

CALLAHAN, CAMPBELL & McCORD

October 11, 1949

Fort Worth Air Terminal, Inc.,  
Fort Worth, T e x a s .

Attention: Mr. Amon G. Carter

Gentlemen:

This refers to the Fort Worth Air Terminal project.

You will recall that during 1947 and 1948, on behalf of Airlines Terminal Corporation, I was very active in attempting to assist in the development of a Fort Worth airport project. We had many months of negotiations with the major airlines serving Fort Worth, with representatives of the City of Fort Worth, and with numerous banks and insurance companies. These negotiations resulted in the following general plan:

1. The land was to be obtained by the three major airlines serving Fort Worth and the Terminal Corporation, and thereafter was to be conveyed to the City of Fort Worth.
2. Monies necessary for construction and installation costs of the airfield, navigational and landing aids and certain other related facilities were to be supplied by the City of Fort Worth and the Civil Aeronautics Administration.
3. All costs of the terminal building and related facilities were to be financed by the Terminal Corporation, and at the appropriate time these properties were to be conveyed to the City of Fort Worth.
4. The Terminal Corporation was to manage, operate and maintain the entire airport under a long term lease which would provide for return to the City, out of net income, monies that would not only repay all funds advanced by the City, but also would enable the City to build up a reserve for its future aviation facilities requirements.

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design features for concessionaire areas, planning of terminal building area layout, and an intensive program for selling concessionaire rental space and facilities, etc.

3. Make effective, at or about the time the airport becomes operational, an administrative and operational organization to manage, operate and maintain the airport in a highly efficient and economical manner, consistent with the highest standard of airport operation. This will include management organization, personnel staffing and establishment of budgetary and accounting procedures and control.
4. Promptly open, maintain and operate an office for Fort Worth Air Terminal, Inc., and begin staffing of the airport managerial organization, as economically as practicable, yet consistent with requirements of maximum expedition of making the airport operational.
5. Assist you in such matters as you may wish, including preparation of basic data to support applications for borrowings, making periodical reports on all phases of program, etc.

My opinion is that the person employed to accomplish these purposes will be required to give from two-thirds to all of his time to such work. The amount of time that must be devoted to this assignment will vary from time to time and will depend upon which phases of the work are receiving attention.

In view of the combination of my experiences, including legal practice, general and special aviation activities and development of programs similar to the one under consideration while serving as Vice-President and General Manager of the Airlines Terminal Corporation, my opinion is that I am qualified to accomplish the objectives enumerated above. Furthermore, I would like to receive the assignment.

If it were feasible, my services would be volunteered on a no compensation basis due to the civic nature of the project, but my obligations to our newly organized law firm will not permit me to do this. However, I will be glad to carry out the project on a basis wherein one element of the compensation will be our desire for our firm to be of assistance in this very important civic enterprise.

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5. Subject to the terms of the lease from the City and subject to the terms of the airlines' airport agreements, the Terminal Corporation was to have exclusive control over all phases of management and operation of the airport properties, including development of concessions, airfield and building use charges, etc.

Furthermore, you will recall that after the plan had been formalized in appropriate papers and documents, it was abandoned by the Terminal Corporation for reasons not pertinent to our present situation. Personally, I was very much disappointed when the plan was abandoned because I was of the opinion the project was a constructive and beneficial program for all concerned. I believed then (as I do now) that an airport at the designated site appropriately designed, adequately constructed and properly managed and operated would become one of the greatest airports in the country - one of our great cross-roads of air transportation.

Since the abandonment of this plan, I have severed my connections with the Terminal Corporation and have resumed the practice of law as a member of the recently organized firm of Callahan, Campbell & McCord.

On October 7, 1949, Mr. Carter asked if I would suggest or recommend any steps for expediting the development of the present airport project which you have undertaken. He also asked me to suggest any way in which I might be helpful.

I recommend immediate employment of a person, appropriately qualified, to serve for approximately twelve to fifteen months or for such period, longer or shorter, as considered desirable by you. Furthermore, I recommend that he be given the following general instructions for his guidance:

1. Expedite all phases of the program for construction of the terminal building and its auxiliary and incidental facilities. This will include coordination of numerous design and construction features and a long series of negotiations with the City of Fort Worth, the airlines, the architect, the engineer, the contractor, Civil Aeronautics Administration and many others.
2. Develop and make operative a plan for obtaining maximum non-airline revenue. This will include planning of Terminal Building layout with particular attention to

Fort Worth Air  
Terminal, Inc.

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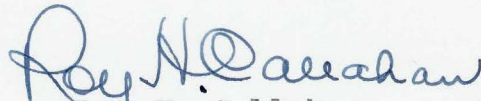
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If a proposal embracing the general plan outlined above were made available, and after taking into consideration the matters discussed in the immediately preceding paragraph, my opinion is that a fair and reasonable basis for compensation would be a drawing account disbursement of \$1,000.00 monthly, and a review and appraisal by you every three or six months, to be accompanied by such adjustments as are considered appropriate.

My opinion is that the suggested relationship should not be established by contract as either party should be at liberty to terminate the arrangement at any time.

It is fully recognized that this program will require vigorous and long periods of hard work; however, it would be a privilege and a pleasure to be helpful in this project and to the City of Fort Worth.

Sincerely yours,

  
Roy H. Callahan

RHC/jm