

SECTION 2B – 8 - VALUE ENGINEERING

VALUE ENGINEERING (VE)

Value Engineering is defined as the systematic application of recognized analysis techniques by a multi-disciplined team that:

- Identifies the function of a product or service.
- Establishes a worth for that function.
- Generates alternatives through the use of creative thinking.
- Provides the necessary functions at the lowest overall cost.
- Develops recommendations as a result of the job plan followed during a review.

Value Engineering is required on any project regardless of highway classification with a total construction cost of more than \$5 million.

Upon receipt of the Initial Field Review and Scoping Report, the Value Engineering Section of the Scheduling and Contract Division will review and submit the project to the Value Engineering Advisory Committee for their consideration as a VE review candidate.

The Value Engineering Section will assemble the required review team and conduct the review in accordance with **Project Development*** Process scheduling. On major/complex projects a second study may be conducted.

Prior to the review, the VE coordinator will send a letter to the Project Manager outlining the materials necessary for the review.

The Value Engineering Team shall review the project to determine if any significant savings cost avoidance and/or quality improvements can be achieved by providing the required service or necessary function at the lowest overall cost.

In all instances, the required service or necessary function will be achieved at the lowest possible life-cycle cost consistent with requirements for performance, maintenance, safety, and aesthetics.

The analysis is to be performed promptly by the team and is to provide the appropriate Administrator, including the Residency Administrator and appropriate Assistant State L&D Engineer, with the team's recommendations.

* Rev. 9/10