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# California Water Service 2020 Annual Report

Women, Minority, Disabled Veteran, and LGBT Business  
Enterprise Procurement Pursuant to CPUC General Order 156  
(U-60-W)



Even though we're 6 feet apart,  
we're all in this together.

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## Message from the President and Chief Executive Officer of California Water Service



It is undeniable that 2020 was a year unlike any other. The coronavirus pandemic required many rapid changes with how both we and our suppliers do business. Despite the challenges, we were able to deliver safe, high-quality, and reliable water service to more than 2 million people, first responders, and hospitals, thanks in part to our suppliers.

One of our procurement-based priorities is to engage and do business with diverse suppliers through our Supplier Diversity Program. We recognize the benefit of utilizing vendors who compete for our business and provide the best quality goods and services at the best prices. We often select local vendors because of their expertise in our specific service areas and because we understand the importance of supporting local economies. We also have experienced the enrichment of working with a diverse range of contractors who offer unique points of view and skills. By finding these fairly priced, local, and diverse vendors, we can provide the best quality, service, and value to our customers, communities, and stockholders.

As I reflect back on 2020 and all of the unprecedented challenges, I am pleased with the achievements made through our Supplier Diversity Program, some of which included:

- An increase of \$4.35 million in spending with diverse suppliers over 2019 to \$51.96 million
- An increase of \$4.8 million in spending with diverse supplier subcontractors over 2019 to \$17.7 million
- The launch of a new internal tool to further facilitate timely payment for all suppliers
- Continued financial support to more than 15 community-based organizations during the pandemic

This report details these and other efforts made in our Supplier Diversity Program in 2020, including accomplishments, profiles of some diverse vendors we engaged, challenges we faced, and opportunities we have in 2021. We look forward to continuing these efforts and growing this important program, as we always strive to improve the quality of life in the communities we serve.

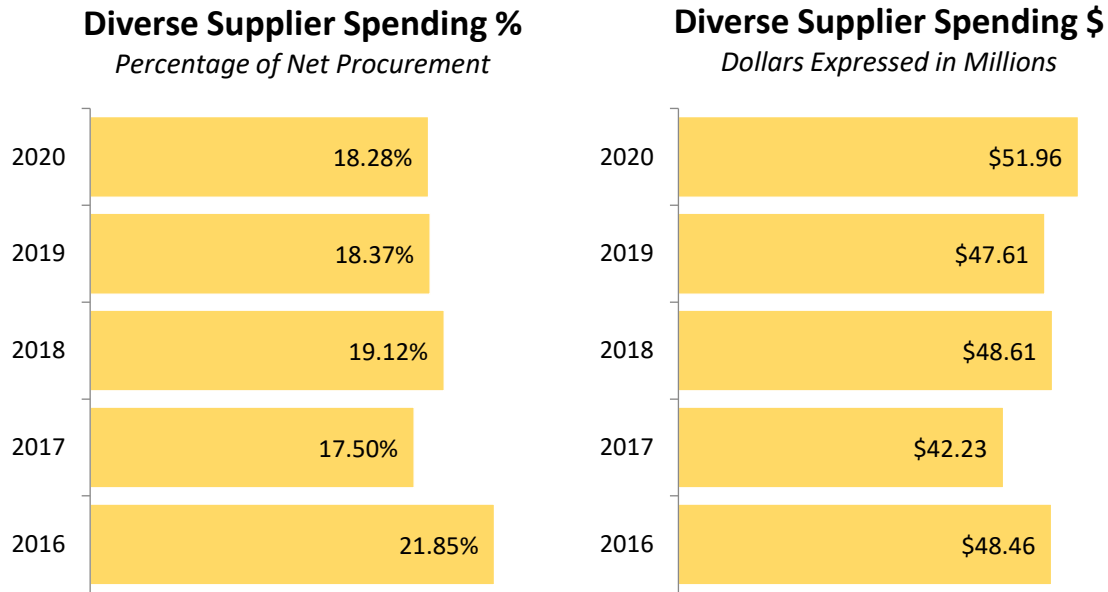
A handwritten signature in black ink that reads "Martin A. Kropelnicki". The signature is written in a cursive, flowing style.

Martin A. Kropelnicki

## SUMMARY OF 2020 SUPPLIER DIVERSITY PROGRAM

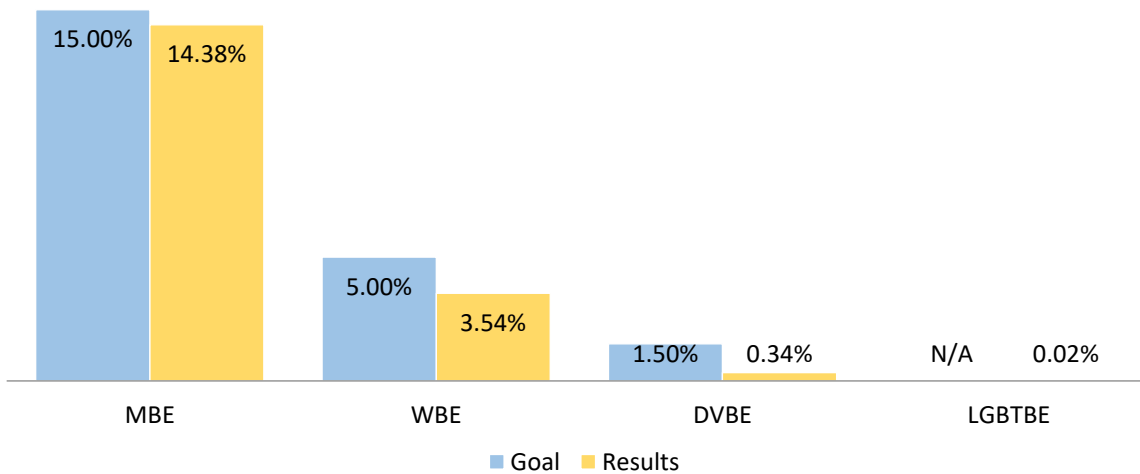
This report outlines the progress of California Water Service (Cal Water) in procuring goods and services from woman-(WBE), minority-(MBE), disabled-veteran-(DVBE), lesbian-, gay-, bisexual-, and transgender-(LGBTBE) owned business enterprises (to which we refer collectively as diverse suppliers) for the period of January 1, 2020, through December 31, 2020.

In 2020, Cal Water’s discretionary spending totaled \$284,213,287.87, of which the company spent \$51,965,923.47 (or 18.28%) with diverse suppliers.



Our results per category are:

### Results per Category





### 9.1.1 Description of WMDVLGBTBE Program Activities

This year was unlike any other with the pandemic changing many things around us. COVID-19 added another dimension of both challenges and opportunities for diverse suppliers.

Throughout the year, we continued supporting the program’s initiatives in spite of challenges from the pandemic. Our procurement policy kept us engaged with diverse suppliers, and we saw results in the spectacular growth of a few suppliers.

We faced many challenges—especially with a couple of contractors’ safety issues, an area we cannot compromise. Other firms did not want to pursue The Supplier Clearinghouse designation, renew their certification, or were denied upon renewal. While we continue doing business with them (45 firms), we could not account for \$4.2M worth of expenditures, or an additional 1.5% to our results.

#### Internal Program Activities

##### *Procurement Policy*

Our procurement policy clause requiring the participation of diverse suppliers in competitive-bidding events remains the most effective tool for the program. Through it, we bring new vendors and grow current ones.

In 2020, we brought two new MBEs to Cal Water’s supply chain for projects worth \$80,000. Similarly, the inclusion clause supported the growth of 30 current suppliers for approximately \$4.9M in expenditures.

A few highlights include:

[J&S Building Maintenance](#), a Long Beach-based Commercial and Construction Cleaning Services WMBE.

We met Carolina at the 2019 CPUC’s Small Business Expo in Pomona, subsequently inviting her to a hosted event to meet decision-makers. Through a bidding event, Carolina was invited to submit a proposal and eventually was awarded the work—a result of competitive pricing and customer service.



[Teyes Landscaping](#), a Yuba City-based landscape contractor, also joined our supply chain in 2020.

We found the family-owned business because of their Supplier-Clearinghouse MBE certification. Through our procurement policy—requiring diverse enterprise participation—the family-owned business submitted a successful proposal, showcasing capacity to take on a multi-year agreement.

In 2020, we welcomed Cico Electrical Contractors, Inc. (Cico), a Riverside-based Industrial Electrical Contractor, to our supply chain. As part of outreach, we met team Cico at the 2018 CPUC Small-Business Expo in Long Beach.

After past-experience vetting, they completed a small Bakersfield-based project to replace an automatic transfer switch. Since that project, we have engaged them in ever more complex work across Southern California.

*Internal Communications*

Throughout the year, we shared internal success stories and program updates through Cal Water’s intranet.

Additionally, we kept the Tier-1 and Tier-2 lists updated. We use this five-year historical-data list to help project managers (and primes) identify diverse suppliers for their projects.



Name	Description	Address	P
Wells Sweeping Compny	Sweeping, sweeping, construction, lot, parking, garage, parking, scrubbing, floor, clear	SACRAMENTO	J
E-NOR INNOVATIONS INC	PROFESSIONAL, Radar, Speed, K-Rail, Traffic, Control, WHOLESALER, SUPPLIES, EQUI	GARDENA	R
24/7 Concrete	Concrete, concrete, demo, rebar, site, ADA, curb, ramps, curb and gutter, slab, fin	SAN JOSE	N
CAL-VET Services, Inc.	flagging, traffic control,	San Jose	E
V&A Consulting Engineers, Inc.	V&A provides specialized services to assess and maintain infrastructure resiliency and	Oakland	C
Koppl Pipeline Services, Inc.	We do hot taps, line stops, pipe freezing and valve insertion to facilitate pipeline modi	Montebello	C
Northstate Aggregate, Inc.	I own a Material Retail Yard in Northern California, serving Butte, Tehama, Glenn and	Paradise	K
GCAP Services, Inc.	Business and administrative consulting services, including development and maintaini	COSTA MESA	E
South Valley Transport, Inc.	WE ARE A TRUCING COMPANY THAT HAUL SAND, ROCK, AND GRAVEL	Bakersfield	R
Northtown Products, Inc	Wholesale construction supply sales.	Huntington Beach	C
Tom Grbavac and Sons, Inc.	Concrete Cutting & Coring	Seal Beach	A
Dublin Chevrolet Cadillac	Automotive sales & service	Dublin	It
Quality Striping, Inc.	Pavement Markings, Signs and wheel stops.	San Mateo	T
Barri Electric Co., Inc.	Electrical Contractors	San Francisco	E
Nest Technologies Corp.	Nest offers turnkey solutions, product development and custom services spanning, Di	Sterling	J
California Construction Surveying, Inc.	Land Surveying	MADERA	A
C & R Trucking, Inc.	Local trucking; buy and sell construction materials (without storage).	Pleasanton	L
Cal-West Rentals, Inc.	We offer a full line of construction equipment for rent. We rent heavy and large equip	PETALUMA	E
City Rise, Inc.	Traffic control and related. Traffic plan services.	Lodi	N
Livermore Ford Lincoln	New Vehicle Sales, Used Vehicle Sales, Retail Sales of Parts & Auto Service Dept.	Livermore	J
Fremont Ford	Ford dealership, sales, service, parts & bodyshop	Newark	N
Capitol Traffic Services, Inc.	Sale & rental of traffic control devices traffic safety services - flagging & temporary lan	Stockton	J
Lyden Electric	Electrical contracting service. Specializing in Commercial, Industrial and Electrical Mai	ONTARIO	A
Power Services Inc.	Energy and Water Conservation. We test pump efficiency and perform vibration analy	Modesto	C
Bay Area Traffic Solutions, Inc.	Traffic control. Rental and salesof traffic control equipment.	Fremont	R
Bay Area Concrete	We recycle concrete, asphalt, and slurry mix. We turn it into a recycled aggregate, suc	San Francisco	P
DenBeste Water Solutions	Rental of Frac Tanks and Roll Off Containers	Windsor	L
Miranda Logistics Enterprise	Earthwork, Trucking & Aggregate Supplier	Los Angeles	N

*Tier-2 List, a screenshot from Cal Water’s Intranet*

## External Program Activities

### External Outreach

Outreach events remain an important component to our program, and we continue seeing results from previous events. Although many events were cancelled due to the pandemic, we continue to stay connected with our stakeholders in the community and participated in most of the virtual events.

The following calendar outlines many of the events we participated in 2020:

#### Jan

- USDP Monthly Meeting, Virtual
- Greenlining GO 156 Review, Oakland
- Hawthorne Business Expo, Hawthorne
- ICSBD Monthly Luncheon, Santa Clara
- Rainbow Chamber Annual Awards, Campbell
- SoCal NAMC All About Water, Los Angeles

#### Feb

- USDP Monthly Meeting, Virtual
- WRMSDC Prime Time 2020, San Francisco
- Rainbow Chamber Monthly Mixer, San Jose

#### Mar

- USDP Monthly Meeting, Virtual
- Joint Utilities Quarterly Meeting, Virtual
- RES 2020, Las Vegas

#### Apr

- USDP Monthly Meeting, Virtual

#### May

- USDP Monthly Meeting, Virtual

#### Jun

- USDP Monthly Meeting, Virtual
- Joint Utilities Quarterly Meeting, Virtual

#### Jul

- USDP Monthly Meeting, Virtual
- CWA-CBO Virtual Summit

#### Aug

- USDP Monthly Meeting, Virtual
- LGBTBE Goal Setting, Virtual

#### Sep

- California Water Association Meet The Primes Virtual Summit, Virtual
- CPUC's Public Hearing on Supplier Diversity (En Banc), WebEx
- USDP Monthly Meeting, Virtual
- CWA W.A.T.E.R. Session, Virtual
- JU/LGBT CBO Discussion, Virtual

#### Oct

- CHCC Annual Convention, Virtual
- USDP Monthly Meeting, Virtual
- CWA W.A.T.E.R. Session, Virtual
- Joint Utilities Quarterly Meeting, Virtual
- JU/CBOs LGBTBE Goal Public Comment, Virtual
- LGBTBE Goal JU Discussion Update, Virtual

#### Nov

- AESP's Diversity & Equity Series, Virtual
- USDP Monthly Meeting, Virtual
- CWA W.A.T.E.R. Session, Virtual

#### Dec

- CPUC Small Business Expo, Virtual
- USDP Monthly Meeting, Virtual
- CWA W.A.T.E.R. Session, Virtual
- Joint Utilities Quarterly Meeting, Virtual



Throughout the year, we maintained our partnership with Community-Based Organizations (CBOs). For example, we continued the monetary contributions (e.g., memberships) as we saw it as a lifeline in ensuring their financial wellbeing. Similarly, we continued requesting referrals for upcoming projects, contributing to their members' success.

With the pandemic's onset, CBOs postponed all in-person outreach events. The shift to virtual was immediate, and we saw it as an effective (if temporary) alternative until in-person events could resume.

Through outreach, we seek to share experiences and success stories with other program managers, utilities, or industry with the aim of advancing the practice.

In 2020, we joined the National Utilities Diversity Council (NUDC), the California Hispanic Chambers of Commerce, and Association of Energy Services Professionals (AESP) in Supplier-Diversity webinars.

### National Utilities Diversity Council

In partnership with the NUDC, we discussed our impact analysis and shared perspectives on which activities (per research) are effective in advancing supplier diversity.

The screenshot shows the NUDC website header with navigation links: ABOUT NUDC, JOIN, PROGRAMS, BLOG, STORIES, RESEARCH, EVENTS, OPPORTUNITIES, ASK NUDC, FOR MEMBERS. Below the header is a banner for 'NUDC Events' with a 'Join NUDC Today' button. The main content area features a webinar titled 'Impact Analysis: Supplier Diversity Supporting Activities-How does data inform the impact of outreach activities to advance opportunities for diverse suppliers?' with a 'Join NUDC' button. A 'SIGN UP NEWSLETTER' button is also visible. The webinar details include the date '21 APR', time '10:00 am - 11:00 am', and the speaker 'Jose Espinoza, Supplier Diversity Program Manager, CalWater'. A brief description of the webinar content is provided, along with a 'Register for this webinar' link and a 'Go Back | Send this page to a friend' option.

*National Utilities Diversity Council, April 21 Webinar*

Many of the follow-up questions we received included how to get started and on defining the categories. They were a testament of the interest on our metrics-based approach.

### California Hispanic Chambers of Commerce

As in previous years, we joined the California Hispanic Chambers of Commerce webinar on Small Business Procurement.



*California Hispanic Chambers of Commerce, 2020 Virtual Statewide Convention*

This webinar was part of their Virtual Statewide Convention, and we covered many important topics for small and diverse businesses. For example, we discussed the importance of certification and marketing to utilities. Questions from the audience were on how to find contact information and utilities' procurement cycle.

### Association of Energy Services Professionals

We joined AESP on a webinar addressing a range of questions on supplier diversity with an audience of industry regulators, diverse suppliers, and program managers.

*Association of Energy Services Professionals, November 5 Webinar*

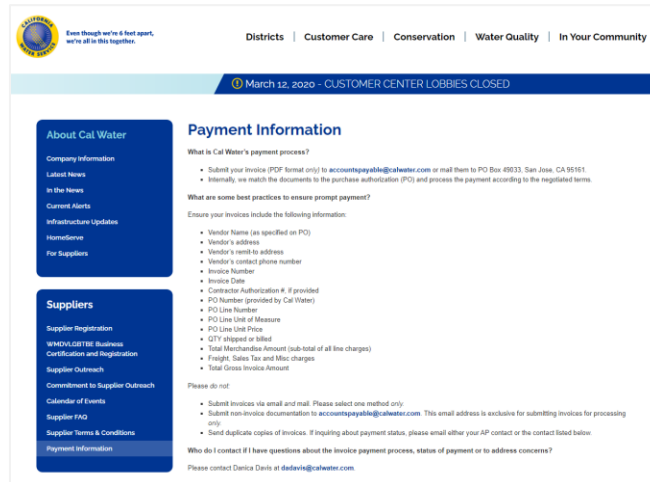
We discussed our metrics-based approach in identifying which activities really advance diverse suppliers and how the procurement-policy inclusion clause has made a difference for our success.

*Timely Payment*

Timely payment took on unprecedented importance as cash flow became critical for suppliers to weather the uncertainty.

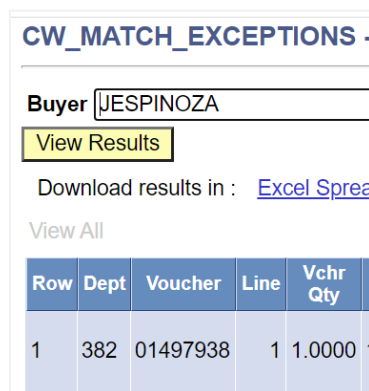
Throughout the year, we mentored many suppliers on best practices to ensure prompt invoice payment. During these discussions, we identified many trends; among them, vendors not including the associated purchase-order number on invoices, not submitting invoices to the accounts-payable system, and at times not notifying project managers of the invoices for timely approval.

To remediate some of these challenges, we ensured the information on our website remains accurate.



*Payment Information at Calwater.com*

Internally, we created a tool for our associates to retrieve in real time a list of invoices pending approval associated with any purchase order.

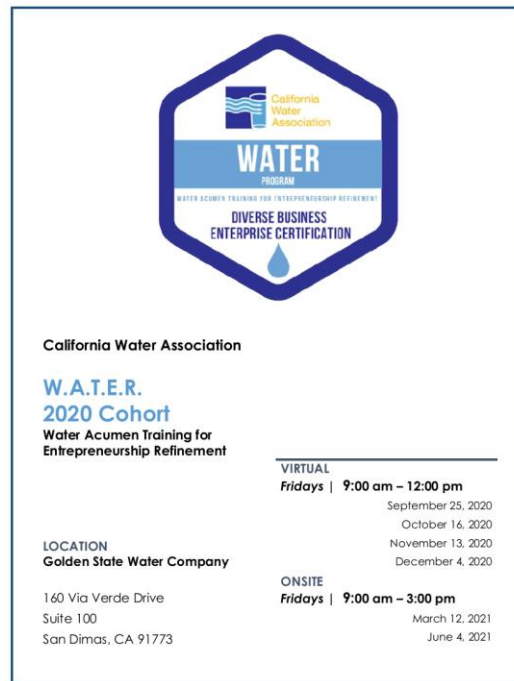


*Match Exception Tool*

This tool gives visibility on invoices a vendor might have not have sent to the project manager. Here, they can review them and move forward with the payment process.

*Capacity Building & Technical Assistance (CB&TA)*

In 2020, we continued our CB&TA program through California Water Association’s Water Acumen Training for Entrepreneurship Refinement (W.A.T.E.R.) Business Certification.



*California Water Association’s Water Acumen Training for Entrepreneurship Refinement (W.A.T.E.R.)*

Similarly affected by the pandemic, this program shifted content delivery to virtual sessions. It was important for us to keep this initiative going as we have seen positive results in the past.

We conducted four virtual sessions in 2020 with the 18 registered diverse suppliers and, pandemic conditions permitting, plan to have two on-site sessions in 2021.

A highlight of the content is the Similarities-and-Differences slide, where we review what makes each member utility different and how best to approach us when seeking opportunities.

### CWA Similarities and Differences

							
<b>Headquarters (Location)</b>	Coronado (San Diego)	San Jose	San Dimas	Downey	El Monte	San Jose	Covina
<b>County</b>	San Diego	Santa Clara	Los Angeles	Los Angeles	Los Angeles	Santa Clara	Los Angeles
<b>Parent Company</b>	American Water	California Water Service Group	American States Utility Services (ASUS)	Algonquin Power & Utilities Corporation	N/A	SJW Group	SouthWest Water Company

*Water Acumen Training for Entrepreneurship Refinement (W.A.T.E.R.), Similarities and Differences*

It took a lot of work and creative thinking to navigate the pandemic while maintaining the program. We are proud of the results and will share any contracting outcomes in future reports.

## 9.1.2 WMDVLGBTBE Annual Results by Ethnicity

			Direct	Sub	Total \$	%
1	Minority Male	Asian Pacific American	\$ 6,348,033.02	\$ 633,204.37	\$ 6,981,237.39	2.46%
2		African American	\$ 65,911.72	\$ -	\$ 65,911.72	0.02%
3		Hispanic American	\$ 19,331,175.65	\$ 11,391,958.69	\$ 30,723,134.34	10.81%
4		Native American	\$ 1,042,098.89	\$ 193,727.52	\$ 1,235,826.41	0.43%
5		Total Minority Male	\$ 26,787,219.28	\$ 12,218,890.58	\$ 39,006,109.86	13.72%
6	Minority Female	Asian Pacific American	\$ 467,951.06	\$ 46,477.50	\$ 514,428.56	0.18%
7		African American	\$ 190,483.81	\$ -	\$ 190,483.81	0.07%
8		Hispanic American	\$ 1,016,474.09	\$ 136,256.48	\$ 1,152,730.57	0.41%
9		Native American	\$ -	\$ -	\$ -	0.00%
10		Total Minority Female	\$ 1,674,908.96	\$ 182,733.98	\$ 1,857,642.94	0.65%
11	Total Minority Business Enterprise (MBE)		\$ 28,462,128.24	\$ 12,401,624.56	\$ 40,863,752.80	14.38%
12	Women Business Enterprise (WBE)		\$ 5,357,204.69	\$ 4,711,325.25	\$ 10,068,529.94	3.54%
13	Lesbian, Gay, Bisexual, and Transgender Business Enterprise (LGBTBE)		\$ 60,054.54	\$ -	\$ 60,054.54	0.02%
14	Disabled-Veteran Business Enterprise (DVBE)		\$ 424,402.22	\$ 549,183.97	\$ 973,586.19	0.34%
15	Other 8(a)		\$ -	\$ -	\$ -	0.00%
16	<b>Total WMDVLGBTBE</b>		<b>\$ 34,303,789.69</b>	<b>\$ 17,662,133.78</b>	<b>\$ 51,965,923.47</b>	<b>18.28%</b>
17	<b>Net Procurement</b>		<b>\$ 284,213,287.87</b>			

Due to rounding, numbers presented may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

## 9.1.2 WMDVLGBTBE Direct Procurement by Product and Service Categories

			Products		Services		Total		
			\$	%	\$	%	\$	%	
1	Minority Male	Asian Pacific American	Direct	\$ 1,480,021.00	0.52%	\$ 4,868,012.02	1.71%	\$ 6,348,033.02	2.23%
2		African American	Direct	\$ -	0.00%	\$ 65,911.72	0.02%	\$ 65,911.72	0.02%
3		Hispanic American	Direct	\$ 850,137.16	0.30%	\$ 18,481,038.49	6.50%	\$ 19,331,175.65	6.80%
4		Native American	Direct	\$ 10,255.00	0.00%	\$ 1,031,843.89	0.36%	\$ 1,042,098.89	0.37%
5		Total Minority Male	Direct	\$ 2,340,413.16	0.82%	\$ 24,446,806.12	8.60%	\$ 26,787,219.28	9.43%
6	Minority Female	Asian Pacific American	Direct	\$ 288,232.99	0.10%	\$ 179,718.07	0.06%	\$ 467,951.06	0.16%
7		African American	Direct	\$ 32,371.81	0.01%	\$ 158,112.00	0.06%	\$ 190,483.81	0.07%
8		Hispanic American	Direct	\$ 21,656.63	0.01%	\$ 994,817.46	0.35%	\$ 1,016,474.09	0.36%
9		Native American	Direct	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
10		Total Minority Female	Direct	\$ 342,261.43	0.12%	\$ 1,332,647.53	0.47%	\$ 1,674,908.96	0.59%
11	Total Minority Business Enterprise (MBE)		Direct	\$ 2,682,674.59	0.94%	\$ 25,779,453.65	9.07%	\$ 28,462,128.24	10.01%
12	Women Business Enterprise (WBE)		Direct	\$ 1,396,979.07	0.49%	\$ 3,960,225.62	1.39%	\$ 5,357,204.69	1.88%
13	Lesbian, Gay, Bisexual, and Transgender Business Enterprise (LGBTBE)		Direct	\$ 22,555.02	0.01%	\$ 37,499.52	0.01%	\$ 60,054.54	0.02%
14	Disabled-Veteran Business Enterprise (DVBE)		Direct	\$ 40,307.94	0.01%	\$ 384,094.28	0.14%	\$ 424,402.22	0.15%
15	Other 8(a)		Direct	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
16	Total WMDVLGBTBE		Direct	\$ 4,142,516.62	1.46%	\$ 30,161,273.07	10.61%	\$ 34,303,789.69	12.07%
17	Total Product Procurement			\$ 54,235,038.64					
18	Total Service Procurement			\$ 229,978,249.23					
19	Net Procurement			\$ 284,213,287.87					
20	Total Number of WMDVLGBTBEs that Received Direct Spend			133					



## 9.1.2 WMDVLGBTBE Subcontractor Procurement by Product and Service Categories

				Products		Services		Total	
				\$	%	\$	%	\$	%
1	Minority Male	Asian Pacific American	Sub	\$ 204,209.11	0.07%	\$ 428,995.26	0.15%	\$ 633,204.37	0.22%
2		African American	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
3		Hispanic American	Sub	\$ 875.50	0.00%	\$ 11,391,083.19	4.01%	\$ 11,391,958.69	4.01%
4		Native American	Sub	\$ 193,727.52	0.07%	\$ -	0.00%	\$ 193,727.52	0.07%
5		Total Minority Male	Sub	\$ 398,812.13	0.14%	\$ 11,820,078.45	4.16%	\$ 12,218,890.58	4.30%
6	Minority Female	Asian Pacific American	Sub	\$ -	0.00%	\$ 46,477.50	0.02%	\$ 46,477.50	0.02%
7		African American	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
8		Hispanic American	Sub	\$ 41,125.51	0.01%	\$ 95,130.97	0.03%	\$ 136,256.48	0.05%
9		Native American	Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
10		Total Minority Female	Sub	\$ 41,125.51	0.01%	\$ 141,608.47	0.05%	\$ 182,733.98	0.06%
11	Total Minority Business Enterprise (MBE)		Sub	\$ 439,937.64	0.15%	\$ 11,961,686.92	4.21%	\$ 12,401,624.56	4.36%
12	Women Business Enterprise (WBE)		Sub	\$ 611,999.09	0.22%	\$ 4,099,326.16	1.44%	\$ 4,711,325.25	1.66%
13	Lesbian, Gay, Bisexual, and Transgender Business Enterprise (LGBTBE)		Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
14	Disabled-Veteran Business Enterprise (DVBE)		Sub	\$ 4,482.00	0.00%	\$ 544,701.97	0.19%	\$ 549,183.97	0.19%
15	Other 8(a)		Sub	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
16	<b>Total WMDVLGBTBE</b>		<b>Sub</b>	<b>\$ 1,056,418.73</b>	<b>0.37%</b>	<b>\$ 16,605,715.05</b>	<b>5.84%</b>	<b>\$ 17,662,133.78</b>	<b>6.21%</b>
17	<b>Total Product Procurement</b>			\$ 54,235,038.64					
18	<b>Total Service Procurement</b>			\$ 229,978,249.23					
19	<b>Net Procurement</b>			\$ 284,213,287.87					

9.1.2 WMDVLGBTBE Procurement by Standard Industrial Categories

		Asian Pacific American		African American		Hispanic American		Native American	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, and Transgender Business Enterprise (LGBTBE)	Disabled-Veteran Business Enterprise (DVBE)	Total WMDVLGBTBE	Total Dollars
		Male	Female	Male	Female	Male	Female	Male						
07: AGRICULTURAL SERVICES	\$	16,365.00				332,335.55	38,250.00		386,950.55				386,950.55	2,483,389.33
	%	0.01%	0.00%	0.00%	0.00%	0.12%	0.01%	0.00%	0.14%	0.00%	0.00%	0.00%	0.14%	0.87%
13: OIL AND GAS EXTRACTION	\$													195,950.00
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.07%
14: NONMETALLIC MINERALS, EXCEPT FUELS	\$						37,702.69		37,702.69			4,482.00	42,184.69	
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.01%	0.00%	0.00%	0.00%	0.01%	0.00%
15: GENERAL BUILDING CONTRACTORS	\$			1,670.00		58,460.14			60,130.14	36,477.03		15,050.00	111,657.17	1,067,271.21
	%	0.00%	0.00%	0.00%	0.00%	0.02%	0.00%	0.00%	0.02%	0.01%	0.00%	0.01%	0.04%	0.38%
16: HEAVY CONSTRUCTION, EXCEPT BUILDING	\$					18,523,242.07	34,997.50	752,070.63	19,310,310.20	1,202,897.38		63,675.00	20,576,887.58	87,852,154.45
	%	0.00%	0.00%	0.00%	0.00%	6.52%	0.01%	0.26%	6.79%	0.42%	0.00%	0.02%	7.24%	30.91%
17: SPECIAL TRADE CONTRACTORS	\$	484,541.25	62,806.28			9,005,499.88	412,765.30		9,965,612.71	570,562.95		479,415.97	11,015,591.63	16,299,073.30
	%	0.17%	0.02%	0.00%	0.00%	3.17%	0.15%	0.00%	3.51%	0.20%	0.00%	0.17%	3.88%	5.73%
20: FOOD AND KINDRED PRODUCTS	\$													26,117.50
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%
22: TEXTILE MILL PRODUCTS	\$													4,988.36
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
23: APPAREL AND OTHER TEXTILE PRODUCTS	\$			31,683.00					31,683.00	176,830.78			208,513.78	193,254.44
	%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.01%	0.06%	0.00%	0.00%	0.07%	0.07%
27: PRINTING AND PUBLISHING	\$						8,081.46		8,081.46	4,280.00			12,361.46	654,531.13
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.23%
28: CHEMICALS AND ALLIED PRODUCTS	\$									32,103.42			32,103.42	5,252,450.50
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.11%	0.00%	0.00%	0.11%	1.85%
30: RUBBER AND MISC. PLASTICS PRODUCTS	\$									4,866.00			4,866.00	1,537.00
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
32: STONE, CLAY, AND GLASS PRODUCTS	\$						21,712.09		21,712.09				21,712.09	619,674.84
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.01%	0.00%	0.00%	0.00%	0.01%	0.22%
33: PRIMARY METAL INDUSTRIES	\$	190,284.00							190,284.00	263,969.25			454,253.25	347,927.34
	%	0.07%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.07%	0.09%	0.00%	0.00%	0.16%	0.12%
34: FABRICATED METAL PRODUCTS	\$					803,854.35			803,854.35				803,854.35	16,897,956.07
	%	0.00%	0.00%	0.00%	0.00%	0.28%	0.00%	0.00%	0.28%	0.00%	0.00%	0.00%	0.28%	5.95%
35: INDUSTRIAL MACHINERY AND EQUIPMENT	\$					821.00			821.00	215,904.66			215,904.66	2,303,217.49
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.08%	0.00%	0.00%	0.08%	0.81%
37: TRANSPORTATION EQUIPMENT	\$	40,090.00							40,090.00				40,090.00	910,372.70
	%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.01%	0.32%
38: INSTRUMENTS AND RELATED PRODUCTS	\$													5,057,814.39
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.78%
39: MISC. MANUFACTURING INDUSTRIES	\$					54.50			54.50	648.50		40,050.00	40,753.00	43,880.08
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.01%	0.02%
42: TRUCKING AND WAREHOUSING	\$					1,075,895.99			1,075,895.99	3,185,133.52			4,261,029.51	365,047.07
	%	0.00%	0.00%	0.00%	0.00%	0.38%	0.00%	0.00%	0.38%	1.12%	0.00%	0.00%	1.50%	0.13%
45: TRANSPORTATION BY AIR	\$													1,030.00
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
47: TRANSPORTATION SERVICES	\$					524,959.15			524,959.15			65,286.00	590,245.15	16,299.96
	%	0.00%	0.00%	0.00%	0.00%	0.18%	0.00%	0.00%	0.18%	0.00%	0.00%	0.02%	0.21%	0.01%
48: COMMUNICATION	\$													226,216.15
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.08%
49: ELECTRIC, GAS, AND SANITARY SERVICES	\$									252,766.33			252,766.33	566,903.93
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.09%	0.00%	0.00%	0.09%	0.20%
50: WHOLESALE TRADE - DURABLE GOODS	\$	4,658.38	288,232.99		688.81		3,367.36	203,982.52	500,930.06	868,477.80	12,118.28	257.94	1,381,784.08	6,164,644.09
	%	0.00%	0.10%	0.00%	0.00%	0.00%	0.00%	0.07%	0.18%	0.31%	0.00%	0.00%	0.49%	2.17%
51: WHOLESALE TRADE - NONDURABLE GOODS	\$					45,401.92			45,401.92	242,681.32			288,083.24	2,273,721.86
	%	0.00%	0.00%	0.00%	0.00%	0.02%	0.00%	0.00%	0.02%	0.09%	0.00%	0.00%	0.10%	0.80%
52: BUILDING MATERIALS AND HARDWARE	\$									162,229.31			162,229.31	609,085.82
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.06%	0.00%	0.00%	0.06%	0.21%
53: GENERAL MERCHANDISE STORES	\$	9,585.24							9,585.24				9,585.24	364,550.87
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.13%
54: FOOD STORES	\$													128,833.16
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.05%
56: APPAREL AND ACCESSORY STORES	\$									1,821.35			1,821.35	167,173.81

		Asian Pacific American		African American		Hispanic American		Native American	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, and Transgender Business Enterprise (LGBTBE)	Disabled-Veteran Business Enterprise (DVBE)	Total WMDVLGBTBE	Total Dollars
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.06%
57: FURNITURE AND HOMEFURNISHINGS STORES	\$									3,286.63			3,286.63	304,386.20
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.11%
58: EATING AND DRINKING PLACES	\$													695,105.69
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.24%
59: MISCELLANEOUS RETAIL	\$									3,961.32	10,436.74		14,398.06	905,705.57
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.32%
60: DEPOSITORY INSTITUTIONS	\$									187,287.50			187,287.50	
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.07%	0.00%	0.00%	0.07%	0.00%
62: SECURITY AND COMMODITY BROKERS	\$													258,261.67
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.09%
63: INSURANCE CARRIERS	\$									242,096.00			242,096.00	1,933.56
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.09%	0.00%	0.00%	0.09%	0.00%
65: REAL ESTATE	\$													53,444.80
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.02%
72: PERSONAL SERVICES	\$													118,822.98
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.04%
73: BUSINESS SERVICES	\$	4,363,083.89	84,734.07	65,911.72	156,442.00	77,470.92	337,908.17		5,085,550.77	2,027,762.82		72,986.66	7,186,300.25	22,472,889.03
	%	1.54%	0.03%	0.02%	0.06%	0.03%	0.12%	0.00%	1.79%	0.71%	0.00%	0.03%	2.53%	7.91%
74: OTHER PROFESSIONAL ACTIVITIES	\$													85.06
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
75: AUTO REPAIR, SERVICES, AND PARKING	\$					112.00			112.00				112.00	142,893.52
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.05%
76: MISCELLANEOUS REPAIR SERVICES	\$									976.41			976.41	637,786.95
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.22%
78: MOTION PICTURES	\$													7,435.69
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
80: HEALTH SERVICES	\$													60,390.91
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.02%
81: LEGAL SERVICES	\$													130,204.88
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.05%
82: EDUCATIONAL SERVICES	\$													93,418.14
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.03%
83: SOCIAL SERVICES	\$											1,000.00	1,000.00	27,400.00
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%
86: MEMBERSHIP ORGANIZATIONS	\$													799.50
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
89: SERVICES (NOT ELSEWHERE CLASSIFIED)	\$		9,222.99			253,136.57			262,359.56	24,950.86		175.00	287,485.42	1,306,233.21
	%	0.00%	0.00%	0.00%	0.00%	0.09%	0.00%	0.00%	0.09%	0.01%	0.00%	0.00%	0.10%	0.46%
87: ENGINEERING AND MANAGEMENT SERVICES	\$	433,017.14	69,432.23			21,009.41	257,946.00	279,773.26	1,061,178.04	324,360.98	37,499.52	231,207.62	1,654,246.16	47,459,672.02
	%	0.15%	0.02%	0.00%	0.00%	0.01%	0.09%	0.10%	0.37%	0.11%	0.01%	0.08%	0.58%	16.70%
36: ELECTRONIC AND OTHER ELECTRIC EQUIPMENT	\$													1,022,384.53
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.36%
55: AUTOMOTIVE DEALERS AND SERVICE STATIONS	\$	1,439,612.49				880.89			1,440,493.38	33,018.82			1,473,512.20	5,240,476.67
	%	0.51%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.51%	0.01%	0.00%	0.00%	0.52%	1.84%
93: FINANCE, TAXATION, AND MONETARY POLICY	\$													7,850.00
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
64: INSURANCE AGENTS, BROKERS, AND SERVICE	\$													189,490.99
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.07%
79: AMUSEMENT AND RECREATION SERVICES	\$													15,225.98
	%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%
TOTAL	\$	6,981,237.39	514,428.56	65,911.72	190,483.81	30,723,134.34	1,152,730.57	1,235,826.41	40,863,752.80	10,068,529.94	60,054.54	973,586.19	51,965,923.47	232,247,364.40
	%	2.46%	0.18%	0.02%	0.07%	10.81%	0.41%	0.43%	14.38%	3.54%	0.02%	0.34%	18.28%	81.72%

Total Product Procurement	\$	54,235,038.64
Total Service Procurement	\$	229,978,249.23
<b>Net Procurement</b>	\$	<b>284,213,287.87</b>

## 9.1.2 Number of WMDVLGBTBE Suppliers and Revenue Reported to the Clearinghouse

# WMDVLGBTBEs	Data on Number of Suppliers											
	Revenue Reported to CHS						Utility-Specific Summary					
	MBE	WBE	LGBTBE	DVBE	Other 8(a)	TOTAL	MBE	WBE	LGBTBE	DVBE	Other 8(a)	TOTAL
Under \$1 million or Unknown	22	17	1	16	-	56	87	65	2	16	-	170
Under \$5 million	26	15	1	-	-	42	4	2	-	-	-	6
Under \$10 million	8	16	-	-	-	24	1	-	-	-	-	1
Above \$10 million	37	19	-	-	-	56	1	-	-	-	-	1
<b>TOTAL</b>	<b>93</b>	<b>67</b>	<b>2</b>	<b>16</b>	<b>-</b>	<b>178</b>	<b>93</b>	<b>67</b>	<b>2</b>	<b>16</b>	<b>-</b>	<b>178</b>

WMDVLGBTBE \$M	Revenue and Payment Data											
	Revenue Reported to CHS						Utility-Specific Summary					
	MBE	WBE	LGBTBE	DVBE	Other 8(a)	TOTAL	MBE	WBE	LGBTBE	DVBE	Other 8(a)	TOTAL
Under \$1 million or Unknown	\$10.	\$4.3	\$.8	\$.	\$.	\$15.1	\$10.21	\$6.61	\$.06	\$.97	\$.	\$17.86
Under \$5 million	\$63.6	\$42.4	\$1.5	\$.	\$.	\$107.5	\$5.87	\$3.46	\$.	\$.	\$.	\$9.32
Under \$10 million	\$65.2	\$113.1	\$.	\$.	\$.	\$178.3	\$7.95	\$.	\$.	\$.	\$.	\$7.95
Above \$10 million	\$10,898.6	\$1,274.8	\$.	\$.	\$.	\$12,173.4	\$16.84	\$.	\$.	\$.	\$.	\$16.84
<b>TOTAL</b>	<b>\$11,037.4</b>	<b>\$1,434.6</b>	<b>\$2.3</b>	<b>\$.</b>	<b>\$.</b>	<b>\$12,474.3</b>	<b>\$40.86</b>	<b>\$10.07</b>	<b>\$.06</b>	<b>\$.97</b>	<b>\$.</b>	<b>\$51.97</b>

### 9.1.2 Description of Number of WMDVLGBTBE Suppliers with California Majority Workforce

Based on information from the Supplier Clearinghouse, we have identified 167 diverse suppliers for whom California is their main contact location.

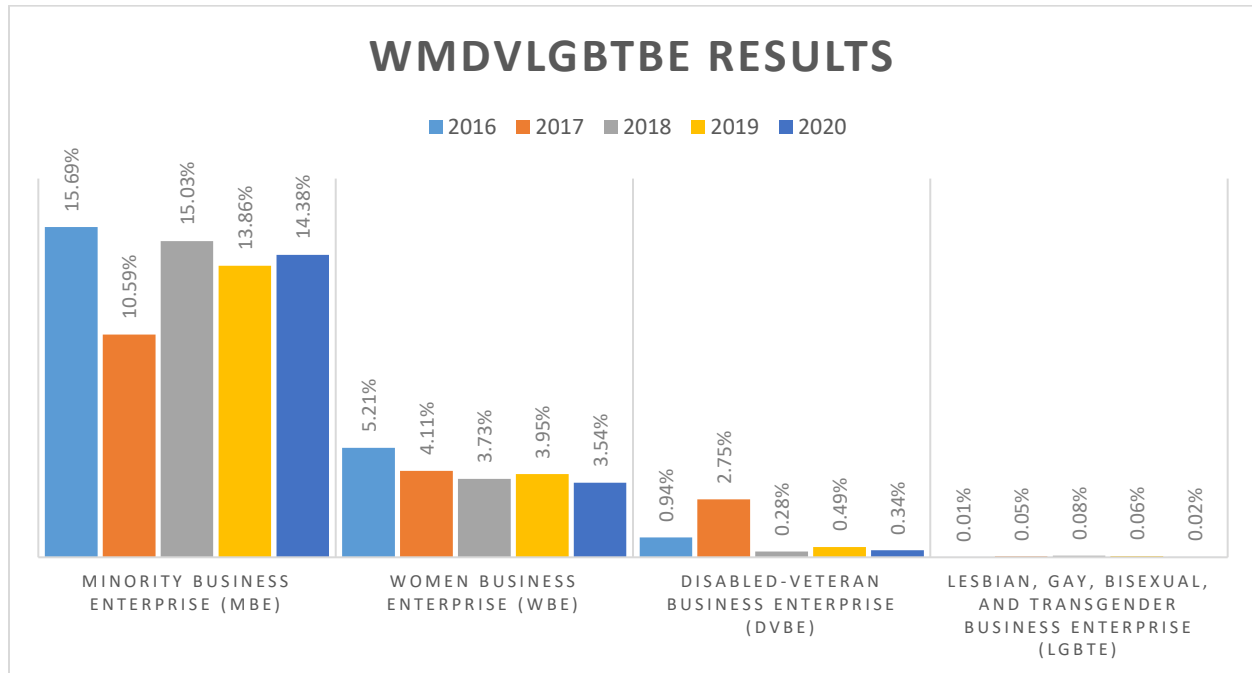
### 9.1.3 WMDVLGBTBE Program Expenses

Expense Category	
1 Wages	\$ 117,000.00
2 Other Employment Expenses	\$ 3,495.02
3 Program Expenses	\$ -
4 Reporting Expenses	\$ -
5 Training	\$ -
6 Consultants	\$ 10,913.34
7 Other	\$ 34,669.10
<b>TOTAL</b>	<b>\$ 166,077.46</b>

1. Wages: salary and payroll-related costs of permanent and temporary employees working on supplier diversity
2. Other Employment Expenses: office space, travel, and non-wage costs
3. Program Expenses: printing, postage, supplies, outreach, and other costs directly related to the program
4. Reporting Expenses: computer, accounting, and other expenses incurred preparing reports for the CPUC
5. Training: costs related to training employees (internal) and suppliers (external); included in Wages
6. Consultants: Cal Water's portion of CWA USDP consultant fees
7. Other: Cal Water's portion of expenses captured and disbursed by CWA for Class A Companies' USDP and Cal Water's cost for the CPUC Supplier Diversity Clearinghouse

### 9.1.4 Description of Progress in Meeting or Exceeding Set Goals

We continue making progress towards achieving our supplier diversity goals.



#### Minority Business Enterprises (MBE)

In 2020, we saw a lot of movement in the MBE category. For example, as we completed two MBE-awarded projects (transition to a new human-capital ERP system and digitizing archived documents) we registered 50% in decreased expenditures with the firms.

The biggest adverse impact came from two construction firms failing to meet safety standards; compared to 2019, the reduction was for approximately \$2M (or 0.7%).

One of the firms, a well-established company in the market, was awarded a Master-Contractor agreement for construction services (the contracting vehicle with the most expenditure by far). This is a testament to our willingness to work with diverse suppliers in spite of the unfortunate failure (due to safety) of a WBE in 2016. This company had recurring safety issues while performing work for Cal Water, and we paused new project assignments.

The second firm was awarded a new project in the San Joaquin Valley, in effect a geographical expansion. The contractor was involved in a series of incidents, leading to the injury of one of their employees.

Safety incidents have a sizable impact to all those involved; from potential injury or loss of life to increased financial costs due to insurance, as well as delays in completing infrastructure upgrades.

Throughout the year, we also registered extraordinary growth with five different firms: an IT-consulting firm, a water-tank manufacturer, a staffing agency, an HVAC contractor, and an electrical contractor. The variety of trades and industries are reflective of the various opportunities we have.



### Women Business Enterprises (WBE)

In terms of WBEs, we are seeing the effects of specific projects nearing completion and acquisitions from non-diverse suppliers. For example, we saw a significant decline in expenditures with a SCADA-hardware supplier as we completed the upgrade across our operations. We continue doing business with them, but the expenditures returned to the yearly average (low six-figure) after a two-year surge.

While acquisitions are great news for diverse suppliers—as it advances the owner’s economic development—they negatively affect results. A non-diverse IT firm acquired a long-term WBE contractor, resulting in the loss of more than \$400K in WBE expenditures.

By contrast, we are excited about a Central Valley general-engineering contractor who joined our supply chain in 2019 (approximately \$70K in projects). Following their great performance, in 2020 they experienced phenomenal growth through four additional projects, increasing expenditures to over \$1M.

We similarly continue strengthening partnerships through increased expenditures—as compared to 2019—with a furniture supplier (+126%) and an environmental-school-education operator (+277%). Both firms were featured in previous annual reports.

### Disabled-Veteran Business Enterprises (DVBE)

The year 2020 proved a challenge for us in terms of DVBEs with two strategic partners. Due to the pandemic, a fencing contractor limited their work to emergency projects only, thereby limiting our engagement opportunities. We also had business-practices disagreements with an electrical contractor, further limiting the number of projects awarded.

Contrasting with the above, we registered three-year direct-expenditure increases with five DVBEs: a geotechnical engineering firm, a land-surveying contractor, a general contractor, a traffic-control contractor, and a janitorial-services firm. The increased expenditures with these five firms offset the decreases with the two DVBEs.

Looking ahead, we are excited with the increased engagement with AqueoUS Vets<sup>®</sup>, a solutions provider of water and wastewater treatment. By the end of 2020, we have issued three purchase orders for water-treatment vessels fabrication.

### Lesbian, Gay, Bisexual, and Transgender Business Enterprises (LGBTBE)

Our decrease in results with LGBTBEs reflects both the dynamics of competitive bidding and expiring certifications.

Early in 2020, we conducted an RFP for IT-Security services. The incumbent (an LGBTBE) submitted a competitive bid, but a non-diverse firm submitted a superior proposal, thus earning the contract.

Furthermore, the firm did not renew their certification, which disqualified 30% of expenditures with them.

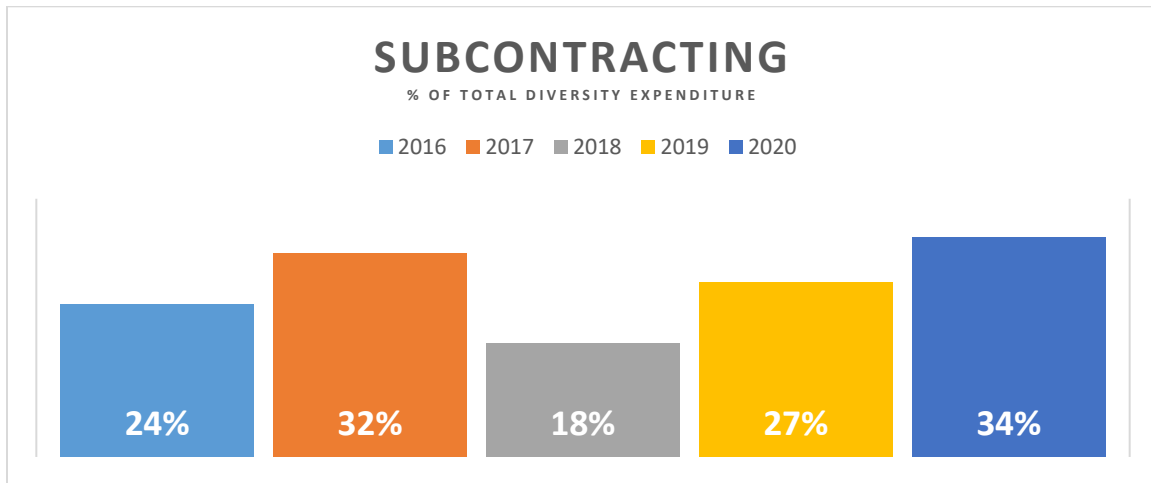
## 9.1.4 WMDVLGBTBE Results and Goals

Category	Results	Goals
Minority Men	13.72%	12.0%
Minority Women	0.65%	3.0%
Minority Business Enterprise (MBE)	14.38%	15.0%
Women Business Enterprise (WBE)	3.54%	5.0%
Lesbian, Gay, Bisexual, and Transgender Business Enterprise (LGBTE)	0.02%	N/A
Disabled-Veteran Business Enterprise (DVBE)	0.34%	1.5%
<b>TOTAL WMDVLGBTBE</b>	<b>18.28%</b>	<b>21.5%</b>

*Due to rounding, numbers presented may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.*

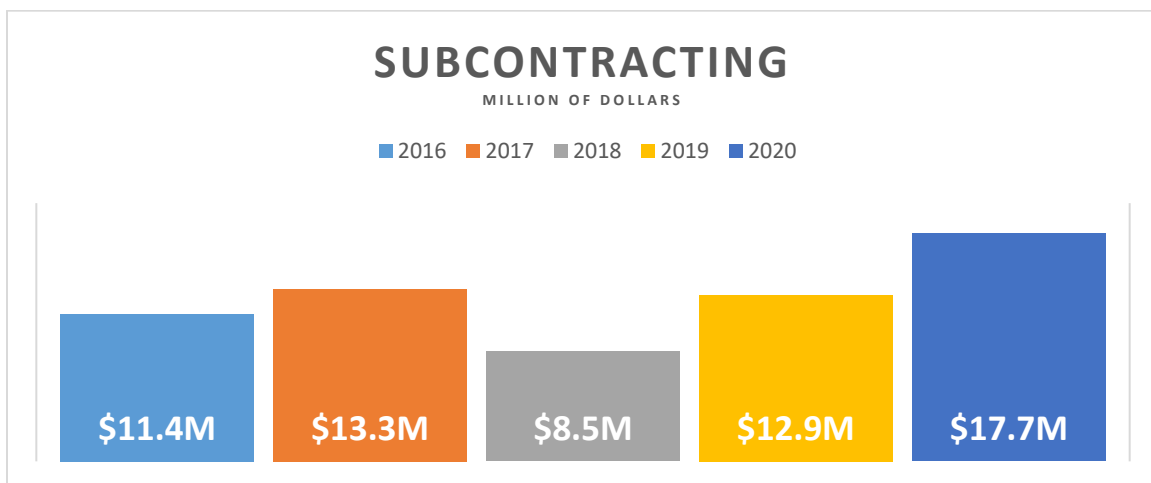
### 9.1.5 Description of Prime Contractor Utilization of WMDVLGBTBE Subcontractors

The subcontracting program remains a key piece of our results, this is evident in its increased contribution to total diversity expenditures:



We are proud of the increased impact from subcontracting as 34% of all diverse expenditure came from subcontracting in 2020—compared to 27% in 2019. That translates into more opportunities for diverse subcontractors.

In terms of dollar value, the increased impact correlates with an increased expenditure amount:



When compared to 2019, we saw a growth of \$4.8M (or 37%) to \$17.7M. These results are in great part from our valued and ongoing partnership with West Valley Construction (WVC).

We applaud their commitment to supporting the program and their efforts go beyond the numbers. We encourage subcontractors to review [WVC's website](#) to become part of their supply chain.

## California Water Association Meet the Primes

The Meet the Primes event remains a key event for our program. Relationships with four current diverse suppliers originated from previous sessions.

In partnership with [Joy Experience](#) in 2020, we pivoted from an in-person to a virtual event.

Home Agenda Speaker Event Details Conversations Set Up Meetings Account

# California Water Association Meet The Primes Virtual Summit

September 1, 2020 - September 2, 2020  
Virtual Event

## VIRTUAL EVENT CONNECTING DBE'S WITH PRIME SUPPLIERS, EXECUTIVE'S AND SUPPLIER DIVERSITY REPRESENTATIVES

California Water Association (CWA) is bringing together water companies, large prime suppliers and diverse suppliers for a two-day Meet The Primes event to learn and connect virtually. Diverse Suppliers will have multiple opportunities to present, connect and hear from water company executives, supplier diversity representatives and prime supplier for both Tier 1 and Tier 2 opportunities.

### DBE Sales Training

CALIFORNIA WATER ASSOCIATION IS PROVIDING YOU CRITICAL INSIGHT ON DBE SALES TRAINING - APP DEMO & VIRTUAL SALES

**AUGUST 19, 2020 / 10:00AM - 11:00AM (PST)**

[CLICK HERE TO WATCH THE TRAINING](#)

### Corporate Demo

CALIFORNIA WATER ASSOCIATION IS PROVIDING CORPORATE ONLY APP DEMO & OVERVIEW FOR THE DAY OF PROCESS

**AUGUST 20, 2020 / 9:00AM - 10:00AM (PST)**

[CLICK HERE TO WATCH THE TRAINING](#)

*California Water Association, [2020 Meet the Primes](#)*

The event provided an opportunity for water utilities to discuss their operations, upcoming opportunities, and service areas; it also allowed for diverse suppliers to share their qualifications, past experiences, and value propositions.

As we move forward, we will track and report on contractual opportunities from the 2020 event.

## 9.1.5 Summary of Prime Contractor Utilization of WMDVLGBTBE Subcontractors

	Minority Male	Minority Female	Minority Business Enterprise (MBE) Total	Women Business Enterprise (WBE)	Lesbian, Gay, Bisexual, and Transgender Business Enterprise (LGBTBE)	Disabled-Veteran Business Enterprise (DVBE)	Total WMDVLGBTBE
<b>Direct \$</b>	\$26,787,219.28	\$1,674,908.96	\$28,462,128.24	\$5,357,204.69	\$60,054.54	\$424,402.22	\$34,303,789.69
<b>Subcontracting \$</b>	\$12,218,890.58	\$182,733.98	\$12,401,624.56	\$4,711,325.25		\$549,183.97	\$17,662,133.78
<b>Total \$</b>	<b>\$39,006,109.86</b>	<b>\$1,857,642.94</b>	<b>\$40,863,752.80</b>	<b>\$10,068,529.94</b>	<b>\$60,054.54</b>	<b>\$973,586.19</b>	<b>\$51,965,923.47</b>

<b>Direct \$</b>	9.43%	0.59%	10.01%	1.88%	0.02%	0.15%	12.07%
<b>Subcontracting \$</b>	4.30%	0.06%	4.36%	1.66%	0.00%	0.19%	6.21%
<b>Total %</b>	<b>13.72%</b>	<b>0.65%</b>	<b>14.38%</b>	<b>3.54%</b>	<b>0.02%</b>	<b>0.34%</b>	<b>18.28%</b>

<b>Net Procurement</b>	\$284,213,287.87
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### 9.1.6 WMDVLGBTBE Complaints Received and Current Status

No complaints received.

### 9.1.7 Description of Efforts to Recruit WMDVLGBTBE Suppliers in Low Utilization Categories

It remains a challenge for us to find and grow specialized water-industry contractors, which is the area with most of our opportunities. In 2020, we made significant progress in both identifying new and further integrating existing suppliers into Cal Water's supply chain.

In terms of new suppliers, in the latter part of the year we identified a newly certified underground-pipeline contractor, we immediately shared the information among different decision-makers for engagement in 2021. We see this development as groundbreaking since the contractor has a solid project portfolio, spanning over 40 years.

AqueoUS Vets® is a prime example of us further integrating existing suppliers. The firm specializes in water-treatment infrastructure, and we have invited them to bid in many projects. We are seeing efforts pay off as they earned three additional purchase orders in the final quarter of 2020.

Similarly, in the Central Valley, we are seeing the growth of a general-engineering contractor. The WBE firm earned four purchase orders in 2020 (compared to only one in 2019). Furthermore, some of these projects were of a different scope from previous work and in a different operating district. These factors translate to a deeper engagement through diversified work and geographical expansion.



## 2021 ANNUAL PLAN

### 10.1.1 WMDVLGBTBE Annual Short-, Mid-, and Long-Term Goals

In 2021, Cal Water's goal is to meet the overall 21.5% spending-level target set by the Commission and the individual goals per category. At the same time, we remain focused on increasing business with LGBTBEs.

Category	Short-Term Goals	Mid-Term Goals	Long-Term Goals
Minority Men	12.00%	12.00%	12.00%
Minority Women	3.00%	3.00%	3.00%
Minority Business Enterprise (MBE)	15.00%	15.00%	15.00%
Women Business Enterprise (WBE)	5.00%	5.00%	5.00%
Lesbian, Gay, Bisexual, and Transgender Business Enterprise (LGBTBE)	N/A	N/A	N/A
Disabled-Veteran Business Enterprise (DVBE)	1.50%	1.50%	1.50%
<b>TOTAL WMDVLGBTBE</b>	<b>21.50%</b>	<b>21.50%</b>	<b>21.50%</b>

### 10.1.2 Description of WMDVLGBTBE Planned Program Activities

We welcome 2021 with a renewed emphasis and understanding of the importance (and impact) of our Supplier Diversity program. Our activities will remain based on our Question Zero, Supporting Activities, and Performance Metrics framework.



In 2021, we are planning to review our *Procurement Policy* to ensure it remains relevant and continues advancing diverse suppliers.

By the end of the first quarter in 2021, we will have leadership review and make recommendations of the results as part of *Internal Communications*. This review is critical, allowing us to request support or resources moving forward.

The data in 2020 showed increased impact of the *Subcontracting Program*. In 2021, we will continue working with our primes to continue their engagement with diverse subcontractors.

In terms of *External Outreach*, we will continue participating in virtual events until in-person outreach becomes available. Additionally, through the California Water Association, we will maintain financial contributions to CBOs, promoting their financial stability.

In support of *Capacity Building & Technical Assistance*, we will continue adapting the W.A.T.E.R. Program (content and delivery) to pandemic conditions. We see the program as an effective learning tool for diverse suppliers and an additional opportunity for us to meet new firms.

#### 10.1.3 Plans for Recruiting WMDVLGBTBE Suppliers in Low Utilization Areas

We are looking forward to outreach in 2021, which will allow us to continue communicating available opportunities to many audiences.

Additionally, the procurement policy will trigger periodic reviews of new suppliers in the clearinghouse as we source for competitive-bidding events.

#### 10.1.4 Plans for Recruiting WMDVLGBTBE Suppliers Where Unavailable

We will follow activities noted in sections 10.1.2 and 10.1.3 to identify viable suppliers.

#### 10.1.5 Plans for Encouraging Prime Contractors to Subcontract WMDVLGBTBE Suppliers

For current primes, we will continue tracking their historical performance and compile a list of eligible subcontractors they can connect with for future projects.

For new prime contractors, we will review their subcontracting proposals and provide guidance on best options for maximizing opportunities.

#### 10.1.6 Plans for Complying with WMDVLGBTBE Program Guidelines

Cal Water intends to comply with the Diverse Supplier program guidelines established by the CPUC, as required by Public Utilities Section 8283(c). The CPUC Executive Director's Office will be responsible for developing, periodically refining, and recommending such guidelines for the CPUC's adoption in an appropriate procedural forum.

Cal Water will also continue to comply with the General Order 156 program guideline, participate in the CPUC's Supplier Diversity Forums and Workshops as requested, and work in partnership with the California Water Association and Joint Utilities to address the challenges faced by diverse suppliers in the procurement process.

#### Prepared by:

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