



The Portland Cement Association and the American Concrete Pavement Association supports the view that “*all possible and proper measures be taken to ensure the tax payers of this country that they are receiving full value of every highway dollar spent.*” This view was expressed clearly by the American Association of State Highway Officials (AASHO), the forerunner of AASHTO, in the context of the early years of Interstate highway construction and full-value return on the investment remains a fundamental principle advocated by the cement and concrete industry to this day.

In this challenging economic climate, and in the face of more than a decade of severe underinvestment in our nation’s infrastructure, life cycle cost analysis (LCCA) can be a supportive measure to achieve this full-value return on investment.

LCCA is a proven economic analysis technique, based on well-founded economic principles that are taught in Economics and Civil Engineering programs at the University level throughout the United States. It is a tool for evaluating the long-term economic efficiency between competing alternate options. In the highway context, LCCA is typically used as a means to evaluate and then compare the cost to an agency of any number of alternates, including options for pavements, bridges or other major infrastructure investments. When performed thoroughly and correctly, LCCA will identify a best value solution with the desired performance at the lowest cost over the long-term. LCCA has also been applied successfully in the context of highway decision-making for over half a century.

For these reasons, the cement industry supports Rep. Stauber’s amendment number 48, which underscores the benefits of LCCA. Its embrace will not only provide states with a greater understanding of the full cost of a project, it will also enable more accurate planning and improved asset management.

The highways and bridges built today must last for generations to come. For that to happen, the full cost of a project – taking into account its entire life cycle – must be factored into the decision-making process. While initial project costs are significant drivers of decisions, future costs are equally important to understand when making project decisions. In fact, future costs, including maintenance, can often amount to more than fifty percent of a project’s total cost.

The cement and concrete industry reiterate our support for the use of life-cycle cost analysis as a means to make certain good use of federal funds and stretching limited resources, helping “*ensure the tax payers of this country that they are receiving full value of every highway dollar spent*”. We sincerely hope you will support Stauber amendment number 48.