



PACA Pulse

SPRING 2017

PROFESSIONAL AEROSPACE CONTRACTORS ASSOCIATION OF NEW MEXICO

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PACA Elects 2017-18 Directors and Officers

The annual election of the PACA Board of Directors was carried out during the March membership luncheon. Vice President **Mark Menicucci** automatically assumed the role of President and **Michael Emerson**, outgoing President, retains a seat on the board as the Immediate Past President. (See Mark's self-introduction in the President's Corner on page 2.)

Malini Hoover, CEO of Advanced Optical Technologies, Inc., is PACA's newly elected Vice President and President Elect. Founded in 2004, AOT is a woman-owned privately held research and development firm delivering next-generation solutions in physical optics. AOT offers multi-dimensional material characterization for more complete understanding of complex materials and devices.



Malini Hoover

Malini is responsible for product development and diversification into defense and commercial markets. She is the only woman CEO in the Sandia Science & Technology Park, which is located outside Sandia National Labs. Malini received the 2013 ACCION "Women Who Innovate" award at the Symposium of Women Stars.

As previous founder and CEO of a media and public relations company, Malini is well positioned to serve PACA and meet its many goals. Her experience in media, marketing and public relations, event planning, and engineering will help PACA build its social media and national presence. "I want to promote current PACA members and potential members to do business with each other and keep money in New Mexico," she

said. "PACA is a great organization and I'm eager to participate in making it even better."

Increasing membership with industry representatives will be a focus for Malini as well as creating a membership directory that cross-references members by expertise and services to make it easy for members to find symbiotic business partners. "Mark (PACA President) and I are eager to learn how we can better assist members as well as learn how they think PACA can be improved," she stated. "One idea that we're kicking around is an awards program that recognizes professional achievements in the aerospace and defense industry." Stay tuned to learn more!

Malini grew up in India where she earned a B.S. in electrical engineering. She first came to the U.S. as a Girl Scouts Camp Counselor and worked at a camp in Ohio. She eventually made her way to Houston where she graduated from the University of Houston. A resident of Albuquerque since 2000, she enjoys spending time with her family as well as hiking, kick boxing, cooking, and gardening.

All other Board members were re-elected with the exception of **Tony Royle**, Treasurer, who is stepping down. The Board extends its gratitude to Tony for so proficiently serving in this crucial role for two years. Continuing PACA officers include **Burke Nelson**, Secretary; **Stuart Purviance**, Program Officer; **Lenny Bean**, Small Business Officer; and **Ron Unruh**, BFI Officer. And deepest appreciated is offered to **Judy Ruiz** who rotates off the Board as the former Immediate Past President.

A profound thank you is extended to these diligent and steadfast professionals who readily give of their know-how, time, and effort in maintaining PACA's significance to the membership and contracting community. •

President's Corner

by Mark Menicucci



Thank you for electing me to be the President of PACA.

I was fortunate to observe the fine-tuned teamwork responsible for organizing the 2016 Briefing for Industry, one of the finest conferences in the country. The planning and execution was remarkable. PACA hosts this popular event every August,

which brings together over 450 defense professionals and government representatives from across the country. The net proceeds from BFI are donated to the University of New Mexico, New Mexico State University, and New Mexico Tech scholarship programs to foster the next generation of engineers, scientists, and business leaders.

As I explained to Mike Emerson, Immediate Past President, and Judy Ruiz last year upon assuming the Vice President role, my interest in being a part of the PACA board is to attract more federal contracts and contractors to come to New Mexico. I have a great interest to see this state prosper, and I believe that through PACA I can contribute. I told Mike that I have watched this wonderful state, which truly is the Land of Enchantment, grow and prosper primarily due to our great laboratories, military bases, and White Sands Missile Range, (one of only two areas in the country with a 'no fly' zone).

I was born and raised in Albuquerque, as were my mother and father. My grandparents came over from Italy in the early 1900s, and Albuquerque became home for many future Menicucci's, along with Domenici's. I graduated from St. Pius High School in 1971, and yes, it is true that I was chosen to be a West Point Nominee. During lunch at the Kirkland Air Force Base Officer's Club, the Lieutenant Colonel asked me, "How do you feel about studying to become an engineer?" I responded that I thought it would be fun to steer a train. I wasn't joking! He pretty much ignored me for the remainder of the lunch.

I launched my 39-year career in the insurance industry upon completing a B.A. in economics from the University of New Mexico. After many years working with the largest insurance brokers in the world, my oldest son and I started the Menicucci Insurance Agency in 2007. We are in the top have dozen insurance agencies in the state and one of our many specialties is providing all lines of insurance for defense contractors and government service contractors. The first defense contractor I insured was New Mexico Technology Group, LLC, a consortium of Lockheed, CSC-

DynCorp, and Trax. Bill Smith was the CFO, and he sure helped me understand this fascinating industry. Currently, our agency writes insurance policies for a wide assortment of defense contractors throughout the country as well as internationally.

For the last 39 years, I have been married to Susan. We have four grown and married children and 20 grandchildren.

I enjoy hunting, fly-fishing, sporting clays, and reading through the Bible every year. I am also a General Class Licensed Amateur Radio 'ham.'

In closing, I want to thank Mike Emerson, members of the PACA board, and the BFI. I assure you that with their help, guidance, and hard work, PACA will continue to be the world class organization that it has been for the last 35 years.●



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Join PACA!

PACA membership annual dues are \$150*. The fiscal year runs from April 1 to March 31. Mid-year applications will be pro-rated. You may apply and pay dues at www.pacanm.org.

For more information, contact our Membership Chair, **Terel Anyaibe**, at tanyaibe@aerotek.com or **342-5007**.

* Dues are subject to change.

Spread the News

If you know a potential member or anyone else who would like to receive the *PACA Pulse*, please forward their e-mail address to RoSaavedra@msn.com.

This is your newsletter. If you would like to contribute an article, make announcements (promotion, job change, or a new product or service), please submit your newsletter contribution to the editor, Ross Crown, at RCrown@lrrc.com or call him at 764-5402.

Contributions are welcome! ●

Legal Insights: Trump Administration Bolsters Buy American and Hire American Policies

By Ross Crown

On April 18, 2017, President Donald J. Trump issued Executive Order 13788 entitled “Buy American and Hire American.” The new Executive Order launches a Trump Administration initiative aimed at vigorously enforcing our existing Buy American/Hire American programs and gathering information to support the strengthening of these policies in the future.

Policy

The Executive Order declares it shall be the policy of the executive branch to Buy American and Hire American. Buy American goals are to promote economic and national security and to help stimulate economic growth, create good jobs at decent wages, protect the middle class, and support the American manufacturing and defense industrial bases by maximizing through, among other things, federal procurements, the use of goods, products, and materials produced in the United States. Hire American objectives are to create higher wages and employment rates for workers in the United States, and promote their economic interests by rigorously enforcing and administering the laws governing entry into the U.S. of workers from abroad.



Immediate Enforcement and Assessment of Domestic Preferences

The Executive Order consists of three substantive sections. Each of the requirements of the order is qualified by the express instruction that they are to conform to existing law. The first substantive section directs every federal agency to scrupulously monitor, enforce, and comply with “Buy American Laws” and minimize the use of waivers. “Buy American Laws” are defined in the order as all statutes, regulations, rules, and executive orders relating to federal procurement or federal grants that require, or provide a preference for, the purchase or acquisition of goods, products, or materials produced in the U.S. The order imposes the following deadlines on the executive branch:

- Within 150 days of the date of the order, federal agencies shall (1) assess the monitoring of, enforcement of, implementation of, and compliance with Buy American Laws within their agencies, (2) assess the use of waivers within their agencies by type and impact on domestic jobs and manufacturing, and (3) propose policies to ensure that

federal procurements maximize the use of materials, including manufactured products, produced in the United States.

- Within 150 days, the agencies are to submit to the administration findings made as a result of the above assessments.

- Within 150 days, the Secretary of Commerce and the U.S. Trade Representative will assess the impact of all U.S. free trade agreements and the World Trade Organization Agreement on Government Procurement on the operation of Buy American Laws.

- Within 220 days, the Secretary of Commerce will submit to President Trump a report on Buy American that includes specific recommendations to strengthen implementation of Buy American Laws, including domestic procurement preference policies and programs.

Judicious Use of Waivers

The Executive Order further provides that public interest waivers from Buy American Laws should be construed to ensure the maximum utilization of goods, products and materials produced in the U.S. Before granting a public interest waiver, the relevant agency must take appropriate account of whether a significant portion of the cost advantage of a foreign-sourced product is a result of the use of dumped or injuriously subsidized steel, iron, or manufactured goods.

Ensuring the Integrity of the Immigration System

The final substantive provision of the Executive Order requires designated cabinet secretaries to propose new rules and issue new guidance to supersede or revise previous rules and guidance, if appropriate, to protect the interests of American workers in the administration of the U.S. immigration system, including through prevention of fraud or abuse. The designated secretaries are to suggest reforms to help ensure that H-1B visas are awarded to the most-skilled or highest-paid “petition beneficiaries.” “Petition beneficiaries” are defined in the order as aliens petitioned for by employers to become non-immigrant visa holders with temporary work authorization under the H-1B visa program.

Buy American goals are to promote economic and national security and to help stimulate economic growth, create good jobs at decent wages, protect the middle class, and support the American manufacturing and defense industrial bases . . .

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Balancing Competing Policies

The issuance of Executive Order 13788 signals the Trump Administration's intention to enforce Buy American Laws and Hire American requirements to the maximum extent possible. At the same time, the order sets in place a process for generating further Buy American/Hire American policy initiatives.

As this process moves forward, however, the administration will have to wrestle with the competing policy objectives that always come into play when favoring domestic sources in government procurement. Domestic preferences can prevent the government from buying the best technology. This is of particular concern where national security is involved. Refusing to buy from foreign sources can also lead to higher contract prices, stifle innovation, and impede government access to technology.

Similarly, immigration restrictions may deny to federal contractors the best talent available. Moreover, domestic preferences can slam the door on sales by U.S. companies to foreign governments.

In sum, the Trump Administration will have to balance economic development concerns with allowing the government to realize procurements of the highest value and keeping foreign government procurements as accessible as possible to American contractors. Stay tuned. •

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Ross is a partner in the Albuquerque office of Lewis Roca Rothgerber Christie LLP where his practice emphasizes government contracts. This article is intended for general information only and should not be construed as legal advice or opinion. Any questions concerning your legal rights or obligations in any particular circumstance should be directed to your lawyer.

WELCOME New Members!

Christopher Brooks
TechFlow

Steven Reiners
TechFlow

Upcoming Luncheon Speaker

■ June 20, 2017 – To Be Announced

■ July 18 – Susan Kelly, Site Director, Raytheon Albuquerque



In her previous role, Susan Kelly was a senior manager in the Naval Area Mission Defense (NAMD) in Raytheon Missile Systems. She was responsible for the strategy and new mission area business growth for NAMD. NAMD weapons systems include the Rolling Airframe Missile (RAM™) and Launching System, Phalanx™, Centurion™, SeaSparrow, and Evolved SeaSparrow Missile (ESSM™). Growth areas include small ships, new naval weapon systems, and undersea warfare.

Before her current position, Susan was Deputy Director for Standard Missile 2 and 1 where she helped lay the ground work for the next generation of SM-2 as well as production restart. Prior to her role on SM-2, Susan held various roles on ESSM, developing new roles for the missile and enhanced capabilities, evaluating flight tests, and leading the systems engineering group.

Prior to joining NAMD, Susan was the Chief Engineer of a few pursuits in the Advanced Missiles and Unmanned Systems (AMUS) product line. In that role, she worked a major unmanned systems capture for the company as the Chief Engineer.

Susan has many years of experience in the Air-to-Air Missile Systems arena, working AMRAAM AIM-120D development and others, as an engineer and IPT lead. Her focus areas were systems engineering, production, development, signal processing algorithm development, and modeling and simulation.

Susan began her career as a Captain in the United States Air Force. She was responsible for modeling and simulation of threat airborne weapon systems, planning nuclear and conventional warfare, and acquisition of several communication and mission planning systems. She holds a Bachelor of Science degree in Aerospace Engineering from the University of Texas at Austin and a Master's in Business Administration from the University of Nebraska.

We meet the third Tuesday of each month at **Tanoan Country Club** (Rolling Hills entrance east of Eubank off Academy). Registration begins at 11:30 a.m. followed by lunch at noon. Members are admitted free and our guest fee is \$20.

To RSVP, register online at www.pacanm.org. Include your name, guest's name, and menu selection. Please RSVP by the Wednesday before the week of the meeting. •



Make Your Reservation for the 2017 Briefing for Industry!

PACA will host its 31st consecutive annual **Briefing for Industry August 14-17, 2017** at Hotel Albuquerque in Old Town. Individuals or corporations desiring luxury hotel accommodations can enjoy a special event rate at the new Hotel Chaco adjacent to Hotel Albuquerque.

The 2017 BFI offers three full days of comprehensive presentations and an exceptional opportunity to meet with industry and government customers face-to-face. This unique event draws more than 450 industry and government representatives annually.

This national conference features business opportunities for 2018 and beyond and includes descriptions of missions; program objectives and plans; and, most importantly, identifies contracting opportunities. This year's event will begin with a networking breakfast at 7:00 a.m. on Tuesday, August 15. The formal proceedings will begin promptly at 8:00 a.m.



Topics will include:

- Research and development
- Test and evaluation
- Technical and analytical support
- Operations and maintenance
- Systems procurement

The following organizations have been invited to present:

- Air Force Research Laboratory (all directorates)
- Space and Missile Systems Center Directorates
- Operationally Responsive Space Office
- Air Force Nuclear Weapons Center PEO for Strategic Systems
- Air Force Operational Test and Evaluation Center
- AF Global Strike Command agencies
- Sandia National Laboratories
- Los Alamos National Laboratory
- Department of Energy
- High Energy Laser Joint Technology Office
- National Reconnaissance Office
- White Sands Missile Range
- Cannon AFB ... and others!

BFI traditionally features distinguished senior leaders from the military services and government as keynote and guest speakers. Speaker information, updated event information, and online registration are available at pacanm.org/briefing-for-industry. Attendees are encouraged to register early to obtain discounted registration fees. •

PACA Announces its 2017 NM Science and Engineering Fair Winners

As in previous years, PACA is once again pleased to support the annual New Mexico Science and Engineering Fair in the high school senior categories. This year's competition, held at New Mexico Tech on April 1, was judged by **Bill Dettmer, Carol Yarnall, and Don Nash**. A sincere thank you is extended to the volunteer judges for giving of their time and science expertise in awarding the following cash prizes. (All PACA winners also placed in the same category in the overall Fair competition, noted in parentheses.)



1st Place – \$500 (\$250 for each student)

Jamie N. LeVie and **Maribel Garcia**, Seniors, Rio Rancho High School

Interleukin-10 and A β Interaction in a Computational Biology Model (Senior Medicine and Health Sciences category)

The purpose of this experiment was to emulate various levels of IL-10 and corresponding levels of microglia in a simulated extracellular space in an Alzheimer's brain. (2nd Place in Fair competition as well as 2nd Place in the Intel International Science and Engineering Fair competition held in Los Angeles in May!)

2nd Place - \$400

Sophia Lie, Junior, Los Alamos High School
Nuclear Thermal Rockets: Mars and Beyond (Senior Engineering category)

In this project, using research data, the specifics of chemical and nuclear thermal rockets are used to calculate the minimum amount of propellant needed based on the ideal rocket equation, and the ratio of the masses of propellant and rocket for comparison. (1st Place in Fair competition)

3rd Place - \$300

Rebecca Pattichis, Junior, American Institute of Math and Science (Charter School)
Texture Analysis on Cerebrospinal Fluid to Predict the Progression of multiple sclerosis (Senior Computer Science category)

The purpose of the project is to predict the progression of multiple sclerosis using image features from an MRI, specifically focusing on cerebrospinal fluid, which was previously found to be significant. (3rd Place in Fair competition)

Know the Protections of the Defense Base Act

Provided by Mark Menicucci

The Defense Base Act (DBA) was created in 1941 to cover workers on military bases working outside the United States. It was later expanded to include public works contracts with the U.S. government and now almost every government contract that includes work overseas will require Defense Base Act coverage. The DBA is an extension of the Longshore and Harbor Workers' Compensation Act (LHWCA) and those rules apply to the DBA when it comes to compensation rates, filing times, forms, appeals, and benefits.

It is very important to understand that it is the responsibility of the employer to purchase insurance or to self-insure injuries sustained by workers covered under the DBA. Failure to do so can bring stiff fines and penalties against the company as well as unanticipated out of pocket costs and even the loss of the government contract. DBA coverage can be a complex issue around both the location and the nature of the employee's work.

Some of the specific activities that will trigger the need for DBA coverage include the following:

- Any defense base acquired from any foreign government
- Lands occupied or used by the U.S. for military purposes outside the continental U.S.
- Public work in any territory or possession under a contract with the U.S.
- Work for private employers on U.S. military bases outside of the U.S.

Anytime that you find yourself performing work overseas under a contract that is funded through the U.S. government or any of its agencies, it is a good idea to investigate the impact of the Defense Base Act.

The Zone of Special Danger Doctrine is very important to the expansive nature of the DBA. This extends coverage to injuries and deaths that occur outside of regular work hours or duties. Under this doctrine, personal activities of a social or recreational nature that result in injury may be covered since the employee is working overseas.

The DBA falls under the Department of Labor and it oversees all claims. Any disputes will go to a formal or informal conference before a judge or administration and could include review by a Benefits Review Board and an appeal to federal court.

More information, including benefit levels, can be found on the Department of Labor website at www.dol.gov.



PACA Sponsorship Opportunities

Support to PACA in the form of sponsorships helps make the organization a success while promoting your business. The Board has recently added another sponsorship choice, the Premier Small Business sponsorship for \$1,000.

Please contact **Dar Johnson** if you have questions about sponsorships at **505-400-1639** or **d_r_johnson@comcast.net**.

ANNUAL SPONSORSHIPS of \$1,000 - \$7,500: *One time each year* space is provided for a tabletop display at a membership luncheon and the opportunity for a five minute corporate overview presentation. The table will be either in the lobby or in the banquet room, depending on the size of the room. Also, depending on room arrangement and speaker presentation, special rules may apply per event.

DIAMOND \$7,500

- Sponsor level (Diamond) recognition on PACA website.
- Corporate logo on PACA signage at luncheons and events.
- Three registrations for the PACA annual Briefing for Industry.
- Recognition included in the quarterly newsletter, PACA Pulse.
- Advance electronic list of BFI attendees.
- Special reserved seating at BFI.
- Addition of company literature or giveaways in BFI Goody Bag.

GOLD \$5,000

- Sponsor level (Gold) recognition on PACA website.
- Corporate logo on PACA signage at luncheons and events.
- Two registrations for the PACA annual Briefing for Industry.
- Recognition included in the quarterly newsletter, PACA Pulse.
- Advance electronic list of conference attendees for the BFI.
- Addition of company literature or giveaways in BFI Goody Bag.

SILVER \$3,000

- Sponsor level (Silver) recognition on PACA website.
- Corporate logo on PACA signage at luncheons and events.
- Recognition included in the quarterly newsletter, PACA Pulse.
- One registration for the PACA annual Briefing for Industry.
- Special reserved seating at BFI.
- Advance electronic list of BFI attendees.
- Addition of company literature or giveaways in BFI Goody Bag.

PREMIER SMALL BUSINESS \$1,000

The requesting sponsor must demonstrate the company is classified as a small business.

- Sponsor level (Premier Small Bus) recognition on PACA website.
- Corporate logo on PACA signage at luncheons and events.
- Recognition included in the quarterly newsletter, PACA Pulse.
- One registration for the PACA annual Briefing for Industry.
- Special reserved seating at BFI.
- Addition of company literature or giveaways in BFI Goody Bag.

SMALL BUSINESS QUARTERLY LUNCHEON \$400: (One sponsor per quarter for January, April, July, and October meetings and the December holiday party).

- Company logo on the PACA website.
- Booth at BFI.
- Two guests for the sponsored lunch.
- Corporate logo displayed on signage for the sponsored luncheon.
- Introduction as the luncheon sponsor and be allowed to present a 5-10 minute overview of company. Corporate brochures may be placed on the luncheon tables. A small business sponsor may not sponsor another luncheon for twelve months.

Thank You PACA Sponsors!

GOLD



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SILVER



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PREMIER SMALL BUSINESS