

**BUREAU OF RECLAMATION, DEPARTMENT OF THE INTERIOR
FISCAL YEAR 1997
ANNUAL VALUE (ENGINEERING) PROGRAM REPORT**

PART I.

Name, Title, Address and Phone Number of Agency Senior Official Responsible for Value Program (VE):

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Agency Value Program (VE) Expenditures (\$'s Invested in VE activities this fiscal year): \$ 1,159,930

Dollar Share of Savings Provided to Contractors: \$ 0 (Through VECP program)

Dollar Thresholds for each Value Program (VE) category (if different from \$1 million):

Construction related features are studied (unless waived for cause) if their dollar threshold exceeds \$500,000
 Non-construction related features are considered for study if the feature change exceeds the threshold \$1,000,000.

TOTAL RECLAMATION NET LIFE-CYCLE COST SAVINGS ATTRIBUTABLE TO VALUE PROGRAM (VE):

A. Summary of cost savings and avoidances reported by category (See B, below):

<u>Cost Savings</u>		<u>Cost Avoidance</u>		<u>Total Savings+Avoidance</u>		<u>Grand Total In-house + Contractor Savings+Avoidance</u>
<u>In-House</u>	<u>Contractor</u>	<u>In-House</u>	<u>Contractor</u>	<u>In-House</u>	<u>Contractor</u>	
13,267,468	0	0	0	13,267,468	0	13,267,468

B. Total Reclamation Value Program (VE) Net Life-Cycle Cost Savings and Cost Avoidances by Category:

Category

	<u>Cost Savings</u>		<u>Cost Avoidance</u>		<u>Total Savings+Avoidance</u>		<u>Grand Total In-house + Contractor Savings+Avoidance</u>
	<u>In-House</u>	<u>Contractor</u>	<u>In-House</u>	<u>Contractor</u>	<u>In-House</u>	<u>Contractor</u>	
1. Acquisition	0	0	0	0	0	0	0
2. Administrative	0	0	0	0	0	0	0
3. Other (specific features)							
a. Construction							
Activities	13,267,468	0	0	0	13,267,468	0	13,267,468
b. Operations and							
Maintenance	0	0	0	0	0	0	0
c. Grants and							
Loans	0	0	0	0	0	0	0

C. Steps Reclamation has taken to validate the reported cost savings, whether through IG audit or other measures:

Reclamation uses cost estimating personnel on all studies, VECP analyses, and other VE related activities to determine the most appropriate cost savings and/or avoidance estimates. Design teams then review the data and make specific estimates for the final determination of the accepted recommended savings and/or avoidance. The resulting figures are subject to spot review and verification by the Program Coordinator, Program Manager, and IG audit.

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<u>Item #</u>	<u>PROJECT TITLE</u>	<u>VE Program Expenditures</u>		<u>Cost Savings</u>		<u>Cost Avoidance</u>		<u>Validation Method*</u>
		<u>In-House</u>	<u>Contractor</u>	<u>In-House</u>	<u>Contractor</u>	<u>In-House</u>	<u>Contractor</u>	
1	BOR/UC/Lost Creek Dam Modification/Final Design	\$20,000		\$0				Standard
2	BOR/UC/Jordanelle Gate Chamber Modification	\$1,000		\$5,462,000				Standard
3	BOR/UC/Deer Creek State Park, Reporting Region:, Facility Improvem	\$2,000		\$14,654				Standard
4	BOR/PN/PN OfficeSpace Mangement Plan	\$15,000		\$814,300				Standard
5	BOR/PN/Stanfield Branch Furnish Canal Modification	\$18,000		\$888,600				Standard
6	BOR/PN/230-KV Power Distribution System/Block	\$18,600		\$0				Standard
7	BOR/PN/McKay Dam Modifications (SOD)	\$25,000		\$1,156,500				Standard
8	BOR/MP/Bradbury Dam Modification, Stage 1	\$25,000		\$1,995,000				Standard
9	BOR/MP/Friant Dam Spillway Modification	\$24,000		\$0				Standard
10	BOR/MP/Folsom Dam Spillway Stilling Basin Rehab	\$25,000		\$2,886,414				Standard
11	BOR/MP/Newman Canal and J Lateral Refuge Water Supply	\$25,000		\$0				Standard
12	BOR/MP/Marble Bluff Dam - Fish Passage Facilities Modifications	\$25,000		\$50,000				Standard
13								Standard
14								
15								
16								

(*Validation listed as "standard" are verified as described in Part I.B.)

Description of Quality or other Non-Quantifiable Improvements of Note:

<u>Item #</u>	<u>PROJECT TITLE</u>	<u>DESCRIPTION NOTE</u>
	General notation	Projects showing no savings or avoidance had benefits that were difficult to quantify and had added nonmonetary benefits identified.

PART III. (DETAILED LISTING OF ALL VALUE PROGRAM PROJECTS WITH CONFIRMED SAVINGS IN REPORTING FY)

Because this part provides data for projects studied in excess of 20, the data Part II provides all required information.

SUMMARY OF ALL APPORTIONED SAVINGS FOR RECLAMATION

	From 94 Report	From 95 Report	From 96 Report	1997	1998	1999	2000
	1994	as amended (96)	as amended(97)				
1. Cost Savings	18,211,604	6,881,100	12,375,702	13,267,468	0	0	0
2. Cost Avoidance	1,628,000	4,254,500	6,851,835	0	0	0	0
3. Dollar Share of Savings Provided to Contractors	206,583	297,900	49,265	0	0	0	0
4. Value Program Expenses Attributable to these PPA's	Proj Related: 377,000	554,739	454,432	647,700	0	0	0
(Including a pro rata share of Salary/Expenses)	Program/FY: <u>286,000</u>	<u>429,461</u>	<u>576,000</u>	<u>512,230</u>	<u>0</u>	<u>0</u>	<u>0</u>
	Expenses Sum: 663,000	984,200	1,030,432	1,159,930	0	0	0
	Estimated ROI: 29.9	11.3	18.7	11.4			

96 report estimate of savings reduced \$500,000 due to new information after report was submitted to OMB

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PART IV. (INTERIOR SPECIFIC REPORTING PORTION FOR REPORTING FY)

A. For the reporting year, in each bureau or office, number of projects subject to study under 369-DM-1.

	<u>Subject and Available</u>	<u>Studied</u>	<u>Formally Waivered</u>	<u>Not Studied- Unaddressed</u>	<u>Percent Studied</u>	<u>Percent Waivered</u>	<u>Percent Unaddressed</u>
1. In the threshold range of under \$1,000,000 to \$500,000.	6	1	3	2	16.67%	50.00%	33.33%
2. In the threshold range of \$1,000,000 or more (PL 104-106).	28	21	3	4	75.00%	10.71%	14.29%
3. Nonconstruction related (PPA).	Not Req'd	3	Not Req'd	Not Req'd	Not Req'd	Not Req'd	

B. For the reporting year, in each bureau or office, dollar amounts for subject to study under 369-DM-1.

	<u>Subject and Available</u>	<u>Studied</u>	<u>Formally Waivered</u>	<u>Not Studied- Unaddressed</u>	<u>Percent Studied</u>	<u>Percent Waivered</u>	<u>Percent Unaddressed</u>
1. In the threshold range of under \$1,000,000 to \$500,000.	4,284,899	600,000	2,556,000	1,128,899	14.00%	59.65%	26.35%
2. In the threshold range of \$1,000,000 or more.	266,192,511	244,896,692	9,617,000	11,678,819	92.00%	3.61%	4.39%
3. Nonconstruction related (PPA).	Not Req'd	65,933,692	Not Req'd	420,000,000 Budget	Not Req'd	Not Req'd	15.70%

C. For the reporting year, in each bureau or office, maximum possible estimated cost savings and avoidances by Category:
study report available

D. In each bureau or office, number of personnel:

<u>SAVE CVS's</u>	<u>Trained this FY</u>		<u>Trained in Prior 5 Years (excl this FY)</u>		<u>Total Trained in Last 6 Years</u>		<u>Total VE Trained in 6 Yr Period</u>	<u>Total Yr-end Personnel in Bureau/Office</u>	<u>Estimated Percent Trained</u>
	<u>Certified</u>	<u>Other</u>	<u>Certified</u>	<u>Other</u>	<u>Certified</u>	<u>Other</u>			
1	11	64	154	128	165	192	357	6,141	5.81%