

**A SouthWest Water Company** 



Suburban's MBE vendor, J. De Sigio Construction, is replacing an aged water mainline.

Suburban is committed to reinvesting in our communities consistently delivering safe, high-quality water.

2021 SUPPLIER DIVERSITY ANNUAL REPORT



# **PURPOSE**

# Provide equal opportunity to all vendors for the benefit of our community



#### Suburban Water Systems...

- ♦ Believes and values diversity and inclusion
- Committed to matching its spending to the community demographics
- ♦ Helps diverse vendors grow and get on a level playing field with other suppliers
- Strengthens and broadens its network of suppliers



# A Diverse Supplier Base Adds Value

- ♦ Allows partnerships with more creative, cost efficient, flexible and innovative companies
- Meets guidelines set by California Public Utilities Commission (CPUC)



# **COMMITMENT AND POLICY**



#### COMMITMENT

Suburban Water Systems (Suburban) is committed to developing mutually beneficial business relationships with Women, Minority, Disabled Veteran, Lesbian, Gay, Bisexual, and Transgender Business Enterprises (WMDVLGBTBE) that have the capability to meet or exceed our requirements for products and services.

Identifying these businesses, providing those opportunities to do business with us, and helping them succeed is essential for our success. These actions align with our mission and core values; for Suburban Supplier Diversity is not just a "program," but our way of doing business.

# **POLICY**

It is Suburban's policy to support Supplier **Diversity and increase business opportunities** for certified diverse business enterprises.

We recognize the value of creating opportunities for all suppliers to participate in sourcing of products and services as they arise within our company.

#### Our employees are encouraged to...

- ♦ provide support and opportunities for diverse suppliers who may also be valued customers. Our policy directs those throughout our organization with procurement responsibilities to play a role in achieving our corporate Supplier Diversity objectives
- ♦ seek certified vendors from Supplier Diversity Manager
- understand the need for the vendor
- understand standards and specifications of work to be performed
- ♦ create small/low risk opportunities for vendors to demonstrate quality of work and customer service

# **ANNUAL REPORT**



#### **TABLE OF CONTENTS**

#### **Message From Our President**

#### **2021 Program Highlights**

9.1.1	Description of WMDVLGBTBE Program Activities During the Previous Calendar Year	19
9.1.2	WMDVLGBTBE Annual Results by Ethnicity	22
9.1.2	WMDVLGBTBE Direct Procurement by Product and Service Categories	23
9.1.2	Number of WMDVLGBTBE Suppliers and Revenue Reported to the Clearinghouse	25
9.1.2	WMDVLGBTBE Procurement by Standard Industrial Categories	26
9.1.2	Description of WMDVLGBTBEs with CA Majority Workforce	27
9.1.3	WMDVLGBTBE Program Expenses	27
9.1.4	Description of Progress in Meeting or Exceeding Set Goals	27
9.1.4	WMDVLGBTBE Results and Goals	27
9.1.5	Summary of Prime Contractor Utilization of WMDVLGBTBE Subcontractors	28
9.1.6	A List of WMDVLGBTBE Complaints Received and Current Status	29
9.1.7	Description of Efforts to Recruit WMDVLGBTBE Suppliers in Low Utilization Categories	29

# **ANNUAL PLAN**



#### **TABLE OF CONTENTS**

10.1.1	WMDVLGBTBE Annual SHORT, MID, AND LONG-TERM Goals	31
10.1.2	Description of WMDVLGBTBE Planned Program Activities for the Next Calendar Year	33
10.1.3	Plans for Recruiting WMDVLGBTBE Suppliers in Low Utilization Areas	34
10.1.4	Plans for Recruiting WMDVLGBTBE Suppliers Where Unavailable	35
10.1.5	Plans for Encouraging Prime Contractors to Subcontract WMDVLGBTBE Suppliers	35
10.1.6	Plans for Complying with WMDVLGBTBE Program Guidelines	35





# A MESSAGE FROM OUR PRESIDENT



Suburban Water Systems (Suburban) is pleased to submit this 2021 Annual Report outlining its activities under the Utility Supplier Diversity Program (USDP).

The ongoing COVID19 pandemic made 2021 another challenging year for all of us. Despite their own challenges our vendors stood by us and made the adjustments required to protect employees and ensure they could continue to provide the goods and services required for us to continue to provide essential water service to our customers.

In 2021, Suburban celebrated another strong performance accomplishing 55% diverse spend. Suburban's 2021 total expenditures with certified diverse suppliers reached \$21,043,577. We are pleased with our 2021 results and the collaborative contributions that Suburban's team members made to achieve these results.

Our goal is to collaborate with businesses, large and small, that can help us fulfill our mission of serving our customers safe, reliable, and high-quality water in a cost-effective manner that maximizes company resources and minimizes costs to Suburban's customers. We seek out diverse companies that share our mission.

A Supplier Diversity program needs to provide opportunities for all vendors to be successful. An organization needs to have a disciplined procurement approach that requires the participation of those who use the products and services.

Having a committed leadership and management team has been the key to our success.

I am proud of our leaders and team members' effort to understand their purchasing needs and fairly apply our rigorous contract, insurance, and safety policies to all vendors.

In this annual report, we highlight these successes and activities that have sustained our program. Suburban remains committed to Supplier Diversity, and our goal in 2022 is to continue expanding opportunities for diverse vendors.

#### **CRAIG GOTT**

**PRESIDENT** 

**Suburban Water Systems** 

# 55.24% MILLION IN DIVERSE SPEND!

Year	DIVERSE SPEND (millions)	% SPEND	NUMBER OF DIVERSE FIRMS
2021	\$21.0	55.24%	44
2020	\$14.1	51.64%	45
2019	\$13.8	49.81%	50
2018	\$15.8	49.75%	37
2017	\$8.7	38.29%	29
2016	\$6.9	37.09%	32
2015	\$5.1	24.72%	27
2014	\$4.3	23.88%	23
2013	\$3.0	32.18%	28
2012	\$7.2	32.87%	33

# Suburban remains committed to Supplier Diversity

Our goal in 2022 is to continue to expand opportunities for diverse vendors





# **2021 PROGRAM HIGHLIGHTS**



Lauren James

Director, Communications

Suburban Water

Suburban's 2021 results remained high, achieving 55%, the highest in company history. Our success is attributed to our dedication to our Supplier Diversity program and the communities we serve.

The critical elements of our year-over-year success are our President's commitment, our procurement process, our purpose-driven goals communicated monthly, the celebration of our internal and external Supplier Diversity champions, and our collaboration with our community partners and prime contractors bridging the gap between vendor and buyer. These elements support the overall goal of including diverse vendors in our competitive proposal and bidding opportunities.

Everyone at Suburban is empowered by their Supplier Diversity goals knowing we are contributing to the betterment of our communities by supporting diverse, small businesses.

This report highlights our efforts in 2021 and outlines our plan for 2022.

# CALIFORNIA WATER ASSOCIATION

#### UTILITY SUPPLIER DIVERSITY PROGRAM

LAUREN IS A MEMBER
OF THE CALIFORNIA
WATER ASSOCIATION
UTILITY SUPPLIER
DIVERSITY PROGRAM
(USDP)



#### **INTERNAL ACTIVITES**

# Focused involvement in the sourcing of diverse suppliers for bid opportunities

Suburban created a
How to Do Business with
Suburban informational
flyer for vendors interested
in working with Suburban.

The goal of the flyer is to prepare vendors with Suburban's pre-qualification requirements so they can promptly bid on upcoming projects (after being qualified).

Continued collaboration at the front end of buying decisions, ensuring diverse businesses are included in bid opportunities.

Suburban's management and leadership seek referrals when they have an opportunity to bid.

#### **Supplier Diversity**

Suburban Water Systems A SouthWest Water Company

Doing business with Suburban, be in the know!

#### Procurement

- The goal of SWS Procurement is to implement a standard onboarding procedure that generates uniformity and consistency for all vendors
- The Procurement Process ensures vendors an equal opportunity to provide products and services while contractually meeting Suburban's requirements



#### Prequalification Criteria

- Organizational credit history
- Minimum of (3) references relating to work completed within the past (5) years
- CA Contractor License, if required by law
- · Commitment to high-quality products and services
- Consistency in outstanding performance and customer service
- · Responsiveness to owner requests and inquires
- Timely invoicing and completion of work
- Maintain an insurance certificate, including but not limited to:
  - Commercial General Liability
  - Automobile Liability
  - Workers Compensation

#### Safety Requirements

- Safety certifications
- Injury & Illness Prevention Program (IIPP)
- OSHA 300A Logs
- Experience Modification Rate, also known as (ExMod)
- Based on services provided, additional safety requirements may be required

#### Feedback

- Provide a written assessment of the contractor's overall work performance
  - o Documentation organization
  - Safety practices
  - o Invoicing
  - Products supplied
  - Services provided for the completion of a project

We look forward to working with you!

#### 9.1.1 INTERNAL AND EXTERNAL ACTIVITIES

# **Expanded supply chain with supplier outreach**

# **Individual meetings with** diverse suppliers

Suburban's Procurement Specialist and the management and leadership teams identified several diverse vendors Suburban currently works with that were not certified. We were able to work with a couple of vendors to get them Supplier Clearinghouse certified in 2021.

#### **HIGHLIGHT**

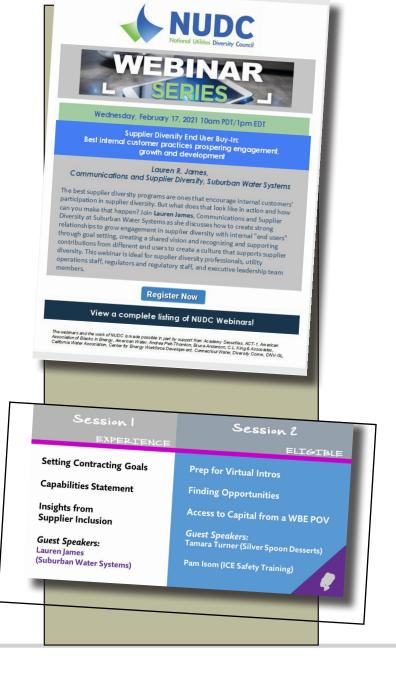
# **NUDC Webinar**

Lauren James joined the NUDC Webinar Series presenting on supplier diversity internal best practices related to the importance of relationships, engagement, and goal setting.

#### **HIGHLIGHT**

# **WE-Xcel Webinar**

Lauren James was a guest speaker for WBEC's WE-Xcel Session 1 focusing on Insights from a Supplier Inclusion representative. We-Xcel coordinated by WBEC West focuses on building Black women-owned businesses. WBEC West is a community-based organization and partner of CWA focused on building women-owned businesses.



#### 9.1.1 INTERNAL AND EXTERNAL ACTIVITIES

#### **HIGHLIGHT**

# LAGLCC's "Doing Business With" webinar

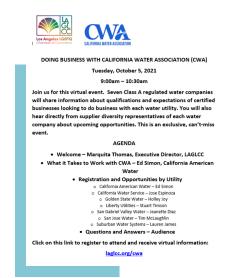
On October 5, Suburban had the pleasure of connecting with potential diverse suppliers through CWA's participation with the Los Angeles Gay and Lesbian Chamber of Commerce's "Doing Business With" webinar series.

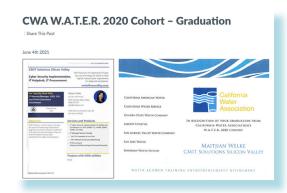
Lauren James was a panelist and provided tips to vendors on how to do business with Suburban.

#### **HIGHLIGHT**

#### **CWA W.A.T.E.R. Cohort 2020-21**

The W.A.T.E.R program focuses on increasing the vendor's chances of being viewed as a "top choice" prime or subcontractor on multi-million-dollar projects by receiving the CWA's W.A.T.E.R certificate. During 6 sessions, 20 participants were able to connect with the seven participating CWA water companies, including Suburban, to prepare for contracts with water utilities.





#### **HIGHLIGHT**

# **WBEC-WEST Corporation of the Year Nomination**

Suburban was nominated for WBEC-West's Corporation of the Year Award individually and as part of California Water Association - who WON!

Our collective work in supplier inclusion was recognized by a prestigious organization.

We are proud of our accomplishments focused on building our WBE connections and partnerships.



# **National Utilities Diversity Council Webinar Series**



Lauren James participated in an engaging NUDC roundtable session that led to a discussion based on ways to promote the hiring of diverse individuals in the C-suite.

Lauren nominated this topic to the NUDC for round table discussion.

#### The Chicago Re-Convening - Virtual

#### What Will We Make of the Future?

During the Re-Convening, the powerful and engaged group of leaders who attend the conference will roll up their sleeves and solutioneer on diversity topics where we have a likelihood of effecting meaningful change in the utilities and communications industries and perhaps serve as a model for other industries in the U.S. We will work in each roundtable discussion session to create a set of goals for how to address the topics in our industries. How do we make sure utilities and communications are walking the walk on this? And with whom must we collaborate to see the changes we outline take place?

It will then be a key area of NUDC's focus going forward to help encourage this follow up—to help the group reach the goals stated. This could mean nudging the other entities that agree to take on some of the deliverables or undertaking deliverables ourselves. We are raising the stakes here, and NUDC is committed to being extraordinarily proactive in working to help realize the steps that we outline. We are committing our energy to make change happen as best we can.

11:25 AM 1:45 PM

#### Roundtable Session #2 Track B: Diversifying the C-Suite

What actionable steps can be taken to include and encourage the promotion or hiring of more women and diverse individuals? To be successful searching for and finding diverse talent at...



The Honorable Robert... Pacific Gas & Electric



The Honorable Maria... Illinois Commerce Commission



Eva Tang Golden State Water Compan.



Nancy Harvey New York Power Authority



Lauren James Suburban Water Systems



Marianne Taylor American Water

#### **HIGHLIGHT**

# **American Indian Chamber CWA American Indian Chamber Procurement Summit**



Suburban was excited to be a part of the planning and execution of the first-ever **CWA Procurement Summit** with the American Indian Chamber.

This event focused on connecting tribal and American/Indian/Alaska Native-owned businesses to CWA and water utility opportunities.



#### SPECIAL ANNOUNCMENT

#### FIRST EVER!

#### **California Water Association American Indian Chamber Procurement Summit** June 3rd

The Chamber is elevating our partnership with the California Water Association (CWA) by hosting our first ever

California Water Association-American Indian Chamber Procurement Summit.

This "solution oriented event" has the goal to link our tribal enterprises and American Indian/Alaska Native owned businesses with opportunities within the CWA member water utilities AND their primes supply chain

# **Black Business R.I.S.E. Virtual Accelerator Event**



Suburban, in collaboration with CWA, provided a virtual webinar focusing on connecting black businesses to water company opportunities.

Registrants were added to a **CWA Black-Owned Business** Directory the team hopes buyers will utilize.

The effort was towards increasing Black business owned spend.



California Water Association has built a table for black businesses to learn and increase visibility to business opportunities in water companies. The first-of-its-kind industry virtual-platform allows blackd businesses to:

up & be added to CWA Black-Owned Business Directory ss short, high impact sessions that provide a deep dive into each pany's business opportunities and vendor requirements eased visibility to decision-makers at water companies















# CWA R.I.S.E. **Three-Part Workshop Series**



**CWA** partnered with **Guided Business Plan to** expand our R.I.S.E workshop series for African American businesses.

The goal of the miniaccelerator was to increase utility spend with African American businesses.

Throughout the workshops, attendees learned how to develop a Proposal Toolkit that included introduction to buyer emails, capabilities statements, communicating differentiators, networking, buyer follow-up, and other important factors in procuring a contract.



#### **HIGHLIGHT**

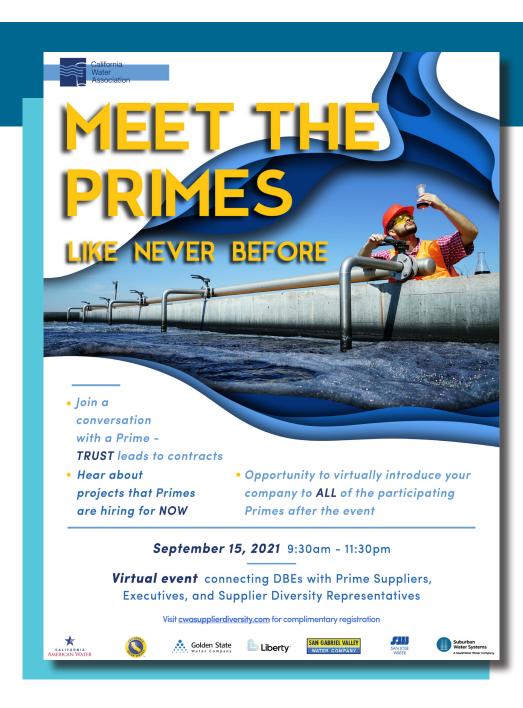
# **CWA Meet the Primes Prime Contractor Engagement**



**Prime Contractors** presented to potential subcontractors listing their upcoming opportunities and how subcontractors can support them.

They then spent time matchmaking with the vendors in attendance to connect and build relationships to hopefully strengthen their 2nd tier spend.

Engineering continued to hold our Prime contractors accountable by making 2nd tier reporting a part of their contract. The contract and work are not considered complete until our Procurement Specialist receives the report. Their efforts supported our overall increase in 2nd tier reports, spending, and diverse vendor utilization.



#### 9.1.1 INTERNAL AND EXTERNAL ACTIVITIES

#### **INTERNAL ACTIVITIES**

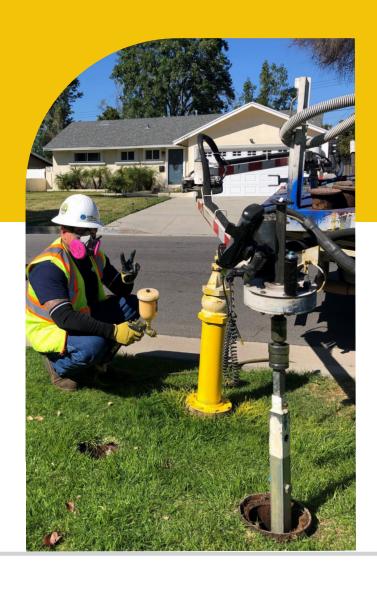
Suburban emphasizes the importance of the Supplier Diversity program to our employees and the goals we look to achieve each year. Suburban wants to exceed the CPUC goal of 21.5%. Suburban shares information and educates staff about Suburban's Supplier Diversity program at various meetings and conversations throughout the year. Suburban is focused on creating an organizational culture that includes diverse vendors in all contract opportunities.

- Mid-manager meetings
- **Executive staff meetings**
- District and departmental meetings
- Company internal newsletter and weekly announcements Luncheon Celebration
- **Quarterly luncheons**

 Monthly Supplier Diversity Champion email showcasing our YTD spend in each category alongside our goals and employee champion spotlights

#### Information included in these forums:

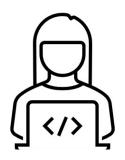
- ♦ The purpose of the Supplier Diversity program and how we accomplish our goals
- ♦ Award of contracts to new or existing diverse firms
- ♦ Introduction of new diverse firms to operations personnel
- Review of bidding opportunities and discussion of outcomes of bidding opportunities
- ♦ Updates on YTD spend and measurements of success



#### CHAMPION SPOTLIGHT EXAMPLES





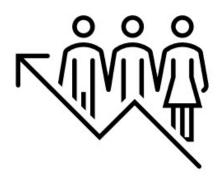


#### Special shout out to...

"Jocelyn Padilla, Vice President Service Operations, and **Beatriz Reviere**, Executive Assistant, for reaching out to me to see if there are any diverse shredding businesses. We are looking to explore more options, so it is great they reached out to me to support a local, small business. Thanks, team! Way to keep Supplier Diversity top of mind!"

Special shout out to Engineering, including Jorge Lopez, Nathan Au, and Veronica De La Santo, for reaching out to me for diverse vendors during project planning.

"A perfect example of keeping Supplier Diversity top of mind. April highlight: They reached out to me for a demolition contractor, and I was able to send 3 referrals, one referral coming directly from our CWA WATER class. Thank you for your ongoing support and commitment to adding diverse vendors to the bidding table. Your efforts are appreciated."



#### Special shout out to Veronica De La Santo, Procurement Specialist,

"for sending a record SIX 2nd tier forms from our Prime Contractors in April and May representing over \$80k of diverse subcontracting spend. Woo Hoo, go, Veronica, keep up the great work partnering with our Primes to get these forms completed at the end of every project. Subcontracting spend is added to our total spend at the end of the year, supporting our 55% goal. Great work!"

#### 9.1.1 INTERNAL AND EXTERNAL ACTIVITIES

#### INTERNAL

#### Efforts to involve diverse businesses in bid opportunities include:

- ♦Software and technology services
- ♦Employee Engagement Training
- ♦Pump & Motor Installations (wells and boosters)
- ♦SCADA instrumentation and hardware (equipment & services)
- ♦ Meter Replacements
- ♦ Engineering Design Services (civil, mech, elec, arch, struct, Geotech, Water quality and Treatment)
- ♦ Construction Management Services (inspection, project management)
- ♦Electrical (instrumentation, conduits and wiring, switchgear and MCC)
- ♦Sitework (chainlink fencing, wrought iron fencing, CMU block walls)
- ♦AC and Concrete surface restoration
- ♦Landscaping
- ♦Well Drilling
- ♦Pipeline and appurtenances including valves, blow offs, services, fire hydrants
- ♦ Demolition
- ♦Steel tank construction (welding and painting)
- ♦Steel tank retrofits (welding and painting)
- ♦ Earthwork and grading

\*Suburban is still actively searching for qualified vendors in these categories



#### **DIVERSE SUPPLIER SPOTLIGHT AND SUCCESS STORY**

MELANIE RAE, GUIDED BUSINESS PLAN



The California Water Association was honored to receive the 2021 Corporation of Year award from Women's Business Enterprise Council - WEST for their work in advancing economic equality through contracting opportunities within the water industry.

For three years, Melanie Rae has been one of the leading creative forces behind some of their signature diverse vendor training programs - CWA R.I.S.E, CWA W.A.T.E.R. and CWA Meet the Primes – directly impacting more than 600 diverse vendors!

"You elevated our program. I never imagined it would look like this," praised a CWA **USDP** member a year into the partnership.

Melanie Rae is the founder of Guided Business Plan, a Los Angeles based entrepreneur education firm that has guided more than 15,000 business owners to their success destinations from start-up to scaling to becoming a corporate or government supplier.

Melanie's Before and After transformations are outstanding from designing CWA's yearlong Water Acumen Training Entrepreneur Refinement (W.A.T.E.R.) cohort to attracting more than 400 people to CWA's Meet the Primes event. She turned CWA's R.I.S.E. from a 3-hour class to a 3-session miniaccelerator that resulted in some participants earning contracts within weeks of the session.

Melanie Rae founded Guided Business Plan on this premise...to enable more Americans to have options versus feeling anchored to a job that just pays the bills. The tone of many entrepreneur magazines were only relevant to a small percentage of business owners. She has received compliments that owners can benefit from her content in the same classroom regardless of their education level.

#### **Lauren James**

"Suburban is thankful for our partnership with Melanie Rae, President of Guided Business Plan. She supports our Supplier Diversity efforts by preparing and instructing diverse, small businesses on how to do business with utilities.

Her curriculum and handouts are essential for their business growth and follow-up with prospective utilities they hope to do business with. Melanie has also been instrumental in supporting Suburban and CWA's technical assistance programs and webinars. She also designs and offers guidance on presentations and reports.

Melanie has been a driving force in Suburban's overall Supplier Diversity success. She eliminates pain points for both the vendor and utility, which adds to a more lucrative RFP process by ensuring diverse vendors are prepared. We are grateful to Melanie and encourage diverse vendors and utilities to engage with her services and offerings."

#### DIVERSE SUPPLIER SPOTLIGHT AND SUCCESS STORY

# GUIDED BUSINESS PLAN

Guided Business Plan has been inspiring economic independence through entrepreneur education since 2009 when founder Melanie Rae turned a few scribbled worksheets into the first iteration of the GUIDED Business Plan™ - now a nationally acclaimed training platform that has inspired thousands of businesses. An unemployed person could start, scale and become a corporate/government supplier with the ten editions she has written.

Melanie has designed enduring diverse vendor training for Metrolink, the California Water Association and the WBDC -- they won a City of Chicago Innovation Award for a bilingual course she created. McDonalds sponsored 350 people to attend a 6-week course at YWCAs across the U.S.; Walgreens has repeatedly sponsored retail-industry specific cohorts; Comcast, Google and T-Mobile are some of the sponsors for her diverse vendor training programs that consistently deliver before and after transformations that make vendors more attractive to buyers.



A native of Cambridge, Massachusetts, Melanie moved to Los Angeles more than 20 years ago and is well known in the Southern California entrepreneur community. She graduated from Boston University, The Governors Academy and Shady Hill School.

GUIDED Business Plan meditions

Starter (Spanish)

First Time CEO

Military CEO

Gear Up

College Entrepreneur

Build to Scale (Spanish)

Contracting Confidence

Corporate Toolkit

Recover Faster

Top Shelf Retail



#### **GUIDEDPLANS.COM**

Melanie empathizes with the struggle resourced. She reflects that the financial hardship she experienced for years as she found the right audience for her books, classroom materials and group training was harder than battling Stage 3 breast cancer in 2016.

"I had a care team and a plan that I followed when I underwent 5 months of chemo, 6 weeks of radiation and surgery - a 13-month battle. When I started my company, I didn't have the type of growth plan that I teach in my classes. I'm really excited to launch GUIDED Plan with Peers to be that mentor for women who have small teams, past performance and 7-figure+ aspirations."

Melanie would like to thank Suburban Water, especially Lauren, for this tremendous honor and to close with a phrase that inspires her...

#### SECTION 9.1.2

#### WMDVLGBTBE ANNUAL RESULTS BY ETHNICITY

WMDVBE/LGBTBE Annual Results By Ethnicity										
	Ethnicity	Direct \$	Sub \$	Total \$	Percent %					
	Asian-Pacific	\$802,728	\$205,360	\$1,008,086	2.65%					
	African-American	\$5,900		\$5,900	0.02%					
Minority Male	Hispanic	\$10,251,631	\$25,080	\$10,276,711	26.97%					
	Native American									
	Total	\$11,060,257	\$230,440	\$11,290,697	29.64%					
	Asian-Pacific	\$45,774	\$9,200	\$54,974	0.14%					
	African-American	\$6,500		\$6,500	0.02%					
Minority Female	Hispanic	\$145,527	\$24,252	\$169,779	0.45%					
	Native American									
	Total	\$197,801	\$33,452	\$231,253	0.61%					
	мве	\$11,258,058	\$263,892	\$11,521,950	30.24%					
	WBE	\$3,466,346	\$275,409	\$3,741,755	9.82%					
	LGBTBE	\$5,297,383		\$5,297,383	13.90%					
	DVBE	\$440,820	\$41,669	\$482,489	1.27%					
	Other 8A									
	TOTAL WMDVLGBTBE	\$20,462,607	\$580,970	\$21,043,577	55.24%					
	Net Procurement**	\$38,098,263								

Note: \* Firms Classified As 8(A) of Small Business Administration Includes Non-WMDVLGBTBE

\*\* Net Procurement Includes Purchase Order, Non-Purchase Order, and Credit Card Dollars

Direct - Direct Procurement

Sub - Subcontractor Procurement

% - Percentage Of Net Procurement

#### **SECTION 9.1.2 WMDVLGBTBE DIRECT PROCUREMENT BY PRODUCT AND SERVICE CATEGORIES**

	ETHNICITY		Products \$	%	Services \$	%	TOTAL \$	%	
	Asian-Pacific	Direct	\$129,940	0.34%	\$672,786	1.77%	\$802,726	2.11%	
	African-American	Direct			\$5,900	0.02%	\$5,900	0.02%	
Minority Male	Hispanic	Direct	\$118,325	0.31%	\$10,133,306	26.60%	\$10,251,631	26.91%	
	Native American	Direct							
	Total	Direct	\$248,265	0.65%	\$10,811,992	28.38%	\$11,060,257	29.03%	
	Asian-Pacific	Direct	\$5,994	0.02%	\$39,780	0.10%	\$45,774	0.12%	
	African American	Direct			\$6,500	0.02%	\$6,500	0.02%	
<b>Minority Female</b>	Hispanic	Direct			\$145,527	0.38%	\$145,527	0.38%	
	Native American	Direct							
	Total	Direct	\$5,994	0.02%	\$191,807	0.50%	\$197,801	0.52%	
Total MBE		Direct	\$254,259	0.67%	\$11,003,799	28.88%	\$11,258,058	29.55%	
WBE		Direct	\$2,739	0.01%	\$3,463,606	9.09%	\$3,466,346	9.10%	
LGBTBE		Direct			\$5,297,383	13.90%	\$5,297,383	13.90%	
DVBE		Direct			\$440,820	1.16%	\$440,820	1.16%	
Other 8(a)*									
Total WMDVGBTBE		Direct	\$256,999	0.67%	\$20,205,609	53.04%	\$20,462,607	53.71%	
Total Product Procurement	\$256,999	Note: * Firms Classified As 8(A) of Small Business Administration Includes Non-WMDVLGBTBE							
Total Service Procurement	\$20,205,609	** Net Procurement Includes Purchase Order, Non-Purchase Order, and Credit Card Dollars							
		oraci, non raichase oraci, and create eard bollars							

Total Product Procurement	\$256,999
Total Service Procurement	\$20,205,609
Net Procurement	\$38,098,263

Total Number of	
WMDVLGBTBEs that	38
Received Direct	36
Spend	

Direct - Direct Procurement

Sub - Subcontractor Procurement

% - Percentage Of Net Procurement

MBE - Minority Business Enterprise

WBE - Women Business Enterprise

DVBE - Disabled Veteran Business Enterprise

LGBTE - Lesbian, Gay, Bisexual, Transgender Business Enterprise

#### **SECTION 9.1.2**

#### WMDVLGBTBE SUBCONTRACTOR PROCUREMENT BY PRODUCT **AND SERVICE CATEGORIES**

	ETHNICITY		Products \$	%	Services \$	%	TOTAL \$	%		
	Asian-Pacific	Sub			\$205,360	0.54%	\$205,360	0.54%		
	African-American	Sub								
Minority Male	Hispanic	Sub			\$25,080	0.07%	\$25,080	0.07%		
	Native American	Sub								
	Total	Sub	\$0	0.00%	\$230,440	0.60%	\$230,440	0.60%		
	Asian-Pacific	Sub			\$9,200	0.02%	\$9,200	0.02%		
	African American	Sub								
Minority Female	Hispanic	Sub			\$24,252	0.06%	\$24,252	0.06%		
	Native American	Sub								
	Total	Sub	\$0	0.00%	\$33,452	0.09%	\$33,452	0.09%		
Total MBE		Sub	\$0	0.00%	\$263,892	0.69%	\$263,892	0.69%		
WBE		Sub	\$0	0.00%	\$275,409	0.72%	\$275,409	0.72%		
LGBTBE		Sub		0.00%		0.00%		0.00%		
DVBE		Sub		0.00%	\$41,669	0.11%	\$41,669	0.11%		
Total WMDVGBTBE		Sub								
Total Product Procurement	\$0			Adminis	tration Includ	les Non-V	(A) of Small I VMDVLGBTBE			
Total Service Procurement	\$580,970		(	Order, N	on-Purchase	Order, a	cludes Purchand Credit Care	d Dollars		
Net Procurement	\$38,098,263	Direct - Direct Procurement Sub - Subcontractor Procurement								

% - Percentage Of Net Procurement

MBE - Minority Business Enterprise

WBE - Women Business Enterprise

DVBE - Disabled Veteran Business Enterprise

LGBTE - Lesbian, Gay, Bisexual, Transgender Business Enterprise

#### **SECTION 9.1.2 NUMBER OF WMDVLGBTBE SUPPLIERS AND REVENUE REPORTED TO THE CLEARINGHOUSE**

**Name of Utility** 

#### 2021 Report

Number of WMDVLGBTBE Suppliers and Revenue Reported to the Clearinghouse

#### **Data on Number of Suppliers**

Revenue Reported to CHS

Utility-Specific [2021] Summary

	MBE	WBE	LGBTE	DVBE	Other 8(a)*	Grand Total	MBE	WBE	LGBTE	DVBE	Other 8(a)*	Grand Total
# WMD- VLGBTBEs												
Under \$1 million	9	4				13	19	12		2		33
Under \$5 million	5	5		1		11	2	1				3
Under \$10 million	2	1				3	1		1			2
Above \$10 million	6	3	1	1		11						0
No revenue designation												
TOTAL	22	13	1	2		38	22	13	1	2		38

#### **Revenue and Payment Data**

Revenue Reported to CHS (in millions)

Utility-Specific 2020 Summary (in millions)

	MBE	WBE	LGBTE	DVBE	Other 8(a)*	Grand Total	MBE	WBE	LGBTE	DVBE	Other 8(a)*	Grand Total
WMDVLGBTBE \$M												
Under \$1 million	3.1	629K				3.7	811.6K	49K		440.8K		1.3
Under \$5 million	8.2	13.1		3		24.3	2.1	3.1				5.2
Under \$10 million	14	6.5	12			32.5	6.1	0.2	5.3			11.6
Above \$10 million	280.04	261.6		57.6		599.6	1.8	501K				2.3
No revenue designation												
TOTAL	305.7	281.8	12	60.6		660.1	11.5	3.6	5.3	440.8k		20.4

NOTE: \* FIRMS CLASSIFIED AS 8(a) OF SMALL BUSINESS ADMINISTRATION INCLUDES NON-WMDVLGBTBE

CHS: SUPPLIER CLEARINGHOUSE

#### **SECTION**

9.1.2

WMDVLGBTBE
PROCUREMENT
BY STANDARD
INDUSTRIAL
CATEGORIES

				*6:				h		Minority Business	Women Business	Transgender Business	Business	011 00	7.11	7.11
SIC Category	_	Asian Pacifi Male	c American Female	African A	Female	Hispanic Male	American Female		American Female	Enterprise (MBE)	Enterprise (WBE)	(LGBTBE)	(DVBE)	Other 8(a)	Total WM DVL GBTBE	Total Dollars
782	\$	мане	remaie	мане	remaie	217,910	remale	мане	remale	217,910	(VVBE)	(LGBIBE)	(DVBE)		217,910	217,910
702	9/6					100.00%				100.00%					100.00%	100.00%
1623	\$					7,788,501				7,788,501	843,300	5,297,383	371,620		14,300,804	14,300,804
1025	9/0					54.46%				54.46%	5.90%	37.04%	2,60%		100.00%	100.00%
1629	\$					10,963				10,963					10,963	10,963
	9/0					100.00%				100.00%					100.00%	100.00%
1721	\$	205,360								205,360					205,360	205,360
	9/0	100.00%								100.00%					100.00%	100.00%
1731	\$						167,064			167,064			18,359		185,422	185,422
	9/0						90.10%			90.10%			9.90%		100.00%	100.00%
1771	\$					1,263,901				1,263,901					1,263,901	1,263,901
4705	%					100.00%				100.00%					100.00%	100.009
1795	\$					167,602				167,602					167,602	167,602
1799	%	8,430	9,200			100.00% 83,544				100.00%					100.00% 101,174	100.00%
1799	\$ %	8,33%	9,200			83,544 82.57%				101,174 100.00%					101,174	101,174 100.009
2752	\$	0.55 %	5.05 %			309,748				309,748					309,748	309,748
2752	9/0					100.00%				100.00%					100.00%	100.00%
3713	\$	129,940				100,00%				129,940					129,940	129,940
	9/0	100.00%								100.00%					100.00%	100.00%
3799	\$										2,461				2,461	2,461
	9/0										100.00%				100.00%	100.00%
4619	\$										2,121,884				2,121,884	2,121,884
	9/0										100.00%				100.00%	100.00%
5063	\$										278				278	278
	9/6										100.00%				100.00%	100.00%
5113	\$					40,351				40,351					40,351	40,351
	%					100.00%				100.00%					100.00%	100.00%
5172	\$										495,579				495,579	495,579
5983	% \$					766				766	100.00%				100.00% <b>766</b>	100.00% <b>766</b>
3983	9/0					100.00%				100.00%					100.00%	100.00%
7215	\$	16,737				100.00%				16,737					16,737	16,737
,,,,,	9/0	100.00%								100.00%					100.00%	100.00%
7342	\$	100,007					2,715			2,715					2,715	2,715
	9/0						100.00%			100.00%					100.00%	100.00%
7371	\$	104,230	5,994							110,224					110,224	110,224
	9/0	94.56%	5.44%							100.00%					100.00%	100.00%
7374	\$		39,285							39,285					39,285	39,285
	9/0		100.00%							100.00%					100.00%	100.009
7381	\$												69,200		69,200	69,200
	%												100.00%		100.00%	100.009
7549	\$										2,843				2,843	2,843
0111	%									***	100.00%				100.00%	100.00%
8111	\$ %		495					<del>                                     </del>	<del></del>	495				<del>                                     </del>	495	495
8299			100.00%	5,900	6,500					100.00% 12,400					100.00% 12,400	100.00% <b>12,400</b>
0799	\$ %			47.58%				<u> </u>		100.00%				<del>                                     </del>	100.00%	100.00%
8711	\$	543,389		77.5570	32,7270					543,389					543,389	543,389
	9/0	100.00%								100.00%					100.00%	100.00%
8713	\$	200.0070								200.00 /0			23,310		23,310	23,310
	9/6												100.00%		100.00%	100.00%
8734	\$					102,288				102,288					102,288	102,288
	9/0					100.00%				100.00%					100.00%	100.00%
8741	\$										275,409				275,409	275,409
	9/0										100.00%				100.00%	100.009
8742	\$					291,137				291,137					291,137	291,137
	9/0					100.00%				100.00%					100.00%	100.009
	1.1															
TOTAL		1,008,086	54,974	5,900	6,500		169,779	-	-	11,521,950		5,297,383	482,489	-	21,043,577	21,043,577
	9/6	4.79%	0.26%	0.03%	0.03%	48.84%	0.81%	-	-	54.75%	17.78%	25.17%	2.29%	- 1	100.00%	100.00%

Lesbian, Gay

Bisexual, Disabled

Total Product Procurement	\$256,999
Total Service Procurement	\$20,786,578
Net Procurement***	\$38.098.263

#### **SECTION 9.1.2 DESCRIPTION OF WMDVLGBTBES WITH CA MAJORITY WORKFORCE**

Suburban was proud to partner with 38 diverse vendors in 2021. All 38 vendors are from California, employing individuals from the communities we serve.

#### **SECTION 9.1.3 WMDVLGBTBE PROGRAM EXPENSES**

Expense Category	
Wages	\$ 71,500
Other Employment Expense	
Reporting Expense	
Training	
Consulting	\$ 3,289
Program Expense	\$ 9,837
<b>Total Program Expenses</b>	\$84,626

#### **SECTION 9.1.4 PROGRESS IN MEETING OR EXCEEDING SET GOALS**

Category	<b>Current Year Results</b>	Current Year Goals
Minority Business Enterprise (MBE)	30.24%	15.00%
Women Business Enterprise (WBE)	9.82%	5.00%
Sub Total Women, Minority Business Enterprise (WMBE)	40.06%	20.00%
Service Disabled Veteran Business Enterprise (SDVBE)	1.27%	1.50%
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	13.9%	0.00%
Total WMDVBE	55.24%	21.50%

#### **SECTION 9.1.4 WMDVLGBTBE RESULTS AND GOALS**

Category	2021 Results	2022 Results
Minority Men	29.64%	15.00%
Minority Women	0.61%	15.00%
Minority Business Enterprise (MBE)	30.24%	30.00%
Women Business Enterprise (WBE)	9.82%	10.00%
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	13.90%	10.00%
Disabled Veteran Business (DVBE)	1.27%	10.00%
TOTAL WMDVLGBTBE	55.24%	60.00%

<sup>% -</sup> PERCENTAGE OF NET PROCUREMENT

#### **SECTION 9.1.5 SUMMARY OF PRIME CONTRACTOR UTILIZATION OF WMDVLGBTBE SUBCONTRACTORS**

Subcontracting remains a critical piece to our program, and our primes are starting to understand that. With each new MSA, Primes are required to fill out Suburban's subcontracting form aiding in our annual reporting. Suburban remains committed to subcontracting and looks forward to reporting higher numbers in 2022.

	Minority Male	Minority Female	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	Disabled Veterans Business Enterprise (DVBE)	Other 8(a)*	Total WMDVLGBT- BE
Direct \$	\$11,060,257	\$197,801	\$11,258,058	\$3,466,346	\$5,297,383	\$440,820	\$20,462,607	\$13,936,796
Subcontracting \$	\$230,440	\$33,452	\$263,892	\$275,409		\$41,669	\$580,970	\$117,232
Total \$	\$11,290,697	\$231,253	\$11,521,950	\$3,741,755	\$5,297,383	\$482,489	\$0	\$21,043,577
Direct %	29.03%	0.52%	29.55%	9.10%	13.90%	1.16%	53.71%	51.21%
Subcontracting %	0.60%	0.09%	0.69%	0.72%		0.11%	1.52%	0.43%
Total %	29.64%	0.61%	30.24%	9.82%	13.90%	1.27%	0.00%	55.24%

Net Procurement\*\* \$38,098,263

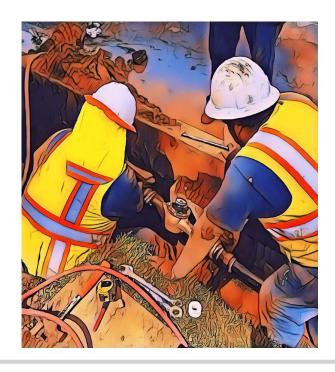
Note: \* Firms Classified As 8(A) Of Small Business Administration Includes Non-WMDVLGBTBE

\*\* Net Procurement Includes Purchase Order, Non-Purchase Order, And Credit Card Dollars

Direct - Direct Procurement

Sub - Subcontractor Procurement

% - Percentage Of Net Procurement



#### SECTION 9.1.6 WMDVLGBTBE COMPLAINTS RECEIVED

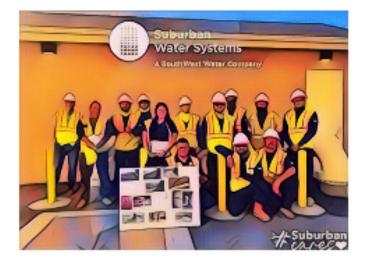
No WMDVLGBTBE complaints were received.

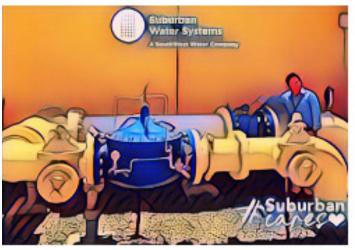
#### SECTION 9.1.7 RECRUITMENT EFFORTS IN UNDERUTILIZED AREAS

Recruitment efforts for WMDVLGBTBE firms will remain part of Suburban's ongoing business strategy. Our day-to-day procurement sourcing efforts are a part of our efforts to attract innovative suppliers who can provide exceptional value, safe, quality, service, and pricing. Steps continue to be taken to recruit and retain new diverse firms successfully. Suburban has been carefully monitoring its successes and challenges in sourcing business opportunities with diverse firms.

It is also important to seek feedback about the vendor needs and experience from both the internal buyer and the field representatives. Our field representatives serve as our eyes and ears. Their first-hand experience with the vendor renders feedback necessary to the relationship and growth in our procurement processes and vendor relationships.

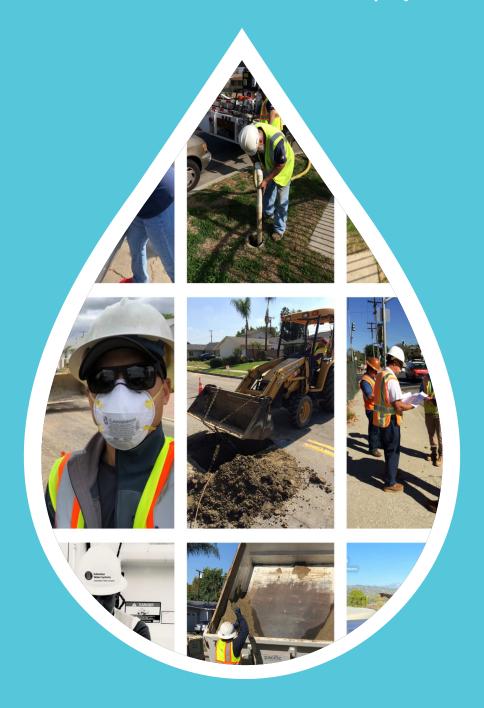
In 2021 Suburban buyers, management, and field representatives met to discuss vendor concerns, feedback, and our commitment to small, diverse community businesses when sourcing new opportunities.







**A SouthWest Water Company** 



# SUPPLIER DIVERSITY ANNUAL PLAN 2022

# **2022 ANNUAL PLAN**

#### **SECTION 10.1.1**

#### WMDVLGBTBE SHORT-, MID- AND LONG-TERM GOALS

Category	Results	Short Term Goals	Mid Term Goals	Long Term Goals
Minority Business Enterprise (MBE )	30.24%	15.00%	15.00%	15.00%
Women Business Enterprise (WBE)	9.82%	5.00%	5.00%	5.00%
Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTE)	13.90%			
Disabled Veteran Business Enterprise (DVBE)	1.27%	1.50%	1.50%	1.50%
Total WMDVLGBTBE	55.24%	21.50%	21.50%	21.50%

In 2022, Suburban's goal will continue to be consistent with that of the CPUC's stated goal of 21.5% spend with diverse businesses.

Drawing on our operational expertise and long-range planning, our strategic approach identified below will help ensure the best possible inclusion of diverse businesses in procuring our goods and services going forward.

# **2022 Strategic Program Goals**

#### In 2022, Suburban will focus on carefully selected areas for maximum results:

- Focused and intentional events and matchmakings with Primes via vendor showcases.
- Community based organization (CBO) partnerships including meeting with their members to reach a wider audience of potential vendors.
- Specific focus on increasing purchases from Disable Veteran businesses, African American owned businesses, and American Indian owned businesses.





# **Integration of Sourcing and Planning**

Suburban will continue to provide opportunities for diverse suppliers to partner with us to meet our capital expenditure and operational needs. Suburban remains committed to including diverse vendors on each bid opportunity, supporting our overall efforts of supplier inclusion.

In planning for 2022, Suburban will continue to focus on finding opportunities to increase our spend with DVBE and W/MBE- American Indian and African American service providers and work on sustaining our program's success model.



# Subcontracting **Program**

Subcontracting is an avenue for creating opportunities for diverse businesses. In 2022 we will focus on the following key areas of subcontracting:

- Amend contracts/purchase orders to reflect subcontracting program requirements.
- Send prime contractors eligible diverse subcontractors to partner with on Suburban projects.
- Track and monitor adherence to subcontracting requirements.
- Continue to make it mandatory for Prime suppliers to fill out Suburban's subcontracting form.

# **Enhanced Reporting**

Suburban will continue to enhance our reporting capabilities to further support our diverse spend tracking and the utilization of subcontractors.

Having accurate monthly reporting is critical to tracking our overall success. We can track results by comparing them to our goals. We can identify areas of opportunity supporting more team discussion and problem-solving.

Suburban's program goals are more easily attainable by eliminating barriers, to have our local, diverse, small businesses succeed.

#### **SECTION 10.1.2 DESCRIPTION OF WMDVLGBTBE** PLANNED PROGRAM ACTIVITIES FOR THE NEXT **CALENDAR YEAR**

Per the key strategic activities listed above in section 10.1.1, Suburban will continue to engage in the internal and external activities that have contributed to our program's successes.

# **Planned Internal Activities**

- Continued review and analysis of procurement processes to ensure Supplier Diversity is a part of the day-to-day culture.
- Continued communication with ongoing education given to company personnel, buyers, and stakeholders.
- Suburban Buyers Showcaseconnect Suburban buyers with preselected vendors who match their current sourcing needs.
- Suburban Prime Contractor Luncheon- focusing on the importance of diverse 2nd tier spend.
- Suburban 2021 Celebration **Luncheon -** celebrate our 2021 success recognizing our Supplier Diversity champions and our goals for 2022.
- Internal presentation and meetings.
- Monthly email announcements showcasing our YTD numbers.

# **Planned External Activities**



#### CWA W.A.T.E.R. Program

- The W.A.T.E.R Program is 4-part workshop (one workshop per quarter), for a total of 22 hours of training focused on increasing the choice" to be a prime or subcontractor on multi-million dollar utility projects.
- Vendors are able to connect with the 7 participating water companies, including Suburban.
- After completing the program, each participant receives a certification that differentiates their company as having the

### **SECTION 10.1.2** PLANNED INTERNAL / EXTERNAL ACTIVITIES

### **Planned External Activities**

#### CWA R.I.S.E.

Focused on strengthening and building African American businesses to prepare them for bid opportunities with utilities.

#### **CWA Meet the Primes**

Co-host CWA's signature prime contractor event. Prime Contractors present to potential subcontractors - they list their upcoming opportunities and how subcontractors can support them.

Increase communications in the supplier community to raise awareness of Suburban's program, expanding the company's footprint in the diverse supplier community.

Participate in various outreach events and meetings.

Collaborate with other utilities and Community Based Organizations on the identification of suppliers.

#### **SECTION 10.1.3** PLANS FOR RECRUITING WMDVLGBTBE SUPPLIERS IN **LOW UTILIZATION AREAS**

Suburban will continue to identify opportunities to source with diverse firms in underutilized areas. Suburban will continue to build new relationships with diverse suppliers through communication and collaboration with key stakeholders in the community.

Suburban will be intentional in 2022 when procuring suppliers in underutilized areas. We plan to host a buyer showcase focused on connecting with diverse businesses to expand our vendor pool for legal and corporate finance firms.

We will utilize our CBO partnerships to identify members from their organizations whose business aligns with our buyers' needs. We will also use the Supplier Clearinghouse as an avenue for event promotion to their registered vendors. These two deliberate approaches will garner more vendor visibility and relationships in underutilized areas.

#### SECTION 10.1.4 PLANS FOR **RECRUITING WMDVLGBTBE** SUPPLIERS WHERE UNAVAILABLE

Suburban remains committed to including diverse businesses in all bid opportunities. There are some categories where this is not possible. i.e., purchased water, government payments, employee costs, waste removal, customer refunds, etc.

We believe it is essential to note the workforce diversity of businesses in the Exclude categories. Suburban will share our core values when working with these companies to support their management and C-suite hiring processes and decisions. Suburban firmly believes our business partners should have a diverse workforce representative of the communities we serve.

#### **SECTION 10.1.5 PLANS** FOR ENCOURAGING PRIME CONTRACTORS TO SUBCONTRACT WMDVLGBTBE SUPPLIERS

Suburban will continue to encourage our prime suppliers to utilize diverse suppliers as subcontractors, sharing our commitment to diversity and creating more opportunities for diverse, small businesses.

Suburban will host a Prime contractor luncheon focusing on the importance of 2nd tier contracting and submitting their 2nd tier report after job completion. Suburban will also be introducing a

2nd tier vendor spreadsheet Primes can utilize upon winning a bid with Suburban. The spreadsheet will list diverse vendors in categories Primes source.

Suburban will also collaborate with CWA and the Joint Utilities to host and participate in Prime contractor events bringing more visibility to subcontracting opportunities.

#### **SECTION 10.1.6 PLANS** FOR COMPLYING WITH WMDVLGBTBE PROGRAM **GUIDELINES**

Suburban remains committed to Supplier Diversity. Suburban's program continues to evolve and build on our strengths. Our three-pronged strategic approach of planning, subcontracting, and reporting will enable Suburban to continue successfully supporting the program.

Our leadership and management teams are committed to the Program and have created a culture that supports Suburban's robust Supplier Diversity procurement processes.

Actively seeking the support of external stakeholders will remain a key program element. Suburban looks to procure the best products and services at the best possible cost. Suburban will continue to look to diverse suppliers to meet our business needs.

For more information about Supplier Diversity at Suburban contact:

#### Lauren James

Director, Communications

PHONE: (626) 543-2531 E-MAIL: LJames@swwc.com

