Subcontract requests must show the items being subcontracted and the actual amounts being paid to the subcontractors for the performance of that work. When evaluating the work to be subcontracted, the Department will be comparing the sum of the actual subcontract amounts to the total contract amount to determine if the Specification limits established for the amount of work that can be subcontracted have been exceeded.

Subsection 108.01 paragraph 1.a. (2) of the Standard Specifications for Highway Construction states:

(2) The Contractor shall perform with its own organization contract work amounting to not less than 30% (or a greater percentage if specified elsewhere in the contract) of the total original contract price.

This is re-emphasized in federal-aid contracts via Form 1273 and reference to the Code of Federal Regulations:

1. The contractor shall perform with its own organization contract work amounting to not less than 30 percent (or a greater percentage if specified elsewhere in the contract) of the total original contract price, excluding any specialty items designated by the contracting agency. Specialty items may be performed by subcontract and the amount of any such specialty items performed may be deducted from the total original contract price before computing the amount of work required to be performed by the contractor’s own organization (23 CFR 635.116).