

**United States Department of Agriculture
Justification to Restrict Competition
Identification Number: 1202SC26Q2717**

In accordance with the Revolutionary Federal Acquisition Regulation (FAR) 12.102 (b), the following justification documents the decision to restrict competition for this acquisition.

(1) Mission Area and Contracting Activity.

This requisition is being acquired for the USDA/Forest Service, National Interagency Support Cache (NISC) program, by the At Incident Management Support Branch (AIMS), Cache Team on a basis of other than full and open competition.

(2) Nature and/or description of the action being approved.

This J&A authorizes and approves a new contract for the award of a sole-source, firm fixed-price, base plus four (4) option year, indefinite delivery/indefinite quantity contract with Altinex, Inc., a registered small business. This supply contract will provide “The Rookie”, RS-13021 Dual Electric Hose Roller and associated parts developed under a Cooperative Research & Development Agreement (CRADA) between the USDA/Forest Service and Altinex, Inc. This acquisition is in support of the NISC, essential for storing, tracking, and shipping critical equipment and supplies for wildland fires and all-hazard emergencies. The scope of this project is to supply the NISC with new electric hose rollers, replacing all current gas hose roller stock over the course of this multi-year contract. The need is to both replace aging and outdated gas-based models with efficient electric models and to increase inventory numbers. The new contract will continue to provide the critical resources and expertise needed to maintain and enhance the performance of required system.

These services are commercial in nature and will be procured utilizing the procedures listed in FAR Part 6.103-1 (only one responsible source and no other supplies or services will satisfy agency requirements), citing 10 U.S.C. 3204(a)(1) or 41 U.S.C. 3304(a)(1).

The suggested contractor is:

Altinex, Inc.

500 S Jefferson ST

Placentia, California 92870-6617

UEI: DCMKRLN6NLY9

(3) A description of the supplies or services required to meet the agency’s needs (including the estimated value).

The USDA/Forest Service, NISC, has a need to purchase an estimated 220 units of “The Rookie”, RS-13021 Dual Electric Hose Roller and associated parts in the foreseeable future to satisfy inventory needs in preparation of the fire seasons. The “The Rookie”, RS-13021 Dual Electric Hose Rollers are a joint Forest Service, National Technology & Development (NTDP) and Altinex, Inc. design through CRADA # 25-RD-11070100-002.

The requisition will provide Dual Electric Hose Rollers and associated parts. Hose roller units are heavily utilized on wildfire incidents to clean up miles of deployed hose, and the NISC must keep up with increasing demand. The current stock across the nation is entirely gasoline-powered, which requires a supply of fuel on hand and results in a full mechanical workup upon return from the incident. The supplier of these units is no longer making them, and so every unit that breaks irreparably is a loss of functionality for the fire cache. Moving to electrical models will decrease the need for fuel on hand

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and will decrease the turnaround time between incident deployments as there will no longer be a motor to refurbish. An increasing number of incidents, including training projects and prescribed burns, are requesting at least one hose roller, which puts a strain on the dwindling inventory in existence. Acquiring new units beyond just replacing current stock is a critical need to meet these requests and to expedite the demobilization of wildfire incidents.

The “The Rookie”, RS-13021 Dual Electric Hose Rollers are a result of an NTDP recommendation and subsequent approval from the National Wildland Coordination Group (NWCg), National Fire Equipment System (NFES) subcommittee. Inclusion of this hose roller into the NISC inventory will allow the cache to supply fire incidents with electric hose rollers as needed and requested keeping pace with the volatile and mission changing conditions on the ground. There is a growing request from National Forests for hose rollers on fire incidents due to the expedient efficiency in cleaning up miles of deployed hose. The acquisition of this product into the NISC inventory will drastically enhance the capabilities of ground personnel in de-mobilization activities, enhancing efficiency and freeing up personnel for other critical duties.

It is anticipated that an IDIQ contract consisting of a one-year base period and four (4) one-year option periods will be awarded. The estimated total for the base year plus all options is [REDACTED] as shown below:

Period	Fiscal Year	Total
BASE	FY27	[REDACTED]
Option 1	FY28	[REDACTED]
Option 2	FY29	[REDACTED]
Option 3	FY30	[REDACTED]
Option 4	FY31	[REDACTED]
Subtotal		[REDACTED]
Evaluation of FAR 52.217-8		[REDACTED]
Grand Total		[REDACTED]

(4) Identify the statutory authority permitting other than full and open competition.

The statutory authority permitting other than full and open competition is FAR 6.103-1, Only One Responsible Source.

(5) Demonstrate that the proposed contractor's unique qualifications or the nature of the acquisition requires using the authority cited.

The NTDP was tasked by the NISC to develop electric hose rollers that can be used in various fire and post fire applications to include demobilization, to meet specific, critical needs of the Forest Service and sister agencies’ wildfire suppression and recovery needs. Current commercially available hose rollers lack performance features that would greatly improve efficiency, as well as the operator safety and ergonomics, of Forest Service and partner hose rolling operations. The aging hose rollers in cache inventory consists of various make and models ranging from manual and gas powered. Lack of uniformity and conditions of inventoried hose rollers has caused performance issues, damage to hoses, and has caused injuries to personnel. Furthermore, many hose rollers are over cumbersome to wildland

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fire crews and are not adequate to accommodate specific mission needs of the Forest Service, potentially equating to loss of habitat, property, and life.

As a result, the Forest Service and Altinex, Inc. partnered through a CRADA to design and develop a ready-for-production wildland fire hose roller design that implements new or improved performance, safety, and ergonomic features that can be used in warehouse and field conditions providing benefits such as consistency in training, safety, and minimizing the number of personnel needed in hose rolling activities. The CRADA provided shared intellectual property (IP) protection for the manufacturer and the Forest Service. There is a patent pending for this design and it is considered confidential and proprietary information.

Furthermore, whenever an invention described in and covered by a patent of the United States is used or manufactured by or for the United States without license of the owner thereof or lawful right to use or manufacture the same, the owner's remedy shall be by action against the United States in the United States Court of Federal Claims for the recovery of his reasonable and entire compensation for such use and manufacture. (Not the contractor).

CRADA's are a tool provided under the Technology Transfer Act USC 3710a (1986) to provide federal governmental partners the opportunity to work with the federal government and not lose control of IP developed (owned or co-owned by the government) by providing an option to an "exclusive license" to the government owned or co-owned IP. The procurement of a technology protected by a USFS owned or co-owned patent from a non-owner/licensee is a violation of this Act and can result legal action against the USFS. As a result of this and Patent and Copyright case law under 28 U.S.C. 1498, satisfying the Government's need for "The Rookie", RS-13021 Dual Electric Hose Rollers through a sole sourced contract is justified and in the best interest of the Government.

(6) Provide a description of efforts made to ensure that offers are solicited from as many potential sources as possible, including whether a notice was or will be publicized as required by Part 5 and, if not, which exception under Part 5 applies.

Due to the manufacturer's expertise and product experience, NTDP entered into a CRADA to improve the performance of the motorized hose rollers used to roll the extremely large volume of wildland fire hose for shipping and storage at wildland fire incidents and at caches of the NFES and NISC system. The CRADA provided shared IP protection for the manufacturer and the Forest Service. As a result, NTDP conducted comprehensive market research for electric hose rollers that could be used to meet the regulatory, equipment system, and field needs. A few products were considered; however, none were capable of providing the necessary equipment function. Limited market research was conducted by the Contracting Officer using mandatory sources, internet searches, discussions with subject matter experts, and small business databases with more than three (3) vendors capable of providing electric hose rollers, but none that can provide the required electric hose rollers to meet the specific Government need.

A notification of "Intent to Sole Source" will be submitted through the Government Point of Entry at "Contracting Opportunities" in www.sam.gov in accordance with presolicitation notice / methods of disseminating information in FAR 5.101. This acquisition is not tied to the CRADA. The CRADA services to demonstrate the unique features of the product and the absence of a commercial product that could be purchased to meet all needs.

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(7) A determination by the Contracting Officer that the anticipated cost to the Government will be fair and reasonable.

A final fair and reasonable determination will be made prior to award. Current pricing shows an anticipated per unit price of [REDACTED] (ea.) for RS-13021 Dual Electric Hose Rollers. Historic pricing for electric hose roller units over the last three years reflecting the most comparable version shows an average price of \$11,000.00. However, the RS-13021 Dual Electric Hose Roller was designed to meet specific Forest Service needs with custom capabilities not found in the marketplace, accounting for the difference in pricing. Furthermore, both the CRADA (if the potential sales to the government before a signed license) and any resulting license contains language that protects the Forest Service from being overcharged for the technology. "The price charged by COOPERATOR for the sale of Royalty Products to any U.S. Government agency or for use in any U.S. Government program will be the lowest price charged by COOPERATOR for the sale of an equivalent quantity of Royalty Products in an arms-length transaction with a nonaffiliated third party during the same reporting period".

The Contracting Officer has determined the anticipated cost to the Government of the supplies/services covered by this J&A will be fair and reasonable based on a thorough comparison of historical pricing data from the prior contract and the development of an Independent Government Cost Estimate (IGCE) using current market rates.

(8) A description of the market research conducted, and the results or a statement of the reason Market Research was not conducted.

Due to the shared intellectual property (IP) protection for the manufacturer and the Forest Service through the CRADA, the pending patent, and overall proprietary nature of "The Rookie", RS-13021 Dual Electric Hose Rollers, limited market research was conducted by the Contracting Officer using mandatory sources, internet searches, discussions with subject matter experts, and small business databases with more than three (3) vendors capable of providing electric hose rollers listing the appropriate NAICS code for this requisition. Comprehensive market research was conducted by the NTDP for electric hose rollers that could be used to meet the regulatory, equipment system, and field needs. A few products were considered; however, it was determined that none were capable of providing the necessary equipment function for the unique and critical need for a hose roller with the same capabilities of the "The Rookie", RS-13021 Dual Electric Hose Rollers developed under the CRADA.

Due to the reasoning mentioned above, it is determined that it is in the best interest of the Government to procure these items as a sole source award to Altinex, Inc. in order to maintain personnel, equipment, and environmental safety, and the uninterrupted operation and mission readiness until other sources are identified in future.

A notification of "Intent to Sole Source" will be submitted through the Government Point of Entry at "Contracting Opportunities" in www.sam.gov in accordance with FAR 5.201.

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(9) Any other facts supporting use of other than full and open competition, such as:

Market research was conducted and commercially available products were field tested by NTDP. Results determined that there was not a product available on the market meeting Forest Service needs. Altinex, Inc. has been manufacturing hose rollers for the past 24 years and have been previously purchased and successfully used in multiple regions by Forest Service personnel. Altinex is capable of designing and building prototypes and was approached to partner in developing a product suitable for the operational needs. The use of the CRADA and the provisional patent issued are evidence that specifications and purchase descriptions would not suffice to provide the government with a product suitable for the operational need. The product can be duplicated under US patent law. However, when an invention described in and covered by a patent of the United States is used or manufactured by or for the United States without license of the owner thereof or lawful right to use or manufacture the same, the owner's remedy shall be by action against the United States in the United States Court of Federal Claims for the recovery of his reasonable and entire compensation for such use and manufacture (not the contractor).

The procurement of a technology protected by a Forest Service owned or co-owned patent from a non-owner/licensee is a violation of the Technology Transfer Act, USC 3710a (1986) and can result legal action against the Forest Service. Sole source justification - 28 U.S.C. 1498 Patent and Copyright cases. Due to the confidential and proprietary nature of shared IP, protection for the manufacturer and the Forest Service, compliance of statutory authority and US Code and Acts, Forest Service specific and unique wildfire equipment needs, Altinex, Inc. represents the only current source capable of providing the dual electric hose rollers required to maintain operator safety, uninterrupted operation, and mission readiness necessary for wildfire suppression.

(10) A listing of the sources, if any, that expressed an interest in the acquisition in writing.

Altinex, Inc. was the only firm approached due to the existing CRADA, nature of the requirement, and the ability to meet the unique needs essential to the Government.

(11) A statement of the actions, if any, the agency may take to remove or overcome any barriers to competition before any subsequent acquisition of the supplies or services required.

Market research will be conducted prior to future acquisitions to see if there are any new products that meet the operational requirement. If so, a performance specification will be developed and competitively solicited based on the specifications. Life expectancy of the patent is 25 years.

To enhance competition we will conduct regular market research and engage with industry to identify new sources and emerging technologies. However, it is unlikely that these efforts alone will overcome the significant barriers posed by the specialized nature and proprietary technologies of the current program.

Attempts will be made to promote vendor capability development through pre-solicitation briefs and technical workshops, offering performance standards early in the acquisition process. Despite these efforts, creating a genuinely competitive environment may be difficult. The agency will explore incremental acquisition strategies and encourage partnerships and subcontracting to broaden the contractor base. While committed to a continuous review for improvement, the proprietary

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elements and unique requirements of the program suggest that significant barriers to competition will likely remain.