# SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



**ITEM**: 3.55 (ID # 20160)

#### **MEETING DATE:**

Tuesday, November 29, 2022

Kecia R. Harper

of the Board

Deputy

FROM: TLMA - AVIATION:

SUBJECT: TRANSPORTATION AND LAND MANAGEMENT AGENCY/AVIATION: Approval of the 60-Day Notice of Termination of Tenancy pertaining to the Blythe Airport Temporary Lease Agreement between the County of Riverside, as Lessor, and JAGS Care, as Lessee – Blythe Airport, CEQA Exempt per State CEQA Guidelines sections 15301 and 15061(b)(3), District 4. [\$1,050 Total Cost – TLMA Aviation Fund 100%] (Clerk to file Notice of Exemption)

#### **RECOMMENDED MOTION:** That the Board of Supervisors:

- 1. <u>Find</u> that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15301, Existing Facilities exemption and Section 15061(b)(3) "Common Sense" exemption;
- 2. <u>Approve</u> the attached 60-Day Notice of Termination of Tenancy pertaining to the Blythe Airport Temporary Lease Agreement between the County of Riverside, as Lessor, and JAGS Care, as Lessee, in substantially the form as attached hereto and authorize the Riverside County Airport Manager to execute the same on behalf of the County; and
- 3. <u>Direct</u> the Clerk of the Board to file the attached Notice of Exemption with the County Clerk within five (5) working days of approval by the Board.

**ACTION:Policy** 

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Perez, seconded by Supervisor Washington and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes:

Jeffries, Spiegel, Washington, and Perez

Nays:

Hewitt

Absent:

None

Date:

November 29, 2022

Aviation, Recorder

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# SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	To	Total Cost:		Ongoing Cost	
COST	\$ 1,050	\$ 0		\$ 1,050		\$ 0	
NET COUNTY COST	\$0	\$ 0		\$ 0		\$ 0	
SOURCE OF FUNDS	und	Budget Adjustment: No					
				For Fiscal Y	ear: 2022/2	23	

C.E.O. RECOMMENDATION: Approve

#### **BACKGROUND:**

#### Summary

JAGS CARE dba BB Travel Center ("Current Lessee") acquired a lease interest in certain County property located at Blythe Airport ("Subject Property") in a trustee sale in approximately 2003. The initial term of the lease expired in June 1990. The lease included three 10-year extension options. After the expiration of the lease in 2020, the County and Current Lessee entered into a short-term Temporary Lease Agreement dated October 4, 2021 with a term expiring April 30, 2022 ("Current Lease") with the intent of the parties' negotiating a long-term lease. The Current Lease pertains to Current Lessee's occupancy of 20.89-acres of improved land at the Blythe Airport and located at 17970 W Hobson Way, Blythe, CA 92225 ("Leased Premises"). With the Current Lease term now expired, the Current Lessee is occupying the Leased Premises as a month-to-month tenant.

Desiring to enter into a new lease agreement and pursuant Government Code Sections 25526 to 25535 and Riverside County Ordinance No. 861, TLMA-Aviation issued a Request for Proposal on April 14, 2022 to lease the Subject Property (RFP). The RFP's deadline to respond was May 26, 2022 at 5:00 p.m.

TLMA-Aviation received two responses to the RFP: one from the Current Lessee; and the other from Jagtar Samra. TLMA-Aviation conducted panel interviews for the RFP on June 24, 2022. TLMA-Aviation asked the RFP respondents to submit their final and best offer by July 1, 2022.

TLMA-Aviation determined that Jagtar Samra was the highest responsible bidder and desires to commence negotiations for a long-term lease. The Current Lessee is protesting the outcome of the RFP. TLMA-Aviation desires to terminate the existing tenancy with the Current Lessee pursuant to Section 17 of the Lease. TLMA-Aviation is requesting approval of the 60-Day Notice to Terminate Tenancy ("60-Day Notice") to terminate the Lease between the County and the Current Lessee. Although the letter is dated November, the Current Lessee will remain a tenant for (60) days from the date of service of the 60-Day Notice.

Pursuant to the California Environmental Quality Act (CEQA), the 60-Day was reviewed and determined to be exempt from CEQA under State CEQA Guidelines Section 15301 class 1-

## SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

Existing Facilities exemption and Section 15061(b)(3) "Common Sense" exemption. Approval of the 60-Day Notice is merely an administrative action from the County Board of Supervisors, and it can be said with certainty that there is no possibility that the activity in questions may result in any significant impact to the environment.

The 60-Day Notice has been reviewed and approved by County Counsel.

#### Impact on Residents and Businesses

The awarded respondent submitted a compelling proposal to make significant upgrades to the existing improvements, and a plan to increase revenue at the Leased Premises. Residents and Businesses can potentially benefit from increased services or amenities made available at the Leased Premises.

## **Additional Fiscal Information**

No net County cost will be incurred, and no budget adjustment is necessary, however, the Transportation and Land Management Agency, Aviation Division has incurred costs associated with this transaction. County Counsel and CEQA Filing costs to date in the approximate amount of \$1,050 will be reimbursed from the TLMA Aviation Revenue Fund.

County Counsel Review	\$ 1,000
CEQA NOE Filing Fee	\$ 50
Total	\$ 1,050

#### **Attachments**

- 60-Day Notice to Terminate Tenancy
- Notice of Exemption
- Aerial Map

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# SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

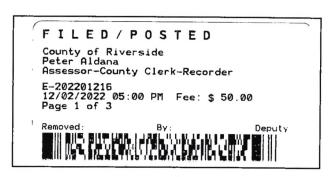
Jason Farin Principal Management Analyst 11/21/2022

aron Gettis, Deputy County Sounsel 11/18/20

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County of Riverside TLMA Aviation 4080 Lemon Street, 14th Floor, Riverside, CA 92501



#### NOTICE OF EXEMPTION

November 17, 2022

**Project Name:** Approval of the 60-Day Notice of Terminate Tenancy as to form, pertaining to the Blythe Airport Temporary Lease Agreement between the County of Riverside, as Lessor, and JAGS Care, as Lessee

**Project Location:** 17970 W Hobson Way, Blythe, CA 92225, Blythe Airport; Assessor's Parcel Numbers (APN) 824-020-002.

Description of Project: JAGS CARE dba BB Travel Center ("Current Lessee") acquired a lease interest in certain County property located at Blythe Airport ("Subject Property") in a trustee sale in approximately 2003. The initial term of the lease expired in June 1990. The lease included three 10-year extension options. After the expiration of the lease in 2020, the County and Current Lessee entered into a short-term Temporary Lease Agreement dated October 4, 2021 with a term expiring April 30, 2022 ("Current Lease") with the intent of the parties' negotiating a long-term lease. The Current Lease pertains to Current Lessee's occupancy of 20.89-acres of improved land at the Blythe Airport and located at 17970 W Hobson Way, Blythe, CA 92225 ("Leased Premises"). With the Current Lease term now expired, the Current Lessee is occupying the Leased Premises as a month-to-month tenant.

Desiring to enter into a new lease agreement and pursuant Government Code Sections 25526 to 25535 and Riverside County Ordinance No. 861, TLMA-Aviation issued a Request for Proposal on April 14, 2022 to lease the Subject Property ("RFP"). The RFP's deadline to respond was May 26, 2022 at 5:00 p.m.

TLMA-Aviation received two responses to the RFP: one from the Current Lessee; and the other from Jagtar Samra. TLMA-Aviation conducted panel interviews for the RFP on June 24, 2022. TLMA-Aviation asked the RFP respondents to submit their final and best offer by July 1, 2022.

TLMA-Aviation determined that Jagtar Samra was the highest responsible bidder and desires to commence negotiations for a long-term lease. The Current Lessee is protesting the outcome of the RFP. TLMA-Aviation desires to terminate the existing tenancy with the Current Lessee pursuant to Section 17 of the Lease. TLMA- Aviation is requesting approval of the 60-Day Notice to Terminate Tenancy ("60-Day Notice") to terminate the Lease between the County and the Current Lessee. Although the letter is dated

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P. O. Box 1605 • Riverside, California 92502-1605

November, the Current Lessee will remain a tenant for (60) days from the date of service of the 60-Day Notice.

The 60-Day Notice has been identified as a proposed project under the California Environmental Quality Act (CEQA) because a discretionary action is required for approval. The approval of the 60-Day Notice is limited to the termination of the Lease and the surrender of the existing improvements on the Leased Premises. The 60-Day Notice will not result in any significant environmental impacts or include any mitigation measures.

Name of Public Agency Approving Project: County of Riverside

Name of Person or Agency Carrying Out Project: Riverside County Transportation and Land Management Agency – Aviation Division

**Exempt Status:** State CEQA Guidelines Section 15301, Class 1, Existing Facilities Exemption; Section 15061(b)(3), General Rule or "Common Sense" Exemption. Codified under California Code of Regulations Title 14, Article 5, Section 15061.

Reason Why Project is Exempt: The proposed project is categorically exempt from the provisions of CEQA specifically by the State CEQA Guidelines as identified below. The project will not result in any specific or general exceptions to the use of the categorical exemption as detailed under State CEQA Guidelines Section 15300.2. The project will not cause an impact to an environmental resource of hazardous or critical concern nor would the project involve unusual circumstances that could potentially have a significant effect on the environment. The project is limited to the termination of the Lease and the improvements on the Leased Premises and does not include a new development or improvements to the Leased Premises or hangar. Furthermore, this project would not result in any physical direct or reasonably foreseeable indirect impacts to the environment.

- Section 15301 Class 1 Existing Facilities Exemption: This categorical exemption includes the operation, repair, maintenance, leasing, or minor alteration of existing public or private structures or facilities, provided the exemption only involves negligible or no expansion of the previous site's use. The project, as proposed, is for the termination of the Lease and the surrender of existing improvements on the Leased Premises, which is consistent with the existing land use and would not result in a physical change to the Leased Premises. These improvements fall within the criteria identified in Section 15301 (c) and (d) which allow for the repair and maintenance of existing transportation facilities and rehabilitation of structures and facilities to meet standards of health and safety. Therefore, the project is exempt as it meets the scope and intent of the Categorical Exemption identified in Section 15301, Article 19, Categorical Exemptions of the CEQA Guidelines.
- Section 15061 (b) (3) "Common Sense" Exemption: In accordance with CEQA, the use of the Common Sense Exemption is based on the "general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment." State CEQA Guidelines, Section 15061(b) (3). The use of this exemption is appropriate if "it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment," *Ibid.* This determination is an issue of fact and if sufficient evidence exists in

the record that the activity cannot have a significant effect on the environment, then the exemption applies and no further evaluation under CEQA is required. See No Oil, Inc. v. City of Los Angeles (1974) 13 Cal. 3d 68. The ruling in this case stated that if a project falls within a category exempt by administrative regulation or 'it can be seen with certainty that the activity in question will not have a significant effect on the environment', no further agency evaluation is

required. With certainty, there is no possibility that the project may have a significant effect on the environment. The approval of the 60-Day Notice will result in no significant direct or indirect environmental impacts would occur. Therefore, in no way, would the project as proposed have the potential to cause a significant environmental impact and the project is exempt from further CEQA analysis.

Signed:

Jose Ruiz

Date:

11/17/2022

Jose Ruiz, Senior Real Property Agent, County of Riverside TLMA-Aviation Division



BRUCE T. BAUER
OF COUNSEL
ADMITTED IN CA

REPLY To: 1800 E. Tahquitz Canyon Way Palm Springs, California 92262 T (760) 322-2275 • F (760) 322-2107 bauer@sbemp.com

September 29, 2022

## **VIA MAIL AND EMAIL**

JRuiz@rivco.org Jose Ruiz, EIT Associate Engineer, City of Riverside

County of Riverside Attention: TLMA – Aviation 4080 Lemon Street, 14th Floor Riverside, CA 92501

Re: Appeal of JAGS CARE dba BB Travel Center from Denial of Proposal for Request for RFP 2022-01 Long-Term Lease of Blythe Fueling Station, Convenience Store, and Truck Stop

Dear Mr. Ruiz:

Our Firm represents JAGS CARE dba BB Travel Center (sometimes "Appellant.") Please consider this as an appeal from the denial of the RFP 2022-01 Long-Term Lease of Blythe Fueling Station, Convenience Store, and Truck Stop. The latter is located on 20.89-acres of improved land at the Blythe Airport and located at 17970 W Hobson Way, Blythe, CA 92225 (the "Premises").

You had previously communicated, in an email dated September 22, 2022, with Appellant, that although the procedures indicate that the protest regarding the RFP, must be submitted 15 days following the issuance of the Award and Non-Award Letter's, the County of Riverside would allow for an authorized agent, on behalf of Appellant, to submit a protest within seven (7) days from receipt of your email, or by September 29, 2022. Please consider this letter that appeal and protest from Appellant.

Please find below the information that you had requested in connection with this appeal.

1. Company name, mailing address, phone number, and name of company individual responsible for submission of the protest.

JAGS CARE dba BB Travel Center c/o Bruce T. Bauer, Esq. Slovak Baron Empey Murphey & Pinkney LLP 1800 E. Tahquitz Canyon Way Palm Springs, California 92262 T (760) 322-2275 • F (760) 322-2107 bauer@sbemp.com County of Riverside Attention: TLMA – Aviation Sept. 29, 2022 Page 2

2. An email address for communication, clarification, and disposition of the pending protest.

Bruce T. Bauer, Esq. bauer@sbemp.com

3. The County RFP Number and title of the RFP.

RFP 2022-01 Long-Term Lease of Blythe Fueling Station, Convenience Store, and Truck Stop (the "RFP").

Appellant had submitted a 23-page package of documents in response to the County's RFP ("Appellant's Proposal"). That submission is incorporated herein to this Appeal.

4. The specific action or decision protested and the basis for the protest.

Appellant has been a tenant for the Premises pursuant to a long-term lease since March 2001. Appellant has been running this business since that time when it purchased it from the Bank. Appellant built this business from the ground up since it was closed for roughly six (6) months due to bankruptcy filed by the previous owners.

The new representative manager of the Airport agency, Angela Jamison, had previously contacted Appellant when the prior lease for the Premises had expired. The County of Riverside, by and through Ms. Jamison, represented to Appellant, over an approximately two (2) year time period, that the existing expired lease for the Premises would be renewed with Appellant on the condition that the Premises were "brought up to Code" and other costly and involved improvements were made to the Premises (the "County Promises"). Based on these representations, Appellant invested approximately \$1.2 million into the Premises to renovate and greatly improve the Premises.

As evidence of the County Promise, the County entered into a lease with Appellant on or about October 4, 2021 (the "October 2021 Lease"). The October 2021 Lease was anticipated to be a temporary lease, but Appellant understood that it would be amended and made into a long-term lease. As evidence of this fact, the October 2021 Lease provides as follows:

"WHEREAS, County and Lessee desire to enter into this Lease for the Leased Premises as an interim agreement, while the Parties negotiate a long-term lease." (Emphasis added.) (The October 2021 Lease is incorporated herein by this reference into this Appeal.)

Thus, the County *confirmed* Appellant's reasonable reliance that a long-term lease would be entered into between the parties.

All of the above improvements benefited the County since it is the lessor and owner of the Premises. The investment that Appellant made to the Premises were done with the reasonable

County of Riverside Attention: TLMA – Aviation Sept. 29, 2022 Page 3

expectation, and reliance, that the promises made by the County that Appellant's lease for the Premises would be extended, would be honored. However, those promises were not honored. Rather than honoring the above promises, the County sent this matter out to bid for an RFP on or about April 14, 2022.

Even though the above promises were not honored by the County, Appellant nevertheless submitted its lengthy, thorough and exhaustive proposal in the form of the Appellant's Proposal.

5. The relief or corrective action you believe the County should make.

Appellant would like the County to honor the above County Promises. If not, then the County should reevaluate Appellant's Proposal in light of the above.

Evidence that every reasonable effort was made within the schedule provided, for you to
resolve the basis of the protest during the process, including asking questions, seeking
clarification, requesting addenda, and otherwise alerting the County to any perceived
problem.

There was no ability to resolve the basis for the protest. Appellant did not believe it should have been subjected to the RFP process because of the County Promises. Nevertheless, it submitted it proposal with the belief that it would be selected based not only on the merits of its proposal, but because of the superseding County Promises.

#### **GROUNDS FOR PROTEST**

1. A statutory regulatory provision.

Appellant did not believe it should have been subjected to the RFP process because of the County Promises. Nevertheless, it submitted it proposal with the belief that it would be selected based not only on the merits of its proposal, but because of the superseding County Promises.

2. Events or decisions made before the solicitation deadline that improperly influenced the outcome of the RFP.

There were oral representations that were made to the Appellant that preceded the RFP process. As outlined above, the "County Promises" included promise by the County over an approximately two (2) year time period, that the existing expired lease for the Premises would be renewed with Appellant on the condition that the Premises were "brought up to Code" and other costly and involved improvements were made to the Premises. Based on those representations, Appellant invested approximately \$1.2 million into the Premises to renovate and greatly improve the Premises. All of those improvements benefited the County since it is the lessor and owner of the Premises. The investment that Appellant made pursuant to the County Promise were done with the reasonable expectation, and reliance, that the promises made by the County that Appellant's lease for the Premises would be extended, would be honored. However, those promises were not honored. Rather than honoring the above promises, the County sent this

County of Riverside Attention: TLMA – Aviation Sept. 29, 2022 Page 4

matter out to bid for an RFP on or about April 14, 2022. The County, and other third parties who submitted proposals to the County, have unfairly benefited from the improvements that Appellants made to the Premises. The wining bidder for the RFP, and its submission, did not reflect the reality that its proposal was made on the "back" of the improvements that Appellant had made to the Premises. Due credit should have been given to Appellant for all for all the improvements that the County had unfairly solicited from it.

# 3. The RFP unduly constrained competition through improper minimum qualifications or specifications.

As detailed above, the County, and other third parties who submitted proposals to the County, have unfairly benefited from the improvements that Appellants made to the Premises. The winning bidder for the RFP, and its submission, did not reflect the reality that its proposal was made on the "back" of the improvements that Appellant had made to the Premises. Due credit should have been given to Appellant for all for all the improvements that the County had unfairly solicited from it.

## 4. Questions posed prior to the RFP deadline were not fully or properly addressed.

As detailed above, the County, and other third parties who submitted proposals to the County, have unfairly benefited from the improvements that Appellants made to the Premises. The winning bidder for the RFP, and its submission, did not reflect the reality that its proposal was made on the "back" of the improvements that Appellant had made to the Premises. Due credit should have been given to Appellant for all for all the improvements that the County had unfairly solicited from it.

#### 5. The RFP did not provide adequate information or contained an improper criterion.

As detailed above, the County, and other third parties who submitted proposals to the County, have unfairly benefited from the improvements that Appellants made to the Premises. The winning bidder for the RFP, and its submission, did not reflect the reality that its proposal was made on the "back" of the improvements that Appellant had made to the Premises. Due credit should have been given to Appellant for all for all the improvements that the County had unfairly solicited from it.

We look forward to an immediate response to the above and the ability to be heard, at a hearing, to be scheduled in this matter.

Sincerely,

SLOVAK BARON EMPEY MURPHY & PINKNEY LLP

Bruce T. Bauer



# OFFICE OF COUNTY COUNSEL COUNTY OF RIVERSIDE

3960 ORANGE STREET, SUITE 500 RIVERSIDE, CA 92501-3674 TELEPHONE: 951/955-6300 FAX: 951/955-6322 & 951/955-6363

October 28, 2022

JAGS CARE dba BB Travel Center c/o Bruce T. Bauer, Esq. Slovak Baron Empey Murphey & Pinkney LLP 1800 E. Tahquitz Canyon Way Palm Springs, California 92262

SENT VIA FIRST CLASS & EMAIL: bauer@sbemp.com

RE: Request for Proposal Appeal Letter dated September 29, 2022

Request for Proposal No. 2022-001

Long-term Lease of Blythe Fueling Station, Convenience Store, and Truck Stop

17970 W. Hobsonway, Blythe, CA 92225

Dear Mr. Bruce T. Bauer. Esq.:

We received your letter on behalf of your client, JAGS CARE dba BB Travel Center ("JAGS"), sent to the County of Riverside ("County") Transportation and Land Management Agency – Aviation Division ("Aviation") dated September 29, 2022 regarding the above mentioned Request for Proposal No. 2022-01, Long-term Lease of Blythe Fueling Station, Convenience Store, and Truck Stop ("RFP"). Aviation has reviewed the issues presented in your letter.

JAGS acquired a lease interest in County property located at 17970 W. Hobsonway, Blythe, CA 92225 ("Subject Property") in a trustee sale in approximately 2003. The initial term of this lease expired in June 1990 and included three 10-year extension options. After the expiration of this lease, the County and JAGS entered into that certain Blythe Airport Temporary Lease Agreement dated October 4, 2021 with a term expiring April 30, 2022 ("Current Lease"), which supersedes any and all prior and contemporaneous agreements. The Current Lease was entered into with the intent of negotiating a long-term lease. With the Current Lease now expired JAGS is occupying the Subject Property leased premises as a holdover tenant.

Aviation issued the RFP on April 14, 2022. The RFP called for bids for the lease of County property located at 17970 W. Hobsonway, Blythe, CA 92225 ("Subject Property"). The RFP's deadline to respond was May 26, 2022 at 5:00 p.m. Aviation received only two responses to the RFP: one from JAGS and the other from Jagtar Samra. Aviation conducted panel interviews for the RFP on June 24, 2022. Aviation asked the RFP respondents to submit their final and best offer by July 1, 2022. It was determined that Jagtar Samra's proposal was the highest written bid that conformed to all the terms and conditions specified in the call and was made by a responsible party. Please see attached bid summary for information regarding both bids that were received by Aviation.

JAGS CARE dba BB Travel Center October 28, 2022 Page 2

On July 25, 2022, Aviation sent the RFP award letter to Jagtar Samra. On September 22, 2022, Aviation provided JAGS with a copy of the bid documents received by Jagtar Samra.

Your letter presents the following issues or points of concern in which you have requested that the County enter into a long-term lease with JAGS, or in the alternative, reevaluate JAGS's proposal:

- 1. JAGS's reliance on County representations induced JAGS to make improvements to the Premises; and
- 2. The County and other third parties have unfairly benefitted from the improvements made by JAGS because winning bidder for the RFP, and its submission, did not reflect the reality that its proposal was made on the "back" of the improvements that JAGS made to the Premises.

As explained below, the County does not have the legal authority to enter into a long-term lease with JAGS. Additionally, the County does not have the authority to reevaluate JAGS's proposal. The County's following responses to your issues or points of concern are presented in the same order as your letter:

1. <u>JAGS's reliance on Aviation's representations induced JAGS to make improvements</u> to the Premises

In your letter, it was asserted that: "The new representative manager of the Airport agency, Angela Jamison, had previously contacted [JAGS] when the prior lease for the Premises had expired. The County of Riverside, by and through Ms. Jamison, represented to [JAGS], over an approximately two (2) year time period, that the existing expired lease for the Premises would be renewed with Appellant on the condition that the Premises were "brought up to Code" and other costly and involved improvements were made to the Premises (the "County Promises"). Based on these representations, [JAGS] invested approximately \$1.2 million into the Premises to renovate and greatly improve the Premises."

"As evidence of the County Promise, the County entered into a lease with [JAGS] on or about October 4, 2021 (the "October 2021 Lease"). The October 2021 Lease was anticipated to be a temporary lease, but [JAGS] understood that it would be amended and made into a long-term lease. As evidence of this fact, the October 2021 Lease provides as follows":

"WHEREAS, County and Lessee desire to enter into this Lease for the Leased Premises as an interim agreement, while the Parties negotiate a long-term lease." (Emphasis omitted.)

Based on the forgoing, your letter asserts that the County confirmed JAGS's "reasonable reliance that a long-term lease would be entered into between the parties." Your letter also asserts that the improvements made by JAGS benefitted the County because the County is the owner of the Premises.

JAGS CARE dba BB Travel Center October 28, 2022 Page 3

As you may know, the principle of promissory estoppel is generally not applicable to a governmental agency such as the County because "[o]ne dealing with public officers is charged with the knowledge of, and is bound at his peril to ascertain, the extent of their powers to bind the state for which they seem to act. And, if they exceed their authority, the state is not bound thereby to any extent." (Hilltop Properties, Inc. at 365 citing De Zemplen v. Home Federal S. & L. Assn., 221 Cal.App.2d 197, 207.)

Despite JAGS's assertion that the County made promises to JAGS, California Government Code Article 8, Sections 25526 to 25535, inclusive, requires that before a county leases its property, the board of supervisors must follow a competitive bidding process which takes place at a regularly scheduled public meeting of the board of supervisors.

In the alternative, the board of supervisors of a county "may prescribe a procedure alternative to that required by Sections 25526 to 25535, inclusive, for the leasing or licensing of any real property belonging to, leased by, or licensed by, the county. Any alternative procedure so prescribed shall require that the board of supervisors either accept the highest proposal for the proposed lease or license submitted in response to a call for bids posted in at least three public places for not less than 15 days and published for not less than two weeks in a newspaper of general circulation, if the newspaper is published in the county, or reject all bids." (Cal. Govt. Code § 25537(a).)

The Board of Supervisors of Riverside County have prescribed such an alternative procedure. Riverside County Ordinance No. 861, Section 4 provides the following:

"ALTERNATIVE PROCEDURE FOR LEASING AND LICENSING OF COUNTY PROPERTY. The Board, pursuant to Government Code section 25537, hereby prescribes the following alternative procedure to the procedure required by 25526 to 25535 for leasing and licensing of County property. This alternative procedure shall not be required for any leases or licenses that have been specifically excluded by law from any bidding procedures. The Board authorizes the delegate to conduct the alternative bidding procedure prescribed herein for the lease or license of County property in accordance with the following:

- a. The call for bids shall be posted in at least three public places for not less than 15 days and published for not less than two weeks in a newspaper of general circulation that is published in Riverside County with a description of the County property proposed to be leased or licensed, the terms of the lease or license, and the location and time for the receipt and examination of the bids.
- b. The delegate shall open and examine all the written bids to lease or license the property at the place and time in the call for bids. The highest written bid that conforms to all the terms and conditions specified in the call and was made by a responsible party shall be declared as the highest bid by the delegate pending final approval by the Board.

c. The delegate shall present the highest declared bid as described in this Section 4.b., to the Board at a regular meeting for acceptance or rejection. The Board shall either accept the bid declared as the highest or reject all bids for the proposed lease or license."

Unless any long-term lease has been specifically excluded by law from any bidding procedures, the County is required to follow either the competitive bidding process described in Sections 25526 to 25535, inclusive, of the California Government Code or the alternative process prescribed in Section 4 of Riverside County Ordinance No. 861. The only leases excluded by law from any bidding procedures are those leases of County property not exceeding 10 years in duration not exceeding an estimated monthly rental rate of fifty thousand dollars (\$50,000). (See Cal. Govt. Code § 25537; Riverside County Ordinance No. 861, §5.)

The County did not have the authority to enter into a long-term lease with JAGS without first going through a competitive bidding process because the County desired to enter into a lease term exceeding 10 years. Therefore, because the competitive bidding process was required to lease the Subject Property, promissory estoppel cannot be applied against the County in this case because doing so would be contrary public policy and the laws applicable to counties in the State of California.

2. The County and other third parties have unfairly benefitted from the improvements made by JAGS because winning bidder for the RFP, and its submission, did not reflect the reality that its proposal was made on the "back" of the improvements that JAGS made to the Premises

Your letter indicates that that JAGS has made improvements to the leased premises investing approximately \$1.2 million into the leased premises "to renovate and greatly improve the premises." Based on your letter, it is unclear what improvements were made totaling the approximate \$1.2 million. However, based on JAGS's response to the RFP, page 6 of the Business Plan indicates that the following items have been completed at the leased premises:

- Renovations: Shop, C Store & Foam Roof (\$400,000)
- Lighting & CCTV Cameras (\$80,000)
- Gas & Diesel Pumps (\$250,000)
- New Signs Chevron (\$175,000)
- Canopies (\$50,000)
- Enhanced WiFi & All A.C. Units (\$110,000)
- New Walk in Coolers (\$50,000)
- Above Ground Diesel Tank (\$150,000)
  Total cost of items completed at the leased premises: \$1,265,000

As a threshold matter, the County disputes JAGS' assertion that it made permanent improvements to the property as it failed to obtain approval to make such improvements (as

JAGS CARE dba BB Travel Center October 28, 2022 Page 5

explained in detail below). Rather, it appears that JAGS added fixtures to the premises in order to continue operating its business such as lighting, cameras, WiFi and signage.

In California, a "tenant may remove from the demised premises, any time during the continuance of his term, anything affixed thereto for purposes of trade, manufacture, ornament, or domestic use, if the removal can be effected without injury to the premises, unless the thing has, by the manner in which it is affixed, become an integral part of the premises." (Cal. Govt. Code § 1019.) To the extent that any of the above-mentioned improvements were installed for the purpose of trade, manufacture, ornament, or domestic use, JAGS has the right under California law to remove such trade fixtures.

Moreover, the Section 10 of the Current Lease states, in pertinent part, that:

- (a) Lessee shall not perform any improvements or alterations to the Leased Premises without Lessor's prior written approval."
- (b) All improvements shall be completed at Lessee's sole cost. Lessee shall pay for the construction of any required utility extensions and hookups (including all related fees and charges) and any access road improvements. Lessee shall independently verify availability of all services required for their use and development. Plans for all improvements are to be submitted to County for written approval prior to start of any construction.
- (c) Any improvements, alterations, and installation of fixtures to be undertaken by Lessee shall have the prior written approval of the County after Lessee has submitted to County the proposed site plans, building plans, and specifications in writing. In addition, Lessee acknowledges and agrees that such improvements, alterations, and installation of fixtures may be subject to County Ordinance Nos. 348 and 457, as well as other applicable County ordinances, and that Lessee shall fully comply with such ordinances prior to the commencement of any construction in connection therewith.

To the extent that any of the items completed at the leased premises do not constitute trade fixtures, but rather as improvements to the property, those improvements were made without the County's prior written approval contrary to the terms of the Current Lease. As such, JAGS would be in default under the Section 18(a) of the Current Lease, which states that "[f]ailure or delay by either Party to perform any term or provision of this Lease constitutes default under this Lease. The Party who fails or delays must commence to cure, correct or remedy such failure or delay and shall compete such cure, correction or remedy with reasonable diligence."

JAGS CARE dba BB Travel Center October 28, 2022 Page 6

For the reasons discussed above, the County (or its employees) could not have authorized a long-term lease with JAGS without a competitive bidding process. Moreover, the County did not promise that a long term lease would be entered into with JAGS, but that negotiations would move forward (and any such negotiations would, of course, have to be subject to applicable law). Such process requires that the County award the Lease to the highest responsible bidder or reject all bids. Therefore, the County intends to award the new lease to Jagtar Samra who has been deemed the highest responsible bidder. If you have any questions, please contact me at (951) 955-6300.

Sincerely,

MIHN TRAN County Counsel

Wesley W Stanfield Deputy County Counsel

WWS:gg Enclosure

cc: Jose Ruiz Angela Jamison

# Bid Summary Request for Proposal No. 2022-01 Long-term Lease of Blythe Fueling Station, Convenience Store and Truck Stop

Criteria	JAGS Care	Jagtar Samra	Difference	
Accumulative Rent Paid (50 year term)	\$2,988,666	\$10,474,200	\$7,485,534 in favor of Jagtar	
Use (Services Provided)	Convenience store, auto and truck parking, truckers lounge, fueling station, maintenance shop and truck wash, and restaurant.  Potential: EV option/charging station.	Convenience store, extended auto and truck parking, multi restaurant food court, truck repair and training school, truck wash and postal services.  Potential: EV option/charging station, medical services, RV parking and boat storage, and Hotel development.		
Proposed Guaranteed \$2,325,000 \$5,1 Improvements (Difference in \$)		\$5,110,000	\$2,785,000 in favor of Jagtar	

# Stanfield, Wesley

From:

Bruce T. Bauer < bauer@sbemp.com>

Sent:

Tuesday, November 29, 2022 7:59 AM

To:

Stanfield, Wesley

Cc:

Quiroz, Michelle E; Ruiz, Jose; Jamison, Angela; Patel, Ronak

Subject:

RE: Response to Request for Proposal Appeal Letter - Long-term Lease of Blythe Fueling

Station, Convenience Store, and Truck Stop

#### Good morning.

I trust that all of this correspondence regarding our appeal has been made a part of the packet for the Board of Supervisors' consideration for Item no. 55 at today's meeting at 9:30 a.m.? If not, it should have been made a part. Please confirm that it was made part of today's packet.

FYI, Item No. 55 is as follows:

55. 20160: TRANSPORTATION AND LAND MANAGEMENT AGENCY/AVIATION: Approval of the 60-Day Notice of Termination of Tenancy pertaining to the Blythe Airport Temporary Lease Agreement between the County of Riverside, as Lessor, and JAGS Care, as Lessee – Blythe Airport, CEQA Exempt per State CEQA Guidelines sections 15301 and 15061(b)(3), District 4. [\$1,050 Total Cost – TLMA Aviation Fund 100%] (Clerk to file Notice of Exemption)

Thank you.

#### Bruce T. Bauer

#### Of Counsel

SLOVAK BARON EMPEY MURPHY & PINKNEY LLP 1800 E. Tahquitz Canyon Way, Palm Springs, California 92262 Phone (760) 322-2275 / Fax (760) 322-2107

From: Stanfield, Wesley <WStanfie@rivco.org>
Sent: Friday, November 25, 2022 8:02 AM
To: Bruce T. Bauer <base>
To: Bruce T. Bauer <base>

**Cc:** Quiroz, Michelle E <MEQuiroz@RIVCO.ORG>; Ruiz, Jose <JRuiz@rivco.org>; Jamison, Angela <AJamison@Rivco.org>;

Patel, Ronak < RPatel@RIVCO.ORG>

Subject: RE: Response to Request for Proposal Appeal Letter - Long-term Lease of Blythe Fueling Station, Convenience

Store, and Truck Stop

Good morning Mr. Bauer:

Please find TLMA-Aviation's determination attached.

Thank you,

Wesley W. Stanfield Deputy County Counsel County of Riverside Phone: (951) 955-6300 Fax: (951) 955-6363

Email: wstanfie@rivco.org



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From: Bruce T. Bauer < bauer@sbemp.com > Sent: Friday, November 18, 2022 4:28 PM
To: Stanfield, Wesley < WStanfie@rivco.org >

Cc: Quiroz, Michelle E < MEQuiroz@RIVCO.ORG >; Ruiz, Jose < JRuiz@rivco.org >; Jamison, Angela < AJamison@Rivco.org >;

Patel, Ronak < RPatel@RIVCO.ORG >

Subject: RE: Response to Request for Proposal Appeal Letter - Long-term Lease of Blythe Fueling Station, Convenience

Store, and Truck Stop

Mr. Stanfield -

We will need your response shortly. Since next week is Thanksgiving, I presume that the response will be early next week?

Thank you.

# Bruce T. Bauer

#### Of Counsel

SLOVAK BARON EMPEY MURPHY & PINKNEY LLP 1800 E. Tahquitz Canyon Way, Palm Springs, California 92262 Phone (760) 322-2275 / Fax (760) 322-2107

From: Stanfield, Wesley < WStanfie@rivco.org>
Sent: Friday, November 18, 2022 4:25 PM
To: Bruce T. Bauer < bauer@sbemp.com>

Cc: Quiroz, Michelle E < MEQuiroz@RIVCO.ORG >; Ruiz, Jose < JRuiz@rivco.org >; Jamison, Angela < AJamison@Rivco.org >;

Patel, Ronak < RPatel@RIVCO.ORG>

Subject: RE: Response to Request for Proposal Appeal Letter - Long-term Lease of Blythe Fueling Station, Convenience

Store, and Truck Stop

Good afternoon:

Thank you for your patience. I am still reviewing this matter and will be in touch with you next week.

Thanks

Wesley W. Stanfield Deputy County Counsel County of Riverside Phone: (951) 955-6300 Fax: (951) 955-6363 Email: wstanfie@rivco.org



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From: Stanfield, Wesley

Sent: Tuesday, November 15, 2022 2:36 PM

To: bauer@sbemp.com

Cc: Quiroz, Michelle E < MEQuiroz@RIVCO.ORG >; Ruiz, Jose < JRuiz@rivco.org >; Jamison, Angela

<<u>AJamison@RIVCO.ORG</u>>; Patel, Ronak <<u>RPatel@RIVCO.ORG</u>>

Subject: RE: Response to Request for Proposal Appeal Letter - Long-term Lease of Blythe Fueling Station, Convenience

Store, and Truck Stop

Good afternoon Mr. Bauer,

Thank you for your email. I am reviewing the matter, and you can expect a response this week.

Wesley W. Stanfield Deputy County Counsel County of Riverside Phone: (951) 955-6300

Fax: (951) 955-6363 Email: wstanfie@rivco.org



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From: Patel, Ronak < RPatel@RIVCO.ORG > Sent: Thursday, November 10, 2022 10:21 AM

To: bauer@sbemp.com

Cc: Quiroz, Michelle E < MEQuiroz@RIVCO.ORG >; Ruiz, Jose < JRuiz@rivco.org >; Jamison, Angela < AJamison@Rivco.org >;

Stanfield, Wesley < WStanfie@rivco.org>

Subject: FW: Response to Request for Proposal Appeal Letter - Long-term Lease of Blythe Fueling Station, Convenience

Store, and Truck Stop

Good Morning Mr. Bauer,

I hope this email finds you well. As you may know, Mr. Stanfield is out of the office for the next few days. Our office will be responding to your email once Mr. Stanfield returns.

Thanks,

Ronak

From: Bruce T. Bauer < bauer@sbemp.com > Sent: Thursday, November 10, 2022 9:49 AM

To: Stanfield, Wesley <WStanfie@rivco.org>; Garcia, Gabriela <GabGarcia@RIVCO.ORG>

**Cc:** Quiroz, Michelle E < MEQuiroz@RIVCO.ORG >; Ruiz, Jose < JRuiz@rivco.org >; Jamison, Angela < AJamison@Rivco.org >

Subject: RE: Response to Request for Proposal Appeal Letter - Long-term Lease of Blythe Fueling Station, Convenience

Store, and Truck Stop Importance: High

Please let me know when you will be responding. Otherwise, we will have no other alternative but to seek judicial redress in the form of a writ of mandate.

Thank you for your immediate attention to this matter.

Bruce T. Bauer

Of Counsel

SLOVAK BARON EMPEY MURPHY & PINKNEY LLP 1800 E. Tahquitz Canyon Way, Palm Springs, California 92262 Phone (760) 322-2275 / Fax (760) 322-2107

From: Stanfield, Wesley < WStanfie@rivco.org > Sent: Monday, November 7, 2022 11:11 AM

To: Bruce T. Bauer <a href="mailto:sbemp.com">sbemp.com</a>; Garcia, Gabriela <a href="mailto:GabGarcia@RIVCO.ORG">GabGarcia@RIVCO.ORG</a>

Cc: Quiroz, Michelle E < < MEQuiroz@RIVCO.ORG >; Ruiz, Jose < JRuiz@rivco.org >; Jamison, Angela < AJamison@Rivco.org > Subject: RE: Response to Request for Proposal Appeal Letter - Long-term Lease of Blythe Fueling Station, Convenience

Store, and Truck Stop

Mr. Bruce T. Bauer:

I will review your email and be touch. Regarding the protest procedure, the attached is TLMA-Aviation's procedure, which I believe you have already received.

Thank you,

Wesley W. Stanfield Deputy County Counsel County of Riverside Phone: (951) 955-6300 Fax: (951) 955-6363

Email: wstanfie@rivco.org



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From: Bruce T. Bauer < bauer@sbemp.com > Sent: Monday, November 7, 2022 10:54 AM

To: Garcia, Gabriela < GabGarcia@RIVCO.ORG >; Stanfield, Wesley < WStanfie@rivco.org >

Cc: Quiroz, Michelle E < MEQuiroz@RIVCO.ORG >; Ruiz, Jose < JRuiz@rivco.org >; Jamison, Angela < AJamison@Rivco.org > Subject: RE: Response to Request for Proposal Appeal Letter - Long-term Lease of Blythe Fueling Station, Convenience

Store, and Truck Stop Importance: High

CAUTION: This email originated externally from the <u>Riverside County</u> email system. **DO NOT** click links or open attachments unless you recognize the sender and know the content is safe.

Mr. Stanfield:

We are in receipt of your letter of Oct. 28, 2022. Our clients are extremely disappointed by the County's position in this matter and believes that position is wrong for a number of reasons.

As to your assertion that promissory estoppel is not general applicable to a governmental agency, with the law relative to the authority of an agent of a government agency the question is whether the agent had the authority to extend an existing lease. Estoppel is not available against a public agency where its application would result in the violation of an important public policy. But <a href="here">here</a> there would be no violation of a public policy because the extension could have been given or the exception applicable to airports could have been used.

As to your assertion that the Board of Supervisors must follow a competitive bidding process which takes place at a regularly scheduled public meeting of the board of supervisors, this is incorrect. Government Code § 25536 allows an airport lease without a competitive bidding process.

You then assert that the Board of Supervisors have prescribed such an alternative procedure. Riverside County Ordinance No. 861, Section 4 provides the following:

"ALTERNATIVE PROCEDURE FOR LEASING AND LICENSING OF COUNTY PROPERTY. The Board, pursuant to Government Code section 25537, hereby prescribes the following alternative procedure to the procedure required by 25526 to 25535 for leasing and licensing of County property. This alternative procedure shall not

be required for any leases or licenses that have been specifically excluded by law from any bidding procedures.

As mentioned above Government Code § 25536 is an exclusion from the requirements of 25526 to 25535.

In your letter, you go not explain how it was that the County previously extended the lease without RPF or bidding. Since they made extensions in the past without following a procedure, it is apparent that extensions by County policy do not require a bidding or RFP process. Extensions to allow the amortization of the improvements should have been allowed.

Tenants make improvements to premises without getting written consent all the time. It is a breach of the lease but what damages did the County suffer as a result of not being able to approve the improvements. The unarticulated argument contained in your letter is that since we failed to get advanced approval of the improvements our client deserves to suffer approximately \$1.2 million dollars in damages. This is contrary to any accepted American legal precedent. The most that they could get would be their actual damages of a liquidated damages amount if such a clause existed.

Please let us know if you will reconsider your position based on the above.

#### **Bruce T. Bauer**

#### Of Counsel

SLOVAK BARON EMPEY MURPHY & PINKNEY LLP 1800 E. Tahquitz Canyon Way, Palm Springs, California 92262 Phone (760) 322-2275 / Fax (760) 322-2107

From: Garcia, Gabriela < GabGarcia@RIVCO.ORG >

**Sent:** Friday, October 28, 2022 1:55 PM **To:** Bruce T. Bauer <bauer@sbemp.com>

**Cc:** Stanfield, Wesley < <u>WStanfie@rivco.org</u>>; Quiroz, Michelle E < <u>MEQuiroz@RIVCO.ORG</u>>; Ruiz, Jose < <u>JRuiz@rivco.org</u>>;

Jamison, Angela < AJamison@Rivco.org>

Subject: Response to Request for Proposal Appeal Letter - Long-term Lease of Blythe Fueling Station, Convenience Store,

and Truck Stop



IRONSCALES couldn't recognize this email as this is the first time you received an email from this sender GabGarcia@http://RIVCO.ORG

Good afternoon -

Please see the attached letter, for your convenience a courtesy copy has also been mailed out.

Please also confirm receipt.

#### GABRIELA GARCIA

Legal Support Assistant II-CN Office of County Counsel County of Riverside Phone: 951-955-6339

Fax: 951-955-6363 GabGarcia@rivco.org



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#### **County of Riverside California**



# OFFICE OF COUNTY COUNSEL COUNTY OF RIVERSIDE

3960 ORANGE STREET, SUITE 500 RIVERSIDE, CA 92501-3674 TELEPHONE: 951/955-6300 FAX: 951/955-6322 & 951/955-6363

November 23, 2022

JAGS CARE dba BB Travel Center c/o Bruce T. Bauer, Esq. Slovak Baron Empey Murphey & Pinkney LLP 1800 E. Tahquitz Canyon Way Palm Springs, California 92262

Re: Request for Proposal Appeal Letter dated September 29, 2022
Request for Proposal No. 2022-001
Long-term Lease of Blythe Fueling Station, Convenience Store, and Truck Stop

17970 W. Hobsonway, Blythe, CA 92225

Dear Mr. Bruce T. Bauer, Esq.:

On September 29, 2022, you submitted a letter on behalf of your client, JAGS CARE dba BB Travel Center ("JAGS"), regarding the above-mentioned Request for Proposal No. 2022-01, Long-term Lease of Blythe Fueling Station, Convenience Store, and Truck Stop ("RFP"). This office on behalf of the Riverside County Transportation and Land Management Agency — Aviation Division ("TLMA-Aviation") responded to your letter on October 28, 2022. On November 7, 2022, you responded via email requesting reconsideration. Those correspondences are incorporated herein by reference.

TLMA-Aviation has reviewed your request for reconsideration and finds the following:

- 1. Notwithstanding California Government Code Section 25536's exception to the requirement of competitive bidding for County-owned Airport property, there exists a strong public policy in favor of competitive bidding. Competitive bidding protects taxpaying public and prevents waste and favoritism.
- 2. California Government Code Section 25536 provides an exception to the competitive bidding process for leasing County-owned Airport property where the County, by not less than four-fifths vote of the Board of Supervisors, enters into a lease of property devoted to or held for ultimate use for airport or industrial or commercial development thereto or not inconsistent therewith. Section 25536 does not require the County to forego the competitive bidding process.

- 3. TLMA-Aviation has reviewed all relevant documents and found no "promises" being made by TLMA-Aviation regarding a new long-term lease between the County and JAGS. Your letter cited the Blythe Airport Temporary Lease Agreement's recital that the "County and Lessee desire to enter into this Lease for the Leased Premises as an interim agreement, while the Parties negotiate a long-term lease" as evidence of County made "promises." TLMA-Aviation disagrees that the recital in the Temporary Lease Agreement constitutes a promise of a new long-term lease, nor is it binding as a promise.
- 4. As stated above, California Government Code Section 25536 requires leases to be approved by a vote of not less than four-fifths. Therefore, only the Board of Supervisors has the authority to bind the County to a long-term lease.
- 5. The parties have been negotiating the terms for a new lease since at least 2010 but without success. Because the parties could never agree upon the terms of the agreement including an appropriate rental amount, an RFP was issued.
- 6. By issuing the RFP, TLMA-Aviation provided all interested parties the opportunity to bid for a long-term lease for the Subject Property. Pursuant to Section 4 of Riverside County Ordinance No. 861, the Board of Supervisors will either accept the bid declared as the highest or reject all bids for the proposed lease.

For the foregoing reasons, the TLMA-Aviation's decision is final. If you have any evidence contrary to the findings herein, please submit to TLMA-Aviation for review.

Sincerely,

MINH C. TRAN County Counsel

Wesley W. Stanfield Deputy County Counsel

WWS:gg

From:

cob@rivco.org

Sent:

Monday, November 28, 2022 10:21 AM

To:

COB; sdroop786@icloud.com

Subject:

Board comments web submission

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First Name:

Sukhbir

Last Name:

Dhaliwal

Address (Street, City and Zip):

17970 W. Hobson Way, Blythe, CA 92225

Phone:

805-816-4585

Email:

sdroop786@icloud.com

Agenda Date:

11/29/2022

Agenda Item # or Public Comment: #55

State your position below:

Oppose

Comments:

I am the business owner and wish to speak to the board regarding agenda item 55.

Thank you for submitting your request to speak. The Clerk of the Board office has received your request and will be prepared to allow you to speak when your item is called. To attend the meeting, please call (669) 900-6833 and use Meeting ID # 864 4411 6015. Password is 20221129. You will be muted until your item is pulled and your name is called. Please dial in at 9:00 am with the phone number you provided in the form so you can be identified during the meeting.



From:

cob@rivco.org

Sent:

Monday, November 28, 2022 10:25 AM

To:

COB; tsingh240@gmail.com

Subject:

Board comments web submission

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First Name:

Tara Amrita

Last Name:

Singh

Address (Street, City and Zip):

17970 W. Hobson Way, Blythe CA 92225

Phone:

2026795029

Email:

tsingh240@gmail.com

Agenda Date:

11/29/2022

Agenda Item # or Public Comment: #55

State your position below:

Oppose

Comments:

I wish to speak to the Board of Supervisors to discuss my family's business.

Thank you for submitting your request to speak. The Clerk of the Board office has received your request and will be prepared to allow you to speak when your item is called. To attend the meeting, please call (669) 900-6833 and use Meeting ID # 864 4411 6015. Password is 20221129. You will be muted until your item is pulled and your name is called. Please dial in at 9:00 am with the phone number you provided in the form so you can be identified during the meeting.

From:

cob@rivco.org

Sent:

Monday, November 28, 2022 10:29 AM

To:

COB; scorrosacido@gmail.com

Subject:

Board comments web submission

CAUTION: This email originated externally from the Riverside County email system. DO NOT click links or open attachments unless you recognize the sender and know the content is safe.



First Name:

Scorro

Last Name:

Salcido

Address (Street, City and

Zip):

17970 W. Hobson Way, Blythe CA 92225

Phone:

760-600-1421

Email:

scorrosacido@gmail.com

Agenda Date:

11/29/2022

Agenda Item # or Public

Comment:

55

State your position below: Oppose

Comments:

I am the manager of BB Travel Center in Blythe and wish to speak with the Board of

Supervisors regarding agenda item #55

Thank you for submitting your request to speak. The Clerk of the Board office has received your request and will be prepared to allow you to speak when your item is called. To attend the meeting, please call (669) 900-6833 and use Meeting ID # 864 4411 6015 . Password is 20221129. You will be muted until your item is pulled and your name is called. Please dial in at 9:00 am with the phone number you provided in the form so you can be identified during the meeting.

From:

cob@rivco.org

Sent:

Monday, November 28, 2022 10:32 AM

To:

COB; manjitsingh7174@gmail.com

Subject:

Board comments web submission

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First Name:

Elisabeth

Last Name:

Singh

Address (Street, City and Zip):

17970 W. Hobson Way, Blythe CA 92225

Phone:

760-777-0368

Email:

manjitsingh7174@gmail.com

Agenda Date:

11/29/2022

Agenda Item # or Public

State your position below:

55

Comment:

Oppose

Comments:

I currently work at BB Travel Center and wish to address the Board of Supervisors.

Thank you

Thank you for submitting your request to speak. The Clerk of the Board office has received your request and will be prepared to allow you to speak when your item is called. To attend the meeting, please call (669) 900-6833 and use Meeting ID # 864 4411 6015. Password is 20221129. You will be muted until your item is pulled and your name is called. Please dial in at 9:00 am with the phone number you provided in the form so you can be identified during the meeting.



## Maxwell, Sue

From:

cob@rivco.org

Sent:

Tuesday, November 29, 2022 9:32 AM

To:

COB; money@samra.us

Subject:

Board comments web submission

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First Name:

Money

Last Name:

Samra

Phone:

8185188648

Email:

money@samra.us

Agenda Date:

11/29/2022

Agenda Item # or Public Comment: 3.55

State your position below:

Support

Comments:

We are the winning bidder for the RFP (request for proposal) from the county.

Thank you for submitting your request to speak. The Clerk of the Board office has received your request and will be prepared to allow you to speak when your item is called. To attend the meeting, please call (669) 900-6833 and use Meeting ID # 864 4411 6015. Password is 20221129. You will be muted until your item is pulled and your name is called. Please dial in at 9:00 am with the phone number you provided in the form so you can be identified during the meeting.

From:

cob@rivco.org

Sent:

Tuesday, November 29, 2022 7:55 AM

To:

COB

Subject:

**BOS** web comments

**CAUTION:** This email originated externally from the <u>Riverside County</u> email system. **DO NOT** click links or open attachments unless you recognize the sender and know the content is safe.

First Name:

Bruce

Last Name:

Bauer

Email:

bauer@sbemp.com

Agenda Date:

11/29/2022

Agenda Item # or

55

Public Comment:

...

State your position

below:

Oppose

Comments:

Our Firm represents JAGS CARE dba BB Travel Center (sometimes "Appellant.") We previously corresponded with the County of Riverside as an appeal from the denial of the RFP 2022-01 Long-Term Lease of Blythe Fueling Station, Convenience Store, and Truck Stop. The latter is located on 20.89-acres of improved land at the Blythe Airport and located at 17970 W Hobson Way, Blythe, CA 92225 (the "Premises").

Item No. 55, should NOT be approved for the reasons as set forth below.

Appellant has been a tenant for the Premises pursuant to a long-term lease since March 2001. Appellant has been running this business since that time when it purchased it from the Bank. Appellant built this business from the ground up since it was closed for roughly six (6) months due to bankruptcy filed by the previous owners.

The new representative manager of the Airport agency, Angela Jamison, had previously contacted Appellant when the prior lease for the Premises had expired. The County of Riverside, by and through Ms. Jamison, represented to Appellant, over an approximately two (2) year time period, that the existing expired lease for the Premises would be renewed with Appellant on the condition that the Premises were "brought up to Code" and other costly and involved improvements were made to the Premises (the "County Promises"). Based on these representations, Appellant invested approximately \$1.2 million into the Premises to renovate and greatly improve the Premises.

As evidence of the County Promise, the County entered into a lease with Appellant on or about October 4, 2021 (the "October 2021 Lease"). The October 2021 Lease was anticipated to be a temporary lease, but Appellant understood that it would be amended and made into a long-term lease. As evidence of this fact, the October 2021 Lease provides as follows:

"WHEREAS, County and Lessee desire to enter into this Lease for the Leased Premises as an interim agreement, while the Parties negotiate a long-term lease." (Emphasis added.) (The October 2021 Lease is incorporated herein by this reference into this Appeal.)

Thus, the County confirmed Appellant's reasonable reliance that a long-term lease would be entered into between the parties.

All of the above improvements benefited the County since it is the lessor and owner of the Premises. The investment that Appellant made to the Premises were done with the reasonable expectation, and reliance, that the promises made by the County that Appellant's lease for the Premises would be extended, would be honored. However, those promises were not honored. Rather than honoring the above promises, the County sent this matter out to bid for an RFP on or about April 14, 2022.

Even though the above promises were not honored by the County, Appellant nevertheless submitted its lengthy, thorough and exhaustive proposal in the form of the Appellant's Proposal.

The County has asserted that promissory estoppel is not general applicable to a governmental agency, with the law relative to the authority of an agent of a government agency the question is whether the agent had the authority to extend an existing lease. Estoppel is not available against a public agency where its application would result in the violation of an important public policy. But HERE there would be no violation of a public policy because the extension could have been given or the exception applicable to airports could have been used.

The County has also asserted hat the Board of Supervisors must follow a competitive bidding process which takes place at a regularly scheduled public meeting of the board of supervisors. That assertion is incorrect. Government Code § 25536 allows an airport lease without a competitive bidding process.

The County asserts that the Board of Supervisors have prescribed such an alternative procedure. Riverside County Ordinance No. 861, Section 4 provides the following:

"ALTERNATIVE PROCEDURE FOR LEASING AND LICENSING OF COUNTY PROPERTY. The Board, pursuant to Government Code section 25537, hereby prescribes the following alternative procedure to the procedure required by 25526 to 25535 for leasing and licensing of County property. This alternative procedure shall not be required for any leases or licenses that have been specifically excluded by law from any bidding procedures. As mentioned above Government Code § 25536 is an exclusion from the requirements of 25526 to 25535.

However, in the instant case, the County previously extended the lease WITHOUT RPF or bidding. Since they made extensions in the past without following a procedure, it is apparent that extensions by County policy do not require a bidding or RFP process. Extensions to allow the amortization of the improvements should have been allowed.

Tenants make improvements to premises without getting written consent all the time. It is a breach of the lease but what damages did the County suffer as a result of not being able to approve the improvements. The unarticulated argument from the County is that since we failed to get advanced approval of the improvements our client deserves to suffer approximately \$1.2 million dollars in damages. This is contrary to any accepted American legal precedent. The most that they could get would be their actual damages of a liquidated damages amount if such a clause existed.

We urge the County Board of Supervisors to vote no on Item no. 55.

Attachments (Must be .pdf, .doc, or

2200929-Appeal-Ltr-to-Riv-Co.pdf

.docx):