

# DWR DVBE Program Exemption Policy Statement (Rev. May/11)

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The Department has the authority to exempt contracts from DVBE requirements when it is in our best interest. ([SCM Section 8.10, A-1](#))

It is the Department's policy to achieve the State's mandated annual three (3) percent DVBE goals overall. However, by the nature of their services, certain contracts do not provide opportunity for DVBE subcontracting and historically the Department has exempted them on a singular basis. Having determined that it is in the best interest of the Department, the following service contracts and procurements are exempt from including DVBE program participation requirements:

1. Non-IT services, construction services, commodities and IT services or goods procured through the Small Business Bid Option ([GC 14838.5](#)).
2. Commodities less than \$100,000.
3. Information Technology goods, including software, less than \$1,000,000.
4. Non-IT and IT Service Contracts for less than \$10,000.
5. Contracts for proprietary IT software or hardware maintenance.
6. Contracts for specialized legal services, such as: obtaining expert witness, legal defense, legal advice or legal services by an attorney or an attorney's staff.
7. Contracts to establish, replace existing, or renew board members.
8. Contracts for conference or meeting facilities, including room accommodations for conference attendees.
9. Contracts with State, local or federal agencies.
10. Subvention or local assistance contracts.
11. Contracts with Universities of California (UC), California State Universities (CSU), Community Colleges (CC) and foundations or auxiliary organizations incorporated to support the universities or colleges and joint powers agreements (JPA).
12. Emergency contracts which are necessary for the immediate preservation of life and property.
13. Contracts with a Single consultant, defined as any contract with a single individual hired for expertise and where services provided are based on their unique "education and experience". Does *not* exempt consultant firms where DVBE

individuals or firms may be hired as a team member to augment the Department's needed services.

14. Contracts with non-profit entities such as: California Water Education Foundation, the Association of California Water Agencies, and Chambers of Commerce.
15. Contracts for designated contractors that have been previously selected by a federal, State, city, county, or other regulatory entity, usually through a competitive process, to perform a service in a specific geographical area (example: Snow Packers, Original Equipment Manufacturer (OEM) selected maintenance providers).
16. Contracts for equipment maintenance where the equipment is under documented warranty, where there is only one authorized or qualified provider, or where there is only one distributor for parts and services.
17. Equipment certification for specialized equipment where service is provided by a single certified expert (example: CAL-OSHA required certification for crane certification).
18. Proprietary subscriptions, proprietary publications and/or technical manuals regardless of media format. This includes access to pre-existing proprietary research data through a non-IT services contract.
19. Rental of proprietary postage meters if they are interfaced with existing mailing equipment and there is only one authorized manufacturer's branch or qualified dealer representative in a specified geographical area. Exemption only applies to annual meter rental services less than \$100,000.

Wherever practical, Department buyers and contract analysts shall procure services and commodities using the DVBE Bid Option to assist the Department achieve its annual overall DVBE goals.

DWR DVBE exemption policy will be reviewed bi-annually to ensure that policy is consistent with statewide program mandates, procedures and practices.