Yakima Company vs. La Paz County Settlement White Paper Prepared by Gordon L. Cheniae-President Cheniae & Associates, Inc.

Land Status of La Paz County Landfill Property

(Parcel 1) T. 7 N., R. 19 W., Section 13, SW1/4 (Gila and Salt River Meridian, Arizona) containing 160 acres. This 160 acre parcel is the current La Paz County Landfill site that was patented to La Paz County by the Bureau of Land Management (BLM) in 1988 under BLM's Public Sale Authority in Section 203 of the Federal Land Policy and Management Act (FLPMA)-43 CFR 2710. La Paz County paid BLM fair market value for this parcel therefore the patent contains no restrictions regarding the use of the parcel or subsequent disposal of the property.

(Parcel 2) T. 7 N., R. 19 W., Section 13, E1/2, NW1/4 (Gila and Salt River Meridian, Arizona) containing 480 acres. This 480 parcel was patented to La Paz County by BLM in 1996 under BLM's Recreation and Public Purpose Act (R&PP)-43 CFR 2740 Authority and contains patent restrictions consistent with that act. La Paz County (being a qualified applicant under the R&PP Act) paid a discounted price for the parcel whereby BLM as required by law restricted the use of the parcel in the patent to "Recreation and Public Purposes" (in this instance-Landfill). La Paz County is restricted by the 1996 BLM patent regarding use and subsequent sale of the parcel.

Recommended Course of Action:

1. Las Paz county deed parcel 1 (160 acres-current site of La Paz County Landfill) to Yakima Company for partial payment of their settlement agreement.

-There are no patent restrictions prohibiting this action in the 1988 BLM Public Sale patent to La Paz County.

2. La Paz County and Yakima Company request a meeting with BLM Arizona to request a current fair market value appraisal of parcel 2 (480 acres R&PP patent) whereby La Paz County would pay current fair market value for parcel 2 and subsequently have BLM patent parcel 2 back to La Paz County under BLM's Section 203 Sale Authority without patent restrictions.

-Under this process La Paz County/Yakima Company would pay for the new appraisal and all processing costs in addition to the fair market value of parcel 2

-The meeting with BLM would involve full disclosure of the history between La Paz County and Yakima Company and the intent of this action to reach an equitable settlement for both parties. -Upon issuance of the BLM Sale Authority patent for the 480 acres to La Paz County, La Paz County would then deed the 480 acres to Yakima Company for final and full payment of their settlement agreement.

Step one could take place immediately after both parties agree and sign a settlement agreement. Step two could take 6 months to 1 year to complete. There is a precedent for this specific type of BLM action in Arizona that I was personally involved with in about 1995. Additionally, I have discussed "off the record" this situation with a senior BLM AZ official who had no problem whatsoever with the approach recommended in this paper.