

REQUEST FOR PROPOSAL

THE U.S. ARMY CORPS OF ENGINEERS
FOR
NAVY RECRUITING OFFICE IN
EL PASO, TEXAS

NAME: ASHLEY LEE
TITLE: REALTY SPECIALIST

DUE DATES:

Initial Offer: 5 MAY 2023
Best and Final Offer: 2 JUNE 2023

SUMMARY:

The Government is requesting an offer to lease a minimum of **1,492** net usable to a maximum of **1,865** gross square feet (gross square feet to include any common area factor) in El Paso, Texas within a delineated area of: North: Viscount Boulevard, South: Gateway Boulevard, East: Larry Mahan Drive and West: Hawkins Boulevard for a period of five years, with 30-day termination rights for the Government subsequent to the first year, except that the lease shall be subject to the availability of appropriations as stated on the attached sample lease for real property (**Enclosure 1**). The desired occupancy date is **September 1, 2023** or as soon as possible.

Armed Forces Recruiting Facilities are to be located in defined geographical areas that contain businesses and other establishments that are of a compatible nature. Under no circumstances are these facilities to be located in areas where businesses of a sexual nature exist, because placement of the facility can hamper overall production of the office or cause concern for the safety of the personnel stationed there.

The military services shall have the right to use space beyond normal working hours and, if required, on Saturdays, Sundays, and Federal holidays. This includes the use of elevators, lights, toilet facilities, and, if necessary, heating and air conditioning.

GENERAL REQUIREMENTS:

A. The offer to lease must be inclusive of the following:

1. Itemized rental proposal worksheet (**Enclosure 2**). A flat rental rate for the entire five-year term is preferred.
2. Statement indicating whether or not the property is in a 100-year flood plain.
3. Statement as to whether escalation is requested for increases in utility, tax, insurance, and janitorial costs, provided such services are furnished as part of the rental consideration (reference paragraph 10 of the sample lease).
4. If the offer includes a lump sum Government contribution to the finish-out of the space, the offeror should provide a minimum of three bids to have the work performed.
5. An estimate of the number of calendar days to complete the finish-out of the space after award of the lease.
6. A copy of the legal description of the property.
7. Proof of ownership.

B. The offer should include the following:

1. Interior and exterior maintenance (including HVAC maintenance) in accordance with paragraph of General Clauses (**Enclosure 3**).
2. Tenant improvements in accordance with the conceptual floor plan (**Enclosure 4**), and the Construction Specifications (**Enclosure 5**).
3. All real estate taxes and insurance premiums with respect to the leased premises.
4. Common area maintenance.
5. Water, sewer, and trash removal services.
6. Electrical service.
7. Natural gas service (if applicable).
8. Janitorial services on at least a 3-day-per-week basis in accordance with the enclosed requirements (**Enclosure 6**).
9. Parking spaces for 6 Government Owned Vehicles

C. The Government requests the Offeror/Lessor pay in full, or in part, as negotiated, the cost of the initial space alterations. If the Government pays part or all of the build-out, it shall be a one-time lump sum amount following completion of work and acceptance of the space. Offeror shall obtain a minimum of one bid (three are preferred) from qualified contractors and an itemized list of construction costs which shall be submitted on the Construction Bid Worksheet (**Enclosure 7**) or on a similar computer-generated facsimile of this format. The construction bid shall be subjected to an Independent Government Cost Estimate (IGCE) review and all bids shall be studied for accuracy and to ensure a determination of fair market value for the proposed construction services.

D. Restoration of tenant improvements installed under the terms of the lease shall be waived by Lessor.

E. Offer must be signed by the same individual who is authorized to sign the lease.

F. Lessor/Offeror must be registered in the System for Award Management (SAM) at the time of submission of offer. To remain active, Lessor/Offeror is required to renew registration annually. Instructions are included in (**Enclosure 8**).

G. All rental payments made by the Government must be made by electronic funds transfer (EFT) into an account of the Lessor's choosing, per Public Law 104-134 (10 U.S.C.3332). Please note that the address in the first section of the EFT form must be the same as the address contained in Paragraph 3 of the lease (see sample lease).

H. An environmental assessment must be provided to confirm the past use of the lease site, per Army Regulation AR 200-2. The Preliminary Assessment Screening (PAS) form (**Enclosure 9**) shall be completed to satisfy this requirement and countersigned by the Government.

I. Adequately lighted parking spaces must be available 24 hours per day, 7 days per week. Access to the building must also be provided 24 hours per day, 7 days per week. Paragraph B9 of this request shows the number of Government-Owned Vehicles (GOV) assigned to this facility. GOV's will remain overnight at the leased premises. While the lease cannot specify the number of parking spaces for Privately-Owned Vehicles (POV), it should be noted that the personnel who will work at this facility normally drive their POV's to work and will use the GOV's during the course of their recruiting duties and will leave their POV's at the facility. There will be two (2) personnel permanently assigned at this proposed facility.

J. Prior to the final acceptance and execution of the lease by the Government, in accordance with public law, the negotiated lease terms must satisfy an appraisal of fair market value. The Government lease terms must be consistent with the rentals and other amounts paid by other tenants of the Lessor, who lease similar size and quality of space and the value must also be consistent with the surrounding submarket. By submitting this offer, the Offeror agrees to cooperate with the Realty Specialist by providing information on recent leases on the comparable lease worksheet form (**Enclosure 10**). All information provided by Offeror shall be held confidential.

K. If, during the term of the lease, the Services may require tenant improvements to their leased space, Lessor shall provide construction services (may be through qualified third party General Contractor). However, only Realty Specialists of the U.S. Army Corps of Engineers (COE) have the authority to request alterations or improvements to the leased space. If the Government pays for the improvements, a Supplemental Agreement (SA) to the lease shall be prepared by the COE Realty Specialist as follows. The Realty Specialist shall provide the construction specifications for the improvements and the Lessor shall then provide a construction cost estimate, which shall be subjected to an Independent Government Cost Estimate (IGCE) review to ensure that fair market value is achieved. If the estimate satisfies the IGCE review, no other bids are required. The contractor shall then be selected and an SA detailing specifications and cost shall be prepared by the Realty Specialist. Once the SA is signed by the lessor it shall be routed to the Chief of the Fort Worth COE Real Estate Division, or other duly authorized Contracting Officer, for execution. An executed original copy shall be sent to the Lessor and the Lessor shall then direct the selected contractor to proceed. Work should never be started before the Lessor receives an executed SA. When the work is completed and accepted by the Government, the lump sum payment (if applicable) shall be released to the Lessor.

ENERGY EFFICIENCY AND CONSERVATION – SLAT LEASES (SEP 2010)

A. Existing buildings must have earned the Energy Star® label in the most recent year or will have obtained it prior to lease award, unless the offered space meets one of the statutory exceptions listed in subparagraph "C" below. All new construction shall achieve an Energy Star label within 18 months after occupancy by the Government. The Offeror is encouraged to include shared savings in the offer as a result of energy upgrades where applicable. Energy Star tools and resources can be found at the Energy Star Web site at www.energystar.gov. The term "most recent year" means that the date of award of the Energy Star label by EPA must not be more than 1 year prior to the lease award date. For example, an Energy Star label awarded by EPA on October 1, 2010 is valid for all lease awards made on or before September 30, 2011.

B. To earn the Energy Star label, a building owner or representative must follow the instructions on the Energy Star Web site at <http://www.energystar.gov/eslabel>.

C. EXCEPTIONS. The Energy Independence and Security Act of 2007 (EISA) allows a Federal agency to lease space in a building that does not have an Energy Star label if:

1. No space is offered in a building with an Energy Star label in the delineated area that meets the functional requirements of an agency, including location needs;
2. The agency will remain in a building they currently occupy;
3. The lease will be in a building of historical, architectural, or cultural significance listed or eligible to be listed on the National Register of Historic Places; or
4. The lease is for 10,000 rentable square feet or less.

D. REQUIREMENTS FOR ALL BUILDINGS EXCEPTED FROM AN ENERGY STAR LABEL.

1. If an Energy Star labeled building is not offered or an exception is met in accordance with subparagraph "C" above, the successful Offeror must, nevertheless, agree to renovate the space for all energy efficiency and conservation improvements that would be cost effective to the landlord over the firm term of the lease. No later than the due date for Final Proposal Revisions, the Offeror shall submit to the contracting officer a written statement addressing which energy efficiency and conservation improvements can be made to the building. If no improvements can be made, the Offeror must demonstrate to the Government using the Energy Star Online Tools in this RFP Paragraph why no energy efficiency and conservation improvements are cost effective. This explanation will be subject to review by the contracting officer. If the explanation is considered unreasonable, the offer may be considered technically unacceptable.

2. Such improvements may consist of, but are not limited to, the following:

- a. Heating, Ventilating, and Air Conditioning (HVAC).
- b. Lighting Improvements.
- c. Building Envelope Modifications.

Additional information can be found on www.gsa.gov/leasing under "Green Leasing."

3. The term "cost effective" means an improvement that will result in substantial operational cost savings to the landlord by reducing electricity or fossil fuel consumption, water, or other utility costs. The term "operational cost savings" means a reduction in operational costs to the landlord through the application of building improvements that achieve cost savings over the firm term of the lease sufficient to pay the incremental additional costs of making the building improvements.

4. If none of these improvements can be made, the Offeror must, no later than the due date for Final Proposal Revisions, demonstrate in writing to the Government using the Energy Star Online Tools in this RFP paragraph why no energy efficiency and conservation improvements are cost effective. This explanation will be subject to review by the contracting officer. If the explanation is considered unreasonable, the offer may be considered technically unacceptable.

E. IMPROVEMENTS SCHEDULE. All improvements must be accomplished according to the following timetable:

1. With the exception of succeeding or superseding leases, the improvements must be completed prior to occupancy.
2. For succeeding and superseding leases, the improvements must be completed no later than one (1) year after signing the lease.

F. ENERGY STAR ONLINE TOOLS. The ENERGY STAR® Building Upgrade Manual and Building Upgrade Value Calculator are tools which can be used in considering energy efficiency and conservation improvements to buildings.

1. ENERGY STAR® BUILDING UPGRADE MANUAL. This manual provides information on planning and implementing profitable energy saving building upgrades. The ENERGY STAR® Building Upgrade Manual is available at <http://www.energystar.gov/bldgmanual>.

2. BUILDING UPGRADE VALUE CALCULATOR. The Building Upgrade Value Calculator, developed by the EPA, is a product of the partnership between ENERGY STAR, BOMA International, and the BOMA Foundation. This calculator was developed as part of BOMA's Energy Efficiency Program (BEEP), a series of courses designed to help commercial real estate practitioners improve their buildings' energy efficiency performance. The calculator tool was developed to help property professionals assess the financial value of investments in a property's energy performance. The Building Upgrade Value Calculator estimates the financial impact of proposed investments in energy efficiency in office properties. The calculations are based on data input by the user, representing scenarios and conditions present at their properties. The Building Upgrade Value Calculator is available on the Energy Star website at <http://www.energystar.gov/financialevaulation>.

NEGOTIATIONS:

Offers must be received by the initial date established at the top of this document. Upon receipt of initial offers, the Realty Specialist shall review and clarify any questions with Offerors. All offers shall be held confidential. Discussions may be conducted with offerors that are within the competitive range. The competitive range of offers shall be determined based on the offerors' satisfaction of the award factors stated below and all offers shall be included that have a reasonable chance of being selected for award. After any discussions that may be conducted, Offerors shall have a chance to modify and submit a final offer by the best and final date established at the top of this document. Negotiations shall be considered closed when all offers are received by the best and final date.

AWARD FACTORS:

The following are the primary award factors used in evaluating the offer, listed in order of importance:

1. Total Cost (gross rent and Government build-out share, if any)
2. Quality of lease service terms (full service)
3. Desirability of building & sign location(s) (public visibility, ease of vehicular and pedestrian access, proximity to high school, community college and/or trade schools)
4. Efficiency of space layout (space offers a high storefront width to bay depth ratio)
5. Condition of building and space (age, condition of repair)
6. Quality of building amenities (architecture, finishes, details, landscaping, tenant mix, marketing events)
7. Earliest occupancy date possible
8. Size of space (must meet minimum size, as close to maximum size as possible)

The offer that is determined to be in the best interest of the Government shall be selected as the winning site for the lease award. Prior to the final acceptance and execution of the lease by the Government, in accordance with public law, either the Realty Specialist or a Government-employed or contracted appraiser must complete a rental appraisal report. The purpose of this report is to demonstrate and prove that the rental and any other consideration paid by the Government for the leased space is consistent with the rentals and other amounts paid by other tenants of the Lessor, if any, that lease similar size and quality space. By submitting this offer, the Lessor agrees to cooperate with the Realty Specialist or appraiser by providing data on other recent leases, if any that have been completed by the Lessor. Information that is provided by the Lessor will be kept confidential.

AWARD

After the winning site is determined, the Realty Specialist shall forward to the successful offeror the lease and exhibits based on the terms negotiated and consisting of the following:

1. U. S. Government Lease for Real Property
2. General Clauses
3. Pertinent provisions of the offer
4. Pertinent provisions of this Request for Proposal

The final acceptance of the offer and award of the lease occurs upon the execution of the lease by the Chief of the Real Estate Division, Fort Worth District, U.S. Army Corps of Engineers, or other duly authorized Contracting Officer.

GOVERNMENT POINT OF CONTACT:

Ashley Lee, Realty Specialist
Telephone: 817-886-1091
Fax: 817-886-6556
Email: belinda.g.mccullough@usace.army.mil
Office Hours: 8:00 a.m. – 4:30 p.m., Monday through Friday

WHERE TO SEND OFFERS:

Offers should arrive at the address below prior to close of business on the due date. Faxed offers are acceptable provided that: 1) an original copy is placed in the mail or hand-carried within 24 hours of the due date; and 2) the fax sender confirms immediately by telephone that the fax was properly received. Email offers are acceptable.

U. S. Army Engineer District, Fort Worth
Real Estate Division, Acquisition Branch
ATTN: Ashley Lee
819 Taylor Street, Room 2A06
Fort Worth, TX 76102-0300

Enclosures:

1. Sample United States Government lease format
2. Rental Proposal Worksheet
3. General Clauses to U.S. Government lease
4. Conceptual Floor Plan
5. Construction Specifications
6. Janitorial Services Specifications
7. Construction Bid Worksheet
8. SAM Instructions (Entity Registration Checklist)
9. PAS form
10. Comparable Lease Worksheet