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J&A Number: 25-0325

LIMITED SOURCE JUSTIFICATION

1. Contracting Activity.

Naval Air Warfare Center Weapons Division (NAWCWD) China Lake, CA

2. Nature and/or Description of Action being Approved.

This limited source justification and approval authorizes the procurement of 48 PolyEthylene Tow Targets (PETTs) and 105 pontoons for the Low Cost Modular Target (LCMT). This purchase is intended to be a manufacturer sole source procurement to Forte Products and competed between authorized GSA schedule holders. This action does not require a statement of work.

3. Description of the Supplies or Services Required to Meet the Agency's Needs (including the estimated value).

The items to be purchased are 48 PETTs and 105 pontoons. This procurement has an estimated cost of $652,244.30.

4. Identification of the Justification Rationale (see FAR 8.405-6) and, if applicable, a Demonstration of the Proposed Contractor's Unique Qualifications to Provide the Required Supply or Service.

FAR 8.405-6(a)(1)(i)(B), Only one source is capable of providing the supplies or services required at the level of quality required because the supplies or services are unique or highly specialized.

The limited source is justified for two reasons, the unique capabilities of the product compared to others in the market and the amount of support systems in place that work only with this product.

First, the PETT Tow Target has unique capabilities to fulfill customer needs that are not commercially available in the market. The target must be towed at speeds up to 35 knots in a sea state 2 and remain stable, while tracking closely behind the towing vessel, to meet target presentation requirements. The target hull must be constructed of a tough, thermoplastic resin to remain intact while sustaining damage from ballistic impacts. The thermoplastic resin also allows the hull to be repaired quickly using melting plastic welders, cheaply extending lifespan of the target, and providing more target presentations. The deck of the target must be designed to accept target augmentation systems that alter the presentation characteristics of the target as necessary, including visual, infrared, and Radio Detection and Ranging characteristics. The interior of the target must be entirely accessible to an operator to add or remove buoyancy material, electronics, or other hardware. The interior must also be accessible during ongoing target presentations to allow operators to more

easily clear the target of potentially explosive material after ballistic impacts. There is no other product commercially available that meets these tow requirements, with a thermoplastic hull, a flat deck that accepts augmentation hardware, and an entirely accessible interior.

Second, there are many support systems already in place that interface only with the PETT. The PETT is currently used on the United States (US) West Coast and at many locations on the US East Coast, including Norfolk, Virginia, Patuxent River, Maryland, Cherry Point, North Carolina, and more. The PETT is also used at Pacific Missile Range Facility (PMRF) Hawaii and PMRF Okinawa, Japan. It is also used at ranges in Bahrain and Spain. The operators at these locations have been trained to operate and maintain the PETT, with its unique characteristics. The operators have been trained to safely operate the target by being familiar with its unique tow characteristics at high speeds. They have also been trained to perform repairs on the target using technically-specialized plastic welding repair kits, provided with the target. It is not reasonable for operators to support multiple versions of the tow target platform. In addition to human support systems, all existing target augmentation hardware for the tow target is uniquely designed to interface with the PETT deck structure. At our local depot, we have a large existing inventory of augmentation hardware that is designed to interface only with the PETT. Likewise, the inventory of hardware at remote locations is all designed to interface with the PETT.

The LCMT pontoons also follows similar design requirements to the PETT. The pontoons are attached to a truss structure that then allows various augmentation to be installed to. It must be able to be towed at up to 30 knots and withstand sea state 3. It also must keep the same towing characteristics and be interchangeable with all other pontoons that are fielded around the world. Just like the PETT, the LCMT pontoons have to be interoperable with more parts than just themselves and the operators have already been trained and have familiarity with them.

To summarize, there is no offering comparable to the PETT or LCMT pontoons on the market and it is not feasible to replace the existing operator support and hardware support systems already in place.

5. Determination by the Ordering Activity Contracting Officer that the Order Represents the Best Value Consistent with FAR 8.404(d).

In accordance with FAR 8.404(d), by placing an order against a schedule contract, the ordering activity has concluded that the order represents the best value and results in the lowest overall cost alternative to meet the Government's needs. Additionally, if necessary, NAVAIR will seek additional discounts from the schedule holder before placing an order, as the order will exceed the simplified acquisition threshold, in accordance with 8.405-4.

6. A Description of the Market Research Conducted among Schedule Holders and the Results or a Statement of the Reason Market Research was not Conducted.

Seaborne Targets regularly conducts market research in a number of ways related to small non-powered target platforms. Engineers attend commercial watercraft conventions, review other small watercraft used alongside seaborne targets at operating sites, and investigate small watercraft manufacturing techniques. Specific examples follow:
In December of 2021, Seaborne Targets engineers attended the International Work Boat Show in New Orleans, Louisiana. The show included a variety of commercially available small watercraft. After reviewing the products' availability, we decided that the commercially available options did

not meet our needs for a small, non-powered seaborne target. The government has also reviewed commercially available small watercraft online, through searches and industry connections. The findings have been that those commercially manufactured options are not capable of operating at the high speeds the government require, though we remain aware of the current industry offerings. More recently, the government has begun another effort that requires small, plastic watercraft. As part of that effort, the government is looking more widely at the available rotomolded micro skiff market, this will likely continue the research by soliciting those manufacturers and considering procuring potential crafts for at-sea testing.

Second, while visiting remote sites that operate seaborne targets, engineers take time to review other watercraft in use at the site and compare their suitability. For example, during a 2020 visit to Eglin Air Force Base, engineers reviewed a type of fiberglass watercraft in use there. It was similar in some characteristics to the PETT but did not have the same functional characteristics as the PETT, including a much more difficult repair process and lack of access to the internal craft structure. In more recent visits, the government has found similar circumstances – crafts that meet some, but not all the minimum requirements.

Finally, Seaborne Targets engineers regularly investigate current and emerging manufacturing techniques for small watercraft. In 2016, engineers investigated 3D printing as a method of manufacturing small, expendable watercraft, although it was found that manufacturing was prohibitively expensive at $110k per target. It was also not possible to perform repairs on the target because of the construction. In 2019, the University of Maine produced a 3D printed small watercraft that reportedly cost about $40k, after speaking with contacts at Oak Ridge National Labs and University of Maine, it was determined that their watercraft also suffered from the same lack of ability to repair.

The governments' local novel manufacturing technique has been experiencing downtime issues for all of 2023. We are actively seeking manufacturer troubleshooting assistance and plan to continue research into 3D printing watercraft once it is functioning again.

These are some specific examples of market research performed by Seaborne Targets as part of regular industry investigation and comparison to commercial small watercraft.

7. Any other Facts Supporting the Justification.

It is difficult to entertain and review product proposals that have not already been tested locally as part of our internal research and development strategy. Performing local testing of new products in between learning inventory requirements and meeting them would likely require iterative design efforts and be time-consuming and labor-intensive. This would be costly and have a detrimental effect on the warfighter.

8. A Statement of the Actions, if any, the Agency May Take to Remove or Overcome any Barriers that Preclude the Agency from Meeting the Requirements of FAR 8.405-1 and FAR 8.405-2 before any Subsequent Acquisition for the Supplies or Services is Made.

To overcome barriers to competition, the government plans to continue ongoing market research by monitoring the small watercraft industry and reviewing commercial offerings that are found, as described above in item 6. If options are found that potentially meet the government's needs,

research and development strategies are in place to review the product with the vendor and test their product at a government site. Additionally, at the start of 2023, the government hired a naval architect with experience in the commercial ship-building industry. The architect offers their expertise when it comes to reviewing small, plastic watercraft procurements and will continue to do so. We are currently reviewing US-made rotomolded watercrafts to continue market research as part of another target effort.

Most recently, in 2025, we've begun prototype procurements of 2 unique metal hull vessels that are close in characteristics to the PETT. Once we receive these assets, we'll begin internal review and testing to determine if they meet our needs for future target platforms or to replace current platforms as improvements. This is an example of our internal market research strategies being used to maintain competition while not impacting delivery to the warfighter.