

Accompanying the second recommendation of the Office of the Inspector General (House, No. 103). State Administration.

The Commonwealth of Massachusetts

In the Year Two Thousand and One.

AN ACT DEFINING VALUE ENGINEERING.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 SECTION 1. Paragraph (b) of section 38A½ of Chapter 7 of  
2 the General Laws, as appearing in the 1998 Official Edition, is  
3 hereby amended after line 72 by inserting the following defini-  
4 tion: —

5 “Value engineering review”, a detailed, systematic analysis of a  
6 project design, conducted by a knowledgeable and competent  
7 designer or multi-disciplinary team of designers, to: evaluate pro-  
8 gram requirements, design concepts, construction techniques,  
9 building systems and materials; review construction cost estimates  
10 and calculate estimated life-cycle costs, and; recommend design  
11 changes that will produce a more cost-effective project by elimi-  
12 nating or modifying features that add cost to the facility but do not  
13 add to its quality, useful life, utility, or appearance.

1 SECTION 2. Section 38C of Chapter 7 of the General Laws, as  
2 appearing in the 1998 Official Edition, is hereby amended by  
3 inserting in line 3, after the words “design services” the  
4 following: — ,except value engineering,.

1 SECTION 3. Section 38H of chapter 7 of the General Laws, as  
2 so appearing, is hereby further amended after line 108 by inserting  
3 the following new paragraphs:—

4 (k) For any project with an estimated construction cost in  
5 excess of one million dollars the public agency shall require an  
6 independent qualified value engineering consultant to conduct

7 comprehensive value engineering reviews to analyze the proposed  
8 functions of the facility, evaluate the construction cost estimates,  
9 calculate estimated lifecycle costs, and develop recommended  
10 design changes that will produce a more cost-effective facility by  
11 modifying or eliminating features that add cost but do not add to  
12 the quality, useful life, utility, or appearance of the facility.

13 For any project with an estimated construction cost of more  
14 than one million dollars but less than ten million dollars, the  
15 public agency shall require a value engineering review of the con-  
16 ceptual design following the completion of the study and program  
17 for the project but prior to the acceptance of the study or program  
18 by the public agency. For any project with an estimated construc-  
19 tion cost of ten million dollars or more, the public agency shall  
20 require value engineering reviews of the conceptual design and of  
21 the schematic design prior to the acceptance by the public agency  
22 of the design deliverables at each of these phases.

23 The public agency shall evaluate each design change recom-  
24 mended in the value engineering review and prepare a written  
25 determination of its reasons for accepting, modifying, or rejecting  
26 the recommended design change.

27 For the purpose of this paragraph, "public agency" shall have  
28 the meaning as set forth in section thirty-nine A.

29 (1) The commissioner shall annually solicit qualifications from  
30 designers with demonstrated expertise in value engineering, eval-  
31 uate all applications on the basis of relevant qualifications and  
32 experience, and annually designate a pool of qualified value engi-  
33 neering consultants. A public agency, including any city or town,  
34 may select, without further competition, a qualified value engi-  
35 neering consultant from this pool to conduct value engineering  
36 reviews for a project.

1 SECTION 4. Section 38K of Chapter 7 of the General Laws, as  
2 appearing in the 1998 Official Edition, is hereby amended by  
3 adding the following subsection:—

4 (f) Any city, town or other public agency may contract for  
5 value engineering services with any designer selected as a quali-  
6 fied value engineering consultant by the division of capital asset  
7 management and maintenance.