

**AGREEMENT REGARDING
THE CONSTRUCTION AND OPERATION OF A PILOT TRAVEL CENTER**

This Agreement is entered into by and between the City of Gallup (City), a New Mexico municipal corporation, and Pilot Travel Centers LLC (Pilot), a Delaware limited liability company registered to do business in the State of New Mexico.

RECITALS

1. Pilot desires to build and operate a travel center in Gallup, New Mexico and has entered into conditional forty-year leases with three adjacent property owners for the property on which it desires to locate the travel center.
2. The three properties on which Pilot desires to build and operated the travel center (proposed site) are as follows:
 - a. a 2.0661-acre parcel of land owned by CHEV3307W LLC (CHEV3307W parcel) more particularly described in the Special Warranty Deed filed with the McKinley County Clerk on June 18, 2010 as DOC #349933;
 - b. a 1.9284 -acre parcel of land owned by SPEED3303W LLC (SPEED3303W parcel), more particularly described in the Special Warranty Deed filed with the McKinley County Clerk on June 18, 2010 as DOC #349934;
 - c. a 3.2038-acre parcel of land owned by Rico Land and Cattle Co. (Rico parcel), shown as Parcel 1-B on the Sketch Plat of Parcels 1-A and 1-B, Menapace Section 26, attached to this Agreement as “Exhibit A.”
3. The zoning of all the relevant parcels is Heavy Commercial. The Gallup Land Development Standards contain setback requirements of 10’ on the front of a lot, 15’ on the rear side of a lot, and 20’ on the rear lot line for Heavy Commercial Zone Districts.
4. The Gallup Land Development Standards contain landscaping standards that require landscaping be located within setback areas of “the property” that is being developed.
5. If the Land Development Standards are interpreted to individually apply to the three parcels that comprise the proposed site, setbacks and landscaping would be required in areas that would render to proposed site untenable for construction of a travel center.
6. The Land Development Standards do not address whether a “lot” or “property” may be created by combining adjoining leasehold estates.
7. Section 10-5-C of the Land Development Standards grant to the Gallup City Council the authority to authority to interpret the provisions of the Land Development Standards.

AGREEMENT

1. Pursuant to its authority contained in Section 10-5-C of the Land Development Standards, the Gallup City Council, for and behalf of the City, interprets the provisions of the Land Development Standards concerning setbacks contained in Section 10-2-B-c-ii and landscaping and screening contained in Section 10-4-C such that the land comprising the proposed site described above is considered a single “lot” or “property.” This interpretation shall not apply to any other provisions of the Land Development Standards.
2. Pilot agrees to comply with all the requirements for setbacks and landscaping and screening, subject to the interpretation of those requirements contained in paragraph 1, above.

3. Upon expiration of its initial leases of the land comprising the proposed site, or upon termination of any of the leases by the lessor, Pilot will return the property to its current state; obtain extensions of the leases and negotiate an extension of this Agreement with the City; or acquire ownership of the property and obtain approval of a subdivision that combines the properties comprising the proposed site into a single parcel.
4. This Agreement shall be binding upon and inure to the benefits of the successors and assigns of the parties, however Pilot may not assign this Agreement without the written consent of the City.
5. This Agreement constitutes the entire agreement between the parties relating to the subject matter hereof. Any amendment, modification or change to this Agreement must be in writing and executed by both Parties.
6. Nothing in this Agreement will provide any benefit to any third party or entitle any third party to any claim, cause of action, remedy or right of any kind.
7. This Agreement will be governed by the laws of the State of New Mexico. Any legal proceeding to interpret or enforce this Agreement shall be initiated only in the 11th Judicial District Court of the State of New Mexico.
8. The effective date of this agreement is on the date last signed below.

IN WITNESS WHEREOF, the parties hereto have caused their undersigned, duly authorized representatives to execute this Agreement.

CITY OF GALLUP

Louie Bonaguidi, Mayor

ATTEST:

Alfred Abeita II, City Clerk

PILOT TRAVEL CENTERS LLC

Managing Member

State of _____

County of _____

The foregoing was acknowledged before me this ____ day of _____, 2022 by _____, for and on behalf of Pilot Travel Centers LLC, a Delaware limited liability company.

Notary Public
State of _____

My commission expires: _____