

REVIEWING THE PROPOSED METHOD OF DEVELOPMENT

All Preliminary Field Inspections are to be conducted by the Project Manager, or a representative, who may request that the Engineer who prepared the scheme of development make the presentation. On Urban projects, the Project Manager or the Engineer who prepared the method of development and/or a representative from the Local Assistance Division may make the presentation.

PREPARATION OF INSPECTION REPORT

A report to the Project Manager, or **from each discipline involved**, is to be written immediately after the Preliminary Field Inspection outlining items discussed. A similar report is generally received from the District Administrator. Those disagreeing with the conclusions reached at the PFI may also file reports outlining their disagreement. On Secondary Projects, Form [LD-430](#) must be completed and transmitted to the Local Assistance Division.

INCORPORATING CHANGES INTO PLANS

When sufficient time has elapsed to allow those who wish to file a report concerning the Preliminary Field Inspection, the recommendations agreed upon are to be incorporated into the plans. If a difference of opinion exists, the State Location **and** Design Engineer is to be consulted for a decision. On Urban Projects, the Local Assistance Division Director is to be consulted also.

PREPARATION OF PROJECT COST ESTIMATE AND REPORT

Construction cost estimates are received from other divisions as noted in Section 2B-5-REQUEST FOR COST ESTIMATES FROM OTHER DIVISIONS (Form [LD-297](#)). Right of Way and Utility Estimates are then added to the construction estimate to complete the estimate of project costs. These costs are placed in the Project Cost Estimating System.

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 Contracts 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 Concurrent Engineering Process scheduling. On major/complex projects a second study will be conducted at approximately the 50% stage of development.

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.