



## SUPPLIER DIVERSITY

*Leveraging the Power of Our Community*



**2013 Annual Report  
2014 Plan**



# **Utility Supplier Diversity Program 2013 Annual Report**

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## Preface

In compliance with General Order 156, San Gabriel Valley Water Company (“San Gabriel”) hereby submits this annual report of its Utility Supplier Diversity Program (“USDP”).

In April 2004, San Gabriel along with the five other major California investor-owned water companies with more than \$25 million in annual revenues, voluntarily committed to implement a water industry USDP to increase procurement with women, minority and disabled veteran owned business enterprises (“WMDVBE”).

With the amendments to General Order 156 established by the CPUC in August 2010, San Gabriel faced the challenge of complying with the far more detailed reporting requirements that large utilities have historically done. Although the water companies were allowed until 2015 to comply with these more stringent reporting requirements, we are pleased that this report documents for the first time our expenditures by Standard Industrial Classification (SIC) Codes and Product and Service categories.

### 9.1.1. Description of WMDVBE program activities – internal and external

#### *California Water Association (CWA) Supported Activities*

A large portion of San Gabriel’s Supplier Diversity Program activities and efforts are done in concert with CWA’s USDP Committee. This dynamic group of professionals is committed to the spirit of supplier diversity and works tirelessly to increase procurement opportunities for WMDVBEs. Each member’s strengths and resources are fully utilized to produce efforts that have elevated the committee to a position of prominence within California’s supplier diversity community, particularly with smaller utilities.



CWA USDP Committee Members (l to r) Jackie Glover, San Gabriel Valley Water; Emma Maxey, Golden State Water; Charmaine Jackson, San Jose Water; Holley Joy, Cal-American Water; Danny Rodriguez, Park Water; Stephanie Swenseid, Suburban Water. Not shown, Vicky Mount, Cal Water Service Company

In collaboration with CWA, San Gabriel sponsored a project developed by Excelerate Consulting, a WMDBE, to develop a strategic framework for CWA USDP committee activities. From that project came the committee’s mission, to *“Promote opportunities for WMDVBEs and provide value to our customers through strategic sourcing, and WMDVBE outreach and development”*. The committee’s strategy is to, *“Build a USDP with a renewed focus on customer value through education, partnerships and outreach”*.

In September, the CWA USDP Committee, with the assistance of Infinity Business Solutions, a MWBE firm, launched a Capacity Building and Technical Assistance program in response to the amendments to GO 156. The program was developed for WMDVBEs as described in the new CPUC Tier I guidelines. Several CWA member utilities volunteered to act as mentors to a DBE for the Mentor Protégé Pilot Program (MPPP). This program is designed to enhance the capabilities of WMDVBE to compete for procurement and contracting opportunities. The program goals are to:

- Increase participation of WMDVBEs in utility sourcing requirements/outcomes
- Provide training and technical assistance to grow the capacity of WMDVBEs
- Mentor and coach WMDVBEs owners to establish and nurture relationships, and finally
- Connect WMDVBEs with utility procurement teams.

Participating utilities identified protégé MWDVBEs to mentor. A graduation ceremony is being planned and will be conducted at CWA’s Annual Conference in November 2014. We expect great results from this program.

In October, at the National Minority Supplier Development Council's Annual Conference in San Antonio, Texas, the CWA USDP Committee sponsored a dinner for a targeted group of industry procurement professionals, suppliers with products or services relevant to the water industry, water industry experts, CWA member company representatives, and various other California utilities.

Discussion of water industry issues, supplier diversity programs, supply chain initiatives and networking was the focus of this informal gathering.



CWA sponsored dinner at NMSDC 2013 Annual Conference, San Antonio, TX

It was an evening dedicated to the recognition of CWA USDP 2013 successes and to discuss the committee's strategic vision for 2014. Committee members also used the event to highlight the pilot Capacity Building and Technical Assistance Program and acknowledge mentor utility companies.

## Internal Activities

### *Filled Supplier Diversity Position*

In June 2013, San Gabriel's newly created full-time Supplier Diversity Coordinator position was filled with a seasoned supplier diversity professional. Jackie Glover brings to the table 22 years of experience with a Class A water utility and has a passion for the spirit of diversity. She has proven to be an asset to San Gabriel Valley Water Company and to her peers.

### *Augmented Vendor Profiles*

San Gabriel began the process to augment vendor profiles and modify internal processes in order to begin reporting by Standard Industrial Classification (SIC) codes and product and service categories. We are proud to say that goal has been achieved. San Gabriel is now the second water utility to report as prescribed by the amendments to GO 156.

### *Inventory of Current Vendors Identified Additional WMDVBES*

San Gabriel purchasers performed an analysis of its existing vendors to identify qualified WMDVBES already being used by the company. Through this process we did identify several vendors that qualified and, in fact, were certified. Efforts are underway to motivate those who qualify but are not certified, to register with the Clearinghouse for verification.

### *Increased Spend with WMDVBEs*

San Gabriel's overall spend with Women, Minority and Service Disabled Veterans businesses has been on a steady incline since we began participating in the program and continued to increase from 2012 results.

### *Recruited Vendor in Low Recruitment Area*

During a periodic review of the company's auditors, San Gabriel's CFO solicited proposals from various firms, including Vazquez & Associates, an MBE identified by the company's Supplier Diversity Program Coordinator. We are pleased that Vazquez was, in fact, awarded the company's audit and tax services contract.

### *Created Vendor Registration Package*

A document titled, "How to do Business with San Gabriel Valley Water Company/Fontana Water Company" was created to streamline and simplify the process for how businesses register with us as potential suppliers.

### *Provided Employee Training*

A comprehensive training program was developed and delivered by the Supplier Diversity Program Coordinator to all employees with purchasing authority and to those who influence purchasing decisions. Training included a history of General Order 156 and the current status of the company's USDP program. A review of internal processes was conducted to establish how supplier diversity can play into these processes going forward. Each attendee was asked to complete a purchasing assessment that includes:

- a listing of all areas of procurement/sourcing including
  - professional services
  - outsourcing
  - sub-contractors
- contractor/supplier qualification requirements and procurement practices including
  - insurance coverage limits
  - bid and contracting procedures
  - material requirements
  - invoicing and payment schedules

This assessment will be used for matchmaking events and will be reviewed and updated as needed.

### *Shared Vendor Information*

San Gabriel's search for qualified WMDVBEs goes beyond the Clearinghouse database. We continue to coordinate on a regular basis with other water utilities to exchange qualified, diverse vendor and contractor information. In the event any of these vendors are not currently certified, attempts are made to encourage the potential supplier to become certified.

### *Top Level Management Support Continues*

The participation and involvement of top management in support of San Gabriel’s USDP remains an important facet of its internal and external activities. President Robert W. Nicholson has been an active member of CWA’s USDP Committee since implementation of the Water Utility Supplier Diversity Program Memorandum of Intent in 2004. The importance of San Gabriel’s program and the goals established for the company are communicated directly to the management staff on an ongoing basis. This direct participation from the highest level of the company and throughout the organization has served to align the company’s purchasing activities with the goals of the USDP.

## **External Activities**

### *Supported Two Prime Contractors Meetings*

CWA Member utilities hosted two Prime Contractor events, one in Northern California with over 70 attendees and the other in Southern California with over 90 attendees. The goal of these events was to garner support for member utilities’ growing efforts to develop a second tier program. These meetings provided information about member’s supplier diversity programs and how prime contractors can participate through subcontracting relationships with diverse suppliers.



These meetings included a presentation from prime suppliers showcasing their efforts to engage women and diversity businesses through their own Supplier Diversity Programs, and sub-contracting opportunities. As well, MBEs depicted their journey to success as a minority owned business.

When asked *“How much has your knowledge of Supplier Diversity*

*subcontracting Tier II improved because of the CWA USDP sponsored event”*, 43% of attendees responded *“a great deal”* and an additional 45% responded, *“a lot”*. Both meetings were followed by opportunities to meet one-on-one with member company executives, managers of various business units and sourcing decision makers. Because of the overwhelming success of these events, plans are underway for contractors’ meetings in 2014.



### *Attended Monthly Committee Meetings*

The CWA USDP Committee is an extremely active committee. Comprehensive direction and information sharing for targeted outreach and internal program efforts is provided during each rigorous session. The effectiveness of this group is evidenced by the overall success in reaching the goals of GO 156 since we began voluntary participation in 2004.

### *Attended Supplier Diversity Events*

At the July American Indian Chamber of Commerce Annual Conference, held in Rancho Mirage, CWA USDP committee members conducted for the first time, the “Pitching with a Purpose” workshop. Potential vendors were asked to “pitch” their business while committee members critiqued their presentations. Several vendors expressed their appreciation for the opportunity and the feedback provided.



“Flowing through the Pipeline of Opportunity” event on the USS Midway, San Diego

The Elite Service Disabled Veteran Owned Businesses 10TH Annual “Flowing Through the Pipeline of Opportunity” event held in August in San Diego was an impressive affair attended by state and local dignitaries all honoring the service of our military veterans. Several service disabled veteran businesses with the potential to do business with the water industry were identified.

In November, San Gabriel’s Supplier Diversity Program Coordinator along with several other CWA USDP committee members attended the SDVOB/Elite Matchmaking in Downey. The featured speaker was the distinguished Emory J. Hagan, Brigadier General, USMC (Ret.) who extolled the value and benefits of hiring a veteran owned business.



Jackie Glover with Emory J. Hagan, Brigadier General, USMC (Ret)

## External Activities; Continued

In conjunction with the CWA USDP Committee, San Gabriel supported many community based organizations and attended several other events and diversity workshops throughout the year. Following is a list of those events.

### January

- California Utilities Diversity Council (CUDC) Monthly Meeting, Burbank, CA
- Joint Utilities Quarterly Meeting, WebEx
- CWA USDP Meeting, Covina
- Cal Asian Chamber 20<sup>th</sup> Anniversary Gala, Sacramento

### February

- National Association of Regulated Utility Commissioners/UMAP Winter Meeting, Washington, D.C.
- CUDC Meeting, WebEx
- CWA Directors Meeting, San Francisco
- WMD Connect to MET, CSU Channel Islands
- Diversity Information Resources, Las Vegas
- So Cal Minority Supplier Development Council Business Opportunity Day, City of Industry

### March

- CUDC Meeting, Los Angeles
- CHCC Economic Summit, Sacramento
- Women Business Enterprise North Council Summit and Salute, Baltimore, MD
- National Association of Women Business Owners Statewide Business Conference, Sacramento
- Joint Utilities Meeting, WebEx
- USDP Meeting, Ontario
- CPUC Small Business Expo, San Mateo

### April

- CPUC Small Business Expo, Bakersfield
- California Black Chamber of Commerce Leadership, Sacramento
- CUDC Meeting, WebEx
- North California Minority Supplier Development Council Supplier Diversity Awards Gala, San Francisco
- Joint Utilities Quarterly Meeting, Irvine
- California Asian Pacific Chamber of Commerce Legislative Summit, Sacramento
- USDP Meeting, San Jose
- AICOC Annual Legislative Day, Sacramento
- CPUC Small Business Workshop, Los Angeles

## May

- CUDC Meeting, San Mateo
- National Asian American Council Asian Heritage Month, San Diego
- USDP Meeting, Garden Grove
- Keeping The Promise DVBE, Business Alliance, Garden Grove
- AICOC Annual Legislative Day, Northern California
- CAHCC Legislative Day, Sacramento
- Edison Electric Institute Supplier Diversity, Santa Clara
- CWA Annual Spring Conference, Sacramento

## June

- CPUC Small Business Workshop, San Francisco
- AICOC, Autry Museum
- CUDC Meeting, WebEx
- Latin Business Association Global Business Conference, Los Angeles
- CUDC-CPUC Consulting Forum, San Francisco
- CWA USDP Committee Meeting, Fontana
- NAMC 4<sup>th</sup> Annual Conference, Los Angeles
- WBENC National Conference, Minneapolis, MN

## July

- CUDC Monthly Meeting, WebEx
- Joint Utilities Quarterly Meeting, San Jose
- USDP Committee Meeting, San Jose
- CUDC Advertisement & Media Forum, Irwindale
- AICOC Annual Conference, Rancho Mirage
- ABA Makeover: Business Edition, Los Angeles
- CWA USDP Prime Contractors Meeting, San Jose
- CPUC GO 156 Small Utility Workshop, San Francisco

## August

- NCMSDC Small Business Exchange, Santa Clara
- California Hispanic Chamber Conference, Oakland,
- Latin Business Association 4<sup>th</sup> Annual Minority Women Business Conference, Burbank
- California Black Chamber Conference, Fresno
- Elite SDVOB 10<sup>TH</sup> Annual Flowing Through the Pipeline of Opportunity, San Diego
- Diversity Information Resources Strategies and Initiatives Seminar, Atlanta, GA
- CWA USDP Committee Meeting, Coronado
- CUDC Meeting, San Diego
- The Regalette's White Scholarship Awards Ceremony, Los Angeles

### *September*

- CWA USDP Committee Meeting, Ontario
- CWA USDP Prime Contractors Meeting, Ontario
- CUDC Meeting, WebEx
- WEBEC 10<sup>TH</sup> Annual Conference, Pasadena
- Congressional Black Caucus, Washington, D.C.
- CAPCC/ABA Asian Business Summit, San Diego
- SICHCC Construction Procurement Expo, Stockton
- ABA Annual Award Banquet, Los Angeles

### *October*

- Joint Utilities Quarterly Meeting, Downey
- ABA Inland Empire Procurement Expo, Corona
- CPUC Small Business Expo, Salinas
- CUDC Monthly Meeting, Rosemead
- NAAC Economic Development Conference, San Diego
- CUDC/Employ Commit; Mesa Leadership Conference, San Diego
- USDP Meeting, Downey,
- National Minority Supplier Development Council Annual Conference, San Antonio, TX

### *November*

- SDVOB/Elite Matchmaking, Downey
- CWA Annual Conference, Monterey
- USDP Committee Meeting, San Francisco,
- CPUC En Banc Hearing on Diversity, San Francisco
- Black Business Association Procurement Exchange Summit, Los Angeles
- Sac Pacific Asian Council The Connecting Point, Sacramento
- AICOC Heritage Month Luncheon, Los Angeles
- USDP Committee Meeting, Ontario

### *December*

- USDP Meeting, San Jose
- CUDC Meeting, WebEx

At many of these events, utility company representatives were introduced to WMDVBE suppliers with the potential for future procurement opportunities.

### 9.1.2. Summary of WMDVBE purchases/contracts

SUMMARY OF WMDVBE PURCHASES AND/OR CONTRACTS, WITH BREAKDOWN BY ETHNICITY						
			Direct \$	Sub \$	Total \$	%
1	Minority Men	Asian-Pacific	\$1,276,162	0	\$1,276,162	2.98
2		Black	\$ 18,200	0	\$ 18,200	.04
3		Hispanic	\$1,714,083	0	\$1,714,083	4.00
4		Native American	0	0	0	0
5		Other	0	0	0	0
6		<b>Total Minority Men</b>		\$3,008,446	0	\$3,008,446
7	Minority Women	Asian-Pacific	\$ 134,456	0	\$ 134,456	.31
8		Black	\$ 868	0	\$ 868	.00
9		Hispanic	\$ 760,149	0	\$ 760,149	1.77
10		Native American	0	0	0	0
11		Other	0	0	0	0
12		<b>Total Minority Women</b>		\$ 895,474	0	\$ 895,474
13	Total Minority Business Enterprises (MBE)		\$3,903,921	0	\$3,903,921	9.11
14	Total Women Business Enterprises (WBE)		\$1,287,236	\$ 2,068	\$1,289,304	3.00
15	Subtotal Women, Minority Business Enterprises (MWBE)		\$5,191,157	\$ 2,068	\$5,193,225	12.11
16	Service Disabled Veteran Business Enterprises (DVBE)	<b>Total Service Disabled Veteran</b>	\$ 233,093	0	\$ 233,093	.54
17	<b>TOTAL WMDVBE</b>		\$5,424,251	\$ 2,068	\$5,426,319	12.66
18	<b>Net Procurement</b>	<b>\$42,847,939</b>				

## Direct Procurement by Product and Services Category

			Products		Services		TOTAL	
			\$	%	\$	%	\$	%
Minority Men	Asian-Pacific	Direct	\$1,249,289	0.0856053	\$26,874	0.00095115	\$1,276,163	2.98%
	Black	Direct	\$958	6.5645E-05	\$17,243	0.00061028	\$18,201	0.04%
	Hispanic	Direct	\$97,181	0.00665915	\$1,616,903	0.0572267	\$1,714,084	4.00%
	Native American	Direct		0		0	\$0	0.00%
	Other	Direct		0		0	\$0	0.00%
	<b>Total Minority Men</b>	Direct	\$1,347,428	0.0923301	\$1,661,020	0.05878813	\$3,008,448	7.02%
Minority Women	Asian-Pacific	Direct	\$107,623	0.00737467	\$26,833	0.00094969	134456	0.31%
	Black	Direct	\$869	5.9547E-05	\$0	0	869	0.00%
	Hispanic	Direct	\$771	5.2831E-05	\$759,379	0.02687654	760150	1.77%
	Native American	Direct	\$0	0	\$0	0	0	0.00%
	Other	Direct	\$0	0	\$0	0	0	0.00%
	<b>Total Minority Women</b>	Direct	\$109,263		\$786,212		\$895,475	2.09%
<b>Total Minority Business Enterprises (MBE)</b>		Direct	\$1,456,691		\$2,447,232		\$3,903,923	9.11%
Women Business Enterprises (WBE)		Direct	\$658,838	0.0451457	\$628,398	0.02224076	\$1,287,236	3.00%
Total Women, Monority Business Enterprises (MWBE)		Direct	\$2,115,529	0.14496284	\$3,075,630	0.10885512	\$5,191,159	12.12%
Service Disabled Veteran Business Enterprises (DVBE)		Direct	\$233,093	0.01597228	\$0	0	\$233,093	0.54%
<b>TOTAL WMDVBE</b>		Direct	\$2,348,622	0.16093513	\$3,075,630	0.10885512	\$5,424,252	12.66%
<b>Total Product Procurement</b>			<b>\$ 14,593,594.69</b>		<i>Total WBE does not include \$2068 in indirect spend.</i>			
<b>Total Service Procurement</b>			<b>\$ 28,254,344.73</b>					
<b>Net Procurement</b>			<b>\$ 42,847,939.42</b>					

WMDVBE PROCUREMENT BY STANDARD INDUSTRIAL CLASSIFICATION CODES - DETAIL

SIC Category	Asian/Pacific American		African American		Hispanic American		Native American		Other		Total Minority Business (MBE)	Women Business Enterprises (WBE)	Disabled Veterans Business Enterprises (DVBE)	TOTAL WMDVBE	Total Spend
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women					
14 -- Mining & Quarrying	\$ 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	0.00	34,758.81
	% 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%	0.00%	
15 -- Building Construction	\$ 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	331,252.35	0.00	331,252.35	4,080,286.57
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.77%	0%	0.77%	
17 -- Special Trade Contractor	\$ 0.00	0.00	0.00	0.00	2,760.00	721,881.08	0.00	0.00	0.00	0.00	0.00	255,196.00	0.00	979,837.08	11,850,249.73
	% 0.00%	0.00%	0.00%	0.00%	0.01%	1.68%	0.00%	0.00%	0.00%	0.00%	0.00%	0.60%	0.00%	2.29%	
25 -- Furniture & Fixtures	\$ 18,288.10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	18,288.10	18,288.10
	% 0.04%	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%	
28 -- Chemical & Allied Products	\$ 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	0.00	12,374.81
	% 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%	0.00%	
29 -- Petroleum Refining	\$ 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	0.00	36,866.97
	% 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%	0.00%	
30 -- Rubber & Misc Plastic Products	\$ 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	0.00	20,662.50
	% 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%	0.00%	
32 -- Stone & Concrete Products	\$ 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	0.00	1,516,045.00
	% 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%	0.00%	
34 -- Fabricated Metals Products	\$ 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	0.00	41,748.44
	% 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%	0.00%	
35 -- Industrial Machinery & Computer Equip	\$ 13,438.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13,438.18	748,776.33
	% 0.03%	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%	
36 -- Electronic & Other Electronic Equip	\$ 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	0.00	103,900.68
	% 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%	0.00%	
37 -- Transportation Equipment	\$ 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	0.00	3,035.53
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
38 -- Measuring & Analyzing Instruments	\$ 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	0.00	104,407.86
	% 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%	0.00%	
39 -- Miscellaneous Mnfg Industries	\$ 1,216,084.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,216,084.00	2,604,211.50
	% 2.84%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.84%	
46 -- Pipelines	\$ 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	233,093.20	233,093.20	2,443,977.25
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.54%	0.54%	
48 -- Communications	\$ 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	0.00	4,524.95
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
49 -- Electric, Gas, & Sanitary Services	\$ 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	0.00	3,883.15
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
51 -- Wholesale Trade Non-durable Goods	\$ 0.00	0.00	0.00	0.00	31,602.39	0.00	0.00	0.00	0.00	0.00	0.00	21,843.82	0.00	53,446.21	846,459.59
	% 0.00%	0.00%	0.00%	0.00%	0.07%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.05%	0.00%	0.12%	
52 -- Building Materials & Garden Supplies	\$ 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	40,811.92	0.00	40,811.92	135,472.75
	% 0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.10%	0.00%	0.10%	

WMDVBE PROCUREMENT BY STANDARD INDUSTRIAL CLASSIFICATION CODES - DETAIL

SIC Category	Asian/Pacific American		African American		Hispanic American		Native American		Other		Total Minority Business (MBE)	Women Business Enterprises (WBE)	Disabled Veterans Business Enterprises (DVBE)	TOTAL WMDVBE	Total Spend
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women					
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$					
54 -- Food Stores	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	0.00	32,093.75
	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%	0.00%	
55 -- Auto Dealers & Gas Stations	0.00	0.00	957.77	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	585,579.56	0.00	586,537.33	609,338.13
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.37%	0.00%	0.00%	
56 -- Apparel & Accessory Stores	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	0.00	51.84
	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%	0.00%	
58 -- Eating & Drinking Places	0.00	0.00	0.00	0.00	0.00	770.77	0.00	0.00	0.00	0.00	0.00	0.00	0.00	770.77	770.77
	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%	0.00%	
59 -- Miscellaneous Retail	1,478.25	26,833.00	0.00	868.54	458,196.84	0.00	0.00	0.00	0.00	0.00	0.00	10,603.09	0.00	497,979.72	3,401,656.50
	0.00%	0.06%	0.00%	0.00%	1.07%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.02%	0.00%	1.15%	
60 -- Depository Institutions	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	0.00	57,874.51
	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%	0.00%	
63 -- Insurance Carriers	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	0.00	888,589.19
	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%	0.00%	
64 -- Insurance Agents Brokers & Service	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	0.00	30,508.03
	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%	0.00%	
65 -- Real Estate	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	0.00	300.00
	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%	0.00%	
67 -- Holding & Other Investment Offices	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	0.00	666,270.00
	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%	0.00%	
73 -- Business Services	26,873.93	1,939.00	17,243.00	0.00	606,275.50	26,394.81	0.00	0.00	0.00	0.00	0.00	15,319.67	0.00	694,045.91	2,283,335.72
	0.06%	0.00%	0.04%	0.00%	1.41%	0.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.04%	0.00%	1.61%	
75 -- Automotive Repair Services	0.00	0.00	0.00	0.00	3,524.71	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,524.71	478,280.21
	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	
76 -- Miscellaneous Repair Services	0.00	0.00	0.00	0.00	0.00	11,103.30	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,103.30	102,271.41
	0.00%	0.00%	0.00%	0.00%	0.00%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.03%	
80 -- Health Services	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	0.00	3,770.38
	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%	0.00%	
81 -- Legal Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,575.00	0.00	1,575.00	1,221,973.57
	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%	0.00%	
82 -- Educational Services	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	0.00	88,005.93
	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%	0.00%	
87 -- Engineering & Management Services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,187.50	0.00	6,187.50	1,116,081.96
	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.01%	
89 -- Miscellaneous Services	0.00	105,684.13	0.00	0.00	611,723.87	0.00	0.00	0.00	0.00	0.00	0.00	18,867.89	0.00	736,275.89	7,249,680.65
	0.00%	0.25%	0.00%	0.00%	1.43%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.04%	0.00%	0.00%	
99 -- Non-classifiable Establishments	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	0.00	7156.35
	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%	0.00%	
<b>Totals:</b>	<b>1,276,162.46</b>	<b>134,456.13</b>	<b>18,200.77</b>	<b>868.54</b>	<b>1,714,083.31</b>	<b>760,149.96</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,903,921.17</b>	<b>1,287,236.80</b>	<b>233,093.20</b>	<b>5,424,251.17</b>	<b>42,847,939.42</b>



Women, Minority and Service Disabled Veteran Attorneys with Majority Firms			
2013 Direct Spend: \$1,095,406			
		Sub-spend \$	% of Total
1	Total Minority Men	\$ 27,155	2.5
2	Total Minority Women	25,998	2.4
3	Total Non-Minority Women	118,405	10.8
4	Total Service Disabled Veteran	0	0
5	<b>TOTAL DIVERSITY SPEND</b>	<b>\$171,558.00</b>	<b>15.7</b>

### 9.1.3. Itemization of WMDVBE program expense

Expense Category	2013 (Actual)
Wages	\$ 21,356.92
Other Employee Expenses	\$ 3,369.43
Program Expenses	\$ 1,810.79
Reporting Expenses	\$ 0.00
Training	\$ 2,061.96
Consultant	\$ 0.00
Other	\$ 0.00
<b>TOTAL PROGRAM EXPENSES</b>	<b>\$28,599.10</b>

### 9.1.4. Description of progress in meeting or exceeding set goals

Category	Current Year Results	Current Year Goals
Minority Business Enterprises (MBE)	9.11%	9%
Women Business Enterprises (WBE)	3.00%	3%
Service Disabled Veteran Business Enterprises (DVBE)	0.54%	0.5%
<b>TOTAL WMDVBE</b>	<b>12.66%</b>	<b>12.5%</b>

San Gabriel continues to achieve growth in both the share and total dollars of procurement with certified WMDVBEs. We utilized 48 WMDVBE's compared to 40 in 2012. San Gabriel's procurement in 2013 with WMDVBEs totaled \$5,426,319 in direct and indirect spend as detailed in Table 9.1.2, compared to \$3,517,388 in 2012. That represents growth of 54% over the past year, for a total increase of \$1,908,941. This equates to 12.66% of the company's total procurement compared to 11.5% in 2012.

### 9.1.5. Summary of prime contractor utilization of WMDVBE subcontractors

	Minority Male	Minority Female	Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Women Minority Business Enterprise (WMBE)	Service Disabled Veterans Enterprise (SDVBE)	TOTAL WMDVBE
Direct \$	\$ 3,008,446	\$ 895,474	\$3,903,921	\$1,287,236	\$5,191,157	\$ 233,093	\$5,424,251
Subcontracting \$	\$ 0	\$ 0	\$ 0	\$ 2,068	\$ 2,068	\$ 0	\$ 2,068
<b>Total \$</b>	\$ 3,008,446	\$ 894,606	\$3,903,052	\$1,289,304	\$5,193,225	\$ 233,093	\$5,426,319
Direct %	7.02	2.09	9.11	3.00	12.11	0.54	12.66
Subcontracting %	0	0	0	0	0	0	0
<b>Total %</b>	7.02	2.09	9.11	3.00	12.11	0.54	12.66
<b>Net Procurement</b>	<b>\$42,847,939</b>						

### 9.1.6. List of WMDVBE complaints

San Gabriel received no complaints and none were filed relative to its USDP.

### 9.1.8. Description of efforts to recruit WMDVBE suppliers in procurement categories where WMDVBE utilization is low

#### *Legal*

San Gabriel purchasers of legal services have been made aware of the fact that legal is considered an area where recruitment of WMDVBEs is low. Purchasers have further been made aware of the process to alert the supplier diversity coordinator when there is a need for outside legal services in order to include WMDVBEs in the bid/procurement process.

#### *Finance*

San Gabriel has contracted with Vasquez and Associates, a MBE, to conduct its annual certified audit, and to provide tax services including tax return preparation and advisory services. Purchasers of financial services have also been made aware of the fact that financial services are considered an area where recruitment of WMDVBEs is low.

*Highly Technical (Information Technology)*

San Gabriel purchasers of IT services have been made aware of the fact that IT is considered an area where recruitment of WMDVBES is low. Purchasers have further been made aware of the process to alert the supplier diversity coordinator when there is a need for outside IT services in order to include WMDVBES in the bid/procurement process.



# 2014 ANNUAL PLAN

### 10.1.1. Short- mid- and long term goals for the utilization of WMDVBEs

Category	Short Term Goals	Mid Term Goals	Long Term Goals
Minority Owned	10%	13%	15%
Women Owned	4%	4.5%	5%
Service Disabled Veteran Owned	0.8%	1%	1.5%
Total	14.8%	18.5%	21.5%

San Gabriel purchasers have been trained in the implementation of the goals of supplier diversity and are becoming more and more aware of ways to increase their utilization of women, minority and service disabled veteran businesses. Purchasers will continue to query current suppliers to determine if any qualify as a WMDVBE, and to encourage verification and certification.

San Gabriel Valley Water will attempt to identify major product and service categories that provide opportunities for procurement from WMDVBEs and set goals for each for the 2014 reporting period.

San Gabriel remains committed to the spirit of supplier diversity and will make every effort possible to achieve its program goals.

### 10.1.2. Description of WMDVBE program activities

#### *California Water Association Supported Activities*

The CWA USDP Committee will renew a focus on a measurable return on its outreach investments and add value to utility customers through strategic sourcing.

#### **Internal Activities**

##### *Formally document Internal Utility Supplier Diversity Program*

San Gabriel will formally document its program plans to ensure that WMDVBEs are encouraged to become potential suppliers or products and services to San Gabriel and its Fontana Division. It will provide direction and guidance to effectively implement a WMDVBE program.

##### *Finalize Purchasing Assessments*

Purchasers will be interviewed by our Supplier Diversity Program Coordinator to assist in the completion of the purchasing assessments. The purchasing assessment will include:

- a listing of all areas of procurement/sourcing including
  - professional services
  - outsourcing
  - sub-contractors
- contractor/supplier qualification requirements and procurement practices including

- insurance coverage limits
- bid and contracting procedures
- material requirements
- invoicing and payment schedules

This assessment will be used for matchmaking events and will be reviewed and updated as needed.

#### *Modify Procurement Documents*

Procurement documents will be clearly defined and modified to include a statement of San Gabriel’s commitment to supplier diversity and to providing the best practical opportunity for diverse businesses to participate in our procurement and contracting activities.

#### *Consider Breaking up Large Jobs to Accommodate WMDVBE Capacity*

Whenever feasible, purchasers will consider breaking apart purchases, contracts and jobs to accommodate the capabilities of WMDVBEs.

#### *Review and Monitor Diversity Web Page*

The Supplier Diversity page on the company website will be proactively promoted at each outreach event and in CWA marketing brochures. This will include evaluation of the possibility of developing an online vendor registration portal.

#### *Participate in the Mentor Protégé Pilot Program (MPPP)*

Engineering and distribution will participate in the Mentor Protégé program in 2014.

### **External Activities**

#### *California Water Association Supported Activities*

External outreach activities will attempt to strategically leverage our resources and manage outreach opportunities by developing:

- a criteria/scorecard for outreach selection and evaluation,
- a collective list of company procurement opportunities and needs,
- a calendar of outreach events, and
- partnerships with certain CBOs for participation on their advisory councils.

#### *Volunteer on Task Force to Re-Evaluate the Clearinghouse*

San Gabriel’s Supplier Diversity Coordinator will work with major IOUs to re-evaluate the verification and certification process and will provide input for future utilization of the Clearinghouse.

#### *Support Community Based Organizations and Attend Outreach Events*

In conjunction with CWA, San Gabriel will continue to support many community based organizations, chambers and other associations by event sponsorship and participation.

San Gabriel purchasers understand how important outreach is to our program success. They will be invited and encouraged to participate in matchmaking events.

### **10.1.3. Plans for recruiting WMDVBE suppliers where WMDVBE utilization has been low**

San Gabriel will seek to identify, recruit and qualify WMDVBES in areas where their utilization is low by supporting events targeted at these areas. Purchasers of these services will be reminded of the importance to attend these events and to make every reasonable effort to retain WMDVBES when the need arises.

### **10.1.5. Plans for encouraging prime contractors and grantees to engage WMDVBES**

San Gabriel, in connection with CWA, will sponsor two prime contractor meetings, each with the intent of educating our prime contractors on ways they can assist us in meeting program goals, and to facilitate relationships between supplier and purchasers.

Procurement documents will be modified to include our commitment to Supplier Diversity and encourage prime contractors to sub-contract work done on our behalf to WMDVBES.

### **10.1.6. Plans for complying with WMDVBE program guidelines**

#### *Utility Implementation*

San Gabriel will formalize its internal Utility Supplier Diversity Program. It will detail plans to implement an outreach program to inform and recruit WMDVBES for inclusion in its contracting and procurement opportunities. It will also include 2<sup>nd</sup> tier program plans.

#### *Goals*

The following will be considered to set 2014 goals:

- Purchasing and contracting projections
- Availability of WMDVBES in company service area
- Market dynamics for each major product and service category

San Gabriel is pleased with our growth in the utilization of WMDVBES. Our objective is to continue that growth through these efforts.

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