

Phone: 916.683.7111
Fax: 916.627.4400

www.elkgrovecity.org

PUBLIC WORKS
8401 Laguna Palms Way
Elk Grove, California 95758



Standards Update Transmittal

Reference Number: 2024v-20
Standards: Standard Construction Specifications, Section 9-9

Update:

1. Modification to Standard Construction Specifications:
 - a. 9-9 Markups for Changed Work
 - i. Refer labor markup requirements to follow Caltrans Standard Specifications

Effect of Update:

1. Adopting Caltrans labor markup will cover the costs incurred to perform the additional work, including office overhead, bond costs, profit, labor liability insurance, and other fixed or administrative costs that are not costs of the labor used in the direct performance of the work. This change will remove the inconsistency, whether deliberate or inadvertent, in the specifications.

Request for Update Initiated By:

Chris DeGuzman 6/17/2025 | 3:03 PM PDT
Chris De Guzman Date

Update Reviewed for Conformity and Consistency to Standards:

Shoaib Ahrary 6/17/2025 | 3:06 PM PDT
Shoaib Ahrary, PE, ESD Manager Date

Update to Standards Approved:

Kristin Parsons 6/17/2025 | 3:20 PM PDT
Kristin Parsons, PE, City Engineer Date

9-9 MARKUPS FOR CHANGED WORK

Only the direct costs directly attributable to the performance of the changed work shall be allowed. All other costs shall be included in the allowed markups, including, but not limited to, profit, home office overhead, jobsite indirect costs, jobsite office personnel, general field superintendence, general engineering, supervision of labor, bond and insurance premiums, and general field expense, and shall constitute full compensation for all costs not included as actual labor, materials, equipment, or Subcontractor costs. Markups for changed work shall not exceed the following:

Labor	See Section 9-1.04B "Labor" of the State Standard Specifications
Materials	15%
Equipment Rental	15%
Bonds and Insurance	2%

The Contractor or Subcontractor, whomever actually performs the changed work, may add the markups to the total of allowable costs. When a Subcontractor performs work, the Contractor and any higher tiered Subcontractor may add as mark-up to the total of allowable costs an amount not to exceed five percent (5%), subject to the limitations of this Section.

When the City is entitled to credit for deleted work, a ten percent (10%) credit for deleted overhead of the Contractor or Subcontractor, as applicable, will be added to such credit.