

**174.15 DEFINITIONS.**

Subdivision 1. **Scope.** For the purposes of sections 174.14 to 174.17, and unless a different meaning is indicated by the context, the terms defined in this section have the meanings given them.

Subd. 2. **Construction project.** "Construction project" means any state construction project undertaken by the Department of Transportation.

Subd. 3. **Value analysis.** "Value analysis" means the systematic and creative functional analysis of construction projects, specifications, standards, practices and procedures for the purposes of identifying and eliminating unnecessary costs by developing modifications which satisfy required functions of a project for the lowest cost in a manner consistent with requirements for performance, reliability, quality and maintainability.

Subd. 4. **Value engineering proposal.** "Value engineering proposal" means a formal written proposal with supporting documentation. A value engineering proposal shall be developed by application of value analysis principles, shall be documented by a contractor or subcontractor pursuant to the provisions of the construction contract, and shall suggest one or more changes in the construction project, specifications, standards, practices, or procedures which would result in direct and immediate net savings in terms of reducing the costs of the construction contract.

**History:** 1977 c 251 s 2