DESIGN VALUE ENGINEERING POLICY

POLICY STATEMENT:

It is ODOT’s policy to perform Design Value Engineering on all projects meeting criteria established by MAP-21 (Public Law 112-141-July 6, 2012) as well as on other projects as deemed beneficial by the Department.

AUTHORITY:

23 U.S.C. Sections 106 (e), 106(f), 106(g), 106(h), 112(a) and (b), 302, 315; 23 CFR 627, 49 CFR part 18; 77 FR 15254, March 15, 2012.

REFERENCES:

NHI Course No. 134005 “Value Engineering Workshop”
The AASHTO “Guidelines for Value Engineering”
Society of American Value Engineers (SAVE) Methodology
The NCHRP Synthesis “Value Engineering Applications in Transportation”

SCOPE:

This Policy requires Design Value Engineering be performed for projects on the Federal-aid Highway System [National Highway System and the Dwight D. Eisenhower National System of Interstate and Defense Highways (the “Interstate System”)] with an estimated construction cost in excess of $45 million for any project type and $36 million for bridge projects. Cost estimate thresholds include the cost of design, right of way and construction costs. Design Build projects are excluded from this policy.

In addition, Value Engineering will be used on other projects, where in the estimation of the Department, its employment has high potential for cost savings as determined by the Central Office Value Engineering Coordinator and the District.
BACKGROUND & PURPOSE:


Value Engineering (VE) is a systematic application of recognized techniques to identify a project’s purpose; establish a worth for that purpose, and to generate alternatives to the proposed design through the use of creative thinking. These alternatives are generated by a multi-disciplinary team with the goal of accomplishing the original purpose of the project at the lowest life-cycle cost without sacrificing the safety, quality, and environmental attributes of the project. Design Value Engineering is usually performed during the preliminary engineering and early detailed design phases of transportation improvement projects. Value Engineering in Construction is covered by Policy 27-008(P).

TRAINING:

The Division of Engineering will provide training for District, Central Office and LPA personnel as necessary to implement the policy and procedures.

FISCAL IMPACT:

The Value Engineering studies conducted under this policy annually recommend millions of dollars in potential cost savings to the Department. There are two primary costs for the application of Value Engineering during the design phase: the cost of conducting the studies which include the VE facilitator(s), and the costs of the ODOT and Consultant staff participation. Typically, even if only a portion of the recommendations are implemented, the sum benefit of VE recommendations will be greater than the cost of the VE Program.