



**Hetch Hetchy  
Regional Water System**  
Services of the San Francisco Public Utilities Commission

# **File No. 250208: Specialized & Technical As-Needed Services for Operations and Maintenance Support, Amendment No. 1**

**Budget and Finance Committee  
April 9, 2025**

**Cheryl Sperry, Business Services Manager, Hetch Hetchy Water and Power**



**San Francisco  
Water Power Sewer**  
Services of the San Francisco Public Utilities Commission

## PRO.0231.A-D Contract Background

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Awarded June 13, 2023, by SFPUC Commission Resolution No. 23-0114

Four contracts (A-D) each with an amount not-to-exceed \$7,500,000 and a duration of five years

Provide as-needed services that consists of:

**Water Services:** Water supply, storage, delivery, conveyance, water quality, water treatment, wastewater treatment, engineering planning

**Power Services:** Powerhouse equipment, controls/communication systems, transmission and distribution, engineering planning

**Operations:** Asset management, condition assessments, project prioritization, environmental and regulatory compliance



# Hetch Hetchy Water and Power System

\$15 billion in assets

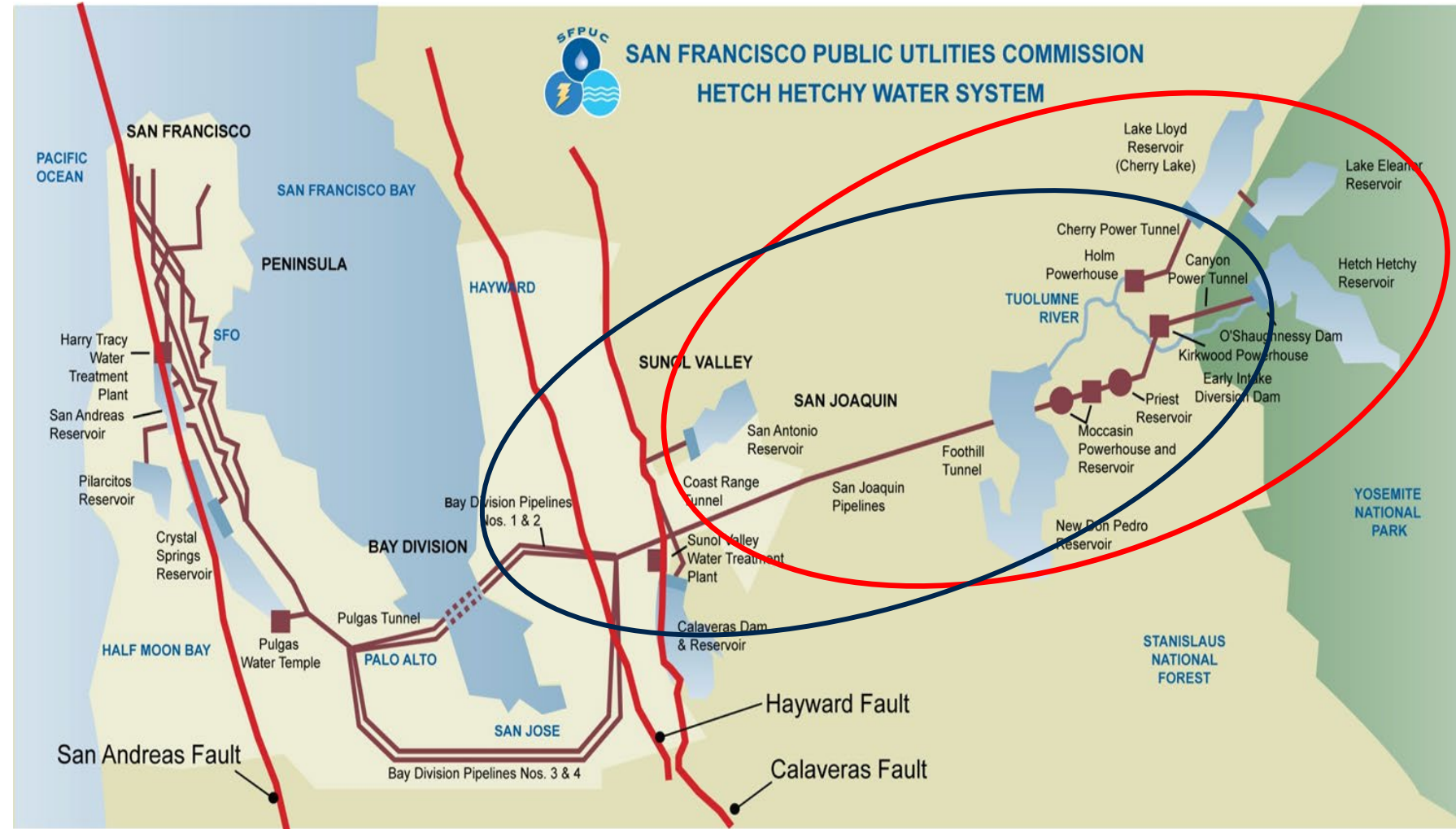
2.7M water customers

400 MW of GHG-free  
capacity

Territory covers over  
150 miles

Much of the system is  
over 100 years old

Majority of assets have  
surpassed their useful  
life





## PRO.0231.A-D Amendment No. 1 Request

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Increase each of the four PRO.0231 contracts by \$5,500,000

New total not-to-exceed amount of \$13,000,000 per contract

No change to the contract durations of five years

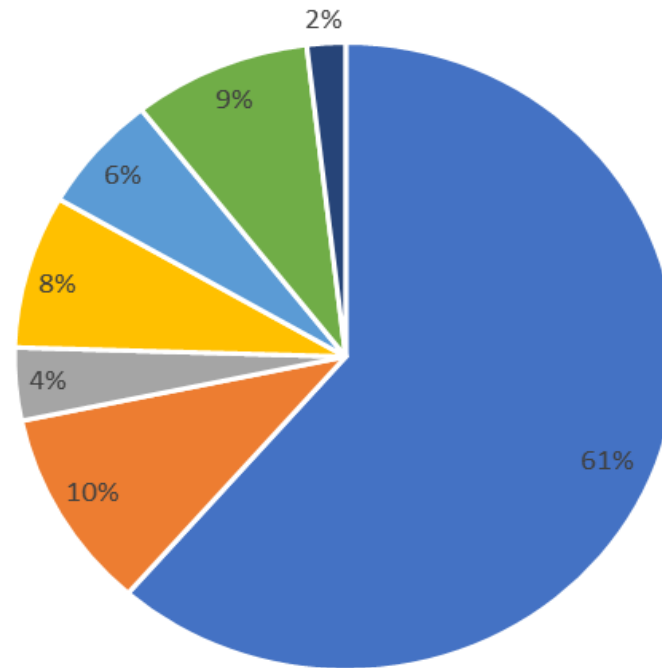
### Contracts:

- A. Stantec/JHCE JV
- B. MMD JV
- C. AECOM/WRE JV
- D. Lee Incorporated



# How We Are Using This Contract

PRO.0231 Contract by Use



■ Capital

■ Records Management

■ Operations

■ Other

■ Regulatory (environmental, wildfire, power, cultural)

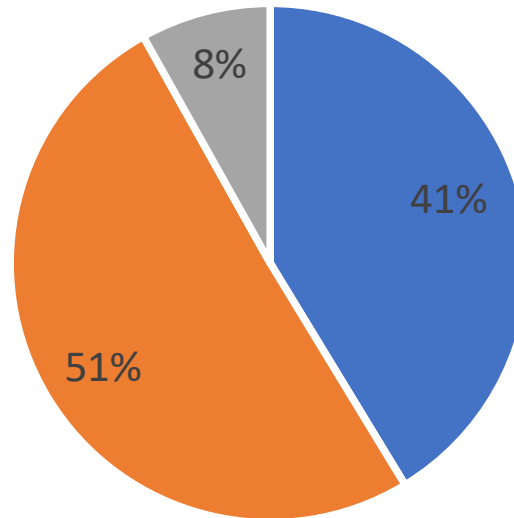
■ Engineering and Surveying

■ Asset Management



# How We Are Using This Contract

## PRO.0231 Capital Work Breakdown



- Capital Planning, Risk Management and Financial Services
- Rehabilitation & Repair Management (Job Managers, Project Controls)
- Strategic Asset Management Planning, including Hierarchy Development

# Why Are We Requesting This Amendment

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Higher than anticipated contract usage rate:

Significant increase in capital plan spending to address aging infrastructure

Planning, risk management, and prioritization

Environmental and cultural resources

Pace of regulatory changes:

Power regulations

Wildfire mitigation

California Air Resources Board

Skill and resource gaps created by new technology introduced in rehabilitated infrastructure



# Transmission System Condition Assessment (\$2.06M)

Age ranges from 60 to 100 years

Recently rehabilitated Lines 7/8:

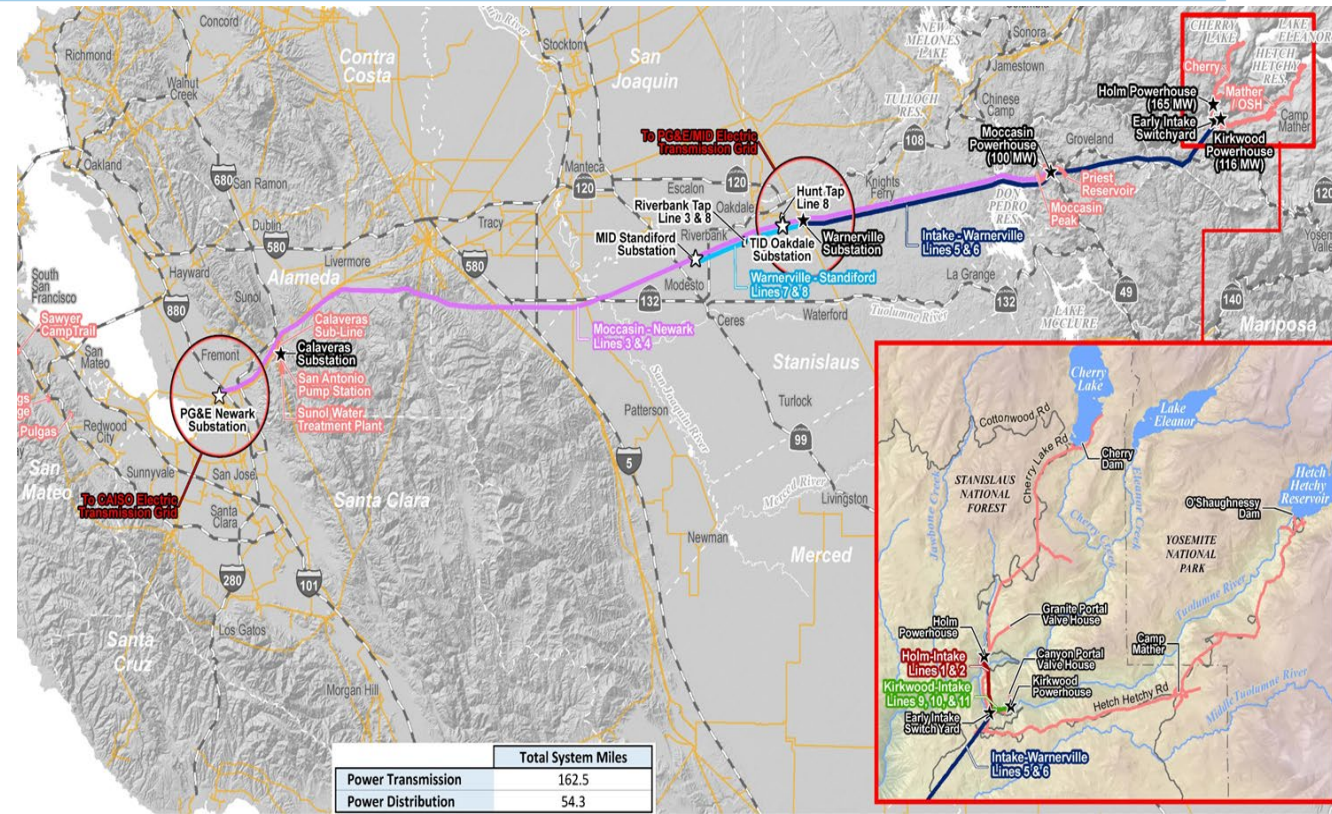
Total project costs \$33M

\$29.6M collected from renewable  
developers (YTD)

Last condition assessment 2009, about 7% of  
towers inspected

Overhead electrical lines are one of our largest  
risks, with about 45 miles within High Fire  
Threat Tiers 2 and 3

Replacement value of our transmission assets  
are over \$2B. Current effort to determine  
future work on these assets is less than 1% of  
replacement value



**Hetch Hetchy Water and Power Transmission System**

- Holm - Intake Lines 1 & 2 (Holm Powerhouse to Early Intake Switchyard)
- Kirkwood - Intake Lines 9-11 (Kirkwood Powerhouse to Early Intake Switchyard)
- Intake - Warnerville Lines 5 & 6 (Holm Powerhouse to Warnerville Substation)
- Warnerville - Standiford Lines 7 & 8 (Warnerville Substation to Standiford Substation)
- Moccasin - Newark Line - Circuits 3 & 4 (Moccasin Powerhouse to Newark)
- SFPUC Power Distribution System



# Electrical Maintenance Plan Development (\$1.5M)

Electronic Maintenance Technicians perform a wide variety of highly skilled technical work including the trouble-shooting, maintenance, testing, repair, calibration, fabrication, installation and modification of a wide variety of electronic equipment.



# Risk Tool Development (\$300k Annually)

Risk-based capital planning used for targeted capital investments

Quantifiable approach to likelihood and consequence of failure of assets

Used to prioritize capital project spending

As we complete projects, the risk profile adjusts to show progress





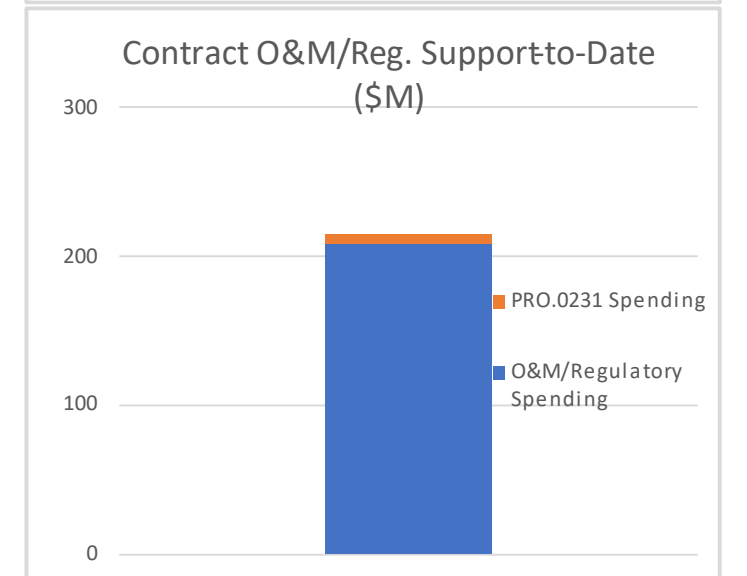
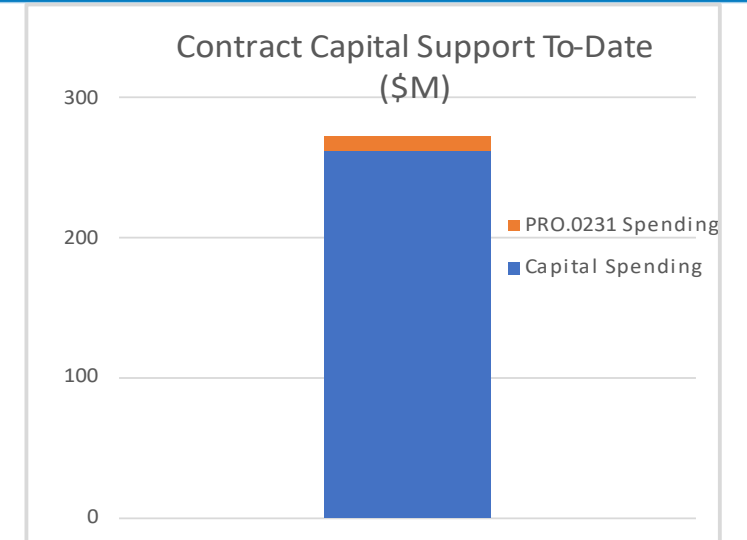
# Financial Context

Contract expended/encumbered: \$17.9M /\$30M  
contract capacity

Capital Program Funding: \$11.2M or 4% of capital  
program expenditures

Operating/Maintenance/Regulatory Funding: \$6.7M or  
3% of Operating and Programmatic budgeted  
expenditures

Contract allows us to prioritize limited funding and  
address resource gaps for successful implementation  
of capital, regulatory, and facilities maintenance  
programs





Thank you!  
Questions?



San Francisco  
**Water Power Sewer**  
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