

TO: The HDA Partners  
FROM: Peter Simmons & Mathew Cicero  
SUBJECT: Value Engineering (VE) Summary  
PROJECT: State Pier Infrastructure Improvements-New London  
DATE: October 30, 2020

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The JTC completed the cost reduction VE exercise in an effort to reduce project costs with the existing project budget as specified by the HDA of \$157 Million. The current reconciled 60% design estimate budget is \$211,000,000. Nine (9) possible VE items were identified by the project team for an estimated average total value of \$33.5 million. The VE effort fell short of closing the gap of the project costs. Of the Nine (9) VE items only two (2) were agreed to by both The Authority and NEO for an estimated value of \$875,000.00. The JTC is presenting these Nine (9) VE items with the associated analyses to the Partners for consideration.

The VE items are as follows.

- VE #1** – Delete Anodes – Average Estimated Value (AEV) \$4,528,365.00  
Opposed by CPA – added maintenance cost to the CPA.
- VE #2** – Reduced Dredge Depth at East Birth – AEV \$4,010,306.00  
Opposed by NEO – added cost before install can begin.
- VE #3** – Excess Dredge Disposal – AEV \$147,800.00  
Acceptable by both parties.
- VE #4** – Delete Geogrid and Stone Pad at East Berth – AEV \$8,897,080.00  
Opposed by NEO – added cost before install can begin.
- VE #5** – Not Used
- VE #6** – Delete Bulkhead Encapsulation Concrete at NE Bulkhead and South Closure Bulkhead – AEV \$6,518,248.00  
Opposed by CPA – Additional Maintenance Cost for CPA
- VE #7** – Replace South Bulkhead Closure with Slope and Revetment Stone – AEV \$6,832,924.00  
Opposed by CPA – Additional Maintenance and Future Construction Cost Burden.  
JPA impact.
- VE #8** – Delete Toe Wall North of East Berth – AEV \$1,811,812.00  
Opposed by CPA – Shortens Berthing Area for Deep Draft Vessels Adjacent to State Pier  
Acceptable to NEO pending confirmation from vessel operators.  
Minor JPA Impact
- VE #9** – Reduce Future Dredge Depth at South Berth – AEV \$726,721.00  
Acceptable by both parties.

The JTC has assessed these issues as far as they can. The JTC requests the partners review these items and attempt to find some resolution beyond the two (2) VE items which are currently agreed upon.