

Acquisition of Real Estate and Mobile Office Units Guideline - 5.16.G (06/22/04)

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This guideline revision incorporates requirements for the acquisition of mobile office units.

Real Estate Acquisitions - 5.16.G.1

The following procedures are applicable to real estate acquisitions:

- Real estate acquisitions shall be mission essential; effectively, economically, and efficiently managed and utilized; and disposed of promptly, when not needed;
- Acquisitions shall be justified, with documentation which describes the need for the acquisition, general requirements, cost, acquisition method to be used, site investigation reports, site recommended for selection, and property appraisal reports; and

- Acquisition by lease, in addition to the requirements in paragraphs (1) and (2) above:
 - Shall not exceed a one-year term if funded by one-year appropriations.
 - May exceed a one-year term, when the lease is for special purpose space funded by no-year appropriations and approved by DOE.
 - Shall contain an appropriate cancellation clause which limits SNL's obligation to no more than the amount of rent to the earliest cancellation date.
 - Shall be consistent with Government laws and regulations applicable to real estate management.
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Acquisition Process - 5.16.G.2

The Sandia Contracting Representative (SCR) must assure that the requirement for real estate acquisition is accompanied by a Preliminary Real Estate Leasing Plan (PREP) which has been prepared by the Facilities Organization, as well as any appraisal or pricing information that will be needed to negotiate a lease. This document must be reviewed and approved by the Certified Realty Specialist at the DOE Kirtland Area Office, Real Estate Office (KAO-REO) and the DOE Contracting Officer before any proposed acquisition can proceed to solicitation. The PREP is the decision document affecting all leasing activities and should accompany the purchase requisition.

Disposition of Government Property at Leased Locations - 5.16.G.3

Disposition of Government property at leased locations will be processed through Sandia's Space & Real Estate Management Organization. DOE Property Management Regulation, DOE-PMR 109-45.304-2-50 must be followed for the disposal of any Government property, at any leased location, if the property is not being returned to Sandia.

Acquisition of Mobile Office Units - 5.16.G.4

Acquisition Process 5.16.G.4.a

The process for the acquisition of mobile office units is as follows:

Step	Who	Action
1	Requester	<p>The department requesting the additional space must contact the Space Bank Management team to determine if the required area is available in an existing building on base. If there is no space available:</p> <ul style="list-style-type: none"> • A request for Site Services is sent to Facilities by the requesting manager. From there, it is directed to the Project Manager (PM) responsible for managing space for that physical area.
2	Project Manager	<ul style="list-style-type: none"> • The PM checks with Contractors to make sure they can produce the required space. • PM then informs the SCR that the space is required and enters a Purchase Requisition (PR) into the Oracle system.
3	SCR	<ul style="list-style-type: none"> • Sends out an Request for Quotation (RFQ) with specifications and other necessary information to Contractors and receives quotes. • Enters price negotiations with the most favorable Contractor and creates the contract. • Once the space is delivered, set-up, and accepted by SNL, the SCR sends a payment letter to Accounts Payable (AP) to schedule payments. • The SCR monitors the lease for option year renewals and warranty issues.

The SCR must justify pricing, source selection, and the negotiation of Terms and Conditions in a PAS or in a PAD developed for lease of mobile office units, SF 6432–REL (5-2004).

Issues to be Considered in the Leasing of Mobile Office Units - 5.16.G.4.b

The Terms and Conditions of a lease must be carefully considered to mitigate the potential of unforeseen problems during the life of the lease. The lease of equipment covered in Guideline 5.15.G has many similarities to the leasing of mobile office units. Therefore, as a best practice, the SCR should review the issues discussed in Guideline 5.15 when they are attempting to lease mobile office units.

The SCR must be assured that the final total lease price is inclusive of any and all taxes if applicable. In order to provide this assurance, the SCR must ask the Contractor if all taxes have been included. All contract pricing must be inclusive of all taxes. The SCR should consider using the following clauses in the solicitation and in the contract:

- Contract Clause: 026-TPL Total Price Lease
- Quotation Instruction: 980-D15 Taxes on Leased Equipment

Send feedback on ideas and information on this page to the Process Expert, Randy Shibata.



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