
CHAPTER 12

VALUE ENGINEERING REQUIREMENTS

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12.1 OVERVIEW

Value Engineering (VE) is a systematic process used by an independent multi-disciplinary team to improve the value of a project, product or service through the identification and analysis of functions. Project functions are the intent or purpose of the components that make up the project. FDOT VE teams strive to optimize the use of allocated funds without reducing safety, quality, or performance by strictly following the **Value Engineering Program (FDOT Procedure 625-030-002)**.

Congress authorized the use of VE on Federal-aid Highway Program (FAHP) projects beginning in 1970. The National Highways Designation Act of 1995 (amended in 2005 and 2012) requires VE be performed on FAHP as identified in [23 USC 106](#) and further defined in [23 CFR 627](#).

12.2 REQUIRED FEDERAL-AID PROJECTS

LAP projects which are FAHP funded projects are required to utilize the VE process per [23 CFR 627](#) and [FDOT Procedure 625-030-002](#).

12.3 ADDITIONAL PROJECTS

Additional projects outside of the Federal requirements identified in **Section 12.2** may also utilize the VE process. Projects to consider should include but not limited to:

- Projects on the SHS with an estimated total cost of \$25 million or more that are not delivered using the Design/Build method of construction.
- Projects that significantly exceed initial cost estimates.
- Complex projects.
- Capacity projects.
- Interchanges
- Corridor studies.
- Projects requested for VE by the Department.
- Projects with high right of way costs.
- Projects and processes with unusual problems.
- Projects approved by Central Office for Design-Build method of delivery.

12.4 VALUE ENGINEERING COORDINATION

The District LP Administrator will coordinate with the District VE Coordinator and the LA on those projects that require VE per the thresholds defined in **Section 12.2**. VE Analysis

requires a multi-disciplinary team of experts and may also require consultant support. VE Analysis is eligible for reimbursement under the FAHP. District staff will coordinate with the Central Office on a project by project basis for additional support for VE.

12.5 VALUE ENGINEERING CHANGE PROPOSALS

Value Engineering Change Proposal (VECP) is a construction contract change proposal submitted by the construction contractor based on a VECP provision in the contract. These proposals may improve the project's performance, value and/or quality, lower construction costs, or shorten the delivery time, while considering their impacts on the project's overall life-cycle cost and other applicable factors. **FDOT Procedure 625-030-005** provides the Department requirements for this process.

LAs are encouraged to include a VECP clause or such a clause under a different name, such as Cost Savings Initiative (CSI) Proposal. Whenever such clauses are used, the LA considers changes that may improve the project's performance, value and quality, shorten the delivery time, or lower construction costs, while considering impacts on the project's overall life-cycle cost and other applicable factors.

LAP projects utilizing the VECP/CSI process will utilize the requirements of [23 CFR 627](#) and [FDOT Procedure 625-030-005, Cost Savings Initiative](#).

12.6 RESOURCES

[Code of Federal Regulations, Title 23, Chapter I, Part 627](#)

Value Engineering Program Procedure (625-030-002)
<https://pdl.fdot.gov/api/procedures/downloadProcedure/625-030-002>

Cost Savings Initiative Proposal (625-030-005)
<https://pdl.fdot.gov/api/procedures/downloadProcedure/625-030-005>

Value Engineering - Quality Assurance Web Page
<https://www.fdot.gov/roadway/qa/qa.shtm>