BUMED INSTRUCTION 11011.1

From: Chief, Bureau of Medicine and Surgery

Subj: PROCUREMENT OF LEASES FOR CLASS TWO REAL PROPERTY

Ref: (a) NAVFAC P-73, Real Estate Procedural Manual, Chapter 13
     (b) SECNAVINST 11011.47C
     (c) DODINST 4165.71 of 6 January 2005

1. **Purpose.** To implement specific guidance for procurement of leases under the cognizance of the Bureau of Medicine and Surgery (BUMED).

2. **Scope.** This instruction applies to all echelons within BUMED, including those who are assigned maintenance responsibility for Class 2 real property. This instruction does not address the procurement, lease and use of relocatable facilities. BUMEDINST 11010.7 provides guidance on procurement, lease and use of relocatable facilities.

3. **Background.** It is essential to consider many aspects of real property acquisition such as utility cost, maintenance cost, security requirements, availability of government space, footprint increases, and alignment with overall BUMED strategy prior to leasing real property. This document is intended to standardize the way in which leases are assessed and approved. References (a) through (d) provide guidance for the preparation of Class 2 real property leases within BUMED authority.

4. **Action**

   a. **Commanding Officer, Officer in Charge must:**

      (1) Contact their respective Naval Facilities Engineering Command (NAVFACENGCOM) Regional Real Estate Manager to ascertain if any Government space is available within a BUMED approved delineated area that would fulfill the requirement. If no such space is available, the Navy Regional Engineer shall provide the Navy Medicine activity a written response documenting the lack of adequate space.

      (2) Justify the lease request by conducting a Business Case Analysis (BCA). The analysis must validate that leasing space is the only feasible solution.

      (3) Prepare and submit to BUMED headquarters, via your respective Navy Medicine Region Commander, a request package consisting of:
(a) BCA. The BCA shall include all requirements and costs associated with personnel, lease, build-out, equipment, operating services, security, and information technology at a minimum.

(b) Program for design

(c) Category C Equipment List

(d) Lack of adequate space letter from Navy Regional Engineer or Joint Base Engineer

(e) Market survey

(f) Anticipated sources of funding and any planning documents, e.g., program objective memorandum submission and maintenance action plan.

(g) Signed letter from BUMED parent activity commander, commanding officer or officer in charge requesting the lease requirement, with endorsement from the cognizant Navy Medicine Region.

(4) Upon receiving written authorization from BUMED Headquarters, the activity will then submit a request for lease procurement to their appropriate NAVFACENGCOM Regional Facilities Engineering Command (FEC). The NAVFACENGCOM Regional FEC will work with General Services Administration and manage all aspects of the lease procurement, to include solicitation and award.

(5) For new leases, prepare and submit the lease package to BUMED Headquarters at least 18 months prior to lease execution.

(6) For renewals, prepare and submit the lease package to BUMED Headquarters at least 6 months prior to lease expiration.

b. Navy Medicine Region Commanders must:

(1) Assist requesting activities in preparation of all applicable documentation and justification for leases.

(2) Review requests and validate space requirements from activities.

(3) Assist activities in identifying appropriate space requirements in coordination with the Navy Regional Engineer.

(4) Assist requesting activities in routing their lease requests to the appropriate NAVFACENGCOM Regional FEC.
c. Deputy Director, Fleet Support and Logistics (BUMED-M4) must:

(1) Review all requests for new and renewals of leases and provide written responses approving or denying such actions consistent with references (a) through (d).

(2) Route new lease request packages for review, comment and position (concurrence/non concurrence) through BUMED Headquarter Codes including, but not limited to Healthcare Operations, Comptroller, and Legal.

(3) Monitor and report annually the overall status of leases obtained by Navy Medicine activities to the Defense Health Agency and the Office of the Secretary of Defense.

(4) Maintain a database of all active leases authorized for use throughout the enterprise.

(5) Develop the BUMED lease strategy.

(6) Direct annual review of current and projected portfolio of leases to ensure lease acquisitions are in line with overall BUMED strategy.

d. Deputy Director, Healthcare Delivery (BUMED-M3) must: Lead the BCA review, ensuring overall accuracy of the BCA.

5. Records. Records created as a result of this instruction, regardless of media and format, shall be managed per SECNAV M-5210.1 of January 2012.

6. Reports. The report required in paragraphs 4C(3) is exempt from reports control per SECNAV M-5214.1 of December 2005, part IV, paragraph 7k.

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