

Quality. Service. Value.



# California Water Service 2015 Annual Report

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

Learn more at [calwater.com](http://calwater.com).



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## MESSAGE FROM CALIFORNIA WATER SERVICE'S PRESIDENT AND CHIEF EXECUTIVE OFFICER

At California Water Service (Cal Water), our purpose is to enhance the quality of life for those we serve. One way we do that is by choosing suppliers who provide the highest quality services at the lowest prices. That's why our Supplier Diversity Program is so important: it expands the pool of suppliers who compete for our business and enables us to partner with businesses that live, work, and give back in the communities we serve.

I am very pleased with our achievements in 2015, which include:

- Increasing the total number of certified diverse suppliers in our database from 492 to 597, an increase of 21% over 2014.
- Increasing the number of diverse suppliers we did business with from 168 to 228, an increase of 35% over 2014.
- Increasing our spend with diverse suppliers to \$40.9 million, compared to \$34 million in 2014.
- Surpassing the California Public Utilities Commission's overall goal of achieving a 21.5% spend with diverse suppliers.



In this report, you will find details about our Supplier Diversity Program, along with profiles of some of the diverse businesses we worked with in 2015. You will also find a frank discussion about some of the challenges we face, including the difficulty finding qualified diverse suppliers to provide certain goods and services in certain parts of the state, and the challenges associated with getting qualified small business certified.

We are committed to meeting these challenges and making even greater progress in 2016.

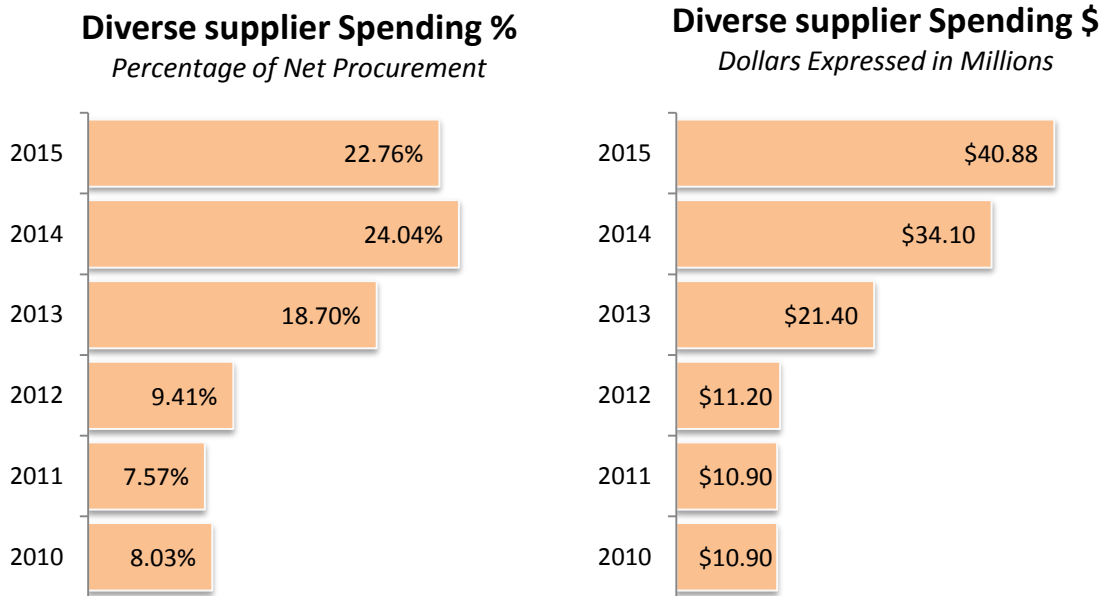
A handwritten signature in black ink that reads "Martin A. Kropelnicki". The signature is written in a cursive, flowing style.

Martin A. Kropelnicki

## SUMMARY OF 2015 DIVERSE SUPPLIER PROGRAM

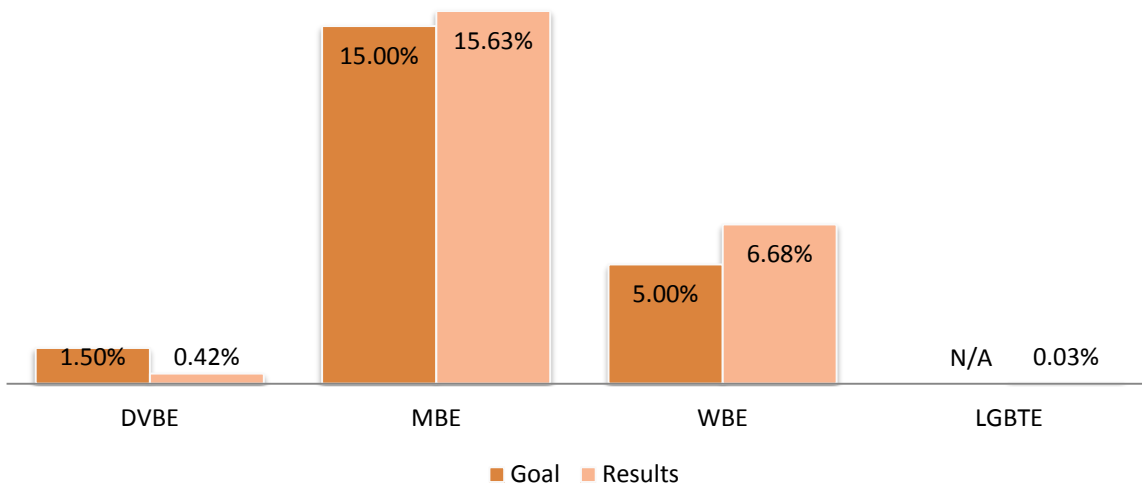
This report outlines California Water Service’s (Cal Water) progress in procuring goods and services from woman-(WBE), minority-(MBE), disabled veteran-(DVBE), lesbian-, gay-, bisexual-, and transgender-(LGBTBE) owned business enterprises (collectively referred to as diverse suppliers) for the period of January 1, 2015, through December 31, 2015.

In 2015, Cal Water’s discretionary spending totaled \$179.6M, of which the company spent \$40.88M, or 22.76%, with diverse suppliers. This is an increase of 19% over 2014.



Our results per category are:

### Results per Category



As part of our ongoing effort to streamline our operations and generate more cost savings for rate payers, in 2015, we contracted our construction material procurement separately from our master construction service contracts.

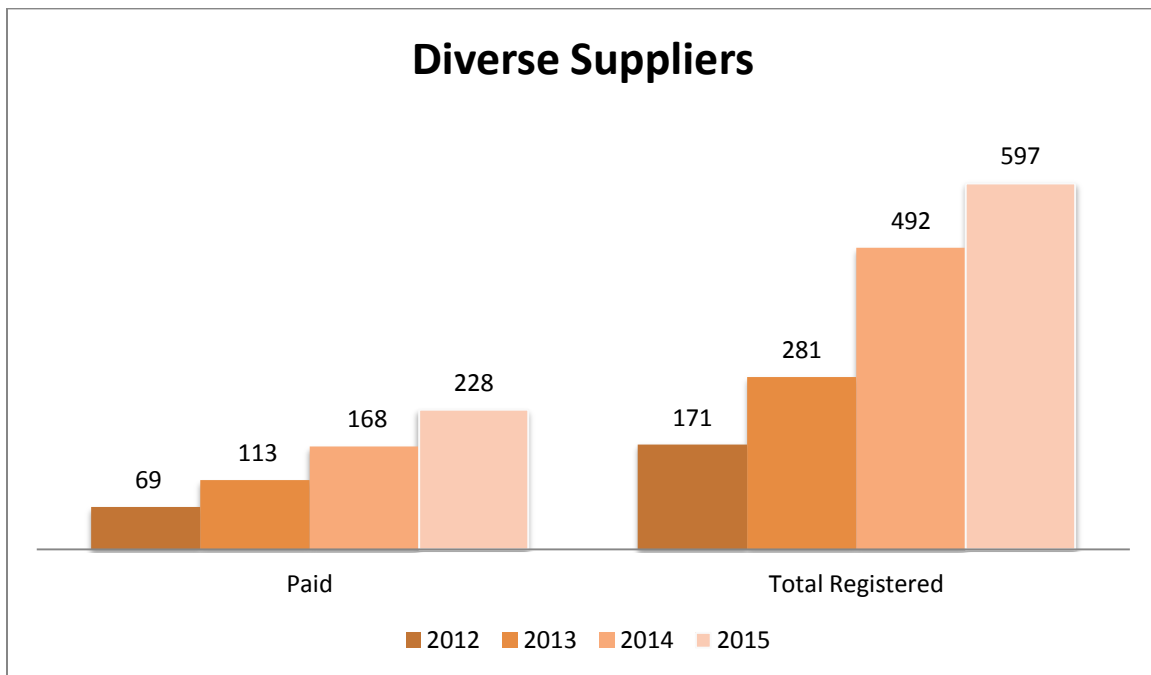
We achieved excellent results through our Supplier Diversity Program in 2015, when we incorporated 49 new diverse suppliers into our supply chain. We spent more than \$6.3M with these suppliers on goods and services including safety supplies, water resource studies, staffing, and engineering services.

**2015 DIVERSE SUPPLIERS**

- 49 New vendors
- \$6.3M in contracts

Diverse suppliers are a critical part of our operations; this year, for the first time, we entered into multi-year master contracts on Engineering Services with a few key suppliers. Through a competitive RFP process we awarded contracts to Blair, Church & Flynn (VON: 12020053), a native American-owned firm, in two out of four of our operating regions.

In 2015, we increased our pool of registered diverse suppliers by 105, or 21%, to 597. We purchased from a total of 228 certified diverse suppliers, compared to 168 in 2014.





In 2015, we initiated efforts to identify and incorporate LGBT-owned businesses in our procurement opportunities as directed by General Order 156. To that end, we updated our procurement system to capture the category, identify and track expenditures.

We've partnered both with the Golden Gate Business Association (San Francisco's LGBT Chamber of Commerce) and the Rainbow Chamber of Commerce Silicon Valley to help us with our outreach efforts.

California Water Service representatives attended their monthly mixers, business expos, and other events to identify possible suppliers; furthermore, we've communicated our procurement opportunities for their communities in their newsletters.

Our efforts didn't stop there; we extended an invitation to the LGTB community to participate in our Meet the Primes event in Northern California, where we brought our prime contractors to meet with diverse suppliers to explore subcontracting opportunities.

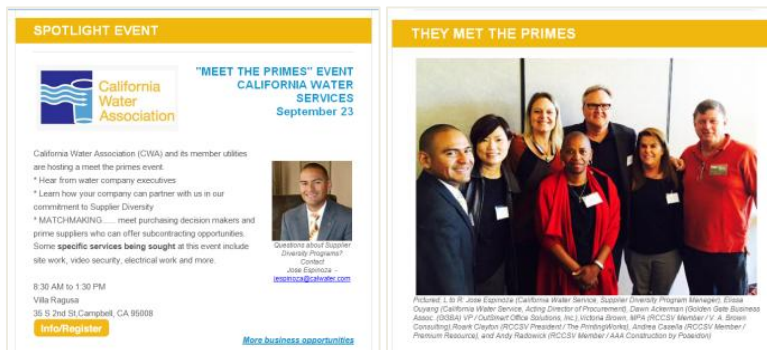
**New Opportunities for LGBT-owned Businesses**

As more and more companies establish infrastructure and targets for supplier diversity programs, the opportunities for LGBT-owned businesses increase. In the last 60 days, the RCCSV has worked with the National Gay and Lesbian Chamber of Commerce (NGLCC) to host educational webinars for Bay Area businesses to help pave the way to access new business opportunities. The efforts are paying off, too. Already several members have received inquiries from local companies because they were certified through NGLCC's Supplier Diversity initiative. Recently, representatives of the RCCSV were contacted by, and met with the Supplier Diversity Program Manager for California Water Service Company (Cal Water) who provided a list of contract product and service opportunities for local RCCSV members, especially those who are NGLCC certified. Their immediate needs were for a catering company, landscaping services, maintenance services and more.

Take action now! Become a certified LGBT Business Enterprise through the NGLCC. Your RCCSV membership waives the \$400 NGLCC processing fee. For more information on NGLCC certification visit [www.nglcc.org](http://www.nglcc.org).



Want to talk directly with an LGBT-owned RCCSV member business who is already NGLCC certified? Contact [Dr. Bard Williams](mailto:Dr. Bard Williams), RCCSV members who are already NGLCC-certified members can register to become a Cal Water supplier here: [Calwater Supplier Registration](#). See our growing list of [LGBT Certified BE members](#) on our supplier diversity page.



In 2015, Cal Water continued to be active in our community-based organizations; in February, we were recognized by the Bay Area Business Roundtable for our commitment to the Economic Health and Vitality of Bay Area Businesses and Communities. In November, as a member of California Water Association, we were recognized by the American Indian Chamber of Commerce for our support and capacity building efforts with their members.



## Profile: Tel-Tec Security Systems, Inc.



**Tel-Tec Security** is a Bakersfield-based, locally owned and operated security company that has been in business for over 33 years. Innovative technological advances and measured management performance makes them leaders in the security industry. Tel-Tec Security reinvests in communities by supporting local nonprofit organizations that assist in improving quality of life for youth and families.

Tel-Tec provides California Water Service monitoring services for fire alarm systems located at the Bakersfield Water Treatment Plants. Fire alarm systems are critical for protecting the life and safety of employees who work at these plants. Their local certified UL monitoring station is ready to respond 7 days a week 24 hours a day. Their organization has exemplary past performance ratings in government and private sectors, including banks, universities and airports trusting their security to them.

From the beginning, Tel-Tec has been involved in making the community a better place to live and work. President Morgan Clayton is a former chairman of the Greater Bakersfield Chamber of Commerce and a board member of the Mercy Hospital of Bakersfield Board of Directors. He also sits on a number of regional and state-wide associations and boards. Morgan was honored as a Business Person of the Year for the City of Bakersfield.

Each year, Morgan and his company present a Leaders in Life Youth Conference which reaches over 2,000 youth in the community; an annual event that helps to guide teenagers on paths towards leadership and community involvement.

From sponsoring local events to planning and implementing substantial programs aimed at guiding young people, Tel-Tec is devoted to serving the community and working in partnership with other businesses and organizations.

Following up from discussions we have at outreach events through “Meet & Greet” sessions, we bring qualified suppliers and our project managers together for further review of capabilities and available opportunities. To this end, in 2015 we hosted 9 sessions in our San Jose campus.

To ensure that Supplier Diversity remains relevant throughout our organization, in 2015, we featured 15 new articles on Supplier Diversity in our internal publishing platform; we included success stories, legislative updates, and our current year-to-date performance index.

Our biggest challenge in 2015 was to maintain our subcontracting (Tier 2) expenditures with diverse suppliers as we changed the way we procure construction materials and contracted with new primary contractors (primes) for greater cost savings.

To ensure we continue growing in Tier 2 expenditures, we encouraged our existing primes to increase their expenditures; coached and tutored them on how to start a diversity program; and requested their participation in our Meet the Primes event in Northern and Southern California. During this event, we brought in diverse suppliers to discuss future opportunities and requirements.



Meet the Primes Panel

Our efforts produced results, and we’re proud of our achievements in subcontracting. In 2015, we increased the number of primes reporting subcontracting expenditures to 9, compared to 4 in 2014, and our number of diverse suppliers with contracts grew to 54 in 2015, compared to 41 in 2014.

Technical Assistance and Capacity-Building is one of the five pillars of our Supplier Diversity program; to this end, in 2015 we continued to offer access to our Water Technology Training Scholarship Program to diverse suppliers doing business with us. A combination of lectures and video-conferencing instruction from our in-house experts help the operators from these enterprises earn certification as a Water Treatment & Distribution System operator from the State Water Resources Control Board. With this added knowledge, the operators are better able to support us and our communities, and at the same time are more efficient and competitive in their operations.

The California Water Association’s Mentor Protégé Program remained active in 2015. California Water Service is proud to contribute time and resources to ensure that the enrolled suppliers are successful and have the opportunity to network with our decision makers for contracting opportunities.

Many of our products and services are sourced from local businesses in our communities; the challenge continues to be educating them on the benefits of certification and assisting them through the process. For a small business owner, the complexity of the process, and in particular, the required supporting documentation, can be a deterrent.

Part of our capacity building effort is focused on getting current suppliers certified, teaching them how to create a Statement of Qualifications, market to the other utilities, and conduct outreach events.



**Profile: Blair, Church & Flynn Consulting Engineers, Inc.**

**Blair, Church & Flynn** is a professional consulting engineering firm offering comprehensive services including land surveying, planning, civil engineering, environmental, landscape architecture, and construction management. Since 1958, the firm has been a trusted advisor to public agencies, educational institutions, commercial developers, special districts, and regulated utilities throughout California.

Blair, Church & Flynn's convergence with Cal Water made perfect sense. Not only is the professional engineering services firm familiar with the regulated utility environment within California, but it also has a solid foundation of knowledge and expertise with 57 years of water infrastructure experience. When George Blair established the firm in 1958, it was with the intention of providing an innovative approach to water resources, water delivery, and storm water management.

In 2015 Blair, Church & Flynn was awarded two of Cal Water's service regions on a master contract agreement for engineering, surveying, and utility locating services for a major water main replacement effort, potentially totaling more than 50,000 linear feet of water main replacement design, surveying, and sub-surface utility work.

The firm has been able to make a positive contribution to Cal Water's operations by providing land surveying and engineering services. Cal Water's unwavering commitment to working with minority-owned, small businesses within its service areas has provided the utility with partners that are cost effective, accountable, and adaptable to the needs of building safe, reliable infrastructure.

Going forward, Blair, Church & Flynn looks to build an even stronger relationship with Cal Water, leveraging more of firm's services within the organization, to help plan for the future and ensure the safety and sustainability of the community that Cal Water serves.

Through our encouragement and coaching; 18 suppliers became certified through the Supplier Clearinghouse in 2015, compared to 12 in 2014. These suppliers provide a wide range of services, including facilities studies, security services, vehicle cleaning, general contracting, land survey, and IT services.

These efforts strengthened our Supplier Diversity performance and contributed to our diverse suppliers' growth. Hammer Head Security (VON: 14100048) became certified in February 2015, enabling it to bid and win a Super Bowl 50 security contract. Similarly, ASSET Security Inc. (VON: 14040025) became certified in October 2015, enabling it to bid and win a contract from another Class A Water Utility in Northern California.

#### Certification Assistance

- 2015: 18
- 2014: 12

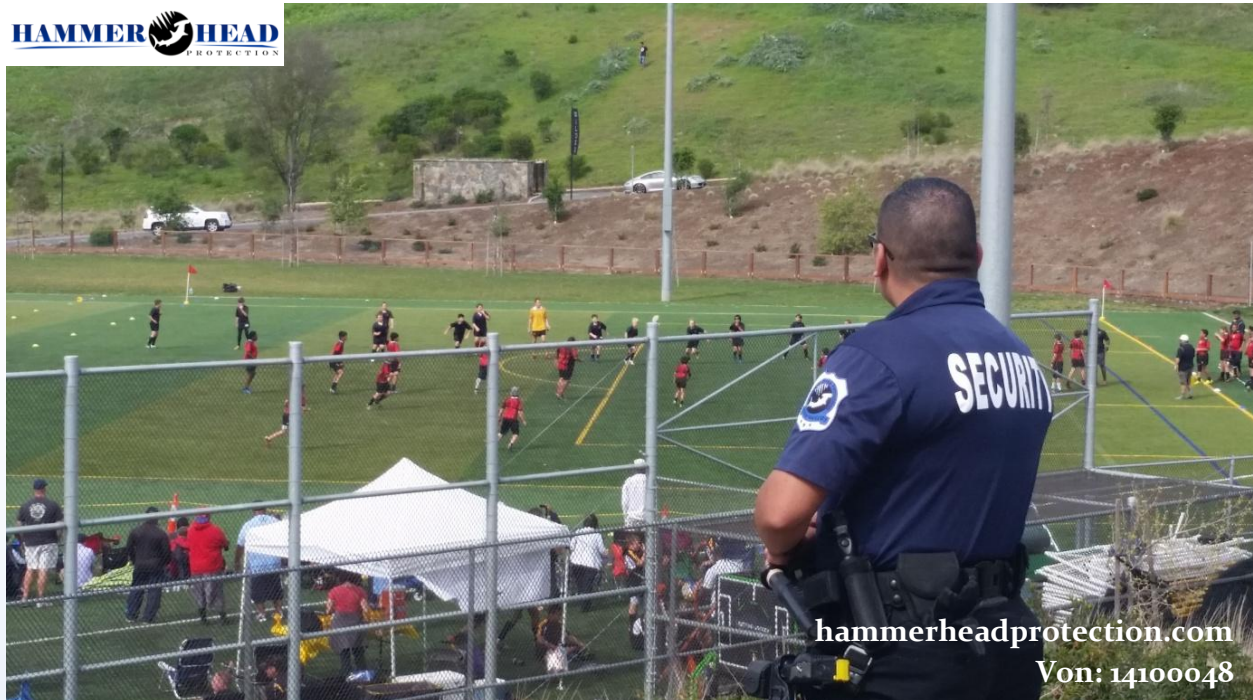
However, we do see a few challenges for 2016. First, many of our diverse suppliers do not want to complete the certification process because of privacy and identity theft concerns. It remains a challenge to have them share tax returns, social security numbers, passports, and birth certificates; this has an impact of \$328,300 or 0.2% on diverse spending.

Next, we have encountered many instances where diverse suppliers do not update their contact information in the Supplier Clearinghouse, making it impossible to bring them into the bidding process. On two recent projects, 9% of our emails were returned as undeliverable. Furthermore, many diverse suppliers are not submitting information or even replying to our requests. On another two recent projects, 79% of our requests were unanswered.

Finally, it is difficult to find diverse suppliers for some categories in certain locations in California. Specifically, we have had challenges finding qualified diverse suppliers to provide plumbing services, pest control, fence repair, catering, elevator maintenance, water pump installation/maintenance, water tank cleaning services, and Vermeer/Ditch Witch equipment. We'll continue sharing our needs with the community-based organizations so that they can assist us.

Despite these challenges, we've seen how our supplier diversity efforts have impacted our communities, as they have when our diverse suppliers donate to local food banks or sponsor scholarships. Their success directly affects the socio-economic development of their communities.

## Profile: Hammer Head Security



**Hammer Head Security** (HHS) is a family-owned and operated private security services firm based in Stockton, California.

Hammer Head's commitment to safety, professionalism, and preparation has resulted in successful security plans to a diverse clientele base, including government agencies, utilities, healthcare agencies, construction companies, property management companies, alarm monitoring firms, and special events throughout Northern California, including Super Bowl 50, hosted at Levi's Stadium in February 2016.

Founded in 2012 by Sarbjit Kaur and her son, Lakh Singh, with the goal of providing quality guard services through a customer service oriented approach, Hammer Head Security now employs over 50 full/part time, armed/unarmed security staff, as well as over 100 event officers stretching from Sacramento to Fresno and San Mateo to Stockton.

In 2014, Hammer Head Security was presented with an opportunity to provide guard services for Cal Water's Stockton District. According to the President of HHS, Lakh Singh, this opportunity was a major milestone for the firm, one that provided them with their first marquee client. "I can honestly say that a large part of our success today can be attributed directly to the opportunity provided by John Freeman, Steve Cavallini, and Cal Water, we are extremely proud to be associated with such a respected and reputable utility firm."

Hammer Head ensures that Cal Water's assets are secured and each employee and customer feels safe. The firm prides itself on deterring criminal activity and keeping each client whole to continue conducting normal business operations. Each night at the Stockton facility, the firm's security team takes inventory of any large equipment on site, secures each building, escorts staff to their vehicles, and maintains a strong visual security presence throughout the night. They ensure Cal Water's operations go smoothly each day by deterring criminal incidents each night.



### 9.1.1 Internal & External Diverse Supplier Program Activities

Listed below are all activities California Water Service (Cal Water) participated in with the CWA USDP team.

#### January

- American Indian Chamber of Commerce Advisory Council, Teleconference
- CPUC Audit Workshop on General Order 156, San Francisco
- CUDC Monthly Meeting, WebEx
- USDP Monthly Meeting, San Jose

#### February

- Bay Area Business Round Table, Oakland
- Business Matchmaking, San Jose
- CUDC Monthly Meeting, Sacramento
- CWA Board of Directors Meeting, Downey
- NARUC/UMA Winter Meeting; Washington, DC
- USDP Monthly Meeting, Coronado

#### March

- CHCC 2015 Economic Summit, Ontario
- CUDC Monthly Meeting, San Diego
- CWA Board of Directors Meeting, San Jose
- Joint Utilities Quarterly Meeting, San Diego
- SCMSDC Minority Business Opportunity Day, Universal City
- USDP Monthly Meeting, San Jose

#### April

- CPUC Small Business Expo, San Diego
- CUDC Monthly Meeting, WebEx
- CWA Board of Directors Meeting, San Francisco
- LGBT Business Builder, Irwindale
- Rainbow Chamber Monthly Mixer, Campbell
- USDP Monthly Meeting, Fontana
- Vendor/Contractor Open House, San Jose

#### May

- 5th Annual SBA Southern California 8(a) Conference, Garden Grove
- An Introduction to Doing Business in the Energy & Utilities Industry, San Francisco
- CPUC Workshop on GO 156 Metrics, San Francisco
- CUDC Monthly Meeting, WebEx
- CWA Spring Conference, Sacramento
- Diversity in Contracting Opportunities, San Jose
- Greenlining 22nd Annual Economic Summit, Los Angeles
- Hispanic Business Council Meeting, Livermore
- DVBA's Keeping the Promise, Sacramento
- May Make Contact LGTBTE, San Francisco
- Monthly Elite DVBE Meeting, San Jose
- National Utility Diversity Council; New York, NY
- Silicon Valley Hispanic Chamber of Commerce Mixer, San Jose
- Small Business Summit, San Jose
- The Blue Book Building & Construction Network, Santa Clara
- USDP Monthly Meeting, Sacramento

#### June

- Business Matchmaking, Bakersfield
- CUDC Monthly Meeting, WebEx
- CWA Board of Directors Meeting, Sacramento
- CWA USDP Meet the Primes, Ontario
- Joint Utilities Quarterly Meeting, San Jose
- Rainbow Chamber Monthly Mixer, Campbell
- TELACU Millennium, Los Angeles
- USDP Monthly Meeting, Ontario
- WBENC National Conference; Austin, TX

#### July

- July Make Contact LGTBTE, San Francisco
- American Indian Chamber of Commerce Expo 12th Anniversary, Rancho Mirage
- CUDC Monthly Meeting, WebEx
- Diversity in Contracting Opportunities, Fresno
- NARUC/UMA Summer Committee Meeting; New York, NY
- SCE Meet the Primes, Tulare
- Tri-Chamber Mixer & Mini Business Expo, San Jose
- USDP Monthly Meeting, Rancho Mirage

#### August

- CALBCC Ron Brown Annual Conference, Sacramento
- CUDC Monthly Meeting, Long Beach
- CWA Board of Director's Meeting, Coronado
- Elite SDVOB National Conference, Long Beach
- Get Connected: Small Business Expo, Stockton
- Monthly Elite DVBE Meeting, San Jose
- NGLCC Annual Conference; Fort Lauderdale, FL
- Rainbow Chamber Summer BBQ, Los Gatos
- Regalettes' Annual Scholarship Fundraiser, Los Angeles
- USDP Monthly Meeting, Long Beach

#### September

- 12th Annual WBEC-West Conference, Santa Barbara
- CUDC Monthly Meeting, Sacramento
- CWA Board of Director's Meeting, Sacramento
- CWA USDP Meet the Primes, Campbell
- Doing Business with West Basin Water District, Carson
- Joint Utilities Quarterly Meeting, San Diego
- USDP Monthly Meeting, Campbell

#### October

- 2015 Business Showcase & Procurement Expo, Stockton
- ABA Annual Award Banquet, Universal City
- BAYMEC 31st Annual Gala, San Jose
- BBA 19th Annual Procurement Exchange Summit, Los Angeles
- CPUC Small Business Expo, South San Francisco
- CPUC Annual Supplier Diversity En Banc, South San Francisco
- CUDC Monthly Meeting, WebEx
- CWA Board of Director's Meeting, Torrance
- DVBA's 4th Annual Procurement Conference, Downey
- Hispanics in Energy, San Francisco
- Monthly Elite DVBE Meeting, San Jose
- NMSDC Annual Conference, San Diego
- USDP Monthly Meeting, Coronado

#### November

- Annual Native American Heritage Month Luncheon, Anaheim
- Connecting Point & Building Connections, Elk Grove
- CWA Winter Conference, Monterey
- CWA Board of Director's Meeting, Monterey
- NARUC 127th Annual Meeting; Austin, TX
- Salute to Veterans Day Breakfast, Beverly Hills
- USDP Monthly Meeting, Monterey
- USPAACC Top Asian American Business Awards, San Francisco
- Veterans' Week Events and DVBA Meeting, Los Angeles

#### December

- Asian Inc Holiday Reception, San Francisco
- Joint Utilities Quarterly Meeting, Emeryville
- Monthly Elite DVBE Meeting, San Jose
- USDP Annual Planning Meeting, San Francisco
- USDP Monthly Meeting, San Francisco

## 9.1.2 Summary of Purchases

		Supplier Diversity Results by Ethnicity				
Line		Direct \$	Tier II \$	Total \$	%	
1	Minority Men	African American	65,275.31	2,233.76	67,509.07	0.04%
2		Asian Pacific	3,856,605.55	192,983.55	4,049,589.10	2.25%
3		Hispanic American	19,282,995.89	1,025,696.05	20,308,691.94	11.31%
4		Native American	268,886.94	69,685.98	338,572.92	0.19%
5		Total MBE	23,473,763.69	1,290,599.34	24,764,363.03	13.79%
6	Minority Women	African American	117,062.29	-	117,062.29	0.07%
7		Asian Pacific	1,533,484.18	3,953.60	1,537,437.78	0.86%
8		Hispanic American	1,032,918.34	610,565.48	1,643,483.82	0.91%
9		Native American	-	-	-	0.00%
10		Total WMBE	2,683,464.81	614,519.08	3,297,983.89	1.84%
11						
12	Total Minority Business Enterprise (MBE)		26,157,228.50	1,905,118.42	28,062,346.92	15.63%
13						
14	Women Business Enterprise (WBE)		8,538,133.25	3,464,743.27	12,002,876.52	6.68%
15						
16	Subtotal Women & Minority Business Enterprise (WMBE)		34,695,361.75	5,369,861.69	40,065,223.44	22.31%
17						
18	Disabled Veteran Business Enterprise (DVBE)		391,540.57	368,320.75	759,861.32	0.42%
19						
20	Subtotal WMDVBE		35,086,902.32	5,738,182.44	40,825,084.76	22.73%
21						
22	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTE)		61,663.33	-	61,663.33	0.03%
23						
24	<b>Total Diverse Suppliers</b>		<b>35,148,565.65</b>	<b>5,738,182.44</b>	<b>\$ 40,886,748.09</b>	<b>22.76%</b>
25						
26	Gross Procurement				\$ 352,506,065.00	
27	Exclusions				\$ 172,877,400.20	
28	<b>Net Procurement</b>				<b>\$ 179,628,664.80</b>	



## Total Procurement by Standard Industrial Classification Codes

SIC Category	Asian-Pacific		African-American		Hispanic-American		Native-American	Total Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Disabled Veteran Business Enterprise (DVBE)	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTE)	Total Diverse Suppliers	Total Spend
	Men	Women	Men	Women	Men	Women	Men						
<b>07: AGRICULTURAL SERVICES</b>	\$ 19,949.00	-	-	-	238,436.06	17,220.00	-	275,605.06	-	-	-	275,605.06	\$ 1,687,681.03
	% 0.01%				0.13%	0.01%		0.15%				0.15%	
<b>13: OIL AND GAS EXTRACTION</b>	\$ -	-	-	-	261,232.25	-	-	261,232.25	-	8,000.00	-	269,232.25	\$ 277,090.50
					0.15%			0.15%		0.00%		0.15%	
<b>14: NONMETALLIC MINERALS, EXCEPT FUELS</b>	\$ -	-	-	-	-	20,837.59	-	20,837.59	8,515.00	-	-	29,352.59	\$ 29,352.59
						0.01%		0.01%	0.00%			0.02%	
<b>15: GENERAL BUILDING CONTRACTORS</b>	\$ 172,775.00	-	-	-	2,613.54	76,616.00	-	252,004.54	966,346.97	41,312.19	-	1,259,663.70	\$ 3,067,491.59
	% 0.10%				0.00%	0.04%		0.14%	0.54%	0.02%		0.70%	
<b>16: HEAVY CONSTRUCTION, EXCEPT BUILDING</b>	\$ -	-	-	-	16,913,649.57	426,840.00	-	17,340,489.57	4,291,466.49	1,855.00	-	21,633,811.06	\$ 71,924,365.76
					9.42%	0.24%		9.65%	2.39%	0.00%		12.04%	
<b>17: SPECIAL TRADE CONTRACTORS</b>	\$ 176,194.40	361,978.60	-	-	1,477,617.84	300,493.83	330.16	2,316,614.83	405,043.25	51,564.64	-	2,773,222.72	\$ 18,910,371.10
	% 0.10%	0.20%			0.82%	0.17%	0.00%	1.29%	0.23%	0.03%		1.54%	
<b>20: FOOD AND KINDRED PRODUCTS</b>	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ 584.56
<b>22: TEXTILE MILL PRODUCTS</b>	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ 6,387.20
<b>23: APPAREL AND OTHER TEXTILE PRODUCTS</b>	\$ -	-	-	-	-	139,050.83	-	139,050.83	-	-	-	139,050.83	\$ 160,693.08
						0.08%		0.08%				0.08%	
<b>24: LUMBER AND WOOD PRODUCTS, EXCEPT FURNITURE</b>	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ 5,767.00
<b>27: PRINTING AND PUBLISHING</b>	\$ -	-	-	-	-	4,497.08	-	4,497.08	183,426.00	-	56,397.30	244,320.38	\$ 2,042,097.93
						0.00%		0.00%	0.10%		0.03%	0.14%	
<b>28: CHEMICALS AND ALLIED PRODUCTS</b>	\$ 123,952.95	-	-	-	-	-	-	123,952.95	36,010.80	-	-	159,963.75	\$ 484,660.98
	% 0.07%							0.07%	0.02%			0.09%	

SIC Category	Asian-Pacific		African-American		Hispanic-American		Native-American	Total Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Disabled Veteran Business Enterprise (DVBE)	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTE)	Total Diverse Suppliers	Total Spend
	Men	Women	Men	Women	Men	Women	Men						
29: PETROLEUM AND COAL PRODUCTS	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ 31,020.00
	%												
30: RUBBER AND MISC. PLASTICS PRODUCTS	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ 2,005.19
	%												
32: STONE, CLAY, AND GLASS PRODUCTS	\$ -	-	-	-	69.16	84,862.89	-	84,932.05	-	-	-	84,932.05	\$ 520,433.42
	%				0.00%	0.05%		0.05%				0.05%	
33: PRIMARY METAL INDUSTRIES	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ 170,339.65
	%												
34: FABRICATED METAL PRODUCTS	\$ -	-	1,335.52	-	46,717.00	-	-	48,052.52	-	-	-	48,052.52	\$ 3,436,259.68
	%		0.00%		0.03%			0.03%				0.03%	
35: INDUSTRIAL MACHINERY AND EQUIPMENT	\$ -	-	-	-	22,753.94	-	-	22,753.94	688,547.42	-	-	711,301.36	\$ 6,437,196.78
	%				0.01%			0.01%	0.38%			0.40%	
36: ELECTRONIC & OTHER ELECTRIC EQUIPMENT	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ 1,855,887.01
	%												
37: TRANSPORTATION EQUIPMENT	\$ 13,395.00	-	-	-	-	-	51,687.00	65,082.00	-	-	-	65,082.00	\$ 200,079.49
	%	0.01%					0.03%	0.04%				0.04%	
38: INSTRUMENTS AND RELATED PRODUCTS	\$ -	-	-	-	252,218.20	-	-	252,218.20	-	-	-	252,218.20	\$ 3,658,292.21
	%				0.14%			0.14%				0.14%	
39: MISC. MANUFACTURING INDUSTRIES	\$ -	-	-	-	-	-	-	-	1,234.00	4,372.00	-	5,606.00	\$ 9,927.75
	%								0.00%	0.00%		0.00%	
40: RAILROAD TRANSPORTATION	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ 2,692.25
	%												
41: LOCAL AND INTERURBAN PASSENGER TRANSIT	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ 27,363.02
	%												
42: TRUCKING AND WAREHOUSING	\$ 25,039.15	-	2,233.76	7,384.17	270,964.64	5,231.00	-	310,852.72	1,370,255.49	-	-	1,681,108.21	\$ 1,990,290.87
	%	0.01%	0.00%	0.00%	0.15%	0.00%		0.17%	0.76%			0.94%	

SIC Category	Asian-Pacific		African-American		Hispanic-American		Native-American	Total Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Disabled Veteran Business Enterprise (DVBE)	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTE)	Total Diverse Suppliers	Total Spend
	Men	Women	Men	Women	Men	Women	Men						
44: WATER TRANSPORTATION	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ 962.53
	%												
45: TRANSPORTATION BY AIR	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ 766.06
	%												
47: TRANSPORTATION SERVICES	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ 829,704.29
	%												
48: COMMUNICATION	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ 238,822.25
	%												
49: ELECTRIC, GAS, AND SANITARY SERVICES	\$ 116,862.00	-	-	-	-	-	-	116,862.00	5,800.00	1,227.50	-	123,889.50	\$ 281,273.63
	%	0.07%						0.07%	0.00%	0.00%		0.07%	
50: WHOLESALE TRADE - DURABLE GOODS	\$ -	318,014.18	-	1,768.51	191,773.08	2,207.65	84,198.99	597,962.41	1,343,627.31	343,314.53	-	2,284,904.25	\$ 13,568,632.38
	%	0.18%		0.00%	0.11%	0.00%	0.05%	0.33%	0.75%	0.19%		1.27%	
51: WHOLESALE TRADE - NONDURABLE GOODS	\$ -	-	-	-	72,880.23	248,972.57	-	321,852.80	144,771.86	125,144.36	1,066.03	592,835.05	\$ 3,921,015.61
	%				0.04%	0.14%		0.18%	0.08%	0.07%	0.00%	0.33%	
52: BUILDING MATERIALS AND HARDWARE	\$ -	-	-	-	-	-	-	-	39,256.40	-	-	39,256.40	\$ 917,014.45
	%								0.02%			0.02%	
53: GENERAL MERCHANDISE STORES	\$ 1,513.50	-	-	-	-	-	-	1,513.50	-	-	-	1,513.50	\$ 128,052.78
	%	0.00%						0.00%				0.00%	
54: FOOD STORES	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ 145,757.16
	%												
55: AUTOMOTIVE DEALERS & SERVICE STATIONS	\$ 1,421,678.67	-	271.06	-	1,662.81	-	6,114.69	1,429,727.23	-	-	-	1,429,727.23	\$ 1,999,068.13
	%	0.79%		0.00%	0.00%		0.00%	0.80%				0.80%	
56: APPAREL AND ACCESSORY STORES	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ 64,256.61
	%												
57: FURNITURE AND	\$ -	262.14	-	-	-	-	-	262.14	-	-	-	262.14	\$ 204,119.12
	%												

SIC Category	Asian-Pacific		African-American		Hispanic-American		Native-American	Total Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Disabled Veteran Business Enterprise (DVBE)	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTE)	Total Diverse Suppliers	Total Spend	
	Men	Women	Men	Women	Men	Women	Men							
HOMEFURNISHINGS STORES	0.00%							0.00%				0.00%		
58: EATING AND DRINKING PLACES	\$ 29,424.14	-	-	-	-	-	-	29,424.14	1,235.19	-	-	30,659.33	\$ 566,338.02	
	0.02%							0.02%	0.00%			0.02%		
59: MISCELLANEOUS RETAIL	\$ -	-	-	-	2,708.33	10,679.13	-	13,387.46	17,286.15	-	-	30,673.61	\$ 998,573.93	
					0.00%	0.01%		0.01%	0.01%			0.02%		
60: DEPOSITORY INSTITUTIONS	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ 484,937.67	
62: SECURITY AND COMMODITY BROKERS	\$ -	-	50,000.00	-	-	-	-	50,000.00	-	-	-	50,000.00	\$ 350,392.18	
			0.03%					0.03%				0.03%		
63: INSURANCE CARRIERS	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ 217,695.78	
64: INSURANCE AGENTS, BROKERS, & SERVICE	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ 285,945.99	
65: REAL ESTATE	\$ -	-	-	-	-	2,686.25	-	2,686.25	47.50	-	-	2,733.75	\$ 75,236.31	
					0.00%			0.00%	0.00%			0.00%		
70: HOTELS AND OTHER LODGING PLACES	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ 8,914.36	
72: PERSONAL SERVICES	\$ -	-	-	-	713.41	-	-	713.41	18,410.63	-	-	19,124.04	\$ 166,322.12	
					0.00%			0.00%	0.01%			0.01%		
73: BUSINESS SERVICES	\$ 1,786,322.54	302,085.07	5,539.14	72,735.73	201,304.91	147,519.00	-	2,515,506.39	1,949,421.60	52,992.42	4,200.00	4,522,120.41	\$ 12,828,389.01	
	0.99%		0.17%		0.00%		0.04%		0.11%		0.08%		1.40%	
	1.09%		0.03%		0.00%		2.52%							
75: AUTO REPAIR, SERVICES, AND PARKING	\$ 58.00	-	-	-	37,967.29	-	-	38,025.29	-	-	-	38,025.29	\$ 746,507.45	
	0.00%				0.02%			0.02%				0.02%		
76: MISCELLANEOUS REPAIR SERVICES	\$ -	-	-	-	-	-	-	-	3,301.13	-	-	3,301.13	\$ 1,035,917.15	
									0.00%			0.00%		
78: MOTION PICTURES	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ 2,956.78	

SIC Category	Asian-Pacific		African-American		Hispanic-American		Native-American	Total Minority Business Enterprise (MBE)	Women Business Enterprise (WBE)	Disabled Veteran Business Enterprise (DVBE)	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTE)	Total Diverse Suppliers	Total Spend
	Men	Women	Men	Women	Men	Women	Men						
	%												
79: AMUSEMENT & RECREATION SERVICES	\$ -	5,600.00	-	-	-	-	-	5,600.00	-	-	-	5,600.00	\$ 65,013.32
	0.00%							0.00%					0.00%
80: HEALTH SERVICES	\$ -	-	-	35,173.88	-	-	-	35,173.88	-	-	-	35,173.88	\$ 99,336.13
			0.02%					0.02%					0.02%
81: LEGAL SERVICES	\$ -	5,718.99	-	-	-	-	-	5,718.99	-	-	-	5,718.99	\$ 554,585.91
	0.00%							0.00%					0.00%
82: EDUCATIONAL SERVICES	\$ -	-	-	-	5,000.00	-	-	5,000.00	3,173.90	-	-	8,173.90	\$ 113,441.76
					0.00%			0.00%	0.00%			0.00%	
83: SOCIAL SERVICES	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ 130,216.60
	%												
86: MEMBERSHIP ORGANIZATIONS	\$ -	-	-	-	-	-	-	-	-	-	-	-	\$ 2,429.19
	%												
87: ENGINEERING & MANAGEMENT SERVICES	\$ 162,424.75	543,778.80	7,277.59	-	249,987.00	155,770.00	196,242.08	1,315,480.22	398,577.63	116,224.96	-	1,830,282.81	\$ 20,019,693.56
	0.09%	0.30%	0.00%		0.14%	0.09%	0.11%	0.73%	0.22%	0.06%		1.02%	
89: SERVICES, (NOT ELSEWHERE CLASSIFIED)	\$ -	-	852.00	-	58,422.68	-	-	59,274.68	127,121.80	13,853.72	-	200,250.20	\$ 1,638,045.94
			0.00%		0.03%			0.03%	0.07%	0.01%		0.11%	
<b>Grand Total</b>	<b>4,049,589.10</b>	<b>1,537,437.78</b>	<b>67,509.07</b>	<b>117,062.29</b>	<b>20,308,691.94</b>	<b>1,643,483.82</b>	<b>338,572.92</b>	<b>28,062,346.92</b>	<b>12,002,876.52</b>	<b>759,861.32</b>	<b>61,663.33</b>	<b>40,886,748.09</b>	<b>\$ 179,628,664.80</b>



## Profile: ChatterBlast Media LLC



**ChatterBlast Media LLC**, a certified LGBT Business Enterprise, is a digital social media agency that supports public service organizations across the country. The firm specializes in creating social media marketing strategies for regulated organizations, businesses, non-profits and government agencies.

To support Cal Water's increasing digital footprint, ChatterBlast helped grow the online community on social channels such as Facebook and Twitter. Working collaboratively with Cal Water's communications team, ChatterBlast created and executed a series of educational campaigns, promotional programs and supported customer service issues throughout the year on social media.

ChatterBlast Media is committed to the national LGBT business movement, the local community and philanthropic efforts that can make a real impact.

ChatterBlast has been listed as a "Top 25 LGBT Company" in the Philadelphia Business Journal since 2010. The company's staff has served as Board/Committee members of various regional and national LGBTQ and allied organizations such as Mazzoni Center, MANNA, ActionAIDS, The National Adoption Center, the Independence Business Alliance and the National Gay and Lesbian Chamber of Commerce.

### 9.1.3 Program Expenses

Line	Program Expense Category	
1	Wages	83,699.53
2	Other Employment Expenses	3,737.53
3	Program Expenses	9,385.99
4	Reporting Expenses	
5	Training	
6	Consultants	22,696.02
7	Other Employment Expenses	9,555.67
8	<b>Total</b>	<b>\$ 129,074.74</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 Progress in Meeting or Exceeding Goals

Line	Category	Results	Goals
1	Minority Men	13.79%	12.0%
2	Minority Women	1.84%	3.0%
3	Minority Business Enterprise (MBE)	15.63%	15.0%
4	Women Business Enterprise (WBE)	6.68%	5.0%
5	Subtotal Women & Minority Business Enterprise (WMBE)	22.31%	20.0%
6	Disabled Veteran Business Enterprise (DVBE)	0.42%	1.5%
7	Lesbian, Gay, Bisexual and Transgender Business Enterprise (LGBTE)	0.03%	0.0%
8	<b>Total Diverse Suppliers</b>	<b>22.76%</b>	<b>21.5%</b>

**Profile: West Valley Construction Company, Inc.**

**West Valley** has enjoyed working with California Water Service for over 30 years to provide construction services throughout Cal Water’s service area.



**WMDVBE Supply Base**

Although West Valley is primarily a self-perform contractor, they have fostered strong relationships with a network of suppliers and contractors, and fully understand that a portion of their continued success is due to those relationships. WV has enhanced this network through demonstrated commitment to GO156.

They have reached out to, and mentored, women-, minority-, and disabled veteran-owned and small businesses in the communities in which they work. They work with select companies to increase their knowledge of the high performance standards required across the construction industry, and their effort to help strong minority business owners establish and grow their companies has paid dividends for West Valley and their customers in general. One example is a disabled-veteran electrical subcontractor. West Valley gave him a loan to start his business in 2013 in addition to providing other assistance. In 2015, he was able to pay back his loan. WV also spent considerable time and resources mentoring a minority-owned subcontractor in the Central Valley by helping them improve their financial viability. As a result, they are now able to support utility excavation work from Sacramento to Fresno. Whether these contractors work for WV or directly for investor-owned utilities, we believe that a) they are important additions to the mix of quality contractors available for utility work, and b) they provide jobs and community support for their demographic groups. In 2016 WV is focusing on taking mentorship to the next level by working with our Prime Contractors, like Cal Water, to determine their specific needs and then identifying and working with diverse suppliers to fulfill those needs.

**Outreach**

With the 2015 Cal Water annual contract renewal, material purchases which previously comprised over 50% of direct spend, were taken over by Cal Water directly resulting in an initial decrease in WV’s diverse spend results. WV is committed to achieving the same or better diverse spend in 2016 and in the future by increasing their visibility, outreach efforts, and supplier development. They have already made connections with various suppliers like the 111<sup>th</sup> Group, a disabled veteran-owned business, bringing them in to discuss how they can best serve WV and our utility customers.

**Workforce**

WV’s commitment to diversity extends beyond a network of suppliers and contractors, and is reflected in the makeup of its workforce. Nearly 60% of the workforce is comprised of minorities and women. This includes an increase in minority representation in the management team during 2015.

Hispanic Men	184	50.8%
White Men	140	38.7%
Pacific Islander Men	6	1.7%
Black Men	2	0.6%
Asian Men	4	1.1%
Multi Ethnic Men	2	0.6%
White Women	15	4.1%
Asian Women	3	0.8%
Hispanic Women	6	1.7%
<b>Total Employees</b>	<b>362</b>	

West Valley is proud of its diverse spend program, and is committed to achieving results that support Cal Water’s GO156 goals.





**Profile: Forcum / Mackey Construction, Inc.**

**Forcum / Mackey Construction Inc.**, a family Business for over fifty years, has been the Central Valley's choice for succeeding with the toughest construction challenges.

Whether a project needs lease-lease back, design build, private negotiations, design-bid-build, CM at Risk or a combination of any of these, Forcum/Mackey Construction has the staff and technologies necessary to serve. Those that select Forcum/Mackey as a business partner are ensured unique and functional architectural designs, best practices in project management and construction, and skilled professionals devoted to superior client service and support.

The successful delivery of an integrated project is brought about by the collaborative alliance and coordination of building professionals: architecture, construction, engineering, estimating and scheduling. Forcum/Mackey's team works together in a unified, cohesive process that harnesses the talents, experience, and knowledge of the participants to yield superior project result while maximizing the efficiencies of the process.

The company's mission is to take a project from concept to concrete with an attitude that is constantly striving for success in all aspects of the job. It takes a personal approach and professional expertise to see that each project is successfully completed. The company's clients are their highest priority, so they approach workmanship with integrity and accountability. More than just buildings, Forcum/Mackey builds lasting relationships with each client.

Forcum/Mackey is committed to doing business locally, to the support of local schools, businesses and other non-profit organizations throughout the community. Their clients' funds not only support the construction of their projects, but will continue to help the local economy grow.



9.1.6 Complaints

No complaints were received.

9.1.7 Excluded Categories

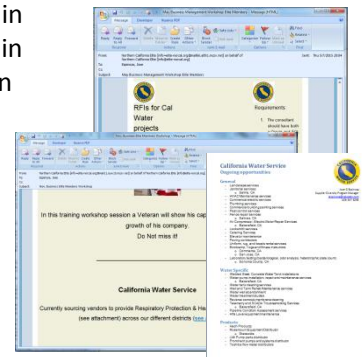
Line	Description	
1	Total Payments	\$352,506,065.00
2		
3	<b>Description of Exclusion</b>	
4	Purchased Power and Water	172,834,547.78
5	Pump Taxes	42,852.42
6	Total Exclusions	172,877,400.20
7	Total Supplier Payments	\$179,628,664.80

9.1.8 Supplier Recruitment in Under-Utilized Areas

Our biggest challenge remains to find certified suppliers for different trades in certain locations, including janitorial services in Selma, fence repair services in Salinas, electric motor repair services in Bakersfield, and fitness instructors in Commerce.

Similarly, we face difficulties finding authorized diverse distributors of many products we purchase, such as Hach, Rosemount, Trimble, LMI/Prominent Pumps, Vermeer, and Ditch Witch, to mention a few.

As part of our recruitment efforts, we forwarded our Requests for Information to many community-based organizations and chambers of commerce to share our opportunities with their members; moreover, we brought our needs to a few outreach events.



9.1.9 Justification of Excluded Areas

The amount shown on Table 9.1.7, Line No. 6, “Total Exclusions,” is the total of \$172,877,400.20 in payments made in the categories of Purchased Water, Purchased Power, and Replenishment Fees (pump taxes). Other categories subject to Section 8.9, Other Utilities, Taxes, Franchise Fees, and Postage have not been included in the gross procurement. The reporting of these categories as “Exclusions” on Table 9.1.7 by water companies is intended to provide information to staff regarding these categories and to be consistent with the procurement reporting of the energy companies. This procurement reporting specification for water companies was a result of workshops convened by the CPUC’s Utility Supplier Diversity Program staff, pursuant to Ordering Paragraph No. 4 of D11-050-019 (in R.09-07-027) and subsequent discussions, in order for the staff and utilities to reach a common understanding of what is to be reported as a result of the amendments to General Order 156, and to address and resolve any confusion regarding adaptation of the water companies’ procurement reporting to General Order 156 requirements.

## Profile: Steel Source Construction



**Steel Source Construction** is the manufacturer of the MX Sampler, the superior water sampling station.

The MX Sampler is secure, low maintenance, sealed, ergonomic; with top quality materials (NAF/ACSI 61 compliant) and construction that includes state of the art corrosion resistant preparation and coating.

Furthermore, there's no need to use cover in rain and wind when taking samples, no splashing, leaning, sheltering and bottle holding while sampling inside a spacious housing, which reduces contamination. And, with 2 locking option designs, units can all be keyed alike.

Established in 2000, Steel Source began manufacturing the MX Sampler for municipalities and water service companies.

Nancy Massa, Steel Source's founder, likes swimming upstream and loves a challenge; she likes to think that somehow she's opening doors for younger women coming into traditionally male roles or industries. In some ways she sees her company like a child; a labor of love to develop it and watch it evolve. It's a testament to her devotion and effort.

## 2016 ANNUAL PLAN

### 10.1.1 Diverse Supplier Annual Goals for 2016

In 2016, Cal Water’s goals are to meet the overall 21.5% spending level target set by the Commission as well as the individual goals per category. We are also focused on increasing business with the LGBTE community.

### 10.1.2 Program Activities Planned for 2016

To ensure the success of our program in 2016 we’re concentrating in 5 different areas.

Cal Water Supplier Diversity Program				
<b>Procurement Policy</b> <ul style="list-style-type: none"> <li>Inclusion in competitive bidding</li> </ul>	<b>External Outreach</b> <ul style="list-style-type: none"> <li>Cal Water representatives' participation</li> <li>Hosting roundtables and meet-and-greet</li> </ul>	<b>Internal Communications</b> <ul style="list-style-type: none"> <li>Company-wide program updates</li> <li>Vendor search tool update</li> </ul>	<b>Subcontracting Opportunities</b> <ul style="list-style-type: none"> <li>Expanding current programs</li> <li>Initiating new programs</li> </ul>	<b>Technical Assistance and Capacity-Building</b> <ul style="list-style-type: none"> <li>Water Technology Training</li> <li>WMDVBE Scholarship Program</li> <li>California Water Association's (CWA) Mentor-Protégé Pilot Program (MPPP)</li> <li>The Supplier Clearinghouse certification assistance</li> </ul>

We’ll continue building on the success of our procurement policy as it requires our project managers to include diverse suppliers in the bidding process. Our main challenge will be to find diverse suppliers in niche industries and outlying geographical locations.

To address this challenge, we have compiled a list of ongoing opportunities; this list contains 10 water-industry specific, 16 general/facilities, and 13 products opportunities. We’ll make this list available during outreach events and to several community-based organizations to help us in identifying diverse suppliers.

We will continue to keep our program top-of-mind in our company by highlighting success stories and developments on our internal publishing platform.

We’ll focus on growing our subcontracting results with new prime contractors and just as in 2015, we’ll encourage them to participate in our Meet the Primes event as well as in the diverse regional events we attend in partnership with the local chambers of commerce.

In terms of Technical Assistance and Capacity-Building, we will continue supporting the California Water Association’s Mentor Protégé Program while keeping our Water Technology Training program available to diverse suppliers at no cost. Finally, our certification assistance program proved to be successful in 2015 and we expect to replicate and exceed its accomplishments in 2016.



### 10.1.3 Supplier Recruitment in Under-Utilized Areas

We've identified specific underutilized industries and geographical locations; among them:

- Landscape and janitorial services
- Electrical, HVAC and elevator maintenance contractors
- Plumbing and commercial building painting contractors
- Pest control contractors and chain/link fence installers
- Hydropneumatic, welded steel and concrete water tank manufacturers
- Drinking water pumps installation, repair and maintenance services
- Drinking water tank cleaning services
- Authorized distributors for Toyota vehicles, Rosemount equipment, Pax Water Technologies, Vermeer/Ditch Witch equipment and modular office structures.

### 10.1.4 Recruiting Diverse Suppliers in Excluded Categories

Not applicable.

### 10.1.5 Plans for Subcontracting

Two initiatives will drive our subcontracting efforts in 2016: setting up a subcontracting program with new primes and expanding our current reporting primes' programs.

The increase from 4 to 9 reporting primes highlighted the importance of encouraging our new partners to adopt the program; in 2016, we want to replicate the success of this initiative by having our remaining primes adopt a subcontracting plan.

To foster growth of our subcontracting program, we will encourage our primes to participate in matchmaking events, meet with representatives from community based organizations, and attend monthly outreach events to bring exposure to their operations and opportunities.

### 10.1.6 Complying with Diverse Supplier 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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Supplier Diversity Program Manager  
California Water Service