

Mississippi Department of Transportation Value Engineering Policy

The Value Engineering program will support the MDOT mission of providing a safe intermodal transportation network that is planned, designed, constructed and maintained in an effective, cost efficient, and environmentally sensitive manner by adding value to and reducing cost of the project studied.

The Value Engineering program will be administered by the Value Engineering Coordinator who is appointed by the Roadway Design Engineer. A value engineering study will be performed on all federally funded projects whose combined design, ROW, and construction costs within the termini of the environmental document are greater than \$25 million. Bridge replacement projects will require a VE study if the combined costs of a single bridge, or one pair of parallel bridges, are greater than \$20 million. If an environmental document includes more than one construction project, a value engineering study will be performed on all the construction projects either combined into one VE study or studied individually. Desirably, projects that require ROW will be studied after conceptual plans are produced. For projects that do not require ROW, a VE study will be performed on field review plans. Value engineering requirements are tracked in the Project Development/Project Management (PDPM) database. The need for a value engineering study will be evaluated and noted in the database when a project is initially added to the PDPM database using the cost estimate from the environmental document. The need for a study will be reevaluated at every district PDPM meeting using the most recent cost estimate.

MDOT's Project Development Manual for Local Public Agencies includes a section on Value Engineering. If a Local Public Agency project requires a VE study, the Agency will be responsible for conducting the VE study. If a State Aid project requires a VE study, the County will be responsible for conducting the VE study in accordance with State Aid's rules and regulations. MDOT'S LPA Division and the Office of State Aid Road Construction will report the results of any Value Engineering Study to the Value Engineering Coordinator for inclusion in the Annual Report. Value Engineering requirements for LPA projects will be tracked in Civic Tracker.

Most studies will be conducted by teams whose members are all provided by consultants. MDOT has a value engineering master agreement that is advertised every three years. A minimum of three consultants will be selected each time it is advertised. Work assignments for individual VE studies will be negotiated. The project manager must be a Professional Engineer registered in Mississippi. At least one member of each team will be a Certified Value Specialist (CVS) certified by SAVE International. A typical team will have between four and six members, and will consist of individuals with experience in the various aspects of the project being studied, such as roadway design, structures, traffic, and construction. Studies will usually be four or five days in length, however, for less complex projects shorter studies may suffice.

The following stakeholders, as appropriate, will be invited to the VE study kick-off meeting and concluding presentation.

- Assistant Chief Engineer – Preconstruction

- Assistant Chief Engineer – Operations
- Assistant Chief Engineer – Field Operations
- District Engineer
- Assistant District Engineer
- Roadway Design Engineer
- Assistant Roadway Design Engineer
- Roadway Design Section Engineer
- Bridge Engineer
- Assistant Bridge Engineer
- Materials Engineer
- Construction Engineer
- Construction Area Engineer
- State Estimator
- Traffic Engineer
- Traffic Area Engineer
- Environmental Division Director
- Environmental Division Area Engineer
- Right-of-way Division Director
- District ROW Coordinator
- Planning Engineer
- FHWA Field Operations Engineer
- FHWA Area Transportation Engineer
- Design Consultant (if applicable)

VE Study

Each study will begin with a kick-off meeting where designers and district personal make a presentation of the project's scope, history, and challenges to the VE team, the MDOT stakeholders, and FHWA. The presentation should include any restraints the VE team needs to be aware of, including Environmental Commitments. The VE team will visit the project site accompanied by a district representative familiar with the project. After the presentation and site visit, the VE team will use the SAVE international method to study the project. They will develop recommendations through the functional analysis, creative, evaluation, and development phases. Studies on bridge replacement projects will look at superstructure and substructure construction materials and be evaluated on life-cycle costs and duration of project construction. The team will present their recommendations to the MDOT stakeholders and FHWA at the conclusion of the study. Open discussion of the recommendations is encouraged at the presentation.

Post-Study

Within two weeks of the conclusion of the study, the VE team will submit the project's VE report. The report will include: (1) project information, (2) list of VE team members, (3) background and supporting documentation, (4) documentation of the stages of the VE Job Plan including any life-cycle cost analysis, (5) summarization of the analysis, and (6) documentation of the proposed recommendations. The VE Coordinator will review the report for errors and grammatical mistakes. After any errors are corrected, it will be distributed to the stakeholders

for review and comment. The comment period will be two weeks. After the due date for comments, the VE coordinator will compile the comments for administration review. The VE coordinator will schedule a meeting with, the Assistant Chief Engineer – Preconstruction, the Roadway Design Engineer, the Assistant Roadway Design Engineer, and the Roadway Design Section Engineer. Comments will be discussed at the meeting, and the Assistant Chief Engineer – Preconstruction will make a decision on each VE recommendation. If necessary, the Assistant Chief Engineer – Preconstruction will discuss the decisions with the District Engineer or other stakeholders before a final decision is made. Desirably, decisions will be made within six weeks of the conclusion of the study.

The VE Coordinator will issue a decision memo summarizing which recommendations are accepted and which recommendations are rejected and why. The memo will be included in the final VE report. The report with decision memo will be distributed to all stakeholders electronically. One hard copy will be filed and one will be mailed to FHWA. MDOT's copy will be retained for three years after the project is constructed.

Roadway Design Section Engineers will be responsible for incorporating the accepted recommendations into the project's plans. The decision memo will be reviewed at field reviews and office reviews and included in the field review and office review reports.

Training

MDOT will provide training on value engineering concepts to MDOT stakeholders approximately every three years.

Annual Report

The VE coordinator will provide an annual report to FHWA for each federal fiscal year. It will be submitted to the Mississippi Division Field Operations Engineer. The report will summarize the recommendations of each study, how many were accepted, and the cost savings of each. The report will include project information including construction cost estimate. MDOT VE training throughout the year and a schedule of studies planned for the next two year will be included in the report.