

Cost Review Committee (CRC) Operating Procedures

Committee Members

Chief Engineer-Operations
Program Development Branch Manager
Program Development Assistant Branch Manager-Programming
Director of Preconstruction
Director of Field **Support**
Technical Services Administrator

Ex-Officio Member: FHWA Operations Engineer

Meeting Schedule

Committee has a “standing” meeting on the 4th Thursday of the month.

Items to be brought before the Committee

New location and widening projects: construction cost increases of 10% or more or any cost increases over \$10.0 million excluding inflation

Bridge replacement projects: for bridge replacement projects that cost **\$5.0 million** or more: construction cost increases of 10% or more excluding inflation
For bridge replacement projects that cost less than **\$5.0 million**: construction cost increases of \$350,000 or more excluding inflation

“**Rehab**” projects, construction cost increases of 20% or more excluding inflation

Scope change requests that exceed the cost threshold as described above. (Note: Project Scope change requests will be submitted to the Committee at any time during the project development process that they arise or are requested) Also, any associated schedule changes resulting from requested scope changes will be noted to the committee as well.

NOTE: In general, cost increases do not have to be submitted to the CRC during the evaluation of project alternatives unless there is a scope change or change in the type of facility that is being proposed. Requests for scope changes will have to be submitted to the CRC at any point in the project development process if they exceed the thresholds as listed above.

ALSO NOTE: CRC evaluation not required for projects that meet the thresholds for update of prices only; or if they meet the thresholds between thirteenth-month estimate and final estimate for any reason.

Procedures

The engineer will submit a written [request form](#) to the Cost Estimating Section of the Project Services Unit to provide an updated construction cost estimate or an estimate for the scope change that is being requested.

The Cost Estimating Section of the Project Services Unit will provide the construction cost estimate. If the construction cost estimate exceeds the previously mentioned cost thresholds, the Cost Estimating Section will provide a memo which notes that the cost exceeds the stated thresholds, and will notify the appropriate Tri-Technical Team manager to submit the cost increase to the CRC. The Tri-Technical Team Manager will then complete the CRC informational form and send it to their respective Branch Manager or their Division Engineer.

The appropriate Branch Manager or Division Engineer will review and forward the CRC informational form to the Preconstruction Staff Engineer by the third Thursday of the month. The Preconstruction Staff Engineer will establish the CRC's agenda. Each appropriate Tri-Technical Manager, Branch Manager, and Division Engineer will be invited to attend the meeting to discuss their specific agenda items and to provide information regarding the cost increase or scope change. The requests should be placed on the agenda within one month of the construction cost increase notification or as soon as the scope change and associated estimate is obtained.

The CRC will report its recommendation for approval or denial of the requested scope change or cost increase to the State Highway Administrator who will provide the final approval or comments.

References

[Preliminary Estimate Request Form](#)

[Cost Review Committee Increase Form](#)