

Virginia Department of Transportation

Value Engineering Annual Report

FY 2011

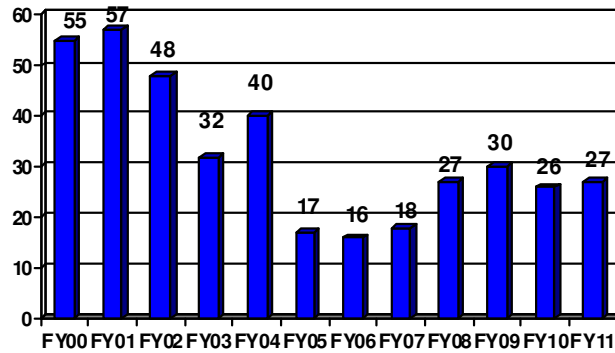
(July 1, 2010 – June 30, 2011)



Scheduling and Contract Division

Virginia Department of Transportation
Scheduling and Contract Division
Value Engineering (VE)
1401 East Broad Street
Richmond, Virginia 23219
Phone: (804) 786-1630

Value Engineering Program Studies Conducted FY 00 – FY 11



Value Engineering Program

History

- Conducted 1011 studies
- Achieved \$596 million in savings/cost avoidance
- Submitted 4,660 recommendations; 2,604 (56%) have been accepted
- Developed 1,774 quality improvements
- Realized \$41 in savings/cost avoidance for every program dollar spent

Value Engineering

Staff

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Value Engineering Program

Accomplishments FY 11

- Conducted traditional or condensed format VE Studies on 27 construction/maintenance projects at scoping, preliminary, or field inspection stage.
- Recommendations submitted to the Chief Engineer included actions to minimize environmental impact, enhance operational performance or improve constructability.
- Achieved \$9.7 million in savings/cost avoidance with a 70% acceptance rate. Achieved a 29:1 Return on Investment.
- Served as AASHTO VE Technical Committee Representative.
- Facilitated a VE Study for Rhode Island DOT and FHWA.

Value Engineering Program

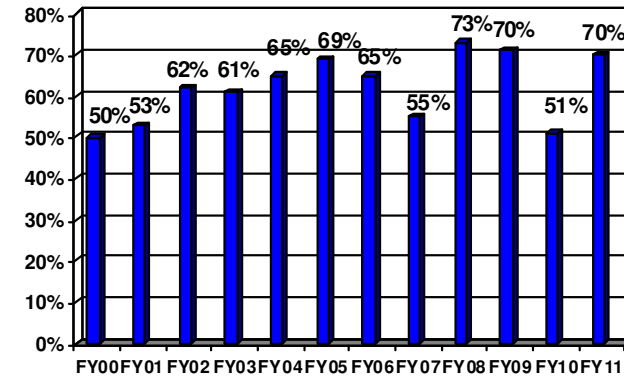
Mission

Obtain optimum value from transportation funds through the application of the VE process:

- Improve project quality
- Reduce overall life-cycle costs
- Promote innovation in highway design and construction
- Provide training in Value Engineering methods and principles

FY 00 – FY 11

Accepted Recommendations



- Accepted by VDOT management and incorporated into project plans

FY 11 Value Engineering

Proposals (VEPs)

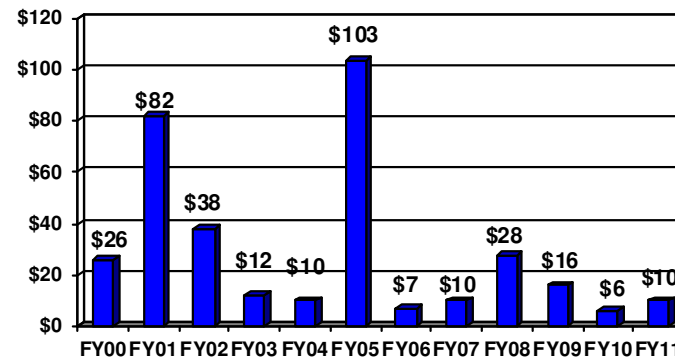
16 statewide VEPs totaling \$5 M were submitted for approval on construction projects costing \$142M.

12 of the VEPs totaling \$2.8 M were approved for implementation.

FY 00 – FY 11

Savings/Cost Avoidance

(Chart in Millions)



FY 00 – FY 11

Return on Investment

(Dollar saved for each dollar spent on VE Program)

