

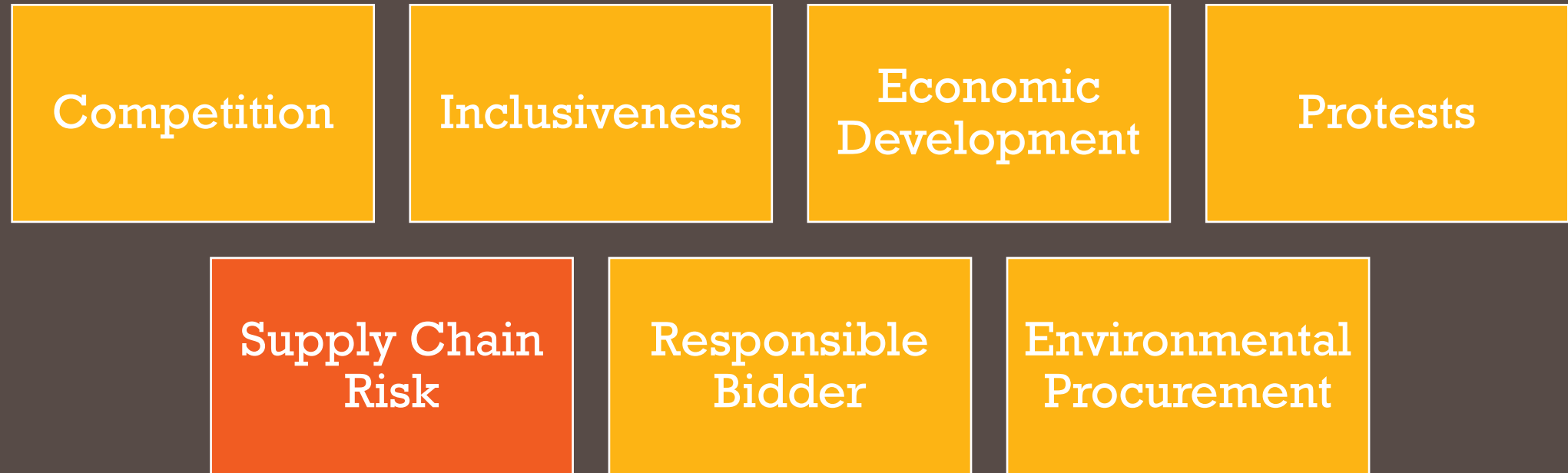
Exhibit to Agenda Item # 2

Quarterly Procurement Report for First Quarter 2021.

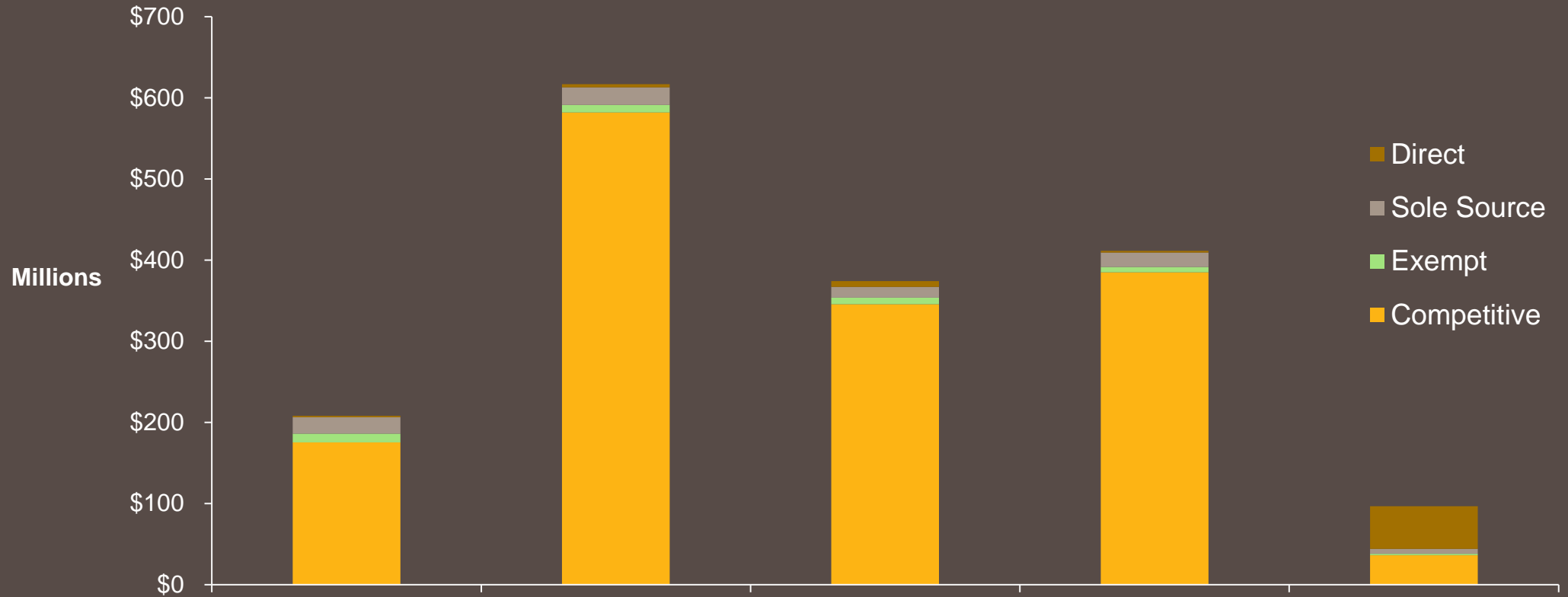
Board Finance & Audit Committee and Special SMUD Board of Directors Meeting
Tuesday, May 18, 2021, scheduled to begin at 5:30 p.m.

Virtual Meeting (online)

Compliance BL-8

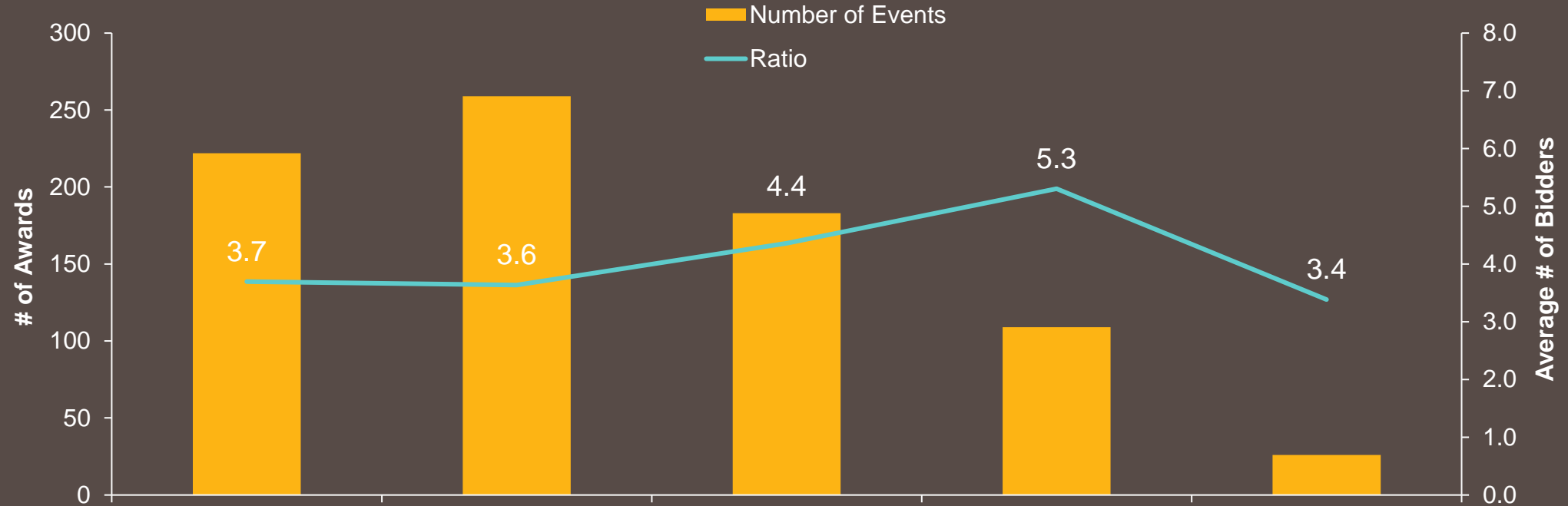


Competition Contract Awards



	2017	2018	2019	2020	2021
Total Awarded	\$208.1M	\$616.8M	\$374M	\$411.3M	\$96.5M
Competitively Awarded	\$175.3M	\$582M	\$345.3M	\$385M	\$36.2M
Exempt	\$10.9M	\$9.3M	\$8.3M	\$6.5M	\$1.8M
Sole Source	\$20.1M	\$21.7M	\$13.2M	\$17.8M	\$6.1M
Direct Procurement	\$1.8M	\$4M	\$7.2M	\$2M	\$52.4M

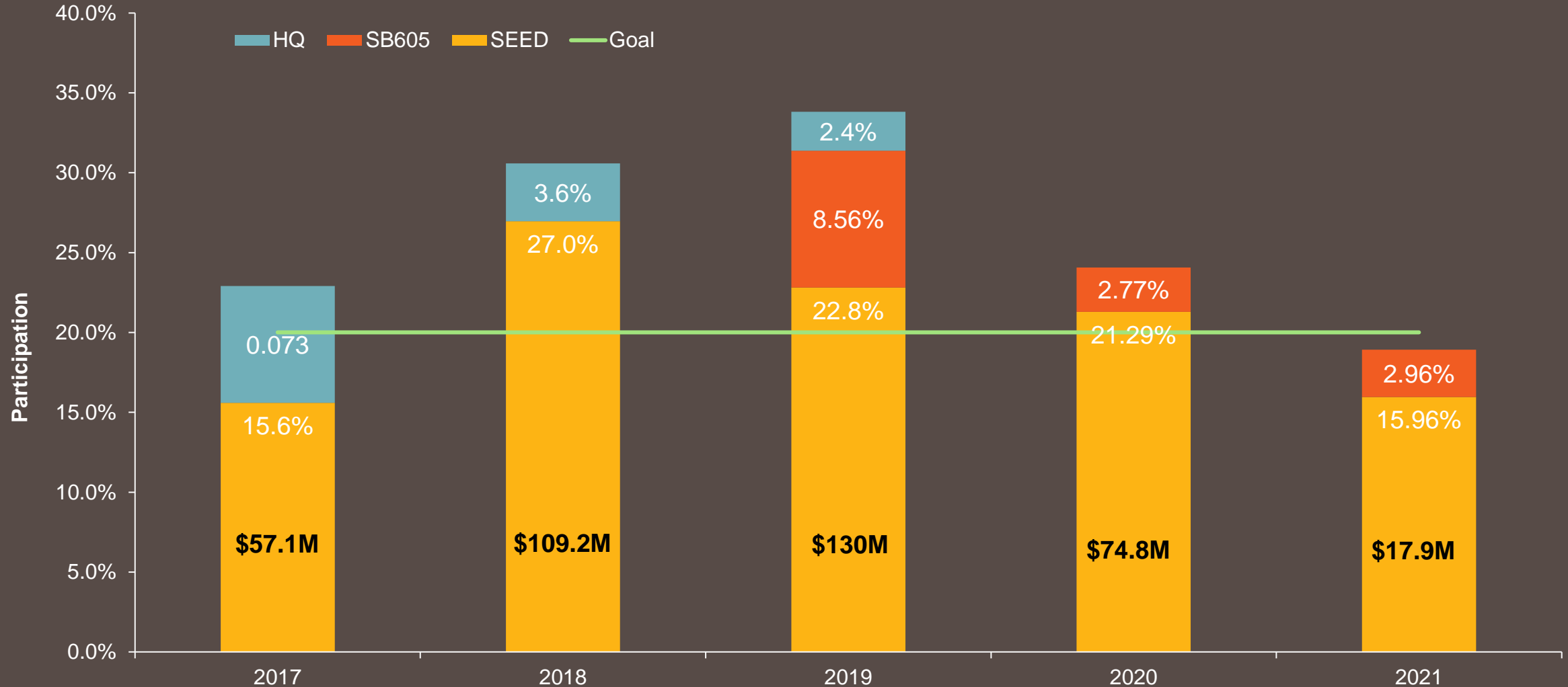
Inclusiveness Bidders/Event



	2017	2018	2019	2020	2021
Number of Bidders	820	942	798	578	88
Number of Events	222	259	183	108	26
Events with ≥ 3 Bidders	135	139	123	72	12
% of Events with ≥ 3 (count)	61%	54%	67%	66%	46%

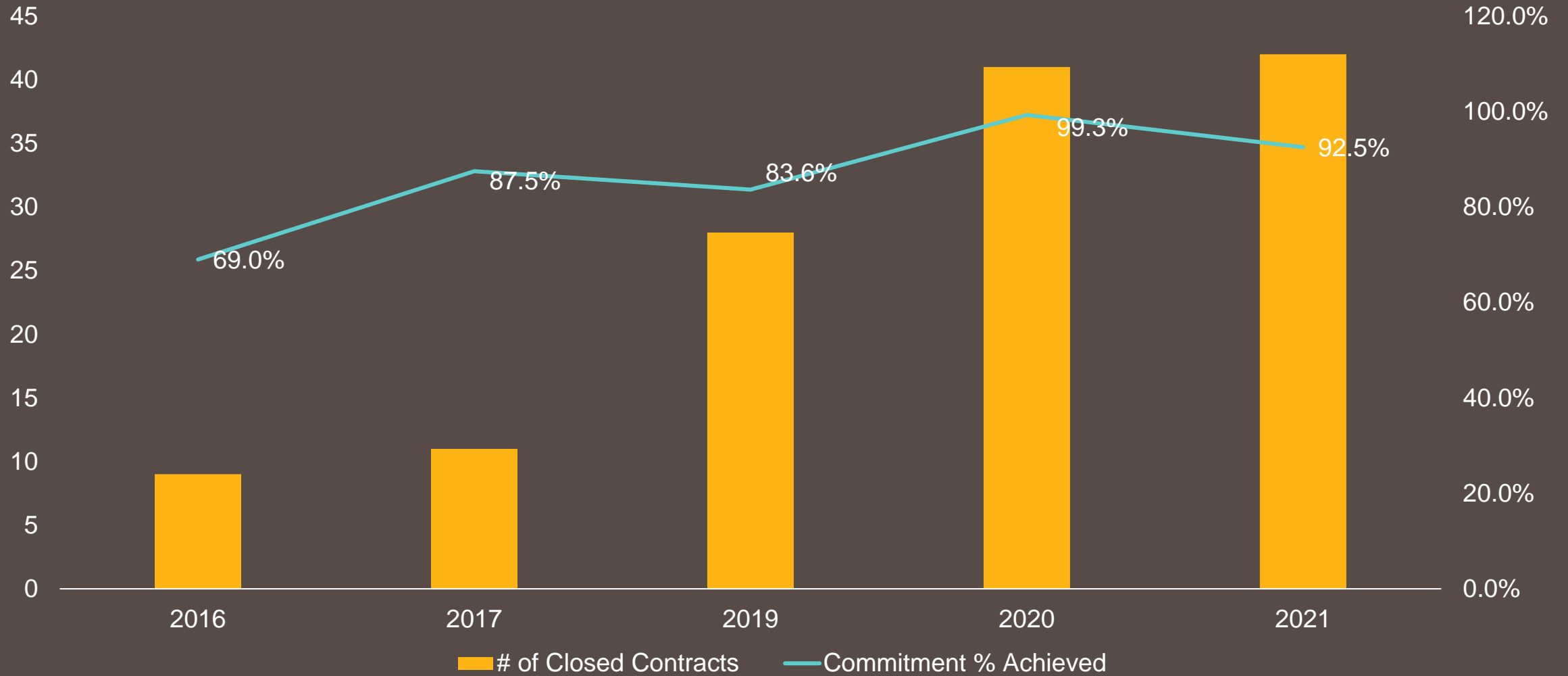
Economic Development

Supplier Education & Economic Development (SEED) Participation

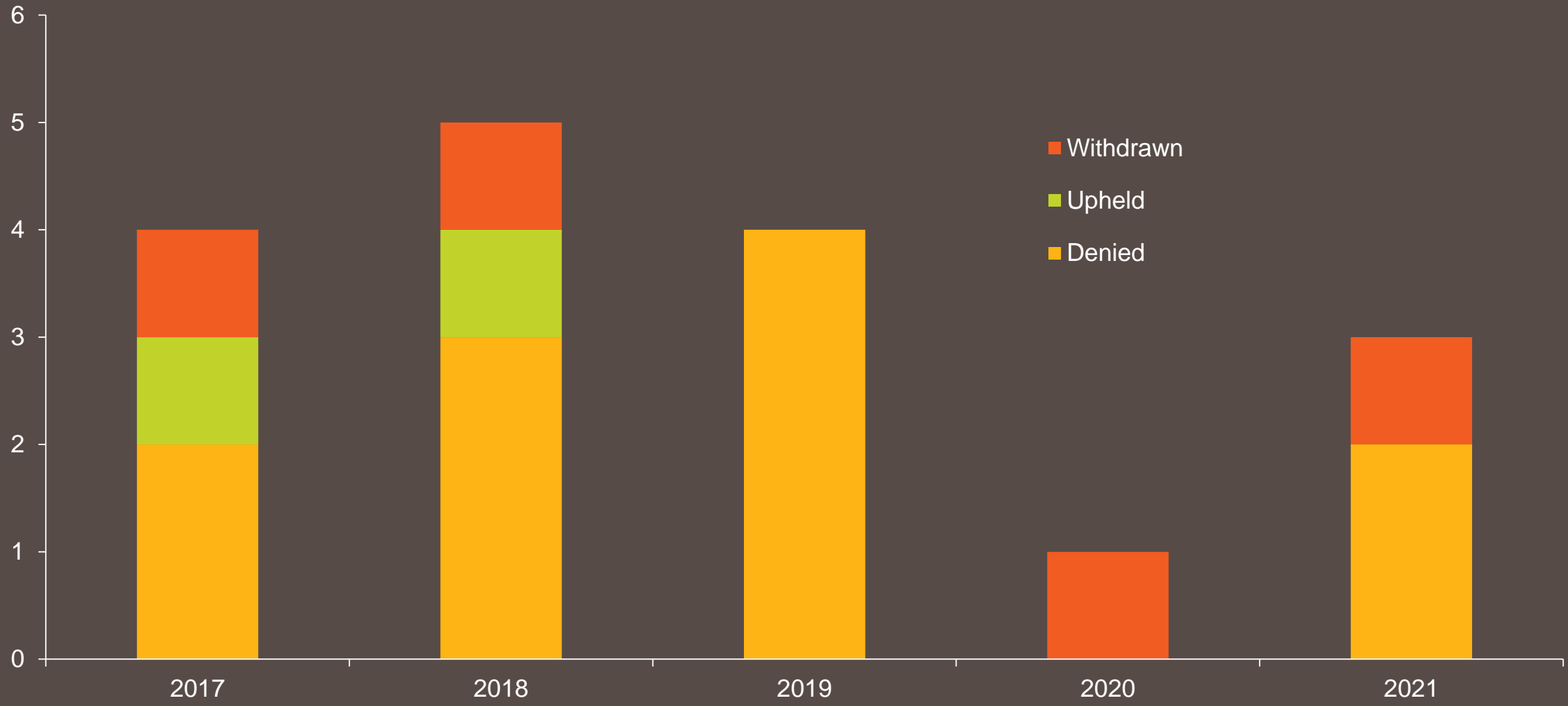


Economic Development

Supplier Education & Economic Development (SEED) Compliance



Protests Solicitations



Supply Chain Risk Update – Fraud Prevention

Vendor Data Controls

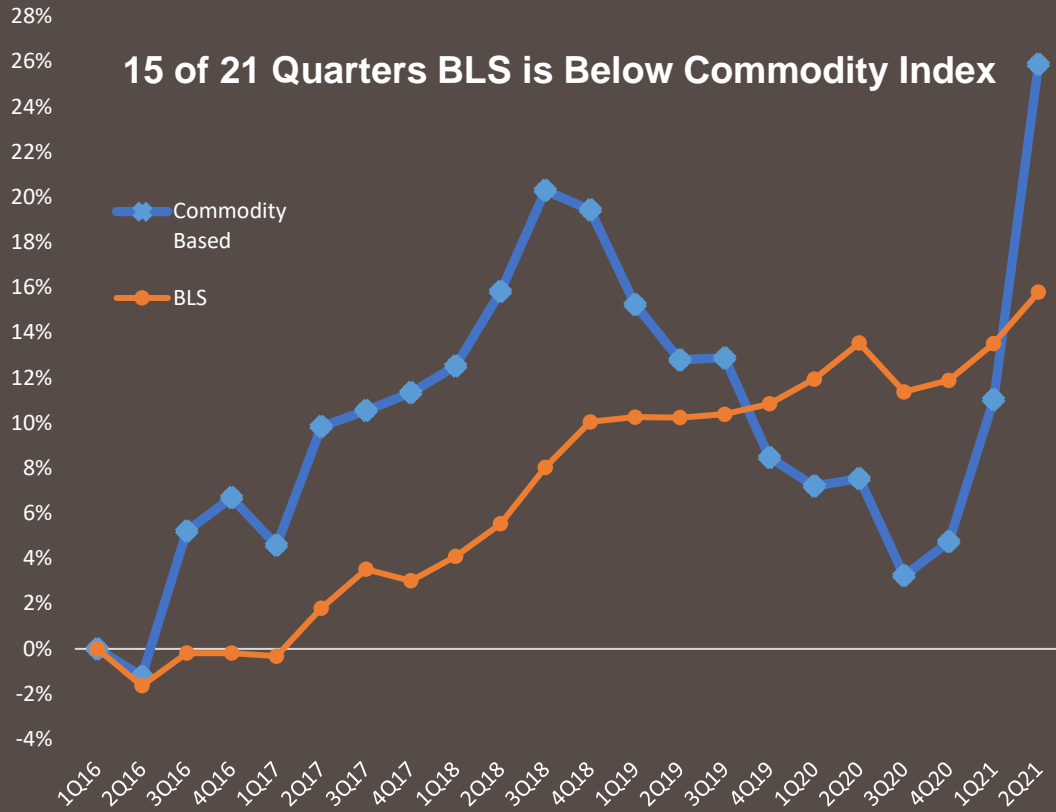
- Shared Process between Accounts Payable and Procurement
- Two-part verification for all payments methods (new/changes)
- Aggressive deactivation policy for inactive vendors
- Tax identification matching against federal database

Inventory Management

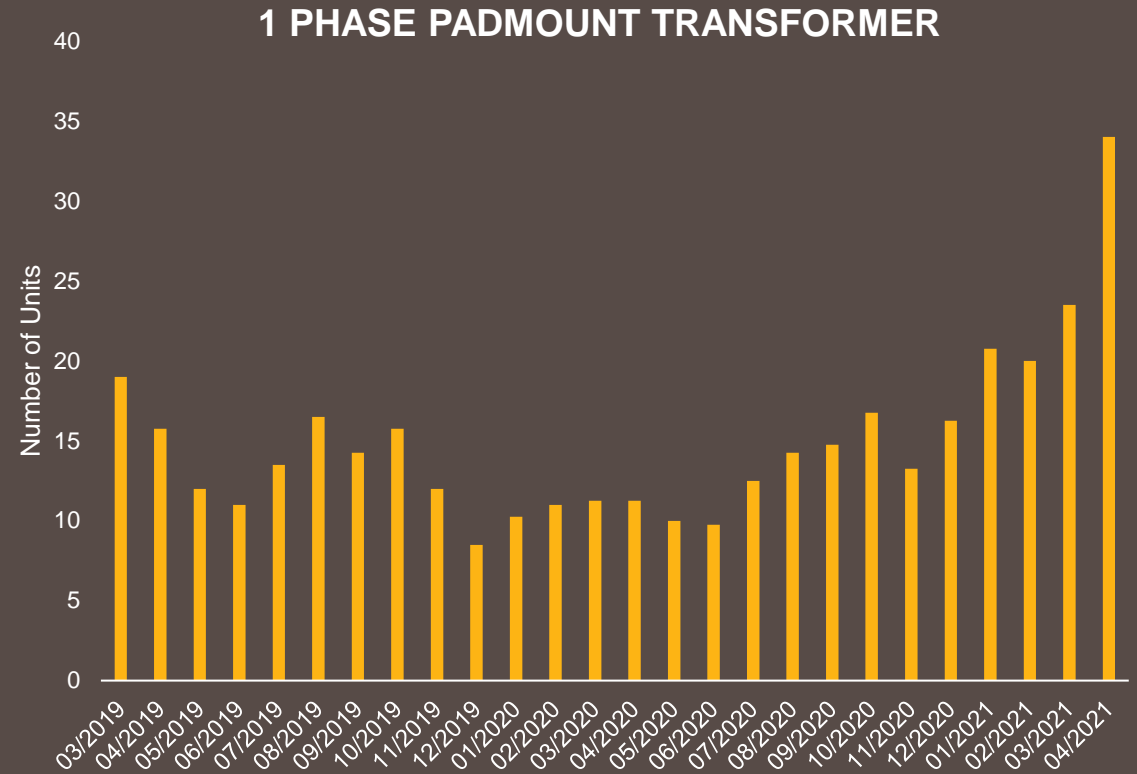
- Enterprise Resource Planning (ERP) system tracking
- Cycle counts
- Vending machines
- SMUD's internal audits
- Warehouse access control

Supply Chain Risk Update – Material Costs & Demand

Material Cost



Demand



Supplemental Information

Reference for slide #3, sole source contracts

SOLE SOURCE

Only Known Source

INDEX	Vendor Name	Description	Amount
1	Mt. Lassen Trout Farms, Inc.	UARP FISH SUPPLY	\$ 1,045,688
2	COOPER POWER SYSTEMS	PROTECTOR NTRWK 3PH 1600 A 216Y/125 V DF	\$ 1,000,000
3	INERTIA ENGINEERING INCORPORATED	SWITCH AIRBRK 12/21KV 600A LINE ALLEY AR	\$ 1,000,000
4	MCWANE POLES, A DIVISION OF MCWANE	Ductile Iron Pole Blanket Contract	\$ 536,250
5	TRC ENGINEERS, INC.	Coordinated Title 24 Codes and Standards Development	\$ 500,000
6	CALIFORNIA ELECTRIC	SMUD Fleet Targeting	\$ 422,000
7	ORACLE AMERICA, INC.	IT Innovation Behavioral DR Pilot	\$ 410,000
8	CPS HR CONSULTING	Diversity, Equity & Inclusion Consulting	\$ 400,000
9	CPS HR CONSULTING	Total Compensation Study	\$ 76,295
10	ABB ENTERPRISE SOFTWARE INC.	UARP Spare 69kV SF6 Power Circuit Breaker	\$ 69,713
11	WSP USA INC.	Natural Gas Supply Options and Upstream GHG Emissions	\$ 65,000
12	CARASOFT TECHNOLOGY CORPORATION	Cloudera Hadoop Upgrade Services	\$ 49,422
13	UPLIGHT, INC.	Green Button Services	\$ 45,000
			\$ 5,619,367

Software / Maintenance

INDEX	Vendor Name	Description	Amount
14	ISN SOFTWARE CORPORATION	ISNetworld Subscription	\$ 250,000
15	FREEWHEEL ADVERTISERS INC	Freewheel Advertisers/Strata Software	\$ 67,056
16	LINKEDIN CORPORATION	LinkedIn Sponsored Media Content	\$ 25,000
			\$ 342,056

Original Equipment Manufacturer

INDEX	Vendor Name	Description	Amount
17	CYLANCE INC	BlackBerry Cylance - SOW to Support Incident Response Process	\$ 102,000
18	ECOTOPE	EcoTope - Heat Pump Sizing Tool	\$ 60,000
19	ABB ENTERPRISE SOFTWARE INC.	ABB Enterprise Software Inc. QT-21-00735	\$ 31,862
			\$ 193,862

Sole Source Procurement \$ 6,155,285

Reference for slide #3, direct procurement contracts

DIRECT PROCUREMENT

Miscellaneous

INDEX	Vendor Name	Description	Amount
20	HOT LINE CONSTRUCTION INC.	POLE REPLACEMENT AND OTHER LINE WORK	\$ 51,220,537
21	HOT LINE CONSTRUCTION INC.	EMERGENCY POLE REPLACEMENT & LINE WORK	\$ 1,000,000
22	STRATEGEN CONSULTING, LLC	Solar-plus-storage Rate Design & Storage Consultant	\$ 50,000
23	WILLIS TOWERS WATSON US LLC	Compensation Surveys	\$ 50,000
24	DC ENTERPRISES	CONDUIT PVC DB120 3 IN X 20FT BELLED END	\$ 46,333

\$ 52,366,870

Direct Procurement \$ 52,366,870



Reference for slide #5, SEED Program

Our Supplier Education & Economic Development (SEED) program provides contracting education and incentives for State of California certified small rate-paying businesses in construction, commodities, supplies, maintenance and professional services procurement areas. SMUD's goal is to award no less than 20% of all eligible contracts, annually, to SEED vendors.

Vendors who meet both of the following requirements:

Certification: The California Department of General Services (DGS) Office of Small Business and DVBE Certification must certify the vendor as a "Small Business or Microbusiness." This is the only certification that we accept, and it must be in place by the bid opening date (for an IFB/BR, or RFQ/E-Bid) or proposal due date (for RFPs) to qualify for the SEED Program.

Ratepayer qualification:

The vendor must qualify as a SMUD ratepayer for the preceding 6 months prior to the bid or proposal due date. The physical address of the business (as recorded by the Department of General Services in its Small Business Certification) must be located in SMUD service territory. If the address shown on the Small Business Certificate is a post office box, a mailbox at a private mailbox business, or a leased facility, the vendor must be able to demonstrate that the vendor is also a SMUD ratepayer.

Advantages:

- * Up to a 5% price advantage awarded to SEED prime contractors or to prime contractors that choose to subcontract to SEED vendors.
- * Up to 10 RFP evaluation points advantage awarded to SEED prime contractors or prime contractors that choose to subcontract to SEED vendors.
- * Exclusive annual sheltered marketing (SEED set-aside bidding) opportunities up to \$82,000 or multi-year agreements for SEED contractors.

Reference for slide #5, SB605

Senate Bill No. 605 – Small Business Procurement and Contract Act (SB605):

- Amended Government code 14837 & 14838 covering certification under the Small Business Procurement and Contract Act
- Increases the average Gross Annual Receipts (GARs) threshold for “small business” to \$15M over the previous 3 years
- Increases the average GARs threshold for “microbusiness” to \$5M over the previous 3 years
- Establishes a new definition of small business for the purposes of public works contracts and engineering contracts for public works projects, as specified, with eligibility threshold of \$36M GARs over the previous 3 years and a maximum employee count of 200 based on recent 4 quarters
- The bill would allow directors of the department and other state agencies to count contractors that would be considered a small business or microbusiness in 2019, if the directors are unable to make the small business participation goals under existing law.
- The bill, by revising those definitions, would allow additional contractors to qualify as a small business or microbusiness, thus expanding the contractors authorized to request a preference filed under penalty of perjury.

Reference for slide #7, protests

RFP Doc2637505913 69KV Metering Units, \$500k Award:

- Power Systems Distributing Inc. did Protest the Award to Mader Supply LLC for 69KV Metering Units.
- The Power Systems Distributing Inc. proposal was deemed non-responsive key technical specification requirements, and RFP Section 4.5, Technical Bid Data was referenced, which states, “As explicitly noted in this section failure to provide all information with bid may be cause for rejection of bid”.
- The protest was denied by the Director of Procurement, Warehouse and Fleet.

RFP Doc2675304016 Power Transformers 230 73.5KV, 224MVA, \$7.9M Award:

- JSHP Transformer Protested the Award alleging that SMUD should not have declared the JSHP Transformer proposal as non-responsive.
- It was determined that SMUD appropriately deemed the JSHP Proposal as non-responsive per criteria clearly outlined in the bid request documentation.
- The protest was denied by the Director of Purchasing, Warehouse, Fleet.

RFP Doc2792391107 Two (2) VO12 Towable Generator 20KVA, \$250k Award:

- Leete Generators protested the Award alleging that SMUD failed to meet the open bidding process on this project.
- The Protest Letter was not received to the Protest In Box within the required 3 Days to Protest a RFQ Award.
- The protest was denied by the Director of Purchasing, Warehouse, Fleet, and the appeal received by the SMUD GM (per appeal policy) and was also denied.
- The Director of Procurement, Warehouse and Fleet requested that the original RFQ be withdrawn, the technical specification reviewed and revised, and the RFQ reposted.