Exhibit to Agenda Item #15
Provide the Board with the Quarterly Procurement Report for Second Quarter 2020.

Board of Directors Meeting
Thursday, August 20, 2020, scheduled to begin at 5:30 p.m.
Virtual Meeting (online)
### Competition Contract Awards

#### Total Awarded

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2020 Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$271.9M</td>
<td>$208.1M</td>
<td>$617M</td>
<td>$374M</td>
<td>$333.4M</td>
<td>$135.6M</td>
</tr>
</tbody>
</table>

#### Competitively Awarded

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2020 Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$228.9M</td>
<td>$175.3M</td>
<td>$582M</td>
<td>$345.3M</td>
<td>$317.8M</td>
<td>$129.2M</td>
</tr>
</tbody>
</table>

#### Exempt

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2020 Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$8.6M</td>
<td>$10.9M</td>
<td>$9.3M</td>
<td>$8.3M</td>
<td>$3.4M</td>
<td>$1.3M</td>
</tr>
</tbody>
</table>

#### Sole Source

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2020 Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$32.7M</td>
<td>$20.1M</td>
<td>$21.7M</td>
<td>$13.2M</td>
<td>$10.5M</td>
<td>$4.4M</td>
</tr>
</tbody>
</table>

#### Direct Procurement

<table>
<thead>
<tr>
<th>Year</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2020 Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$1.7M</td>
<td>$1.8M</td>
<td>$4M</td>
<td>$7.2M</td>
<td>$1.7M</td>
<td>$691K</td>
</tr>
</tbody>
</table>

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August 20, 2020  
Board of Directors Meeting
Inclusiveness of Bidders/Event

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Bidders</td>
<td>992</td>
<td>820</td>
<td>942</td>
<td>798</td>
<td>309</td>
<td>170</td>
</tr>
<tr>
<td>Number of Events</td>
<td>215</td>
<td>222</td>
<td>259</td>
<td>183</td>
<td>70</td>
<td>31</td>
</tr>
<tr>
<td>Events with ≥ 3 Bidders</td>
<td>138</td>
<td>135</td>
<td>139</td>
<td>123</td>
<td>43</td>
<td>25</td>
</tr>
<tr>
<td>% of Events with ≥ 3 (count)</td>
<td>64%</td>
<td>61%</td>
<td>54%</td>
<td>67%</td>
<td>61%</td>
<td>81%</td>
</tr>
</tbody>
</table>

Average # of Bidders:
- 2016: 4.6
- 2017: 3.7
- 2018: 3.6
- 2019: 4.4
- 2020: 4.4
- 2020 Q2: 5.5
Economic Development SEED Participation

- Participation:
  - 2016: 22.8%
  - 2017: 7.3%
  - 2018: 3.6%
  - 2019: 8.56%
  - 2020: 1.53%
  - 2020 Q2: 1.17%

- Financials:
  - 2016: $41M
  - 2017: $57.1M
  - 2018: $109.2M
  - 2019: $130M
  - 2020: $38M
  - 2020 Q2: $18.7M

- Target (Goal):
  - 2020: $130M
Economic Development  SEED Compliance

**Board of Directors Meeting**

<table>
<thead>
<tr>
<th>Year</th>
<th>% Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>90.9%</td>
</tr>
<tr>
<td>2016</td>
<td>69.0%</td>
</tr>
<tr>
<td>2017</td>
<td>87.5%</td>
</tr>
<tr>
<td>2019</td>
<td>83.6%</td>
</tr>
<tr>
<td>2020 Q2</td>
<td>94.4%</td>
</tr>
</tbody>
</table>

- **# of Closed Contracts**
- **Commitment % Achieved**

August 20, 2020
Protests Solicitations

- Withdrawn
- Upheld
- Denied
## Responsible Bidder Process Outline

**Ensure appropriate level of Health & Safety practice**
- OSHA reportable
- Site specific safety plans
- Third party verified safety data (ISN technology)  
  *Added in 2019*

**Verify supplier complies with applicable Labor Law**
- Prevailing wage via Dept. of Ind. Relations
- Certified payroll reports
- Living wage  
  *Added in 2018*

**Validating the supplier possesses requisite Qualifications and Certificates**
- Engineering and technology certificates
- Professional and required licenses
- SSAE-16, SOC II reporting  
  *Added in 2016*

**Confirm appropriate level of Insurance and Financial capacity**
- Surety bonds
- Indemnities
- Evidence of financial stability, legal perspective

**Evaluation of Environmental Impacts and Sustainability**
- Standard evaluation questions
- Customized evaluation questions
- Green checklist (materials/equipment)  
  *Added in 2018 and improved in 2019*

**“Consider a supplier’s social and ethical accountability where applicable.”**
- Areas of focus for 2020 and 2021
Responsible Bidder Developing Best Practice

Research to date:
• Surveyed peer utilities
• Responsible bidder evaluation is a current topic at most, many are working to develop best practice
• The focus is primarily on financial, legal, safety, and environmental factors
• SMUD is ahead of the curve for environmental purchasing and safety evaluations compared to many peers
• Other areas of accountability (social for example) do not have “best practice” clearly identified

Next steps:
• Complete more analysis on what utilities and large organizations are doing to measure responsible suppliers through the procurement process.