Date: February 8, 2013

To: Nancy Locke, Contracting and Purchasing Director, Finance and Administrative Services

From: Carol Butler, Corporate Performance Director, Seattle City Light

Re: 2013 Women and Minority Business Enterprise Outreach Plan

Seattle City Light ("City Light") remains committed to providing opportunities for women and minority-owned businesses ("WMBE"). We are proud that our WMBE spending increased from $2.50 million in 2004 to over $11.00 million annually. City Light will continue outreach efforts and build our relationships with consultants, suppliers, and construction firms in 2013.

City Light WMBE Representative

Javier Valdez, our HUB/WMBE Program Manager, will continue to serve as the utility's dedicated WMBE representative. Javier will represent City Light at outreach events, vendor fairs, contract walkthroughs and conference calls, and also at other events or meetings where the utility's WMBE message and expectations need to be delivered and reinforced.

The HUB/WMBE program manager will promote the HUB/WMBE program to businesses by attending the following events:

- Regional Contracting Forum (February/March)
- Alliance Small Business Vendor Show (February/March)
- City of Seattle Reverse Trade Show (June/July)
- City of Seattle Meet and Greet Events (Quarterly)
- NW Minority Supplier Council Showcase (June/July)
- Native American PTAC Vendor Show (September/October)

2013 Goals for Consulting and Purchasing

City Light expects our overall 2013 WMBE spending to exceed our 2012 goals. In addition, the utility plans to begin implementing initiatives in our Strategic Plan, adopted by the City Council last year. Some of these initiatives could favorably impact our 2013 spending with WMBE firms.

Strategic Initiatives having procurement needs include:

- Denny substation work
- Transmission systems
- Underground cable replacement
- Streetlight infrastructure
- Advanced metering infrastructure
- Conservation enhancements

- IT enhancements and upgrades
- Employee training

Consulting Goal - $2.00 Million

City Light exceeded the 2012 consulting goal of $1.70 million and, therefore, will increase the goal to $2.00 million in 2013. Commitments received from project managers also support increasing the consulting goal.

Purchasing Goal - $7.80 million

In 2012 City Light increased the purchasing goal to $7.80 million. Current purchasing commitments from project managers of under $6.00 million would seem to indicate that City Light should reduce the 2013 goal. Though City Light lacks certainty about how the strategic plan will impact purchasing, establishing a lower goal in 2013 does not fit with City Light WMBE efforts to increase the number of products available from WMBE firms. Therefore, the purchasing goal will remain the same as that in 2012.

Further, as noted in a following section, City Light is working with FAS to issue blanket contracts for products that have been identified in joint projects with the Northwest Minority Suppliers Development Council in 2011 and 2012. WMBE firms that receive awards from the City when the blanket contracts are issued will allow City Light to increase purchases in 2013 and in future years.

Public Works and Job Order Contracting

City Light has not historically had either a public works or job order contracting goal. The same uncertainty applies to both relating to when projects go to bid and when contracts are finally awarded.

City Light will work with FAS staff on these projects to ensure staff is in attendance at the construction walkthroughs. City Light staff will be available to explain WMBE inclusion plan requirements and the use of WMBE subcontractors.

Plans and Strategies

Pilot Projects with the Northwest Minority Supplier Development Council (NMSDC)

In 2013 City Light will contract with the NMSDC to work with our Procurement staff to identify four more products purchased regularly but for which no blanket contract exists with qualified WMBE firms. In 2011 the utility contracted for one product (conduit) and in 2012 for two products (cross arms and bus bars). The NMSDC research was successful in finding WMBE vendors able to bid on blanket contract solicitations.

Strategic Initiatives

Due to the volume of procurement involved with the Strategic Initiatives, City Light's WMBE representative, Javier Valdez, will be meeting quarterly throughout the year with our Directors and/or Strategic Initiative owners to review procurement needs, and also to research and recruit potential consultants/suppliers/contractors able to perform the work and/or bid on subsequent opportunities.

Training

City Light Procurement staff began training utility staff in December 2012 and January 2013 on procuring consultant contracts and purchasing needs. Javier Valdez has been attending those sessions discussing City Light's WMBE goals and commitment. His presentation includes information on how the WMBE program can assist staff in finding WMBE firms providing information to utility staff on the inclusion of WMBE firms.

Procurement will be conducting training throughout the year in 2013 and Javier will continue to participate.

Outreach

In addition to outreach City sponsored events, the utility plans to request time to make presentations on City Light's program at meetings of groups such as TABOR 100 and Win With Washington. These presentations will offer an opportunity to engage directly with WMBE firms and to provide specific information about City Light.

The WMBE program manager will prepare handout materials for distribution, follow-up by email with 100% of businesses attending the meetings to send the link to register on City's VCR system (only for those businesses who are not currently registered). He will complete the presentation materials and submit to Corporate Performance Director for review no later than five days prior to meeting

City Light also plans to work with the City's Office of Economic Development to create a list of organizations (i.e. ethnic Chamber of Commerce') that the utility can use to distribute procurement opportunities.

Tracking Sub work on Large Consulting Contracts

FAS asked each Department that has large consulting contracts to begin implementing the City's tracking system for tracking sub work. City Light will identify at least one major consulting project in 2013 to use in testing the system. City Light's WMBE program manager will work with the firm and City Light's project manager to test this tracking system. By the end of 2013, City Light will provide a report to FAS on the utility's experience with the new system.