projects) is \$4,792.8M, which is the same as the current Commission Approved Budget. All approved change orders (COs) in active construction contracts total \$0.9M, and the forecasted remaining construction contingency is \$0.59M. Director’s Reserve for the program includes \$12.9M.

Progress Towards Meeting Level of Service (LOS) Goals

The scope of the WSIP is based on the following Level of Service (LOS) goals for the Regional Water System: Seismic Reliability, Delivery Reliability, Water Quality Reliability, and Water Supply Reliability. Each project that reaches construction substantial completion contributes to increasing the overall reliability of the system and achieving progress towards meeting the overall LOS goals for the system.

Forty-one (41) of the forty-three (43) Regional WSIP projects with specific LOS goals have achieved their LOS goals to date. The remaining Regional projects with LOS goals are:

- 1) Regional Groundwater Storage and Recovery project: Contract WD-2878A Cathodic Protection and Other Additional Work (Phase 2A), and Contract WD-2878B SSF Main Well (Phase 2B), have achieved 96% and 21%, respectively, Construction Progress Toward LOS Goals.
- 2) Alameda Creek Recapture project has not started construction and thus has 0% Construction Progress Toward LOS Goals.

The other nine (9) of the fifty-two (52) Regional WSIP projects do not have specific LOS goals. The WSIP team remains committed to achieving the overall LOS goals established for the system.

Project Status Report

10015281 - Alameda Creek Recapture Project

Approved Budget:	\$48.97M	Approved Completion Date:	06/30/32
Forecast Cost:	\$48.97M	Forecast Completion Date:	06/30/32
Cost Variance:	None	Schedule Variance:	None
Expenditures to Date	\$36.97M	Expenditures Over the Reporting Period:	(\$0.32M)
Current Phase:	Planning	Environmental Status:	Active (Various)

Progress and Status:

This project includes multiple construction contracts: (A) WD-2825R Alameda Creek Recapture (terminated); (B) Alameda Creek Recapture Phase 2 (planning phase). For Contract A, closeout is complete. For Contract B, work continued on developing fixed-shore alternatives for a new pump station at Pond F3. The alternatives were pared down to three potential facilities at two possible locations. Scoring criteria for the alternatives analysis was prepared and life-cycle cost analysis of the alternatives was started.

Issues and Challenges:

As reported last quarter, the budget will be re-evaluated when a new project alternative has been selected.

10015241 - Regional Groundwater Storage and Recovery

Approved Budget:	\$158.35M	Approved Completion Date:	12/07/27
Forecast Cost:	\$158.35M	Forecast Completion Date:	12/07/27
Cost Variance:	None	Schedule Variance:	None
Expenditures to Date	\$139.50M	Expenditures Over the Reporting Period:	\$0.87M
Current Phase:	Construction	Environmental Status:	Completed (Various)

Progress and Status:

This project includes multiple construction contracts: (A) WD-2600 Test Well Drilling (completed); (B) Phase 1 WD-2668 Well Station (13 wells; construction completed); (C) Phase 2A WD-2878A Cathodic Protection and Other Additional Work; construction completed; and (D) Phase 2B WD-2878B – SSF Main Well. For Phase 1 (Contract B), conversion of as-built drawings to computer-aided design by City staff continued. For Phase 2A (Contract C), the contractor reinstalled a transmission line flow meter, which was damaged, for the Colma BART Well Site. The project team is continuing to coordinate with a testing company to verify the accuracy of the reinstalled flow meter and continuing to close out the contract. For the Phase 2B (Contract D), the contractor continued with site work, including trenching and placement of electrical service conduits, coordinating with PG&E, and pouring miscellaneous concrete foundations.

Issues and Challenges:

None at this time.

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Appendices Water System Improvement Program (WSIP) Quarterly Report

Quarter 2, Fiscal Year October 2025 - December 2025

- A. PROJECT PHASE, APPROVED BUDGET, AND FORECAST COMPLETION DATES**
- B. LIST OF ACRONYMS**

Appendix A. Project Phase, Approved Budget, and Forecast Completion Dates

Project	Project Phase	Approved Budget	Forecast Completion Dates
RW-SJ San Joaquin Region			
CUW36401 Lawrence Livermore Water Quality Improvement	Complete	\$4,198,247.38	07/31/13 Actual
CUW37301 San Joaquin Pipeline System	Complete	\$203,177,750.13	03/31/16 Actual
CUW37302 Rehabilitation of Existing San Joaquin Pipelines	Complete	\$21,168,797.08	10/31/14 Actual
CUW38401 Tesla Treatment Facility	Complete	\$113,225,330.53	01/30/15 Actual
CUW38701 Tesla Portal Disinfection Station	Deferred	\$2,081,277.63	06/29/07 Actual
CUWSJI0101 WSIP Closeout - San Joaquin	Complete	\$2,015,907.80	03/31/21 Actual
RW-SV Sunol Valley Region			
CUW35201 Alameda Creek Recapture Project	Planning	\$48,967,394.56	06/30/32
CUW35501 Standby Power Facilities - Various Locations	Complete	\$12,950,565.74	12/22/10 Actual
CUW35901 New Irvington Tunnel	Complete	\$339,945,522.94	03/31/18 Actual
CUW35902 Alameda Siphon #4	Complete	\$64,730,537.94	06/28/13 Actual
CUW37001 Pipeline Repair & Readiness Improvements	Complete	\$5,178,466.13	04/16/09 Actual
CUW37401 Calaveras Dam Replacement	Complete	\$794,059,378.86	03/31/22 Actual
CUW37402 Calaveras Reservoir Upgrades	Complete	\$1,690,552.40	07/28/06 Actual
CUW37403 San Antonio Backup Pipeline	Complete	\$53,562,178.04	06/30/16 Actual
CUW38101 SVWTP Expansion & Treated Water Reservoir	Complete	\$129,593,674.08	10/31/14 Actual
CUW38102 SVWTP Calaveras Road	Deferred	\$34,654.15	12/14/07 Actual
CUW38201 SVWTP Treated Water Reservoir	Deferred	\$5,056,595.57	03/02/07 Actual
CUW38601 San Antonio Pump Station Upgrade	Complete	\$12,886,140.43	06/29/12 Actual
CUWSVI0101 WSIP Closeout - Sunol Valley	Complete	\$5,558,384.67	12/31/22 Actual
RW-BD Bay Division Region			
CUW35301 BDPL Nos. 3 & 4 Crossover/Isolation Valves	Complete	\$27,045,625.92	07/31/09 Actual
CUW35302 Seismic Upgrade of BDPL Nos. 3 & 4	Complete	\$70,524,332.31	07/30/18 Actual
CUW36301 SCADA System - Phase II	Complete	\$9,473,038.96	05/28/13 Actual
CUW36801 BDPL Reliability Upgrade / Tunnel	Complete	\$272,364,089.37	08/30/16 Actual
CUW36802 BDPL Reliability Upgrade - Pipeline	Complete	\$216,795,625.11	03/31/16 Actual

Appendix A. Project Phase, Approved Budget, and Forecast Completion Dates (Cont.)

Project	Project Phase	Approved Budget	Forecast Completion Dates
CUW36803 BDPL Reliability Upgrade - Relocation of BDPL Nos. 1 & 2	Complete	\$3,046,980.62	05/28/10 Actual
CUW38001 BDPL Nos. 3 & 4 Crossovers	Complete	\$29,913,049.16	06/30/14 Actual
CUW38901 SFPUC/EBMUD Intertie	Complete	\$9,167,305.97	03/20/14 Actual
CUW39301 BDPL No. 4 Condition Assessment PCCP Sections	Complete	\$1,937,599.43	02/06/09 Actual
CUWBDP0101 WSIP Closeout - Bay Division	Complete	\$3,322,156.03	03/31/21 Actual
RW-PN Peninsula Region			
CUW35401 Lower Crystal Springs Dam Improvements	Complete	\$34,860,071.88	12/28/12 Actual
CUW35601 New Crystal Springs Bypass Tunnel	Complete	\$81,435,609.73	08/17/12 Actual
CUW35701 Adit Leak Repair - Crystal Springs/Calaveras	Complete	\$2,787,322.29	07/31/08 Actual
CUW36101 Pulgas Balancing - Inlet/Outlet Work	Complete	\$1,765,938.44	05/11/06 Actual
CUW36102 Pulgas Balancing - Discharge Channel Modifications	Complete	\$2,910,007.00	07/30/10 Actual
CUW36103 Pulgas Balancing - Structural Rehabilitation and Roof Replacement	Complete	\$20,227,447.13	12/28/12 Actual
CUW36104 Pulgas Balancing - Laguna Creek Sedimentation	Deferred	\$505,126.92	12/31/07 Actual
CUW36105 Pulgas Balancing - Modifications of the Existing Dechloramination Facility	Complete	\$5,391,353.43	03/20/13 Actual
CUW36501 Cross Connection Controls	Complete	\$3,948,726.89	04/30/09 Actual
CUW36601 HTWTP Short-Term Improvements (Demo Filters)	Complete	\$3,067,903.44	11/14/06 Actual
CUW36602 HTWTP Short-Term Improvements - Remaining Filters	Deferred	\$1,424,510.34	02/22/08 Actual
CUW36603 HTWTP Short-Term Improvements - Coagulation & Flocculation/ Remaining Filters	Complete	\$18,604,937.13	07/28/10 Actual
CUW36701 HTWTP Long-Term Improvements	Complete	\$273,894,601.92	12/30/16 Actual
CUW36702 Peninsula Pipelines Seismic Upgrade	Complete	\$38,779,772.41	07/06/16 Actual
CUW36901 Capuchino Valve Lot Improvements	Complete	\$2,803,153.43	08/19/08 Actual
CUW37101 Crystal Springs/San Andreas Transmission Upgrade	Complete	\$189,649,573.32	06/30/15 Actual
CUW37801 Crystal Springs Pipeline No. 2 Replacement	Complete	\$56,070,509.12	12/31/14 Actual
CUW37901 San Andreas Pipeline No. 3 Installation	Complete	\$27,519,715.96	08/30/12 Actual

Appendix A. Project Phase, Approved Budget, and Forecast Completion Dates (Cont.)

Project	Project Phase	Approved Budget	Forecast Completion Dates
CUW39101 Baden and San Pedro Valve Lots Improvements	Complete	\$24,993,478.00	03/29/13 Actual
CUWPWI0101 WSIP Closeout - Peninsula	Complete	\$13,560,085.73	12/30/21 Actual
RW-Reg San Francisco Regional Region			
CUW30103 Regional Groundwater Storage and Recovery	Construction	\$158,350,433.06	12/07/27
CUW35801 Sunset Reservoir - North Basin	Complete	\$64,270,725.16	09/10/10 Actual
CUW37201 University Mound Reservoir - North Basin	Complete	\$43,266,311.62	03/29/13 Actual
RW-SW Support Projects			
CUW36302 System Security Upgrades	Complete	\$14,397,894.00	04/19/19 Actual
CUW38801 Programmatic EIR	Complete	\$10,734,567.27	06/30/09 Actual
CUW38802 Bioregional Habitat Restoration	Closeout	\$93,341,983.01	12/30/27
CUW38803 Vegetation Restoration of WSIP Construction Sites	Complete	\$2,111,545.75	06/30/16 Actual
CUW38804 Long term Mitigation Endowment	Not Applicable	\$12,000,000.00	12/24/26
CUW39201 Program Management Project	Not Applicable	\$121,642,047.50	06/30/32
CUW39401 Watershed and Environmental Improvement Program	Complete	\$20,079,149.69	06/30/22 Actual

Appendix B. List of Acronyms

BART	Bay Area Rapid Transit
BDPL	Bay Division Pipeline
CIP	Capital Improvement Program
CO	Change Order
EBMUD	East Bay Municipal Utility District
EIR	Environmental Impact Report
FY	Fiscal Year
HTWTP	Harry Tracy Water Treatment Plant
LOS	Levels of Service
PCCP	Pre-stressed Concrete Cylinder Pipe
PG&E	Pacific Gas and Electric Company
SCADA	Supervisory Control and Data Acquisition
SFPUC	San Francisco Public Utilities Commission
SSF	South San Francisco
SVWTP	Sunol Valley Water Treatment Plant
WSIP	Water System Improvement Program

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