



**FAR Part 135 (FAR 135)
Executive Working Group (EWG)
Minutes**

United States Transportation Command (USTRANSCOM) hosted the inaugural Federal Aviation Regulation Part 135 (FAR 135) Executive Working Group (EWG) on 17 February 2021 virtually via Microsoft Teams and teleconference phone tie-in. Vice Admiral (VADM) Dee Mewbourne, Deputy Commander U.S. Transportation Command (TCDC, USTRANSCOM) chaired the EWG. One-hundred three participants included senior principals and representatives of USTRANSCOM, AMC, the Combatant Commands, Office of the Under Secretary of Defense for Policy, Office of the Deputy Assistant Secretary of Defense for Logistics, Joint Staff J4, the Department of Transportation Federal Aviation Administration (FAA), DOT Senior Advisor to USTRANSCOM, Department of Homeland Security (DHS), Immigration and Customs Enforcement (ICE), and Federal Emergency Management Agency (FEMA), the National Defense Transportation Association (NDTA), and Air Carriers providing FAR Part 135 services on contracts supporting DoD (22 of 26 [85%] carriers certified to provide DoD service).

A list of attendees is included at the end of this document.

MEETING SUMMARY.

- 1. Mr. Scott Hill, Airlift Programs Manager,** opened the EWG with administrative remarks and a roll-call at 12:00 p.m. Central Standard Time (CST). Mr. Hill emphasized what an EWG is designed to do and also highlighted subject areas that should not be discussed in the EWG forum.
- 2. VADM Mewbourne Opening Remarks.** VADM Mewbourne welcomed the participants to the first-ever FAR Part 135 EWG and stated he approached this EWG with great anticipation and eagerness as a partner who wants to listen and interact. In addressing the carriers, he emphasized he wants to foster these relationships in much the same way USTRANSCOM does with the Civil Reserve Air Fleet (CRAF) and Voluntary Intermodal Sealift Agreement partners. Finally, he encouraged the carriers, combatant commands, and all others to join in the dialogue, noting all should participate to have a truly effective EWG.
- 3. FAR Part 135 Overview.** LCDR Andrew Moore, USTRANSCOM Intermodal Division (TCJ5-I), gave an overview of FAR Part 135 services and highlighted the utility of commercial intra-theater airlift across multiple Combatant Commands. Moreover, LCDR Moore explained the diverse mission sets FAR Part 135 carriers provide to support training, logistics, drone, air ambulance, CASEVAC, passenger movement, and airlift, both regionally and intercontinental using fixed wing and rotary wing aircraft. Slide #7 in the attached slide deck shows the major areas where DoD uses these services.
- 4. COVID-19 Epidemiology Overview.** Col John Andrus, USTRANSCOM Command Surgeon (TCSG), provided an overview on the state of the COVID-19 pandemic as well as vaccination trends world-wide.



5. Operation Warp Speed Overview. LtCol Matthew Seavitte, USTRANSCOM Future Operations Branch Chief (TCJ38), presented highlights of Operation Warp Speed and DoD support in combating the COVID-19 pandemic.

6. Combatant Command (“Requiring Activities”) Updates. Each combatant command discussed their theater’s unique dynamics, current use of FAR Part 135 carrier support, and potential future FAR Part 135 requirements.

a. **USAFRICOM.** RADM Kevin Jones, USAFRICOM J4 noted FAR Part 135 carrier support is critical in the African theater. The flexibility to utilize a mix of commercial and military airlift is essential for passenger, cargo, and dual use missions. A short-notice requirement to reposition forces relied solely on airlift as surface transportation was not an option; which is not unusual in this theater. It was also noted that COVID-19 vaccine distribution throughout Africa will require innovative solutions.

b. **USCENTCOM.** COL Ron Anderson, USCENTCOM J45, highlighted USCENTCOM takes great advantage of FAR Part 135 carrier support.

(1) In Afghanistan there are multiple rotary wing and Short Takeoff and Landing (STOL) carriers supporting operations; however, this support continues to decrease as draw downs in the region loom. Having commercial aircraft conduct airlift missions is a force multiplier as they allow a higher percentage of military aircraft to focus on other operations.

(2) Commercial air was important for personal protective equipment (PPE) distribution during the past year.

(3) Terrain and politics/bureaucracies (e.g., border crossing sensitivities) are major issues in the USCENTCOM theater.

(4) The carriers at the EWG asked what impact the change of Administrations would have. COL Anderson informed the group that once future national defense policy guidance is issued USCENTCOM will be able to adjust commercial air contracts as appropriate.

c. **USEUCOM.** COL Grant Morris, USEUCOM J4 Deputy Director highlighted that the USEUCOM theater’s transportation and logistics networks maturity makes the need for FAR Part 135 services low during steady-state operations. However, during contingency planning or emergency surge operations, USEUCOM will consider FAR Part 135 carriers as potential support.

d. **USINDOPACOM.** BG Jered Helwig, USINDOPACOM J4 Director, noted that FAR Part 135 aircraft can provide valuable capability and support to meet the theater’s time and distance challenges.

(1) CASEVAC in the Philippines is USINDOPACOM’s main FAR Part 135 support mission.

(2) Theater COVID-19 vaccine support mission may need FAR Part 135 aircraft.

(3) USINDOPACOM may hold an Industry Day in Spring 2021.

e. **USNORTHCOM.** Col Patrick Schlichenmeyer, USNORTHCOM J47 noted that most USNORTHCOM FAR Part 135 needs are met through DHS/FEMA. Homeland Defense (HD) may be an area where FAR Part 135’s unique airlift options provide additional capability, especially in the “high north.” USNORTHCOM is interested in exploring capabilities to assist the Defense Support of Civil Authorities (DSCA) in order to relieve military forces for activities



elsewhere. Col Schlichenmeyer mentioned to the carriers it would be helpful to have a list of capabilities for operating and maintaining aircraft in extreme cold weather environments. Finally, he expressed concern over how USNORTHCOM could rapidly meet emergent requirements with FAR Part 135 airlift in contingency operations such as DSCA or HD.

f. **USSOCOM.** COL Derek Jansen, USSOCOM J4 Director relayed that USSOCOM currently leverages FAR Part 135 carriers extensively. The carriers provide distribution and movement of small groups of passengers and cargo to areas of limited geographic scope, including some contested environments. Resupply and CASEVAC are also major support mission categories.

g. **USSOUTHCOM.** Mr. Paul Loch, USSOUTHCOM DDOC provided no comments on FAR Part 135 services in supporting USSOUTHCOM missions.

7. Health of the Industry Updates.

a. **Fixed Wing PAX/Cargo/CASEVAC.** Mr. Austin Vermillion, Berry Aviation Vice President of Government Services, introduced his comments by stating, “When preparing our comments, we tried to approach this from a realistic look at the general aviation industry, pandemic related challenges for aviation contractors, and specific issues related to the Expeditionary Services segment of the market. Our goal was to provide a mix of general and specific observations from our perspective.” He made the following key points regarding this sector:

(1) Passenger air transportation, which accounts for the majority of services provided, remains negatively impacted by the pandemic environment. Recent International Civil Aviation Organization (ICAO) impact estimates reflect a 50% reduction in capacity supply, a 60% reduction in passenger demand, and a \$371B loss to gross operating revenues globally. While much of this is related to the FAR Part 121 scheduled carriers, the second and third order effects will most likely continue to impact the FAR Part 135 business.

(2) Some of these impacts are very positive. For example, domestic passenger charters are doing well.

(3) Some impacts are negative. For example, airline fleet changes have led to reductions in the experience base of pilots and maintenance personnel. Sustained depression in demand for specialized services could ultimately lead to a reduction in industry capacity. Moreover, as organizations try to right-size, it will be more difficult to quickly rebuild capacity for demand surges in the future.

(4) Labor availability is shifting. Prior to 2020, the industry was facing a global pilot shortage and some segments were also experiencing challenges hiring qualified and experienced maintenance personnel. Now, many major airlines, regionals, and FAR Part 135 operators have effected furloughs, which is providing temporary relief to the shortages. However, hiring of personnel furloughed by other companies presents risk of callbacks resulting in a loss of company investment in training and qualification of those personnel. Forecasting callbacks to mitigate risk, is tenuous at best and largely dependent on airline relief packages, vaccination schedules, and public confidence in travel. While the COVID-19 situation has improved, Berry Aviation believes the availability of pilots will be short lived, and the same probably applies to maintenance personnel.

(5) The pandemic has presented some unique challenges for OCONUS contractors.



Retention remains consistent in most areas, with some exceptions. They are seeing a higher demand for medical professionals in hospitals and clinics, resulting in some isolated attrition in those roles with individuals receiving comparable pay domestically rather than having to travel for work.

(6) In the case of hiring, there is a dramatic increase in pilot applicants across many job postings, but the applicants are not all well qualified. The same can be said for maintenance personnel. The hiring and onboarding process is taking longer than pre-pandemic, which is attributed to coordination of drug screening, travel, and document verification in a largely virtual environment.

(7) Randy Martinez, NDTA MAAC Chair, noted restrictions on age to deploy reduces the pilot and maintenance experience level the industry can offer because most of their experience is locked up in the older segment of their workforce and few exceptions to this policy are being granted.

(8) The move to Multiple Award Indefinite Delivery Indefinite Quantity (IDIQ) contracts and away from Lowest Price Technically Acceptable (LPTA) is generally seen as positive and resulting in increased quality and performance. However, Firm Fixed Price (FFP) contracts can place a significant amount of risk burden on contractors, which was highlighted in 2020 by events such as terrorist attacks at forward operating bases and the global pandemic. Some contracting activities are moving toward Cost type contracts related to specialized aviation services, which shares some risk with contractors in ways that are not always comparable in the FFP environment. **DUE OUT:** TCAQ indicated because there is a high level of bids, they did not see an issue with FFP Contracts; however, they'll look into this situation.

(9) Aircraft types economically feasible and capable of meeting DOD contracted expeditionary airlift requirements have not or are no longer operated by scheduled airlines. This results in fewer pilot certification resources within the FAA and reduced capacity from commercial training/certification providers.

b. **Rotary Wing PAX/Cargo/CASEVAC.** Mr. Jim Russell, Vice President, CHI Aviation, echoed Mr. Vermillion's comments, noting similar issues and concerns apply to the rotary wing industry as well. He made the following key points regarding this sector:

(1) Awaiting changes to National Strategy to be able to identify necessary fleet adjustments.

(2) Pilot applications have increased since FAR Part 121 carriers are no longer hiring helicopter pilots.

(3) Maintenance training is being accomplished in house since there is no other training avenue.

(4) Rotary wing providers are recapitalizing their fleets, so expect to see newer aircraft. Also, the forestry and energy markets are down, which is making those newer helicopters available to other market sectors.

(5) Insurance rates have been increasing up to 30% and will continue to climb.

(6) 14-day quarantines are causing great impact and turmoil. The quarantine requirements upset schedule routines, resulting in aircrews questioning whether it is worthwhile to remain working in this environment. Industry indicated even a reduction to a 10-day quarantine would be beneficial.

(7) Having issues with Check Airmen due to COVID-19. This is/will become problematic to providing DOD support. **DUE OUT:** Mr. Bill Muldoon, DOT/FAA, indicated he will relay this concern to the FAA Flight Standards Division. **Update:** Immediately following



this EWG, Dr. Tom Littleton, the senior FAA rep on the call, reached out to Mr. Ali Bahrami, the FAA's Associate Administrator for Aviation Safety who asked his Flight Standards team to engage Aspen. The requested check ride was scheduled for 22 March 2021.

(8) ROM has been an issue with the contract workforce since it places increased burden on employees. Industry expresses concern with retention.

(9) SFAR: Requested looking into blanket exemption for carriers operating on behalf of DOD. The industry view is that the intent of SFARs is to ensure airlines do not sell tickets to dangerous and unpredictable places and prevent plane loads of Americans being vulnerable. Berry Aviation informed the group that the SFAR waiver process is relative easy if you understand the steps. However, the requiring activities are unfamiliar with the individual steps. AMC/A3B informed the group DOD, DOT & DOS have been tasked by Congress to look at the issue. **DUE OUTS:** TCJA will prepare a product for distribution to the Combatant Commands outlining the process for obtaining approval from the FAA to deviate from an SFAR. TCAQ will provide it to industry.

c. **Air Ambulance.** Mr. Robert Tracy, Vice President, Phoenix Air Group, noted the air ambulance has seen business increases over the past year. Industry has met the demand and continues to grow. Phoenix Air's medical division alone has increased from 13 people to 45. Moving vaccines and infectious disease patient transport are part of that increase. Infectious disease transportation pods/containers are important elements to the air ambulance sector in a pandemic environment.

8. Contracting Solutions – FAR Part 135 Rotary Wing (RW) and Fixed Wing (FW).

a. **WASP 135 Contract and International FAR Part 135 Contracts.** Ms. Jesika DeArmond, USTRANSCOM Regional Airlift Branch Chief (TCAQ-RM), highlighted the following:

(1) WASP 135 contract encompasses many requirements in order to reduce the pre-award timeline (4-6 months for a WASP 135 task order versus one year plus for a stand-alone contract). USTRANSCOM will use the WASP 135 contract vehicle as much as possible, but not all requirements fit under this umbrella.

(2) Four task orders currently under WASP 135 and expiring contracts will be rolled into the WASP 135 contract.

(3) Mr. Scott Hill identified the normal contract process timelines are too long for USNORTHCOM's expeditionary needs, and asked if these requirements could be accommodated under the WASP 135 contract. Mr. J.R. Oliver noted it might be possible to include these and other requirements in the WASP 135 contract, but the CCMDs need to fully identify all requirements when TCAQ reaches out during the preliminary planning process – TCAQ can only evaluate requirements of which they are aware.

(4) Carriers asked if COVID-19 restrictions will be factored into the pricing schematics. TCAQ is discussing that issue, but there is no identified solution at this time.

b. **Domestic FAR Part 135 Contracts.** Mr. Matthew Bowen, USTRANSCOM Domestic Part 135 Contract Specialist (TCAQ-CP), highlighted the following:

(1) 13 carriers under WSAP 135 contract.

(2) Six task orders are currently under Domestic contracts.



9. Open Mic.

a. Carriers requested a more detailed list of aircraft capabilities/mission requirements be included in RFPs. Incomplete information can lead to carriers erroneously bidding on contracts they cannot perform. TCAQ noted they can address this with the Requiring Activities when they submit requests. Because requests for lift don't also come from those with extensive airlift knowledge, when in doubt, carriers can and should ask for clarification during the contracting process.

b. VADM Mewbourne asked the group if this EWG was at the right level going forward. Mr. Martinez, NDTA MAAC Chair, indicated that this EWG was an excellent inaugural event, however the dialogue should be elevated to only strategic topics/discussion in the future and principals should all be at the executive/C-suite level. VADM Mewbourne concurred, and made clear that tactical and operational dialogue and crosstalk is also critical, albeit in other forums. VADM Mewbourne also made clear that in the instance of a weighty tactical/operational issue, a special executive-level session can be held.

c. VADM Mewbourne indicated that USTRANSCOM will monitor the NDAA-mandated SFAR Working Group and ensure the FAR Part 135 EWG is apprised, as appropriate.

d. VADM (Retired) Andy Brown, NDTA President and CEO, noted a more formalized approach toward the FAR Part 135 carriers, such as annual EWGs, can lead to a more responsive surge capability.

e. Carriers again highlighted the issue with FAA inspectors and appreciated assistance relaying the concerns to the appropriate FAA section.

f. VADM Mewbourne highlighted the impact of current FAA travel restrictions. He asked the carriers to inform FAA of issues and asked FAA to keep the EWG body apprised of plans going forward. **DUE OUT:** Ensure USTRANSCOM Commander talking points for upcoming meeting with the new Secretary of Transportation identify the FAA inspector issue.

g. VADM Mewbourne expressed his willingness to keep FAR Part 135 carriers regularly apprised on the state of the COVID-19 pandemic and on-going recovery efforts. **DUE OUT:** TCJ5/4 determine how best to accommodate FAR Part 135 carriers in recurring COVID-19 updates.

10. Closing Remarks. VADM Mewbourne thanked everyone for participating and expressed his interest in continuing the EWGs annually at the executive-level.

11. EWG adjourned at 3:27 p.m. CST.

12. Due Outs.

- a. Assess suitability of contract methodology (e.g., Firm-Fixed Price versus Cost-Basis) and whether change is necessary given the more uncertain operating conditions caused by the COVID-19 pandemic and other issues (OPR: TCAQ).
- b. Assist carriers with COVID-driven pilot currency issues (OPR: DOT/FAA).
- c. Ensure USTRANSCOM Commander talking points for future meeting with the new Secretary of Transportation identify the FAA inspector issue (OPR: TCJ5-I).
- d. Provide a description of the process for obtaining approval from the FAA to deviate from an SFAR, and provide it to the Combatant Commands (OPR: TCJA, OCR: TCAQ).
- e. Disseminate contract procedures to support emergent requirements (OPR: TCAQ).



- f. Accommodate FAR Part 135 carriers with recurring COVID-19 updates (OPR: TCJ5-I).

13. Industry Feedback. VADM Mewbourne requests industry partners provide feedback on how best to move forward with DoD/USG-FAR Part 135 industry engagements. Of particular interest is the way ahead for the FAR Part 135 Executive Working Group. USTRANSCOM sees value in a recurring senior executive-level meeting, would like to hear if industry senior executives concur, and requests industry provide recommendations on how best to shape this strategic discussion forum. USTRANSCOM is also considering establishing a FAR Part 135 Working Group that would meet quarterly to discuss and resolve tactical and operational level issues, and would like industry thoughts on the value of such a working group. Mr. Scott Hill will consolidate all feedback for VADM Mewbourne.

14. Further Information. You may contact Mr. Scott Hill, Airlift Programs Manager, USTRANSCOM TCJ5-I at telephone (618) 220-1955 or email at scott.a.hill54.civ@mail.mil.



FAR Part-135 Executive Working Group Participants

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Mr. Kevin Kenny
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Mr. Patrick Grimsley
Mr. William Pray
Mr. Kevin Spradling
Mr. A.J. Koudelka
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Lt Col Avery Schutt
Mr. Scott Hill
Lt Col Nirav Lad
LCDR Andy Moore
Mr. Tim Ringdahl
Mr. Daren Baker
Mr. Deo Lachman
Mr. Andy Ziny

TCDC
TCJ5J4
TCAQ
TCJ3
TCCC-LA
TCSG
TCJA
TCJ2-D
TCJ5/4-D
TCJ5-I
TCAQ
TCAQ
TCJ25
TCAQ
TCAQ
TCAQ
TCAQ
TCAQ
TCJ38
TCJ6
TCJ8
TCJA
TCJA
TCJA
TCJ5-I
TCJ5-I
TCJ5-I
TCJ5-I
TCJ5-I
TCJ3 LNO
TCJ3 LNO
TCJ3 LNO

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AMC/A3B
618 AOC
AMC/A3B
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Mr. Bob Helgeson
COL Ron Anderson
RDML Duke Heinz
COL Grant Morris
BG Jered Helwig
Col Patrick Schlichenmeyer
COL Derek Jansen
Lt Col Mieke Bruins
Mr. Paul Loch

USAFRICOM J4
USCENTCOM J4
USCENTCOM J4
USEUCOM J4
USEUCOM J4
USINDOPACOM J4
USNORTHCOM J4
USSOCOM J4
USSOCOM J4
USSOUTHCOM DDOC

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Mr. Sean Iverson
Mr. Austin Vermillion
Mr. Brent Bien
Mr. Chris Eisele
Mr. Dennis Keesling
Mr. Andre Hutchings
Mr. Josh Beckham
Mr. Phil Church
Mr. Jim Russell
Mr. Matt Chaifetz
Mr. Dan Feemster
Mr. Vince Van Ness
Ms. Laura Ambler
Mr. Aaron White
Mr. Scott Zurschmit
Mr. Kevin Bryant
Mr. Dan Lucey
Mr. Jeff McMullen
Mr. Ricardo Cifuentes
Ms. Sabrina Ford
Mr. Tom Mulkey
Mr. Ashley Smith Jr.
Mr. Gregg Fahrenbruch
Mr. Jannie de Klerk
Mr. Sean Starke
Mr. Chris Deslongchamp
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Mr. Bob Tracey
Mr. Damon Petracci
Mr. Justin Watlington
Mr. Van Bishop
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VADM (Ret) Andy Brown
Mr. Randy Martinez

ODASD Logistics
OUSD Policy
OUSD Policy
JS J4

DHS/FEMA
DHS/FEMA
DHS/ICE
DOT/FAA
DOT/FAA
DOT Sr Adv to USTC

Air Center Helicopters
Aspen Helicopters
Berry Aviation
Berry Aviation
Berry Aviation
Bighorn Airways
Bighorn Airways
Bighorn Airways
Columbia Helicopters
CHI Aviation
CHI Aviation
CHI Aviation
Contour Aviation
Contour Aviation
CSI Aviation
East Coast Flight Services
Erickson Helicopters
Erickson Helicopters
FlightWorks
FlightWorks
FlightWorks
Helistar
Helistar
Hillsboro Aviation
Jet Logistics
Mountain Aviation
National Airways Corp.
National Airways Corp.
Omni Air Transport
Phoenix Air Group
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Precision, LLC
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