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VALUE ENGINEERING

RECOMMENDATION:

The industry recognizes that the process of “Value Engineering” is a common and extremely important service being provided to Owners. Often the design team and the contractor are asked to find ways to reduce costs without sacrificing integrity and functionality of the building systems. The Value Engineering process needs to be handled properly in order to minimize any potential problems.

Should the Owner elect to pursue Value Engineering items that modify design, it is recommended that all Owner approved value engineering items be incorporated into the plans and specifications, coordinated with all design disciplines and reissued as modified design documents.

COMMENTS:

- A. The Value Engineering items need to be approved by the owner, architect and the design team. All parties need to be in agreement with the changes.
- B. The architect and design team should be compensated for these changes. The contractor is to qualify the value engineering proposal in a manner that would require that the changes be incorporated into all contract documents. (The cost of the redraw may be clarified at the time of value engineering.)
- C. Revised plans, incorporating the value engineering items, are to be reissued in a manner that supports the Project Schedule.
- D. Design Liability for the value engineering should not be placed on the contractor.



This recommendation, while not mandatory, is the diligent work of a committee which is drawn from a cross section of the construction industry represented by architects and general contractors. The committee presents this recommendation with the expectation that it will be adhered to voluntarily.