

USEPA/USACE Liaison Report

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USEPA/OSRTI
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Value Engineering Review Team

- **Purpose:**
 - Limited to Fund-lead RDs
 - Design review conducted to:
 - verify validity of current design approach
 - consider opportunities to save costs
 - ensure design will incorporate best design and construction practices from previous Superfund projects
 - Design review will also include VE screen and study efforts.

Value Engineering Review Team

- **Process:**

- Team generally begins its work upon receipt of preliminary (30%) RD
- Will try to work within a review schedule coordinated with EPA Region (e.g., within 30 days of receipt of design documents if possible)



Value Engineering Review Team

- **Review:**
 - Focuses on engineering aspects of the design
 - VE team:
 - Reviews documents
 - Meets at/near the site
 - Contacts RPM and designer if necessary
 - Develops list of recommendations
 - Prepares draft report with recommendations and sends it to the RPM within two weeks of the review meeting if possible

Value Engineering Review Team

- **Review (cont'd)**
 - For small projects:
 - Team leader offers to hold a conference call with the RPM before report is considered final
 - For large projects:
 - Team leader offers to meet with the RPM before report is considered final
 - Final report documents recommendations



Value Engineering Review Team

- **Current VE review team members:**

- Construction:

- Tim Gallagher (primary) USACE Baltimore District 484-356-4312
- Jim Harbert (alternate) USACE Baltimore District 570-895-7052

- Rapid Response:

- Wally Shaheen (primary) USACE Omaha District 402-293-2517
- Mark Herse (alternate) USACE Omaha District 402-293-2560

- Site Investigation/Technical:

- Curtis Peyton (primary) USACE Sacramento District 916-557-7431
- Jim Martell (alternate) USACE Tulsa District 918-669-7171

- Value Engineers:

- Two retired certified VE specialists to be named (one to be used per each review)

- EPA HQ's staff familiar with Superfund remedial process.

- Ed Hanlon OSRTI 703-603-9069



Value Engineering Review Team

- **Site/Project Selection:**
 - Projects selected in coordination with Regions; EPA Regional use of team is discretionary
 - EPA HQ's will identify sites based on review of the following prioritization factors:
 - List of Fund-lead remedial design projects slated for design sorted by cost (using CERCLIS)
 - Projects scheduled to be reviewed by EPA's Prioritization Panel
 - Projects that have been 'shelf designs' (i.e., projects that are at 100% RD stage, but not yet approved for funding)
 - Regional preferences



Value Engineering Review Team

- **Funding/Costs:**
 - Approximately \$40K per review
 - First ten or so designs reviewed by USACE design review team will be initially funded through the existing HQ IAG with USACE
 - Future funding beyond the initial ten RD reviews will be determined at a later date

VE Screen

- Identifies potential cost-effective recommendations or alternatives to design components where appropriate
- Focuses on review of high cost items or repetitive work items, and assesses whether a lower cost material or item that serves the same function of the design component could potentially be substituted into the design

VE Screen

- VE is different from routine design reviews
 - Design reviews concentrate on whether the design works, is sufficiently reliable, and meets the designer's contractual obligations
 - VE focuses on reducing the investment necessary to achieve those functions, and identifying potential cost-effective recommendations or alternatives to design components where appropriate



VE Screen

- During VE review, if any technical errors or omissions are identified, the VE team will alert the designer so that these problems can be addressed
- Items that indicate a potential cost savings and which warrant further VE analysis are identified by the team for VE study

VE Study

- Items identified in VE screen are analyzed to identify potential alternatives to design components which appear to offer significant cost savings or functional improvements
- VE Study results submitted to EPA as draft recommendations (i.e., EPA considers whether to accept the recommendations)



VE Study

- VE Study team is comprised of the same members of the VE screen team
- Draft VE report sent to EPA within 30 days of receipt of design documents, if possible



VE Study

- Final report submitted to RPM. Report contains:
 - Findings and recommendations of the study
 - Estimated cost savings of each recommendation
 - Summary of potential changes to the design associated with implementation of any elements of the VE study
- RPM:
 - Prepares written response with reasons for accepting or rejecting each VE recommendation

Five Year Reviews

- USACE available to conduct Five Year Reviews for EPA Regions upon Regional request
- No charge to Region; funding comes out of HQ IAG with USACE (+/- \$30K per ea.)
- So far, USACE is performing FYRs for all but Regions 3, 5 and 10
- Regions should contact Ken Skahn if interested

IG Review of How EPA Manages USACE IAGs

- IG started its review of EPA/USACE IAGs in July 2006
- IG visited R1, R2 and R3 over the summer and fall 2006, and has held several conference calls and meetings with OSRTI staff
- IG has not yet indicated whether or not it will submit a report



IG Review of How EPA Manages USACE IAGs

- **IG identified several potential concerns during conference calls:**
 - Regions need to improve and document cost estimates/differences for use of USACE vs. RAC contractors
 - EPA upper management in Regions should be involved in selection of USACE vs. RAC contractors for work at sites

IG Review of How EPA Manages USACE IAGs

- **IG concerns (cont'd)**
 - Need to improve EPA monitoring of USACE costs once the IAG is signed between EPA/USACE
 - USACE monthly reports are not consistent, sufficiently detailed, or submitted in a timely manner (i.e., reports should be submitted before EPA/USACE payment for work occurs)



IAG Closeouts

- USACE and EPA have developed guidelines on USACE/EPA IAG closeout procedures
 - Guidelines outline timelines and process necessary to provide for the final financial closeout action of an EPA Superfund IAG in the EPA and USACE accounting systems
 - A draft copy will soon be sent out for your review
- If closeout efforts are to continue beyond the IAG expiration date, the IAG period of performance must be extended.

IAG Closeouts

- EPA policy is to close out all IAGs within 270 days after project period expires
- If an IAG cannot be financially closed at the present time, excess funding should be identified so the IAG can be amended to deobligate/return funds to EPA

EPA Superfund IAG Feedback Report

- 2nd annual survey of RPMs commenced in late December; RPM feedback requested by January 15th
 - Similar to the RPM survey that occurred during 2005
 - See handout with 2006 Feedback Report results
- Purposes:
 - Documents EPA's satisfaction with USACE work at sites
 - Helps identify consistent issues occurring at sites
 - USACE seriously considers EPA responses, and results help drive changes that could improve performance

EPA Superfund IAG Feedback Report

- Sent only to RPMs who are managing new or existing IAGs with USACE where the work exceeds \$100,000
- Separate performance evaluation request is to be sent out to all RPMs who managed an IAG where USACE prepared a five-year review report for EPA

USEPA - USACE Superfund Partnership Website

- Contains information on USACE support to EPA's Superfund program, including:
 - USACE guidance
 - Memorandum of Understanding (MOU)
 - IAG Management
 - Used Government Equipment
 - Value Engineering
 - Five Year Reviews
 - USACE Technical Support
 - Lessons Learned
 - Other information
- See <http://hq.environmental.usace.army.mil/epasuperfund/index.html>