(2) Two-phase design-build selection procedures authorized by 570.105–2.
   (b) The contracting officer is designated as the source selection official unless the HCA appoints another individual for a particular leasing action or group of leasing actions.
(c) You must include price or cost to the Government and past performance as evaluation factors in every case.
   (d) The SFO must comply with FAR 15.304 and either:
      (1) FAR 15.101–1 if you will use the tradeoff process.
      (2) FAR 15.101–2 if you will use the lowest price technically acceptable source selection process.

570.305 Two-phase design-build selection procedures.
   (a) These procedures apply to acquisitions of leasehold interests if you use the two-phase design-build selection procedures authorized by 570.105–2.
   (b) The SFO must include all the following information:
      (1) The scope of work.
      (2) The evaluation factors and subfactors to be used in evaluating phase-one proposals and their relative importance.
      (3) The maximum number of offerors to be selected to submit competitive proposals in phase-two.
      (4) The evaluation factors, including cost or price, and subfactors to be used in evaluating phase-two proposals and selecting the successful offeror, and their relative importance.
   (c) The following procedures apply to phase-one evaluation factors:
      (1) Phase one factors include:
         (i) Specialized experience and technical competence.
         (ii) Capability to perform.
         (iii) Past performance of the offeror’s team (including architect-engineer and construction members of the team).
         (iv) Other appropriate factors, such as site or location.
      (2) Do not require offerors to submit detailed design information or cost or price information in phase one. Do not use cost related or price related evaluation factors.
   (d) Set the maximum number of offerors to be selected for phase-two to not exceed five (5) unless you determine that a number greater than five is both:
      (1) In the government’s interest.
      (2) Consistent with the purpose and objectives of the two-phase selection process.
   (e) In phase-two, require detailed technical and price proposals. Evaluate the proposals using the procedures in 570.306.

570.306 Evaluating offers.
   (a) You must evaluate offers solely in accordance with the factors and subfactors stated in the SFO.
   (b) Evaluate prices and document the lease file to demonstrate that the proposed contract price is fair and reasonable.
   (c) Evaluate past performance in accordance with FAR 15.305(a)(2).
   (d) Document the evaluation of award factors other than price listed in the solicitation. The file must include the basis for evaluation, an analysis of each offer, and a summary of findings.

570.307 Negotiations.
   (a) Follow the procedures in FAR 15.306 and 15.307 for exchanges (including clarifications, communications, negotiations, discussions, and revisions).
   (b) Place a written record of all exchanges in the lease file.
   (c) Provide prompt written notice to any offeror excluded from the competitive range or otherwise eliminated from the competition in accordance with FAR 15.502(a).

570.308 Award.
   (a) Make award to the responsible offeror whose proposal represents the best value after evaluation in accordance with the factors and subfactors in the SFO.
   (b) Make award in writing and in the timeframe specified in the SFO.
      (1) If you cannot make an award in that time, request in writing from each offeror an extension of the acceptance period through a specific date.
      (2) If time is critical, you may request the extensions orally. You must make a record of the requested and confirm it promptly in writing.
   (c) Notify unsuccessful offerors in writing or electronically in accordance with FAR 15.501 and 15.503(b).
570.309  
(d) The source selection authority may reject all proposals received in response to an SFO, if doing so is in the best interest of the Government.

570.309 Debriefings.  
The procedures of FAR 15.505 and 15.506 apply to leasing actions.

Subpart 570.4—Special Aspects of Contracting for Continued Space Requirements

570.401 Renewal options.  
(a) Exercise of options. Before exercising an option to renew, follow the procedures in 517.202 and 517.207. The contract must first provide the right to renew the lease.  
(b) Market survey. Before exercising an option to renew a lease, review current market information to ensure the rental rate in the option is fair and reasonable.

570.402 Succeeding leases.  
570.402–1 General.  
(a) If a succeeding lease for the continued occupancy of space in a building does not exceed the simplified lease acquisition threshold, you may use the simplified procedures in 570.2. Explain the absence of competition in the contract file.  
(b) If a succeeding lease will exceed the simplified lease acquisition threshold, you may enter into the lease under either of the following conditions:  
(1) You do not identify any potential acceptable locations.  
(2) You identify potential acceptable locations, but a cost-benefit analysis indicates that award to an offeror other than the present lessor will result in substantial relocation costs or duplication of costs to the Government, and the Government cannot expect to recover such costs through competition.

570.402–2 Publicizing/Advertising.  
Publish a notice if required by 505.101(c). The notice should:  
(a) Indicate the Government’s lease is expiring.  
(b) Describe the requirement in terms of type and quantity of space.  
(c) Indicate the Government is interested in considering alternative space if economically advantageous.  
(d) Advise prospective offerors that the Government will consider the cost of moving, alterations, etc., when deciding whether it should relocate.  
(e) Provide a contact person for those interested in providing space to the Government.

570.402–3 Market survey.  
Conduct a market survey following 570.301.

570.402–4 No potential acceptable locations.  
If you do not identify any potential acceptable locations through the advertisement or the market survey, you may prepare a justification to negotiate directly with the present lessor. Fully document the efforts to locate alternative sources. Prepare the justification and obtain approval following FAR 6.3 and 506.3.

570.402–5 Potential acceptable locations.  
If you identify potential acceptable locations through the advertisement or market survey, conduct a cost-benefit analysis following the procedures in 570.402–6. Based on the results of the cost-benefit analysis, take appropriate action as follows:  
(a) If the cost-benefit analysis indicates that the Government will recover relocation costs and duplication of costs through competition, develop an SFO and negotiate with all interested parties following 570.3.  
(b) If the cost-benefit analysis indicates that the Government cannot expect to recover relocation costs and duplication of costs through competition, prepare a justification for approval in accordance with FAR 6.3 and 506.3. Explain both:  
(1) How you performed the cost-benefit analysis.  
(2) That the cost-benefit analysis indicates that award to any other offeror will likely result in substantial costs to the Government that the Government cannot expect to recover through competition.