

CITY OF NEWPORT BEACH

City Council Meeting Minutes Regular Meeting October 22, 2024

I. ROLL CALL – 4:00 p.m.

Present: Mayor Will O’Neill, Councilmember Brad Avery (arrived at 4:07 p.m.), Councilmember Noah Blom, Councilmember Robyn Grant, Councilmember Erik Weigand
Excused: Mayor Pro Tem Joe Stapleton, Councilmember Lauren Kleiman

II. INVOCATION – Imam Mahdi al-Qazwini, Islamic Educational Center of Orange County

III. PLEDGE OF ALLEGIANCE – Councilmember Weigand

IV. PRESENTATIONS

- **Proclamation Recognizing the Newport Rib Company’s 40th Anniversary**

Mayor O’Neill read the proclamation and presented it to the Ursini family; and Assemblymember Diane Dixon presented the Ursini family with an Assembly resolution.

John Ursini thanked Council for the recognition and opportunity to honor his family’s values.

- **Legislative Update from Assemblymember Diane Dixon**

Assemblymember Dixon noted the two year length of the legislative session, summarized data regarding bills signed into law, and highlighted a bill regarding auditing, monitoring, and regulating recovery homes in California. She also noted the recent closure of the Department of Motor Vehicles Laguna Hills office, emphasized the December 31, 2025 deadline for the Balboa Island ferry to reach zero emissions, highlighted 10 bills she authored which were signed into law by Governor Gavin Newsom, preparations for the next legislative session in January, and recognized the immense value of her local government experience and importance of maintaining local control.

Assemblymember Dixon noted a 25-bill limit per legislature and encouraged the community to write letters and testify in person.

Councilmember Grant thanked Assemblymember Dixon who then introduced her District Director and Field Representative as resources for the City.

V. PUBLIC COMMENTS ON AGENDA AND NON-AGENDA ITEMS

Jim Mosher inquired as to why the recent Aviation Committee meeting was cancelled and asked about the next Coffee with the Mayor. Mayor O’Neill announced Coffee with the Mayor will take place on October 23, 2024 at Haute Cakes Caffe.

Ruth Kobayashi thanked staff, the City Council, and the Newport Beach Police Department (NBPD) for the recent progress she has noticed with homelessness in the City and encouraged continued efforts.

VI. CITY COUNCIL ANNOUNCEMENTS AND ORAL REPORTS FROM CITY COUNCIL ON COMMITTEE ACTIVITIES

Councilmember Avery:

- Attended the Orange County Sanitation District (OC San) administrative meeting and noted tomorrow’s upcoming board meeting

Councilmember Weigand:

- Thanked Councilmember Avery for serving on the OC San Board and for attending meetings regularly
- Announced that his mentee from Newport Harbor High School, Cooper Holland, was in attendance

Councilmember Grant:

- Attended the Corona del Mar (CdM) meet and greet sponsored by the CdM Chamber of Commerce and a pie contest that was judged by Councilmember Kleiman
- Announced the Newport Beach Film Festival taking place October 17-24, 2024, and highlighted a local film called “Newport and Me: Seymour Beek” filmed by Ed Olen
- Announced Assemblywoman Dixon’s Senior Scam Prevention presentation at the OASIS Senior Center was well attended; the General Plan Recreation and Natural Resources Element community workshop will be held on November 14, 2024, from 6-8 p.m.; the City’s Spooktacular at Mariners Park will be held on October 26, 2024; and the Central Library will be hosting Halloween activities October 24-30, 2024

Mayor O’Neill:

- Congratulated Mayor Pro Tem Stapleton on his wedding over the weekend
- Announced a subcommittee composed of himself and Councilmembers Avery and Weigand that is focused on contract negotiations with Visit Newport Beach and indicated that the terms will be brought to the next Council meeting

VII. MATTERS WHICH COUNCILMEMBERS HAVE ASKED TO BE PLACED ON A FUTURE AGENDA (NON-DISCUSSION ITEM)

- **Consider Relocating the Historic City Seal to City Hall [Councilmember Weigand]**

The Councilmembers in attendance concurred to bring the item back at a future meeting.

VIII. PUBLIC COMMENTS ON CONSENT CALENDAR

Regarding Item 9 (Commercial Refuse Removal Services of City Operations), Jim Mosher inquired about the process and related expenses to sort trash.

Regarding Item 17 (Year-End Budget Results and Surplus Allocation), Adam Leverenz inquired if it was possible not to allocate an unrestricted General Fund surplus for unexpected future needs. Mayor O’Neill stated that Council could reallocate the funds in the future if needed.

IX. CONSENT CALENDAR

READING OF MINUTES AND ORDINANCES

1. Minutes for the October 8, 2024, City Council Meeting

Waive reading of subject minutes, approve as amended, and order filed.

2. Reading of Ordinances

Waive reading in full of all ordinances under consideration and direct the City Clerk to read by title only.

ORDINANCES FOR INTRODUCTION

3. Ordinance No. 2024-25: Amending Chapter 15.02 (Administrative Code Related to Construction and Demolition Waste Permits) of the Newport Beach Municipal Code

- a) Determine this action is exempt from 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 this action will not result in a physical change to the environment, directly or indirectly; and

- b) Waive full reading, direct the City Clerk to read by title only, introduce Ordinance No. 2024-25, *An Ordinance of the City Council of the City of Newport Beach, California, Amending Section 15.02.085 (Addition of Section 105.3.1.1) of Chapter 15.02 (Administrative Code) of the Newport Beach Municipal Code, to Update Administrative Procedures for the Handling of Permit Deposits and Fees Associated with Waste Generated from Construction Projects Having a Valuation Over \$100,000 or that Result in the Complete Demolition of a Structure*, and pass to second reading on November 12, 2024.
4. **Ordinance No. 2024-26 and Resolution No. 2024-76: Local Coastal Program Amendments Related to Changing Land Use for the Hanna Residences at 3014 Balboa Boulevard (PA2020-060)**
- a) Find this amendment exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15303 under Class 3 (New Construction or Conversion of Small Structures) of the CEQA Guidelines, because it has no potential to have a significant effect on the environment and local governments are exempt from the requirements of CEQA in connection with the adoption of a Local Coastal Program, and further that the exceptions to the Class 3 exemption do not apply;
- b) Adopt Resolution No. 2024-76, *A Resolution of the City Council of the City of Newport Beach, California, Amending the Coastal Land Use Plan of the Local Coastal Program to Change the Land Use Category From Commercial Neighborhood - (0.0 - 0.30 FAR) (CN) to Two Unit Residential - (30.0 - 39.9 DU/AC) (RT-E) for the Property Located at 3014 Balboa Boulevard (PA2020-060)*; and
- c) Waive full reading, direct the City Clerk to read by title only, introduce Ordinance No. 2024-26, *An Ordinance of the City Council of the City of Newport Beach, California, Amending Title 21 (Local Coastal Program Implementation Plan) of the Newport Beach Municipal Code to Change the Zoning District From Commercial Neighborhood (CN) to Two-Unit Residential (R-2) and to Amend Setback Map S-2B – Balboa Peninsula to Remove a Front Setback Designation Abutting the Side Property Line For the Property Located at 3014 Balboa Boulevard (PA2020-060)*, and pass to second reading on November 12, 2024.
5. **Ordinance No. 2024-27 and Resolution No. 2024-77: Local Coastal Program (LCP) Amendment to Increase the Development Limit Specified for Bay Island (PA2022-087)**
- a) Find this action exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15303 under Class 3 (New Construction or Conversion of Small Structures) of the CEQA Guidelines, because this project has no potential to have a significant effect on the environment;
- b) Waive full reading, direct the City Clerk to read by title only, introduce Ordinance No. 2024-27, *An Ordinance of the City Council of the City of Newport Beach, California, Amending Title 21 (Local Coastal Program Implementation Plan) to Change the Development Limit Specified for Bay Island from 23 Dwelling Units to a Maximum of 25 Dwelling Units (PA2022-087)*, and pass to second reading on November 12, 2024; and
- c) Adopt Resolution No. 2024-77, *A Resolution of the City Council of the City of Newport Beach, California, Adopting a Local Coastal Program Amendment as Approved by the California Coastal Commission to Change the Development Limit Specified in the Coastal Land Use Plan (CLUP) for Bay Island from 23 Dwelling Units to a Maximum of 25 Dwelling Units (PA2022-087)*.

ORDINANCE FOR ADOPTION

6. **Ordinance No. 2024-24: Approving the Second Amendment to Development Agreement No. DA2012-003 for the Uptown Newport Planned Community Located at 4311 Jamboree Road (PA2024-0078) (C-5387)**
- a) Find that all significant environmental concerns for the Project have been addressed in the previously certified Environmental Impact Report No. ER2012-001 (SCH No. 2010051094), First Addendum No. ER2012-001, and Second Addendum No. ER2020-001; and
- b) Conduct second reading and adopt Ordinance No. 2024-24, *An Ordinance of the City Council of the City of Newport Beach, California, Approving of the Second Amendment to Development Agreement No. DA2012-003 for Uptown Newport Planned Community Located at 4311 Jamboree Road (PA2024-0078)*.

Mayor O'Neill recused himself from Item 6 due to his membership in the Pacific Club.

RESOLUTION FOR ADOPTION

- 7. Resolution No. 2024-78: Amending City Council Policy F-1 (Statement of Investment Policy)**
- 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; and
 - b) Adopt Resolution No. 2024-78, *A Resolution of the City Council of the City of Newport Beach, California, Finding Consistency with Stated Investment Objectives and Amending City Council Policy F-1 (Statement of Investment Policy) to Add Clarifying Language that is Consistent with Government Code Section 53600, et seq.*

CONTRACTS AND AGREEMENTS

- 8. Newport Boulevard Landscape Improvements (Industrial Way to Pacific Coast Highway) and West Coast Highway Landscaping Improvements (West City Limits to Highland St.) – Notice of Completion for Contract No. 9226-1 (23L01)**
- a) Accept the completed work and authorize the City Clerk to file a Notice of Completion for the project.
- 9. Approval of Amendment No. Two to Maintenance/Repair Services Agreement with CR&R Incorporated for Commercial Refuse Removal Services of City Operations (Contract No. 8569-1)**
- 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; and
 - b) Approve Amendment No. Two to Maintenance/Repair Services Agreement with CR&R Incorporated (Contract No. 8569-1) to implement source separation at City of Newport Beach facilities, increase disposal frequencies for green waste, add City facilities, extend the agreement to February 28, 2026, and increase the not-to-exceed amount by \$333,903.72 to a total not-to-exceed of \$1,090,117.89.
- 10. Fire Station No. 8 HVAC Rehabilitation – Reject All Bids for Contract No. 9373-1 (24F02)**
- a) Find this project 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) Reject all bids received for Contract No. 9373-1; and
 - c) Direct staff to re-advertise the Fire Station No. 8 HVAC Rehabilitation project.
- 11. Approval of Professional Services Agreement with Moffatt & Nichol for Ocean Piers Inspection and Design Services (25H03) (C-9759-1)**
- 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; and
 - b) Authorize the City Manager and City Clerk to execute a Professional Services Agreement with Moffatt & Nichol for the Ocean Piers Inspection and Design Services project for a total not-to-exceed amount of \$265,500 and execute the agreement in a form substantially similar to the agreement prepared by the City Attorney.
- 12. Award of On-Call Roofing Maintenance and Repair Services Agreements with Rainy Day Roofing, Inc. (C-9760-1) and Best Contracting Services, Inc. (C-7326-3)**
- 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 an On-Call Roofing Maintenance and Repair Service Agreement with Rainy Day Roofing Inc., for a five-year term and total amount not-to-exceed of \$200,000, and authorize the Mayor and City Clerk to execute the agreement; and
- c) Approve an On-Call Roofing Maintenance and Repair Service Agreement with Best Contracting, Inc., for a five-year term and total amount not-to-exceed of \$100,000, and authorize the Mayor and City Clerk to execute the agreement.

13. Approval of Vehicle Replacement Purchase Orders for Three Toyota Tacoma Trucks, One John Deere Wheel Loader, and One John Deere Backhoe Loader

- 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 a Purchase Order for three Toyota Tacoma TRD Off-Road 4WD double cab pickup trucks from Toyota of Glendale, for a total amount of \$142,925.73;
- c) Approve a Purchase Order for one John Deere 624 P-Tier wheel loader, and one John Deere 410 P-Tier backhoe loader from Coastline Equipment of Long Beach, for a total amount of \$471,762.96; and
- d) Authorize a contingency of \$30,000 (approximately 5% of total quotes) to cover the cost of unforeseen changes to the current quotes.

14. Amendment No. One to the Professional Services Agreement with PlaceWorks, Inc. for Environmental Services for a Landfill Gas to Energy Facility at 20662 Newport Coast Drive (PA2022-063) (C-9383-1)

- 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; and
- b) Approve and authorize the Mayor and City Clerk to execute Amendment No. One to Professional Services Agreement with PlaceWorks, Inc. for Preparation of Environmental Analysis and Documentation for Landfill Gas to Energy Plant at 20662 Newport Coast Drive, in an amount not-to-exceed \$188,613 and in a form substantially similar to the agreement attached to the staff report.

15. Benefits Broker Third Party Administrator – Approval of Professional Services Agreement with Burnham Benefits Insurance Services (C-8610-3)

- 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; and
- b) Approve a five-year Professional Services Agreement with Burnham Benefits Insurance Services, LLC for Benefits Broker Services at a not-to-exceed amount of \$257,250, and authorize the Mayor and City Clerk to execute the Agreement.

16. Workers' Compensation Third Party Administrator – Approval of Professional Services Agreement with AdminSure, Inc. (C-8613-2)

- 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; and
- b) Approve a five-year Professional Services Agreement with AdminSure, Inc. for Workers' Compensation Third-Party Administration (TPA) Services at a not-to-exceed amount of \$2,172,472 and authorize the Mayor and City Clerk to execute the Agreement.

MISCELLANEOUS

17. Year-End Budget Results and Surplus Allocation

- 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 the one-time waiver of policy elements C and D of City Council Policy F-5 – *General Fund Surplus Utilization*;
- c) Approve Budget Amendment No. 25-027, allocating the unrestricted operating surplus for Fiscal Year 2023-24; and
- d) Receive and file the report of the budget amendments for the fourth quarter.

18. Annual Review of Visit Newport Beach Audited Financial Statements and Expenditure Report

- 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; and
- b) Receive and file.

Motion by Mayor O’Neill, seconded by Councilmember Blom, to approve the Consent Calendar; and noting the amendments to Items 1 and 11, and the recusal by Mayor O’Neill to Item 6.

With Mayor Pro Tem Stapleton and Councilmember Kleiman absent, the motion carried 5-0.

X. ITEMS REMOVED FROM THE CONSENT CALENDAR – None

XI. PUBLIC HEARING

19. Ordinance No. 2024-28: Amending Title 21 (*Local Coastal Program Implementation Plan*) of the Newport Beach Municipal Code Relating to Accessory Dwelling Unit Regulations (PA2021-113)

Mayor O’Neill opened the public hearing.

Jim Mosher noted that the changes for consideration will become out of date on January 1, 2025, and suggested the ordinance state that the City defers to State law with specific exceptions and provided an example.

Mayor O’Neill expressed his appreciation for the work on the matter and noted the length of time spent working with the California Coastal Commission (CCC).

Hearing no further testimony, Mayor O’Neill closed the public hearing.

Motion by Mayor O’Neill, seconded by Councilmember Blom, to a) find this project is statutorily exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15282(h) of the CEQA Guidelines, which states that the adoption of an ordinance regarding second units to implement the provisions of Sections 65852.1 and 65852.2 (now 66310 through 66342) of the Government Code are exempt from the requirements of CEQA; and c) waive full reading, direct the City Clerk to read by title only, introduce Ordinance No. 2024-28, *An Ordinance of the City Council of the City of Newport Beach, California, Adopting Local Coastal Program Amendment No. LC2021-003 as Modified by the California Coastal Commission Amending Title 21 (Local Coastal Program Implementation Plan) of the Newport Beach Municipal Code to Implement Council Policy K-4 (Reducing the Barriers to the Creation of Housing) and New State Law Requirements Relating to Accessory Dwelling Units (PA2021-113)*, and pass to second reading on November 12, 2024.

With Mayor Pro Tem Stapleton and Councilmember Kleiman absent, the motion carried 5-0.

XII. CURRENT BUSINESS

20. Resolution No. 2024-79: Collins Island Bridge Replacement – Adoption of Mitigated Negative Declaration and Intent to Prepare Final Construction Documents (22R13)

Deputy Public Works Director Houlihan and Assistant City Engineer Stein utilized a presentation to discuss the project location, proposed improvements, comparison of the proposed bridge and existing bridge, proposed bridge plan and elevation, seawalls, the Mitigated Negative Declaration, and the proposed schedule.

In response to Council questions, Deputy Public Works Director Houlihan stated that this area and the Grand Canal area need to be addressed first; a plan will come back to Council to extend the seawall up to 10 feet in a phased approach over 15 years; explained the structural materials used, the construction process, and current requirements; clarified that drainage will not come out from under the Collins Island Bridge; identified a pump station adjacent to the bridge; noted that tie-ins are available if needed; noted outreach efforts over four years, as well as more opportunities for public feedback in the future; and described the access plan during bridge construction and parking mitigation efforts.

Jim Mosher inquired about a preliminary project approval by the CCC for the seawall and bridge design, expressed disappointment about the noise samples, and noted the possible impacts to fish from pile driving noise in the bay.

Adam Leverenz asked about the life expectancy of steel sheet piles.

In response to Mayor O'Neill's question, Assistant City Engineer Stein relayed outreach efforts with the CCC and staff's ability to move forward with a methodical approach.

Motion by Councilmember Blom, seconded by Councilmember Grant, to a) adopt Resolution No. 2024-79, *A Resolution of the City Council of the City of Newport Beach, California, Adopting Mitigated Negative Declaration No. ND2018-002 (SCH#2024070802) for the Collins Island Bridge Replacement (PA2018-153)*, pursuant to the California Environmental Quality Act, State CEQA Guidelines and City Council Policy K-3; and b) authorize Michael Baker International to prepare the final construction documents for the Collins Island Bridge Replacement including adjacent new seawalls.

With Mayor Pro Tem Stapleton and Councilmember Kleiman absent, the motion carried 5-0.

XIII. MOTION FOR RECONSIDERATION – None

XIV. ADJOURNMENT – Adjourned at 5:16 p.m. in memory of Spelt “Petar” Marovic

The agenda was posted on the City's website and on the City Hall electronic bulletin board located in the entrance of the City Council Chambers at 100 Civic Center Drive on October 17, 2024, at 4:00 p.m.

Will O'Neill
Mayor

Leilani I. Brown
City Clerk