**Firm Name**

**Contract Number**

March 18, 2022

**Scope of Work
Value Assessment**

Complete a Value Assessment for Cost Containment

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# Introduction

This scope of work is to complete a Value Assessment (VA) for a project. A Value Assessment reviews a project by a third-party firm to identify cost containment recommendations that meet the purpose and need of the project. The Project Team will complete a Value Assessment of the project which includes reviewing individual project attributes and identify cost containment design recommendations. There are resources on the Value Management Office website, under “Value Assessments”, which provide a recommended VA workshop agenda and other tips which have shown to yield good results from these facilitated cost containment exercises.

The scope includes up to 4 people and 4 hours for project review prior to the two 8-hour days for the Assessment (10 mandays) of work to include the project review, assessment, and output. **Additional days and personnel may be allowed based on project complexity and approval by the NCDOT personnel point of contact for this scope.**

## Team

The firm that is assigned to do the Value Assessment should not be working on the project currently. The team should include a multi-discipline team that includes a roadway engineer, construction expert, and two additional disciplines that are specific to the project. This may include a structures, hydraulics, geotechnical, utilities, or environmental engineer. For urban projects, the firm should have specific expertise in Urban Roadway Design (discipline code 269). The team may also select to have an estimator as a member to assist in the cost savings estimates. One member of the team should act as the Assessment Team Lead and should be responsible for all communication with NCDOT personnel.

## Project Review (Prep)

The firm will be given access to the project SharePoint site and can spend the necessary time to review the documents, project area (virtually), interviewing the Project Manager and understanding all project constraints.

## Team

In addition to the Team described in 1.1 above, NCDOT construction and maintenance personnel may attend the assessment meeting or be called upon for additional information on the project.

## Assessment

The firm can determine the best course of action to achieve cost containment; however, following the steps in the VA agenda template provides a process which has shown to yield optimal cost savings. After review of project documents, these activities should be completed in interactive group sessions. The following activities are recommended steps to assist in achieving cost containment/reduction.

1. Discuss the current design with the NCDOT PM and project design PM and ask questions to fully understand the the current baseline project approach.
2. Reviewing project information, identify the required project functions from the purpose and need (has the project exceeded the programmed purpose and need of the project?), and complete a project breakdown to identify the project attributes, stakeholders, commitments, etc.
3. Brainstorm potential cost savings ideas (see “Cost Containment Considerations” document on website).
4. Evaluate the ideas for feasibility, cost savings, and if the project will still meet the purpose and need.
5. Develop the recommended ideas that move forward to allow the project team to make a selection for incorporation into the project.

# OUTPUTS

## Worksheet

The recommendations that move forward for development should be recorded on the [VA Project Worksheet.](https://connect.ncdot.gov/projects/Value-Management/Pages/default.aspx) An SOP video which outlines the processes for completing the worksheet is available at the Value Management website, under “Value Assessments”. This worksheet will have all pertinent project information, a list of recommendations, and potential cost savings. The worksheet must be posted to the project SharePoint site in the Value Management Library – Value Engineering. When the assessment is completed and the worksheet is posted, the assessment team lead should notify the NCDOT personnel point of contact for this scope and Value Management Office at valuemanagementunit@ncdot.gov.

## Cost Savings

Each recommendation should include a cost savings breakdown including Construction, ROW, Utilities, and Maintenance cost savings. An estimated cost of redesign should be included to show the total potential cost savings should the recommendation be accepted. Historic bid tab and maintenance data can be used to complete the cost estimates. If historic bid tab or maintenance data is unavailable, the team should use sound engineering judgement to make an estimate on cost savings.

## Development

Sufficient development including marked up plans, examples from other projects, and description of additional information that might be needed (i.e. soil borings) should be included in the development to give the Project Manager enough information to make an informed decision whether or not to accept.

# Communication and schedule

## Communication

The Assessment Team Lead should communicate with the NCDOT Project Manager for all questions and to set up an informational meeting. The Assessment Team Lead should also coordinate directly with the NCDOT construction and maintenance personnel. If the lead does not know who to contact, the Value Management Office can assist (email, valuemanagementunit@ncdot.gov).

## Schedule

The Assessment Team Lead should complete the Value Assessment within three weeks of being notified by the NCDOT personnel point of contact for this scope unless an alternative schedule has been worked out.