

# Life Cycle Cost Analysis



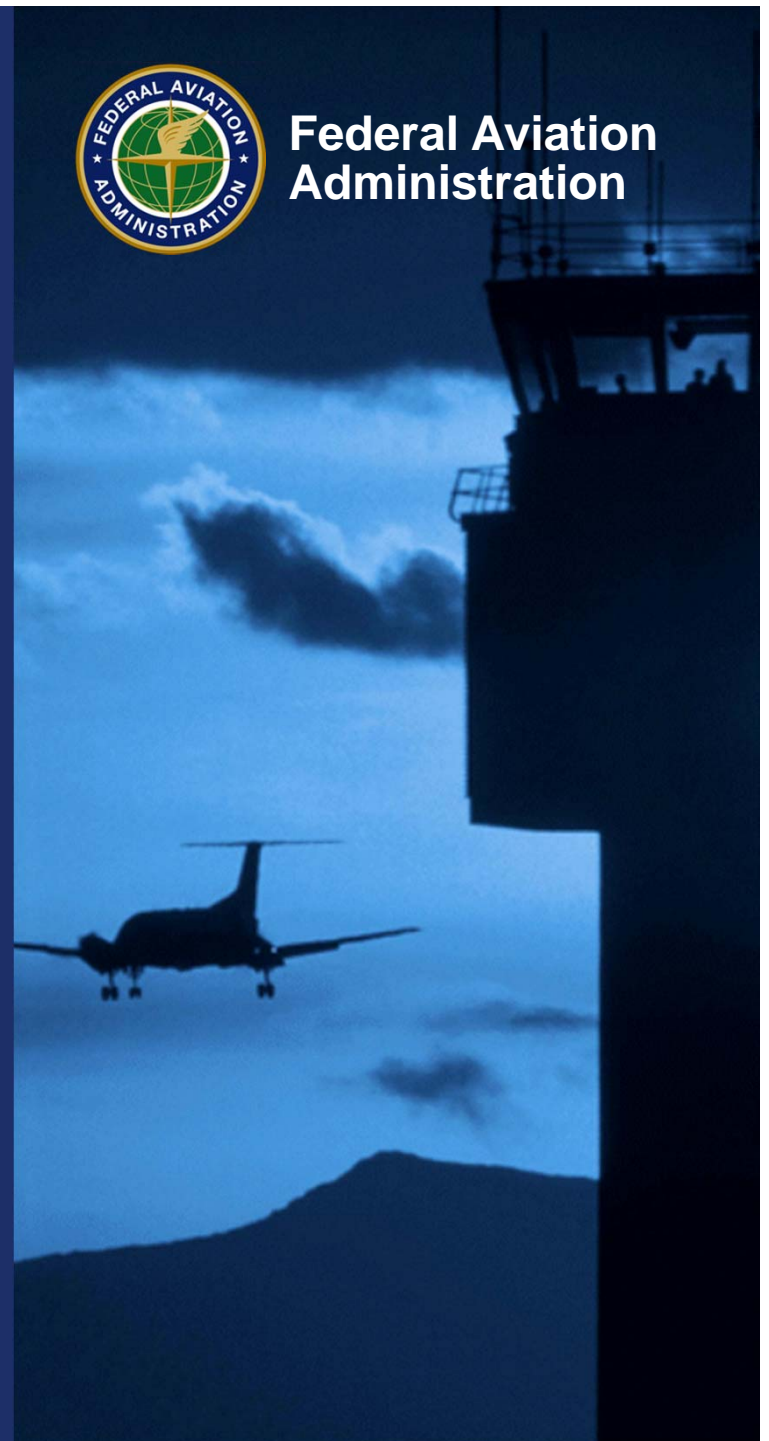
♦2011-IESALC  
♦Wilmington, NC

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Federal Aviation  
Administration



# AIP Requirements

- Detailed in AIP Handbook, Paragraph 910
- AIP Handbook is available on line at <http://www.faa.gov/airports/aip/>
- Life Cycle Analysis is done by the bidders and all requirements are included in the Invitation for Bids.

# Life Cycle Issues

- **Warranty Period**
- **Discount Rate**
- **Life of Improvement**
- **Equipment Optimization/Technical Performance Issues**
- **What gets replaced**
- **Misunderstandings in how life cycle is used**
- **Requirements for FAA Approval**