



CITY OF

NEWPORT BEACH

City Council Staff Report

July 28, 2026
Agenda Item No. 17

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: Jason Al-Imam, Administrative Services Director/Treasurer - 949-644-3126, jalimam@newportbeachca.gov

PREPARED BY: Jessica Kan, Revenue Manager - 949-644-3153
jkan@newportbeachca.gov

TITLE: Approve Amendment No. One to Professional Services Agreement with LAZ Parking California, LLC for Parking Management and Enforcement

ABSTRACT:

Amendment No. One expands the City of Newport Beach's (City) agreement with LAZ Parking California, LLC for Parking Management and Enforcement (LAZ Parking) to include dedicated street sweeping parking enforcement services. The change is intended to improve compliance with posted restrictions, reduce missed street sweeping areas, enhance neighborhood cleanliness and stormwater quality, and allow Newport Beach Police Department personnel to focus on other traffic-related violations. The amendment does not extend the agreement beyond October 9, 2028, but increases the contract's not-to-exceed amount to \$10,688,165 to cover the expanded services.

RECOMMENDATIONS:

- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly;
- b) Approve Amendment No. One to the Professional Services Agreement with LAZ Parking California, LLC for Parking Management and Enforcement, increasing the total not-to-exceed compensation amount to \$10,688,165; and Authorize the Mayor and City Clerk to execute the amendment.
- c) Establish an additional contingency of \$65,534 (10% of the amended cost) to address unforeseen operational needs associated with providing the enforcement services; and
- d) Approve Budget Amendment No. 27-006, increasing expenditure appropriations by \$250,000 from the General Fund unappropriated fund balance to account number 0103032-811030, offset by a corresponding increase in revenues to account number 0103032-531045.

DISCUSSION:

The City currently uses LAZ Parking to provide parking management and enforcement services under an agreement approved by the City Council on October 10, 2023. The Administrative Services Department worked closely with the Newport Beach Police Department (NBPd) to evaluate the need to outsource street sweeping enforcement. Staff determined that transitioning to dedicated street sweeping enforcement will improve compliance with posted parking restrictions, reduce missed sweeps, and strengthen overall program effectiveness.

Residential street sweeping relies on vehicles being cleared from posted routes during scheduled sweeping times. When vehicles remain parked, sweepers may be forced to bypass sections of roadway, reducing debris removal and negatively affecting stormwater quality and neighborhood cleanliness. Providing dedicated enforcement during sweeping windows is intended to increase compliance and improve program outcomes.

This transition will also allow NBPd community services officers to focus on other Newport Beach Municipal Code traffic violations and California Vehicle Code violations. In Fiscal Years 2025 and 2026, NBPd issued 18,619 and 16,365 street sweeping citations, respectively. These citations totaled approximately \$1.3 million and \$1.2 million, with collection rates of 83% and 82%, respectively. Staff anticipates that LAZ Parking's dedicated enforcement will further improve compliance with posted street sweeping restrictions.

This amendment does not extend the current agreement term, which is set to expire on October 9, 2028. Instead, it increases the contract's not-to-exceed amount to \$10,688,165 to accommodate the expanded scope of services and associated costs.

Pursuant to Labor Code Section 3504.1, the City provided the required notice to the Newport Beach Police Association regarding its intent to contract for street sweeping parking enforcement services.

FISCAL IMPACT:

The amendment to the agreement with LAZ totals \$720,879 and covers the anticipated cost of providing street sweeping traffic enforcement services from September 10, 2026, through October 9, 2028. The amendment provides for four traffic enforcement officers each weekday, Monday through Friday, for approximately five hours per day per officer. It also includes a 10% contingency of \$65,534 to address unforeseen operational needs associated with providing the enforcement services.

In Fiscal Year 2026-27, the additional street sweeping traffic enforcement services to be provided by LAZ are projected to cost approximately \$275,000, reflecting services expected to begin on September 10, 2026. Approximately \$25,000 is available in the current fiscal year budget within the parking meter contract account (No. 0103032-811030). Therefore, a budget amendment of \$250,000 is required to fund the additional

services during Fiscal Year 2026-27. These costs are expected to be offset by increased parking citation revenue generated through the additional enforcement.

Upon approval of Budget Amendment No. 27-006, sufficient funding will be available in the adopted budget to support the additional street sweeping traffic enforcement services. Funding for future fiscal years will be incorporated into the City's annual budget process.

ENVIRONMENTAL REVIEW:

Staff recommends the City Council find this action is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

NOTICING:

The agenda item has been noticed according to the Brown Act (72 hours in advance of the meeting at which the City Council considers the item).

ATTACHMENTS:

Attachment A – Amendment No. One to Professional Services Agreement with LAZ
Parking California, LLC

Attachment B – Budget Amendment No. 27-006