



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

United States Transportation Command (USTRANSCOM) hosted the second annual Federal Aviation Regulation Part 135 (FAR 135) Executive Working Group (EWG) on 16 March 2022 at USTRANSCOM Honor Conference Room and virtual via Microsoft Teams and teleconference phone tie-in. Vice Admiral (VADM) Dee Mewbourne, Deputy Commander U.S. Transportation Command (TCDC, USTRANSCOM) chaired the EWG. Sixty-eight 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, the National Defense Transportation Association (NDTA), and Air Carriers.

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

MEETING SUMMARY.

1. Mr. David Atkinson, Airlift Programs Manager, opened the EWG with administrative remarks and a roll-call at 12:30 p.m. Central Standard Time (CST).

2. Opening Remarks. VADM Dee Mewbourne. VADM Mewbourne welcomed the participants to the FAR 135 EWG and stated this event is not about the meeting, but to take time to develop relationships to help facilitate action during a conflict. This meeting helps all parties create a deep understanding of each other's world. He encouraged everyone to share openly to help facilitate this understanding. VADM Mewbourne offered Mr. Randy Martinez some time for opening remarks. Mr. Martinez thanked everyone for coming and spoke of the difference in the FAR Part 135 and FAR Part 121 carriers and operations. He summarized the need for FAR 135 operations and identified a need to educate CCMDs on the FAR 135 capabilities.

3. Legal Brief. COL Marton, Judge Advocate TCJA. Col Marton highlighted the appropriate functions of the Executive Working Group and cautioned the group on areas to avoid.

4. COVID-19 Epidemiology Update. Col Cachuela TCJA. Col Cachuela outlined an overall decrease in COVID cases and hospitalizations throughout the United States. He mentioned the outliers are seeing increased numbers, however overall, the numbers are in decline. A new variant he identified as BA2 (a cousin to Omicron) is beginning to spread but is not a major concern at this time. He added BA2 is slightly more transmissible than Omicron, but symptoms and hospitalization rates are similar. He highlighted vaccination status in the US and mentioned Pfizer is seeking CDC recommendation for a second booster.

5. Introductions. Those in attendance were provided an opportunity to introduce themselves and their organizations. Provide info on what services they provide and their role in FAR 135 operations.



6. USTRANSCOM Strategy Brief, Mr. David Atkinson, USTRANSCOM Intermodal Division (TCJ5-I), provided an overview of the USTRANSCOM Strategy and the mission and priorities established by Gen Van Ovost, with tie-ins from the National Defense Strategy. Moreover, he identified how USTRANSCOM supports Geographic Combatant Commands with their plans and lines of effort. Finally, he tied FAR 135 to the overarching USTRANSCOM strategy and their role at the point of execution. VADM Mewbourne added that as the National Defense Strategy and other higher-level strategy changes, most of what FAR 135 supports will not change. The tactical level execution continues for this program. He did state that as strategic focus shifts to the Pacific AOR, FAR 135 will need to adjust to that new environment.

7. FAR 135 Overview. Mr. David Atkinson, gave an overview of FAR 135 services and highlighted the utility of commercial intra-theater airlift across multiple Combatant Commands. Moreover, Mr. Atkinson explained the diverse mission sets FAR 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 #14 in the attached slide deck shows the major areas where DoD uses these services.

8. WASP 135 & Future Contract Forecast Jesika DeArmond, TCAQ. Ms. DeArmond provided a comprehensive look at the WASP 135 as well as the future contract forecast. She discussed specific capabilities such as, drone recover, CASEVAC, and passenger and cargo movement capabilities through 16 active contracts. Furthermore, she provided information on the overall scope of contracts, including the total dollar amount, reviewed the ordering procedures, and outlined the forecasted requirement for the next 18 months. Slide #15 through #18 provide details on the WASP 135 and future contract forecast.

Several questions/discussions took place during this segment. Phoenix Air identified an issue with firm fixed price contracts, specific to fuel costs during the 5-year contract period and the inflation rate increase of 12%.

Austin Vermillion – NEO took capacity out of the system. Are we looking at capacity being available during another conflict since we have drawdowns in the CENTCOM AORs? Randy Martinez added to the conversation about the pilot shortage, as well as mechanic attrition. As we come out of COVID we are seeing how short we are with capabilities.

Crespo – future outlook is slim for keeping FAR 135 industry alive. Motivation is waning. We need to find an interest that keeps our capabilities and services viable in a strategic view to ensure we can provide future capability. ADM Mewbourne – moving focus to the Pacific and we are not sure about how FAR 135 fits in the Pacific, but there will be opportunities, they may look different, but the geography and battlespace should expose themselves to opportunities.

9. Requiring Activity AOR Perspectives, Requirements, Performance Feedback, Issues and Concerns.

USCENTCOM/J4 – Lt Col Coates stated it is abundantly clear the capabilities FAR 135 partners provide are essential and provide USTRANSCOM & USCENTCOM incredible agility.



FAR 135 partners have allowed us to return essential military airlift and to embrace a lean concept. They currently employ the smallest Grey-tail intra-theater footprint and recently flew a FAR 135 mission to Israel for the first CENTCOM channel to that location. FAR 135 Partners are a key reason for the 90% RDD success.

Mr. Atkinson asked if they see any emerging requirements from their AOR that would lend itself to FAR 135 business. Lt Col Coates is unsure, but because of volatile relationships in the region and current missions, they will continue to have a need for FAR 135 there. VADM Mewbourne stated the CENTCOM AOR is highly volatile and uncertain. We will continue to support efforts in that AOR, even with the strategic focus shifting. We will always be able to operate globally.

USNORTHCOM/J4 – Col Tim Hudson explained the Artic, Alaska, and High North are unique challenges and USNORTHCOM will continue to deploy forces to those locations and looks forward to working with FAR 135 partners to accomplish this while applying knowledge from lessons learned of the other CCMDs.

USSOCOM/J4 – Lt Col Larry Hoffman provided great thanks from SOCOM to the FAR 135 partners in military free fall operations. Several companies have worked with SOCOM to help their free fall program, it is a great help and wishes to continue this support.

10. State of the Industry, Part 135 Carriers.

Rotary Wing Pax/Cargo/CASEVAC – CHI Aviation Mr. James Russell opened with a report from the Helicopter convention last week and stated many changes are taking place with rotocraft. He stated firefighting contracts are untenable and oil/gas market has little inventory to increase operational capacity. Moreover, the Russian fleet will be out of work with the UN and this could be an opportunity for companies in western countries to finally compete with Russian business. Changes in the operating environment are affecting business. Insurance costs are increasing due to the Russian invasion, shipping costs are falling, and maintenance and pilot retention are increasingly difficult and costly. Additionally, he explained the response time from the FAA is increasingly long. They asked for two aircraft to be added to ops specs and it took 40 days for the FAA to complete their process. Carlos Sanchez from the Department of Transportation stated they will address the issue with delays and report any pertinent information to Mr. Atkinson.

Mr. Russell stated he is experiencing an increase in Lowest Price Technically Acceptable (LPTA) bids, specifically with firefighting operations and through GSA, and they are hurting business capabilities. This prompted discussion with Mr. Brennan (USTRANSCOM/TCAQ Director) who will investigate this issue. He did state WASP 135 uses the Best Value Contract methodology instead of LPTA.

Mr. Russell finished with a discussion surrounding contract processing times. When companies bid on a contract they are unable to bid elsewhere with the same aircraft to ensure they can meet the DoD contract if they are awarded the contract. With a long contract processing time, they are missing out on business elsewhere until DoD awards the contract. He asked for this process to be shortened, if possible. VADM Mewbourne asked TCAQ to take this for action as a Lean/Process Improvement opportunity.



Fixed Wing Pax/Cargo/CASEVAC – Berry Aviation, Mr. Austin Vermillion echoed the points brought up by CHI Aviation and specifically highlighted personnel (pilot/maintenance) retention costs, especially with FAR 135 markets shrinking. Without DoD work, these capabilities disappear and require significant investment to bring back this specialized capability. GSA FEDSIM OASIS contracts did not include CARB/FAA requirements and could have been awarded to non-DoD certified company due to the missing requirements in the TASKORD. They stated CARB requirements are proving difficult to maintain with ops tempo declining for specific DoD capabilities that have no mirror in civilian industry. VADM Mewbourne asked to take this for action and work with AMC. Ralph Muli stated, CARB is a requirement from the CFR and US Code and likely requires congressional action to make changes to the requirement. There are no waivers, and the group needs to better understand the problem prior to requesting congressional action.

Air Ambulance – Jet Logistics, Mr. W. Ashley Smith Jr. Also concurs with Berry and CHI Aviation regarding pilot retention and increased crew rotation times. COVID policies among different countries have been difficult to navigate. Mentioned new way they align pilot experience with best fit instead of simply using the number of flying hours.

11. Draft Charter Discussion – Dave Atkinson then opened comments on having a charter and is looking at EWG frequency and proposed charter for this EWG to continue. VADM Mewbourne stated the group needs to think about having a Chair and Co-Chair. We need both to avoid the single point of failure. MG John Sullivan (ACTION ITEM) stated, we will staff the FAR 135 charter.

12. Closing Remarks. VADM Mewbourne thanked everyone for participating. Randy Martinez also thanked everyone.

13. EWG adjourned at 3:18 p.m. CST.

14. Due Outs.

DUE OUTS:

- a. See CARB comments above (Data analysis of CARB issue) what does it do to FAR 135 capacity? (OPR: AMC/A3B)
- b. Evaluate contract process and develop a process improvement event to reduce contract processing time. (OPR: TCAQ)
- c. Finalize the proposed FAR 135 Charter and staff for adoption and signature. (OPR: TCJ5I)
- d. Investigate CARB requirements and how they apply to FAR 135. Determine if any changes to policy/law would be beneficial without compromising safety. (OPR: TCAQ, OCR: AMC/A3B)

15. Further Information. You may contact Mr. David Atkinson, Airlift Programs Manager, USTRANSCOM TCJ5-I at telephone (618) 220-1955 or email david.a.atkinson14.civ@mail.mil.



FAR Part-135 Executive Working Group Participants

USTRANSCOM (32)

VADM Dee Mewbourne
MG John Sullivan
Mr. Ken Brennan
Maj Gen Corey Martin
Mr. Eric Jablonski
Lt Col Chris Cieurzo
COL Andras Marton
Dr. Mark Cyr
Mr. Al Lopez
Ms. Gina Lee
Ms. Jesika DeArmond
Ms. Keri Lindsco
Mr. Col Brian Ballew
Mr. Andrew Kantner
Mr. A.J. Koudelka
Mr. Todd Federici
Lt Col Avery Schutt
LCDR Andy Moore
Mr. Tim Ringdahl
Mr. Zachary Davis
Mr. Daren Baker
Mr. Deo Lachman
Mr. Andy Ziny
Mr. Janes Thorn
Ms. Terri Dilly

AMC (6)

Mr. Ralph Muli
Ms. Anita Mack
Maj Kevin Thomas
Mr. Don Herrod
Mr. Mark Robinson

Combatant Commands (10)

Lt Col Eric Coves
Mr. Timothy Bury
Lt Col Mark Murphy
Lt Col Lawrence Hoffman

TCDC
TCJ5J4
TCAQ
TCJ3
TCCC-LA
TCSG
TCJA
TCJ5/4-D
TCJ5-I
TCAQ
TCAQ
TCAQ
TCAC
TCJA
TCJA
TCJA
TCJ5-I
TCJ5-I
TCJ5-I
TCJ5-I
TCJ3 LNO
TCJ3 LNO
TCJ3 LNO
TCCC-POLAD
TCJ8

AMC/A3B
AMC/A3B
618 AOC
618 AOC
AMC/A4T

USCENTCOM J4
USNORTHCOM J4
USNORTHCOM J4
USSOCOM J33

OSD/Joint Staff (4)

Mr. Chuck Nimmo
Ms. Sarah Minot-Asrar
Mr. Seth Jacobson
Mr. Jim Higgins
Lt Col Mason MacGarvy
Maj Matthew Jones

Interagency (6)

Mr. Jim Leydon
Mr. Tim Smith
Mr. Alejandro Cruz
Dr. Tom Littleton
Mr. Bill Muldoon
Mr. Carlos Sanchez

FAR Part-135 Carriers (43)

Mr. Derek Fry
Mr. Austin Vermillion
Mr. Dennis Keesling
Mr. Charles Morgan
Mr. Michael Frewen
Mr. Jim Russell
Mr. Steve Bandy
Mr. Santiago Crespo
Mr. Michael Tremlett
Mr. Dan Feemster
Mr. Rich
Ms. Laura Ambler
Mr. Ryan Perkins
Mr. Ricardo Cifuentes
Ms. Sabrina Ford
Mr. Ashley Smith Jr.
Ms. Eileen Davie
Mr. Bob Tracey
Mr. Randall Perry

Industry Associations (2)

VADM (Ret) Andy Brown
Mr. Randy Martinez

ODASD Logistics
OUSD Policy
OUSD Policy
JS J4
JS J4
HAF/A8XM

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

Air Center Helicopters
Berry Aviation
Bighorn Airways
Canadian Helicopters Ltd.
CareFlight
CHI Aviation
Columbia Helicopters
Columbia Helicopters
Columbia Helicopters
Contour Aviation
deLucia
East Coast Flight Services
Erickson Helicopters
Helistar
Helistar
Jet Logistics
Phoenix Air Group
Phoenix Air Group
Rampart Aviation

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