

# INCLUSION & DIVERSITY

2020 ANNUAL REPORT  
for Illinois Commerce Commission



  
ILLINOIS  
AMERICAN WATER  
WE KEEP LIFE FLOWING™

# TABLE OF CONTENTS

I.	PRESIDENT'S MESSAGE	3
II.	DASHBOARD	4
III.	TERMS AND DEFINITIONS	6
IV.	SUMMARY OF SPENDING	8
V.	POLICIES & METHODOLOGY	20
VI.	SUPPLIER DIVERSITY GOALS	25
VII.	AREAS OF PROCUREMENT FOR THE 2021 CALENDAR YEAR	31
VIII.	CHALLENGES & OPPORTUNITIES	34
IX.	CERTIFICATIONS ACCEPTED	36
X.	POINTS OF CONTACT	40
XI.	PANDEMIC-PROOF SUPPLIER SUCCESS STORIES	41
XII.	ILLINOIS COMMERCE COMMISSION WEBSITE	44
XIII.	UNIFORM APPENDIX	45
XIV.	OTHER APPENDICES	49

# I. PRESIDENT'S MESSAGE



**JUSTIN LADNER**  
President  
Illinois American Water

## REFLECTIONS ON OUR FIVE-YEAR JOURNEY

When Illinois American Water became one of the founding members of the Illinois Utilities Business Diversity Council (IUBDC) in 2015, less than 4 percent of contracts awarded were with diverse business partners. Furthermore, one half of a percent of our total contracts were awarded to minority-owned business enterprises.

Five years ago, our Illinois American Water team committed to the mission of advancing the utilization of diverse businesses within the state of Illinois. Senior leaders within the organization became more engaged in diversity initiatives. Specific diversity targets were identified and included in annual performance reviews.

I am proud of the substantial progress that our organization has realized in our inclusion and diversity journey. Our goal is to reflect the communities we serve. A brief overview of the critical work that our team members have accomplished over the past five years:

- ★ Creating roles with primary responsibility for leading the company's corporate diversity initiatives. Our workforce and supplier diversity manager develops and manages these strategies while collaborating with the company's enterprise-wide Inclusion & Diversity Council. Our goal is to drive positive cultural changes within the organization. A diverse business specialist role was created in 2020 to provide additional business and administrative support for both initiatives.
- ★ Regular inclusion and diversity meetings are facilitated by the diversity lead and include participation from all levels of the company. Meetings are held to provide updates on supplier diversity spend, vendor development opportunities, diverse hiring opportunities and challenges that are critical to identifying and achieving appropriate goals.
- ★ Expanding relationships with key community and advocacy partners that directly impact outreach and engagement efforts

Our strategies have focused on opportunities with minorities, women and veterans and have been the center of tremendous growth. Our focus has yielded the following results:

- ★ Achieved \$57.5 million in diverse spend in 2020. That is the highest in our company's history. We have been providing service in Illinois for more than 125 years.
- ★ Achieved almost 14% MBE spend in 2020. That is the highest in our company's history. In Illinois.
- ★ Since 2015, the company has increased its diverse spend by \$54 million, more than 17 times greater than five years ago.

We remain vigilant in our commitment to inclusion and diversity and understand there is much progress to be made.

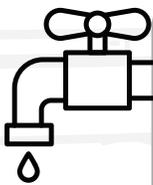
*Justin L. Ladner*

Total diverse spend was 27.1%

**6.2%**  
above goal

Spend with MBEs was 13.7%

**3.3%**  
above goal



**6.0%**

Exceeded diverse business goals by over 6.0% for three consecutive years.



In 2020, 50% of the company's promotions were diverse employees.



Approximately 33% of employee population is diverse.

Since 2017, ILAW increased:

Overall % of MBE spend more than **10%**

MBE spend almost **7x's** in \$'s contracted and awarded to MBEs



More than doubled our % of spend with MBEs from 2017 to 2018 and increased an additional

**60%+ by 2020.**

**3.65%**  
2017



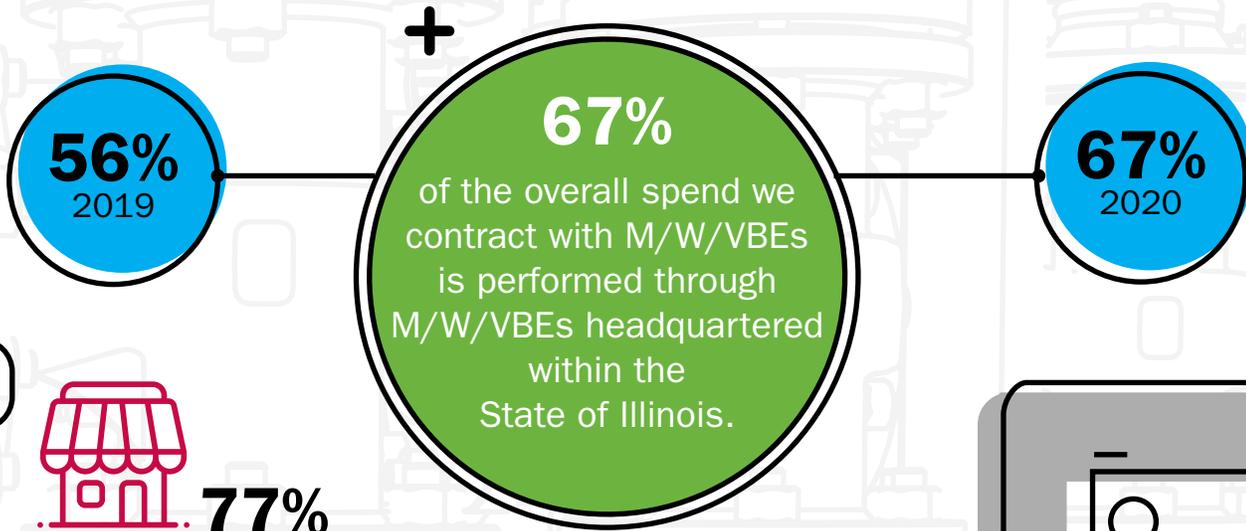
**13.7%**  
2020



**40%**

In 2020, over 40% of employee hires were diverse.

## II. DASHBOARD



**77%**  
of our total small and diverse spend occurs with businesses headquartered in Illinois



\$6.8M was spent with NEW small and/or diverse businesses.

Since 2015, ILAW has increased its \$ spend more than 17x's

**17Xs**



Since 2015, increased our overall percentage growth of M/W/VBEs

**>23%**



<b>CERTIFIED</b>	Means currently certified as MWDVBE by an authorized certifying body, such as the National Minority Supplier Development Council (NMSDC) or its affiliate regional councils, the Women’s Business Enterprise National Council (WBENC)
<b>CONTROL</b>	Means overall fiscal/legal responsibility and exercising the power to make policy decisions.
<b>OWNED</b>	Means at least 51% of the business or, in the case of a publicly owned business, at least 51% of the stock is owned by a minority, woman or service-disabled veteran.
<b>MINORITY-OWNED BUSINESS ENTERPRISE (MBE)</b>	Means a business concern in which at least 51% of the ownership and control is held by individuals who are members of a minority group and of which at least 51% of the net profits accrue to members of a minority group. Such persons include, but are not limited to, Black Americans, Hispanic Americans, Asian Pacific Americans (persons with origins from Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the former U.S. Trust Territory of the Pacific Islands [Republic of Palau, the Commonwealth of the Northern Mariana Islands, Republic of the Marshall Islands, Federated States of Micronesia], Laos, Cambodia [Kampuchea], Taiwan, Burma, Thailand, Malaysia, Indonesia, Singapore, Brunei, Macao, Hong Kong, Fiji, Tonga, Kiribati, Tuvalu, or Nauru), Subcontinent Asian Americans (persons with origins from India, Pakistan, Bangladesh, Sri Lanka, Bhutan, the Maldives Islands or Nepal), Native Americans (American Indians, Eskimos, Aleuts, and Native Hawaiians), and members of other groups designated by the U.S. Small Business Administration as minorities.
<b>WOMEN-OWNED BUSINESS ENTERPRISE (WBE)</b>	Means a business concern which is at least 51% owned and controlled by a woman or women or, in the case of any publicly owned business, at least 51% of the stock is owned by a woman or women. Such women’s business enterprise shall further be classified as either minority or non-minority women-owned business, depending upon the greater portion of ownership.
<b>VETERAN-OWNED BUSINESS ENTERPRISE (VBE)</b>	Means a business concern that is at least 51% owned and controlled or, in the case of a publicly owned business, at least 51% of the stock is owned by an owner or owners who are veterans of the U.S. military, ground, navel, or air service, who (a) served on active duty for a period of more than one hundred and eighty (180) days and were discharged or released with other than a dishonorable discharge or (b) were discharged or released from active duty because of a service-connected disability.
<b>SERVICE-DISABLED VETERAN-OWNED BUSINESS ENTERPRISE (SDVBE)</b>	Means a business concern that is (a) at least 51% owned by one or more service-disabled veterans or, in the case of any publicly owned business, at least 51% of the stock of which is owned by one or more service-disabled veterans or, (b) in the case of a veteran with a permanent and severe disability, the spouse or permanent caregiver of such veteran.

# III. TERMS & DEFINITIONS

<b>HISTORICALLY UNDERUTILIZED BUSINESS (HUB)</b>	<p>Means a business located in a “historically underutilized business zone,” owned and controlled by one or more U.S. Citizens, and at least thirty-five percent (35%) of its employees must reside in a HUBZone. It must appear on the list of Qualified HUBZone Small Business Concerns maintained by the SBA.</p>
<b>SMALL DISADVANTAGED BUSINESS (SDB)</b>	<p>Means a “for profit” business: That qualifies as “small” per the SBA Table of Small Business Size Standards Matched to North American Industry Classification System Codes.</p> <p>That is at least 51% unconditionally owned by one or more U.S. citizens who are socially and economically disadvantaged individuals.</p> <p>Whose management and daily business operations are controlled by one or more U.S. citizens who are socially and economically disadvantaged individuals.</p> <p>4. The personal net worth of each individual claiming economic disadvantage is less than \$750,000 (except for tribes, Alaskan Native Corporation-Owned Concerns [ANCs], Community Development Corporation-Owned Concerns [CDCs] and Native Hawaiian Corporation-Owned Concerns [NHOs]).</p> <p>Note: ANCs, NHOs, or CDCs, must meet the “ownership,” “management,” and “control” criteria in Title 13 of the Code of Federal Regulations, Part 124.109, 124.110 and 124.111, respectively.</p>
<b>SMALL BUSINESS (SBE/SMB)</b>	<p>Depending on the industry, “small” is defined by either the number of employees or average annual receipts of a business concern. Website references for size standards by NAICS code is:  <a href="http://www.sba.gov/services/contractingopportunities/sizestandardsttopics/index.html">www.sba.gov/services/contractingopportunities/sizestandardsttopics/index.html</a></p>
<b>SMALL DISADVANTAGED BUSINESS 8A (SDB-8A)</b>	<p>Means a designation given to small companies owned by socially and economically disadvantaged persons, so that they may bid and obtain federal government contracts and other assistance to develop their business. The business owner must be eligible under the same rules and guidelines set down by the federal government.</p>
<b>DISABLED- OWNED BUSINESS ENTERPRISE (DBE)</b>	<p>Means a business that is usually certified by a federal, state or local government agency as having met all of the government standards that award eligibility, but may include women, minority, disabled and other disadvantaged by as a result of economic disadvantages with respect to education, employment, residence or business location or social disadvantage and lack of business training.</p>
<b>LESBIAN, GAY, BISEXUAL AND/OR TRANSGENDER- OWNED BUSINESS ENTERPRISE (LGB/LGBTBE)</b>	<p>Means a business that is majority (at least 51%) owned, operated, managed, and controlled by a lesbian, gay, bisexual, and/or transgender (LGBT) person or persons who are either U.S. citizens or lawful permanent residents, exercises independence from any non-LGBT business enterprise, has a principal place of business (headquarters) in the United States, and has been formed as a legal entity in the United States.</p>

# IV. SUMMARY OF SPENDING



SUMMARY OF MINORITY-OWNED, WOMEN-OWNED, VETERAN-OWNED, AND SMALL BUSINESS ENTERPRISE GOALS AND SPENDING IN THE 2020 CALENDAR YEAR

## American Water Expenditures w/ All Certified Suppliers (2020)

SPEND CATEGORY TOTALS				
OVERALL		\$2,148,973,231		
	TIER I (DIRECT)	TIER II	TOTAL	% OF TOTAL
MBE	\$80,167,823	\$39,567,771	\$119,735,594	5.6%
WBE	\$130,063,685	\$36,292,511	\$166,356,196	7.7%
VBE	\$31,508,551	\$11,670,748	\$43,179,299	2.0%
DBE/HUB/LGB	\$13,897,691	\$2,192,924	\$16,090,615	0.7%
<b>TOTAL M/W/VBE/DBE/HUB AND LGB</b>	<b>\$255,637,749</b>	<b>\$89,723,955</b>	<b>\$345,361,704</b>	<b>16.1%</b>
SMB	\$227,559,698	\$20,721,313	\$248,281,011	11.6%
<b>ALL CATEGORIES</b>	<b>\$483,197,447</b>	<b>\$110,445,268</b>	<b>\$593,642,715</b>	<b>27.6%</b>

Note: In 2020, all suppliers certified in the category of “SDB” will be further identified and included in either the “MBE”, “WBE” or “VBE” category moving forward.

### A. AMERICAN WATER – EXPENDITURES & VENDOR UTILIZATION

Table A demonstrates the total expenditures of American Water and all fifteen (15) of its corporate entities.

The regulated business spend with certified diverse suppliers is 16.1% of its sourceable spend in the year 2020. This is a 1.0% increase above the set target of 15.1%.

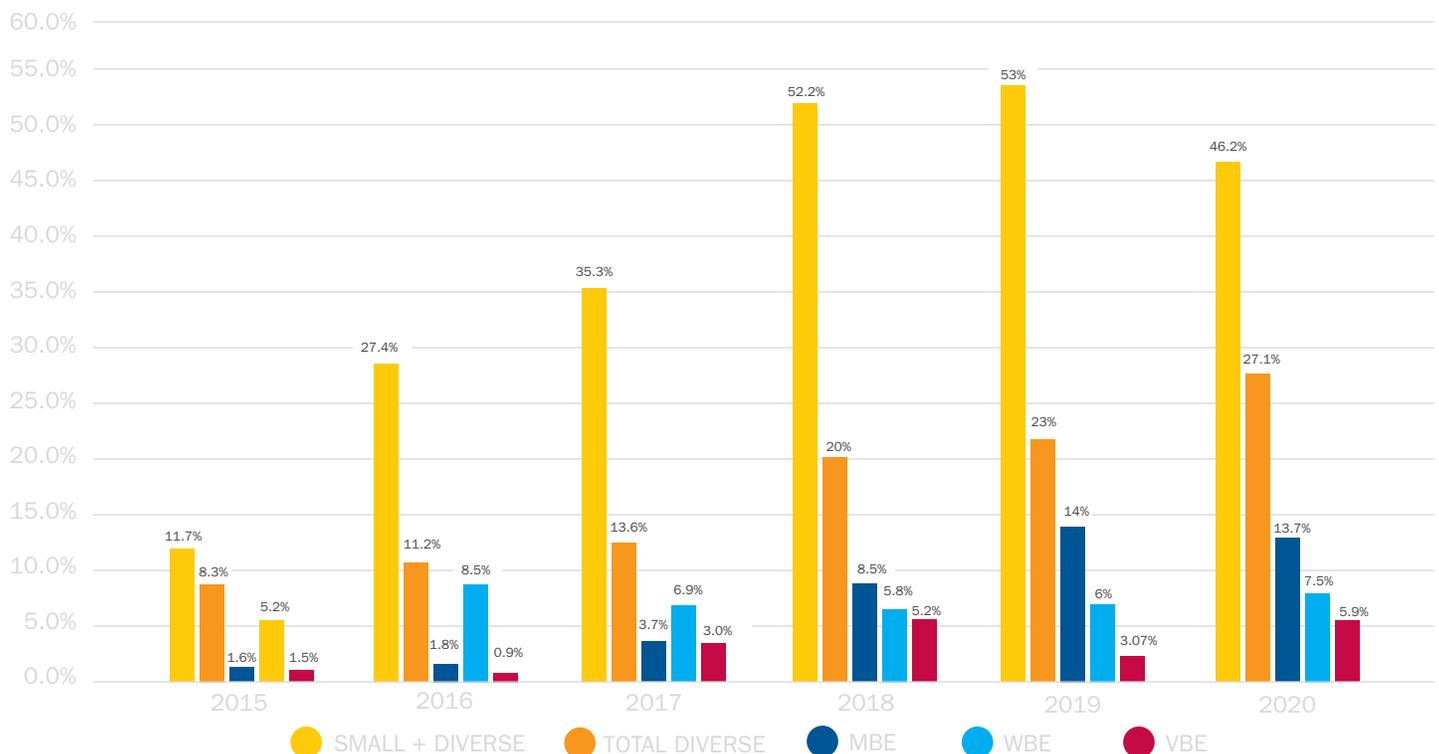
The overall spend performance includes the contribution of Illinois American Water and the expenditures and vendor utilization demonstrated in Section B.

## B. ILLINOIS AMERICAN WATER EXPENDITURES & VENDOR UTILIZATION

Illinois American Water				
EXPENDITURES WITH ALL CERTIFIED SUPPLIERS (2020)				
SPEND CATEGORY TOTALS				
OVERALL	<b>\$211,954,423</b>			
	TIER I (DIRECT)	TIER II	TOTAL	% OF TOTAL SPEND
MBE	\$14,506,904	\$14,533,694	\$29,040,598	13.7%
WBE	\$11,276,940	\$4,659,476	\$15,936,416	7.5%
VBE/SDV	\$11,782,006	\$640,049	\$12,422,055	5.9%
OTHER DISADVANTAGE	\$96,230	\$2,576	\$98,806	0.05%
<b>TOTAL M/W/VBE/SDV AND SDB</b>	<b>\$37,662,080</b>	<b>\$19,835,795</b>	<b>\$57,497,875</b>	<b>27.1%</b>
SMB	\$38,846,767	\$1,565,397	\$40,412,164	19.1%
<b>ALL CATEGORIES</b>	<b>\$76,508,847</b>	<b>\$21,401,192</b>	<b>\$97,910,039</b>	<b>46.2%</b>

Note: Illinois American Water's performance remains one of the leading examples across the enterprise for meeting targeted goals and achieving diverse spend.

### Illinois American Water's Diverse Spend



VBE category references throughout this report will include spend with both veteran and service-disabled veteran owned businesses

Five-Year Spend: Total Diverse category does not include small business (SMB) spend. SMB spend is included in the "Small + Diverse" bar column.

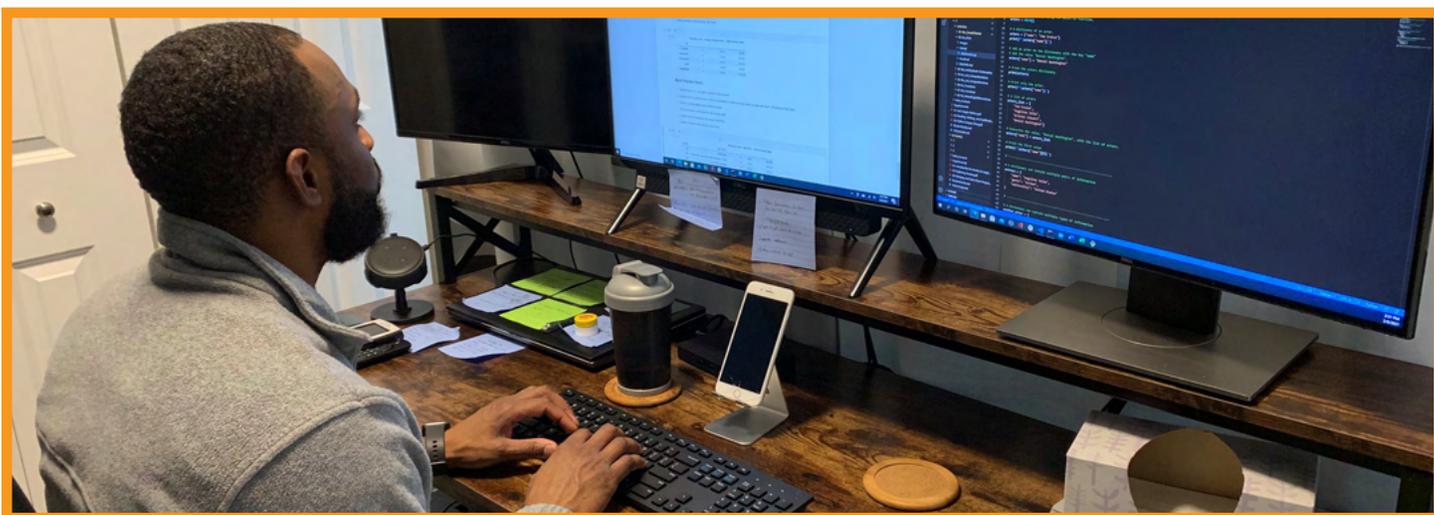
## C. ILLINOIS AMERICAN WATER EXPENDITURES WITH ILLINOIS-BASED DIVERSE VENDORS

Illinois American Water						
2020 EXPENDITURES AND VENDOR UTILIZATION WITH ILLINOIS-BASED SUPPLIERS						
SPEND CATEGORY	TOTAL OVERALL SPEND	TOTAL DIVERSE SPEND	TOTAL IL BASED SPEND			
OVERALL	\$211,954,423	\$97,910,039	\$75,809,669			
	TIER I (DIRECT)	TIER II	TOTAL	% OF TOTAL SPEND	% OF DIVERSE SPEND	% OF IL BASED SPEND
MBE	\$2,933,951.84		\$16,280,474	7.68%	16.63%	21.5%
WBE	\$5,843,003.92	\$4,558,732.46	\$10,401,736	4.91%	10.62%	13.7%
VBE/SDV	\$11,198,206.79	\$634,136.32	\$11,832,343	5.58%	12.08%	15.6%
OTHER DISADVANTAGE	\$96,230.25	\$111	\$96,341	0.05%	0.10%	0.13%
<b>TOTAL M/W/VBE/SDV AND SDB</b>	<b>\$20,071,393</b>	<b>\$18,539,502</b>	<b>\$38,610,895</b>	<b>18.22%</b>	<b>39.44%</b>	<b>50.9%</b>
SMB	\$36,924,388.88	\$274,385.34	\$37,198,774	17.55%	37.99%	49.1%
<b>ALL CATEGORIES</b>	<b>\$56,995,782</b>	<b>\$18,813,887</b>	<b>\$75,809,669</b>	<b>35.77%</b>	<b>77.43%</b>	<b>100.00%</b>

Table C demonstrates the overall diverse category spend against both the overall diverse spend, as well as the Illinois-based ONLY diverse spend. All diverse spend is “certified” suppliers only.

Illinois American Water has been extremely active in assessing and reallocating opportunities in the small business (SMB) category for potential NEW partnerships with vendors certified as MBE, WBE, VBE, SDVBE, SDB, 8A, DBE or LGBTBE.

As a result, the overall percentage of spend with SMB (see Section II: Terms & Definitions) categorized firms have decreased, while spend with diverse categorized business owners have increased. Within the state of Illinois, expenditures with diverse-owned businesses increased almost twenty (20) percent in 2020.

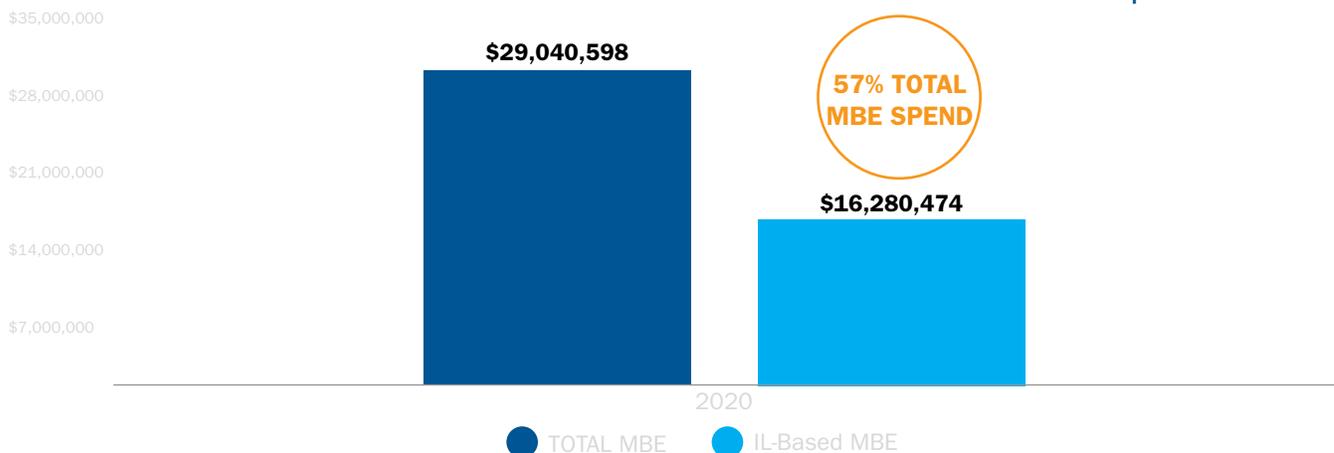


## D. M/W/VBE SPEND BY PRODUCT/SERVICE CATEGORY WITH ILLINOIS-BASED ENTERPRISES

Illinois American Water					
ILLINOIS-BASED MINORITY BUSINESS ENTERPRISES BY CATEGORY					
PRODUCT/SERVICE	AFRICAN AMERICAN	HISPANIC AMERICAN	ASIAN AMERICAN	NATIVE AMERICAN	TOTAL
(BLANK)	\$35,913				
BLDG CONTRA-RES BLDG	\$42,170				\$42,170
SNGLE FAM HSING CONS	\$8,556,973				\$8,556,973
HEAVY CONST,NOT BLDG	\$533,124	\$2,600			\$535,724
WAT, SEW&UTIL LINES	\$1,502,784	\$862			\$1,503,646
PLUMBING HVAC	\$1,667,149				\$1,667,149
ELECTRICAL WORK	\$416,285				\$416,285
ROOF, SIDE, SHEETMTL	\$1,214,984				\$1,214,984
EXCAVATION WORK	\$857,339				\$857,339
SPEC TRADE CNTRCTORS	\$536,761	\$79,954			\$616,715
APPAREL & ACCESSORIE	\$37,976				\$37,976
MISC FAB METAL PROD			\$2,264	\$3,169	\$5,433
Fluid/Water Meters	\$800				\$800
ELECTRIC SERVICES	\$15,000				\$15,000
MACHINERY, EQUIP&SUP	\$53,965				\$53,965
BUSINESS SERVICES	\$10,385	\$169			\$10,554
LEGAL SERVICES	\$91,502				\$91,502
ENGINEERING SERVICES	\$268,775	\$139,596			\$408,371
ARCHITECTURAL SERVCS	\$180,487		\$29,490		\$209,977
<b>TOTAL</b>	<b>\$16,022,370</b>	<b>\$223,181</b>	<b>\$31,754</b>	<b>\$3,169</b>	<b>\$16,280,474</b>

Notes: Since 2018, ILAW has increased its minority business enterprise goal by 3% above the prior year's goal. Even with this significant increase, the actual spend performance has exceeded the MBE goal for three consecutive years. Within the past five years MBE spend has increased from \$4.3M in 2017 to \$29.0M in 2020

### Illinois American Water's 2020 Illinois-Based MBE Spend



Note: VBE category includes SDV – Service Disabled Veteran owned businesses

# Illinois American Water

## ILLINOIS-BASED WOMEN BUSINESS ENTERPRISES BY CATEGORY 2020

PRODUCT SERVICE	TOTAL
(BLANK)	\$710,828
SNGLE FAM HSING CONS	\$988,216
HEAVY CONST,NOT BLDG	\$2,931,315
WAT, SEW&UTIL LINES	\$85,186
CONST,SPEC TRD CONTR	\$4,981
PLUMBING HVAC	\$1,041,556
ELECTRICAL WORK	\$888,433
ROOF, SIDE, SHEETMTL	\$27,099
CONCRETE WORK	\$950,507
EXCAVATION WORK	\$656,133
SPEC TRADE CNTRCTORS	\$1,030,998
CHEM&ALLIED PRODUCTS	\$21,835
IND INORGAN CHEMICLS	\$158,842
MISC FAB METAL PROD	\$1,924
TRANSPORT EQUIPMENT	\$8,199
SPEC WAREHSE STRGE	\$13,694
OFFICE EQUIPMENT	\$360
COMPUTERS & SOFTWARE	\$37,512
DURABLE GOODS, NEC	\$1,124
REAL ESTATE	\$41,670
BLDG MAINT SERVICES	\$88,509
BUSINESS SERVICES	\$20,793
REPAIR SERVICES, NEC	\$2,998
LAWN & GARDEN SERV	\$134,049
ENGINEERING SERVICES	\$537,473
ARCHITECTURAL SERVICES	\$15,321
SERVICES, NEC	\$2,181
<b>TOTAL</b>	<b>\$10,401,736.38</b>

Notes: Our 2020 strategy to grow MBE spend included a focus on growing partnerships with minority, woman-owned businesses. Since last year, Illinois American Water has increased spend with these firms by over 35%

### Illinois American Water's 2020 Illinois-Based WBE Spend



# Illinois American Water

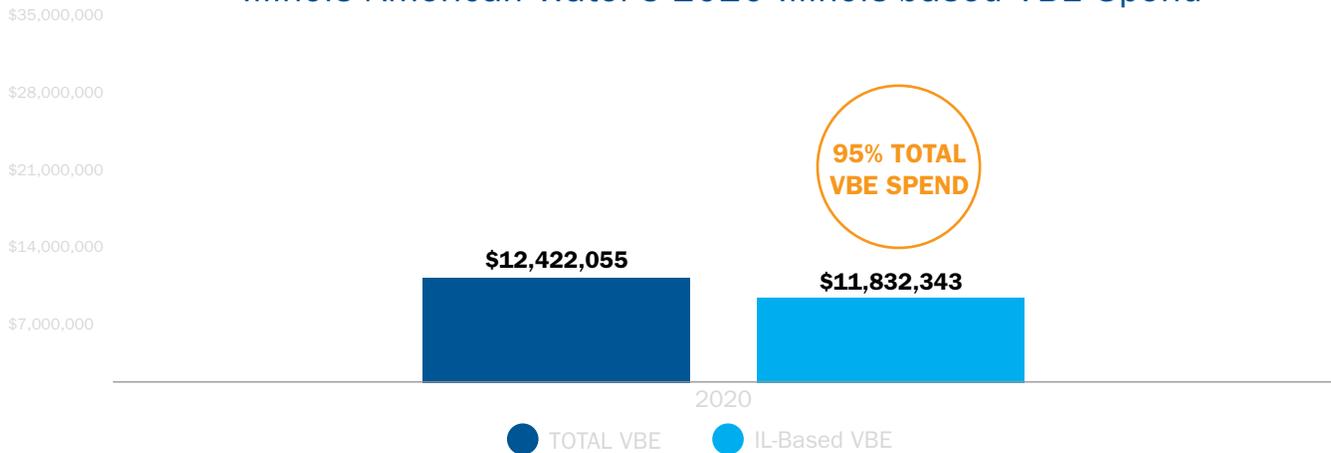
## ILLINOIS-BASED VETERAN BUSINESS ENTERPRISES BY CATEGORY 2020

PRODUCT/SERVICE	TOTAL
SNGLE FAM Hsing CONS	\$1,200.00
HEAVY CONST,NOT BLDG	\$10,264,043.02
WAT, SEW&UTIL LINES	\$292,936.20
PLUMBING HVAC	\$326.33
CONCRETE WORK	\$138.95
MISC FAB METAL PROD	\$4,074.74
BUSINESS SERVICES	\$6,982.00
ENGINEERING SERVICES	\$225,880.10
<b>TOTAL</b>	<b>\$10,795,581.34</b>

Notes: The incorporation of new veteran and service-disabled veteran business enterprises had a tremendous impact on 2020 spend performance.

With the addition of the new Illinois based vendors, spend with these VBE/SDVBE firms increased more than 60% since 2019.

### Illinois American Water's 2020 Illinois-based VBE Spend

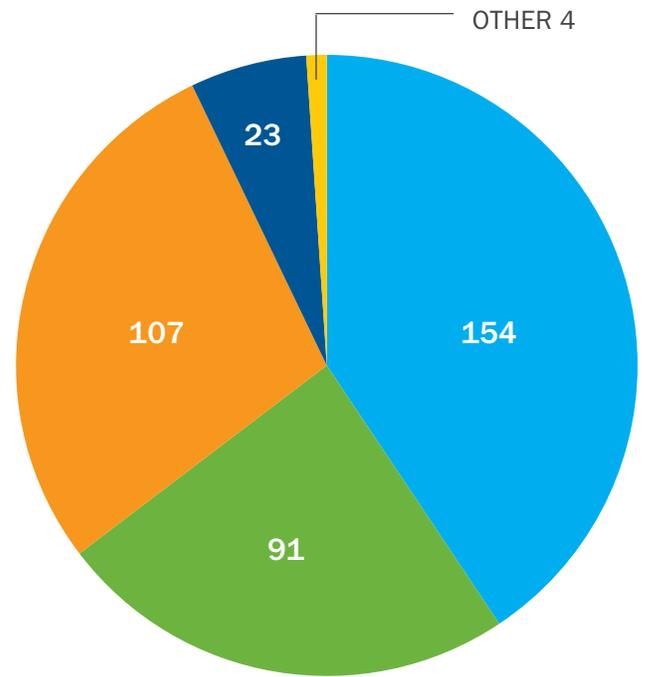
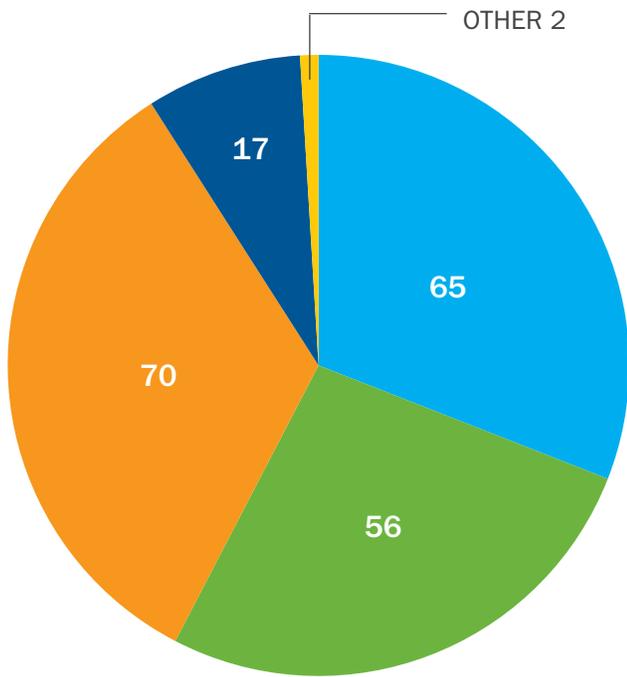


## E. DIVERSITY MIX OF ILLINOIS-BASED DIVERSE BUSINESS ENTERPRISES

With a growing total of approximately 380 tier I and tier II suppliers, the overall diverse business mix in 2020 is as follows:

In 2020, a total of 210 Illinois-based small and diverse business firms were included in the diverse supplier mix.

With a growing total of approximately 380 tier I and tier II suppliers, the overall diverse business mix in 2020 is as follows:



● SMB      ● MBE      ● WBE      ● VBE      ● OTHER



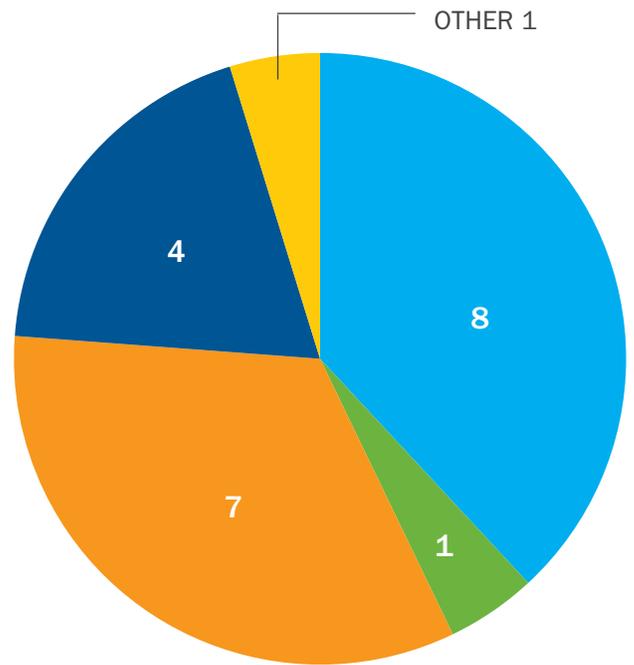
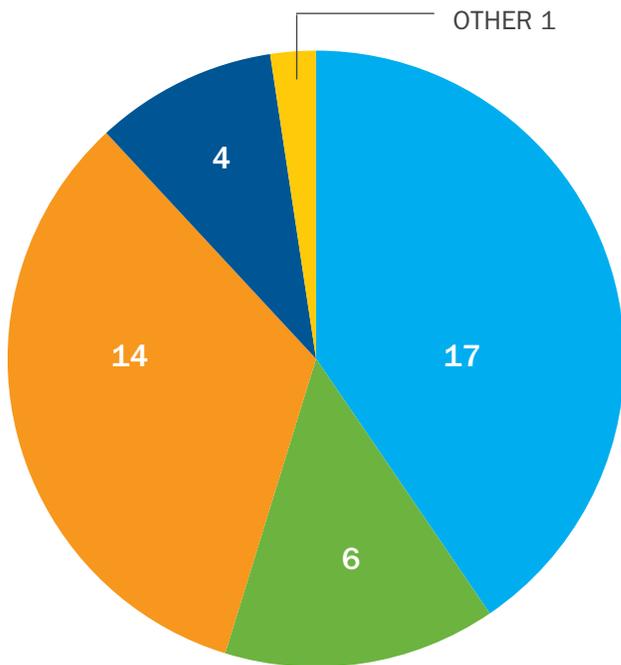
## F. NEW DIVERSE SUPPLIERS IN 2020

Illinois American Water maintained its commitment to identifying viable partnerships with new diverse firms.

In accordance with the 2020 strategy, team members reassessed the existing contracts with non-diverse business partners, and redirected projects to new diverse firms to develop and further expand opportunities in diverse communities.

A total of 42 new small and diverse business suppliers were added to the diverse business mix. At a total of \$6.8 million, ILAW more than doubled spend with new diverse suppliers in 2020.

A total of 21 Illinois-based new small and diverse business suppliers were added to the diverse business mix.



● SMB

● MBE

● WBE

● VBE

● HUB

**NEW DIVERSE SUPPLIERS FOR ILAW INCLUDES VENDORS EITHER NEW TO THE COMPANY OR NEW TO A DIVERSE CATEGORY IN 2020.**

Key new small and diverse suppliers in 2020 include, but are NOT limited to:

- |                                     |                                   |
|-------------------------------------|-----------------------------------|
| + Alexander Chemical Corp           | + Heneghan and Associates LLC     |
| + Aquatic Control Inc               | + Herman & Associates LLC         |
| + Baxmeyer Constructions Inc.       | + Johnson Mechanical Service Inc. |
| + BOCO Contracting and Construction | + Kaskaskia Engineering Group LLC |
| + Career Concepts LLC               | + Kreiling Roofing Co.            |
| + Chief Safety Services LLC         | + Leem Filtration                 |
| + Eberhart Sign & Lighting Co Inc   | + MWH Law Group LLP               |
| + EJ Equipment Inc                  | + Nicor Inc.                      |
| + Franklin Graphics LLC             | + Tarlton Corp                    |

## G. NEW DIVERSE SUPPLIERS IN 2020

During 2020, Illinois American Water created new unique partnerships, hosted, facilitated and participated in several events to increase opportunities for diverse talent and suppliers, and to engage with the community, both locally and nationally, through panel discussions, networking, best practices forums, job fairs, expos, training and other methods.

### QUARTER 1: January - March

- + First Annual Inclusion Day and CEO I&D Pledge Signage
- + Martin Luther King Jr. Acts of Service Volunteer Event
- + Peoria Chamber of Commerce Entrepreneurial Meeting
- + National Utilities Diversity Council – “What Gets Measured Gets Done” - Panelist
- + East St. Louis Branch of the NAACP ACT-SO Competition
- + I&D Champion Network Virtual Social Hour (Qtrly)
- + Women’s Energy Network (Qtrly)
- + St. Louis Supplier Diversity Professional Network (Qtrly)
- + Illinois Utilities Business Diversity Council Board Meeting (Qtrly)

### QUARTER 2: April - June

- + Illinois Utilities Business Diversity Council Webinar Series – Keeping American Workers Paid and Employed Act
- + National Utilities Diversity Council – Impact Analysis: Supplier Diversity Supporting Activities
- + I&D Champion Network World Culture Day Event
- + I&D Pride Month Panel Discussion
- + Diversity & Inclusion Virtual Leadership Summit
- + Illinois Utilities Business Diversity Council Board Meeting (Qtrly)

### QUARTER 3: July - September

- + Disability: IN 2020 Conference
- + National Minority Supplier Development Council – 2020 Program Managers’ Seminar
- + National Utilities Diversity Council – A Tour of the Diversity Toolkit Virtual Event
- + American Association of Black Engineers: A Conversation with James Lowry
- + California American Water Virtual Supplier Diversity Showcase
- + American Water National Supplier Diversity Virtual Matchmaker
- + Illinois Commerce Commission Policy Session
- + Illinois Utilities Business Diversity Council Supplier Showcase and Matchmaker
- + Illinois Utilities Business Diversity Council – Original Manufacturer (OEM) Suppliers Matchmaker
- + National LGBT Chamber of Commerce (NGLCC) Virtual Matchmaker Event

### QUARTER 4: October - December

- + I&D Champion Network Mental Health Awareness and RED Awareness Event
- + St. Louis Council of Construction Consumers (SLCCC) Virtual Matchmaker Event
- + Illinois Utilities Business Diversity Council Annual Event and Awards and Recognition

## RECENT RECOGNITIONS IN 2020 INCLUDE:



In 2020, Rhonda Carter Adams received the **Jerry Garland Award for Excellence in Supplier Diversity** from the Illinois Utilities Business Diversity Council.

The award is presented annually to an individual who demonstrates exceptional results in advancing the practice of inclusion and diversity. Her nomination read, in part:

“Rhonda exemplifies the passion, professionalism, and knowledge that Jerry (Garland) once shared with Illinois American Water and the IUBDC... Jerry would be proud of his successor and that she has continued to expand his mission to ensure that diversity is a shared value and that minority contractors and businesses are treated fairly and represented at Illinois utilities.”



## AMERICAN WATER AND OUR CORPORATE AND NATIONAL SUPPLIER DIVERSITY TEAMS HAVE RECEIVED NUMEROUS AWARDS AND RECOGNITION IN 2020 THAT INCLUDE:

- + Nomination for “Corporation of the Year” by the Eastern Minority Supplier Development Council
- + Selection as Bronze winner “America’s Top Corporation” for Women Business Enterprises by The Women’s Business Enterprise National Council
- + Senior manager, Lawrence Wooten, was named to DiversityPlus Magazine’s Best of the Best Champions of Diversity
- + Senior diversity program lead, Sharon Manker, was awarded “Veteran Advocate of the Year” by the National Veteran Business Development Council
- + Numerous additional awards and recognitions presented to various team members across all of our American Water state affiliates.



**JOSH KING**  
Chief Procurement Officer  
Corporate Supply Chain



**LAWRENCE WOOTEN**  
Senior Manager



**SHARON MANKER**  
Senior Diversity Program Lead



## RECENT RECOGNITIONS IN 2020 INCLUDE

### 2018

- + **MAY:** Military Times awards American Water with Best for Vets Employer for 2018.
- + **JUNE:** American Water is ranked as one of the leading companies for diversity, governance, & transparency in the Philadelphia region.
- + **JULY:** American Water named to the newly-launched NAACP Equity, Inclusion & Empowerment Index.
- + **AUGUST:** Victory Media announced Military Friendly® employers. American Water achieves Bronze level status which means our results were within 40% of the 10th ranked organization.
- + **AUGUST:** U.S. Veterans Magazine recognized American Water as a veteran-friendly company and for having a veteran-friendly supplier diversity program.
- + **AUGUST:** American Water was approved for Military Spouse Employment Partnership (MSEP) partnership.
- + **OCTOBER:** American Water was honored by The Forum of Executive Women as a Champion of Board Diversity.
- + **OCTOBER:** American Water is recognized as a 2019 member of the Bloomberg Gender Equity Index.
- + **NOVEMBER:** American Water partnered with the Paradigm for Parity® coalition and announced its commitment to further support inclusion and diversity efforts across its corporate leadership structure by 2030 as well as show support for the same actions in corporations across the U.S.

## 2019

- + **MAY:** Military Times awards American Water with Best for Vets for 2019.
- + **JULY:** Top Scorer on the Disability Equality Index for Disability Friendly.
- + **AUG:** VIQTORY announced Military Friendly® employers. American Water achieves Gold level status which means our results were within 10% of the 10th ranked organization.
- + **OCT:** VIQTORY announced Military Spouse Friendly® employers. American Water is one of 106 organizations awarded with this recognition.
- + **NOV:** 2020 Bloomberg Gender-Equality Index (GEI)

## 2020

- + **MAY:** Military Times awards American Water with Best for Vets Employer for 2018.
- + **JUNE:** American Water is ranked as one of the leading companies for diversity, governance, & transparency in the Philadelphia region.
- + **JULY:** American Water named to the newly-launched NAACP Equity, Inclusion & Empowerment Index.
- + **AUGUST:** Victory Media announced Military Friendly® employers. American Water achieves Bronze level status which means our results were within 40% of the 10th ranked organization.
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# V. POLICIES & METHODOLOGY

## POLICIES

American Water Works Service Company, Inc., its subsidiary and affiliated companies are committed to creating an inclusive procurement process that is accessible and fair to all suppliers based on their ability to meet the company's performance, price, and quality requirements. Our employees are responsible for identifying, qualifying, selecting, and managing the procurement process for goods and services to assure that qualified diverse suppliers are appropriately included. Our employees must comply fully with all company policies and practices relating to the inclusion of diverse suppliers. We also strongly encourage our prime contractors and major suppliers to support supplier diversity by creating a competitive procurement process that provides opportunities to the greatest extent possible for diverse supplier sub-contractors and businesses. Excellence in supplier diversity will lead to excellence in supply chain management and will advance American Water's financial and operational goals while providing opportunities for success to a wide and diverse range of businesses in the communities we serve.



### DIVERSITY INCLUSION POLICIES

1. Have an established corporate policy.
2. Have top corporate management support
3. Developed a Corporate Supplier Diversity Strategic Plan
4. Maintain comprehensive internal and external communications about the program
5. Regularly identify opportunities for diverse suppliers in strategic sourcing and supply chain opportunities
6. Established a comprehensive minority supplier development process
7. Track, report and set goals
8. Established a continuous improvement plan
9. Have a Second Tier Program
10. Recognize achievements of buyers and suppliers



### DIVERSE SUPPLIER DEVELOPMENT

1. Provides feedback/performance reviews on RFP submissions
2. Delivers an Industry or Company specific education program (Internal University)
3. Provides formal mentoring program
4. Provides technical and/or quality program review and support
5. Works with existing diverse suppliers to expand their utilization within the company (across disciplines or geographic regions)
6. Conducts Supplier Recognition Awards
7. Encourages joint ventures and strategic alliances with diverse suppliers
8. Utilizes diverse suppliers in an area the company Tier 1-3 Level categories

## METHODOLOGY

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### A. RFP SUPPLIER DIVERSITY LANGUAGE

American Water and Illinois American Water defines diverse businesses as businesses owned, managed, and operated by individuals identified as: Small Business (As defined by The SBA), Ethnic Minorities, Women, Veterans, Service Disabled Veterans, Lesbian, Gay, Bisexual, or Transgender (LGBT), and Historically Underutilized Business Zones (HubZones), Illinois American Water is committed to increasing opportunity with all diverse businesses with an emphasis on Minorities, Veterans, and LGBT. Everything below is the actual policy utilized for all suppliers.

It is the policy of the American Water and its affiliates that Small, Small Disadvantaged (SDB), Minority (MBE), Women Owned (WBE), Veteran (VET), Service Disabled Veteran (SDV), and HubZone (HUB), Small Business (collectively Diverse Suppliers), shall have the maximum practicable opportunity to participate in the performance of contracts for goods and services with American Water and its prime subcontractors.

As used in this contract, the term “small business” shall mean a small business as defined and set forth in Title 13, CFAR, part 121 (13 CFR 121) SBA’s size regulations pertaining to Federal procurement are also found in the Federal Acquisition Regulation, 48 CFR part 19. The term minority or women business enterprises shall mean a business that is 51% owned and managed by one or more women or minority. Small Disadvantaged is defined as those businesses that are determined to be both socially and economically disadvantaged under guidelines set forth by the U.S. Small Business Administration. Suppliers identifying under this category must “self-certify within the System For Award Management Registry [www.sam.gov](http://www.sam.gov) Businesses identifying as HubZone, Veteran or Service Disabled Veteran must present documents confirming their status as such.

Specific to this Agreement, the utilization goal for Diverse Suppliers is 25%, 10% specific to purchases with MBEs, of the third-party procurement spending related, directly or indirectly to this Agreement. In accordance with the policy of American Water RFP process, Seller is required to submit a small business-subcontracting plan that details the Sellers efforts to include diverse suppliers in subcontracting opportunities. On an ongoing basis;

- i. The Seller hereby agrees to carry out the policy in the award of his or her subcontracts to the fullest extent consistent with the efficient performance of this contract. Supplier further agrees to cooperate in any studies or surveys as may be conducted by the U.S. Small Business Administration as may be necessary to determine the extent of Supplier’s compliance with this clause.
- ii. The Seller agrees to establish and conduct a program that will enable diverse business enterprises to be considered fairly as subcontractors.
- iii. Include the utilization of diverse business clause in subcontracts that offer substantial diverse business opportunities.

- iv. Identify the actions, programs or efforts to be undertaken to comply with the stated policy regarding the goods and services specifically identifiable to the work to be performed under this Agreement.
- v. Identify procurement opportunities that may exist relating to this Agreement that include, Diverse Supplier participation in the direct production or distribution of Sellers products or services (collectively, “Direct Opportunities”);
- vi. Identify indirect products and services that Seller purchases to run its day to day operations that may be purchased from Diverse Suppliers
- vii. (collectively, “Indirect Opportunities”)
- viii. Seller agrees to provide assurances that the Seller will include the clause in all subcontracts that offer further subcontracting opportunities and that the Seller will require all Large subcontractors who receive subcontracts in excess of \$550,000 (\$1,000,000 for construction) to implement a plan similar to the plan agreed upon by the Seller.

Performance to goal is measured on a quarterly basis. Diverse suppliers certified by one of the affiliated local councils of National Minority Supplier Development Council, Women’s Enterprise Business National Council, State or Federal agencies will be included in this calculation. On an ongoing basis, Seller shall;

- ix. Submit second-tier quarterly spend reports to assist in evaluating its performance against the agreed upon subcontracting goals.
- x. The seller shall report quarterly diverse business expenditures by using the “Seller MWDVBE Quarterly Report” . .The Seller MWDVBE Quarterly Report shall include a) MWDVBE expenditures specific to American Water, contracts (herein, “Direct Expenditures”); and
- xi. b) prorated share of the Primary Supplier’s non-contract specific MWDVBE expenditures (herein, “Indirect Expenditures”). American Water, prorated share of such Indirect Expenditures for the applicable calendar quarter shall be equal to the percentage derived from the following formula: Sales to American Water, / Sales to all customers.
- xii. Such reports shall be submitted by no later than thirty (30) days following the end of each calendar quarter and sent to joseph.luczak@amwater.com.
- xiii. This report is intended to provide a mechanism to monitor the Prime Supplier’s compliance and progress in achieving its MWDVBE commitments as set forth in this Exhibit.
- xiv. The Primary Supplier will provide:
- xv. A list of the name(s) and address(s) of the Certified MWDVBE suppliers the Primary Supplier has identified to be used in support of this Agreement;
- xvi. A description of the products/services or scope of work performed by MWDVBE suppliers;
- xvii. The percentage or volume of contract work performed by each such firm. Participate in periodic supplier diversity strategy sessions that focus on identifying solutions to increase opportunities for MWBEs under this Agreement.to increase opportunities for MWBEs under this Agreement.

The extent to which suppliers (a) set challenging goals in their plan and (b) succeed in exceeding the goals are factors that American Water may consider favorably when deciding to extend, renew expiring agreements, or award new business in competitive bidding.

Suppliers who are identified as “Not Meeting Expectations” in support of small business subcontracting requirements will be required to submit a corrective action plan, detailing their efforts to correct areas of deficiency. Including: Proposed Contracting Strategy, Supplier Diversity Program Measurements, Education and Awareness and Outreach Activities.

Please see Appendix C – “Supplier Diversity Reporting”

## B. ORGANIZATIONAL RESPONSIBILITIES

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American Water’s corporate supply chain team facilitates frequent meetings with Illinois American Water’s supplier diversity team. The American Water National Supplier Diversity Team consists of a senior manager of Supplier Diversity and a senior diversity program lead, whose roles are to provide additional customer service and support to all companies responsible for the supplier diversity initiatives and programs.

Corporate Supply Chain is also responsible for providing quarterly diverse spend reporting and facilitating regular Category Team meetings, which allows each American Water affiliation the opportunity to provide input into diverse utilization of suppliers across all states for every segment of business and spend category noted in Appendix B.

## C. REPORTING/METRICS

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Corporate Supply Chain will run monthly Tier I reports and quarterly reports that will include both Tier I and Tier II diverse supplier spend. To enhance the collection of data, support the achievement of goals and objectives, and to obtain a more timely and accurate tracking of diverse spend metrics, Corporate Supply Chain implemented a new system technology identifies and supports the following:

- + Automation of quarterly subcontractor diverse spend reporting
- + Key word, SIC, NAICS and other segment search options that will allow the supplier diversity team, as well as the procurement team, better visibility to diverse business owners.
- + Percentage of competitive procurement events that include a qualified diverse supplier
- + Percentage per diversity classification (e.g. woman-owned, minority-owned, disabled veteran-owned, etc.) of the included diverse suppliers
- + Percentage of contracts awarded to diverse suppliers
- + Participation in supplier diversity outreach activities (e.g. tradeshow, networking events)
- + Year-over-year (month-over-month) comparisons of MBE, WBE, and VBE spend (\$ and %)

## D. DIVERSE SPEND DATA COLLECTION

Spend data on Tier I suppliers is recorded through American Water’s procurement system when a payment is made to a supplier.

In accordance with the American Water Supplier Diversity Subcontracting Plan Questionnaire and the current fully executed contract on file, Tier 1 prime suppliers are required to submit quarterly Tier 2 diversity spend reporting is required through the Supplier Diversity Portal found at <https://amwater.quantumsds.com/quarterly>. Diversity spend data is collected during the bidding process through the Supplier Diversity Questionnaire form (Appendix A) and more recently, the Supplier Diversity Subcontracting Plan

Please see Appendix A – “American Water Supplier Diversity Subcontracting Plan”

QUARTER	MONTH	REPORT DUE DATE
FIRST QUARTER	JANUARY – MARCH	APRIL 30TH
SECOND QUARTER	APRIL – JUNE	JULY 30TH
THIRD QUARTER	JULY – SEPTEMBER	OCTOBER 30TH
FOURTH QUARTER	OCTOBER – DECEMBER	JANUARY 30TH

Prime/Tier I suppliers should report Sub/Supplier/Tier II Supplier spend at <https://amwater.quantumsds.com/>

## E. EXCLUSIONS

With the exception of property taxes, purchased water and non-competitive power services, Illinois American Water includes all categories of products and services allowed to define the overall procurement volume. Note Section VII. Areas of Procurement for defined list of categories purchased.



# VI. SUPPLIER DIVERSITY GOALS

American Water is currently in the 3rd year of its 5-year plan for growth with diverse suppliers. The foundation has been set and will continue through Year 5. American Water has maximized the opportunity to engage prime suppliers and is developing a strategy to engage diverse suppliers on the first tier at an increased rate, and institute a supplier development plan to ensure continued success across all aspects of the business.

Exhibit A: 5 Year Company Wide Goals

Division	State	Abbr.	"Average Annual Diverse Spend (Avg. for FY 2016 & 2017)"	%	"Year 1 (FY 2019)"		"Year 2 (FY 2020)"		"Year 3 (FY 2021)"		"Year 4 (FY 2022)"		"Year 5 (FY 2023)"	
					Spend	%								
* Total Overall (Total Diverse Spend includes DBE and SBE) *			\$318,343,793	18.1%	\$403,376,277	23.0%	\$438,365,904	25.0%	\$488,735,068	27.9%	\$539,174,328	30.7%	\$589,685,083	33.6%
Total SBE			\$168,431,528	9.6%	\$171,800,158	23.0%	\$175,236,161	10.0%	\$178,740,885	10.2%	\$182,315,702	10.4%	\$185,962,016	10.6%
Total DBE			\$149,912,265	8.5%	\$231,576,119	9.8%	\$263,129,742	15.0%	\$309,994,184	17.7%	\$356,858,625	20.3%	\$403,723,067	23.0%
Eastern	New Jersey	NJ	\$44,994,072	11.6%	\$66,420,249	14.1%	\$73,214,354	16.6%	\$84,399,880	19.2%	\$95,585,406	21.7%	\$106,770,933	24.3%
	New York	NY	\$1,668,036	3.3%	\$2,704,553	4.4%	\$3,166,599	5.5%	\$3,807,459	6.6%	\$4,448,318	7.7%	\$5,089,177	8.8%
	Maryland	MD	\$37,735	1.1%	\$54,791	1.3%	\$59,696	1.6%	\$68,225	1.8%	\$76,753	2.0%	\$85,281	2.2%
	Virginia	VA	\$1,178,530	4.3%	\$1,996,431	6.0%	\$2,397,131	7.7%	\$2,929,827	9.4%	\$3,462,522	11.1%	\$3,995,218	12.9%
Mid-Atlantic	Pennsylvania	PA	\$7,934,628	2.5%	\$11,521,079	3.0%	\$12,552,581	3.5%	\$14,345,807	4.0%	\$16,139,032	4.5%	\$17,932,258	5.0%
Midwest	West Virginia	WV	\$3,352,421	4.5%	\$4,867,715	5.4%	\$5,303,530	6.4%	\$6,061,177	7.3%	\$6,818,824	8.2%	\$7,576,471	9.1%
	<b>Illinois</b>	<b>IL</b>	<b>\$15,866,216</b>	<b>11.6%</b>	<b>\$26,877,369</b>	<b>16.2%</b>	<b>\$32,271,883</b>	<b>20.9%</b>	<b>\$39,443,412</b>	<b>25.5%</b>	<b>\$46,614,942</b>	<b>30.1%</b>	<b>\$53,786,471</b>	<b>34.8%</b>
	Indiana	IN	\$9,109,763	8.8%	\$12,345,551	9.9%	\$12,764,600	11.0%	\$13,999,884	12.0%	\$15,235,168	13.1%	\$16,470,452	14.1%
	Iowa	IO	\$572,198	3.1%	\$1,107,776	5.0%	\$1,422,485	6.8%	\$1,810,435	8.7%	\$2,198,385	10.5%	\$2,586,336	12.4%
	Missouri	MO	\$23,676,945	15.5%	\$32,086,996	17.4%	\$33,176,135	19.3%	\$36,386,729	21.1%	\$39,597,322	23.0%	\$42,807,916	24.8%
	Michigan	MI	\$11,938	1.4%	\$17,334	1.7%	\$18,886	2.0%	\$21,584	2.2%	\$24,282	2.5%	\$26,980	2.8%
South eastern	Tennessee	TN	\$1,147,640	5.6%	\$1,944,103	7.9%	\$2,334,300	10.1%	\$2,853,034	12.4%	\$3,371,767	14.6%	\$3,890,501	16.8%
	Kentucky	KY	\$2,795,528	6.8%	\$4,735,624	9.5%	\$5,686,103	12.2%	\$6,949,682	14.9%	\$8,213,260	17.6%	\$9,476,839	20.3%
Western	California	CA	\$28,741,054		\$35,193,995		\$33,256,848	31.7%	\$33,646,577	32.1%	\$34,036,306	32.4%	\$34,426,034	32.8%
	Hawaii	HI	\$117,149	2.1%	\$198,451	3.0%	\$238,282	3.8%	\$291,233	4.6%	\$344,185	5.5%	\$397,136	6.3%
Service Company	Service Company	Service Co.	\$8,708,413	2.7%	\$29,504,103	7.7%	\$45,266,330	12.6%	\$62,979,241	17.6%	\$80,692,153	22.5%	\$98,405,065	27.5%



Illinois American Water continues to align its supplier diversity goals and procurement strategies with American Water. Prior to the enterprise reset and the 5-year company-wide goals roll-out in 2019, the state's senior leadership identified and set stretch goals that were included in employee annual performance reviews.

## Exhibit B: Illinois American Water Company Goals

Division	Business Unit	2019 Goal Target:	2020 Goal Target:	2021 Goal Target:	2022 Goal Target:	2023 Goal Target:
Corporate	American Water Service Company	7.4%	12.64%	17.64%	22.54%	27.49%
Enterprise-Wide	American Water Works Service Company, Inc., its subsidiary and affiliated companies	23.0%	25.0%	27.90%	30.70%	33.6%
Mid-Atlantic	Pennsylvania American Water Company	3.00%	3.47%	3.96%	4.46%	4.95%
Mid-Atlantic	West Virginia American Water Company	5.44%	6.35%	7.26%	8.17%	9.07%
Midwest	<b>Illinois American Water Company</b>	<b>16.2%</b>	<b>20.9%</b>	<b>25.50%</b>	<b>30.10%</b>	<b>34.8%</b>
Midwest	Missouri American Water Company	16.00%	19.25%	21.12%	22.98%	24.84%
Midwest	Indiana American Water Company	10.0%	10.96%	12.03%	13.09%	14.15%
Midwest	Iowa American Water Company	3.8%	6.81%	8.67%	10.52%	12.38%
Midwest	Michigan American Water Company	1.7%	2.0%	2.20%	2.50%	2.80%
Northeastern	New Jersey American Water Company	14.09%	16.64%	19.18%	21.72%	24.26%
Northeastern	New York American Water Company	4.4%	5.5%	6.60%	7.70%	8.80%
Northeastern	Virginia American Water Company	6.00%	7.71%	9.43%	11.14%	12.85%
Northeastern	Maryland-American Water Company	1.35%	1.57%	1.80%	2.02%	2.25%
Southeastern	Kentucky American Water Company	9.5%	10.5%	12.00%	17.60%	20.3%
Southeastern	Tennessee American Water Company	7.9%	10.1%	12.00%	14.60%	16.8%
Western	California American Water Company	30.9%	31.7%	32.10%	32.40%	32.8%
Western	Hawaii American Water Company	3.0%	3.8%	4.60%	5.50%	6.30%

Since 2018, ILAW has exceeded its diverse business goals more than 6.0% for three consecutive years.

It has also increased its MBE goal by 3% above the prior year's goal. Even with this significant increase, the actual spend performance has exceeded the MBE goal for three consecutive years.



## Illinois American Water Goals vs Actuals

	TOTAL DIVERSE (M/W/VBE/OTHER)		MBE		WBE		VBE/SDVBE	
	GOAL	ACTUAL	GOAL	ACTUAL	GOAL	ACTUAL	GOAL	ACTUAL
2018	13.0%	20.3%	4.0%	8.5%	6.0%	5.7%	3.0%	5.2%
2019	16.0%	22.8%	7.0%	13.7%	6.0%	5.9%	3.0%	3.1%
2020	20.9%	27.1%	10.4%	13.7%	7.0%	7.5%	3.5%	5.9%

Collaborative efforts include a cross-functional working group of the Supplier Diversity team, National Categories team, State Procurement team, State Engineering & Operations teams all reaching out to the prime suppliers. Manual reallocation of national category prime supplier spend to Illinois American Water, and other states, also had a positive impact on overall performance.

Additionally, getting suppliers to certify and re-certify had a positive impact in increasing overall diversity spend in 2020.

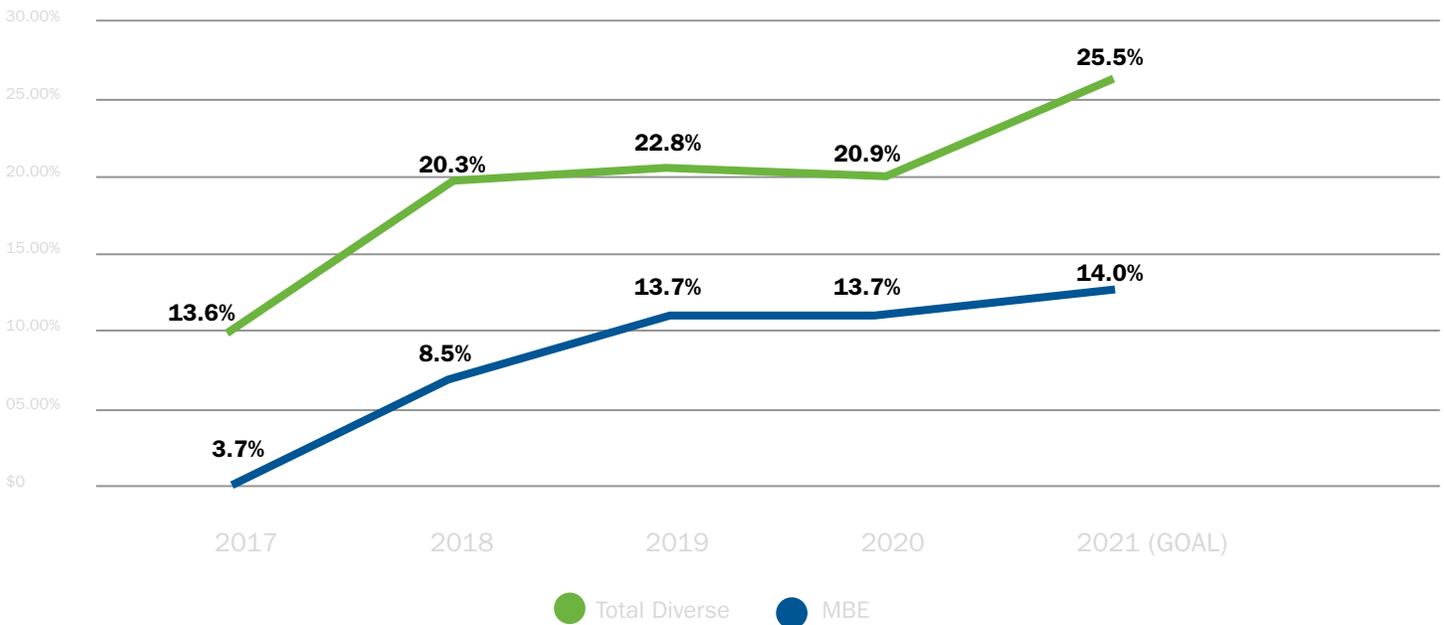
In 2021 (year 4 of the current strategic plan), it will be important that Illinois American Water develops a plan/strategy to engage diverse prime/Tier I suppliers at an increased rate and institute a formal supplier development plan to ensure continued and sustainable success across all aspects of the business.



## 2020 AND 2021 GOALS

A major focus of Illinois American Water continues to be a realization of minority-owned diverse spend. The 2020 goal for certified MBE spend was **10.4% percent**, as the organization continues to achieve year-over-year growth in this business category. See Exhibit C. Demonstrates the actual spend growth in this specific diverse category.

Exhibit C: Illinois American Water's Diversity Percentage of Spend w/ Certified Suppliers



Illinois American Water continues to support the Illinois Utilities Business Diversity Council (IUBDC) in its collaborative effort to identify NEW, potential M/W/VBEs, by providing the lead resource in the development of a GIS-based Supplier Diversity Vendor Tool. As technology and reporting capabilities continue to improve throughout the enterprise, visibility and access to new M/W/VBEs will expand the database and allow for timely participation in upcoming RFPs and additional bidding opportunities.

Continuous technology improvements include the capturing and categorizing of SIC codes and diversity indicators by supply chain professionals to reduce the time required to manually verify and confirm certified, diverse spend.

In 2019, American Water identified top suppliers in each diverse category in terms of spend over the past few years. The assessment strategy of these high potential suppliers for growth is based on:

- + Routine meetings and assessment by category managers to discuss diverse business potential
- + Impact increased spend with selected suppliers would yield.
- + Identified suppliers have demonstrated experience of American Water processes.
- + Identified suppliers process capabilities for growth or the opportunity for development.

High potential suppliers will be considered for development opportunities to increase capacity and capability. Intentional focus will be on identifying prime M/W/VBE that will directly impact the overall diverse spend, as well as provide additional Tier II spend with other M/W/VBE suppliers.

# 10 YEAR PLAN: UPDATE FOR 2020

## DIVERSE SPEND MEASUREMENT GOALS

“Illinois American Water’s small and diverse spend goals were originally provided to the ICC over a course of ten years and included goals to achieve an annual increase of one (1) percent each year over the previous year’s actuals through 2021. Additionally, one-half of one percent increase from year 2021 through 2025 would be considered. All goals stated reflect the previous 10-year plan communicated from the original submission.

However, in 2019 the American Water National Supplier Diversity Team developed a 5-year Supplier Diversity growth plan which included specific M/W/VBE targets for Illinois American Water.

The 5-year diverse business goals identified do not conflict, nor minimize with the small and diverse total goals previously communicated.

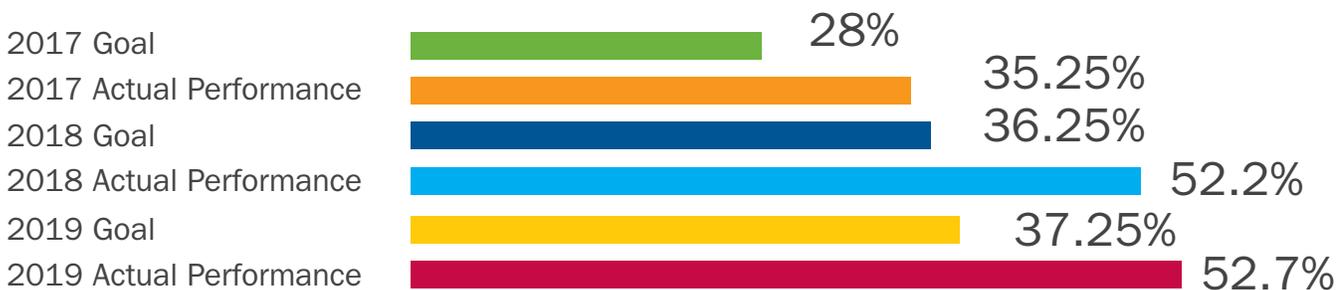
### YEAR ONE (2016)

Illinois American Water implemented a 10-Year Plan in 2016—a base year for diverse spend. (Spend includes first and second tier, certified and source able spend).



### YEARS TWO THROUGH THREE (2017–2018)

Goal of qualified spend to certified diverse suppliers (with the exception of purchased water and power, Illinois American Water includes all categories of products and services allowed to define the overall procurement volume):



### YEARS FOUR THROUGH SIX (2019–2020)

Long-term goals are adjusted to align with expectation of American Water, as well as to meet and/or exceed previous year’s growth performance.



+ Display organization commitment to doing business, beyond consumerism in diverse markets.

## YEARS SEVEN THROUGH TEN (2022–2025)

Assuming flat growth, increase goal of qualified spend to:



## MULTI-YEAR ACTIVITIES

- + Identify high-probability sourcing opportunities and prequalify diverse businesses for inclusion in the bid process.
- + Establish reporting and monitoring capabilities to track against targets.
- + Promote and support the diverse goals and ideals set forth by the Illinois Commerce Commission.
- + Showcase Illinois American Water’s interest and commitment to the economic growth of all communities.



## ADDITIONAL SUPPLIER DIVERSITY GOALS

- + Communicate about the program and promote organic growth (internal champions) within Illinois American Water.
- + Encourage Illinois American Water and our suppliers, engineers and contractors to speak with one voice that diversity is part of American Water’s business plan.
- + Attend Supplier Diversity National Advocacy Programs that support the Illinois American Water Diversity Program strategy.
- + Host and/or co-host supplier diversity workshops in local Illinois communities Host American Water’s Leading Supplier Academy (LSA) workshops.
- + Pair best-in-class diverse suppliers with American Water key suppliers (national & local).
- + Support the goals and objectives of the Illinois Utilities Business Diversity Council.
- + Utilize and recognize certified diverse spend. (This includes diverse organizations certified through recognized certifying agencies such as the National Minority Supplier Development Council (NMSDC) or its affiliate regional councils, the Women’s Business Enterprise National Council (WBENC) or its affiliate regional councils, the California Public Utility Commission (CPUC) Clearinghouse, or another similar local, state, or federal certifying body).

# VII. AREAS OF PROCUREMENT FOR THE 2021 CALENDAR YEAR

Illinois American Water will be looking for providers in the following categories in 2019, either as prime (first-tier) providers or as a subcontractor (second-tier):



## PROFESSIONAL SERVICES

- + Engineering
- + Legal
- + Material Testing
- + IT



## SUBCONTRACTORS

### CIVIL:

- + Earthwork and Grading
- + Yard Piping
- + Paving
- + Fencing
- + Landscaping (Arborist)
- + Structural Concrete
- + Iron Work
- + Masonry
- + Pre-Engineered Metal Buildings
- + Building Remodeling

### MECHANICAL:

- + Mechanical:
- + Plumbing
- + HVAC
- + Process Mechanical
- + Electrical
- + Traffic Control
- + Filter Maintenance
- + Media Replacement
- + Waste (Residual) Disposal
- + Painting & Coatings
- + Steel Storage Tanks



## SUPPLIERS

- + Rock and Sand
- + Ready Mix Concrete
- + PVC/HDPE Pipe
- + DI Pipe
- + Valves
- + Pumps
- + Mechanical Process Equipment
- + Electrical Supplies & Equipment



## GENERAL

- + Specialty IT Equipment (e.g. instrumentation and office)
- + Janitorial Service
- + Safety Equipment
- + Temporary Utilities/Facilities



## FLEET

- + Vehicles
- + Repair
- + Specialty Trench Construction

# NATIONAL SUPPLIER DIVERSITY

## WHAT AMERICAN WATER BUYS?

### PRODUCTS

- + MRO/Integrated Supply (Maintenance, Repair, and Operations)
- + Air, Hand, and Machine Tools
- + Hardware
- + Filters
- + Storage Materials
- + Safety Materials
- + Fire Protection
- + Medical Equipment
- + Bearings, Bushings, Wheels and Gears
- + Gaskets, Seals, and Packing
- + Laboratory Equipment and Supplies
- + Soil, Stone, Sand
- + Uniforms and Clothing
- + Hydrants

### INSTRUMENTATION AND CONTROLS

- + Pressure Gauges
- + Regulators
- + Sensors
- + Transmitters
- + Digital Controls (DCS and SCADA)
- + Control Valves
- + Analyzers/Monitors
- + Pressure Safety Valves
- + Instrument Spare Parts

### ROTATING EQUIPMENT AND SPARE PARTS

- + Air Compressors and Parts
- + Pumps, Parts, and Accessories
- + Engineered Diesel and Nat Gas Engines
- + Electric Generators
- + Process Fans
- + Centrifuges
- + Rotating Equipment Spare Parts

### UNDERGROUND INFRASTRUCTURE

- + Pipe, Flanges and Fittings
- + Valves
- + Valve Parts and Accessories

### ELECTRICAL COMPONENTS, ACCESSORIES AND SUPPLIES

- + Instrument, Electrical Wire and Cable
- + Lamps, Light bulbs, and Components
- + Switch Gear Systems
- + Power Supply Transformers
- + Electric Motors
- + Switches
- + Relays

### IT (HARDWARE, SOFTWARE, SERVICES)

- + PCs
- + Projectors
- + Printers
- + Photocopiers
- + Network
- + Telecom Supplies
- + IT/Electronics Miscellaneous
- + Software Programs
- + Satellite Communications

### FACILITY MATERIALS

- + Cleaning and Janitorial
- + Furniture and Furnishings
- + Paper Supplies
- + Security Equipment
- + Office Supplies
- + Signs and Tags [Published Products]
- + Published Materials
- + Trailers
- + Kitchen Supplies

### CHEMICALS, GASES, AND FLUIDS

- + Gases
- + Misc. Bulk Chemicals
- + Water Treatment
- + Paints, Primers, and Finishes
- + Fuels and Lubricants

### FLEET AND FLEET PARTS

- + Standard Vehicles (Truck)
- + Light Fleet (Truck)
- + Light Vehicle Tires (Truck)
- + Contractor Fleet Rental (Truck)

- + Medium Duty Fleet (Work Trucks)
- + Fleet Maintenance
- + Fuel
- + Title and Registration Program
- + Fleet Violations
- + Accident Management
- + Fleet Data Management
- + Lease Vehicles

## SERVICES

- + Utilities
- + Natural Gas
- + Electric
- + Water
- + Cable
- + Network Lines (T1)

## MANINTENANCE SERVICES

- + General Contractors
- + Electrical Labor
- + PVF Maintenance and Repair
- + Carpenters
- + Pump Maintenance and Repair
- + Valve Cleaning and Refurbishment
- + Intrucmentation and Controls
- + Craft Laborers
- + Tank Repair Services
- + Insulators
- + Pipe liner Installation

## SUPPORT SERVICES AND RENTALS

- + Crane Rental
- + Vac/pot holing Truck Rental
- + Tank Services
- + Painting / Sandblasting
- + Trailers and Mobile Office
- + Off Site Warehousing
- + Chemical Delivery
- + Pump rental
- + Shoring rental
- + Industrial Vehicle Repair and Rental
- + Light Civil Construction
- + External Lab Services
- + General Rental Items
- + Generator Rentals
- + Tool Rental
- + Equipment Operators

## PROFESSIONAL SERVICES

- + Corporate Consulting
- + Training
- + Legal Services (Regulatory Experience)
- + HR
- + Financial Serives
- + Insurance
- + Admin Services/Staff Augmentation
- + Tax Services (Property Tax and filing)
- + Marketing
- + Benefits
- + Temporary Labor
- + Auditing Services
- + Relocation Services
- + Field Contract Coordinator
- + Real Estate Advisory Services

## FACILITY SERVICES

- + Security and Surveillance
- + Pest Control
- + Exterior Window Cleaning (5 Stories)
- + Facility Building Repair and Maintenance
- + Janitorial
- + Other Unspecified Facilites Services
- + Roofing Services
- + Furniture Liquidation
- + Telecom Services (Office and Remote)
- + IT Support
- + Elevator Maintenance
- + Bottled Water Service
- + Building Lease
- + HVAC Services

## CONSTRUCTION SERVICES

- + Construction Contractors
- + Construction/Mech Paving and Concrete Labor
- + Surveyors
- + Construction Consultants
- + Mechanical Contruction
- + On-site Tank Construction
- + Horizontal directional drilling
- + Paving & Restoring

# VIII. CHALLENGES & OPPORTUNITIES

## Diverse business sustainability during the pandemic

During the COVID-19 crisis in early 2020, small and diverse owned businesses were negatively impacted, and many experienced a deep decline in revenue.

As the World Health Organization declared this crisis a pandemic, company leadership committed to providing additional economic support to sustain our diverse vendor partnerships.

While businesses across the nation were forced to close their doors and lay off employees, Illinois American Water was uniquely positioned to intentionally explore new ways to partner with diverse firms.

**“Our mission focuses on advancing the growth and utilization of utility businesses, and that didn’t stop when the pandemic hit. In fact, it positioned us to find even more ways to partner with diverse businesses – through procurement of PPE, for example.”**

**Justin Ladner**

President of Illinois American Water

Illinois American Water has identified many successes to expand their footprint to identify diverse suppliers and provide opportunities within procurement. Additionally, the second-tier program has been a collaborative effort between our procurement/supply chain team and our prime (first-tier) suppliers. In compliance with the Illinois American Water RFP policy and guidelines in Section V of this report, we challenge our prime partners to identify business opportunities for key M/W/VBE, and most recently added to our targets, LGBTE subcontractors to assist in their diverse participation efforts. The Supplier Diversity team continues to serve as a resource to provide qualified, viable diverse potential partners to both entities.

To further support this opportunity to realize an incremental increase in diverse spend, American Water continues to participate with the Illinois Utilities Business Diversity Council and the American Water’s Supply Chain national Category Managers to conduct training and bring awareness to top OEM suppliers and category managers to encourage second-tier utilization, as well as provide resources that will support prime contractors’ efforts to obtain diverse spend with subcontractors.

Illinois American Water continues to experience a lower utilization of diverse vendors in specific areas of spend that has previously included diverse prime contractors in the general construction management, financial management and investment firms, and environmental services. Consequently, subcontractors for construction projects remain the largest area of opportunity for Illinois American Water. We have an opportunity to identify direct and indirect spend with diverse, and more specifically, MBE firms, while working with our non-diverse majority firms in providing mentorship and implementing the supplier development strategies previously mentioned.

In 2021, we will have a more focused approach to mentor and development current and future diverse partners of Illinois American Water to support efforts to build capacity, secure bonding and meet specific safety and insurance requirements.

These strategies will increase outreach efforts and access to new: water; sewer; pipeline; communication and power line construction; operation and maintenance (O&M); and professional services diverse firms. New targets for 2021 reflect the implantation of these new supplier development strategies.

## Illinois American Water Goals with Certified Suppliers

CATEGORY	2020 GOALS	2021 GOALS
MBE	10.4%	14.0%
WBE	7.0%	7.5%
VBE	3.5%	4.0%
<b>TOTAL DIVERSE</b>	<b>20.9%</b>	<b>25.5%</b>



# IX. CERTIFICATIONS ACCEPTED

## AMERICAN WATER RECOGNIZED CERTIFICATION AGENCIES

### SBA SMALL BUSINESS ADMINISTRATION

**Certification:** Small Business. Small Women Owned Business

 409 3rd Street, NW

**Supplier Processing Fee:** No fee vendor

 800-659-2955

**Certification Period:** Annually Washington, DC. 20416

 Website: [Sba.gov](https://www.sba.gov)

### SERVICE DISABLED VETERAN OWNED BUSINESS ENTERPRISES DEPARTMENT OF VETERANS AFFAIRS' VETBIZ REGISTRY

**Certification:** Disabled Veteran Business certifications

 866-584-2344

**Supplier Processing Fee:** No fee to vendor

 202-303-3260

**Certification Period:** 3 years

 Website: [www.vetbiz.gov](https://www.vetbiz.gov)

### DEPARTMENT OF GENERAL SERVICES, PROCUREMENT DIVISION, OFFICE OF SMALL BUSINESS AND DVBE SERVICES (OSDS)

**Type of certification:** For Washington-based Disabled Veteran Business certifications

 1102 Quince St SE  
Olympia, WA 98504-1155

**Supplier Processing Fee:** No fee to vendor

 1-800-562-0132 option '1'

**Validation Period:** 3 years

### STATE OF WASHINGTON DEPARTMENT OF VETERAN AFFAIRS

**Type of certification:** For Washington-based Disabled Veteran Business certifications

 1102 Quince St SE  
Olympia, WA 98504-1155

**Supplier Processing Fee:** No fee to vendor

 1-800-562-0132 option '1'

**Validation Period:** 3 years

Website: [www.dva.wa.gov/BusinessRegistry/default.aspx](https://www.dva.wa.gov/BusinessRegistry/default.aspx)

## FOR DIVERSE BUSINESS ENTERPRISES

### CA PUBLIC UTILITY'S "SUPPLIER CLEARINGHOUSE"

**Certification Type:** Minority and Women owned business certifications

**Supplier Processing Fee:** No fee to vendor

**Validation Period:** 3 years.

Vendors who are already certified by the NMSDC and/or WBENC will have a shortened Comparable Agency Verification filing process.



606 S. Olive Street,  
Suite 1120  
Los Angeles, CA 90014



1- 800-359-7998

### NATIONAL MINORITY SUPPLIER DEVELOPMENT COUNCIL (NMSDC) – AND ALL OF ITS AFFILIATED REGIONAL COUNCILS

**Certification Type:** Minority-owned business certifications-regional/national

**Supplier Processing Fee:** Fee to vendor

**Validation Period:** 1 year



1040 Avenue of Americas,  
2nd Floor  
New York, NY 10018



212-944-2430



Website: [www.nmsdcus.org](http://www.nmsdcus.org)

### WOMEN'S BUSINESS ENTERPRISE NATIONAL COUNCIL (WBENC) – INCLUDING IT'S REGIONAL PARTNER ORGANIZATIONS

**Certification Type:** Women-owned business certifications

**Supplier Processing Fee:** Fee to vendor

**Validation Period:** 1 year



1120 Connecticut Avenue NW,  
Suite 950  
Washington, D.C. 20036



202-872-5515



Website: [www.wbenc.org](http://www.wbenc.org)

## AMERICAN WATER RECOGNIZED CERTIFICATION AGENCIES

### NATIONAL LGBT CHAMBER OF COMMERCE (NGLCC)

**Certification Type:** Lesbian, gay, bisexual, and transgender-owned businesses (Certified LGBTBE)

**Supplier Processing Fee:** \$400, **Recertification fee:** \$200

**Certification Period:** 1 year, annual recertification



1331 F. Street Suite 950  
Washington, D.C. 20004



202-234-9181



Website: [www.nglcc.org/](http://www.nglcc.org/)

# ILLINOIS AMERICAN WATER RECOGNIZED CERTIFICATION AGENCIES

## ILLINOIS DEPARTMENT OF CENTRAL MANAGEMENT SERVICES (CMS)

100 W Randolph St. Chicago, IL 60601

**Phone:** 312-814-4190

**Website:** [www2.illinois.gov/cms/business/sell2/bep/Pages/Default.aspx](http://www2.illinois.gov/cms/business/sell2/bep/Pages/Default.aspx)

## ILLINOIS DEPARTMENT OF TRANSPORTATION

Bureau of Small Business Enterprises

2300 South Dirksen Parkway, Room 319 Springfield, IL 62764

**Website:** [www.idot.illinois.gov/doing-business/certifications/disadvantaged-business-enterprise-certification/index](http://www.idot.illinois.gov/doing-business/certifications/disadvantaged-business-enterprise-certification/index)

## COOK COUNTY

Office of Contract Compliance Diversity Management System

118 N, Clark Street Room 1020 Chicago, IL 60602

**Phone:** 312-603-5502

**Website:** [cookcounty.diversitycompliance.com/FrontEnd/StartCertification.asp](http://cookcounty.diversitycompliance.com/FrontEnd/StartCertification.asp)

## CITY OF CHICAGO

Procurement Services

Certification and Contract Compliance

121 North LaSalle St. #403 Chicago, IL 60602

**Phone:** 312-744-4900

**Website:** [chicago.mwdbe.com/FrontEnd/StartCertification.asp?XID=607&TN=chicago](http://chicago.mwdbe.com/FrontEnd/StartCertification.asp?XID=607&TN=chicago)

## MID-STATES MSDC

Mid-States Minority Supplier Development Council

505 N. 7th Street – Suite 1820 (US Bank Plaza)

**Phone:** 314-278-5616

**Email:** [info@midstatesmsdc.org](mailto:info@midstatesmsdc.org)

**Certification Application:** [midstatesmsdc.org/mbe-certification/certification-application](http://midstatesmsdc.org/mbe-certification/certification-application)

## CHICAGO MSDC

Chicago Minority Supplier Development Council / 2126 North Meridian Street

105 W. Adams Street – Suite 2300 Chicago, IL 60603

**Phone:** 312-755-8880

**Email:** [info@chicagomsdc.org](mailto:info@chicagomsdc.org)

**Certification Application:** [chicagomsdc.org/certification/process](http://chicagomsdc.org/certification/process)

Other Illinois state organizations and municipality certifying agencies on a case-by-case basis.

## LGBT CHAMBER OF COMMERCE OF ILLINOIS

Affiliate Chamber of the NGLCC

3179 N Clark St 2nd floor, Chicago, IL 60657

**Phone:** (773) 303-0167

**Website:** <http://lgbtcc.com/>

**Website:** <http://lgbtcc.com/lgbt-certification/>

Other Illinois state organizations and municipality certifying agencies on a case-by-case basis.

## MISSOURI AMERICAN WATER RECOGNIZED CERTIFICATION AGENCIES

### CITY OF ST. LOUIS

Office of Diversity and Inclusion

1200 Market, City Hall Rm 200 St. Louis, MO 63103

314-622-4068

**Website:** [www.stlouis-mo.gov/government/departments/mayor/initiatives/Inclusion/](http://www.stlouis-mo.gov/government/departments/mayor/initiatives/Inclusion/)

### MISSOURI DEPARTMENT OF TRANSPORTATION

Equal Opportunity and Diversity Division

830 MoDOT Drive P.O. Box 270 Jefferson City, MO 65102

Phone: 573-526-5611

Fax: 573-526-5918

**Email:** [equalopportunity@modot.mo.gov](mailto:equalopportunity@modot.mo.gov)



# X. POINTS OF CONTACT



**EXECUTIVE OFFICER**

**Justin Ladner**  
President

Illinois American Water



300 North Water Works Drive  
Belleville, IL 62223



618-239-2207



ilaw.president@amwater.com



**WORKFORCE AND SUPPLIER  
DIVERSITY MANAGER  
CORPORATE DIVERSITY LEAD**

**Rhonda Carter Adams**  
Illinois Corporate Diversity Lead

Illinois American Water



300 North Water Works Drive  
Belleville, IL 62223



618-239-3285



il.supplierdiversity@amwater.com



**ADMINISTRATION**

**Taiiko Ballard**  
Illinois Diverse Business Specialist

Illinois American Water



300 North Water Works Drive  
Belleville, IL 62223



618-239-2210



taiiko.ballard@amwater.com

# XI. PANDEMIC-PROOF SUPPLIER SUCCESS STORIES



**CÉTERA**  
marketing

**CÉTERAMARKETING, LLC**

(MINORITY, WOMAN-OWNED BUSINESS ENTERPRISE)

[WWW.CETERAMARKETING.COM](http://WWW.CETERAMARKETING.COM)

[818-767-8002](tel:818-767-8002)

Cétera Marketing is a Minority and Women-Owned Business Enterprise with a boutique-style approach to marketing. Specializing in uniforms and apparel, promotional products, corporate gifts, custom packaging, and graphic design, the company also provides services to warehouse, kit and ship to locations across the globe.

During the 2020 COVID-19 pandemic, the company became one of several diverse partners that provided safety supplies that included protective clothing, eye equipment, gloves, safety signage, respirators, face masks, face shields, anti-bacterial hand sanitizers, and other safety maintenance, repair, and operating suppliers. To meet Illinois American Water's specifications, Dani Hali, president and CEO, added management staff in key areas, allowing the team to pivot and serve clients at a higher level through the duration of the health crisis.

As our clients shifted focus to business continuity in response to COVID-19, we were also challenged to adapt quickly. Within the first few weeks of the shutdown, we noticed that our clients struggled to get the Personal Protective Equipment (PPE) equipment they desperately needed. We resolved this demand by procuring and delivering more than \$2.5 million of PPE without incident. As we begin to rebuild, our focus continues to be on showing up as reliable thought partners while evolving our marketing approach to meet our client's needs.

We are grateful to companies like Illinois American Water for helping small businesses like us keep the doors open during the COVID-19 pandemic. In addition to placing significant orders of PPE, Illinois American Water demonstrated their support by amplifying our service offerings across their organization, which helped us convert sales of masks, gloves, sanitizer, thermometers, and other essential safety equipment.

- Dani Hali  
President and CEO



**ABNA**

(MINORITY, WOMAN-OWNED BUSINESS ENTERPRISE)

[WWW.ABNACORP.COM](http://WWW.ABNACORP.COM)

[618-452-8151](tel:618-452-8151)

ABNA is a minority, woman-owned enterprise that has provided engineering services for civil, structural, transportation, and geotechnical as well as land surveying, GIS/planning, construction management, general contracting, testing and inspection services since 1994.

ABNA's clientele is everyone who utilizes public and industrial infrastructure including sewer pipelines, roadways, airports, mass transit and desires to drink clean water and breathe clean air. For the past 26 years, as a minority-owned, woman-owned business enterprise, we have served our clientele with excellence providing structural and civil engineering design, land surveying, and construction management services.

During the COVID-19 pandemic, it was imperative that we were able to continue servicing our clientele which thereby provided necessary infrastructure for the community. Like many firms, we quickly assessed the critical areas of our business demands and implemented procedures to maximize the health and safety of each member of our ABNA staff. Moreover, we drew upon the strength of our ABNA Family. We utilized our long-standing relationships, like that of American Water, and that of our dedicated ABNA staff to face this challenge. Additionally, our innovative decisions to implement online technology via ABNA's cloud-based computer system, several years earlier allowed ABNA to seamlessly meet critical design needs and safely conduct critical face to face virtual meetings.

Furthermore, based on the courageous actions of many of ABNA's team members, I can confidently say that firms such as ourselves, validate the fact that effective project execution and growth for our community's future is generated through team diversity.

- Nicole Adewale  
LEED AP Principal



**PROFESSIONAL ENVIRONMENTAL ENGINEERS, INC.**

(MINORITY, WOMAN-OWNED BUSINESS ENTERPRISE)

[WWW.PE-ENGRS.COM](http://WWW.PE-ENGRS.COM)

[\(314\) 531-0060](tel:(314)531-0060)

Professional Environmental Engineers, Inc. (PE) is a full-service engineering and consulting firm that specializes in providing cost-effective environmental solutions for both government and commercial clientele. The company was incorporated in 1997 and has been in business for nearly 24 years. PE is a certified small, minority-owned, woman-owned, and disadvantaged business enterprise in Missouri, Illinois, Wisconsin, Texas, Kansas, Pennsylvania, Maryland, and other states across the country. PE is currently owned (81%) by Carolyn Green, CEO, and Philippe Cade is the President.

PE was fortunate and blessed to have been considered an essential business and was able to stay afloat and busy during the pandemic. Further, we had no reduction or downsizing of staff. While many of our staff have had to report to project sites across the country to keep projects operating in the midst of this pandemic, they have managed to stay safe as we developed and implemented strict yet protective protocols for our employees. Despite some of the COVID related challenges we endured, including projects that have been delayed for over a year, PE was able to pivot during this time and add a new service offering, i.e., COVID-19 decontamination services, that has led to an additional revenue stream. PE has been fortunate to support Illinois American Water projects, both as a prime consultant and as a second-tier consultant. This work kept a few staff busy and was a good source of income to cover projects that had been delayed in being awarded.

We appreciate the work and engagement that has come from Illinois American Water and hope that 2021 will be an even bigger year in being a valued partner.

- Carolyn Green  
CEO

# XII. ILLINOIS COMMERCE COMMISSION WEBSITE

Pursuant to Section 5-117 of the Public Utilities Act (220 ILCS 5/5-117), Illinois American Water hereby submits to the Illinois Commerce Commission its 2015 Annual Supplier Diversity Report. The Commission shall publish the report on its website and shall maintain the report for at least five years.

Section 5-117 reports are due annually on April 15, beginning in 2015. Section 5-117 also requires the ICC and participating utilities to hold an Annual Policy Meeting that is open to the public on the subject of supplier diversity. The policy meeting will follow submission of the reports on April 15. For more information on Illinois American Water's Annual Supplier Diversity Reports, please visit the ICC Supplier Diversity webpage at [www.icc.illinois.gov/filings/mwvs](http://www.icc.illinois.gov/filings/mwvs).



# XIII. UNIFORM APPENDIX

## Illinois American Water (Tier I and Tier II)

CATEGORY	MAF: MINORITY OWN. AFRICAN-AMERICAN	MBE: MINORITY OWNED BUSINESS ENTERPRISE	AFRICAN AMERICAN		ASIAN		HISPANIC	
	MEN	MEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
(blank)	\$8,620.38	\$25,500.00	\$34,120.38	\$1,792.50				
1499: MISC NONMETL MINING								
1520: BLDG CONTRA-RES BLDG				\$42,169.88				
1521: SNGLE FAM HSING CONS	\$683,400.40	\$7,873,573.04	\$8,556,973.44	\$31,189.00			\$29,220.00	
1522: RES CONSTRUCT, NEC	\$25,720.84		\$25,720.84					
1542: NONRES CONSTR, NEC								
1600: HEAVY CONST,NOT BLDG	\$421,183.66	\$111,939.84	\$533,123.50				\$2,600.00	
1611: HGWY & STREET CONST								
1623: WAT, SEW&UTIL LINES	\$1,455,724.50	\$1,893.13	\$1,457,617.63	\$150,308.71			\$862.25	
1629: HEAVY CONSTRUCT, NEC	\$24,193.29		\$24,193.29					
1700: CONST,SPEC TRD CONTR								
1711: Plumbing HVAC	\$950,829.09		\$950,829.09	\$716,319.95				
1731: ELECTRICAL WORK	\$177,190.00		\$177,190.00	\$239,094.77				
1761: ROOF, SIDE, SHEETMTL	\$1,214,983.90		\$1,214,983.90					
1771: CONCRETE WORK								
1781: WATER WELL DRILLING								
1794: EXCAVATION WORK	\$63,597.13	\$2,254.61	\$65,851.74	\$791,486.79				
1799: SPEC TRADE CNTRCTORS	\$189,867.16	\$346,893.79	\$536,760.95	\$767,121.00			\$143,954.00	
2389: APPAREL & ACCESSORIE	\$37,976.14		\$37,976.14					
2396: AUTO & APPAREL TRIM		\$3,100.00	\$3,100.00					
2800: CHEM&ALLIED PRODUCTS								
2819: IND INORGAN CHEMICLS								
2840: CLEAN PREPPERFUM,CO								
2899: CHEMICAL PREPS								
3069: FABRIC RUBBER PRODS								
3291: ABRASIVE PRODUCTS								
3321: GRAY&DUCT IRON FOUND								
3490: MISC FAB METAL PROD						\$2,263.74		
3494: VALVES&PIPE FITTINGS								
3496: MISC FABR WIRE PRODS								
3499: FABRIC METAL PRODCTS		\$7.27	\$7.27					
3561: PUMPS AND PUMP EQUIP								
3569: GEN INDUST MACHINERY								
3599: INDUSTRIAL MACHINERY	\$38.54		\$38.54		\$19.67			
3625: RELAY & IND CONTROLS								
3799: TRANSPORT EQUIPMENT								
3823: PROCESS CONTRL INSTS		\$1,755.28	\$1,755.28			\$2,949.46	\$425.29	
3824: FLUID/WATER METERS		\$800.00	\$800.00					
3829: MEAS&CONTRL DEVICES								
3999: MANUFACT INDUSTRIES		\$7,592.23	\$7,592.23					
4212: LOCAL TRUCKING								
4226: SPEC WAREHSE STRGE								
4700: TRANSPORT SERVICES								
4911: ELECTRIC SERVICES				\$15,000.00				
4924: NATURAL GAS DIST								

## Illinois American Water (Tier I and Tier II)

NATIVE AMERICAN		WBE	VETERAN	HUBZONE	SDB	TOTAL DIVERSE SPEND	SMALL BUSINESS	"TOTAL (SMALL + DIVERSE)"	TOTAL NON-DIVERSE W/SMALL
MEN	WOMEN		SDV + VBE			(EXCLUDES SMALL)			
		\$710,828.42	\$35,670.44			\$782,411.74	\$11,003.94	\$793,415.68	
							\$177,052.74	\$177,052.74	
						\$42,169.88		\$42,169.88	
		\$992,216.19	\$1,200.00			\$9,610,798.63		\$9,610,798.63	\$35,736,454.19
		\$3,148,556.19	\$584.54			\$3,174,861.57		\$3,174,861.57	\$3,879,038.88
			\$15,700.43			\$15,700.43		\$15,700.43	\$296,954.62
		\$2,931,314.79	\$10,264,043.02			\$13,731,081.31	\$1,158.22	\$13,732,239.53	\$3,342.30
							\$94,382.97	\$94,382.97	
		\$85,185.70	\$319,404.72			\$2,013,379.01	\$15,380,651.87	\$17,394,030.88	\$5,338,463.10
						\$24,193.29		\$24,193.29	\$2,498,827.36
		\$4,981.00				\$4,981.00		\$4,981.00	\$359,166.50
		\$1,041,555.69	\$282,659.52			\$2,991,364.25	\$6,394,633.16	\$9,385,997.41	\$259,215.46
		\$888,433.38				\$1,304,718.15	\$918,227.20	\$2,222,945.35	\$2,379,669.48
		\$27,098.79				\$1,242,082.69		\$1,242,082.69	\$26,436.23
		\$950,507.29	\$11,932.83			\$962,440.12	\$926,356.16	\$1,888,796.28	\$247,641.59
							\$32,540.00	\$32,540.00	
		\$656,133.02	\$17,643.63			\$1,531,115.18	\$6,653,964.45	\$8,185,079.63	\$400,643.70
		\$1,030,998.04				\$2,478,833.99	\$2,305,920.93	\$4,784,754.92	\$7,271,842.40
						\$37,976.14		\$37,976.14	
						\$3,100.00		\$3,100.00	
		\$21,834.54				\$21,834.54		\$21,834.54	\$2,123,014.54
		\$158,841.79				\$158,841.79		\$158,841.79	\$409,715.23
							\$85,213.09	\$85,213.09	
							\$233,579.06	\$233,579.06	\$96,398.43
							\$11,003.54	\$11,003.54	
		\$4,100.00				\$4,100.00		\$4,100.00	
		\$180,047.52				\$180,047.52		\$180,047.52	
\$3,169.25		\$1,923.92	\$4,074.74			\$11,431.65		\$11,431.65	\$852,885.91
			\$620,223.83			\$620,223.83		\$620,223.83	\$46,240.43
							\$311.95	\$311.95	
		\$1,159.90	\$3,303.43			\$4,470.60	\$22.07	\$4,492.67	\$677,073.46
		\$2,221.25				\$2,221.25	\$5,011.25	\$7,232.50	\$407,988.47
		\$29,915.32				\$29,915.32		\$29,915.32	\$510,455.26
		\$874.46	\$1,637.72			\$2,570.39		\$2,570.39	\$285,729.91
		\$24,500.00				\$24,500.00		\$24,500.00	\$2,516.72
		\$8,199.40				\$8,199.40		\$8,199.40	
		\$1,603.06	\$338.85			\$7,071.94	\$120,551.77	\$127,623.71	\$3,584,039.76
						\$800.00	\$56,125.59	\$56,925.59	\$2,045,456.12
							\$163,860.67	\$163,860.67	\$1,739.00
						\$7,592.23		\$7,592.23	\$1,978.00
							\$67.47	\$67.47	\$75,218.93
		\$13,694.38				\$13,694.38		\$13,694.38	
			\$13,890.38			\$13,890.38	\$787,708.12	\$801,598.50	
						\$15,000.00		\$15,000.00	\$1,077,608.30
							\$20,328.81	\$20,328.81	

CATEGORY	MAF: MINORITY OWN. AFRICAN-AMERICAN	MBE: MINORITY OWNED BUSINESS ENTERPRISE	AFRICAN AMERICAN		ASIAN		HISPANIC	
	MEN	MEN	MEN	WOMEN	MEN	WOMEN	MEN	WOMEN
5033: ROOF, SIDE , INSL								
5039: CONSTRUCT MATERIALS								
5044: OFFICE EQUIPMENT								
5045: COMPUTERS & SOFTWARE								
5047: MED & HOS EQUIP								
5049: PROFF EQUIPMENT		\$3,553.22	\$3,553.22	\$315.00		\$75.42		
5063: ELEC APPARATUS EQUIP								
5065: ELEC PARTS & EQUIP								
5080: MACHINERY, EQUIP&SUP	\$53,964.89		\$53,964.89					
5082: CONSTRUCT & MINING		\$7,727.00	\$7,727.00		\$5,250.00			
5084: IND MACH & EQUIP								
5099: DURABLE GOODS, NEC								
5162: PLASTICS MATERIALS								
5399: MISC GEN MERCHANDISE								
5599: AUTOMOTIVE DEALERS	\$9,786,064.24		\$9,786,064.24					
5961: CATALOG MAIL ORDERS								
6289: SEC & COMMODITY SERV								
6500: REAL ESTATE								
6531: REAL ESTATE AGENTS								
7310: SERVICES-ADVERTISING				\$5,000.00				
7311: ADVERTISING AGENCIES								
7319: ADVERTISING, NEC				\$57,873.99				
7349: BLDG MAINT SERVICES								
7359: EQUIPMENT RENT/LEASE								
7361: EMPLOYMENT AGENCIES	\$38,474.78	\$58,234.96	\$96,709.74					
7382: SECURITY SYS SERVICE	\$12,913.30		\$12,913.30					
7389: BUSINESS SERVICES		\$597.64	\$597.64		\$9,787.77		\$168.74	
7513: TRUCK RENTAL/LEASING								
7699: REPAIR SERVICES, NEC								
782: LAWN & GARDEN SERV								
783: SHRUB & TREE SERVCS								
8111: LEGAL SERVICES	\$91,501.92	\$46,583.30	\$138,085.22					
8299: SCHOOLS & EDU SERVCS								
8621: PROFESSIONAL ORGS								
8711: ENGINEERING SERVICES	\$363,679.93	\$28,599.87	\$392,279.80	\$59,909.91	\$3,915.00		\$1,464,387.19	
8712: ARHITEctURAL SERVCS		\$180,486.57	\$180,486.57		\$29,490.00			
8713: SURVEYING SERVICES								
8731: COMMERCIAL PHYSICAL								
8748: BUISNESS CONSLT, NEC					\$77,057.13		\$86,405.45	
8999: SERVICES, NEC								
9229: PUB ORDER & SAFETY								
<b>Grand Total \$</b>	\$15,599,924.09	\$8,701,091.75	\$24,301,015.84	\$2,877,581.50	\$125,519.57	\$5,288.62	\$1,728,022.92	\$0.00
<b>Grand Total %</b>	Grand Total %	Grand Total %	11.5%	1.4%	0.1%	0.0%	0.8%	0.0%

NATIVE AMERICAN		WBE	VETERAN	HUBZONE	SDB	TOTAL DIVERSE SPEND	SMALL BUSINESS	"TOTAL (SMALL + DIVERSE)"	TOTAL NON-DIVERSE W/SMALL
MEN	WOMEN		SDV + VBE			(EXCLUDES SMALL)			
							\$7,460.00	\$7,460.00	
		\$13,557.60				\$13,557.60		\$13,557.60	\$158,525.02
		\$360.00				\$360.00		\$360.00	\$604.20
		\$37,512.13				\$37,512.13	\$39,567.55	\$77,079.68	\$170,867.93
							\$1,667.00	\$1,667.00	
		\$2,408.08	\$48.14	\$1,720.34		\$8,120.20		\$8,120.20	\$71,041.28
		\$20,409.58				\$20,409.58		\$20,409.58	\$2,027,536.93
		\$49,100.16				\$49,100.16		\$49,100.16	\$166,790.88
						\$53,964.89		\$53,964.89	
						\$12,977.00	\$290,709.08	\$303,686.08	\$1,347,507.44
							\$5,691.67	\$5,691.67	\$2,183,945.34
		\$41,400.68				\$41,400.68		\$41,400.68	\$174,917.34
		\$14,261.27				\$14,261.27		\$14,261.27	
							\$715.78	\$715.78	
						\$9,786,064.24		\$9,786,064.24	
							\$25,820.15	\$25,820.15	
							\$36,667.00	\$36,667.00	
		\$41,669.71				\$41,669.71		\$41,669.71	
		\$222,231.77				\$222,231.77		\$222,231.77	\$750.00
						\$5,000.00		\$5,000.00	\$5,000.00
		\$232,216.68				\$232,216.68		\$232,216.68	\$416.47
		\$12,000.00				\$69,873.99		\$69,873.99	
		\$88,509.00				\$88,509.00	\$190,068.29	\$278,577.29	\$366,260.62
		\$321.13				\$321.13	\$25,310.54	\$25,631.67	\$12,470.51
						\$96,709.74		\$96,709.74	\$104,416.29
						\$12,913.30		\$12,913.30	\$587,229.92
		\$20,792.54	\$6,982.00		\$110.86	\$38,439.55	\$303,855.66	\$342,295.21	\$4,219,568.70
		\$11.83				\$11.83		\$11.83	
		\$2,998.26				\$2,998.26	\$36,193.80	\$39,192.06	\$34,189.24
		\$134,049.13				\$134,049.13		\$134,049.13	\$1,048,518.42
							\$14,050.00	\$14,050.00	\$4,100.00
			\$583,799.29			\$721,884.51		\$721,884.51	\$1,406,755.81
							\$2,340.00	\$2,340.00	
							\$39,742.33	\$39,742.33	\$4,900.33
		\$2,057,571.17	\$234,319.99	\$35,474.60		\$4,247,857.66	\$4,765,386.69	\$9,013,244.35	\$10,062,009.39
		\$15,321.38				\$225,297.95		\$225,297.95	\$733,395.05
		\$10,809.00			\$61,500.00	\$72,309.00	\$57,097.50	\$129,406.50	\$91,658.86
							\$63,010.03	\$63,010.03	\$32,430.08
						\$163,462.58	\$127,135.58	\$290,598.16	\$1,938,874.76
		\$2,181.34				\$2,181.34		\$2,181.34	
			\$4,597.58			\$4,597.58		\$4,597.58	
\$3,169.25	\$0.00	\$15,936,416.48	\$12,422,055.08	\$37,194.94	\$61,610.86	\$57,497,875.06	\$40,412,163.68	\$97,910,038.74	\$211,954,423.09
0.0%	0.0%	7.5%	5.9%	0.0%	0.0%	27.1%	19.1%	46.2%	100%

# XIV. OTHER APPENDICES

## APPENDIX A



### AMERICAN WATER SUPPLIER DIVERSITY SUBCONTRACTING PLAN

Required for submission with all responses to Requests for Proposals, quarterly reports and with final payment application (with actuals). Tier 1 prime suppliers are required to submit quarterly Tier 2 diversity spend reporting is required through the Supplier Diversity Portal found at <https://amwater.diversitycompliance.com>.

#### COMPANY OVERVIEW

<b>Prime Supplier Business Name:</b>	
<b>Corporate Address:</b>	
<b>City, State, Zip:</b>	
<b>Prime Supplier Contact Person's Name:</b>	
<b>Email Address:</b>	
<b>Phone Number</b> <input type="checkbox"/> Office <input type="checkbox"/> Mobile:	

**Supplier Diversity Business Classifications:** "Certified" means currently certified by an authorized certifying body. "Owned" means at least 51% minority-owned operated and controlled. The company must be a profit enterprise and physically located in the U.S. or its trust territories.

<b>Is your business a certified diverse supplier?</b> If yes, please provide copy of certification(s) with your bid response.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<input type="checkbox"/> <b>Minority Business Enterprise (MBE)</b>	<input type="checkbox"/> <b>Other Disadvantaged Business</b>	
<input type="checkbox"/> MBE-AF - Minority Owned Business African American	<input type="checkbox"/> DBE - Disable Owned Business	
<input type="checkbox"/> MBE-AP - Minority Owned Business Asian Pacific	<input type="checkbox"/> HUB – Historically Underutilized Business	
<input type="checkbox"/> MBE-H - Minority Owned Business Hispanic	<input type="checkbox"/> LGBTQ - Lesbian, Gay, Bisexual, Transgender	
<input type="checkbox"/> MBE-NA - Minority Owned Business Native American		
<input type="checkbox"/> <b>Veteran Business Enterprise (VBE)</b>	<input type="checkbox"/> <b>Women Business Enterprise (WBE)</b>	
<input type="checkbox"/> SDVBE - Service-disabled Veteran Owned Business		

#### BID / PROJECT SUBMISSION

Please describe the goods and or services being provided by your company:

<b>Total Contract Value (\$):</b>		<b>Total Subcontracted (\$):</b>	
<b>Projected spend with the following diversity classes:</b>			
<b>American Water Regulated State Operations:</b>		Minority Business Enterprise (MBEs) \$	
		Veteran Business Enterprise (VBEs) \$	
		Woman Business Enterprise (WBEs) \$	
		Other Disadvantaged Business (DBE) \$	

#### DETAILED SUBCONTRACTING PLAN

Detailed plan for use of M/W/VBEs and other disadvantage businesses as subcontractors, distributors, value added resellers are counted towards your contractual supplier diversity goal. Small business spend is tracked but not counted towards the diversity spend goal. **For every product and service, you intend to use, provide the following information (attach additional sheets if necessary)**

Company Name	Classification (MBE/WBE/VBE/LGBT/ SMB)	Principal Owner Gender (M/F)	Certification Agency	Certification Expiration	Products or Services to be provided	Estimated Amount of Spend (\$):
<i>ABC Example Co</i>	<i>MBE</i>	<i>M</i>	<i>NMSDC</i>	<i>05/2025</i>	<i>Excavation</i>	<i>\$150,000</i>

# APPENDIX B

## SIC Codes & Definitions for Diversity Spend Breakout Tables

CONSTRUCTION					
1499	MISC NONMETAL MINING – Construction Materials	1761	ROOF, SIDE, SHEETMETAL – Construction, Construction Materials, Services, Facility Construction and Restoration Services	5063	ELEC APPARATUS EQUIP – Construction, Construction Services
1520	BLDG CONTRA-RES BLDG – Construction & Facility Construction Services, Restoration Services	1771	CONCRETE WORK – Construction Materials, Services, Maintenance & Repair, Restoration, Technical, and Underground Services	5080	MACHINERY, EQUIP&SUP – Construction Services
1521	SNGLE FAM HSING CONS – Constructions Materials	1781	WATER WELL DRILLING – Construction Materials, Services and Well Drilling Services	5082	CONSTRUCT & MINING – Construction Services
1542	NONRES CONSTR, NEC – Construction & Restoration Services	1794	EXCAVATION WORK – Construction, Construction Materials, Services, Maintenance & Repair, Restoration, Underground Services	5084	IND MACH & EQUIP – Construction, Materials, Maintenance & Repair, Technical Services
1600	HEAVY CONST,NOT BLDG – Construction, Materials, Facility Construction Services, Maintenance & Repair and Restoration Services, Underground Services	1799	SPECIALITY TRADE CONTRCTORS – Construction Services	7349	BLDG MAINT SERVICES – Construction, Construction Services, Facility Construction, Restoration and Technical Services
1611	HIGHWAY & STREET CONST – Construction, Materials, Services, Maintenance & Repair, Restoration	2810	INDUSTRIAL INORGANIC CHEMICAL - Construction	7699	REPAIR SERVICES, NEC – Construction, Construction Materials and Technical Services
1623	WAT, SEW&UTIL LINES – Construction, Materials, Services and Repair, Restoration Services	3625	RELAY & IND CONTROLS – Construction Services	782	LAWN & GARDEN SERV – Construction and Restoration Services
1700	CONST,SPEC TRD CONTR – Painting and Coatings	2799	TRANSPORT EQUIPMENT – Construction, Facility Construction Services	783	SHRUB & TREE SERVCs – Maintenance and Repair, Restoration Services
1711	PLUMBING HVAC – Construction, Construction Materials, Services, Fabrication and Machine Shop, Facility Construction, Maintenance & Repair & Restoration Services	4700	TRANSPORT SERVICES – Construction Materials, Maintenance & Repair, Restoration	8711	ENGINEERING SERVICES – Construction, Construction Services & Materials, Maintenance & Repair, Painting and Coatings, Restoration Services
1731	ELECTRICAL WORK – Construction, Construction Services, Facility Construction, Maintenance & Repair, Technical Services	4950	SANITARY SERVICES - Construction		
CORPORATE SERVICES					
8711	ENGINEERING SERVICES – Corporate Consulting, Environmental Services, Legal, Personnel Services	5199	NON DURABLE GOODS – Advertising & Marketing	8111	LEGAL SERVICES
289	APPAREL & ACCESSORIE – Administrative Services	5812	EATING PLACES (Caterers) – Administrative Services	8299	SCHOOLS & EDUCATION SERVICES
2791	TYPESETTING – Advertising & Marketing	5961	CATALOG MAIL ORDERS	8742	MANAGEMENT CONSULTING SERVICES – Human Resource Services
3993	SIGNS & ADVERTISING – Advertising & Marketing	6500	REAL ESTATE – Corporate Consulting	8748	BUISNESS CONSULTATION, NEC
5083	FARM & GARD MACHINE - Training & Development	7336	ART & GRAPHIC DESIGN		

## SIC Codes & Definitions for Diversity Spend Breakout Tables

CHEMICALS					
1499	MISC NONMETL MINING - Softener	2810	INDUSTRIAL INORGANIC CHEM - Chemicals, Coagulants, Dechlorination, Disinfectants	2819	INDUSTRIAL INORGANIC CHEMICALS
2899	CHEMICAL PREPS - Chemicals, Disinfectants				
DIRECT MATERIALS / ENERGY					
1600	HEAVY CONST,NOT BLDG - Hydrants, Pipe, Values	3321	GRAY&DUCT IRON FOUND - Service Line	5113	IND & PERSONAL PAPER - Pipe
1711	PLUMBING HVAC - Direct Materials, Joint/Fittings, Pipe Values	5045	COMPUTERS & SOFTWARE - Joint/Fittings, Pipe, Values	2992	LUBRICATING OIL & GREASE
FACILITY SERVICES & MAINTENANCE					
1520	BLDG CONTRA-RES BLDG	1799	SPEC TRADE CNTRCTORS	5084	IND MACH & EQUIP
1600	HEAVY CONST, NOT BLDG	2840	CLEAN PREP, PERFUM,CO	5099	DURABLE GOODS, NEC
1611	HGWY & STREET CONST	3625	RELAY & IND CONTROLS	711	SOIL PREP SERVICES
1623	WAT, SEW & UTIL LINES	3799	TRANSPORT EQUIPMENT	7349	BLDG MAINT SERVICES
1711	PLUMBING HVAC	4013	SWITCH & TERM SERVCS	7699	REPAIR SERVICES, NEC
1731	ELECTRICAL WORK	4700	TRANSPORT SERVICES	783	SHRUB & TREE SERVCS
1761	ROOF, SIDE, SHEETMTL	5045	COMPUTERS & SOFTWARE	8711	ENGINEERING SERVICES
1771	CONCRETE WORK	5082	CONSTRUCT & MINING	8999	SERVICES, NEC - Office Equipment
FLEET					
1771	CONCRETE WORK	5082	CONSTRUCT & MINING	5599	AUTOMOTIVE DEALERS - Fleet, Fuel, Vehicle Purchases
INSTRUMENTATION AND CONTROLS					
1731	ELECTRICAL WORK - Controls	5045	COMPUTERS & SOFTWARE - Instrumentation & Controls	5162	PLASTICS MATERIALS - Monitoring Instruments
2810	INDUST INORG CHEM - Measuring Instruments	5065	ELEC PARTS & EQUIP - Controls, Instrumentation, Maintenance & Upgrade	8771	ENGINEERING SERVICES - Controls, Instrumentation, Installation, Maintenance & Upgrade, Measuring Instruments
3824	FLUID/WATER METERS - Flow Instrument Parts	5084	IND MACH & EQUIP - Controls Installation, Maintenance & Upgrade		
LABORATORY SERVICES					
1799	SPECIALTY TRADE CONTRACTORS - Lab Equipment Maintenance Services	5049	PROFESSIONAL EQUIPMENT - Testing and Analysis Services		
MAINTENANCE, REPAIR AND OPERATING SUPPLIERS (MRO)					
1600	HEAVY CONST, NOT BLDG	3829	MEAS&CONTRL DEVICES - Specialty Equipment	5084	IND MACH & EQUIP - MRO Supplies
1623	WAT, SEW & UTIL LINES	5039	CONSTRUCT MATERIALS - Tools	5099	DURABLE GOODS, NEC - Industrial and MRO Supplies, Safety, Uniforms
1731	ELECTRICAL WORK	5045	COMPUTERS & SOFTWARE - Industrial Supplies, MRO Supplies	5162	PLASTICS MATERIALS - Lab Supplies
1799	SPEC TRADE CNTRCTORS	5047	MED & HOS EQUIP - Safety	7349	BLDG MAINT SERVICES - Cleaning and Janitorial Supplies
2389	APPAREL & ACCESSORIE	5049	PROFF EQUIPMENT - Lab Supplies, Safety	8711	ENGINEERING SERVICES - Industrial Supplies
2840	CLEAN PREP,PERFUM,CO	5063	ELEC APPARATUS EQUIP - Electrical Supplies	8999	SERVICES, NEC - Safety
3321	GRAY&DUCT IRON FOUND - Screening Equipment, Tools	5082	CONSTRUCT & MINING - Safety, Tools		

## SIC Codes & Definitions for Diversity Spend Breakout Tables

MAJOR EQUIPMENT / METERING					
1499	HEAVY CONST,NOT BLDG – Fans, Blowers, Compressors	4700	TRANSPORT SERVICES – Fans, Blowers and Compressors	7699	REPAIR SERVICES, NEC – Fans, Blowers and Compressors
1520	PLUMBING HVAC – Filtration and Pump Equipment, Maintenance & Repair	5045	COMPUTERS & SOFTWARE –Major & Pump Equipment, Pump Components	8711	ENGINEERING SERVICES – Electrical Equipment and Pump Componetns
1521	ELECTRICAL WORK – Equipment, Generators, Pump Components	5084	IND MACH & EQUIP – Fans, Blowers, Compressors, Generators	3829	MEAS&CONTRL DEVICES – Meter Accessories
1542	INDUST INORG CHEM – Disinfection Systems	7349	BLDG MAINT SERVICES – Agitators and Mixers		
PROFESSIONAL SERVICES					
1600	HEAVY CONST,NOT BLDG	7335	COMM PHOTOGRAPHY	8713	SURVEYING SERVICES
1799	SPEC TRADE CNTRCTORS	8711	ENGINEERING SERVICES	8111	LEGAL SERVICES
182	FOOD CRPS GRWN UNDCV	8712	ARCHITECTURAL SERVCS		
RENTALS (EQUIPMENT)					
1600	HEAVY CONST,NOT BLDG	5082	CONSTRUCT & MINING	7359	EQUIPMENT RENT/LEASE
1623	WAT, SEW&UTIL LINES	5083	FARM & GARD MACHINE		
TECHNOLOGY					
1731	ELECTRICAL WORK – Audio Visual Equipment	3829	MEAS&CONTRL DEVICES – Satellite Communication	7389	BUSINESS SERVICES – IT Services
3496	MISC FABR WIRE PRODS – IT Services	5045	COMPUTERS & SOFTWARE – Computer Software	8711	ENGINEERING SERVICES – IT Services, Network
OPERATIONS AND MAINTENANCE					
1623	WATER, SEWER & UTILITY LINES	1711	PLUMBING & HVAC	1731	ELECTRICAL SERVICES



## SUPPLIER DIVERSITY REPORTING

### 1. SUPPLIER COMMITMENT

- 1.1 The Company (hereinafter “Seller”) agrees to provide opportunities for suppliers identified and Certified as a Minority, Woman, Service-Disabled Veteran, Veterans, SBA, or BA, - owned and controlled Business Enterprises (hereinafter “MWDVBE”), in accordance, at a minimum, with the terms and conditions of this Exhibit.
- 1.2 Parties agree increasing spend with diverse suppliers is a good business practice and agree to apply best efforts in achieving 25% of the third-party procurement spending related, directly or indirectly to this Agreement, with 10% consisting of MBE spend. Parties will meet on a quarterly basis to discuss performance to the goal and opportunities to improve inclusion of diverse suppliers in future sourcing opportunities related to this agreement. Sellers performance to this goal will not constitute breach of this Agreement, however may result in loss of future business from American Water Works Inc.
- 1.3 In addition, if the scope of this Contract includes the provision of products or performance of services for or in conjunction with an American Water Works, Inc. federal government agreement, the thencurrent Federal Acquisition Regulations (“FAR”) requirements regarding MWDVBE subcontracting and reporting shall also apply.
- 1.4 In the event that a change in ownership results in a change of Supplier or subcontractor’s status as a Certified MWDVB E, Supplier sha ll notify American Water Works, Inc. in writing within thirty (30) days of such change.
- 1.5 In cases where the Owner’s goal is not met, Contractor shall provide documentation of his reasonable effort made in order to meet said goal. Owner has the right to reject Bidder’s Bid proposal, in the event that the goal is not met and this documentation of reasonable effort is not sufficient.

### 2. DEFINITIONS FOR THIS EXHIBIT

- 2.1 “Certified” means currently certified as MWDVBE by an authorized certifying body, such as the National Minority Supplier Development Council (NMSDC) or its affiliate regional councils, the Women’s Business Enterprise National Council (WBENC) or its affiliate regional councils, the California Public Utility Commission (CPUC) Clearinghouse, or other similar local, state, or federal certifying body.
- 2.2 “Control” means overall fiscal/legal responsibility and exercising the power to make policy decisions.
- 2.3 “Owned” means at least fifty-one percent (51%) of the business or, in the case of a publicly owned business, at least fifty-one percent (51%) of the stock is owned by a minority, woman or service-disabled veteran.
- 2.4 “Minority-owned Business Enterprise (MBE)” means business concern in which at least fifty-one percent (51%) of the ownership and control is held by individuals who are members of a minority group and of which at least fifty-one percent (51%) of the net profits accrue to members of a minority group. Such persons include, but are not limited to, Black Americans, Hispanic Americans, Asian Pacific Americans (persons with origins from Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the former U.S. Trust Territory of the Pacific Islands (Republic of Palau, the Commonwealth of the Northern Mariana Islands, Republic of the Marshall Islands, Federated States of Micronesia) Laos, Cambodia (Kampuchea), Taiwan, Burma, Thailand, Malaysia, Indonesia, Singapore, Brunei, Macao, Hong Kong, Fiji, Tonga, Kiribati, Tuvalu, or Nauru); Subcontinent Asian Americans (persons with origins from India, Pakistan, Bangladesh, Sri Lanka, Bhutan, the Maldives Islands or Nepal); Native Americans (American Indians, Eskimos, Aleuts, and Native Hawaiians); and members of other groups designated by the U. S. Small Business Administration as minorities. reporting.



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