

Insert in solicitations when the successful offeror may have Government production and research property in his possession which could be used in the production of items on the resultant contract.

52.245-4003

**EVALUATION PROCEDURES FOR USE OF  
GOVERNMENT-OWNED PRODUCTION AND RESEARCH PROPERTY**

OCT/2010

(a) In accordance with 45.202; the Government shall, to the maximum extent practical, eliminate the competitive advantage accruing to a Contractor possessing Government production and research property.

(b) If the offeror plans to use any item of Government production and research property in possession of the offeror or his proposed subcontractors under a facilities contract or other agreement with the Government independent of this solicitation, the offeror shall so indicate by checking the applicable box(es) below and by identifying such facilities contract or other agreement under which the property is held.

\_\_\_ Offer is predicated on use of Government property in offeror's possession.

\_\_\_ Offer is predicated on use of Government property in offeror's subcontracts of vendors.

Identification of facilities contract or other agreement under which such property is held:

Type of Contract or Agreement: \_\_\_\_\_

Name and Date: \_\_\_\_\_

Cognizant Government Agency (including address):  
\_\_\_\_\_

(c) Offeror is required to submit with his offer:

(1) The written permission of the Contracting Officer having cognizance over the property for use of that property, and whether such use will be on a rental or rent-free basis.

(2) A list or description of all Government production and research property which the offeror or his anticipated subcontractors propose to use on a rent-free basis. AMCCOM Form 71-R or equivalent will be used.

(d) To eliminate the competitive advantage an evaluation factor shall be added to each offer which is predicated on the use of the above detailed existing Government production and research property.

(e) For rent-free use of Government-owned production and research property, such use shall be evaluated by adding to the price of the item(s) at the rates set forth in FAR 52.245-9 for each month of the proposed production period. Where both rental use and rent-free use will occur during the same production period, the rent and the evaluation in lieu of rent-free use will be computed in accordance with the formula for proration set forth in the Use and Charges clause, FAR 52.245-9.

(f) The months that will be used for the purpose of the evaluation will be the period computed in months set forth by the offeror: [ ] months (this period shall include the first, last, and all intervening months). The Contractor will be liable to pay rent for use of any Government-owned property which extends the time specified in this clause. If the bidder/offeror fails to specify the number of months in the blank provided, the delivery schedule will be used to determine the number of months of rent-free use required through the month for final delivery.

(g) The Government shall compute the use-evaluation factor, per-unit-procured, in accordance with the following formula:

$$\frac{T \times R \times P \times X \times S}{Q} = C$$

T - Total acquisition cost of facilities (including , if paid by the Government, cost of transportation and installation as well as any cost expended to enhance the condition of the machine).

R - Rental rate.

P - Production period (months).

Q - Quantity of items to be procured.

S - Pro rate share, if applicable.

C - Evaluation factor to be added to unit price.

(h) This evaluation procedure shall not be applicable to any item or items of Government property held by the offeror under a valid lease or rental arrangement with the Government wherein the offeror is granted right of usage of such property and must pay rental thereon for the entire leasehold/rental period irrespective of actual usage.

(i) If Government production and research property is being used on other work under one or more existing contracts for which use has been authorized, the evaluation factor shall be determined by prorating the rent between the proposed contract and such other work. The pro-rata share applicable to a proposed contract shall be determined by multiplying the full rental charge for use of Government production and research property for the period for which rent-free use is requested by a fraction, the numerator of which is the amount of use of such property requested by the Contractor under this proposed contract and the denominator of which is the sum of the previous authorized use of the property by the Contractor for the period and the use requested under the proposed contract. The Contractor must indicate in it's bid offer if a pro-rata share is applicable for this procurement.

(j) Special considerations relating to use of Government-owned facilities and special tooling by subcontractors.

(1) Evaluation factors applied to prime Contractor's offerors will be the same for both proposed prime Contractor's and subcontractors' use of Government-owned property, including evaluation rates and production period.

(2) In the event that any prospective subcontractor desiring use of Government property pursuant to this provision refuses to quote a price to any prospective prime contractor or refuses to quote on an equal basis to all prospective prime contractors, the Government reserves the right to:

(i) refuse to authorize the subcontractors use of such property, or;

(ii) evaluate 100% of the acquisition cost (including the cost of transportation, and installation, and enhancement paid by the Government) of such property against the offeror of the prime contractor proposing to use such subcontractor.