

SAC NEWSLETTER



10.27.2021

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)



Senate appropriators back 5 percent boost in defense spending for FY22



Here's how the new continuing resolution will frustrate the Pentagon



Senate Approves Bill to Raise Debt Ceiling and Avert Default, for Now



New Navy Guidance Will Discharge Sailors Refusing COVID-19 Vaccine Without Exemption



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Senate appropriators back 5 percent boost in defense spending for FY22



The U.S. Capitol is seen at dawn on Sept. 27. (J. Scott Applewhite/AP)

"Senate appropriators on Monday unveiled plans for about \$24 billion in extra military spending this fiscal year above the president's budget request, the latest blow for progressive lawmakers who hoped to significantly curb defense spending.

The move amounts to a 5 percent increase in defense spending for fiscal 2022 over last year, and brings the appropriations bill in line with planned spending outlined in the House and Senate drafts of the annual defense authorization bill.

Sen. Jon Tester, D-Mont., who chairs the Senate Appropriations Committee's defense panel, said in a statement the proposed funding bill "strengthens our military and ensures the brave men and women that protect this country have the resources they need to keep Americans safe."

Here's how the new continuing resolution will frustrate the Pentagon



(AP Photo/Andrew Harnik)

"The Pentagon isn't facing a government shutdown, thanks to an emergency budget extension passed Thursday. But that doesn't mean top officials are without budget worries.

That's because the short-term budget deal approved by Congress, known as a continuing resolution, freezes billions of dollars in planned Pentagon acquisition programs, as well as some of President Joe Biden's top priorities to deter China. It could be months before they move ahead.

The continuing resolution runs from the start of the fiscal year, Oct. 1, through Dec. 3, which gives Congress nine more weeks to pass a fiscal 2022 budget plan for the military and the rest of the federal government. However, it also stalls "new-start" programs and production increases, since all budget lines simply continue at the previous year's level.

The Navy budget requested \$4.6 billion to continue building the first Columbia ballistic missile submarine, but service officials have voiced worries the program could be knocked off track by a CR. On the other hand, the program schedules for the naval aircraft and the Arleigh Burke-class destroyers allow for some leeway, they said.

"I'm always worried about Columbia, although I don't think it needs money in the first two months. But if we get to a second CR I think we would have to do something there," said Jay Stefany, the acting assistant secretary of the Navy for research, development and acquisition.

But while Pentagon officials complain of CR pain, a recent Government Accountability Office report found they have actually found ways to cope with the constraints. GAO's recent review of several major defense acquisition programs couldn't find any of the delays and cost overruns that are expected to result from CR-related funding hiccups.

"When we met with officials from these programs, we learned that while the Selected Acquisition Reports speculated that CRs could have resulted in program delays or cost increases, in actuality, the CRs did not affect the programs," GAO's Sept. 14 report reads.

The CR includes only a few exceptions or "anomalies" for the Pentagon, including \$885 million for the Air Force's program to buy commercial microelectronic equipment, while another would protect a program to develop jam-resistant GPS equipment.

It would be atypical for Congress to include more than a handful of anomalies for DoD. Over the last 10 years, the Pentagon has asked Congress to include funding for as few as 36 anomalies and as many as 154, but it's received an average of four each year.

Will Congress stay deadlocked on the federal budget into February? Todd Harrison, director of defense budget analysis at the Center for Strategic and International Studies, said it's too soon to say, but Congress must first has to address its other high profile impasses, over the country's borrowing limit and massive packages of spending on infrastructure and other domestic priorities for Democrats.

Senate Approves Bill to Raise Debt Ceiling and Avert Default, for Now



(Saul Loeb/AFP via Getty Images)

"The Senate passed legislation on Thursday to raise the debt ceiling through early December, after a small cluster of Republicans temporarily put aside their objections and allowed action to stave off the threat of a first-ever federal default.

The action came the day after Senator Mitch McConnell of Kentucky, the Republican leader, partly backed down from his blockade on raising the debt limit, offering a temporary reprieve as political pressure mounted to avoid being blamed for a fiscal calamity.

But the fragile deal to move ahead was in doubt until the very end, with some Republicans reluctant to drop their objections. Mr. McConnell and his top deputies labored into the evening on Thursday to persuade enough members to clear the way for a vote. Ultimately, 11 Republicans joined every Democrat in voting to take up the bill, clearing the 60-vote threshold needed to break the G.O.P. filibuster.

In raising the prospect of a stopgap extension on Wednesday, Mr. McConnell had said that Republicans would allow Democrats to use normal procedures to consider it. But Senator Ted Cruz, Republican of Texas, demanded a recorded vote, meaning at least 10 Republicans would be needed to join every Democrat to move the bill forward.

Ahead of scheduled votes on Thursday evening, Republicans were huddled in an unusual conference meeting at the Capitol, as several members balked at the prospect of helping Democrats avert a default. Senator John Thune of South Dakota, the No. 2 Republican and his party's chief vote counter, called the process of corralling Republicans to support the move "a painful birthing process."

New Navy Guidance Will Discharge Sailors Refusing COVID-19 Vaccination Without Exemption



US Navy Photo

"Any active-duty Navy service members who do not get fully vaccinated or do not have an approved or pending exemption will be processed for an honorable separation without involuntary separation, according to NAVADMIN 225/21, released by Vice Chief of Naval Operations Adm. William Lescher and Chief of Naval Personnel Vice Adm. John Nowel

In order to meet the deadline, active duty members must receive their second dose of the COVID-19 vaccine, if receiving the two-shot Pfizer or Moderna version, by Nov. 14, according to a Thursday Navy news release. A person is not fully vaccinated until 14 days after receiving the second shot.

Those who are separated for refusing the vaccine will be discharged with no lower than a general discharge under honorable conditions, according to the Navy release.

At this time, the Navy can only mandate that service members and reservists receive the Pfizer vaccine, since it is the only one with FDA approval. The other vaccines are currently administered under an emergency use authorization."

Feds investigating another Navy bribery scandal



(Getty Images)

"A U.S. Navy official in charge of port service contracts for the U.S. 5th Fleet in Bahrain has admitted to taking tens of thousands of dollars in bribes from the owner of a company providing those services, according to recently unsealed court records of a probe that carries stark similarities to the Navy's "Fat Leonard" scandal.

Revelations around the case, first reported by The Washington Post, were laid bare last week with the unsealing of an arrest warrant for Frank Rafaraci, the CEO of Multinational Logistics Services, or MLS, a company that has received more than \$100 million in contracts to service U.S. ships in port since 2013.

While court records indicate Frank Rafaraci, has been arrested outside the United States, U.S. Justice Department officials did not immediately clarify whether he had since been extradited.

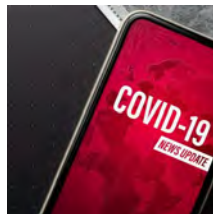
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Why didn't the Navy see the USS Bonhomme Richard fire coming?



Sailors combat a fire aboard the amphibious assault ship Bonhomme Richard on July 13, 2020, in San Diego. (Navy)

"When the amphibious assault ship Bonhomme Richard caught fire last summer while undergoing maintenance and then burned for nearly a week, those inside and outside the fleet wondered how such a peacetime loss of a warship could ever happen.

But according to a Big Navy review of ship fires released last week, the threat of such a catastrophe has smoldered inside the sea service's public and private shipyards for years. The so-called "Major Fires Review" was released in conjunction with the Navy's command investigation into the July 12, 2020, fire aboard Bonhomme Richard, which found that the Navy failed at all levels to fight the fire after a junior sailor allegedly started it.

The report notes a lack of respect for the fire hazards that abound during shipyard maintenance periods, as well as a proclivity to not keep spaces clean or stow hazardous material properly.

Among threats to ships undergoing maintenance, the review cites the "significant and largely unmitigated threat with regard to arson and other acts of gross negligence, such as careless smoking,"

Site surveys also dug up issues with the shipyard contractors who are paid eye-watering amounts of taxpayer dollars to work on the ships in the yards."

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@delphinus.com and you'll be added to the committee distributions and meeting invitations.

Current Active Committee Members include: Kyle Wilkinson, Derry Pence, Terry Buis, Marcel Becker, Kyle Clapp, Kelvan Hall, Michael Curtain, Michael Bice, Ed Zajonc, Morgan Miller, Lorenzo Ramirez, Patrick Mooney, Ross Shook, Desiree Waldon, David Widener, Chris Hill, and Dan Cummins.

Members Featured



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SBSBTC has successfully applied millions of square feet of non-Skid to critical areas on Carriers, LHAs, LHDs, MSC Ships and Coast Guard Cutters, and many non-critical areas. SBSBTC's Non-Skid Division prides itself with the highest caliber of quality on all projects.

Tank Cleaning

Our professional personnel use the best equipment to clean and/or sanitize all types of confined spaces and tanks, from a small tank inside a small boat or a submarine to a larger one in an Aircraft Carrier. The SBSBTC Tank Cleaning Division has over 100 years of collective experience and is the backbone of the company.

Technical System Flushes

SBSBTC Technical Flush Team is the industry leader and is trusted by the US Navy to perform work on their most critical components. The Technical Flush Team has a global presence with successful projects accomplished in Sasebo Japan, Yokosuka Japan and Guam.

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Epsilon Systems Mission Readiness Group

Certifications, Qualifications, and Skills

- Awarded a Master Ship Repair Agreement (MSRA) for our Virginia location by NAVSEA in accordance with CNRMS INST 4280.1 to perform Complex Repair Work as a prime contractor on future major surface ship CNO Availabilities
- Provisional qualification to perform Submarine Safety (SUBSAFE) work, as stated in NAVSEANOTE 5000, on all classes of submarines
- NAVSEA Certified Agreement for Boat Repair (ABR)
- NAVSEA Approved Quality Management System ISO 9001:2015 compliant
- NAVSEA Certified Alteration Installation Team (Tech Specification 9090-310 series)
- NAVSEA Certified General Purpose Ordnance Handling Equipment (OHE) facility
- Certified Weld Program for Structural & Piping: Steel, Aluminum, Stainless, Copper Nickel (SMAW/MIG/TIG)
 - NAVSEA S9074-AR-GIB-010/278 qualified welding procedures
- Fiber Optics:
 - Fiber Optic Termination
 - Fiber Optic Connector Instructor
- Coax and Multi-pin Connector Fabricators
- PCMS Certified Installation Technicians & Inspectors
- Cableway Inspectors
- NAVSEA Basic Paint Inspectors
- Level III NDT VT, PT & MT Examiner
- Brazers (Grade III & V)
- Welder and Visual Inspection Training Program
- Forklift Certified Operators
- High Lift Certified Operators
- Shipyard Competent Person (Gas Free)
- Certified Fire Watch Personnel

Contact: Mike Veitch

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Epsilon Systems Mission Readiness Group provides marine engineering, assessment, maintenance and ship repair capabilities for all classes of U.S. Navy aircraft carriers, surface ships, submarines, and boat and craft maintenance, repair, alteration and technical support services.

As the company's lead for all waterfront repair and services functions, our Repair & Maintenance

Division has the capacity, technical competency, and capabilities required to meet any shipboard repair or maintenance needs. Epsilon Systems possesses the strong engineering talent, proven program and project managers, and an ISO 9001:2015 compliant quality management system (QMS) that, as evidenced by our impressive record of sustained superior performance over the past 13 years, enables us to successfully complete any repair.

Our Repair & Maintenance Division maintains certified NDT Level III Examiners who are fully versed in U.S. Navy Standards, ABS Rules, ASME Codes, MSC General Technical Requirements (GTR), AWS and USCG MILPAC Standard specifications for welding and nondestructive testing, including necessary welder/brazer and NDT certifications of personnel to the applicable standards.

Epsilon Systems is an Agreement for Boat Repair (ABR) holder and a certified Alteration Installation Team (AIT) installation provider for the Navy. Epsilon Systems QMS encompasses a series of Standard Operating Procedures (SOPs) and Standard Work Procedures (SWPs) that ensure we deliver consistent quality products conforming to contract specifications.



Hawthorne Marine Power is committed to maximizing your success by helping you get the most out of your operations with advanced solutions, unsurpassed service, and support.



As your authorized Cat Marine Engine Dealer since 1956, Hawthorne Marine Power is proud to offer you industry-leading marine engines, engineering expertise, and the parts and service solutions to get you there and back. We have locations in San Diego, CA, Waipahu, HI, and Tamuning, Guam.

Our current offerings include auxiliary engines, commercial and high-performance propulsion engines, and marine generator sets. Many of our emission-certified marine diesel engines feature Advanced Combustion Emissions Reduction Technology (ACERT™) that reduces emissions and enhances overall engine performance by decreasing engine wear and optimizing fuel delivery. Current, top-of-the-line technology solutions offer integrated monitoring, safety, and control systems through total vessel analysis data to increase your vessels uptime and improve its efficiency.

Our engineering team can help you find the best new or repowered engine for your vessel and assist you with understanding the latest emissions regulations. You can count on our experienced service team for comprehensive Performance Analysis Reviews (PAR), engine sea trials, engine inspections, repowers and transmission repairs.



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| >> Emission Specialists | >> Performance Analysis Reviews |
| >> Engine Retrofit and Repowers | >> Preventative Maintenance |
| >> Engine Surveys | >> Professional Technical Communicators |
| >> Engine Test Facility (Dyno) | >> Sea Trials |
| >> Factory-Trained Marine Technicians | >> Technician Wireless Dispatch |
| >> Fully Equipped Field Service Trucks | >> Worldwide support |



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