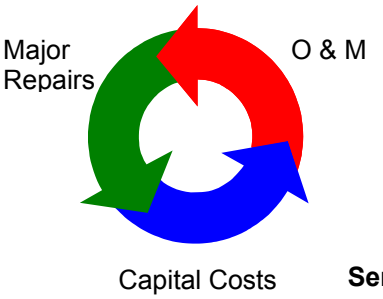
LIFE CYCLE COSTING
FOR FACILITY PROJECTS



A three day seminar for people who make significant, high risk decisions about the cost and management of complex projects

Date: TBD
Location: TBD

KIRK

Seminar Leaders: Stephen J. Kirk, Ph.D., FAIA, LEED™AP
and David R. Sherwood

Seminar Description

Budget pressures, worldwide business competition and the relentless need to improve productivity in the public and private sectors have increased the strain on people who make significant, high-risk decisions about the cost and management of complex projects. All too often choices are made solely on the basis of initial, up-front costs without ever considering the total costs of a project from beginning to end.

In this seminar participants learn to use a valuable, analytical tool to assess the real, long-term costs of projects. Because life cycle costing takes into account the significant costs associated with the project (e.g., energy usage, raw materials, cost of money and labor), the useful life and replacement costs of the equipment and materials and the salvage value of what is left at the end of the project, it takes a holistic view of projects and requires descriptive project data and reasonable cost estimates. Participants will actually prepare the life cycle cost analyses of a complex construction project, public or private service activity and the production costs of a high volume product.

By the end of the seminar, attendees will be able to:
- Identify projects and study areas susceptible to LLC analyses.
- Assist decision-makers choose cost effective solutions to complex problems.
- Save 10 to 30% of estimated project costs.
- Use LCC techniques as a part of value engineering studies.
- Use a computer to calculate life cycle costs.
- Perform risk analyses using probability and sensitivity analyses.
- Prepare life cycle costs following ASTM and OMB Circular A-94 and A-131 procedures.

Certificate

Upon completion of the seminar, each participant will be awarded a certificate of completion.

Introduction to LCC
- LCC history and current usage
- LCC logic/methodology/terminology
- ASTM & OMB A-94 and A-131 requirements

Fundamentals of LCC
- Time value of money
- Basic equivalence approaches
- Annualized method calculations
- Present worth method calculations

Economic Analysis
- Types of economic analysis
- Payback period
- Return on investment
- Savings to investment ratio
- Comparison of LCC analysis to VM

Estimating Life Cycle Costs
- Initial Costs
- Future costs: (e.g.) energy, maintenance, repair, custodial, alteration, replacement, marketing
- Salvage values

Economic Risk Assessment
- Range of probable values
- Confidence index approach
- Sensitivity analysis approach
- Probabilistic approach

Conducting an LCC Study
- Identifying economic criteria
- Generating alternatives
- Evaluating LCC and benefits
- Using LCC worksheets with case studies

Special Topics
- Risk assessment
- LCC relationship to VM studies
- LCC computer lab
- Sources of LCC Data
- LCC and management considerations
- Selecting study areas for life cycle costing

REGISTRATION FORM: LIFE CYCLE COSTING

Check the appropriate boxes:

☐ **Individual: $300**

☐ **Detroit, Michigan**

☐ **Send more information about life cycle costing and value management**

Send this form with your check to:
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Name (Will be used on certificate)

Name of Company, Agency or Institution

Preferred Mailing Address

City/State/Zip

/
Phone during office hours Fax Number

E-mail

The Instructors

Stephen J. Kirk, PhD, FAIA, LEED™AP has a diversified background in facility economics, administration of VM programs and evaluation of business and technological projects. Prior to forming KIRK Associates, LLC, he served as Vice President for a large design engineering and program management firm. He has over 20 years of experience devoted exclusively to LCC and VM. Recently the American Institute of Architects recognized Steve for his contributions to architecture and LCC by electing him to the prestigious College of Fellows. Dr. Kirk, a life certified value specialist and a registered architect, currently serves as immediate past president of SAVE International (VE society). He received his doctorate in architecture from the University of Michigan specializing in life cycle costing and computer simulation.

Author of 7 books on LCC and VM, including the new text for this course, Dr. Kirk has also taught courses at Catholic University, University of Michigan, Lawrence Technological University, King Saud University in Saudi Arabia and Yarmouk University as a Senior Fulbright Scholar.

He has personally led over 400 LCC/VM studies of corporate office and research facilities, retail stores, hospitals, manufacturing plants, military installations and projects involving environmental, transportation and civil engineering issues.

Examples of Dr. Kirk's experience include:
LCC/VM study: Bronx criminal courthouse complex,
VM program: United Technologies Corporation
VM program: Kmart Corporation
LCC/VM study: Casino and hotel complex, Sydney, Aus.
LCC studies: General Motors Corporation
LCC/VM study: Corrections facility, Los Angeles, CA
LCC/VM study: FBI computer offices, West Virginia
LCC/VM study: Alternate solids project, Louisville, KY
VM study: Facilities master planning, NASA, MD

David R. Sherwood is a Principal with KIRK Associates and routinely is involved in LCC and VM studies. He has over 28 years of project management experience with federal and state government, 4 years in a Connecticut planning agency, 5 years as a foreign service reserve officer in Africa, the Caribbean and Washington, D. C. and almost 20 years in senior administrative positions with the federal judiciary. He uses his strategic planning, problem solving and negotiation skills to foster institutional change and creative workflow processes. Currently Mr. Sherwood is involved in a variety of LCC & VM projects with Dr. Kirk.

Registration

Advance registration is required and must be accompanied with payment. Fee includes LCC text ($50 value), LCC software, refreshment breaks, lunch and certificate.

Cancellation Policy
Full refund is notice is received more than 15 business days before classes; $50 fee if received 5-15 business days before classes, and no refund if received any closer to the beginning of the seminar.

Text: *Life Cycle Costing For Facilities*, by Dr. Stephen Kirk & Alphonse Dell'Isola, RS Means Company, 2003
Time: 8:00 - 5:00

KIRK Associates, LLC, is a leader in value management project applications and training and specializes in:

- Strategic Value Planning/ PRECiSE
- Life Cycle Cost Analysis
- Value Management Workshops
- Budget Cost Modeling and Cost Management
- Risk Modeling and Mitigation Analysis
- Program Value Management