# CITY OF LAS VEGAS

1700 N. GRAND AVE. • LAS VEGAS, NEW MEXICO 87701-4731 • 505-454-1401 • FAX: 505-425-7335

**ALFONSO E. ORTIZ, JR.**
Mayor


## CITY OF LAS VEGAS
## SPECIAL CITY COUNCIL AGENDA
**August 13, 2014–Wednesday– 4:30 p.m.**
**City Council Chambers**
**1700 N. Grand Ave**

***(The City Council shall act as the Housing Authority Board of Commissioners on any matters on the Agenda concerning the Housing Department.)***

I. **CALL TO ORDER**

II. **ROLL CALL**

III. **PLEDGE OF ALLEGIANCE**

IV. **MOMENT OF SILENCE**

V. **APPROVAL OF AGENDA**

VI. **PUBLIC INPUT (not to exceed 3 minutes per person)**

VII. **BUSINESS ITEMS**

1. Approval/Disapproval of Resolution 14-60 ratifying Memorandum of Agreement between the City of Las Vegas and the State of New Mexico General Services Department for property transfer for the remediation of the old City of Las Vegas Solid Waste Landfill.

   ***Ken Garcia, Utilities Director*** This property was identified as needed to remediate the closure of the City of Las Vegas Solid Waste Landfill.

VIII. **EXECUTIVE SESSION**

**THE COUNCIL MAY CONVENE INTO EXECUTIVE SESSION IF SUBJECT MATTER OF ISSUES ARE EXEMPT FROM THE OPEN MEETINGS REQUIREMENT UNDER § (H) OF THE OPEN MEETINGS ACT.**

A. **Personnel matters, as permitted by Section 10-15-1 (H) (2) of the New Mexico Open Meetings Act, NMSA 1978.**

B. **Matters subject to the attorney client privilege pertaining to threatened or pending litigation in which the City of Las Vegas is or may become a participant, as permitted by Section 10-15-1 (H) (7) of the New Mexico Open Meetings Act, NMSA 1978.**

C. **Matters pertaining to the discussion of the sale and acquisition of rea property, as permitted by Section 10-15-1 (H) (8) of the Open Meetings Act, NMSA 1978.**

## IX. ADJOURN

**ATTENTION PERSONS WITH DISABILITES:** The meeting room and facilities are accessible to persons with mobility disabilities. If you plan to attend the meeting and will need an auxiliary aid or service, please contact the City Clerk's Office prior to the meeting so that arrangements may be made.
**ATTENTION PERSONS ATTENDING COUNCIL MEETING:** By entering the City Chambers, you consent to photography, audio recording, video recording and its/their use for inclusion on the City of Las Vegas Web-site, and to be televised on Comcast.

**NOTE:** A final agenda will be posted 72 hours prior to the meeting. Copies of the Agenda may be obtained from City Hall, Office if the City Clerk, 1700 N. Grand Avenue, Las Vegas, N.M 87701

# SPECIAL CITY COUNCIL MEETING AGENDA REQUEST

**DATE:** 8-6-14 **DEPT:** Executive **MEETING DATE:** August 13, 2014

**ITEM/TOPIC:** Resolution 14-60 ratifying the Memorandum of Agreement between the City of Las Vegas, New Mexico and the Facilities Management Division of the General Services Department.

**ACTION REQUESTED OF COUNCIL:** Approval/Disapproval of Resolution 14-60 ratifying the Memorandum of Agreement between the City of Las Vegas and the State of New Mexico General Services Department for property transfer for the remediation of the old City of Las Vegas Solid Waste Landfill.

**BACKGROUND/RATIONALE:** This property was identified as needed to remediate the closure of the City of Las Vegas Solid Waste Landfill.

**STAFF RECOMMENDATION:** Ratification of Memorandum of Agreement.

**COMMITTEE RECOMMENDATION:**

**THIS REQUEST FORM MUST BE SUBMITTED TO THE CITY MANAGER'S OFFICE NO LATER THAN 10:00 A.M. ON FRIDAY ONE AND A HALF WEEKS PRIOR TO THE CITY COUNCIL MEETING.**

**SUBMITTER'S SIGNATURE**

**REVIEWED AND APPROVED BY:**

**ALFONSO E. ORTIZ, JR.**
**MAYOR**

**ANN MARIE GALLEGOS**
**FINANCE DIRECTOR**

**ELMER J. MARTINEZ**
**ACTING CITY MANAGER**

**PURCHASING AGENT**
**(FOR BID AWARD ONLY)**

**DAVE ROMERO**
**CITY ATTORNEY**
**Approved as to Legal Sufficiency Only**
**(If Box is Initialed by City Mngr., Review and Sign)**

**Approved to form 9-25-12**

**CITY OF LAS VEGAS**
**RESOLUTION NO. 14-60**

**RATIFYING THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF LAS VEGAS AND THE NEW MEXICO FACILITIES MANAGEMENT OF THE STATE OF NEW MEXICO GENERAL SERVICES DEPARTMENT (GSD/FMD)**

**WHEREAS**, the City operated a landfill located adjacent to State property beginning in 1977 through 1999; and

**WHEREAS**, the City has conducted closure activities at the landfill since 1994 and is required to remediate potential groundwater contamination on and adjacent to the landfill; and

**WHEREAS**, the City is required to implement a 2005 Corrective Measures Plan for the landfill to comply with NM Solid Waste Rules NMAC 20.9.9.16(E); and

**WHEREAS**, the City increased solid waste rates July 1, 2013, in part to acquire bond funds to finance the construction of the landfill remediation project, construct transfer station improvements, and purchase solid waste equipment; and

**WHEREAS**, The New Mexico Environment Department has held an Administrative Compliance Order including penalties in abeyance to allow the City a reasonable time to complete corrective measures; and

**WHEREAS**, the City desires to construct groundwater remediation facilities that will consist of a collection leachate system located on the City landfill and approximately five acres of adjacent State property; and

**WHEREAS**, the City desires to acquire and easement through State property to convey leachate through State property to the City's wastewater collection system; and

**WHEREAS**, the City desires to drill potable or non potable water wells on State property, extend the non potable "effluent" system through State property to the Camp Luna area for further treatment and storage; and

**WHEREAS**, the City is exchanging values and benefits in the MOU that includes authorization of the State to tap into the water, sewer, and gas mains as specified in the MOU; and

**WHEREAS**, the City will support the State in its effort to improve water, sewer and gas service as well as support the State in its effort to complete the annexation of approximately 300 acres of State property into City limits; and

**WHEREAS**, the acquisition of the property, easement and other considerations provide for compensation to GSD/FSD and mutually beneficial services and benefits to the City and GSD/FSD.

**NOW THEREFORE BE IT RESOLVED THAT THE GOVERNING BODY OF THE CITY OF LAS VEGAS** hereby ratifies the attached Memorandum of Understanding between

the City and the New Mexico Facilities Management of the State of New Mexico General Services Department as entered into by the City Manager Mr. Elmer Martinez.

PASSED, APPROVED and ADOPTED this _____ day of _____, 2014.

_____

Mayor Alfonso E. Ortiz, Jr.

ATTEST:

_____

Casandra Fresquez, City Clerk

APPROVED AS TO LEGAL SUFFICIENCY ONLY

_____

Dave Romero Jr., City Attorney

# MEMORANDUM OF UNDERSTANDING
# (MOU)

Between the

**FACILITIES MANAGEMENT DIVISION of the**
**GENERAL SERVICES DEPARTMENT (GSD/FMD)**

and

**THE CITY OF LAS VEGAS, NEW MEXICO (the COLV)**

I) THIS Memorandum of Understanding (MOU ) is entered into by and between The Facilities Management Division of the General Services Department ("GSD/FMD")and The City of Las Vegas (the "COLV") referred to also as ("the Parties") on or before _____, 2014, and fully effective after approval and ratification of the COLV Council.

The purpose of this MOU is to transfer interests and responsibilities related to a 5.170 acre site (herein "Transfer Property") and further to describe additional duties and responsibilities of the parties which constitute the consideration and exchange for the values and benefits described herein. The subject Transfer Property is as described in Attachment A with language commencing:"Description of a tract of land located within the Las Vegas Land Grant, San Miguel County, New Mexico, within projected Section 21, Township 16 North, Range 16 East, N.M.P.M. and being more particularly described as follows: Beginning at a found 5/8"capped rebar marked "WINSTON 6999" at the Southeast corner of the City of Las Vegas Landfill as shown on the unrecorded Plat of Survey dated January 5, 1994 and prepared by William E. Kuntz, Koogle & Pouls Engineering, Inc., being the most northerly corner of the herein described tract, from which New Mexico State Triangulation Station "GOLF" bears North 87 degrees 38' 18" East, 9776.63 feet; Thence along the South line of said Landfill, South 61 degrees 34' 23" West, 859.41 feet to a found 5/8" capped rebar marked "ODEN 8667" at Southerly most corner of said Landfill, being the most westerly corner of the herein described tract; Thence leaving said South line, South 52 degrees 10' 33" East, 130.50 feet to a set ½" capped rebar marked "LS 17534"; Thence North 83 degrees 46' 00" East, 477.98 feet to a set ½" capped rebar marked "LS 17534"; Thence parallel to said South line, North 61 degrees 34' 23" East, 497.55 feet to a set ½" capped rebar marked "LS 17534"; Thence North 52 degrees 22' 45" West, 328.27 feet to the POINT OF BEGINNING. Said tract of land contains 225,232 square feet or 5.170 acres of land, more or less." This MOU and the transfer of the Transfer Property from GSD/FMD to COLV is undertaken so that the COLV may further undertake necessary remediation measures to resolve environmental concerns and issues related to the closed COLV landfill adjacent to the Transfer Property and to abate the continuing, or any, encroachment and flow of water, soils, waste products, refuse and surface and subsurface materials of any kind from the

adjacent COLV landfill onto the Transfer Property.

Note: Nothing in this MOU as between these parties (The State and the City of Las Vegas) represents an admission of liability or any potential liability for trespass or nuisance or contamination of any kind, or as to any duty owed, *as to other property owners or other members of the general public;* or, as to any "third parties" (defined as parties *other than* the State or the City of Las Vegas) located in and around the City of Las Vegas *as to any representation made herein* or described herein as the basis for the remediation and cooperation in the conveyance of the Transfer Property and the use of the Transfer Property to effectuate that remediation and any related purposes or projects associated therewith respecting any asserted contamination or infiltration above or below ground whether caused by the parties hereto, disputed, or not.

a) The City wishes to engage in implementation of a groundwater remediation program which may limit or prevent actual or potential contamination on the property transferred by the state. The Parties have been aware of the need for the COLV and the State to engage actively and cooperatively in implementation of a groundwater corrective action remediation program to prevent actual or potential contamination and/or degradation of groundwater, drinking water supplies or sensitive ecosystems, or to inhibit potential exposure of nearby populations, wells or property to constituents of concern due to possible migration and flow of substances and soils and soil contaminants or any landfill leachate contaminants from the adjacent COLV landfill to the Transfer Property owned by GSD/FMD. The COLV has been working to implement the New Mexico Environment Department (NMED) Solid Waste Bureau approved corrective action plan and NMED has been working cooperatively to facilitate and assist the COLV and GSD/FMD with the remediation of existing or potential groundwater contamination and spills or seepage located at the COLV landfill adjacent to the above described property. This cooperative effort is expressly acknowledged and is a part of the acknowledged consideration in this MOU as between the parties. The COLV landfill adjacent to the Transfer Property contains subsurface contaminants that may be migrating onto Transfer Property. In addition to the potential subsurface movement of the groundwater "plume of contaminants" and seepage onto the Transfer Property, past and improper dumping/(whether unintentional, intentional, negligent or otherwise) disposal of solid waste may have occurred on the Transfer Property as a continuing nuisance that the Parties seek to remedy cooperatively herein. The confirmed contamination at the point of compliance monitoring well MW-3, the probable movement of the plume of groundwater contamination onto adjacent State property, and the trespass onto the Transfer Property by breach or removal of a fence or fence line and dumping of wastes from the COLV landfill onto the adjacent Transfer Property are the sole responsibility of the COLV as the owner/operator of the landfill site adjacent to the Transfer Property. As part of the ongoing remediation and expressly as provided herein by cooperation and agreement of the Parties the COLV seeks to acquire the Transfer Property in order to cease what would be otherwise a continuing and/or potential trespass or nuisance for which the COLV is or would be solely responsible and to the end of this cooperation in remediation and reduction and elimination of any such trespasses and nuisances current or future to construct an engineered French

drain (interceptor trench) at the toe of the landfill slope to collect and convey leachate, seepage and surface waters to a pipe that will deliver these liquids via a connection to the sewer line across adjacent State property to the waste water treatment plant for treatment to inhibit seepage, and future groundwater contamination. It is expressly the intent of the COLV to acquire the Transfer Property to construct an engineered French drain (interceptor trench) at the toe of the landfill slope to collect and convey potential leachate, seepage and surface waters to a pipe that will deliver these liquids via a connection to the sewer line across adjacent State property to the waste water treatment. It is expressly the intent of the State to convey the Transfer Property to the COLV so as to accomplish the remediation and other remedies set out above.

b) The Parties expressly agree that the COLV is not aware of and is not making claim that the State has been responsible for any contamination of the 5.170 acres of transfer property as result of movement of ground water or ground materials or any subsurface waters, materials or contaminants; nor did the State or any of its Departments, Bureaus or agencies ever approve or acquiesce in any or all of the encroachments, or spoliations, or natural contamination, or dumping associated with seepage of contamination and/or the removal of fencing and the burying of solid wastes and/or any disposed materials whatsoever upon the Transfer Property.

c) The Parties also agree that the State is not responsible for any remediation costs or liabilities associated with the past or present potential movement of groundwater, surface materials or soils, or subsurface waters or materials or any nuisances thus inadvertently created or arising on COLV property adjacent to the Transfer Property prior to, during, or any time after the transfer of the 5.170 acres of transfer property as described herein. The Parties agree that the conveyance of the Transfer Property is essential and will work to the mutual benefit of the public and GSD/FMD and the COLV, as well as providing continuing beneficial services and benefits to the public by enhanced utility service.

d) The Parties agree that all State statutes for land transfer, conveyance and/or sale shall be adhered to. The Parties agree that title to the Transfer Property as described in I) a) above, shall transfer by quitclaim deed.

e) The Parties agree that this transfer of property from GSD/FMD to the COLV will be beneficial to both parties and as between them it will provide the COLV a means to remediate and cease a potential inadvertent ground trespass, or continuing nuisance, and/or any continuing contamination exposures and issues including groundwater contamination; and, it will provide GSD/FMD with a means to perfect resolution of a potential trespass by COLV and cessation of contamination upon its property by disposition of the Transfer Property in exchange for the remediation by the COLV and other mandatory projects of mutual improvement, including utility services and easements and improvements, as described herein.

f) The Parties agree that the conveyance of the Transfer Property is essential in the COLV remediation effort and is a necessary part of the project; at the same time the parties agree that said objective combines with the other parts of this MOU, works to craft a resolution of a potential longstanding encroachment and contamination issue, and will work to the mutual benefit of GSD/FMD and the COLV, as well as providing continuing beneficial services and benefits to the public by enhanced utility service.

II) City of Las Vegas has supplied a current appraisal for the parcel and it is attached as Attachment B. The attached appraisal values the property in as is condition.

III) The purposes and objectives of this MOU by agreement shall be accomplished as follows:

**a) GSD/FMD will:**

1) Transfer the approximately 5.170 acres of Transfer Property to the COLV to accomplish the remediation of the landfill. This transfer shall not include any water rights. Nothing in this transfer shall be construed as a liability, continuing liability or future liability of the State.

2) Work with the COLV to help or assist in effectuating COLV's process to annex the remaining GSD/FMD property southeast of the GSD/FMD property line to the COLV. In conjunction with the duties of the proposed annexation of property GSD/FMD further states that it will cooperate with the COLV to the fullest extent allowed and provided by law, as may be set forth in addenda to this agreement by citation to this provision:

(a) Grant a temporary easement or other such easements or access as required for such work as listed herein conjunction with the annexation herein described above.

(b) Upon completion of the annexation of additional GSD/FMD land (approximately 300+ acres) into the city limits, expressly recognize that as part of that annexation, the COLV, at no cost to the State, may drill water wells on the property as a GSD/FMD property backup supply to

GSD/FMD & New Mexico Behavioral Health Institute (NMBHI) and the COLV as part of an emergency water backup plan. Water wells may be drilled in areas deemed by City staff and consultants to be suitable for future water supply. Service from any wells drilled will be subject to COLV Code Chapter 440.

3) Provide an additional area for Construction use (such as equipment storage, laydown yard e.g.) – adjacent to the Transfer Property during the construction period for the landfill improvements.

4) Grant easements on a case by case basis as may be necessary for any required monitoring wells in the landfill remediation area. These or any such easements shall be further described by the parties and agreed to by use of the Attachment C form for that purpose. Provide necessary access by the COLV to the Transfer Property in a manner agreeable to both parties for construction and maintenance associated with the landfill remediation. This access shall be described in writing and shall require a written agreement or writing signed by the parties or an authorized representative. Attachment C will be used for this purpose in all instances.

5) Create, expand and/or extend current utility easements to incorporate the required discharge line from the remediation site to required drainage infrastructure (from approximately the northern edge of the Transfer Property to Gallegos Road on the South).This easement will require uses on and of approximately 12 acres. COLV will use current easement lines to the extent where practicable. Easements will be reviewed and mutually agreed to. This shall require written agreement or writing signed by the parties or an authorized representative. Attachment C will be used for this purpose in all instances.

6) Provide the design for an additional gas line improvement to the Acoma Building to prevent the loss of pressure or volume at high usage times.

7) Provide engineering criteria and tap for fire sprinkler service to the Epi Duran building on Highway 65 near intersection of Gallegos to facilitate the State's installation of a complete fire sprinkler system in this facility.

8) Provide non-potable water easement and access use agreement for COLV non-potable water pipes extending from the Gallinas River across State lands up to service point at joint property boundary at Luna Community College.

9) Provide approximately 150,000 gallon reclaimed water storage at the south end of the NMBHI property for collecting rain and cooling tower waste water. Said water may be reused as a non-potable water source for irrigation on the

NMBHI campus and other State owned land diverting or preventing further induced flows downstream in the sanitary sewer system of the COLV.

10) Continue to move forward rapidly with annexation on the full site (East & West of Highway 65) into the COLV, thus bringing all state owned land and structures into the boundary of the COLV at this location.

**b) COLV Will:**

1) Accept title to the Transfer Property for the purpose of allowing the COLV to perform necessary landfill remediation as herein described that the Parties agree is essential.

2) Obtain and/or provide the necessary funding to retain a qualified groundwater scientist or firm, and contractor to implement the groundwater corrective measures as approved by the NMED-Solid Waste Bureau. COLV acknowledges that lack of due diligence and timely implementation and completion of all required remediation activities associated with the landfill's NMED approved corrective action plan, after the conveyance of the Transfer Property from GSD/FMD to COLV may result in the issuance of a NMED Administrative Compliance Order, with penalties.

3) Install additional groundwater monitoring wells as may be required by NMED for the monitoring and statistical evaluation of the analytical data to determine contamination trends, and possible migration plumes for contaminants of concern. Detailed justification will be required to be submitted to GSD/FMD for each additional monitoring well prior to GSD/FMD granting an easement [see above at III. a. iv.] and this shall require written agreement or writing signed by the parties or an authorized representative. Attachment C will be used for this purpose in all instances. The justification documentation shall include any written correspondence from NMED – Solid Waste Bureau approving any well installations, and approval of the proposed locations and depth. Any wells that are recommended for decommissioning shall be decommissioned in accordance with applicable requirements and notification as specified by the State Engineer's Office.

4) Fence and secure any area for construction use (for staging equipment, storage, laydown yard, etc.) on any land or spaces so provided for COLV's use by GSD/FMD. The exact size and location of the land spaces for these uses and fencing shall be determined at the time of need after inspection and agreement between GSD/FMD and the COLV. This shall require written agreement or writing signed by the parties involved or an authorized representative. Attachment C will be used for this purpose in all instances. COLV further agrees in conjunction with these specific duties that:

(a) Remove all fencing, debris, equipment, and materials from the site upon completion of landfill remediation construction. COLV will, among other things, return grade to original contours, disc site to loosen all compacted areas and hydro-seed the area with native grass/shrub/flower seed mix with a tackifier. Water to reestablish this area shall be provided by COLV from non-potable water source at no charge to GSD/FMD; and,

(b) Use current easement lines to the extent practicable. Easements will be reviewed and are mutually agreed between GSD/FMD and the COLV. Attachment C will be used for this purpose in all instances.

5) Create a site meeting and review of gas service to fully determine if the issues at NMBHI are volume or pressure or both, thus leading to the proper engineered solution.

6) Drill water wells as necessary on any of the GSD/FMD property to provide water as a backup supply to GSD/FMD and NMBHI and to the COLV as part of an emergency water backup plan or for regular service supply.

(7) Provide the following water/gas/sewer main line taps and permits, at no cost to the State, for future expansion at or on GSD/FMD property currently housing NMBHI and other agencies only as identified and enumerated herein:

(a) One (1) fire suppression tap at the Epi Duran building.

(b) One (1) fire hydrant tap at the Epi Duran Building.

(c) Assist in the engineering studies through participation in collection of existing planning information, existing utility information and participation of COLV personnel throughout the study process (funded by GSD/FMD) for the completion of gas improvements to ensure necessary pressure and volume flows to service the existing buildings throughout the State owned property on NM 65.

(d) Construct a non-potable water source across GSD/FMD property and allow State access to non-potable water source on both sides of Highway 65 for on-site use as noted. For campus irrigation on both sides of Hot Springs Boulevard serving the campus of NMBHI and other State property; and, in this use and connection, COLV shall approve and provide the necessary permits, effective immediately upon installation, for the use

of non-potable water for such needs as erosion control plantings and general landscape throughout the 300 acre State site currently housing NMBHI and other agencies. The approximate acreage to be irrigated under this request is 45 surface acres. Permitting for non-potable water use is governed by New Mexico Environment Department Regulations. Where required NMBHI or GSD/FMD will obtain applicable permits from NMED groundwater bureau;

Water, gas, sewer Main Line Extensions are critical to this agreement and shall be provided by COLV and shall be paid for by the applicant (e.g., GSD/FMD) as described in the COLV Code. §440-12 Water Line Extensions, §255-9 Gas Line Extensions, and §340-57 Sewer Line Extensions. Waiver of the tap and permit fees for above items, 7a and 7b does not constitute waiver of any other service charges required by the COLV Code. The COLV agrees to expedite service requests and to provide service accordingly as expeditiously as possible upon request made by GSD/FMD on the items described herein in the MOU.

c) **COLV will additionally provide and do as follows in conjunction with the duties and obligations of the MOU:**

Allow for two sewer taps, at no cost to the State, for future expansion at or on GSD/FMD property currently housing NMBHI and other agencies in line leading from the COLV landfill site through State property on the westerly side; and allow a sewer tap at Epi Duran along sewer in NM 65.COLV will complete all remediation per State of New Mexico Environmental per the Workplan Time Line as attached as Attachment D.

IV) In this agreement the term agreement "between GSD/FMD and the COLV " shall require a written agreement or writing signed by the parties involved or an authorized representative. Attachment C will be used for this purpose in all instances.

V) This MOU shall not be altered, changed or amended except by instrument in writing executed by all parties.

VI) This MOU contemplates completion of all transfers, objects and MOU completion by January 31, 2017. Intermediate deadlines associated with the use of Attachment C may require the setting of specific deadlines for specific sub-projects, projects, access or easement uses, but all of these shall be completed by no later than January 31, 2017.

VII) This MOU shall become effective when signed by both parties and shall be terminated upon full completion or by written notice and agreement of the parties.

VIII) This MOU incorporates all agreements, covenants and understandings between the parties concerning the projects described herein and all such agreements and understandings have been merged into this written agreement. No prior agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unlessas cited expressly in this agreement.

IX) The parties agree to obtain any necessary approvals required to perfect the objects of this MOU and further agree that the undersigned have authority to sign and bind GSD/FMD and the COLV to the terms and provisions and duties of the MOU. Any ordinances, resolutions or approvals necessary to provide authority may be made part of this MOU for purposes of demonstrating authority and to show requisite exercise of proper state or local power.

X) Each party is responsible for any acts or omissions of its own employees to the extent provided for by the New Mexico Tort Claims Act.

XI) List of Attachments:

a. Attachment A – Legal Description

b. Attachment B – Appraisal Dated on December 6, 2013.

c. Attachment C – Approval / Agreement form

d. Attachment D –State of NM Environment Department Workplan Time Line (which the Parties agree shall be incorporated herein with a completed, final Time Line when this MOU is executed and when the property is transferred by deed and recorded and which the Parties agree shall become an attachment to this MOU immediately and will automatically supplement the letter from the State of New Mexico Environment Department attached at execution of this MOU).

XII) Effective Date of Land Transfer shall be deemed the date of full execution of this document by all parties, accompanied by the subsequent and proper filing and recording of the quitclaim deed described in paragraph I) g) above.

XIII) The City's actions are governed by the Code of the City of Las Vegas, New Mexico ("COLV Code") as adopted by the City Council/Governing Body. All services rendered herein by the COLV are subject to the COLV Code except as otherwise superceded by the laws of the State of New Mexico which shall govern this agreement.

XIV) **IN WITNESSWHEREOF**, the parties hereto have executed this agreement as ofthe date indicated below:

**FACILITIES MANAGEMENT DIVISION of the GENERAL SERVICES DEPARTMENT**

By: _____ Date: 8/8/2014

George Morgan, Director
Facilities Management
Division/GSD, State of
New Mexico

Approved as to form:

By: _____ Date: 8/8/14

Title: Deputy Counsel

**THE CITY of LAS VEGAS, NEW MEXICO**

By: _____ Date: 8/8/14

Elmer J. Martinez
Acting City Manager
COLV

Approved as to form:

By: _____ Date: _____

Title: _____

Attested by the City Clerk of the Governing Body of the City of Las Vegas

By: _____ Date: _____

Casandra Fresquez
City Clerk

# SUMMARY REPORT OF
# AN APPRAISAL OF VACANT LAND
# ADJACENT TO THE CITY OF LAS VEGAS LANDFILL
# NEAR LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO

**PREPARED FOR**
**THE CITY OF LAS VEGAS, NM**

**EFFECTIVE DATE OF VALUATION**
**NOVEMBER 19, 2013**

**REPORT DATED**
**DECEMBER 6, 2013**

**PREPARED BY**
**JOHN F. HOWDEN, MAI**
**MARK NEWMAN, ASSOCIATE**

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**John F. Howden & Associates, Inc.**
*Real Estate Appraisals and Counseling*

John F. Howden, MAI, President

Phone: (505) 830-3022
FAX: (505) 830-3027

8429 Washington Place NE, Suite A
Albuquerque, New Mexico 87113

December 6, 2013

Mr. Esteban Medina
Project Manager
City of Las Vegas Utilities Department
905 12th Street
Las Vegas, NM 87701

RE: Vacant land tract, containing 5.170 acres, adjacent to the City of Las Vegas Landfill, identified as City of Las Vegas Landfill Extension Tract, located near Las Vegas, San Miguel County, NM

Dear Mr. Garcia:

As requested, we have inspected and appraised the property referred to above. Attached is the summary report of our appraisal consisting of 25 pages, plus addenda. The purpose of this appraisal is to estimate the current fee simple market value of the subject property.

We inspected the property on November 19, 2013 which is the effective date of the appraisal. The property rights appraised are the fee simple estate of the subject real estate.

Your attention is directed to the assumptions and limiting conditions of the appraisal. Please read them carefully, so that you fully understand the nature of appraisal services rendered.

The appraisal was prepared to comply with the Uniform Standards of Professional Appraisal Practice (USPAP) promulgated by the Appraisal Foundation and with the Standards of Professional Appraisal Practice and the Code of Professional Ethics of the Appraisal Institute. The attached document is properly considered to be a summary report as defined by USPAP.

The appraisal assignment was not based on a requested minimum valuation, a specific valuation or approval of a loan. Employment of the appraisers was not conditioned upon the appraisal producing a specific value or a value within a given range.

Based upon the information in this appraisal and the knowledge and experience of the appraisers, our final opinion of the fee simple market values of the subject properties, as of November 19, 2013, is:

*****EIGHT THOUSAND DOLLARS*****
**($8,000)**

It is our opinion that if the subject property had been professionally marketed at a price that was consistent with the value estimate, an exposure period of 2 to 3 years prior to the date of value would have been required for sale on the effective date.

This appraisal is presented in a summary format, and may not be fully understood without information contained within the appraisers' files and known by the intended user of the report.

Thank you for the opportunity to provide appraisal services. We will be glad to answer questions from intended users of the appraisal report.

John F. Howden

JOHN F. HOWDEN, MAI

Mark Newman

MARK NEWMAN

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# ASSUMPTIONS AND LIMITING CONDITIONS

The certification of value by the appraisers appearing in this appraisal report is subject to the following assumptions and limiting conditions:

1) The legal description furnished is assumed to be correct. No responsibility for matters legal in character has been assumed or any opinions as to the title, which is assumed to be good. The property is appraised as though free and clear under responsible ownership and management.

2) The sketches in this report are included to assist the reader in visualizing the property, and the appraisers assume no responsibility for their accuracy. The appraisers have not made a survey of the property.

3) The appraisers are not required to give testimony or appear in court because of having made this appraisal, with reference to the property in question, unless arrangements have been made previously therefore.

4) The appraisers assume that there are no hidden or unapparent conditions of the property which would render it more or less valuable. The appraisers assume no responsibility for such conditions or for engineering which might be required to discover them.

5) Information, estimates, and opinions furnished to the appraisers and contained in this report were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for the accuracy of such items furnished the appraisers can be assumed by them.

6) Disclosure by the appraisers of the contents of this appraisal report is subject to review in accordance with the By-Laws and Regulations of the Appraisal Institute.

7) Possession of this report, or a copy thereof, does not carry with it the right of publication, nor may it be used for any purpose by any but the client without the previous written consent of the appraisers, and then only with proper qualifications.

8) Disclosure of the contents of this appraisal report is governed by the By-laws and Regulations of the Appraisal Institute. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraisers or the firm with which they are connected, or any reference to the Appraisal Institute or the MAI or SRA designations) shall be disseminated to the public through advertising media, news media, sales media, or any other public means of communication, without the prior written consent and approval of the appraisers.

9) The existence of potentially hazardous material or toxic waste, which may or may not be present on the property, was not observed by us, nor do we have any knowledge of the existence of such materials on or in the property. However, we are not qualified to detect such substances. The existence of potentially hazardous material may have an effect on the value of the property. We have assumed that no such materials exist, to the extent that they cause a loss in value. We urge the client to retain an expert in this field if desired.

10) This report assumes that there is full compliance will all applicable federal, state, and local environmental regulations and laws, unless noncompliance is stated, defined, and considered.

11) It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless a nonconformity has been stated, defined, and considered.

12) It is assumed that all required licenses, consents, or other legislative or administrative authority from any local, state or national government, private entity or organization have been or can be obtained or renewed for any use on which the value estimate is based.

13) The value estimate shown in this report is a projection based on our analysis as of the date of valuation. The value may not be valid in other time periods or as conditions change. Projected mathematical models set forth are based on estimates and assumptions which are inherently subject to uncertainty and variations related to exposure, time, promotional effort, terms, motivation, and other conditions. These models are not represented as indicative of results that will actually be achieved. The value estimate considers the productivity and relative attractiveness of the property only as of the date of valuation set forth in the report.

14) This appraisal is an estimate of value based in part on analysis of information provided to us by our client. We do not assume any responsibility for incorrect analysis because of incorrect or incomplete information. If new information of significance comes to light, the value given in this report is subject to change without notice. The appraisal report itself and the value estimate set forth herein are subject to change if either the physical or legal entity or the terms of financing are different from what is set forth in the report.

15) We reserve the right to alter statements, analyses, conclusions, or any value estimates in this appraisal if any new facts pertinent to the appraisal process are discovered which were unknown when the appraisal report was prepared.

16) The acceptance and use of the appraisal report by the client or any third party constitutes acceptance of the assumptions and limiting conditions set forth in this section. Our liability and that of John F. Howden & Associates, Inc, its officers, employees, and contractors is limited to the client only, and to the fee actually received for the services rendered. There is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the client, the client shall make such party aware of all assumptions and limiting conditions of the assignment and related discussions. Not withstanding anything to the contrary, the client will forever indemnify and hold the appraisers, the firm, its officers, employees, and contractors harmless from any claims by any third parties related in any way to the appraisal. Third parties include lenders, owners, tenants, successors, assigns, transferees, spouses, limited partners if the client is a limited partnership, and stock holders if the client is a corporation. The appraisers are in no way responsible for any costs incurred to discover or correct any deficiencies of any type present in the property, physically, financially, and/or legally.

# INTRODUCTION

## Identification of the Subject Property

The subject of this appraisal is a tract of vacant land containing 5.170 acres which is located adjacent to the inactive City of Las Vegas Landfill near Las Vegas, NM. The subject tract is identified as CITY OF LAS VEGAS LANDFILL EXTENSION TRACT on a survey that was provided to us by our client. The survey and legal description of the subject property can be located in the Addenda to this report.

## Purpose of the Appraisal

The purpose of the appraisal is to estimate the current fee simple market value of the subject property.

## Property Rights Appraised

The fee simple estate is being appraised, which is defined as:

> Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.[1]

## Definition of Market Value

*Market Value* is defined as:

> The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:
>
> A) Buyer and seller are typically motivated;
>
> B) Both parties are well informed or well advised, and acting in what they consider their own best interests;
>
> C) A reasonable time is allowed for exposure in the open market;
>
> D) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and

---

[1] (*The Dictionary of Real Estate Appraisal,* Third Edition, Appraisal Institute, 1993, page 140)

E) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.[2]

**Exposure Time**

Inherent in the appraisal is the assumption that if the subject property had been exposed to the market for a period of 2 to 3 years or less prior to the effective date of valuation, it would have been possible for a sale at the market value estimate to have been achieved on the effective date of valuation. Exposure time of two to three years or less prior to sale generally represents the current and recent trends in the segment of the market in which the subject property competes.

**Financial Consideration**

In this appraisal, market value is estimated in terms of cash.

**Intended Use and User of the Appraisal**

We understand that our client and intended user, the City of Las Vegas, will use this appraisal to aid in acquiring the subject parcel from the State of New Mexico. Any use or user other than those specifically mentioned in this paragraph is unintended. The appraisers make no warranty express or implied to any unintended user or for any unintended use.

**Date of Inspection and Effective Date of Valuation**

The subject property is appraised as of November 19, 2013, the date of inspection.

**Date of Report**

This appraisal report was completed and submitted to the City of Las Vegas Utilities Department on December 6, 2013.

**Standards and Regulatory Requirements**

This appraisal was prepared to conform to the standards set forth in the Uniform Standards of Professional Appraisal Practice (USPAP) promulgated by the Appraisal Foundation and in the Standards of Professional Appraisal Practice of the Appraisal Institute.

This is a summary appraisal report. All applicable approaches in the valuation process have been developed.

---

[2] (*Banking Law 12 CRF 34 definition of Market Value.*)

**Ownership and History**

According to the San Miguel County Assessor's office, the owner of the subject parcel is the State of New Mexico Medical Center. The parcel has been owned by the State Medical Center for many years. To the best of our knowledge, there have been no sales or transfers of the subject property in the past 3 years. We understand our client is in the process of acquiring the subject from the State of New Mexico and will use the subject property to extend a system of underground pumps in order to release methane gas that results from the dormant landfill operated in the past by the City of Las Vegas.

**Scope of the Report**

This appraisal is based upon thorough study of the subject property and the real estate market in which it competes. The data collection process began with research regarding general market conditions, those specific to the subject area, and those specific to vacant land acquisitions. The collected data includes various land sales and market information in the area, and related information.

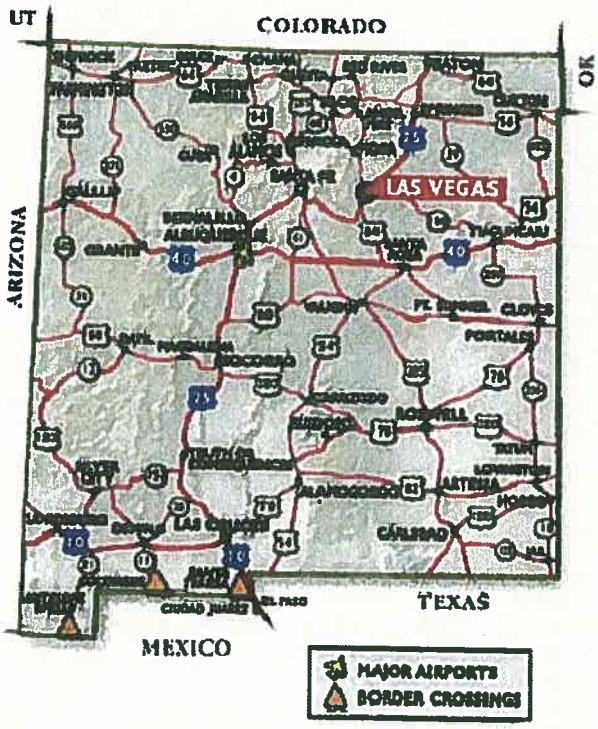
New Mexico law does not require public disclosure of real estate sale prices or financing terms. Comparable sales information was obtained by interviewing buyers, sellers, real estate brokers, and other market participants. Not all sale information will be available to the appraisers, but all appropriate sales available and able to be verified in the ordinary course of business will be considered. We will use information that is not able to be personally verified when it is considered to be appropriate and in line with the market. Only the sales and information considered to be the most relevant will be reported and analyzed within the report. Further information regarding data collection and analysis is discussed within the various approaches in the valuation section of this report.

Our client, the City of Las Vegas and the Project Manager, Esteban Medina, provided us with the majority of information pertaining to the subject including a plat that was used to identify the subject. After collecting and analyzing the data and inspecting the subject property, we completed the appraisal of the subject including a sales comparison approach.

Because the subject property is vacant land, only the sales comparison approach is applicable. There are no improvements, so the cost approach is not appropriate, and vacant land is not typically rented in the market. The exclusion of the cost and income approaches does not affect the reliability of the appraisal. Additional information regarding the scope of work, the highest and best use and sales analyses is contained within the appropriate sections below. The report is in a summary format and the appropriate relevant information regarding the subject property, market and appraisal are stated or summarized and reported herein, along with photographs and mapping deemed relevant to the understanding of this appraisal.

## AREA ANALYSIS

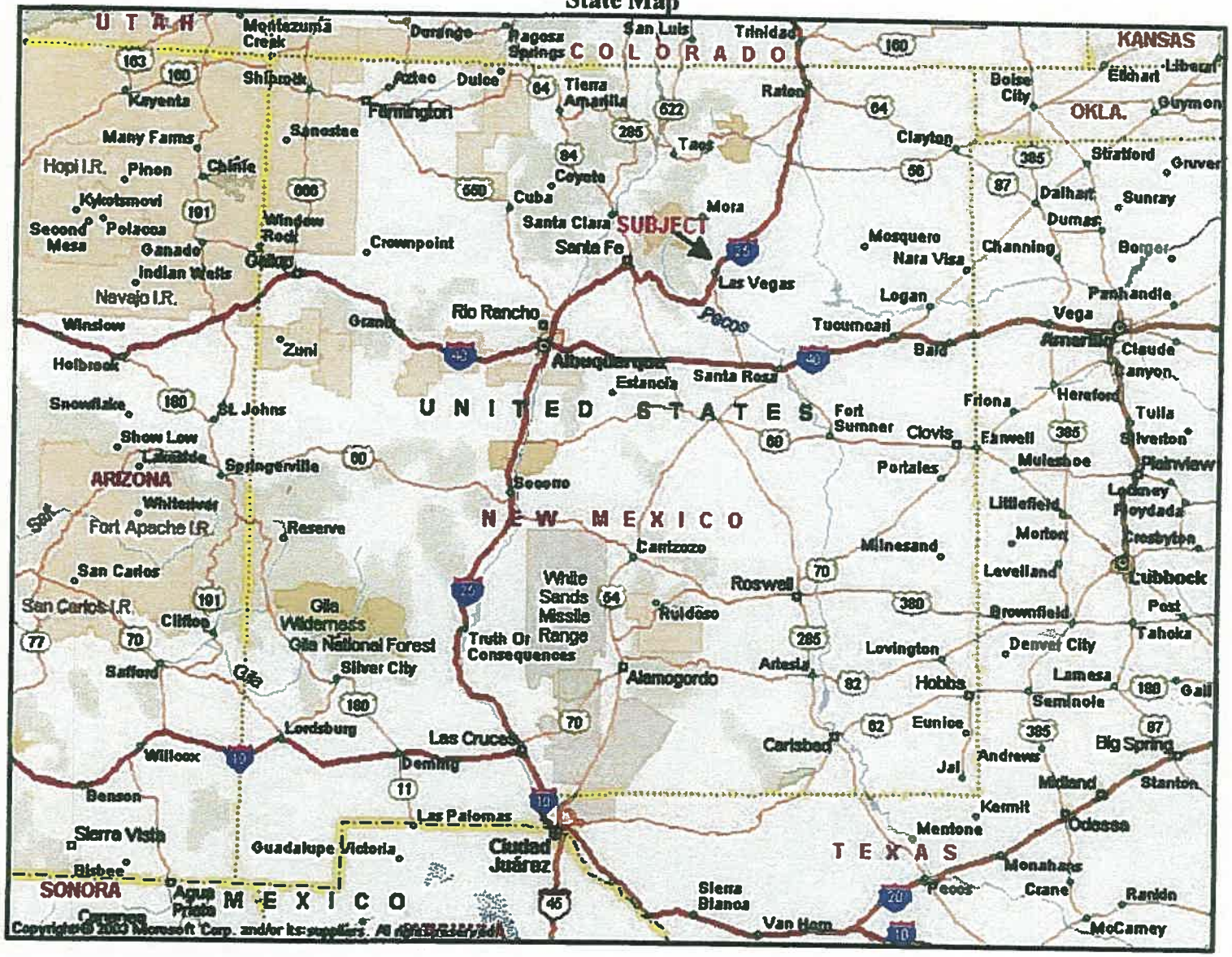
The subject property is located in the northeast quadrant of New Mexico, 1 to 2 miles northwest of the City of Las Vegas, a small community located in San Miguel County. Las Vegas is approximately 64 miles east of Santa Fe along Interstate 25. Its location is 123 miles northeast of Albuquerque, New Mexico, the state's largest city. It is within the political boundaries of San Miguel County. The terrain of San Miguel County varies widely from 11,800-foot peaks in the rugged Sangre de Cristo Mountains in the western portion, to broad, flat plains of less than 4,000 feet elevation in the east. Between the mountains and the plains is another distinct region known as the Las Vegas Plateau. Due to its location, the local economy has been traditionally based in agriculture, farming and ranching. New business relocations to the area are shifting the emphasis to technology while both tourism and educational institutional services continue to play important roles in the local economy.




### Trends and Conclusions

The City of Las Vegas has seen steady, if slow growth, and is the largest town in San Miguel County. The City includes a growing tourist base as well as serves as a stop along the major north/south freeway for travelers between Texas, New Mexico and Colorado. Overall the City and area around it is expected to continue growing into the foreseeable future.

## State Map


UTAH
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NEW MEXICO
TEXAS
SONORA
MEXICO
UNITED STATES
SUBJECT
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Durango
Pagosa Springs
San Luis
Trinidad
Kayenta
Shiprock
Aztec
Dulce
Tierra Amarilla
Raton
Boise City
Elkhart
Liberal
Farmington
Many Farms
Sanostee
Taos
Clayton
Guymon
Hopi I.R.
Pinon
Chinle
Coyote
Stratford
Gruver
Kykotsmovi
Cuba
Mora
Dalhart
Sunray
Second Mesa
Polacca
Window Rock
Santa Clara
Dumas
Ganado
Crownpoint
Santa Fe
Mosquero
Nara Visa
Channing
Boger
Indian Wells
Gallup
Las Vegas
Navajo I.R.
Logan
Panhandle
Winslow
Grants
Rio Rancho
Pecos
Tucumcari
Vega
Amarillo
Zuni
Bard
Claude
Holbrook
Albuquerque
Estancia
Santa Rosa
Canyon
Snowflake
St. Johns
Fort Sumner
Friona
Hereford
Tulia
Show Low
Clovis
Earwell
Silverton
Springerville
Portales
Muleshoe
Plainview
Becomo
Lockney
Whiteriver
Littlefield
Floydada
Fort Apache I.R.
Reserve
Morton
Crosbyton
Cantzozo
Milnesand
San Carlos
Levelland
Lubbock
Roswell
White Sands Missile Range
San Carlos I.R.
Clifton
Gila Wilderness
Ruidoso
Brownfield
Post
Gila National Forest
Truth Or Consequences
Denver City
Tahoka
Safford
Silver City
Alamogordo
Artesia
Lovington
Lamesa
Hobbs
Seminole
Gail
Lordsburg
Eunice
Big Spring
Las Cruces
Carlsbad
Willcox
Deming
Andrews
Jal
Midland
Stanton
Benson
Kermit
Las Palomas
Odessa
Sierra Vista
Mentone
Guadalupe
Victoria
Ciudad Juárez
Bisbee
Monahans
Agua Prieta
Sierra Blanca
Pecos
Crane
Rankin
Van Horn
McCamey
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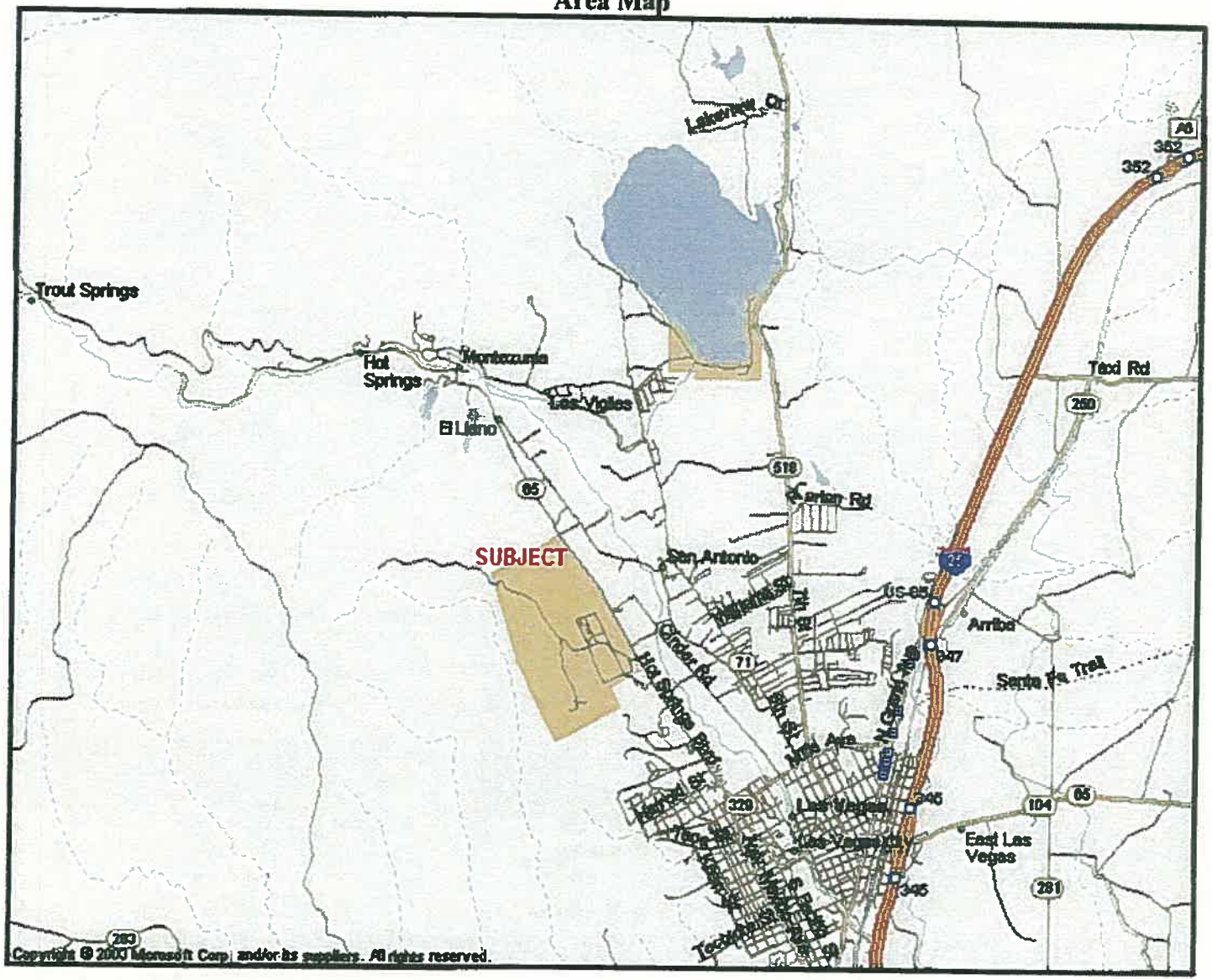
# Area Map

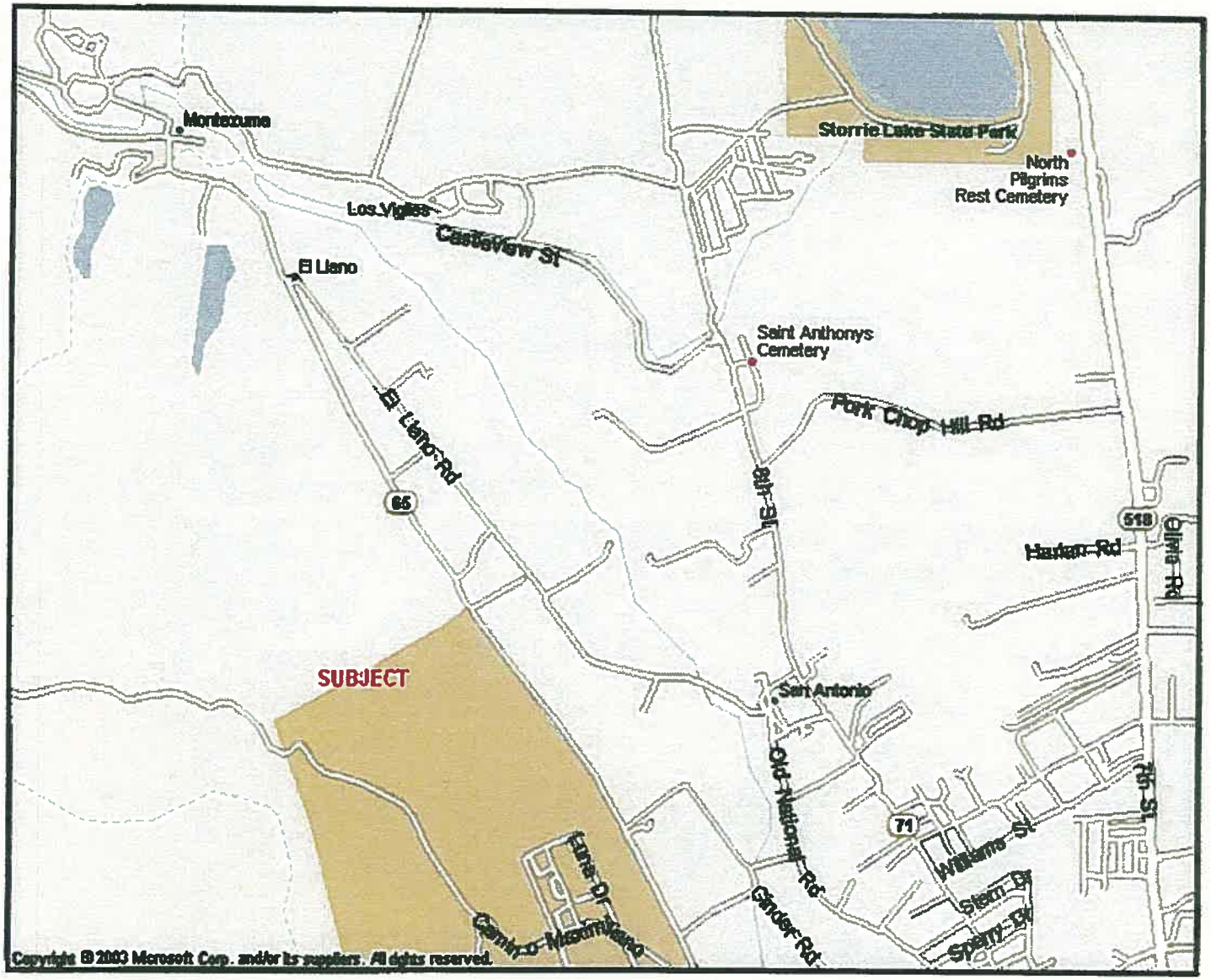



City of Las Vegas, NM
Vacant Land Tract adjacent to City of Las Vegas Landfill, ,San Miguel County, NM
Ref: 13-105MN

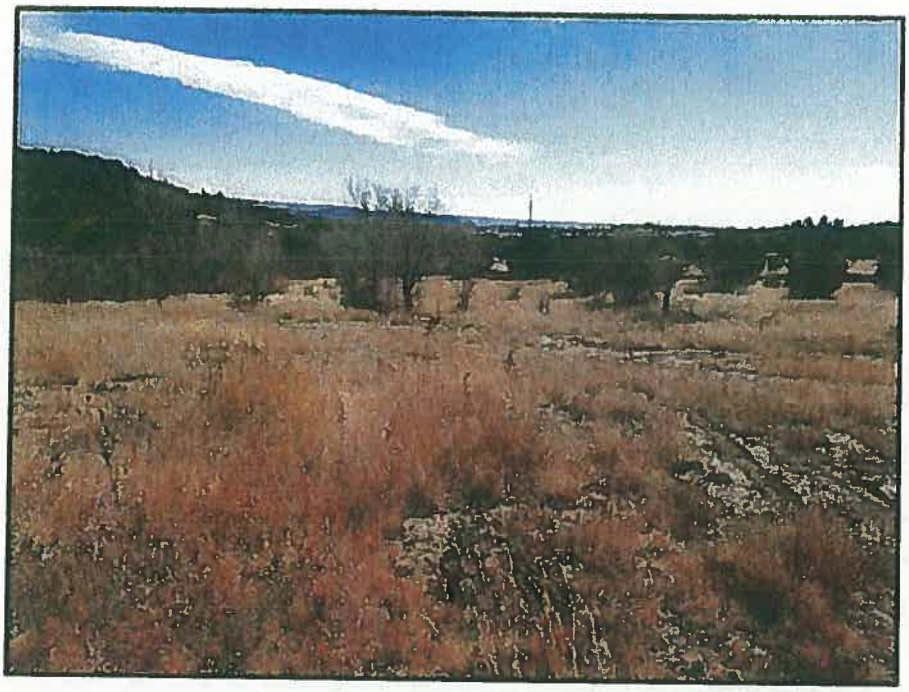
## IMMEDIATE AREA DESCRIPTION AND ANALYSIS

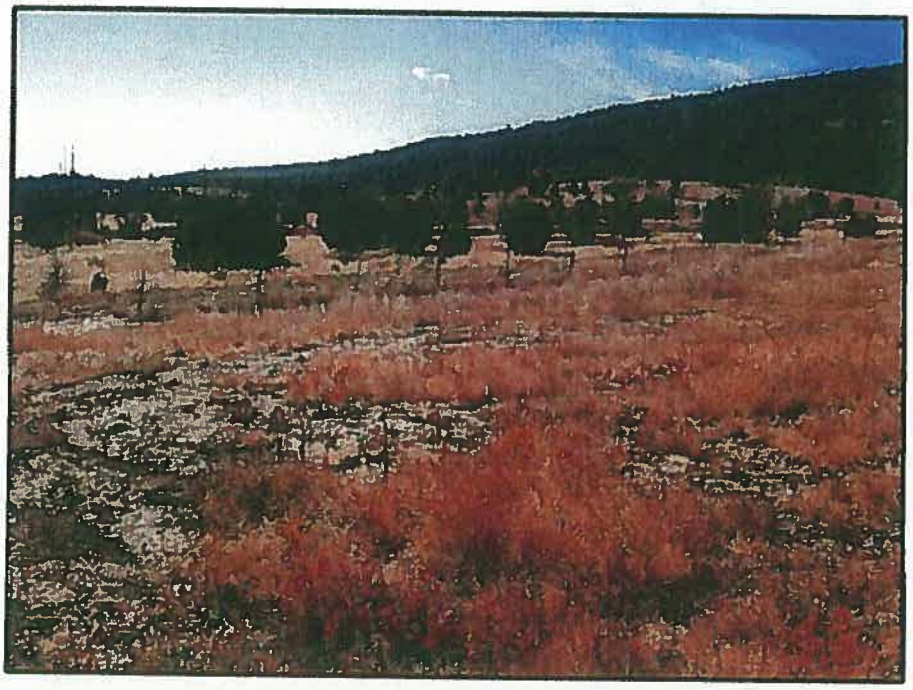
The subject property is located about 1 to 2 miles northwest of Las Vegas, NM. The town of Las Vegas, NM is described above. Most of the area immediately surrounding the subject property is rural in nature, with some slightly smaller properties used as rural residences. In the immediate area there are large tracts of BLM land and US Forest Service land along with a large tract of land owned and occupied by the State of New Mexico Medical Center. The area adjacent and northwest of the subject is the City of Las Vegas Landfill which has been inactive as a dumping site for many years. Most of the surrounding land is rural, wooded or pasture land. The subject property is located about 1 to 2 miles outside of the main town area, relatively close to services yet outside of commercial and densely populated areas.

# Neighborhood Map



## SUBJECT PHOTOGRAPHS
**(Taken by Mark Newman on November 19, 2013)**





## SUBJECT PHOTOGRAPHS
**(Taken by Mark Newman on November 19, 2013)**

## SITE DESCRIPTION AND ANALYSIS

The subject property is identified as the City of Las Vegas Landfill Extension Tract on the survey provided by the client and performed by SMA Engineering dated 09/04/2013. It is located in San Miguel County approximately one mile outside the city limit of Las Vegas, NM within the Las Vegas Land Grant. It is adjacent to and southeast of the dormant City of Las Vegas Landfill. The topography of the site is generally rolling terrain, with some high and low areas, and some moderate slopes. The following discussion briefly addresses the salient points of the site, as it presently exists.

### Size, Shape and Dimensions

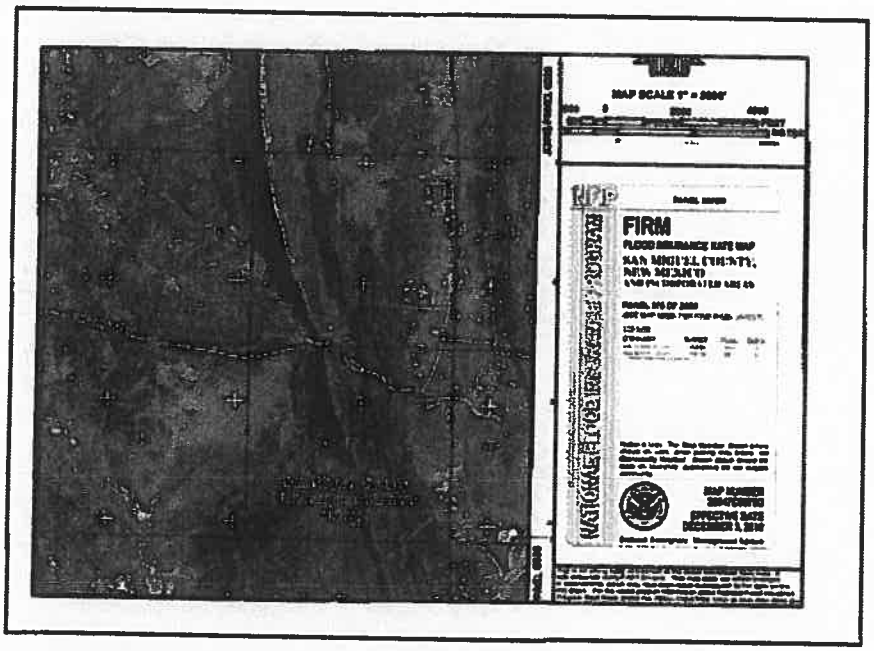
The subject site is an irregular shaped parcel containing 5.170 acres. A survey of the subject property is contained within the Addenda of this report.

### Access

The subject property currently has access via foot from the State of New Mexico Medical Center located on Hot Springs Blvd., also known as NM65. There is a dirt road accessing the adjoining City of Las Vegas Landfill, but currently no vehicular access to the subject parcel. Access is controlled to the dormant landfill by a locked gate.

### Flood Zone

According to the Flood Insurance Rate Map (FIRM Panel No. 35047C0875D) dated December 3, 2010), the subject property is in an area designed as Zone X, or area outside the 500 year flood plain.



## Zoning

The subject is located in San Miguel County, in an area that has not been mapped by the County. According to the San Miguel County Planning and Zoning Office, the subject is zoned agricultural.

## Property Taxes

According to the San Miguel County Assessor's Office, there is no Parcel Number designating the subject property, no assessed value and currently no property taxes associated with it.

## Summary

Upon inspection of the site there were no adverse factors relating to zoning, size, shape, topography, etc., that negatively impact the parcel.

## HIGHEST AND BEST USE

Highest and best use is the foundation of the valuation process. Buyers of real estate are motivated by the benefits they anticipate from ownership. Benefits are maximized by putting a property to a specific use. Highest and best use analysis is the study of the market forces which determine the most profitable, long-term, competitive capacity in which a property can function. It establishes the use which will provide the greatest benefits within the context of market conditions, and it sets the parameters for property valuation. Highest and best use is defined as:

> The *reasonably probable and legal use of vacant land or an improved property which is physically possible, appropriately supported, financially feasible, and that results in the highest value.*[3]

A property's highest and best use must meet four tests: 1) legal permissibility; 2) physical possibility; 3) financial feasibility, and; 4) maximum productivity. The tests are applied in sequence. A use must be legally permissible and physically possible, in order to provide a financial return.

**Discussion**

The subject property is located in an outlying area, with no utilities. It is located on land owned by the State of New Mexico Medical Center and is adjacent to an inactive landfill. The landfill has been covered with earth and appears as primarily grasslands above the former landfill. Large pipes protruding up from the ground on the landfill site are evidence of a system that has been installed to allow the methane gas created by the covered landfill to escape. The process of allowing the methane gas to escape is likely decades long. It is unlikely the subject parcel adjoining the landfill would be developed for many decades. It is probable that the subject's only feasible use for the foreseeable future would be limited by the neighboring landfill to a monitoring site operated by a public entity for the process of releasing the methane gas. Therefore we have determined the highest and best use for the subject property is to be maintained as open space.

---

[3] (*The Appraisal of Real Estate*, 10th Edition, Appraisal Institute, 1992, Page 275.)

## EXPOSURE TIME

The concept of Exposure Time is that given professional marketing and appropriate pricing, the subject property should sell within a reasonable time preceding the date of value. This concept differs from "Marketing Time" in that marketing time implies the time from the date of value to a sale. The concept of Exposure Time recognizes that the market for properties changes rapidly, and it is more appropriate to estimate the time it would have taken to sell the property in the more certain past than in the prospective future.

Inherent in the appraisal is the assumption that if the subject property had been exposed to the market for a period of 2 to 3 years or less prior to the effective date of valuation, it would have been possible for a sale at the market value estimate to have been achieved on the effective date of valuation. Exposure time of two to three years or less prior to sale generally represents the current and recent trends in the segment of the market in which the subject property competes.

## THE APPRAISAL PROCESS

An appraisal is ordinarily solved through the use of three generally accepted valuation techniques, each having for its foundation an individual valuation concept, and each providing a separate indication of value for the property appraised. The three separately conceived value indications form a zone of reasonability, and through the process known as reconciliation, the final value conclusion is found within this zone.

The first method is known as the Cost Approach and represents the objective concept of value. This concept is predicated on the theory that value is inherent in the object itself, and that value and cost tend to be the same. This method is accomplished by estimating replacement cost new, deducting accrued depreciation from all causes, and adding the resultant depreciated value of the building to the value of the site.

The second method is known as the Income Approach. This approach has for its underlying valuation concept the reasoning that typical prudent purchasers in the market will buy property in accordance with its ability to produce an adequate return on invested capital over a projected holding period. This approach is accomplished by reducing the economic gross income into a net income stream through a series of deductions covering all expenditures necessary to produce the income. The resultant net income stream is converted to value through the use of direct capitalization, or a cash flow analysis which involves the analysis of the income stream over a holding period that is discounted to estimate the present value for the subject property.

The third method is known as the Sales Comparison Approach. The underlying valuation concept for this approach is predicated on the basis that participants in the marketplace act by comparison. This approach is accomplished by comparison of the subject property to sales of reasonably comparable properties and making appropriate adjustments for such factors as the date of sale, physical characteristics, differences in location, and circumstances of the transaction. This method represents the subjective concept of value and is based primarily on the economic principle of substitution, which simply means that if a property is replaceable, its value tends to be set by the cost of acquiring an equally desirable property, assuming no costly delay is involved in making the substitution.

A final step in the appraisal process is the reconciliation of value indications. In the reconciliation, the appraisers consider the relative applicability of each of the three approaches utilized, examine the range between the value indications, and place major emphasis on the one, or those which appear to produce the most reliable and applicable solution to the specific appraisal problem. The purpose of the appraisal, the type of property and the adequacy and reliability of the data are analyzed and these considerations influence the weight to be given to each of the approaches to value. In analyzing the three approaches to value, it can be readily observed that most of the information must be derived from the marketplace.

Because the subject property is vacant land, only the sales comparison approach is applicable. There are no improvements, so the cost approach is not appropriate, and vacant land is not typically rented in the market. The exclusion of the cost and income approaches does not affect the reliability of the appraisal.

## THE SALES COMPARISON APPROACH

The sales comparison approach's premise is that value is established directly by the prices paid for properties that the market views as being similar to the subject property in terms of utility and desirability. In the Sales Comparison Approach, sales of properties are documented and analyzed. The prices at which the comparable properties sold are considered, and the various factors that effect value are analyzed. A qualitative analysis is then completed, considering variables in legal, motivational, financial, locational, and physical differences that the market recognizes as being significant. Comparisons made between the sales determine the extent to which the market recognizes each potential difference as being significant, and they establish the basis for the relative importance of each factor. When the process is complete, the sale properties are arrayed against the subject, to find the best fit for the value of the subject within the range of sale prices.

The subject parcel is approximately 5.170 acres of vacant land. It is located in a sparsely populated area of San Miguel County. Surrounding lands are owned by the BLM, U.S. Forrest Service and public entities such as the State of New Mexico and San Miguel County. It is adjacent to the City of Las Vegas Landfill and is a unique parcel as related by the aforementioned characteristics. We have completed the sales comparison approach to estimate a price per acre that is applicable to the subject property.

### Land Sales Data

New Mexico law does not require public disclosure of real estate sale prices or financing terms. Comparable sales information was obtained by interviewing buyers, sellers, real estate brokers, and other market participants. Not all sale information will be available to the appraisers, but all appropriate sales available and able to be verified in the ordinary course of business will be considered. We will use information that is not able to be personally verified when it is considered to be appropriate and in line with the market. Only the sales and information considered to be the most relevant will be reported and analyzed within the report. Further information regarding data collection and analysis is discussed within the various approaches in the valuation section of this report.

To research the market, we interviewed brokers and investors in the area, searched local MLS services and completed internet research. We searched our extensive internal database as well as searched data services that we subscribe to including CARNM, Loopnet, CoStar and the Albuquerque and Santa Fe MLS. We also contacted local appraisers to enlist their help on locating any and all viable land sales that they might be aware of. After an extensive search of any and all possible sources of sale data, we were able to find and verify three recent sales of reasonably similar parcels of vacant land. The sales are illustrated in the following table:

| Sale | Address | Date | Price | Size in Acres | $ per Acre. |
|---|---|---|---|---|---|
| 1 | Gallegos Road | 01/31/2010 | $30,000 | 5.00 | $6,000 |
| 2 | Commerce Street | 09/25/2009 | $80,000 | 9.16 | $8,734 |
| 3 | 9A Calle De Leon Tecolote Grant | 09/18/2012 | $17,500 | 5.128 | $3,412 |

The subject has a highest and best use of open space as determined earlier in this report and will likely never be developable. In contrast, the three comparables do have potential for development.

We then considered additional land sales from which a ratio of undevelopable to developable land could be derived. Although the sales used here are in the Albuquerque metro market, we believe the ratios developed in this analysis are also useful in the Las Vegas market as well. Three of these sales were backland, with little, if any, utility for development, while the other three were fully developable sites:

ADDITIONAL LAND SALES SUMMARY

| SALE # | DATE | ZA | ZONING | ADDRESS | SIZE/AC | CE $/AC |
|---|---|---|---|---|---|---|
| 4 | 86/03/28 | H 12 | A-1 | W/S Gabaldon N/O Ricardo | 1.25 | 8,000 |
| 5 | 90/04/19 | J 12 | A-1 | NWC Mountain Road & Gabaldon | 3.85 | 42,208 |
| 6 | 89/12/08 | C 14 | AR-1 | N/S Paseo del Norte, W/O Rio Grande Blvd | 1.10 | 9,114 |
| 7 | 90/12/28 | C 15 | R-1 | Ortega Rd E/O Rio Grande Blvd | 7.50 | 18,667 |
| 8 | 90/08/10 | B 15 | A-1 | Rio Grande Blvd | 1.00 | 74,970 |
| 9 | 88/09/01 | C 14 | A-1 | Guadalupe Trail S/O El Pueblo | 1.00 | 70,000 |
| 10 | 05/08/01 | | | Four Hills/Juan Tabo Area | 166.44 | 23,936 |

Sales 4, 6, and 7 were all backland sales. Sale 5 is close geographically to Sale 4 and Sales 8 and 9 are close geographically to Sales 6 and 7. Sales 5, 8, and 9 had street frontage with good access. The following table shows the comparisons of these sales:

| PAIR | FIRST | SECOND | % OF SECOND |
|---|---|---|---|
| 4 vs 5 | $8,000 | $42,208 | 19.0% |
| 6 vs 8 | $9,114 | $74,970 | 12.2% |
| 6 vs 9 | $9,114 | $70,000 | 13.0% |
| 7 vs 8 | $18,667 | $74,970 | 24.9% |
| 7 vs 9 | $18,667 | $70,000 | 26.7% |

There were restrictions placed on the use of Sale 6 as a condition of sale. It can only be used for open space, and cannot have any permanent structures. There were no such restrictions on the other two backland sales.

Sale 7 had no legal access, but could be accessed off an adjacent irrigation ditch. This is a relatively common form of access for lands along the Rio Grande Valley.

Finally, we considered one additional sale, Sale 10. This transaction spelled out the amount being paid for both unencumbered (developable) and encumbered (drainage easement) land. The encumbered land price was 25% of the price for unencumbered land.

In summary, the sales provided the following adjustment indications:

| SALE | RATIO |
|---|---|
| 10 | 25% |
| 6 | 12.2% - 13.0% |
| 4 | 19.0% |
| 7 | 24.9% - 26.7% |

Based on these comparisons, we concluded that the subject, which is useful only as open space should have a market value equal to 20% of the nearby developable land. Therefore, we have adjusted the comparable sales to 20% of the value as developable in the following chart to equate them to the subject.

| Sale # | Market Value per acre Developable | Adjustment at 20% | Indication |
|---|---|---|---|
| 1 | $6,000 | 20% | $1,200 |
| 2 | $8,734 | 20% | $1,747 |
| 3 | $3,412 | 20% | $ 682 |
| | | Average | $1,209 |

Sale 3 has utilities available to it and good access. It is considered superior in these respects to the subject, but is approximately 15 miles from town. Overall, land close to the subject would be superior to Sale 3 at an indicated price of $682 per acre. This indicates that the subject value should be higher than $682 per acre.

On the other hand, Sale 2 is much closer to the center of town than the subject. It also has much better access than the subject. Sale 2 has irrigation rights on 6 of 9 acres. It is very typical of the market to place a much higher price on parcels with water rights attached. This comparable is superior to developable lands near the subject, indicating that the subject should have a value lower than $1,747 per acre.

Finally, Sale 1 is very similar to the subject in size and is slightly closer to the center of town. It is most similar to the subject in terms of access and like the subject, has no utilities. It is most similar to the subject in terms of location and does not have water rights associated with it.

The completed sales occurred over a thirty-six month period which dates back to September of 2009. While sale prices for vacant land in the subject market were increasing for the decade between 1995 and 2005, the recent economic downturn has slowed the market for land sales in general with little evidence of increasing or decreasing sale prices from late 2006 in the subject market. A direct correlation between date of sale and sale price is difficult to ascertain. Overall date of sale is considered to have some impact, but the impact is minimal for this analysis.

After adjustments are completed for the factors affecting value, the comparables have an indicated range of $682 to $1,747. The average of the indicated prices is $1,209. The appraisers believe that the subject value should be somewhere above the middle of the indicated range. We have selected a value estimate of $1,500 per acre for the subject based on our analysis. The Sales Comparison Approach supports a fee simple market value for the subject property of $1,500 per acre. 5.170 acres X $1,500 is equal to $7,755, rounded to $8,000.

## RECONCILATION AND CONCLUSIONS

The current fee simple market value of the subject property was estimated using the sales comparison approach to value. The value opinion developed in the approach is as follows:

The Sales Comparison Approach supports a fee simple market value for the subject property as of November 19, 2013 of $1,500 per acre. 5.170 acres X $1,500 is equal to $7,755, rounded to $8,000.

The sales comparison approach was supported by comparison with three sales of similar rural vacant land sites. The sales were reasonably recent and comparable to the subject, and the comparisons were supported with market data. Overall the sales comparison approach provided a reliable and well supported opinion of value.

Based upon the information in this appraisal and the knowledge and experience of the appraisers, our final opinion of the fee simple market value of the subject property, as of November 19, 2013, is:

*****EIGHT THOUSAND DOLLARS*****
**($8,000)**

Inherent in the appraisal is the assumption that if the subject property had been exposed to the market for a period of 2 to 3 years or less prior to the effective date of valuation, it would have been possible for a sale at the market value estimate to have been achieved on the effective date of valuation. Exposure time of two to three years or less prior to sale generally represents the current and recent trends in the segment of the market in which the subject property competes.

## CERTIFICATION

We certify that, to the best of our knowledge and belief:

1) We have no personal present or prospective interest or bias with respect to the subject matter of this appraisal report and we have no personal interest or bias with respect to the parties involved.

2) The statements of fact contained in this appraisal report, upon which the analyses, opinions and conclusions expressed herein are based, are true and correct.

3) The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, unbiased professional analyses, opinions, and conclusions.

4) The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Appraisal Institute's Code of Professional Ethics and Standards of Professional Appraisal Practice, which include the Uniform Standards of Professional Appraisal Practice.

5) No one provided significant professional assistance to the persons signing this report. The value conclusion as stated herein is solely the responsibility of the undersigned.

6) The undersigned personally inspected the property that is the subject of this appraisal report.

7) Our compensation for completing this assignment is not contingent on the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

8) Our engagement in this assignment was not contingent upon developing or reporting predetermined results.

9) As of the date of this report, John F. Howden and Mark Newman have completed the continuing education program of the Appraisal Institute and of the State of New Mexico.

10) The appraisal assignment was not based on a requested minimum valuation, a specific valuation, or approval of a loan.

11) The use of this appraisal report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

12) The appraisal report conforms to our understanding of the instructions of our client, The City of Las Vegas, New Mexico.

13) We have performed services as appraisers regarding the property that is the subject of this report within the three year period immediately preceding acceptance of this assignment.

Based upon the information in this appraisal and the knowledge and experience of the appraisers, our final opinion of the fee simple market values of the subject properties, as of November 19, 2013 is:

*****EIGHT THOUSAND DOLLARS*****
**($8,000)**

Inherent in the appraisal is the assumption that if the subject property had been exposed to the market for a period of 2 to 3 years or less prior to the effective date of valuation, it would have been possible for a sale at the market value estimate to have been achieved on the effective date of valuation. Exposure time of two to three years or less prior to sale generally represents the current and recent trends in the segment of the market in which the subject property competes.

John F. Howden

Mark Newman

JOHN F. HOWDEN, MAI

MARK NEWMAN, ASSOCIATE

# QUALIFICATIONS OF THE APPRAISER
John F. Howden, MAI

GENERAL EDUCATION:

New Mexico Military Institute, HS, JC. Stanford University, BA.

SPECIAL EDUCATION:

Real Estate Law I, II (University of Wisconsin), 1969. Real Estate Principles (US Savings & Loan League), 1971-72. Title Insurance (NM Real Estate Institute), 1989. Water Rights (NM Real Estate Institute), 1989

*Society of Real Estate Appraisers Courses*

Introduction to Appraising Real Property (101), 1972. Principles of Income Property Appraising (202), 1974. R-2 Examination, 1974. Investment Feasibility Analysis, Cash Flow and Risk Analysis, Market and Marketability Analysis, 1985.

*American Institute of Real Estate Appraisers Courses*

Real Estate Investment Analysis (VI), 1979. Examination, Urban Properties (II), 1979. Comprehensive Examination, 1980. Market Analysis, 1986. Computer Assisted Investment Analysis, 1987.

*Appraisal Institute Courses*

Uniform Standards of Professional Appraisal Practice, Parts A & B, 1991; 1995. Uniform Standards of Professional Appraisal Practice, Part C, 1999.

*CCIM Course*

CI 101 - Financial Analysis for Commercial Investment Real Estate, 2002.

SEMINARS:

*Society of Real Estate Appraisers*

Introduction to Income Property Appraisals, 1974. Introduction to Mortgage-Equity, 1974. Narrative Report Writing, 1974. Tax Considerations in Real Estate Transactions, 1976. Partial Interest Analysis, 1983. R41c and the Appraiser, 1987.

*American Institute of Real Estate Appraisers*

FNMA Seminar, 1974. Professional Practices and Conduct, 1981, 1989. Subdivision Analysis, 1983. Introduction to the Valuation of Hotels and Motels, 1984. R41-b Seminar, Midland Texas, 1985.

*Appraisal Institute*

Appraisal Regulations of the Federal Banking Agencies, 1991. Feasibility Analysis, Non-Residential, 1991. Easement Valuation, 1991. Rates, Ratios, and Reasonableness, 1992. Legal Liabilities of Appraisers, 1992. Subdivision Analysis, 1994. USPAP Update, 1994. Dynamics of Office Building Valuation, 1995. Special Purpose Properties, 1996. Tomorrow's Appraiser, 1996. Electronic Commerce: Laws, Ethics and Real Estate, 1997. Nevada Real Estate Appraisal Statutes, 1997. Water Rights in New Mexico, 1997. Eminent Domain and Condemnation Appraising, 1997. Appraisal of Nonconforming Uses, 1999. REITS and the Role of the Real Estate Professional, 1999. Conservation Easements, 2001. National USPAP Course, 2003.

*Other*

Instructor and participant, Eminent Domain in New Mexico, Lorman Education Services, 2002.

PROFESSIONAL DESIGNATIONS

Member, Appraisal Institute (MAI), Certificate Number 6108 (Prior to the Unification of the American Institute of Real Estate Appraisers and the Society of Real Estate Appraisers, I was also a Senior Real Property Appraiser [SRPA] member of the Society of Real Estate Appraisers.)

STATE CERTIFICATION:

Certified General Appraiser, State of New Mexico (No. 96)

EXPERIENCE:

Licensed Real Estate Agent (New Mexico), 1969-1992. Staff Appraiser, Albuquerque Federal, 1971-1975. Independent Fee Appraiser, 1975-Present.

Qualified Expert Witness, District Courts, States of New Mexico and Utah, U.S. District Court in New Mexico, and Bankruptcy Courts in New Mexico, Arizona, New Jersey, and Illinois.

PROFESSIONAL CLIENTS:

Realty Mortgage & Investment Company, First Federal Bank, Compass Bank, First State Bank, Los Alamos National Bank, Bank 1st, Heller Financial, Ranchers Banks, other mortgage lenders, City of Albuquerque, New Mexico State Highway and Transportation Department, Internal Revenue Service, US Department of Justice, Federal Deposit Insurance Corporation, US Postal Service, US Army Corps of Engineers, Chevron USA, Texaco, attorneys and private clients.

TYPES OF PROPERTIES APPRAISED:

All types of Urban Properties including: Apartment Buildings, Office Buildings, Shopping Centers, Retail Stores, Subdivisions, Warehouses and Industrial Properties, Subdivision Analysis, Recreational Facilities, Hotels and Motels. Located throughout New Mexico and Nevada.

PROFESSIONAL ACTIVITIES:

Board of Directors, SREA Chapter 114, 1975-79 and 1983-85. Member, Admissions and Guidance Committee, SREA, 1975-76. Chairman, Admissions and Guidance Committee, SREA, 1978-81. Vice-President, SREA Chapter 114, 1976-77. President, SREA Chapter 114, 1977-78 and 1982-83. Chairman, Candidate Guidance, AIREA Chapter 39, 1981-83. Member, AIREA Regional Ethics Administration, and Review and Counseling Panel, 1982-1989. Member, Chapter 114, SREA Ethics Committee, 1981-85 and 1987-1990. Legislation Committee Chairman, SREA Chapter 114, 1989-1990. President, Rio Grande Chapter Appraisal Institute, 1991-1992. Member, Board of Directors, Appraisal Institute, 1995-1996. Finance Officer, Region VIII Appraisal Institute, 1996-1998. Chairman, Education Committee of the New Mexico State Real Estate Appraisers Board, 1992-present. Complaint Committee member, New Mexico Real Estate Appraisers Board, 2003. Member, New Mexico Real Estate Appraisers Board, 2003-2010.

## Appraiser Qualifications

Name: Mark A. Newman
Business Address: John F. Howden & Associates, Inc.
8429 Washington Place NE, Suite A
Albuquerque, NM 87113

State of New Mexico General Appraiser, License Number 3310-G, New Mexico Real Estate Appraisers Board and the New Mexico Real Estate Commission, issued July 25, 2007; Expires April 30, 2015.

Related Professional Experience

February 2007 – Present:
Junior Analyst and Appraiser
John F. Howden & Associates, 8429 Washington Place NE, Suite A, Albuquerque, NM 87113.
Responsibilities included the development and preparation of appraisals and market research and maintenance of comparable sales database.

Education

Bachelors of Business Administration: Marketing concentration, from The University of New Mexico, Albuquerque, New Mexico. May 1990. Presidential Scholar.

Appraisal Courses

*University of New Mexico:*
37410 FQA Foundations of Real Estate Appraisal – 10/07/2006.
37412 FQA Uniform Standards of Professional Appraisal Practice – 10/21/2006
37411 FQA Appraising the Single Family Residence 12/02/2006
*State of New Mexico Regulation and Licensing Department*
License Renewal Update Course-State of New Mexico 2/11/2011
*Appraisal Institute:*
AI403G Course/Exam: General Appraiser Income Approach I 2/15/2009
AI404G Course/Exam: General Appraiser Income Approach II 3/17/2010
AII400 Course:7-Hour National USPAP Update Course
AI401G Course/Exam: General Appraiser Sales Comparison Approach 4/02/2011
AI402G Course/Exam: General Appraiser Site Value & Cost Approach 4/06/2011
*McKissock School:*
General Appraiser Market Analysis/Highest and Best Use Course/Exam 12/23/2011
Expert Witness for Commercial Appraisers Course/Exam 2/2/2012
Commercial Appraisal Review Course/Exam 3/23/2012
Statistics, Modeling and Finance Course/Exam 4/27/2012
General Appraiser Report Writing and Case Studies Course/Exam 5/1/2012
*Kaplan School:*
USPAP 2012-2013 Update Course 3/19/2013
Real Estate Green Course 3/20/2013
Easements Course 3/20/2013

Professional Affiliations

Appraisal Institute – Associate Member

TYPES OF PROPERTIES APPRAISED:

Industrial Properties, Warehouses/Flex, Office Buildings, Office Condominiums, Residential Condominiums, Proposed and Existing Subdivisions, Retail Buildings, Restaurants, Shopping Centers, Auto Dealerships, Hotels, Proposed Construction, Car Washes, Parking Lots, Rural and Urban Vacant Land, Single Family Houses. 3/13

# ADDENDA

## Land Sale No. 1

| | |
|---|---|
| **Property Identification** | |
| **Record ID** | 2552 |
| **Property Type** | Vacant Land, Residential |
| **Address** | Gallegos Road, Las Vegas, San Miguel County, New Mexico |
| **Location** | near Las Vegas |
| **Sale Data** | |
| **Grantor** | Unk |
| **Grantee** | Marquez |
| **Sale Date** | January 31, 2010 |
| **Property Rights** | Fee Simple |
| **Conditions of Sale** | Arm's Length |
| **Financing** | Cash to Seller |
| **Verification** | Lucas Marquez City of Las Vegas; 505 426-3214, February 15, 2012; Mark Newman, 505 830-3022, March 01, 2012 |
| **Sale Price** | $30,000 |
| **Land Data** | |
| **Topography** | Level to slope |
| **Utilities** | None |
| **Land Size Information** | |
| **Gross Land Size** | 5.000 Acres or 217,800 SF |
| **Indicators** | |
| **Sale Price/Gross Acre** | $6,000 |
| **Sale Price/Gross SF** | $0.14 |

**Remarks**

2 acres are thick trees with slope and 3 acres are lower and mostly level. No water rights and no utilities at time of purchase. Located near Mt. Calvary Cemetery.

## Land Sale No. 2

| | |
|---|---|
| **Property Identification** | |
| **Record ID** | 2553 |
| **Property Type** | Vacant Land, Farm and Ranch |
| **Address** | Commerce Street, Las Vegas, San Miguel County, New Mexico 87701 |
| **Location** | Las Vegas |
| **Sale Data** | |
| **Grantor** | Robert Gutierrez |
| **Grantee** | Unk |
| **Sale Date** | September 25, 2009 |
| **Property Rights** | Fee Simple |
| **Marketing Time** | 778 DOM |
| **Conditions of Sale** | Arm's Length |
| **Financing** | Cash to Seller |
| **Verification** | Michael Gregory; 505 425-8611, Mark Newman, 505 830-3022, March 01, 2012; Other sources: MLS 20098717 |
| **Sale Price** | $80,000 |
| **Land Data** | |
| **Topography** | Flat to gradual slope |
| **Utilities** | Nearby |
| **Shape** | Irregular |
| **User 5** | Need Well and Septic, Irrigation on 6 acres |
| **Land Size Information** | |
| **Gross Land Size** | 9.160 Acres or 399,010 SF |
| **Indicators** | |
| **Sale Price/Gross Acre** | $8,734 |
| **Sale Price/Gross SF** | $0.20 |

## Land Sale No. 3

| | |
|---|---|
| **Property Identification** | |
| **Record ID** | 2682 |
| **Property Type** | Vacant Land, Agricultural |
| **Address** | 9A Calle De Leon, Las Vegas, San Miguel County, New Mexico |
| **Location** | Tecolote Grant near Las Vegas |
| **User 1** | east toward Tecolote Land Grant to Section 9, Township 14S, Range 16 |
| **User 2** | Bordered by Tecolote Grant on west, Lot 3A |
| **User 3** | Bk 238 Pg 266 |
| **Sale Data** | |
| **Grantor** | Community 1st Bank |
| **Sale Date** | September 18, 2012 |
| **Deed Book/Page** | Bk238Pg266 |
| **Property Rights** | Fee Simple |
| **Conditions of Sale** | Arm's Length |
| **Financing** | Cash |
| **Verification** | Hal Olafson Olafson Agency; 505 425-7777, October 13, 2012; Mark Newman, 505 830-3022, October 14, 2012; Other sources: MLS20117061 |
| **Sale Price** | $17,500 |
| **Land Data** | |
| **Topography** | Flat |
| **Utilities** | Electric and Septic on site |
| **Land Size Information** | |
| **Gross Land Size** | 5.128 Acres or 223,376 SF |
| **Indicators** | |
| **Sale Price/Gross Acre** | $3,413 |
| **Sale Price/Gross SF** | $0.08 |

Souder, Miller & Associates • 3451 Candelaria Road NE, Suite D
Albuquerque, NM 87107-1948 • (505) 299-0942 • (877) 299-0942 • fax (505) 293-3430

**DESCRIPTION OF A TRACT OF LAND**
**CITY OF LAS VEGAS**
**LANDFILL EXTENSION TRACT**

**DESCRIPTION** of a tract of land located within the Las Vegas Land Grant, San Miguel County, New Mexico, within projected Section 21, Township 16 North, Range 16 East, N.M.P.M. and being more particularly described as follows:

**BEGINNING** at a found 5/8" capped rebar marked "WINSTON 6999" at the Southeast corner of the City of Las Vegas Landfill as shown on the unrecorded Plat of Survey dated January 5, 1994 and prepared by William E. Kuntz, Koogle & Pouls Engineering, Inc., being the most northerly corner of the herein described tract, from which New Mexico State Triangulation Station "GOLF" bears North 87° 38' 18" East, 9776.63 feet;

Thence along the South line of said Landfill, South 61° 34' 23' West, 859.41 feet to a found 5/8" capped rebar marked "ODEN 8667" at the Southerly most corner of said Landfill, being the most westerly corner of the herein described tract;

Thence leaving said South line, South 52° 10' 33" East, 130.50 feet to a set ½" capped rebar marked "LS 17534";

Thence North 83° 46' 00" East, 477.98 feet to a set ½" capped rebar marked "LS 17534";

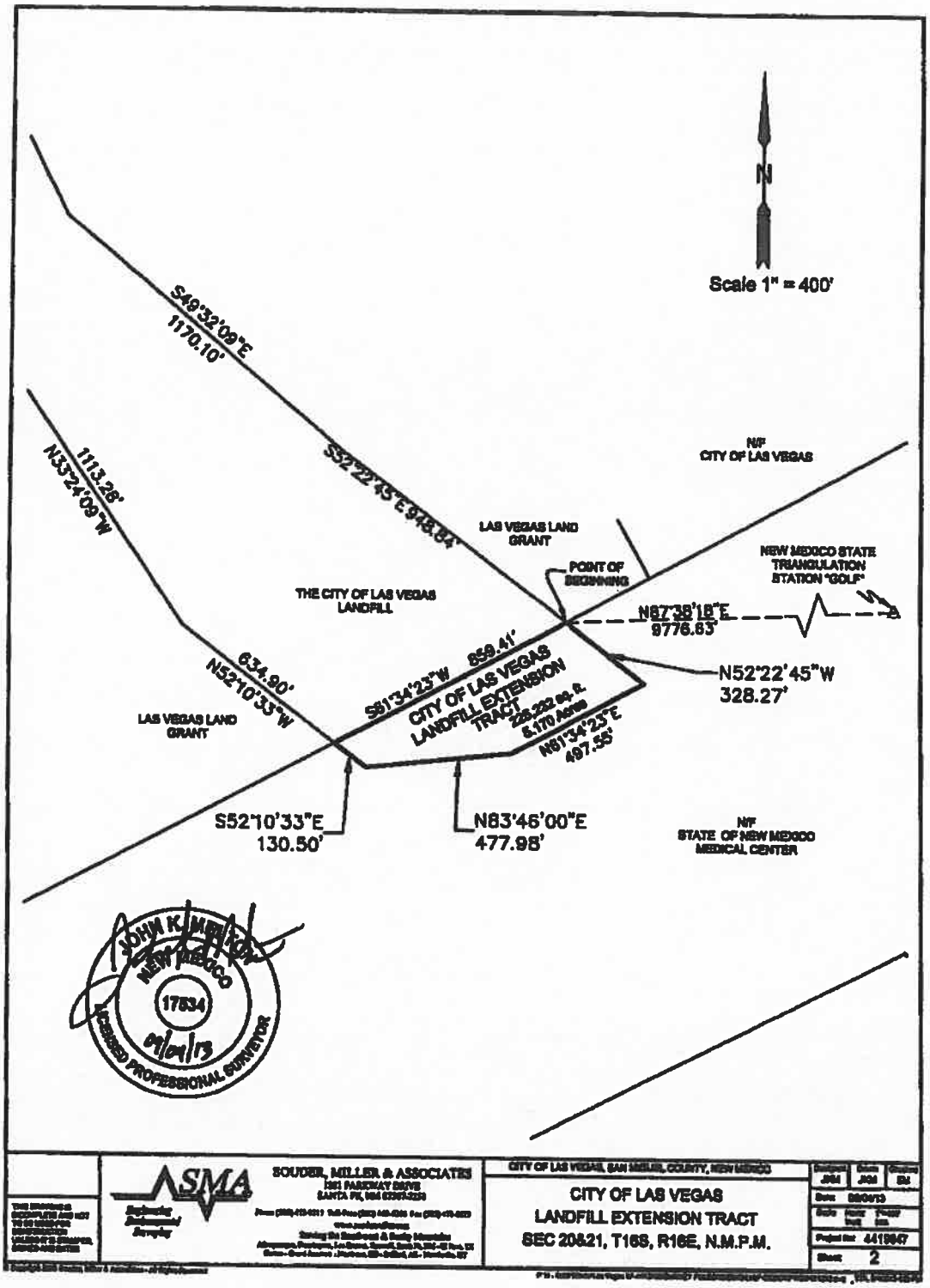
Thence parallel to said South line, North 61° 34' 23" East, 497.55 feet to a set ½" capped rebar marked "LS 17534";

Thence North 52° 22' 45" West, 328.27 feet to the POINT OF BEGINNING.

Said tract of land contains 225,232 square feet or 5.170 acres of land, more or less.

Prepared by John K. Melton, LS 17534
Prepared on September 4, 2013
Project Number: 4419647

JOHN K. MELTON
NEW MEXICO
17534
09/04/13
LICENSED PROFESSIONAL SURVEYOR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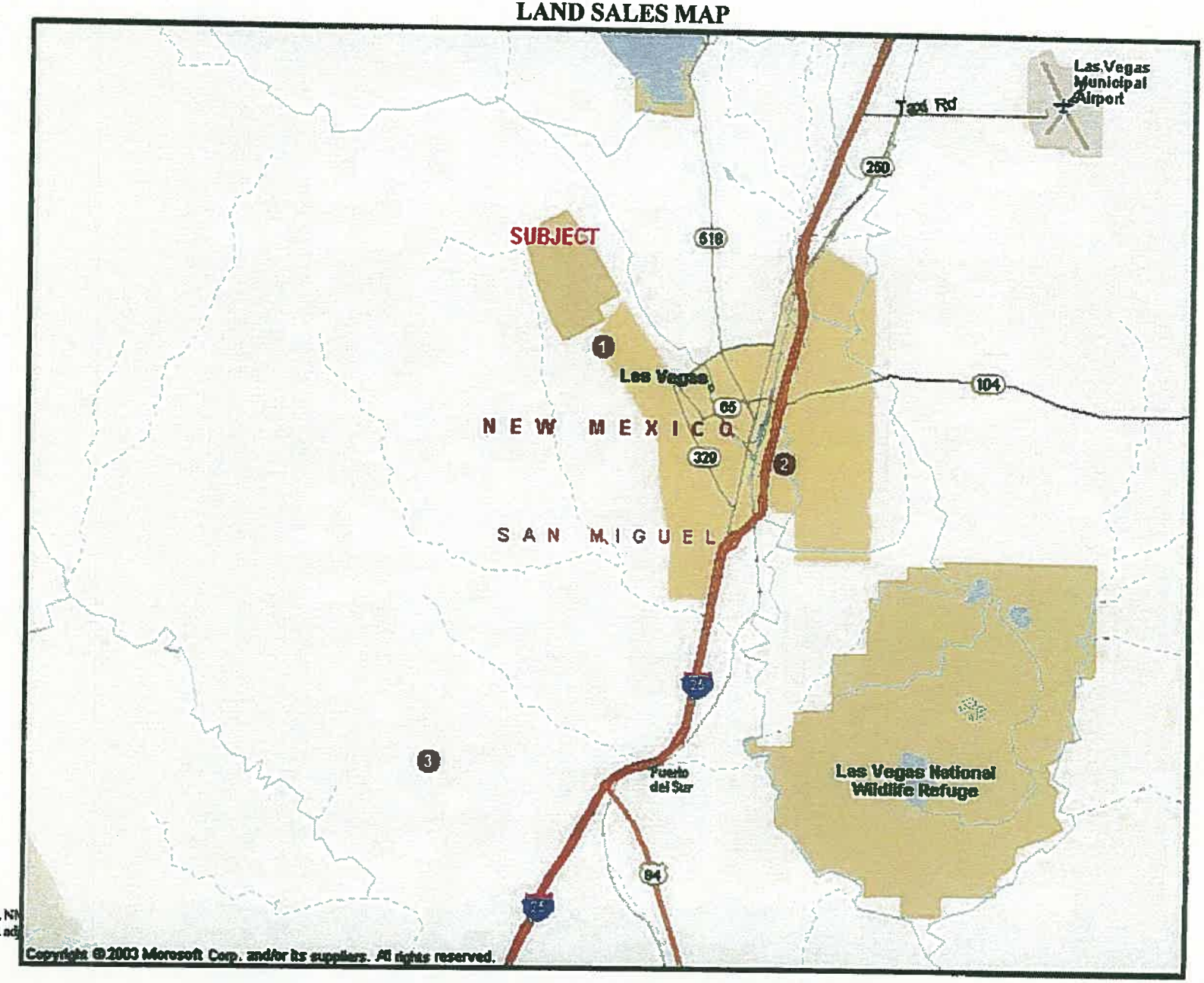
S52°22'45"E 948.84'
1113.28'
N33°24'09"W
N/F
CITY OF LAS VEGAS
LAS VEGAS LAND GRANT
POINT OF BEGINNING
NEW MEXICO STATE TRIANGULATION STATION "GOLF"
THE CITY OF LAS VEGAS LANDFILL
N87°38'18"E
9776.63'
N52°22'45"W
328.27'
634.90'
N52°10'33"W
S61°34'23"W 859.41'
CITY OF LAS VEGAS LANDFILL EXTENSION TRACT
226,222 sq. ft.
5.170 Acres
N61°34'23"E
497.55'
LAS VEGAS LAND GRANT
S52°10'33"E
130.50'
N83°46'00"E
477.98'
N/F
STATE OF NEW MEXICO MEDICAL CENTER
JOHN K. MILLER
NEW MEXICO
17834
9/6/13
LICENSED PROFESSIONAL SURVEYOR
SMA
SOUDER, MILLER & ASSOCIATES
CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO
CITY OF LAS VEGAS
LANDFILL EXTENSION TRACT
SEC 20&21, T16S, R16E, N.M.P.M.
2

# LAND SALES MAP




City of Las Vegas, NM
Vacant Land Tract adj
Ref: 13-105MN

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Albuquerque, NM 87107-1948 ♦ (505) 299-0942 ♦ (877) 299-0942 ♦ fax (505) 293-3430

# DESCRIPTION OF A TRACT OF LAND
# CITY OF LAS VEGAS
# LANDFILL EXTENSION TRACT

**DESCRIPTION** of a tract of land located within the Las Vegas Land Grant, San Miguel County, New Mexico, within projected Section 21, Township 16 North, Range 16 East, N.M.P.M. and being more particularly described as follows:

**BEGINNING** at a found 5/8" capped rebar marked "WINSTON 6999" at the Southeast corner of the City of Las Vegas Landfill as shown on the unrecorded Plat of Survey dated January 5, 1994 and prepared by William E. Kuntz, Koogle & Pouls Engineering, Inc., being the most northerly corner of the herein described tract, from which New Mexico State Triangulation Station "GOLF" bears North 87° 38' 18" East, 9776.63 feet;

Thence along the South line of said Landfill, South 61° 34' 23' West, 859.41 feet to a found 5/8" capped rebar marked "ODEN 8667" at the Southerly most corner of said Landfill, being the most westerly corner of the herein described tract;

Thence leaving said South line, South 52° 10' 33" East, 130.50 feet to a set ½" capped rebar marked "LS 17534";

Thence North 83° 46' 00" East, 477.98 feet to a set ½" capped rebar marked "LS 17534";

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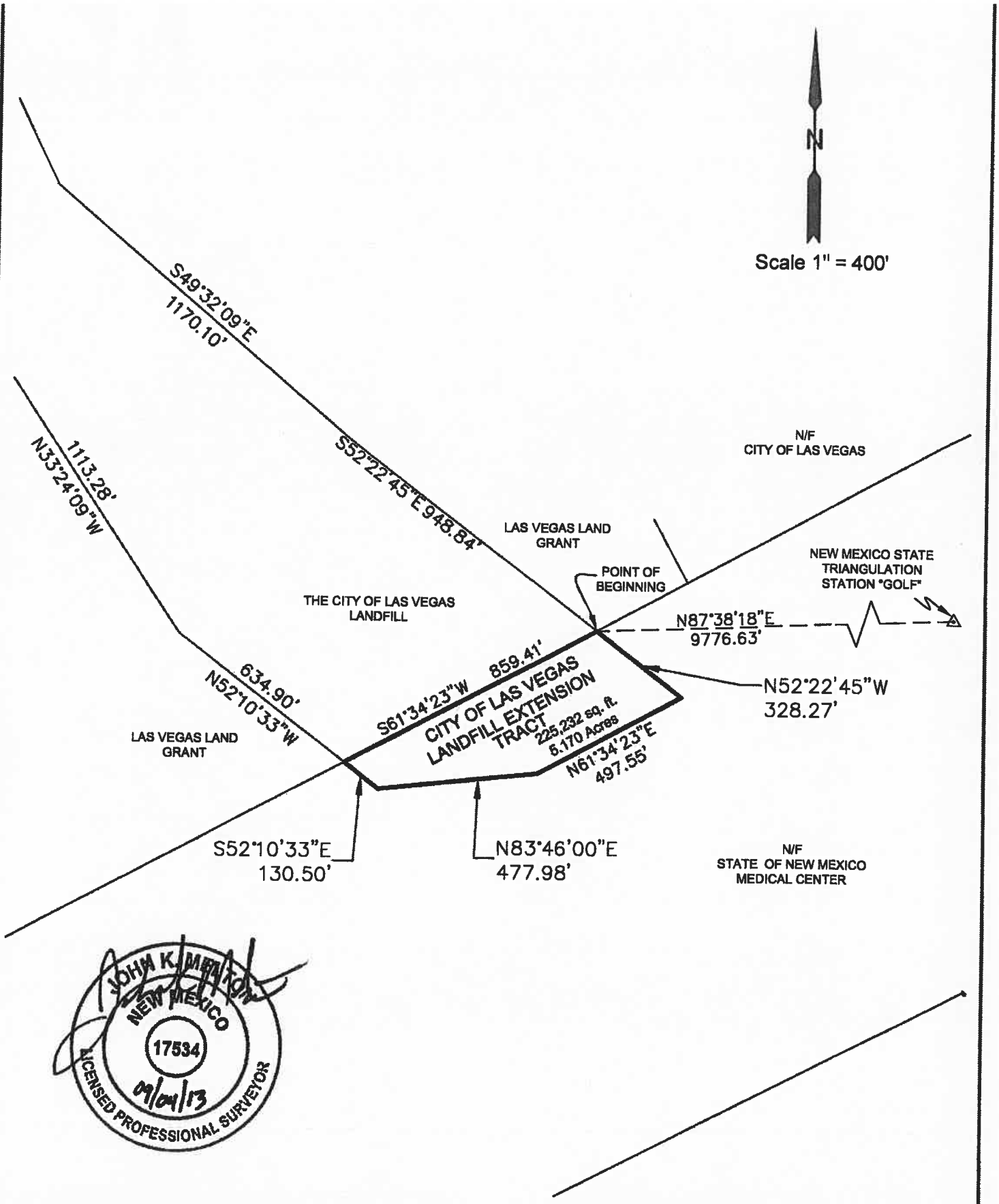
Thence North 52° 22' 45" West, 328.27 feet to the **POINT OF BEGINNING.**

Said tract of land contains 225,232 square feet or 5.170 acres of land, more or less.

Prepared by John K. Melton, LS 17534
Prepared on September 4, 2013
Project Number: 4419647

JOHN K. MELTON
NEW MEXICO
17534
09/04/13
LICENSED PROFESSIONAL SURVEYOR




JOHN K. MILLER
NEW MEXICO
17534
09/04/13
LICENSED PROFESSIONAL SURVEYOR

THIS DRAWING IS INCOMPLETE AND NOT TO BE USED FOR CONSTRUCTION UNLESS IT IS STAMPED, SIGNED AND DATED

SMA
Engineering
Environmental
Surveying

SOUDER, MILLER & ASSOCIATES
1201 PARKWAY DRIVE
SANTA FE, NM 87507-7258
Phone (505) 473-9211 Toll-Free (800) 460-5366 Fax (505) 471-6675
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CITY OF LAS VEGAS, SAN MIGUEL COUNTY, NEW MEXICO

CITY OF LAS VEGAS
LANDFILL EXTENSION TRACT
SEC 20&21, T16S, R16E, N.M.P.M.

| Designed | Drawn | Checked |
|---|---|---|
| JKM | JKM | SM |

Date: 09/04/13
Scale Horiz: 1"=400' Vert: N/A
Project No: 4419647
Sheet: 2

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P:\4 - Solid Waste\Las Vegas LF-4413169\SURVEY FOLDERS\DWG\LF-DESCRIPTION 011212.dwg : TTK, 9/4/2013 4:55 PM

# ATTACHMENT C
# APPROVAL/AGREEMENT

**BETWEEN**

**FACILITIES MANAGEMENT DIVISION**
**GENERAL SERVICES DEPARTMENT**
**STATE OF NEW MEXICO (FMD/GSD)**
**and the**
**CITY OF LAS VEGAS (COLV)**

Date of Approval/Agreement is set as final signature date on the form for this item and shall be deemed part of the executed MOU listed below.

This agreement is in strict conformance the Memorandum of Understanding (MOU) between the FMD/GSD and the COLV fully executed on _____, 2014.

---

THE FOLLOWING DETAILED AGREEMENT IS MADE: This work pertains to the exact section of the MOU listed here and is recited here for clarity of communication. *(Provide definitive MOU location(s) that apply.)*

---

The following will conditions/work needs to be made to meet the intent of the paragraph(s) listed above: *(Provide a detailed description of the Scope of the Work and who is to perform each portion.)*

---

NOT VALID UNTIL SIGNED BY BOTH FMD/GSD & COLV. Signature indicates this Approvals/Agreements change(s) will be incorporated into the MOU document by execution below:

---

**(List all exceptions that may require more formal documentation procedure.)**

# ATTACHMENT C APPROVAL/AGREEMENT - SIGNATURE PAGE

**AGREED AND RECOMMENDED**

PROJECT MANAGER FMD/GSD: By:_____ Date: _____
John D. Rupley, RA, RLA
2542 Cerrillos Rd, T-187 Title
Santa Fe, NM 87505

CITY OF LAS VEGAS, NM By:_____ Date: _____
Project Manager Name.
1700 North Grand Ave
Las Vegas, NM 87701

OTHER AGENCY (If required for verification) By:_____ Date: _____

OTHER AGENCY (If required for verification) By:_____ Date: _____

---

**APPROVED**

FMD/GSD:
Facilities Management
Division Director: By:_____ Date: _____
2542 Cerrillos Rd, T-187 Title
Santa Fe, NM 87505

COLV:
Mayor/City Manager
Name: By:_____ Date:_____
1700 North Grand Ave
Las Vegas, NM 87701

# NEW MEXICO ENVIRONMENT DEPARTMENT

1190 St. Francis Drive, Room N2150
P.O. Box 5469
Santa Fe, New Mexico 87502-5469
Telephone (505) 827-0197
Fax (505) 827-2902
www.nmenv.state.nm.us/swb

SUSANA MARTINEZ
Governor

JOHN A. SANCHEZ
Lieutenant Governor

RYAN FLYNN
Cabinet Secretary

BUTCH TONGATE
Deputy Secretary

August 7, 2014

George Morgan
General Services Department
Facilities Management Division
PO Box 6850
2542 Cerrillos Road
Santa Fe, New Mexico 87502

RE: **Facility Management Division of NM General Services Department's (GSD) Transfer of Land Via Memorandum of Understanding with the City of Las Vegas, New Mexico for Implementation of Groundwater Corrective Measures at the Las Vegas Landfill**

Dear Mr. Morgan:

Staff from the New Mexico Environment Department, Solid Waste Bureau (NMED) has been working cooperatively with Alexis Johnson, Deputy General Counsel, Cabinet Secretary Ed Burckle, and staff from GSD Facilities Management Division for 16 months to resolve outstanding issues relating to the transfer of state property adjacent to the Las Vegas landfill to the City of Las Vegas. The land transfer is necessary to allow for initiation and completion of Solid Waste Rule's mandated remedial groundwater treatment activities as specified in 20.9.9.16 (E).NMAC. This section states "The owner or operator shall specify as part of the proposed selected remedy a schedule for initiation and completing remedial activities. Such a schedule shall provide for the initiation of remedial activities within a reasonable period of time, taking into consideration the factors listed in Subsection C of 20.9.9.15 NMAC." Subsection C requires "The selected remedy shall: be protective of public health, welfare, and the environment;...control the source(s) of releases so as to reduce or eliminate, to the maximum extent practicable, further releases into the environment that may pose a threat to public health, welfare, or the environment."

NMED staff is mindful of the terms of the draft Memorandum of Understanding (MOU) that is necessary to effectuate the transfer of state property that must be signed between GSD and the City of Las Vegas based on our attendance at meetings with GSD staff and during joint meetings with GSD and City officials. NMED staff has assisted during the negotiation process by providing several updated versions of project implementation time-line charts for attachment to Draft MOUs to Las Vegas officials by GSD. The project completion compliance date discussed

in the last revised time-lines dated May 21, 2014 was December 30, 2014. This project completion deadline was based on execution of the MOU on or before May 27, 2014.

As discussed during various meetings with both GSD staff and City officials, NMED staff stressed that timely execution of the MOU was necessary to implement and complete construction by the December 2014 deadline. As of the date of this letter, the MOU remains unsigned by all necessary parties. Based on review of the approved Corrective Measures Plan submitted in 2008, and on the fact that the Solid Waste Bureau has not received, reviewed and approved the engineering plans for the remediation effort to date, we have determined that it will not be possible to meet the December 30, 2014 deadline.

NMED's position during the land transfer negotiations has been to monitor progress and to hold issuance of an Administrative Compliance Order with defined penalties to the City of Las Vegas in abeyance as long as it appeared that the City would have enough time from the point of transfer of title of the land to complete construction within a reasonable time-frame, weather and contingencies permitted. The window of opportunity to show good faith by execution of the MOU and transfer of the land to allow the City time to complete construction by the deadline that could have been met if the MOU was signed in May has closed.

To avoid looming enforcement action taken by NMED, the MOU needs to be signed this week to allow time to bring this matter before the City Council for approval. If the MOU is fully executed, authorized by the City Council, and the Title is transferred from the Facilities Management Division of GSD to the City of Las Vegas no more than six weeks from the signing of the MOU, NMED staff agrees to take the following actions:

1. We will extend the construction period to reasonably accommodate successful completion of all aspects of the corrective remediation tasks, and prepare a revised project time-line that will include contingencies for weather delays or other approved requests for extensions.
2. The regulatory time-line trigger-date will begin the date NMED is provided written documentation proving that the land transfer process is completed.
3. Draft language for inclusion in the MOU is provided and approved by NMED that specifies how the NMED project completion time-line will be integrated into the MOU by reference, that it is a binding attachment to the MOU, and that all remediation and implementation of corrective measures shall be in accordance with the applicable portions Solid Waste Rules 20.9.2—10 NMAC.

Thank you, your staff and Mr. Johnson for working collaboratively with us for many months to resolve issues and bring this effort to a successful conclusion by executing the MOU and completing the land transfer to the City. I look forward to receiving a copy of the executed MOU in the near future.

Sincerely,

Auralie Ashley-Marx

Auralie Ashley-Marx
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cc: Michael Vonderheide, NMED Environmental Protection Division Director
George Schuman, Permit Section Manager
James Dyer, Permit Section
Alexis H. Johnson, Esq. GSD
Honorable Alfonso E. Ortiz, Jr. Mayor City of Las Vegas
Auralie Ashley-Marx, Reading File