

SAC NEWSLETTER

7.8.2020

A monthly newsletter brought to you by The Strategic Affairs Committee of the PSDSRA

Top stories in this newsletter (Helpful Hint: click the pictures to be taken to the articles/links)



Congress Takes Up Pentagon Spending Plan for 2021



Navy Calling Up 1,600 Reservists to Fill in For The Brakes On Shipyard Workers Out for COVID-19



Congress Pumps Navy, Demands Answers From OSD



HASC Passes NDAA 56-0: 'Yet Hope Remains, While The Company Is True'



Check Out Our **PSDSRA** Member **Features**

Job Killer Legislation - Update and Tracking



Calchamber.com

Legislation to watch:

AB 196 (Lorena Gonzalez; D-San Diego) Establishes Costly "Conclusive Presumption" of Injury.

Status: 5/5/2020-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on L., P.E. & R. Location: 5/5/2020-S. L., P.E. & R.

AB 398

Status: 6/17/2020-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on RLS. Location: 5/29/2020-S. RLS.

AB 664 (Cooper: D-Elk Grove) Establishes Costly "Conclusive Presumption" of Injury.

Status: 5/18/2020-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on L., P.E. & R. Location: 7/12/2019-S. L., P.E. & R.

AB 1107 (Chu; D-San Jose) Massive Unemployment Insurance Compensation and Tax Increase.

Status: 5/29/2020-Re-referred to Com. on RLS. Location: 5/29/2020-S. RLS. Gutted and amended May 26, 2020 to a different subject area. Job killer and oppose tag removed. SAC will no longer track this bill.

AB 2999 (Low; D-Campbell) New Protected Leave and Threat of Litigation.

Status: 6/11/2020-In Senate. Read first time. To Com. on RLS. for assignment. Location: 6/11/2020-S. RLS.

AB 3075 (Lorena Gonzalez; D-San Diego) Local Wage Standards.

Status: 6/16/2020-In Senate. Read first time. To Com. on RLS. for assignment. Location: 6/16/2020-S. RLS.

AB 3216 (Kalra; D-San Jose) New COVID-19 Employment Leave Mandate.

Status: 6/18/2020-Read third time. Passed. Ordered to the Senate. (Ayes 44. Noes 17.) In Senate. Read first time. To Com. on RLS. for assignment. Location: 6/18/2020-S. RLS.

SB 950 (Jackson; D-Santa Barbara) Expansion of CEQA.

Status: 5/29/2020-Failed Deadline pursuant to Rule 61(b)(5). (Last location was E.Q. on 5/29/2020) Location: 5/29/2020-S. DEAD. SAC will no longer track this bill.

NEW AB 3030 (Karla; D-San Jose) Resource conservation: land and ocean conservation goals.

This bill would declare it to be the goals of the state by 2030 to protect at least 30% of the state's land areas and waters within the state; waters; to protect at least help advance the protection of 30% of the ocean waters off the coast of the state; nation's oceans; and to support regional, national, and international efforts to protect at least 30% of the world's land areas and waters and 30% of the world's ocean. The bill would require authorize the state to achieve these goals to be accomplished goals through an effort that includes specified objectives. specified activities.

NEW Proposition 13

This bill would allow for more frequent reassessments of commercial and industrial property, raising an estimated \$11 billion a year for schools and local communities. "Prop. 13, which California voters approved in 1978, allows property to be reassessed only when it is sold or changes hands. The proposed initiative calls for a split roll, with homes and apartment buildings, as well as businesses and agricultural land, left under the current rules, but allowing regular reassessments of most commercial and industrial buildings and land." - John Wildermuth (SF Chronicle)

Congress Takes Up Pentagon Spending Plan for 2021 - (San Diego Business Journal)

Authored by Brad Graves— Contributed to SAC newsletter by Terry Buis

Thursday, June 18, 2020

A discussion with wide-ranging implications for the San Diego economy, concerning the 2021 Defense Department budget, will occupy Washington for the next several weeks.

Local contractors are cautiously optimistic.

"The budget bill to date looks good for our local defense companies," said Mark Balmert, executive director of the nonprofit San Diego Military Advisory Council, who said he has spoken with contractors. "However, we still have to wait to see what comes out of the Senate Armed Services Committee and the House Armed Services Committee as they do their markups." Markups are changes Congress makes to the proposed budget.

Lynn Reaser, economist at Point Loma Nazarene University, said the budget faces "stiff headwinds" as Congress considers other priorities, including COVID-19 and spending on social programs.

President Donald Trump introduced his \$705.4 billion Pentagon budget proposal in February. A Senate committee began reviewing its version of the budget, mostly behind closed doors, the week of June 15. A House committee is scheduled to review it June 22-July 1.

Pentagon spending, including salaries and pensions for military members, is credited for generating \$51 billion in direct and indirect spending, amounting to one-fifth of the county's Gross Regional Product, according to Balmert's organization, known for short as SDMAC. A recent SDMAC study said the Pentagon is expected to buy some \$10.8 billion in products and services from San Diego County companies in 2020, up from \$10.3 billion in 2019.

The president's 2021 budget proposal funds unmanned aircraft and related services from General Atomics Aeronautical Systems Inc. and Northrop Grumman Corp. There is a \$72 million request for GA-ASI's Gray Eagle and a \$700 million request for its Reaper as well as a \$631 million request for Northrop Grumman's Triton and Global Hawk. Some of the funds go toward research and development.

The budget request calls for \$95 million to go toward the John Lewis-class oiler ship program for the U.S. Navy. General Dynamics NASSCO (NYSE: GD) builds the ships in Barrio Logan. Congress allocated \$1.1 billion for two oilers in 2020.

Balmert said with the upcoming election, there is a chance Congress may not agree on a budget by the start of the fiscal year on Oct. 1. In that case, lawmakers would pass a continuing resolution, a stopgap spending bill offering limited funding until a final budget is enacted.

"Budget deals tend to be put off until after the election," he said.

The proposed 2021 budget calls for more ship maintenance and aircraft maintenance — which would benefit many San Diego companies — though Balmert said the increases would be delayed if there is a continuing resolution.

Balmert, a retired rear admiral, said federal spending on the COVID-19 pandemic and associated stimulus may take a priority over defense spending.

Defense industry representatives are more concerned about fiscal 2022 than 2021, Balmert added.

Virtual Hill Crawl



redclara.net

With the cancellation of this year's NSRIC due to COVID-19, the SAC has been conducting a virtual "hill crawl" with representatives of San Diego's congressional delegation.

So far, we've spoke with staff members from the following legislators: Congressman Mike Levin, Congressman Scott Peters, Congressman Juan Vargas, and Senator Dianne Feinstein.

For a list of the talking points discussed with the congressional staff, please click the image. Or, visit the Strategic affairs committee page of the PSDSRA website.

Navy Calling Up 1,600 Reservists to Fill in For Shipyard Workers Out for COVID-19



US Navy Image

"The Navy is activating 1,629 reservists to help reduce a carrier and submarine maintenance backlog at its public shipyards that is exacerbated by COVID-19, according to Naval Sea Systems Command.

The reservists sent to work at the shipyards will start arriving in July and will have one-year orders, which can be adjusted if needed. They are part of the Navy's Surge Maintenance program, established in 2005, and will supplement current civilian shipyard staff. This is the SurgeMain program's largest reservist mobilization. "We have been methodical in how we planned this mobilization," Moore said in the NAVSEA statement."

Congress Pumps The Brakes On Navy, Demands Answers From OSD



"WASHINGTON: A new class of unmanned ships proposed by the Navy as a bulwark against growing Chinese and Russian naval might is running into deep skepticism on Capitol Hill, reflecting larger and broad frustration in Congress over the Navy's stalled modernization push.

The House Armed Services Committee voted 56-0 Wednesday night to send its version of the 2021 Pentagon policy bill to the entire House, a document which slaps restrictions on the Navy and withholds money from the Pentagon until it delivers a long-delayed Navy force structure plan."

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HASC Passes NDAA 56-0: 'Yet Hope Remains, While The Company Is True'



Leigh Vogel/Getty Images

"WASHINGTON: In what may be the shortest markup in the last 20 years, the masked members of the House Armed Services Committee came together shortly before midnight – while staying at least six feet apart – to pass their draft of the National Defense Authorization Act by a unanimous 56-0 vote.

"I'm also concerned about extraneous issues in our bill," Thornberry said. "I know from experience that this is only going to get worse as the process moves forward, and particularly this year when there are so few legislative vehicles, everybody's gonna want to hitch their wagon to us. And the danger is that it tends to bog our bill down.""

Election Information



This link is provided as a resource to the membership to stay up to date on election information. This link includes information on Presidential, Congressional, State Legislature, and Local Government elections. As well as State ballot Measures, Election Dates, and FAQs.

MC2 Thomas Gooley/Navy

About the SAC:

The Strategic Affairs Committee's charter is to monitor current events and news relevant to the Ship Repair Industry and provide the Association's board of directors with items of interest that may affect the industry and / or the membership. The information includes but is not limited to current events, geopolitical information, budget news, political information and upcoming legislation.



The PSDSRA's Facebook page is regularly updated with news, which is focused on, timely and relevant information of value to our members in the Maritime Industry. To view, like, and/or follow the PSDSRA's page, click the Facebook logo.

The SAC meets on the 3rd Tuesday of every month.

To join the Committee - Email kwilkinson@tecnicocorp.com and you'll be added to the committee distributions and invited to attend the meetings.

Current Active Committee Members include: Kyle Wilkinson, Derry Pence, Terry Buis, Marcel Becker, Kyle Clapp, Kelvan Hall, Michael Curtain, Michael Bice, Ed Zajonc, Michael Gonzales, Morgan Miller, Dante Sitta, Lorenzo Ramirez, Patrick Mooney, Victoria McIntyre, and Steven Moore.



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Republic Brass Sales, Inc. 619.229.8304 6566 Federal Blvd Lemon Grove, CA 91945

BRONZE - SILBRAZE		
MIL-F-1183	BRONZE SILBRAZE, 400# (INCLUDING RETAINING RINGS AND O-RINGS)	
MIL-F-24227	BRONZE U.T. SILBRAZE	
DWG 803-841338	BRONZE SILBRAZE, 3000#	
DWG 803-841449	BRONZE SILBRAZE WYE STRAINER	
DWG 803-1385883	BRONZE SILBRAZE UNIONS W/ O-RING GASKET	



COPPER NICKEL - SOCKETWELD		
DWG 803-6397430	CUNI 90/10 & 70/30 SOCKETWELD, 400#	
	CUNI 90/10 & 70/30 SOCKETWELD, 3000#	
	CUNI 90/10 & 70/30 SOCKETWELD, 6000#	



PIPE & TUBING		
MIL-T-1368	MONEL TUBING	
MIL-T-15005	COPPER NICKEL 90/10 & 70/30 CONDENSER TUBING	
MIL-T-16420	COPPER NICKEL 90/10 & 70/30 TUBING/PIPE, SEAMLESS	
MIL-T-24107	DE-OXIDIZED COPPER PIPE	
MIL-P-24691	STAINLESS STEEL 304L / 316L TUBING, SEAMLESS	
ASTM A-106B	STEEL PIPE, BLACK / GALVANIZED, SCH 40, 80, 160, SEAMLESS	



FLANGES	
DWG 810-4715319	COPPER NICKEL 90/10 & 70/30, NAVY, SOCKETWELD / SLIP-ON / WELD NECK 2A - 150# / 5C - 250# / 2C - 200# BUTTERFLY TYPE
DWG 810-1385892	BRONZE, SILBRAZE, BUTTERFLY TYPE
MIL-F-20042	BRONZE, SILBRAZE FLANGES
MIL-F-20670	STAINLESS / CARBON STEEL, B-110 NAVY FLANGES, SOCKETWELD / SLIP-ON / WELD NECK
	COMMERCIAL, COPPER NICKEL 90/10 & 70/30, STAINLESS / CARBON STEEL, BRONZE SOCKETWELD / SLIP-ON / WELD NECK / SILBRAZE, 150 / 300 / 600 / 1500#



BALL / PLUG VALVES		
MIL-V-24509	NAVY BALL / PLUG VALVE, BRONZE BODY, 150# FLANGED, 2 / 3 WAY, 2 / 3 PORT	
DWG. 803-5001003	NAVY BALL VALVE, BRONZE / CUNI BODY, TITANIUM / STAINLESS STEEL BALL SW / SILBRAZE / BW ENDS, 700#, 1/4" - 2-1/2"	
DWG. 803-5001004	NAVY BALL VALVE, BRONZE / CUNI BODY, TITANIUM / STAINLESS STEEL BALL SW / SILBRAZE / BW ENDS, 700#, 3"-4"	



Republic Brass Sales (RBS) is a small veteran owned business located in Lemon Grove, CA manufacturing and providing marine pipe, valves, fittings, hose, habitability, and hose accessories to the commercial and military community since 1982. Our 25,000 sq. ft. facility has state of the art machining capabilities along with a team of sales experts to ensure your team gets what it wants on time and on budget. RBS is your trusted partner on the waterfront.



Continental Tide Defense Systems, Inc., is a certified small business supporting the DoD, U.S. Navy, Military Sealift Command and the U.S. Coast Guard to maintain, repair and modernize its fleet of ships around the globe. Continental Tide is Headquartered in Reading, Pennsylvania, and offices, warehouses, and fabrication facilities in Philadelphia, Pennsylvania, Norfolk, Virginia, and San Diego, California.

Continental Tide services multiple sectors of the DoD that provide great diversity and opportunity for growth and cross pollination. Continental Tide's main product lines are focused in three distinct areas: shipboard industrial repair, maintenance and modernization; hardware product development and mobile tablet applications/software development.

Continental Tide possesses a QMS acceptance letter meeting the requirements of ASQ/ANSI/ISO 9001:2015 from Naval Sea Systems Command (NAVSEA) QMS Acceptance Authority. Quality is part of our culture. We are firm in our belief that "you say what you do" and "you do what you say." Our processes and procedures facilitate project planning, execution and continuous improvement, and have been praised by government and industry personnel.

Continental Tide's industrial department consists of certified industrial tradesmen (welders, electricians, pipefitters, mechanics), retired military personnel and engineers who repair and modernize our nation's fleet. Continental Tide possesses approved welding (SMAW, GTAW, FCAW, etc.) and electrical programs through ABS, NAVSEA, NSWCPD, Regional Maintenance Centers and NAVWARSYSCOM.

Continental Tide's hardware engineers develop and design portable test equipment, provide reverse engineering solutions, and custom manufacture replacement parts for obsolete components.

Continental Tide's engineers, technicians and software developers are leading the way in mobile tablet applications aboard U.S. Coast Guard and U.S. Navy vessels. Continental Tide's applications are streamlining the way shipboard assessments are being performed. The applications provide sailors and engineers with critical information at the point of performance in an easy-to-use intuitive format.

"The ability to solve complex problems for our sailors, servicemen and servicewomen, and then see the direct result of your labor, is a source of great satisfaction and personal and professional enjoyment," Keith Reidinger

Continental Tide San Diego, CA

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BEYOND Insurance

Beyond Insurance is a four step process used by ASURA RISK to identify, understand, implement, and monitor risk management strategies for you and your business. Here we briefly examine those steps.

Step 1 **Identify Exposures**

During this crucial initial phase we invest time to understand your business and identify the risks that you are faced with which have the potential to cause material financial disruption and/or total financial closure.

- > Tour of facilities
- Loss Control Survey
- Claims Review/Loss Analysis
- Risk Management Safety Policy Review
- ➤ Job Safety Analysis

- > Employment Practices Review
- > Emergency Planning
- > Accident & Injury Causation Analysis
- > Contract Review
- > Insurance Program Design Review

Step 2 Define Strategies to Handle Risk

Once we have developed a thorough understanding of your business and operating procedures, we move <u>beyond insurance</u>, exploring a spectrum of <u>proven alternative</u> strategies to minimize risk and reduce insurance costs.

- ➤ Risk Minimization
- Contractual Transfer of Risk
- Risk Avoidance

- Retention of Risk
- > Insurance

Step 3 Implement Programs

Once you are satisfied that all alternatives to protect your business have been explored and explained to you, in depth, the next step is to implement such programs for the financial preservation and continued growth and success of your organization. Of prime importance to you will be the timely arrangement of appointments to effectively achieve all tasks.

Formulate Schedule - Action Plan

- Loss Control (pre-event) Plan
- Marketing of Insurance Protection Where Required Claims Management (post-event) Review

Step 4 Ongoing Monitoring & Adjustment

What works for you today might not work for you tomorrow. For this reason, we continue to monitor and adjust your risk management program to ensure a perfect fit as your business evolves and changes. This involves the following activities.

➤ Human Resources & Employment Practices Audits ➤ Claim Reviews Risk Assessments ➤ Pre-Renewal Review of Contracts & Insurance Policies > Stewardship Reviews

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Introduction to kSARIA Service Corporation

With a focus on Military and Aerospace applications, kSARIA specializes in harsh environment fiber optic and copper communications applications that MUST perform even under the most strenuous conditions as required in military and aerospace markets. The company's capabilities produce communications interconnect products with unmatched performance, quality, consistency and value in support of Contractor Alteration and Ship Change (SC) teams associated with major Modernization Programs applicable to industrial installation and testing of new technologies into existing ship HM&E and C4I/C5I electronic systems.

kSARIA provides a total solution for cable installation and management. Our solution includes: On-site project management, ship-side logistics support, cable plant installation, field terminations, in-situ testing, and cable repair. kSARIA's cable installation approach minimizes the number of on-site field operations, and reduces the on-site time for the technicians. We have extensive experience with procuring material required for fabricating, assembling, installing, and conducting testing as defined by customer-provided design guidance packages, including NAVSEA approved drawings for multiple ship classes.

As further testament to the company's strength and expertise in the Fiber Optics functional area, kSARIA Service Corporation is one of only two companies listed on the Certified Fiber Optics Trainer List (CFOTL) as a Certified Fiber Optic Training Organization (CFOTO) in accordance with NAVSEA Drawing 8477552B. We are strategically located in Norfolk, Virginia and San Diego, CA and operate two fully functional training facilities with the ability to deploy our Mobile Training Unit to CONUS and OCONUS locations. In conjunction with providing the necessary training, we offer Fiber Optic Termination Kits and Test Equipment. Our product line is assembled with the technician in mind as we have developed and manufactured our own tooling for Navy Shipboard fiber optic applications.

kSARIA maintains an approved NAVSEA 04RP Quality Management System (QMS) to support AIT efforts. We are an ISO 9001:2015 qualified company and hold multiple industry certifications that support our commitment to providing quality products and services.