

# DEPARTMENT OF THE NAVY OFFICE OF THE CHIEF OF NAVAL OPERATIONS 2000 NAVY PENTAGON WASHINGTON, D.C. 20350-2000

IN REPLY REFER TO:

OPNAVINST 11010.33C CNO N46

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#### OPNAV INSTRUCTION 11010.33C

From: Chief of Naval Operations

Subj: PROCUREMENT, LEASE AND USE OF RELOCATABLE BUILDINGS

Ref:

- (a) DODINST 4165.56
- (b) OPNAVINST 11010.20F(c) SECNAVINST 11011.46A
- (d) NAVFACINST 11010.45 (NOTAL)
- (e) NAVSO P-1000 Change 67

Encl: (1) Navy Policies on the Procurement and Use of

Government Owned Personal Property Relocatable Buildings

(2) Navy Policies and Procedures for Lease or Rental of

Relocatable Buildings

(3) Navy Policies and Procedures on the Procurement and Use of Relocatable Buildings Acquired through Minor

Construction and Military Construction

(4) Format of Requests for Relocatable Buildings

- 1. <u>Purpose</u>. To provide Chief of Naval Operations (CNO) policy implementing reference (a) for acquisition and use of relocatable buildings and designate Commander, Navy Installations (CNI) as the program manager.
- 2. Cancellation. OPNAVINST 11010.33B
- 3. Background and Discussion. Inappropriate use of relocatable buildings is a concern to CNO. Generally, relocatable buildings are not energy efficient, require more maintenance than permanent facilities, adversely affect the appearance of naval bases, and provide ill-suited working environments. Relocatable building use conflicts with Congressional intent to avoid their use from a cost point of view. Therefore, the use of relocatable buildings is not an acceptable means of providing facilities for long-term needs.
- a. There are circumstances that require the rapid provision of facilities to support unforeseen new or expanded missions, to support urgent short-term requirements, or to temporarily replace damaged buildings. Relocatable buildings can fulfill these short-term needs without the time constraints of permanent construction.

- b. Due to their mobility, relocatable buildings are normally accounted for as Personal Property (Class 3) rather than as Real Property. However, the Office of the Secretary of Defense has set forth firm guidance for the procurement and use of relocatable buildings that is more restrictive than that for other types of Personal Property. See reference (a).
- c. This instruction provides procedures for all approved methods of procurement or lease of relocatable buildings, and disposal of relocatable buildings while maintaining appropriate control over their use.

#### 4. Definitions.

- a. Funded project costs: As used in reference (a), this term refers to costs to be paid with funds available for construction.
- b. Unfunded project costs: As used in reference (a), this term refers to costs to be paid with monies from appropriations other than construction. These costs are not applicable to monetary ceilings for construction authorities.
- c. Non-recoverable building components: This includes foundations, concrete mounting slabs, utility connections, stairways, porches or breezeways between units, extra wall covering and paneling, ceramic works, lighting and sound systems and other finishes and features that were not included in the original building package or unit.
- d. Building acquisition cost: This refers only to the cost of the building components of the unit and the cost of delivery to the site.
- e. 20 Percent Rule: When selecting a relocatable building, the estimated funded and unfunded project costs for average relocatable building disassembly, repackaging, repair and refurbishment of components, and non-recoverable building components may not exceed 20 percent of the building acquisition costs. If the building is not new (including facilities that were acquired from other government agencies), the 20 percent rule should be applied to the current cost of a similar new relocatable building, rather than the actual cost to the Navy.
- f. Relocatable buildings: A relocatable building is designed to be readily and economically moved, erected, disassembled, stored and reused. The building may consist of component systems, such as interior walls, flooring, structural framing, roof, exterior siding, mechanical systems (heating, lighting, air conditioning) and equipment (kitchen, bathroom). These systems are designed to be easily and quickly erected. The connections can be removed for easy disassembly with minimal damage to the components. Also included in this definition are buildings or facilities that are single units, such as trailers

and small skid-mounted metal buildings (except as noted in paragraph 5), which may be placed on a trailer and transported to another site. Fabric structures or inflatable buildings can be easily relocated and are included in this definition. Therefore, the most important characteristic of a relocatable building is the economy and ease with which the facility may be removed from one site and reinstalled at another site. It should be noted that although all relocatable buildings may be considered pre-engineered, not all pre-engineered buildings are relocatable under this definition. Other examples of relocatable buildings follow:

- (1) Container structures: Structures built using shipping containers that are designed to withstand structural loadings associated with shipping, including Container Express (CONEX) and International Organization for Standardization (ISO) containers. Testing has shown that these structures behave similarly to temporary buildings and are covered under this instruction.
- (2) Temporary structures: Structures erected with an expected occupancy of 3 years or less. This group of structures typically includes wood frame and rigid wall construction, Southeast Asia (SEA) Huts, hardback tents, ISO and CONEX containers, redeployable pre-engineered buildings, trailers, stress tensioned shelters, Expandable Shelter Containers (ESC), and Aircraft Hangars (ACH).
- 5. Applicability. This instruction is applicable only to the limited class of relocatable buildings defined in paragraph 4 and meeting the criteria of reference (a). It does not apply to nor modify authorities otherwise applicable to the following:
  - a. Mobile or modular homes used for Navy Family Housing.
- b. Prepositioned War Reserve Material Stock (PWRMS) used for mobilization requirements.
- c. Integral parts of mobile equipment, such as satellite communication vans and equipment vans for air navigation, (including Ground Controlled Approach (GCA) vans and Tactical Air Navigation (TACAN) shelters).
- d. Facilities specifically designed for mobility to enhance military readiness in forward locations, such as aircraft organizational and intermediate-level mobile maintenance vans, simulator vans, communications vans, and electronics maintenance vans.
- e. Equipment used for engine test cells or aircraft inframe test cells.

- f. Skid-mounted aircraft line operations and line maintenance shelters, which only have electrical utility connections and are not mounted on permanent foundations.
- g. Relocatable buildings installed by construction contractors or ship maintenance contractors to permit performance of contracts by contractor personnel. These facilities must be: designed to be portable, contractor property, and removed by the contractor upon completion of the contract.
- h. Production offices, maintenance enclosures and equipment which must be repositionable to support naval nuclear propulsion plant operations, ship and ordnance overhaul and repair operations at government owned depots, shipyards, in-service engineering activities and intermediate-level maintenance activities. (Production offices used in direct support of work crews at the job site are allowable but administrative office space as defined in NAVFACINST P-80 (NOTAL) is not).
- i. Relocatable buildings procured with construction funds for use as interim medical and dental facilities in support of ship crews in overhaul at non-Navy ship repair facilities or Navy personnel at other contractor owned facilities, when the duration of need is uncertain or temporary.
- j. Medical and Dental trailers that are transported to sites for temporary or contingency requirements.
- k. Aircraft protection equipment: Typically these are deployable or semi-permanent structures that can be removed, single- or multi-aircraft shelters that protect the aircraft from exposure to UV rays and unforeseen weather condition such as hailstorm. They also provide personnel safety and preserve avionics equipment by blocking radiant heating of the aircraft surfaces.
- 6. Anti-Terrorism Standards. The procurement, lease, and use of relocatable buildings shall comply with UFC 4-010-01, DoD Minimum Antiterrorism Standards For Buildings, to provide a minimum level of protection against, and minimize mass casualties, as a result of terrorist attacks. See Appendix D, DoD Minimum Antiterrorism Standards For Expeditionary and Temporary Structures, of UFC 4-010-01, for structure types that meet the relocatable buildings criteria.
- 7. Fire Protection Standards. The procurement, lease, and use of relocatable buildings shall comply with UFC 3-600-01, "Design: Fire Protection Engineering for Facilities" to establish minimum protection requirements that reflect the need for the protection of life, mission, and property (building or contents).

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### 8. Action

- a. Regional commanders, enterprise commanders, and CNI will ensure that all projects which include a relocatable building are submitted under references (b) and (c) and the procedures contained in enclosures (1) through (3).
- b. Even if a relocatable building is transferred or installed with no funded costs to the installation, the regional commander, enterprise commander, and CNI will ensure that use of the facility conforms with the procedures outlined in enclosures (1) or (3).
- c. Regional commanders will ensure that site-approval requirements of reference (d) are followed for all uses of relocatable buildings.
- d. CNI will monitor the use and disposal of relocatable buildings.

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NAVY POLICIES ON THE PROCUREMENT AND USE OF GOVERNMENT-OWNED PERSONAL PROPERTY RELOCATABLE BUILDINGS

Ref: (a) DODINST 4165.56

- (b) OPNAVINST 11010.20F
- (c) SECNAVINST 11011.46A
- (d) NAVFACINST 11010.45 (NOTAL)
- (e) NAVSO P-1000 Change 67
- 1. <u>Means of Acquisition</u>. There are two methods for procuring Personal Property (Class 3) government-owned relocatable buildings:
- a. Procurement through normal channels using funding as specified in paragraph 3 below.
- b. Transfer from other government agencies: Facilities listed as excess to other DOD or government agencies may be acquired per applicable procedures.
- 2. Duration of Use. Relocatable buildings are considered to be temporary structures to be used for periods of three years or less. This includes situations where the future need for a facility is short-term, such as an operational exercise or experiment, transitory peak military missions, deployments, military contingency operations, disaster relief, and similar circumstances where permanent facilities will not be required. In other cases, a permanent facility is required, but due to delays in planning, budgeting, or execution of the construction project, temporary relocatable buildings offer the only viable solution for obtaining appropriate shelter. If an activity has initiated a military construction project or minor construction via authorized procedures, the three-year limitation may be extended using the waiver process described below to allow time for completion of a permanent facility.

### 3. Funding Sources.

### a. Facility Procurement.

- (1) Mission-Funded Installations: Installations and enterprise commanders will finance relocatable buildings using:
- (a) Expense funds (e.g., Operations and Maintenance, Navy (O&MN); Operations and Maintenance, Naval Reserve (O&MNR); Research, Development, Testing and Evaluation, Navy (RDT&EN); Navy Working Capital Fund (NWCF); or Non-Appropriated Funds (NAF), as deemed appropriate under the circumstances of the specific purchase) when the price of the relocatable building is below the expense/ investment threshold. See DOD Financial Management Regulation (FMR) DOD 7000.14R, volume 2A, chapter 1, section 010201 and reference (e), paragraph 075001. Splitting relocatable building requirements to circumvent funding limitations or fiscal restraints is prohibited. For instance, a

requirement for several connected or co-located structures must be treated as one purchase.

- (b) Procurement funds (e.g., Other Procurement, Navy (OPN), RDT&E, and NWCF) when the price of the relocatable building is at or above the expense/investment threshold.
- (c) All relocatable buildings acquired with Military Construction or Minor Construction funds are considered Real Property. See enclosure (3) of this Instruction.
- (2) Industrial-Funded Installations: Relocatable buildings required by industrial funded installations will be financed by the industrial fund within current procurement guidelines and included in the Capital Purchase Program where appropriate.

### b. Installation Expenses.

- (1) Initial Installation Expenses. The cost of initial transportation, delivery, installation, erection, utility hookup, and associated expenses will be funded by either:
- (a) expense funds (e.g., O&MN,RDT&E, NWCF overhead) if the facility itself is being purchased with such expense funds; or
- (b) procurement funds (e.g., OPN, RDT&E, and NWCF) if the facility itself is being purchased with such procurement funds.
- (2) Additionally, activities and major commands must budget minor construction funds, within the limitations authorized for the various operating appropriations and funds, for construction costs (site preparation, utility connections, foundations, etc.) required to install relocatable buildings.
- c. Operation and Disassembly Expenses. The cost of operation, maintenance, repair, disassembly, removal, storage, transportation, and disposal of relocatable buildings will be paid out of expense funds.
- 4. Inclusion in the Internet Navy Facility Assets Data Store (iNFADS). All temporary facilities will be assigned a unique facility number and entered into iNFADS.
- a. The Shore Facilities Planning Process must support the building requirement. There must be no existing permanent structures that can be economically rehabilitated for the proposed use.
- b. The site must not conflict with the planned land use per approved Master Plan, Regional Shore Infrastructure Plan (RSIP), or Capital Improvements Plan for the installation or region.

c. Including relocatable buildings in the iNFADS requires notification of the House Armed Services and Appropriations committees. Navy regions will prepare necessary forwarding memoranda for these requests as part of the CNI approval process.

### 5. Approval and Waiver Requests.

- a. Installations will request CNI approval via the applicable Navy Region prior to making any commitments.
- b. Requesting Activity will request CNI approval and site approval via the Enterprise Commander, installation and the applicable Navy region.
- c. Supporting data (such as economic analysis, project estimate, and description and detailed justification paragraphs) may be compiled on DD Form 1391 (FYXX Military Construction Project Data). Requests will include, information outlined in enclosure (4) of this instruction.
- d. If the requirement duration will exceed three years, include an explanation and request for waiver of the three year standard. Format for waiver requests is found in enclosure (4) of this instruction.

### 6. Regional Commander Duties. Regional Commanders will:

- a. Review all requests to ensure compliance with this instruction and ensure that an economic analysis has been completed, which support the proposed method of acquisition.
- b. Validate the mission requirement necessitating the temporary use of relocatable buildings.
  - c. Forward requests with recommended action to CNI N4.

#### 7. CNI Action.

- a. CNI N4 will review the justification provided and validate the requirement for relocatable buildings and staff the action within CNI.
- b. Prepare forwarding memoranda to Congress as required for adding relocatable buildings to the iNFADS database.
- c. Approvals will be provided to the requesting activity with information copies to the requesting installation, Enterprise Commander and region.

- 8. Disposal of purchased relocatable buildings. Upon completion of permanent facilities or termination of the need for the relocatable building, the use of that relocatable building shall be discontinued.
- a. Ninety days prior to termination of the approval, the using activity will determine whether the relocatable building will become excess to its needs. If the building will be excess, procedures for reporting the building as excess equipment (with information copy to CNI N4) will be initiated. This will require notifying the organization managing personal property at the installation level (usually the supply or comptroller program director) and requesting disposition instructions.
- b. If the using activity or any other installation has an alternate use or requirement for the building, a new request for the use of the building will be processed in accordance with this instruction even if no costs are involved.
- c. If paragraph b. does not apply, the using activity will "turn-in" the building to the local Defense Reutilization and Marketing Office (DRMO) following the disposition instructions obtained in paragraph a.

# NAVY POLICIES AND PROCEDURES FOR LEASE OR RENTAL OF RELOCATABLE BUILDINGS

Ref:

- (a) DODINST 4165.56
- (b) OPNAVINST 11010.20F
- (c) SECNAVINST 11011.46A
- (d) NAVFACINST 11010.45 (NOTAL)
- (e) NAVSO P-1000 Change 67
- 1. Means of Acquisition. Reference (a) permits, with restrictions, the leasing of relocatable structures to satisfy interim facility needs. Relocatable building leases should be considered as a means for fulfilling interim facility requirements where cost effective.
- 2. <u>Duration of Use</u>. Leased relocatable buildings are considered to be temporary structures to be used for situations where the future need for a facility is short-term.
- a. Leased relocatable buildings are routinely used for operational exercises or experiments, transitory peak military missions, deployments, military contingency operations, disaster relief, and similar circumstances where permanent facilities will not be required.
- (1) Leases for such facilities should normally be for a period of one year or less.
- (2) If, for good cause, the lease is required for a temporary period that exceeds one year, the lease may be obtained with an option-to-renew clause. However, as indicated in reference (a), the maximum period of use for relocatable buildings is normally not to exceed three years.
- (3) Installations and Enterprise Commanders may request waivers from CNI for up to two, one-year lease extensions beyond the three-year limit to allow for contingencies.
- b. Leased relocatable buildings are commonly used as an interim shelter in anticipation of erecting permanent buildings.
- (1) Guidance and restrictions regarding the duration of such leases are identical to that described in subsection a. directly above. In addition:
- (a) If time extensions are required due to lack of approval for programming a construction project or construction of facilities via normal military construction (MILCON) programs, Regions and Enterprise Commands should consider classifying the MILCON project as a "Must Fund" project during the next programming cycle. "Must Fund" requirements are those projects required to prevent mission failure. MILCON and

Special Project programs typically support new mission, waterfront and airfield projects as first priority.

- (b) Eliminating a relocatable building lease is not justification in itself for a MILCON "Must Fund" project. However, the Regional or Enterprise Commander should consider the benefit of getting out of leases when ranking their projects, and include that benefit in the project's economic analysis.
- (c) If a project will replace leased relocatable building space, but it remains unfunded, and the last lease extension is due to expire, the Regional or Enterprise Commander must either:
- (1) Take necessary steps to ensure that all personnel and Government equipment/property are removed from relocatable buildings not later than the termination date indicated under this Instruction or otherwise approved by CNI. Personnel and equipment/property will be moved to existing permanent buildings or office space; or
- (2) Request authorization from CNI to procure relocatable buildings under the provisions of enclosure (1) or enclosure (3) of this Instruction; or
- (3) Request exception to policy approval from CNI based upon extraordinary circumstances.
- 3. Funding Sources. Relocatable buildings may be leased by installations using the appropriations appropriate for funding leases, as specified in reference (e), paragraph 075001. To ensure maximum use of existing Navy shore infrastructure, all Navy activities shall request approval to lease real property and/or relocatable buildings from CNI N4 via the applicable Navy Region regardless of funding source, including NWCF activities.
- a.  $\overline{\text{OPNAV}}$ . CNO (N46) will program for all Navy lease requirements during the POM/PR process with the exception of lease requirements to support Navy working capital fund (NWCF) activities, which shall be funded through the NWCF.
- b. <u>CNI</u>. Commander Navy Installations (CNI) shall be designated as the Budget Submitting Office (BSO) for all Navy leases except those for NWCF activities. CNI will complete an annual data call to all Echelon 2 Commands for lease requirements prior to the POM/PR submission.
- c. <u>GSA</u>. All General Services Administration (GSA) leases shall be funded through the Federal Buildings Fund (FBF) administered by CNI for the Navy.
- d. Out of Cycle Requirements. Navy activities requiring out of cycle lease requirements shall fund these lease

requirements, including any required studies, Basic Facility Requirement (BFR) updates, etc. until CNO (N46) can program and budget for the funding during the subsequent POM/PR/Budget submission.

(1) All out of cycle GSA lease requirements shall be funded by the activity requiring the lease until CNO (N46) can program and budget for the funding during the subsequent POM/PR/Budget submission.

#### 4. Approval and Waiver Requests.

- a. Installations will request CNI approval via the applicable Navy Region prior to making any commitments.
- b. Requesting Activity will request CNI approval and site approval via the installation, Enterprise Commander and the applicable Navy region.
- c. Supporting data (such as economic analysis, project estimate, and description and detailed justification paragraphs) may be compiled on DD Form 1391 (FYXX Military Construction Project Data). Requests will include, at a minimum, information outlined in enclosure (4).
- d. If the requirement duration will exceed three years, include an explanation and request for waiver of the three year standard. Format for waiver requests is found in enclosure (4).

### 5. Regional Commander Duties. Regional Commanders will:

- a. Review all requests to ensure compliance with this instruction and ensure that an economic analysis prepared in accordance with NAVFAC P-442 Economic Analysis Handbook and \*PC ECONPACK for Windows has been completed, which support the proposed method of acquisition.
- (1) Special attention should be given to the lease-purchase analysis when the purpose of the relocatable buildings is to provide interim facilities during the initiation and completion of a military construction project. Experience has demonstrated that delays associated with construction projects often result in lengthy and costly leases.
- b. Validate the mission requirement necessitating the temporary use of relocatable buildings.
  - c. Forward requests with recommended action to CNI N4.

### 6. CNI Action.

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- a. CNI N4 will review the justification provided and validate the requirement for relocatable buildings and staff the action within CNI.
- b. Approvals will be provided to the requesting activity with information copies to the requesting installation, Enterprise Commander and region.
- 7. <u>Disposal</u>. Lease documents should contain provisions for removal of the relocatable buildings from the Naval Activity. In no case will the facilities be transferred to another use or user without the approval of CNI.
- 8. <u>Inclusion of Leased Facilities in the iNFADS</u>: Due to the prohibition against lease purchase agreements, leased relocatable buildings cannot become Navy property, and therefore cannot be included in the iNFADS.

\*Comment: ECONPACK for Windows may be downloaded at http://www.hnd.usace.army.mil/paxspt/econ/econ.aspx.

NAVY POLICIES AND PROCEDURES ON THE PROCUREMENT AND USE OF RELOCATABLE BUILDINGS ACQUIRED THROUGH MINOR CONSTRUCTION AND MILITARY CONSTRUCTION

Ref:

- (a) DODINST 4165.56
- (b) OPNAVINST 11010.20F
- (c) SECNAVINST 11011.46A
- (d) NAVFACINST 11010.45 (NOTAL)
- (e) NAVSO P-1000 Change 67
- 1. <u>Introduction</u>. Reference (a) indicates there are two reasons for purchase of relocatable buildings using military construction funds:
- a. As interim facilities pending construction of permanent facilities;
- b. In lieu of permanent construction, particularly overseas.

### 2. Means of Acquisition.

- a. Interim facilities. Reference (a) allows the use of relocatable buildings pending approval and construction of military construction projects. Construction projects must be approved by the cognizant authority. See reference (b). The interim facilities may be funded with military construction or minor construction funds.
- (1) Military Construction (MILCON). It is permissible to fund and procure relocatable buildings as part of a MILCON project to provide interim facilities to satisfy a function pending completion of permanent facilities. For example, if a hospital is being enlarged, some functions may have to be temporarily displaced during demolition and construction. MILCON project for the hospital may include additional funds to procure relocatable buildings to house the displaced functions. Documentation for the MILCON project should specify that relocatable buildings will be used and the project should specify the means of disposing of the relocatable buildings upon The cost for acquisition, use, and termination of need. disposal of the relocatable buildings in the MILCON project scope should be entered in block #9 of the DD 1391 as appropriate. It is important to note that permanent facilities and relocatable buildings should be combined into a single MILCON project to avoid the appearance of incrementation.
- (2) <u>Minor Construction</u>. A minor construction project may be used to provide urgently required facilities pending approval and construction of permanent facilities, provided that

prohibitions against incrementation stated in reference (b) are not violated.

- b. Permanent Relocatable Buildings Used Overseas. In some overseas locations, agreements with the host nation preclude construction of permanent facilities. In other cases, there may be no long-term country-to-country agreement, and the duration of facility use is uncertain. Therefore, relocatable buildings may be the most cost effective means of providing facilities for military requirements. In these cases, construction projects incorporating relocatable buildings will be programmed through normal minor construction or MILCON channels, and all costs for the building, transportation, erection, site preparation and other supporting costs should be funded with military or minor construction funds, as appropriate.
- c. Funding guidelines. If the installation of relocatable buildings qualifies as construction, the requiring and procuring installations will adhere to funding guidelines applicable to construction projects. See reference (e), paragraph 075386. The costs of set-up, dismantling, packaging and transportation of those facilities are to be treated as unfunded costs, which are not considered applicable to construction project approval authorities, (i.e., these costs must be funded by other than Minor Construction or Military Construction monies) although they may be real costs to the project sponsor and the Government. Site preparation, utility connections, foundations, and other construction costs are included in the construction projects and are applicable to construction project approval authorities.
- 3. Duration of use. Reference (a) indicates that interim facilities should be used for a temporary period, normally three years or less, except when incorporated as real property. Since all relocatable buildings acquired with construction funds are considered real property, the three-year time limit does not apply. However, due to the high operations and maintenance costs associated with temporary buildings, they should only be considered for short-term use. The only exception would be relocatable buildings used in lieu of permanent construction in overseas locations, as discussed in paragraph 2b of this enclosure.
- 4. Avoidance of Incrementation in Minor Construction and Military Construction Projects. Relocatable buildings may be used as interim facilities and installed by a Minor Construction project.
- a. If the installation is funded by a Minor Construction project, the facilities may not be used to supplement facilities provided by another construction project. For example, a special project may be used to install relocatable buildings to house administrative personnel pending completion of a Military Construction project to rehabilitate an existing administrative

building. Upon completion of rehabilitation of the permanent administrative facility, the relocatable buildings can no longer be used as administrative space, as this could be viewed as a means of circumventing Congressional approval authorities.

- b. A minor construction project to install relocatable buildings as interim facilities, pending construction of permanent facilities, does not violate the intent of reference (a), provided that the relocatable buildings installed as a minor construction project are not intended to be used in addition to the permanent facilities provided by a military construction project; and that use of the relocatable buildings is discontinued upon completion of the permanent facilities. Relocatable buildings should be demolished, returned to the stockpile, or excessed.
- c. Documentation for the construction project to provide permanent facilities should clearly state that relocatable buildings are in use.

#### 5. Approval.

- a. Military construction documentation for projects that include relocatable buildings will clearly state this fact. No other approval is needed.
- b. CNI will control purchase of relocatable buildings with minor construction funds.
- 6. Disposal. Upon completion of permanent facilities or termination of the need for the temporary facilities, the use of relocatable buildings shall be discontinued. If the relocatable buildings are beyond economical repair, they should be demolished. If the facilities can be reused, they should be excessed in accordance with local procedures (contact local supply or comptroller organization for guidance). However, no reuse by a Navy user shall be initiated without the prior approval of CNI. Under no circumstances will the relocatable building be used for a function for which a separate minor construction or MILCON project provided permanent facilities. When either action above is complete, notify CNI N4.
- 7. <u>Inclusion in the iNFADS</u>. All relocatable buildings acquired with MILCON or minor construction funds are considered real property and must be incorporated in the iNFADS.
- 8. Design Considerations. It is noted in paragraph (3) of this enclosure that relocatable buildings purchased with construction funds are considered temporary, but they may not be subject to the three-year limit on their use. Furthermore, the relocatable buildings funded with construction monies are included in the iNFADS. Therefore, only the sturdiest relocatable buildings, similar to pre-engineered buildings, may be considered for procurement with construction funds. The design and

construction of relocatable buildings, including all non-recoverable building components, shall be in accordance with Unified Facilities Criteria (UFC) 1-200-01, Design: General Building Requirements. In the application of UFC 1-200-01, temporary structures shall be defined as structures erected for a period of less than 180 days. Trailers on wheels, vans, and skid-mounted structures cannot be purchased with MILCON or minor construction funds.

#### FORMAT OF REQUESTS FOR RELOCATABLE BUILDINGS

Ref:

- (a) DODINST 4165.56
- (b) OPNAVINST 11010.20F
- (c) SECNAVINST 11011.46A
- (d) NAVFACINST 11010.45 (NOTAL)
- (e) NAVSO P-1000 Change 67
- (f) Federal Acquisition Regulation 7.401
- 1. Format. Written requests for use of relocatable buildings will include, as a minimum, the following:
- a. Identification of project costs grouped and subtotaled by funded and unfunded costs as shown below.
  - (1) Unfunded costs.
    - (a) Costs for relocatable buildings.
- (b) Costs for packaging and transporting relocatable buildings.
- (c) Costs for erection and assembly of relocatable buildings.
- (2) <u>Funded costs</u>. Funded costs include site preparations, foundations, exterior utilities, and other supporting construction requirements. Funded project costs will be approved as part of the 1391 authorizing the project and will be listed in the approval request for relocatable buildings as a reference and for the economic analyses justifying the relocatable buildings. Minor construction project information must be provided, if applicable (such as project number, project title, and fiscal year).
- b. A statement, by the officer responsible for space utilization surveys at the installation, certifying that no space is available on the installation to accommodate the use for which the building is being acquired. Supporting information must back up this statement regarding the space requirement, such as the following:
- (1) A brief summary of the mission and rationale for the requested space.
  - (2) The amount and type of space requested.
- (3) A description of how and where the need is currently being met, if applicable
- (4) An identification of any special requirements that may affect the decision on space assignment.

- (5) The date the space is needed, and the anticipated duration of the requirement.
- (6) A statement that the need has been reviewed at the Regional level, accepted as the best solution for a validated requirement, and does not conflict with the Shore Infrastructure Plan.
- c. A statement indicating coordination with the installation's personal property manager, including a determination of availability of the needed item within local stocks or that the needed item is not a kind that is centrally managed.
- d. A statement that the UFC 3-600-01, "Design: Fire Protection Engineering for Facilities" requirements for the proposed use of the relocatable building are being met.
- e. Identification of the construction standards to be specified and their relationship to maintainability of the proposed building.
- f. Identification of alternatives investigated. Alternatives to be considered, in the listed order, should include:
- (1) Use of existing real property facilities in the required category code.
- (2) Construction to convert existing space to the required category code.
- (3) Use of existing facilities, as in (1) or (2) above, at other DoD installations.
  - (4) Lease of off-base facilities through GSA.
  - (5) Transfer or loan of excess relocatable buildings.
  - (6) Lease of relocatable buildings.
  - (7) Purchase of relocatable buildings.
- 2. <u>Lease-Purchase Analysis</u>. A lease vs. purchase analysis must be performed in regard to all capital assets and related assets. The fair market purchase price/value of all connected or colocated structures will be aggregated for purpose of the lease vs. purchase analysis.
- If the fair-market purchase value of the relocatable buildings (capital assets) is \$1 million or less, a lease vs. purchase

analysis must be performed in accordance with Federal Acquisition Regulation (FAR) 7.401.

If the fair-market purchase value of the relocatable buildings (capital assets) is more than \$1 million, a lease vs. purchase analysis must be performed in accordance with OMB Circular A-94. Format, content and guidance are found in NAVFAC P-442, Economic Analysis Handbook and PC ECONPAC for Windows (or successor program). See reference (e), paragraph 075001.4 under "lease agreements" for additional requirements.

If the lease-purchase analysis does not support the use of relocatable buildings, even though their use is the only feasible means of satisfying the requirement, then the following additional information is required:

- a. Detailed mission impact statement with supporting cost data.
- b. Proposed plan to satisfy the requirement and estimated date an economically feasible alternative will be implemented.
- 3. <u>Funds</u>. Type and availability of funds must be indicated, such as OMN, OPN, MILCON, Navy Industrial Fund (AIF) or research, development, testing, and evaluation (RDT&E).
- 4. <u>Building loans</u>. If the interim facility requirement for a relocatable building will be satisfied by loan of an excess relocatable building, use the following temporary loan procedures after approval by CNI. The borrowing activity will agree to do the following:
  - a. Execute a loan agreement.
- b. Deliver the property at the end of the loan period to a location designated by the loaning activity.
- c. Return the building in the same condition as received (fair wear and tear excepted).
  - d. Fund all transportation costs.
  - e. Fund all other costs incidental to the loan.
- 5. <u>Format for Waiver Requests</u>. Written requests for waiver of time limitations relating to the use of relocatable buildings will include the following:
- a. Identification of the relocatable building as personal property owned by the Government or as a leased facility.

- (1) If leased, a copy of the full terms and conditions of the original lease agreement, as well as the terms and conditions of the lease extension.
  - b. Request for specific period of time extension with:
- (1) Full explanation of the reasons for the request, including evidence that delay in obtaining permanent facilities was not due to inadequate planning or insufficient efforts on the part of the activity.
- (2) Actions being taken to ensure that permanent facilities will be secured within the time extension requested, or that the need for the relocatable buildings will otherwise no longer exist by the end of the time extension.
- (3) A statement by the officer responsible for space utilization surveys at the installation, certifying that no other space is available on the installation to accommodate the activity, and that continued use of relocatable buildings is necessary.
- c. Evidence of the activity's original application for, and CNI (or predecessor authority) approval of, the use of relocatable buildings.
  - d. Safety documentation indicating:
- (1) The current state of repair, habitability, safety, and structural integrity of the relocatable building, and measures to be taken to ensure the continued soundness of the building.
- (2) A statement that the UFC 3-600-01, "Design: Fire Protection Engineering for Facilities" requirements for the proposed use of the relocatable building are being met.
- e. Cost analysis relating to the request for time extension.
- (1) A copy of the original lease vs. purchase analysis performed pursuant to FAR 7.401 or OMB Circular A-94.
- (2) A supplemental lease vs. purchase analysis for the requested period of lease extension. See Paragraph 2 above for further guidance.