

Minnesota Department of Transportation
Summary of 10 years of Value Engineering savings
October 1, 2006 - June 30, 2018
Federal-Aid Highway Program

MnDOT Value Engineering Studies (Pre-Construction)

	FFY 2008	FFY 2009	FFY 2010	FFY 2011	FFY 2012	Oct 1, 2012 to June 30, 2014	July 1, 2014 to June 30, 2015	July 1, 2015 to June 30, 2016	July 1, 2016 to June 30, 2017	July 1, 2017 to June 30, 2018
Number of VE Studies	7	8	9	11	8	13	10	16	4	5
Cost of conducting VE Study	\$162,000	\$560,000	\$610,000	\$611,000	\$344,000	\$634,000	\$463,000	\$865,000	\$252,908	\$286,579
Estimated Total Project Cost	\$ 105 M	\$ 1,229 M	\$ 444 M	\$ 914 M	\$ 243 M	\$ 923 M	\$ 397 M	\$ 817 M	\$122	\$447
No. of Proposed VE Recommendations	40	64	71	123	60	107	58	128	27	32
No. of Approved Recommendations	27	39	56	76	40	72	43	95	15	14
Recommendation Acceptance Rate (%)	68%	61%	79%	62%	67%	67%	74%	74%	56%	44%
Total Value of Proposed VE Savings	\$13.2 M	\$156.2 M	\$59.4 M	\$58.5 M	\$36.6 M	\$191.7 M	\$38.8 M	\$123.5 M	\$11.7 M	\$79.5 M
Savings from Approved Recommendations	\$4.36 M	\$98.25 M	\$51.78 M	\$30.52 M	\$26.47 M	\$60.1 M	\$17.29 M	\$78.36 M	\$9.9 M	\$44.8 M

Total Value of Approved Recommendations	\$421.83 M
Total cost to hold the VE studies	\$4.79 M
Return on Investment (ROI) = value of approved recommendations divided by cost to conduct VE studies	88 : 1
Total number of VE Studies over 10 years	91

Value Engineering Change Proposals (VECP)

Proposals Initiated By Contractor after award of construction contract. Cost split equally between MnDOT and Contractor. Only MnDOT savings are shown below.

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Number of Construction VECPs	12	9	7	6	5	5	8	6	3	10	
State Savings from construction VECPs	\$1,226,000	\$610,836	\$416,000	\$207,505	\$515,532	\$189,324	\$211,138	\$279,578	\$436,901	\$454,250	

Total VECP Savings (AFTER 50/50 split with Contractor)	\$4.55 M
Total Number of VECPs	72