

VE Guidance No. 3 (Value Engineering Studies on Maintenance Dredging Projects)

1. The purpose of this report is to provide addressees guidance on the requirement to do VE studies on maintenance dredging projects.

2. The requirement to do VE studies is based upon the following,

(1). Basic document which mandates a VE study on maintenance dredging projects:
Reference: Office of Management and Budget Circular No. A-131, subject: Value Engineering

Quote: Section 8. b.(2), "Dollar amount thresholds for projects/programs requiring the application of VE. The minimum threshold for agency projects and programs which require the application of VE is \$1 million..."

(2). Corps document which implements above quoted OMB circular No. A-131:
Reference: CEMP-EV memo dated 10 December 1993, subject: U.S. Army Corps of Engineers Value Engineering Program

Quote: Paragraph 2, "...The present VE study threshold of 2 million dollars for construction projects will be retained, but on all other VE applications the threshold will be lowered to 1 million dollars in accordance with the circular..."

(3). Corps document which mandates VE studies on maintenance dredging projects
Reference: CEMP-EV/CECW-E memo, undated, subject: FY 96 Civil Works Program Value Engineering (VE) Program

Quotes: Enclosure 1, Paragraph 2, "A formal VE study (defined as a team study) shall be performed on all construction projects with current working estimate (CWE) of \$2,000,000 and greater and on supply, service and operation & maintenance projects with CWE exceeding \$1,000,000..."

Enclosure 1, Paragraph 3, "...All navigation projects (including operation & maintenance) which fall within the limits specified in paragraph 2 above, will have formal VE studies performed..."

3. Guidance: In accordance with the above references all maintenance dredging projects with a CWE of \$1 million or above either will have a VE study performed or a waiver granted by Division. There are no exceptions. Violations to this guidance are regulatory in nature.