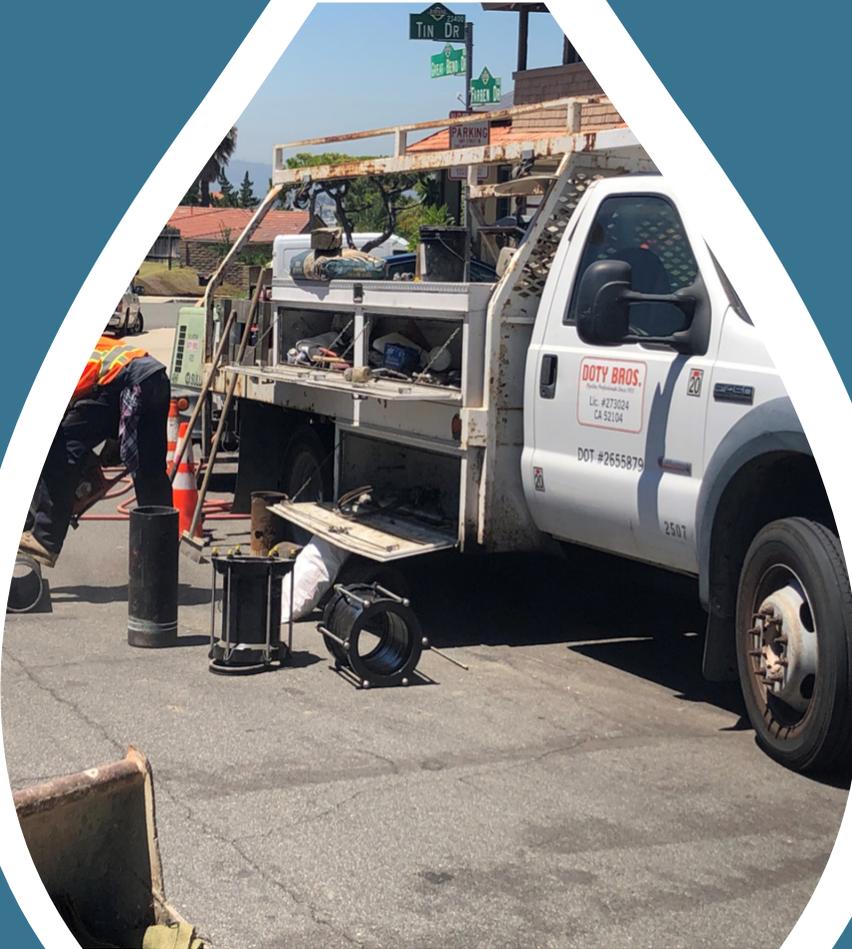




**Suburban
Water Systems**

A SouthWest Water Company



Suburban's MBE vendor, **Doty Bros.**, performing work on a water mainline to keep customers water on.

SUPPLIER DIVERSITY ANNUAL REPORT 2020

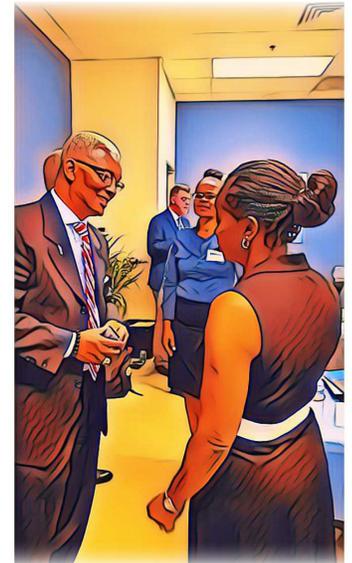


PURPOSE

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

Suburban Water Systems...

- ◇ Believes and values diversity and **inclusion**
- ◇ Is 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 suppliers
 - ◇ 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.

SUBURBAN SUPPLIER DIVERSITY PROGRAM



MISSION

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



VISION

- ◇ Develop strong base of highly qualified diverse vendors
- ◇ Include all qualified vendors in bid and proposal opportunities
- ◇ Measure, benchmark, and report Suburban's supplier diversity spend
- ◇ Use local diverse vendors to strengthen economic growth in communities we serve



PLANNING

- ◇ Seek vendor referrals from other Class A IOU's
- ◇ Attend and host events
- ◇ Use CPUC Supplier Clearinghouse database to identify vendors
- ◇ Apply consistent and reasonable contract and insurance requirements
- ◇ Engage company personnel receiving goods and services



2020 GOALS

- ◇ Partner with CPUC on metric goal setting
- ◇ Increase WBE %, establish % for LGBTBE, support all veterans
- ◇ Partner with CPUC to make California the champion for Supplier Diversity in the USA
- ◇ Educate stakeholders, consumers, and small businesses on the importance of the program (workshops, presentations, etc.)



BEST PRACTICES

- ◇ Be open to new vendors
- ◇ Attend events to meet vendors
- ◇ Take time to meet and try them
- ◇ Include diverse vendors on project bids and proposals
- ◇ Ensure all vendors adhere to requirements (insurance, safety, documentation)
- ◇ Track 2nd tier spend
- ◇ Give feedback to vendors
- ◇ Provide clear expectations
- ◇ 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



**Suburban
Water Systems**
A SouthWest Water Company

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ANNUAL PLAN



**Suburban
Water Systems**

A SouthWest Water Company

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A MESSAGE FROM OUR PRESIDENT

CRAIG GOTT
PRESIDENT



Suburban Water Systems (Suburban) is pleased to submit this 2020 Annual Report outlining its activities under the Utility Supplier Diversity Program (USDP).

The ongoing COVID19 pandemic made 2020 a 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 provide essential water service to our customers.

A notable example was ACP Printing and Marketing (MBE) who normally provides uniform and printing services, was uniquely able to supply masks at the beginning of the pandemic when masks were in short supply.

In 2020, Suburban celebrated another year of strong performance accomplishing 51% diverse spend. Suburban's 2020 total expenditures with certified diverse suppliers reached \$13,918,042. We are gratified with our 2020 results and the collaborative contributions of Suburban's team members.

Suburban is committed to providing equal opportunities to all potential business partners. Our goal is to collaborate with businesses, large and small, that can help us fulfill our mission of Serving our Customers safe, reliable, 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 have been the key to our success.

I am proud of the effort that our leaders and team members have made understanding their purchasing needs, and fairly applying 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. We also lay out our strategy for providing opportunities for diverse subcontractors to add value to our supply chain considering the changing project landscape.

51.64% = MILLIONS IN DIVERSE SPEND!

Year	Diverse spend (millions)	% Spend	Number of diverse firms
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 2021 is to continue to expand opportunities for diverse vendors



2020 PROGRAM HIGHLIGHTS

Suburban's 2020 results remained at a high level achieving 51% - the highest in company history. This success can be attributed to our dedication to our Supplier Diversity program.

A key element to our success is our procurement process which includes diverse vendors in our competitive proposal and bidding opportunities. This process has opened the doors to many diverse vendors in a variety of industries.

This report highlights our efforts in 2020 as well as outlines our plan for 2021.



Lauren James

**Manager, Communications
and Supplier Diversity
Suburban Water**

HIGHLIGHT

Focused involvement in the sourcing of diverse suppliers for bid opportunities

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

Continued use of master services contracts with Supplier Diversity language and insurance requirements that commensurate with the contract risk

HIGHLIGHT

Organized and facilitated California Black Chamber of Commerce Webinar – “How to Do Business with CWA”

We presented our individual company’s procurement processes and current opportunities to improve our engagement with black owned businesses.

Expanded supply chain with supplier outreach

Individual meetings with diverse suppliers

Attended CPUC Small Business Expo

HIGHLIGHT

Hosted CWA W.A.T.E.R 4-part Workshop with California Water Association’s Utility Supplier Diversity Program

The in-person session was converted to a virtual format allowing us share industry insights with vendors from across California. We retained CPUC-certified Guided Business Plan, an entrepreneur education firm based in Los Angeles to develop and facilitate the course. Diverse vendors connected with Suburban buyers and leadership as well as had opportunities to see Suburban’s daily operations first-hand.





HIGHLIGHT

Diverse vendors were provided opportunities to participate in Capital Projects

The changing mix of projects can have a significant impact on diverse supplier participation. Suburban has been very successful in efforts to involve and grow its pool of diverse contractors. We are proud to report that five of our Prime contractors are diverse owned businesses.

HIGHLIGHT

Suburban's use of diverse firms

Increased utilization of diverse firms in the areas of laundry services, employee development and training, employee safety courses, unconscious bias training, etc.

HIGHLIGHT

Trained prime suppliers on creating opportunities to increase Tier 2 opportunities

A prime contractor event was held where Prime Contractors presented their upcoming opportunities to potential subcontractors and ways the subcontractors could connect.

Trained contractors on the importance of subcontracting and capturing Tier 2 spend.

Facilitated opportunities for business owners to work together.

Held our Primes accountable by making 2nd tier reporting a requirement of their contracts. The contract and work is not considered complete until the report is received.

HIGHLIGHT

Increased Operation Team Involvement

Provided mentoring to several existing suppliers who were referred to Suburban's Utility Supplier Diversity Program Manager (USDPM) for coaching and evaluation of certification eligibility.

Suburban management continued to collaborate and communicate regularly on procurement practices.

HIGHLIGHT

California Capital WBC Delivering Mission Essential Services During the COVID-19 Pandemic – Webinar



**Suburban
Water Systems**

A SouthWest Water Company

Lauren James was a panelist for Women’s Business Center’s DELIVERING MISSION ESSENTIAL SERVICES DURING THE COVID-19 PANDEMIC – WEBINAR

Gave a 20-minute presentation to diverse suppliers on how COVID-19 has affected water utilities and our overall spending.

**DELIVERING MISSION ESSENTIAL SERVICES
DURING THE COVID-19 PANDEMIC**
Purchasing Perspectives from California Regulated Utilities Companies

The California Capital Small Business Working Group provides ongoing Vendor Outreach Sessions and no-cost Technical Assistance to Small Businesses.

Attend this webinar to:

- ✓ Get insight on the impact and challenges of COVID-19 has on California investor-owned utilities' supply chains and sourcing processes
- ✓ Learn about new safety and health policies in contracting with utilities companies
- ✓ Learn best practices for diverse businesses to market their products and services
- ✓ Position your business for upcoming opportunities

Guest Speakers:

- Stacie Harwood**, Program Manager, Supplier Diversity, T-Mobile
- Lisa Roben**, Supplier Diversity Program Manager, Comcast
- Lauren James**, Communications and Supplier Diversity, Suburban Water Systems

California Capital
Financial Development Corporation

JUNE 23, 2020
2:00PM - 3:00PM

REGISTER HERE
<https://cacapital.ecenterdirect.com/events/822553>

T Mobile

COMCAST

California Water Association

WBECWEST
WOMEN'S BUSINESS CENTER WEST
A SOUTH WEST WATER COMPANY

INDUSTRY COUNCIL
FOR THE WATER SUPPLY INDUSTRY

THE ELITE SDVOB NETWORK

California Capital WBC
Women's Business Center

HIGHLIGHT

American Indian Chamber Connecting Business, Technology, and Culture in the New Decade



**Suburban
Water Systems**

A SouthWest Water Company

**Lauren James was
a panelist for AICC
2020 Vision Webinar
and Expo.**

Gave a presentation to diverse suppliers on how COVID-19 has affected water utilities and our overall infrastructure and administrative spending impact.



EXPO'20– Monday #BuyIndian Strategic Business Development Breakout Sessions

- **11:00 a.m. – Noon**

Concurrent Breakout Session A - Utilities, Water Companies & Communications Partners- Part 1

Partners Updates & Procurement Forecast Panel with 10 minutes Q&A at the end

Chi Pak, T-Mobile

Wiggs Mendoza, Metropolitan Water District

Alma McMaster, SCE

Beverly Johnson, East Bay Municipal Utility District

Lauren James, Suburban Water, CWA

HIGHLIGHT

Public Service Commission DC Best Practices Implementing a Supplier Diversity Program



**Suburban
Water Systems**
A SouthWest Water Company

Lauren James was invited to share best practices to assist in the implementation of DC's Supplier Diversity program.



**PUBLIC SERVICE
COMMISSION**

District of Columbia

Your Energy. Your Voice.

CBE Special Team Meeting

Brainstorming Session: Supplier Diversity Best Practices

October 15, 2020, 8:00 am PST/ 11:00 am EST

Dial in number 605-313-4812 code 312078#

AGENDA & General Information

HIGHLIGHT

CWA Meet the Primes Virtual



Suburban Water Systems

A SouthWest Water Company

2-day workshop with vendors and Prime Suppliers

Great opportunity for diverse suppliers to connect and learn about water utility opportunities, and engage with prime suppliers.

CALIFORNIA WATER ASSOCIATION MEET THE PRIMES EVENT RECAP VIRTUAL EVENT / 01 EVENT DETAILS /

Event Details:

- **Date:** August 29 -30, 2020
- **Time:** 9:00 am - 1:00 pm
- **Location:** Virtual Event
- **Total Registered:** 176
- **Estimated Attendance:** 150
- **Marketing:** Marketing included invited vetted suppliers from California specific community-based organizations to share with their network in the operations space as well as marketing/communications and legal.
- **Total Vendor Showcase Presentations:** 53
- **Private 1:1 Meetings Requests:** 175
- **Conversations during Event:** 818
- **Event Desktop Views:** 38,384

176 Total Users

California Water Association Home Agenda Speaker Attendees Event Details Conversations Set Up Meeting

Suburban Water Systems
Lauren James
ljames@swwc.com
626.543.2531
<https://www.swwc.com/suburban/supplier-diversity/>

JOB TITLE
Manager, Communications and Supplier Diversity

Suburban Water Systems
A SouthWest Water Company

1:21 / 13:56

How to Do Business with Suburban Water Systems presented by Lauren James

THEATER MODE

Lauren James
Suburban Water Systems

Chat Polls People Files

- Lauren James 4 minutes ago ... Thanks Maria, look forward to learning more about Platinum Star PR.
- Erick Castro 4 minutes ago Thank you Lauren.
- Lauren James 3 minutes ago ... Hey Erick! Hope all is well!
- Daniel Arnold 3 minutes ago Thank you, Lauren. You will have it in your inbox today.
- Lauren James a minute ago ... Hey Daniel! Sounds good.

Start typing... SEND

9.1.1 INTERNAL AND EXTERNAL ACTIVITIES

INTERNAL ACTIVITIES

Suburban continues to emphasize the importance of its Supplier Diversity program to employees and the goals we look to achieve each year. Suburban wants to exceed the CPUC goal of 21.5%. Suburban's USDPM 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



Information included in these forums include:

- ◇ The purpose of the Supplier Diversity program
- ◇ Awards of contracts to new or existing diverse firms
- ◇ Introduction of new diverse firms to operation personnel
- ◇ Review of bidding opportunities
- ◇ Discussion of outcomes of bidding opportunities

Efforts to involve diverse businesses in bid opportunities include:

- ◇ Uniform laundry services
- ◇ Reservoir removal and restoration
- ◇ Unconscious Bias Training
- ◇ Leadership Networking Training

9.1.1 INTERNAL AND EXTERNAL ACTIVITIES



EXTERNAL ACTIVITIES

Increasing spend in the W/MBE - African American and WBE categories was a major emphasis for Suburban in 2020. Suburban accomplished this by participating in several matchmaking events including a webinar with California Black Chamber of Commerce.

Suburban successfully added a WMBE-African American engineering firm as well as several other W/MBE African American and women-owned firms. We are very pleased with the internal effort and focus of Suburban employees to accomplish our annual goals.



O2EPCM, Inc.

DIVERSE SUPPLIER SPOTLIGHT AND SUCCESS STORY

Omoné Oshiomegie Livingston is a Civil and Environmental Engineer with over 28 years of experience in the Engineering, Design and Construction Industry. She is the Founder, President and Chief Executive Officer of Los Angeles, California-based Company, O2EPCM, Inc. (dba O2 Engineering Projects and Construction Management). The company was incorporated on September 9, 2016. O2EPCM is an experienced and certified Small, Women, Minority, Disadvantaged, Local, Community Business Enterprise and SAM Registered firm located in Downtown, Los Angeles, California.

Omoné envisions growing outside of the California region and becoming certified as a Hub Zone and an 8(a) small business as her company continues to expand. Omoné is one of the proud graduates of the Water Acumen Training Entrepreneur Refinement (W.A.T.E.R.) Programs first cohort class. A program put together by Suburban Water Systems and the CWA Utility Supplier Diversity Committee. This program promotes partnering, water education and develops business relationships that foster new opportunities with Suburban Water Systems and other water utilities.

O2EPCM provides professional, technical, and consulting services managing planning, engineering, design and construction projects. O2EPCM also provides program management, project management, construction management, project controls, quality assurance/quality control (QA/QC), claims management, storm water pollution prevention plan (SWPPP), COVID-19 health & safety training, inspection, engineering/design support and staff augmentation services. Their clients include local, state, and federal government agencies, utility companies and private entities. they also provide support on Planning, Design, Architectural, Engineering and General Contracting Projects. Their staff consists of Engineers, Architects, LEED Professionals, Inspectors and Other Certified Professional with in-depth knowledge and experience in our industry.

Omoné says, "I would like to thank Suburban Water Systems and the entire team for their continued support to the O2EPCM family. O2EPCM is honored, blessed and grateful especially to Lauren James, Nathan Au, Warjay Naigan, Jorge Lopez and Marsha Skubic, for your dedication in supporting small businesses. Thank you, Suburban Water Systems, for ensuring that small businesses prompt payments are taken seriously.



O2EPCM, Inc.

Suburban Water Systems contributed towards the growth and success of O2EPCM. O2EPCM's success brings one of our humble moments towards our contributions to job creation and providing training especially during the Pandemic where thousands are without work.

Once again, thank you Suburban Water Systems for this incredible, valuable and much needed support especially dealing with the challenges that comes with COVID-19 and running a small business. Words alone cannot express our sincere appreciation and gratitude for choosing O2EPCM as Suburban Water Systems Diverse Supplier Spotlight."

O2EPCM look forward to a long, lasting, successful relationship working with Suburban Water Systems and its entire team. Blessings Always!"

DIVERSE SUPPLIER SPOTLIGHT AND SUCCESS STORY

Omoné has a Master of Science degree in Civil and Environmental Engineering from the University of California Los Angeles (UCLA) and graduated with a Bachelor of Science degree in Civil and Structural Engineering from California State University Northridge (CSUN). Today, Omoné is a Licensed Engineer-In-Training (EIT), a Certified Construction Manager (CCM), a Certified Envision Sustainability Professional (ENV SP) and working on her License as a Professional Engineer (PE). She has worked for multi-billion-dollar, global engineering, construction management and general contracting firms before starting her own company.

O2EPCM is honored to work with Suburban Water Systems as a prime providing inspection services. Prior to O2EPCM receiving its first contract with Suburban Water Systems, Omoné attended several DBE outreach events held by Suburban Water Systems and followed up with Lauren James, Communications and Supplier Diversity Manager at Suburban Water Systems. Lauren helped Omoné navigate around Suburban Water Systems and introduced her to key decision makers. This gave her the opportunity to discuss her company and services that O2EPCM could provide. With great determination, persistence, patience, and professionalism, O2EPCM landed their first contract with Suburban Water Systems, working with engineering in 2020 providing inspection services for water main pipeline replacement projects. When Suburban Water Systems calls for O2EPCM's services, they performed with no hesitation or limitations. They delivered what they had promised and exceeded their goals.

Jorge Lopez Suburban Water

In 2020 O2EPCM provided inspections services for the largest pipeline replacement project of the year. O2EPCM supported Suburban in achieving its goal of building quality projects and in turn providing a safe and reliable source of water supply to our customers. I am excited and look forward to building a long lasting relationship with O2EPCM.



Omoné was a member of the 2019 W.A.T.E.R. cohort hosted at Suburban Water

SECTION 9.1.2

SUMMARY OF PURCHASES OR CONTRACTS BY ETHNICITY

WMDVBE/LGBTBE Annual Results By Ethnicity					
	Ethnicity	Direct \$	Sub \$	Total \$	Percent %
Minority Male	Asian-Pacific	\$394,165		\$394,165	1.45%
	African-American	\$171,150		\$171,150	0.63%
	Hispanic	\$6,295,844		\$6,295,844	23.13%
	Native American				
	Total	\$6,861,159	\$0	\$6,861,159	25.21%
Minority Female	Asian-Pacific	\$26,564		\$26,564	0.10%
	African-American	\$77,310		\$77,310	0.28%
	Hispanic	\$2,155,979		\$2,155,979	7.92%
	Native American				
	Total	\$2,259,852	\$0	\$2,259,852	8.30%
	Total MBE	\$9,121,012	\$0	\$9,121,012	33.52%
	WBE	\$1,984,715	\$117,232	\$2,101,947	7.72%
	Subtotal MWBE	\$11,105,727	\$117,232	\$11,222,959	41.24%
	LGBTBE	\$2,738,316		\$2,738,316	10.06%
Disabled Veteran Business Enterprise (DVBE)	N/A	\$92,754		\$92,754	0.34%
	Total WMDVGBTBE	\$13,936,796	\$117,232	\$14,054,028	51.64%
	Other 8(A)*				
	Total WMDVLGBTBE	\$13,936,796	\$117,232	\$14,054,028	51.64%
	Net Procurement**	\$27,214,187		\$27,214,187	100.00%

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 SUMMARY OF PURCHASES OR CONTRACTS BY PRODUCTS AND SERVICES (DIRECT)

Annual Results By Products And Services - Direct								
	ETHNICITY		Products \$	%	Services \$	%	TOTAL \$	%
Minority Male	Asian-Pacific	Direct	\$131,052	0.48%	\$263,113	0.97%	\$394,165	1.45%
	African-American	Direct			\$171,150	0.63%	\$171,150	0.63%
	Hispanic	Direct	\$121,262	0.45%	\$6,174,583	22.69%	\$6,295,844	23.13%
	Native American	Direct						
	Total	Direct	\$252,314	0.93%	\$6,608,846	24.28%	\$6,861,159	25.21%
		Direct						
Minority Female	Asian-Pacific	Direct	\$635		\$25,928	0.10%	\$26,564	0.10%
	African American	Direct			\$77,310	0.28%	\$77,310	0.28%
	Hispanic	Direct			\$2,155,979	7.92%	\$2,155,979	7.92%
	Native American	Direct						
	Total	Direct	\$635	0.00%	\$2,259,217	8.30%	\$2,259,852	8.30%
Total MBE		Direct	\$252,949	0.93%	\$8,868,063	32.59%	\$9,121,012	33.52%
WBE		Direct	\$6,388	0.02%	\$1,978,327	7.27%	\$1,984,715	7.29%
Subtotal MWBE		Direct	\$259,336	0.95%	\$10,846,390	39.86%	\$11,105,727	40.81%
LGBTBE		Direct			\$2,738,316	10.06%	\$2,738,316	10.06%
DVBE		Direct			\$92,754	0.34%	\$92,754	0.34%
Total WMDVGBTBE		Direct	\$259,336	0.95%	\$13,677,460	50.26%	\$13,936,796	51.21%

Products Procurement	\$259,336
Service Procurement	\$13,677,460
Net Procurement	\$27,214,187
Net WMDV/LGBTBE Procurement	\$13,936,796
Total Number of WMDVLGBTBEs that Received Direct Spend	42

SECTION 9.1.2

SUMMARY OF PURCHASES OR CONTRACTS BY PRODUCTS AND SERVICES (SUB)

	ETHNICITY		Products \$		Services \$	%	TOTAL \$	%
MINORITY MALE	Asian-Pacific	Sub					\$0	0.00%
	African-American	Sub						
	Hispanic	Sub				0.00%	\$0	0.00%
	Native American	Sub						
	Total	Sub	\$0	0.00%	\$0	0.00%	\$0	0.00%
MINORITY FEMALE		Sub						
	Asian-Pacific	Sub						
	African American	Sub						
	Hispanic	Sub						
	Native American	Sub						
Total	Sub	\$0	0.00%	\$0	0.00%	\$0	0.00%	
Total MBE		Sub	\$0	0.00%	\$0	0.00%	\$0	0.00%
WBE		Sub		0.00%	\$117,232	0.43%	\$117,232	0.43%
Subtotal MWBE		Sub	\$0	0.00%		0.43%	\$117,232	0.43%
LGBTBE		Sub						
DVBE		Sub		0.00%		0.00%	\$0	0.00%
TOTAL WM-DVGBTBE		Sub	\$0	0.00%		0.43%	\$117,232	0.43%

Products Procurement	\$0
Service Procurement	\$117,232
Net Procurement	\$27,214,187
Net WMDV/LGBTBE Procurement	\$117,232
Total Number of WM-DVLGBTBEs that Received SUB Spend	3

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

Name of Utility 2020 Report

Number of WMDVLGBTBE Suppliers and Revenue Reported to the Clearinghouse

Data on Number of Suppliers

	Revenue Reported to CHS					Utility-Specific [2020] Summary						
	MBE	WBE	LGBTE	DVBE	Other 8(a)*	Grand Total	MBE	WBE	LGBTE	DVBE	Other 8(a)*	Grand Total
# WMD-VLGBTBEs												
Under \$1 million	10	5				15	21	13		3		38
Under \$5 million	5	6		1		12	2	2	1			5
Under \$10 million	2	1				3						
Above \$10 million	6	3	1	1		11						0
No revenue designation				1		1						
TOTAL	23	15	1	3		42	23	15	1	3		42

Revenue and Payment Data

Revenue Reported to CHS
(in millions)

Utility-Specific 2020 Summary (in millions)

	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	5.07	1.85				6.92	0.388	0.114		0.092		0.59
Under \$5 million	8.36	14.54				22.9	1.65	2.69				4.34
Under \$10 million	14.01	6.5				20.51	3.63	0.0005	2.73			6.36
Above \$10 million	262.68	261.67	12	60.63		596.98	1.2	1.52				2.72
No revenue designation												
TOTAL	290.12	284.56	12	60.63		647.31	6.86	4.32	2.73	0.092		14.1

SECTION 9.1.3 ITEMIZATION OF WMDVLGBTBE PROGRAM EXPENSES

Direct	Minority						Non-Minority			Total
	MBE			WMBE			DVBE	LGBTBE	WBE	
	African American	Asian-Pacific	Hispanic	African American	Asian-Pacific	Hispanic	(n/a)	(n/a)	(n/a)	
1542			5,350.00							5,350.00
1623									290,937.50	290,937.50
1623			802,419.78							802,419.78
1623			3,573,997.18							3,573,997.18
1623									156,716.00	156,716.00
1623								2,738,315.85		2,738,315.85
1623							18,617.78			18,617.78
1629			10,377.70							10,377.70
1731						638,407.15				638,407.15
1771			1,172,600.00							1,172,600.00
1799			30,073.00							30,073.00
1799		830.00								830.00
1799			36,715.00							36,715.00
2752			44,186.05							44,186.05
3713		131,052.15								131,052.15
3799									5,536.19	5,536.19
4619						1,601,918.51				1,601,918.51
5063									851.32	851.32
5113			40,568.42							40,568.42
5172									1,525,187.64	1,525,187.64
6211	160,000.00									160,000.00
721		15,398.44								15,398.44
7342						7,370.00				7,370.00
7371	4,950.00									4,950.00
7371		64,604.00								64,604.00
7371					635.15					635.15
7381							66,785.75			66,785.75
7389							7,350.00			7,350.00
7549									1,646.25	1,646.25
782			231,750.85							231,750.85
8111					25,928.38					25,928.38
8331						5,000.00				5,000.00
8331	6,200.00									6,200.00
8331									800.00	800.00
8711		117,761.91								117,761.91
8711		64,518.50								64,518.50
8734			80,693.10							80,693.10
8742			250,408.78							250,408.78
8742			8,500.00							8,500.00
8742			28,720.00							28,720.00
8771				77,310.00						77,310.00
8999									3,040.00	3,040.00
Total	\$171,150	\$394,165	\$6,316,360	\$77,310	\$26,564	\$2,252,696	\$92,754	\$2,738,316	\$1,984,715	\$14,054,028

Total Product Procurement	259,336
Total Service Procurement	13,794,692
Total Procurement	14,054,028

SECTION 9.1.3 WMDVLGBTBE PROGRAM EXPENSES

Expense Category	
Wages	\$ 64,000
Other Employment Expense	
Reporting Expense	
Training	
Consulting	\$ 3,192
Program Expense	\$ 9,547
Total Program Expenses	\$76,739

SECTION 9.1.4 PROGRESS IN MEETING OR EXCEEDING SET GOALS

Category	Current Year Results	Current Year Goals
Minority Business Enterprise (MBE)	33.52%	15.00%
Women Business Enterprise (WBE)	7.72%	5.00%
Sub Total Women, Minority Business Enterprise (WMBE)	41.24%	20.00%
Service Disabled Veteran Business Enterprise (SDVBE)	0.34%	1.50%
Lesbian, Gay, Bisexual, Transgender Business Enterprise (LGBTBE)	10.06%	0.00%
Total WMDVBE	51.64%	21.50%

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 2021.

	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 WMDVLGBTBE
Direct \$	\$6,861,159	\$2,259,852	\$9,121,012	\$1,984,715	\$2,738,316	\$92,754	\$0	\$13,936,796
Subcontracting \$				\$117,232			\$0	\$117,232
Total \$	\$6,861,159	\$2,259,852	\$9,121,012	\$2,101,947	\$2,738,316	\$92,754	\$0	\$14,054,028

Direct %	25.21%	8.30%	33.52%	7.29%	10.06%	0.34%	0.00%	51.21%
Subcontracting %	0.00%	0.00%	0.00%	0.43%	0.00%	0.00%	0.00%	0.43%
Total %	25.21%	8.30%	33.52%	7.72%	10.06%	0.34%	0.00%	51.64%

Net Procurement** \$27,214,187

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

% - percentage of net procurement

Direct - direct procurement

Sub - subcontractor procurement

SECTION 9.1.6 WMDVLGBTBE COMPLAINTS RECEIVED

No WMDVLGBTBE complaints were received.

SECTION 9.1.7 RECRUITMENT EFFORTS IN UNDERUTILIZED AREAS

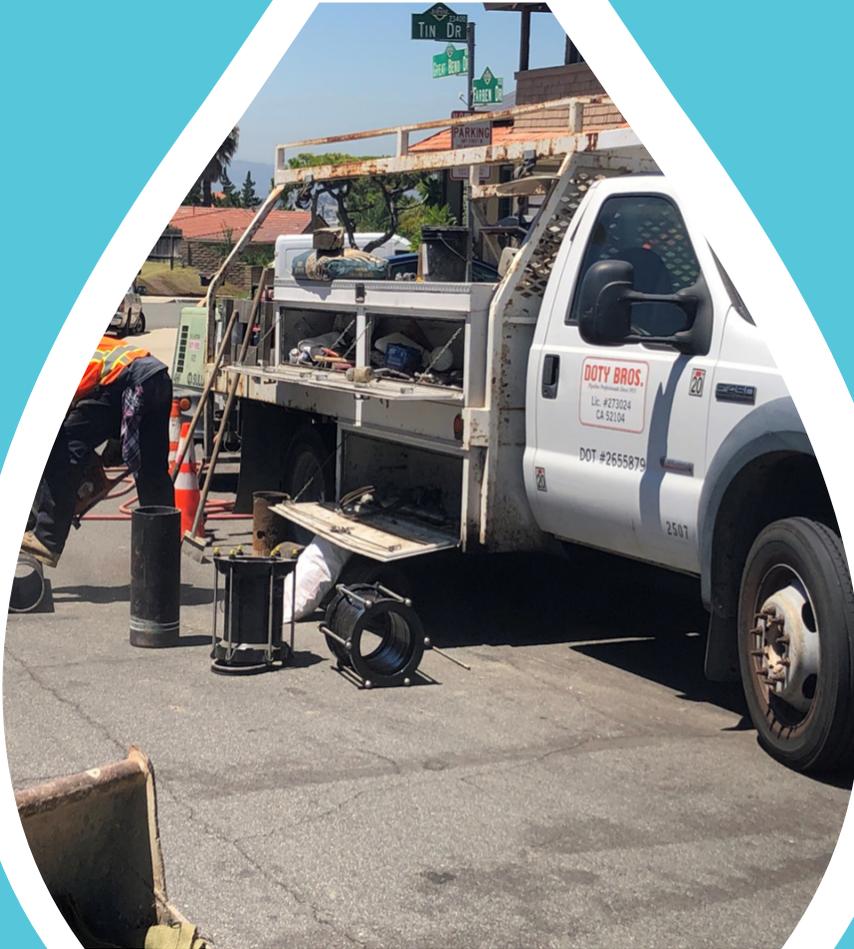
Recruitment efforts for WMDVLGBTBE firms will remain part of Suburban's ongoing business strategy. Efforts to attract innovative suppliers who can provide exceptional value, safe, quality, service and pricing are a part of our day-to-day procurement sourcing efforts. Steps continue to be taken to successfully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





**Suburban
Water Systems**

A SouthWest Water Company



Suburban's MBE vendor, **Doty Bros.**, performing work on a water mainline to keep customers water on.

SUPPLIER DIVERSITY ANNUAL PLAN 2021

2021 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)	33.52%	15.00%	15.00%	15.00%
Women Business Enterprise (WBE)	7.72%	5.00%	5.00%	5.00%
Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTE)	10.06%			
Disabled Veteran Business Enterprise (DVBE)	0.34%	1.50%	1.50%	1.50%
Total WMDVLGBTBE	51.64%	21.50%	21.50%	21.50%

In 2021, 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 the procurement of our goods and services going forward.

2021 Strategic Program Goals

In 2021, Suburban will focus on carefully selected areas for maximum results:

- Tighter integration between project planning/forecasting and sourcing.
- Specific focus on increasing purchases from Disabled Veteran Businesses and American Indian Owned Businesses.
- Ensuring our Prime suppliers are aware of Suburban’s preferred vendors for diverse subcontracting opportunities our program’s success model.





Subcontracting Program

Subcontracting is an avenue for creating opportunities for diverse businesses. In 2021 Suburban is requesting that its prime suppliers identify the subcontractors they intend to use.

Further, in 2021 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
- Ensure prime suppliers are consistently made aware of subcontracting requirements
- 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 work to enhance our reporting capabilities to further support our diverse spend tracking and the utilization of subcontractors.



Integration of Sourcing and Planning

Because much of Suburban's spend comes from projects requiring long range planning, the project lead time provides an opportunity to identify WMDVLGBTBE suppliers that meet the procurement needs.

Many of our projects for 2021 have already been sourced and will soon begin. Suburban worked diligently to make sure diverse suppliers were included in the projects whether they are prime contractors or subcontractors. Suburban will continue to provide opportunities for diverse suppliers to partner with us to meet our capital expenditure and operational needs.

In planning for 2021, Suburban will continue to focus on finding opportunities to increase our spend with DVBE and W/MBE - American Indian service providers as well as work on sustaining our program's success model.

SECTION 10.1.2 PLANNED INTERNAL / EXTERNAL ACTIVITIES

Per the key strategic activities listed 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.



California Water Association Member Company (CWA) W.A.T.E.R. Program

- ◇ The W.A.T.E.R. program is a year-long, four-part course (one workshop per quarter) totaling 22 hours of training. The focus is to increase vendors' chances of being selected as a prime or subcontractor on multi-million dollar projects because they are viewed as a "safe choice" due to their preparation.
- ◇ Diverse vendors learn how to navigate water industry procurement standards while connecting with Supplier Outreach for the seven CWA participating water companies including Suburban Water.
- ◇ Graduates receive the **California Water Association's Diverse Business Enterprise** certificate. This certification differentiates their company as having the skills and knowledge to do business with water companies.

Planned External Activities

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

- Participate in various outreach events and meetings.
- Collaborate with other IOUs on the identification of suppliers.

SECTION 10.1.3 PLANS TO SEEK AND RECRUIT WMDVLGBTBE SUPPLIERS IN UNDERUTILIZED AREAS (FINANCIAL, LEGAL, ETC.)

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.

SECTION 10.1.5 PLANNED SUBCONTRACTING OPPORTUNITIES SECTION

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



SECTION 10.1.4 PLANS FOR SEEKING OR RECRUITING WMDVLGBTBE SUPPLIERS FOR EXCLUDED CATEGORIES

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.

SECTION 10.1.6 PROGRAM COMPLIANCE SECTION

Suburban remains committed to supporting Supplier Diversity. Suburban's program continues to evolve over time and build on our strengths. As we enter our 18th year of a formal program, we understand that to sustain the growth of our program it will require not just doing what we have always done, but finding new solutions to meet our sourcing challenges, and to maximize opportunities for diverse businesses.

Our three-pronged strategic approach of planning, subcontracting, and reporting will enable Suburban to continue to successfully support the program.

Our leadership and management teams are committed to the Program and have created a culture that supports Suburban's strong 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 assist us in meeting our business needs.

For more information about Supplier Diversity at Suburban contact:

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