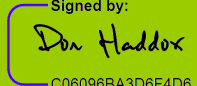


State of Vermont
Agency of Natural Resources
Department of Environmental Conservation

WID Policy:	DEC WID WIFP Contract Mark-up Allowance	Effective Date:	June 2026
Applicable To:	VT DEC- Design and Construction Engineering Section	Revision Date:	Original
Prepared/ Revised by:	 Winn Wilson, WID Const. Engineer	Approved By:	 Environmental Engineer V 6/12/2026

Policy Objective

The purpose of this policy is to memorialize maximum allowable mark-up rates eligible for projects funded by loans and grants administered by the Vermont DEC, Water Investment Division – Water Infrastructure Financing Programs.

Impacted Departments or Divisions

Water Investment Division (WID) within the Department of Environmental Conservation (DEC).

Governing Documents

2 CFR Part 200 – OMB Uniform Administrative Requirements (2 CFR 200.404 Reasonable Costs)

Reasonable Mark-Up Policy

Based on long-standing precedent for projects funded by or administered within VT DEC – WIFP, Engineering Services Agreement subconsultant mark-up costs are capped at a maximum 8%. The basis for this policy is long-standing precedent of an 8% maximum mark-up as evaluated against the reasonableness standard of 2 CFR 200.404 and industry standard of 5%-10%. Compensation for reimbursable expenses incurred by the engineer is capped at 0% mark-up.

For construction Contracts where a mark-up is applied to change order work or specific items not included in the bid price, the work is capped at 15% mark-up for self-performed work and 5% mark-up for subcontracted work.