



City Of Richmond, Virginia
Office of the City Clerk

Request to Withdraw Legislation

Paper Number: Ord. 2024-032

Chief Patron: Mayor Levar Stoney

Introduction Date: January 22, 2024

Chief Patron Signature:  02/08/2024

For Office Use Only

Attestation: _____

Effective Date: February 9, 2024

INTRODUCED: January 22, 2024

AN ORDINANCE No. 2024-032

To repeal City Code § 2-239 of the Code of the City of Richmond, concerning value engineering, for the purpose of removing the requirement for value engineering for projects costing more than \$5,000,000.00.

Patron – Mayor Stoney

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: FEB 26 2024 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That section 2-239 of the Code of the City of Richmond (2020), as amended, be and is hereby **repealed** as follows:

~~[Sec. 2-239. Value engineering.~~

~~(a) Definitions. For purposes of this section:~~

~~(1) "Project" means a capital project set forth in the City's capital improvement program.~~

~~(2) "Value engineering" means a systematic process of review and analysis of a project by a team of persons not originally involved in the project to offer suggestions~~

AYES: _____ NOES: _____ ABSTAIN: _____

ADOPTED: _____ REJECTED: _____ STRICKEN: _____

that may improve project quality and reduce total project cost by combining or eliminating inefficient or expensive parts or steps in the original proposal or by totally redesigning the project using different technologies, materials, or methods.

~~(b) — *Requirement.* The City department or other agency identified in the Mayor's most recently proposed capital improvement program as the department responsible for a particular project shall ensure that the value engineering process set forth in the most recent edition of the Commonwealth of Virginia Construction and Professional Service Manual is employed for any such project costing more than \$5,000,000.00 after the completion of the preliminary design phase but before the commencement of the final design phase. Value engineering may also be used for any project costing \$5,000,000.00 or less. For purposes of this section, the cost of a project includes the total value of all phases or other parts of a project without regard to the manner in which those phases or other parts are set out in the capital improvement program. The team of persons that engages in value engineering for a project shall include appropriate professionals licensed in accordance with Code of Virginia, tit. 54.1, ch. 4.~~

~~(c) — *Report.* The review developed pursuant to subsection (b) of this section shall be compiled in a value engineering report and submitted to the Chief Administrative Officer or the designee thereof. Each item included in the value engineering report shall have a status designation of accepted, declined, or accepted as modified. The Chief Administrative Officer or the designee thereof, within 45 days, must approve the value engineering report and submit a copy of the approved value engineering report to the City Council before the project may move to the next phase of design.~~

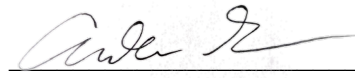
~~(d) — *Exceptions to Requirement.* A value engineering report shall not be required for projects that (i) are designed utilizing either the design-build or construction management at risk~~

~~basis, (ii) have the value engineering process as an integral component, or (iii) involve the construction of or improvements to transportation infrastructure, utility infrastructure, or utility facilities unless the Chief Administrative Officer otherwise requires such a report. In such cases, a written summary of the cost savings that have been incorporated into the design shall be provided to both the Chief Administrative Officer or the designee thereof and the City Council prior to moving forward to the construction phase of the contract. In addition, a value engineering report shall not be required for projects to construct or repair a public way as defined in Section 24-1 unless a federal or state law or regulation or the Chief Administrative Officer requires a value engineering report.~~

~~(e) *Waiver of Requirement.* The City Council, by resolution, may waive the requirements of this section for any proposed project for compelling reasons. The resolution must state the reasons for the waiver and apply only to a single project.]~~

§ 2. This ordinance shall be in force and effect upon adoption.

APPROVED AS TO FORM:



City Attorney's Office



City of Richmond

900 East Broad Street
2nd Floor of City Hall
Richmond, VA 23219
www.rva.gov

Master

File Number: Admin-2023-2081

File ID: Admin-2023-2081

Type: Request for Ordinance or Resolution

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In Control: City Clerk Waiting Room

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Patron(s):

Enactment Date:

Attachments: Admin-2023-2081 WD Ordinance Repeal Ord 2019-118 - AATF

Enactment Number:

Contact:

Introduction Date:

Drafter: Adam.Hohl@rva.gov

Effective Date:

Related Files:

Approval History

Version	Seq #	Action Date	Approver	Action	Due Date
1	1	12/20/2023	Robert Steidel	Approve	12/21/2023
1	2	12/20/2023	Adam Hohl - FYI	Notified - FYI	
1	3	12/21/2023	Jeff Gray	Approve	12/21/2023
1	4	12/21/2023	Lincoln Saunders	Approve	1/1/2024
1	5	1/18/2024	Mayor Stoney	Approve	1/8/2024

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:

Text of Legislative File Admin-2023-2081

City of Richmond

Intracity Correspondence

O&R Transmittal

DATE: December 6, 2023

TO: The Honorable Members of City Council

THROUGH: The Honorable Levar M. Stoney, Mayor

THROUGH: J.E. Lincoln Saunders, Chief Administrative Officer

FROM: Robert Steidel, Deputy Chief Administrative Officer

RE: Repeal [Ord 2019-118 <https://richmondva.legistar.com/LegislationDetail.aspx?ID=3927651&GUID=496340DC-568E-41E2-A2E2-252EC3EBCAD6&Options=ID|Text|&Search=value+engineering>](https://richmondva.legistar.com/LegislationDetail.aspx?ID=3927651&GUID=496340DC-568E-41E2-A2E2-252EC3EBCAD6&Options=ID|Text|&Search=value+engineering) Pertaining to Value Engineering

ORD. OR RES. No.

PURPOSE: To repeal [Ord 2019-118 <https://richmondva.legistar.com/LegislationDetail.aspx?ID=3927651&GUID=496340DC-568E-41E2-A2E2-252EC3EBCAD6&Options=ID|Text|&Search=value+engineering>](https://richmondva.legistar.com/LegislationDetail.aspx?ID=3927651&GUID=496340DC-568E-41E2-A2E2-252EC3EBCAD6&Options=ID|Text|&Search=value+engineering), which created section 2-239 of the Code of the City of Richmond, concerning value engineering (VE), for the purpose of requiring value engineering for projects costing more than \$5,000,000.00.

BACKGROUND: Richmond City Council adopted [Ord 2019-118 <https://richmondva.legistar.com/LegislationDetail.aspx?ID=3927651&GUID=496340DC-568E-41E2-A2E2-252EC3EBCAD6&Options=ID|Text|&Search=value+engineering>](https://richmondva.legistar.com/LegislationDetail.aspx?ID=3927651&GUID=496340DC-568E-41E2-A2E2-252EC3EBCAD6&Options=ID|Text|&Search=value+engineering) in 2019, which required that the value engineering process set forth in the most recent edition of the Commonwealth of Virginia Construction and Professional Services Manual is employed for any such project costing more than \$5,000,000 after the completion of the preliminary design phase but before the commencement of the final design phase. The ordinance further stipulates that the Chief Administrative Officer must approve the value engineering report, in addition to submitting to City Council, before the project may move to the next phase of design.

This ordinance was adopted by a previous city council to provide a report that has not historically been used, but has been provided as directed. The process adopted in Richmond City Code exempts VE from all project delivery methods except design, bid and build (DBB). A VE is standard best practice for DBB. Code states that project delivery by design / build (DB) and construction management at risk

(CMAR) are exempt from VE because these project delivery methods used by the city “have the value engineering process as an integral component”.

This code section regarding Value Engineering does not show up in the current Municode online which indicates Section 2-239 is reserved, but the legislation is found in a search in Legistar.

COMMUNITY ENGAGEMENT: While specific community engagement has not been conducted regarding the potential repeal of this section of City Code, the intent of this ordinance is to further enhance and strengthen the quality of capital project delivery by eliminating unnecessary reporting. Further, in coordination with the Finance & Administration portfolio and the Office of Strategic Communications, the agencies responsible for capital project management commit to proactively engaging the public on project delivery methods via the City website, social media, community meetings, and other best practices as prescribed by project management standards.

STRATEGIC INITIATIVES AND OTHER GOVERNMENTAL: Efficient & High Quality Service Delivery; Responsive, Accountable, and Innovative Government.

FISCAL IMPACT: Repeal of this section of code is expected to have a positive fiscal impact in eliminating a redundant reporting requirement for staff.

DESIRED EFFECTIVE DATE: Upon adoption.

REQUESTED INTRODUCTION DATE: January 8, 2024

CITY COUNCIL PUBLIC HEARING DATE: January 22, 2024

REQUESTED AGENDA: Consent

RECOMMENDED COUNCIL COMMITTEE: Finance and Economic Development

AFFECTED AGENCIES: Public Works, Public Utilities, Parks Recreation and Community Facilities, and Budget and Strategic Planning

RELATIONSHIP TO EXISTING ORD. OR RES.: [Ord 2019-118](https://richmondva.legistar.com/LegislationDetail.aspx?Ord=2019-118)
[https://richmondva.legistar.com/LegislationDetail.aspx?](https://richmondva.legistar.com/LegislationDetail.aspx?Ord=2019-118)

[ID=3927651&GUID=496340DC-568E-41E2-A2E2-252EC3EBCAD6&Options=ID|Text|&Search=value+engineering>](#)

ATTACHMENTS:

STAFF: Robert Steidel, DCAO Operations, 804-646-1378