
AMENDMENT # 3 - SFO # VA101-15-R-0022
Charlotte Hall, MD

PART I BASIC SOLICITATION REQUIREMENTS

SECTION 2.3.2 PRICE EVALUATION - This section has been deleted in its entirety and replaced with the following:

The basic price offered will be the rate per Net Usable Square Foot (NUSF). Refer to Paragraph 3.14 of this Solicitation for a definition of NUSF. This price shall be used to determine the total annual rental to be paid, adjusted for any discrepancies in the quantity of space delivered against the amount offered and accepted, as described elsewhere in this Solicitation.

If annual CPI adjustments in operating expenses are included, the Offeror shall be required to submit the offer with the total "gross" annual price per rentable square foot and a breakout of the "base" price per rentable square foot for services and utilities (operating expenses) to be provided by the Lessor. The "gross" price shall include the "base" price. The first year's adjusted base price per rentable square foot will be the new base price for the second year of the lease. The second year will be the new base year upon which annual adjustments will be made; beginning with the second year of the lease and each year thereafter, the Government shall pay an adjusted rent for changes in annual costs based upon the annual CPI index.

A. Present Value Price Evaluation

1. The Offeror must submit plans and any other information to demonstrate that the rentable space yields Net Usable space within the required Net Usable range. The Government will convert the rentable prices offered in GSA Form 1364 and/or Attachment 1 to GSA Form 1364A to Net Usable prices, which will subsequently be used in the price evaluation.
2. Evaluation of offered prices will be on the basis of the annual shell rental rate per Net Usable square foot, including any option periods and for all items reimbursed to the Lessor in a Lump Sum payment, as annotated in Attachment 1 to GSA Form 1364A (the costs for these items are present value; therefore, it will not be discounted.) The Government will use that data to perform a net present value price evaluation by reducing the prices per annual shell Net Usable square foot to a composite annual Net Usable square foot price as follows:
 - (a) Parking and wayward areas will be excluded from the total square footage but not from the price. For different types of space, the gross annual per square foot price will be determined by dividing the total annual rental by the total square footage minus these areas.
 - (b) Free or reduced rent will be evaluated in the year in which it is offered. The gross, averaged annual per square foot price is adjusted to reflect free rent.
 - (c) Also as stated in the "Broker Commission" paragraph, the amount of any lease acquisition fee paid to VA's Broker will not be considered separately as part of this price evaluation since the value of the fee is subsumed in the gross rent rate.
 - (d) To evaluate the real value of rent today, over the given term of the lease, the analysis will compound the amount of rent at a given (discount) rate based on the current discount rate available in White House Circular A-94, Appendix C. at

weblink: https://www.whitehouse.gov/omb/circulars_a094/a94_appx-c. The gross annual per Net Usable square foot shell rental costs will be discounted annually at 2.3 percent (15-year firm term) or 2.5 percent (15-year firm term with five 1-year options; 20-year firm term) (OMB Circular No. A-94) over the entire term of the lease, to yield a net present value cost (NPV) per net usable square foot. This will provide an annual present value of the proposed rent, for years two through the term of the lease, at this 2.3 percent discount (15-year firm term) or 2.5 percent discount (15-year firm term with five 1-year options; 20-year firm term).

(e) If annual adjustments in operating expenses will not be made, the operating expenses will be both escalated at 2.0 percent (15-year term; 15-year firm term with five 1-year options; 20-year firm term) compounded annually and discounted annually at 2.3 percent (15-year firm term) or 2.5 percent (15-year firm term with five 1-year options; 20-year firm term), then added to the net Present Value Cost (PVC) to yield the gross PVC.

(f) If annual adjustments in operating expenses will be made, the annual per square foot price, and the base cost of operating expenses, will be discounted annually at 2.3 percent (15-year firm term) or 2.5 percent (15-year firm term with five 1-year options; 20-year firm term) to yield a net PVC per square foot.

(g) To the gross PVC will be added:

1. The cost of Government-provided services not included in the rental escalated at 2.0 percent (15-year term; 15-year firm term with five 1-year options; 20-year firm term) compounded annually and discounted annually at 2.3 percent (15-year firm term) or 2.5 percent (15-year firm term with five 1-year options; 20-year firm term).

2. The annualized (over the full term) per ANSI/BOMA Office Area square foot cost of any items, which are to be reimbursed in a lump sum payment. (The cost of these items is present value; therefore, it will not be discounted.)

3. The cost of relocation of furniture, telecommunications, replications costs, and other move-related costs, if applicable.

PART VIII FORMS – The form(s) listed below have been replaced with an updated version. Please ensure your response includes the revised, updated forms below:

- Pt 08D--GSA1217 - Nov 2016

END OF AMENDMENT

Signed February 3, 2017

Zebulon Fox
Contracting Officer (003C4A)

Acknowledgement of Receipt

Amendment #3 - VA101-15-R-0022; Charlotte Hall, MD

Company_____

Name_____

Title_____

Signature of
Offeror_____Date_____

Return and initial/sign this amendment with your Proposal.