

CITY OF NEWPORT BEACH

City Council Meeting Minutes Regular Meeting June 10, 2025

I. ROLL CALL – 4:00 p.m.

Present: Mayor Joe Stapleton, Mayor Pro Tem Lauren Kleiman, Councilmember Michelle Barto, Councilmember Noah Blom, Councilmember Robyn Grant, Councilmember Sara J. Weber
Excused: Councilmember Erik Weigand

II. INVOCATION – Dalia Taft, Merage Jewish Community Center of Orange County

III. PLEDGE OF ALLEGIANCE – Mayor Pro Tem Kleiman

IV. PRESENTATIONS

- **History of the Balboa Bay Club – Hollywood's Riviera by Bruce Cook**

Bruce Cook utilized a presentation to discuss the Balboa Bay Club's beginnings in 1948 and its transformation in the 1950s as the center of Newport Beach's social scene and celebrity getaway. Mr. Cook also discussed the Balboa Bay Club's role in charitable activities and its impact on the community.

- **Proclamation to City Clerk Leilani Brown**

Mayor Stapleton read the proclamation and presented it to City Clerk Brown in recognition of her retirement after over 27 years of dedicated service to the City.

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

Councilmember Barto:

- Attended the Balboa Island Parade, a Water Quality/Coastal Tidelands Committee meeting, and Movies in the Park
- Participated in a field trip with the Ad Hoc Refuse Committee to the Material Recovery Facility (MRF) in Anaheim

Councilmember Grant:

- Attended the Balboa Island Parade and the Newport Beach TV Fest
- Participated in a field trip with the Ad Hoc Refuse Committee to the Material Recovery Facility (MRF) in Anaheim

Councilmember Weber

- Participated in Fire Ops 101
- Announced the Flag Day ceremony on June 14, 2025 in the Civic Center Green and that the flags will be displayed until July 4

Mayor Stapleton

- Attended the Balboa Island Parade, the Newport Beach Foundation's Distinguished Citizen Program graduation, the Newport Beach TV Fest, the City of Hope key ceremony at Irvine Hospital, the Corona del Mar Scenic 5K, and numerous graduation parties

VI. PUBLIC COMMENTS ON CONSENT CALENDAR

Councilmember Grant announced that she is on the Board of Directors for Speak Up Newport which will be receiving a grant (Item 13), but there is no conflict of interest.

Councilmember Weber announced that she is the Treasurer for the Exchange Club of Newport Harbor which will be receiving a grant (Item 13), but there is no conflict of interest.

Adam Leverenz believed there is a need for legal expertise on the Harbor Commission (Item 16), discussed some of the nominees, and expressed support for balancing stakeholder interests; emphasized the scrutiny placed on the City's management of the Harbor (Items 14 and 15), pointing out the involvement of two State commissions in examining the loss of tidelands funds; raised issues concerning affordable housing (Item 3) and criticized a development approach that allowed developers to pay a fee instead of building affordable units, arguing this might delay the City from meeting State mandates; and questioned whether existing State penal codes could be effectively used instead of creating new spectator racing laws (Item 4).

Dan Napier, President of the Newport Beach Employees League, thanked Council and the City's negotiating team for its productive bargaining process regarding the new tentative agreement and for their understanding of employees' needs (Item 12).

Bernie Svalstad, Chairman of the Newport Beach Historical Society, requested an increase of at least \$5,000 of the community program grant allocation to the Newport Beach Historical Society (Item 13).

VII. CONSENT CALENDAR

READING OF MINUTES AND ORDINANCES

1. Minutes for the May 27, 2025 Special Joint Meeting of the City Council and Finance Committee and the May 27, 2025 City Council Meeting

Waive reading of subject minutes, approve as written, 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 ADOPTION

3. Postponement of Second Reading and Adoption of Ordinance Nos. 2025-7 and 2025-8 Approving an Amendment to the North Newport Center Planned Community (PC-56)

This is an informational item only and no action is required.

ORDINANCE FOR INTRODUCTION

4. Ordinance No. 2025-9: Adding Chapter 12.70 (*Prohibition on Attending Street Races and Reckless Driving Exhibitions*) to Title 12 (*Vehicles and Traffic*) of the Newport Beach Municipal Code to Prohibit Spectators from Being Present at Street Races and Reckless Driving Exhibitions in Newport Beach

- 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) Waive full reading, direct the City Clerk to read by title only, introduce Ordinance No. 2025-9, *An Ordinance of the City Council of the City of Newport Beach, California, Adding Chapter 12.70 (Prohibition on Attending Street Races and Reckless Driving Exhibitions) to Title 12 (Vehicles and Traffic) of the Newport Beach Municipal Code*, and pass to a second reading on June 24, 2025.

RESOLUTIONS FOR ADOPTION

- 5. Resolution No. 2025-26: Annual Measure M2 Eligibility Submittal**
 - 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) Adopt the Measure M2 Seven-Year Capital Improvement Program;
 - c) Adopt Resolution No. 2025-26, *A Resolution of the City Council of the City of Newport Beach, California, Concerning the Status and Update of the Circulation Element, Mitigation Fee Program and Pavement Management Plan for the Measure M2 Program*; and
 - d) Direct staff to submit all necessary materials to the Orange County Transportation Authority to satisfy the FY 2025-26 Measure M2 annual eligibility requirements.

- 6. Resolution No. 2025-27: Specifying Uses for FY2025-26 RMRA Funding from the Road Repair and Accountability Act of 2017**
 - 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. 2025-27, *A Resolution of the City Council of the City of Newport Beach, California, Adopting a List of Projects for Fiscal Year 2025-26 Funded by SB 1, the Road Repair and Accountability Act of 2017*.

- 7. Resolution No. 2025-28: Adoption of Fiscal Year 2025-26 Appropriations Limit**
 - 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. 2025-28, *A Resolution of the City Council of the City of Newport Beach, California, Determining and Establishing the Appropriations Limit for Fiscal Year 2025-26 in Accordance with Article XIII B of the California Constitution and Government Code Section 7910, in the amount of \$273,258,369*.

- 8. Resolution No. 2025-29: Emergency Management Performance Grant Authorization (C-8075-12)**
 - 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. 2025-29, *A Resolution of the City Council of the City of Newport Beach, California, Authorizing Persons Holding Certain Designated Positions to Execute Emergency Management and Homeland Security Grant Documents for and on Behalf of the City of Newport Beach for the Purpose of Obtaining Certain Federal Financial Assistance and/or State Financial Assistance*.

- 9. Resolution No. 2025-30: Adopting a Memorandum of Understanding with the Newport Beach Police Association and Associated Salary Schedule (C-2056)**
 - 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) Adopt Resolution No. 2025-30, *A Resolution of the City of Newport Beach, California, Adopting a Memorandum of Understanding Between the City of Newport Beach and the Newport Beach Police Association and Associated Salary Schedule*;
 - c) Approve Budget Amendment No. 25-069 appropriating \$361,588.92 in increased expenditures in various City division salary and benefits accounts from unappropriated General Fund balance for Fiscal Year 2024-25; and
 - d) Approve Budget Amendment No. 26-001 appropriating \$4,106,309.00 in increased expenditures in various City of Newport Beach division salary and benefits accounts from unappropriated General Fund balance for Fiscal Year 2025-26.

10. Pulled from the Consent Calendar

CONTRACTS AND AGREEMENTS

11. Amendment to Services Agreement with American International Environmental, Inc. for the Newport Terrace Landfill Gas Control System (C-8734-1)

- 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 the Professional Services Agreement with American International Environmental, Inc. for Newport Terrace Landfill Gas Control System Operations and Maintenance Services, which extends the contract for one additional year to June 30, 2026, and increases the contract amount by \$75,000, and authorize the Mayor and City Clerk to execute the Agreement.

12. Tentative Agreement with Newport Beach Employees League (C-2065)

- 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 consider the Tentative Agreement between the City of Newport Beach and the Newport Beach Employees League.

13. Community Programs and Special Event Grants Recommendations for Fiscal Year 2025-26 (C-8281 / C-8082)

- 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) Pursuant to City Council Policy A-12, find that the organizations listed below provide community services or programs that serve residents and are beneficial to residents' quality of life and authorize the allocation of \$41,100 of the Community Programs Grants in the following manner:

<u>Community Programs Grants Applicant</u>	<u>Recommendation</u>
Balboa Island Museum Newport Beach	\$ 10,000
Corona del Mar Residents Assn	\$ 5,000
Newport Beach Chamber of Commerce	\$ 3,600
Newport Beach Historical Society	\$ 2,500
Orange Coast College Foundation Marina Programs	\$ 4,000
Sherman Foundation	\$ 10,000
Speak Up Newport	\$ 6,000
Total	\$ 41,100;

- c) Waive the requirement in City Council Policy A-12 that \$75,000 be expended each fiscal year for Community Programs Grants;
- d) Pursuant to City Council Policy A-12, find that the special events listed below are community, social or athletic events that are beneficial to residents' quality of life, and authorize the allocation of \$300,000 for Special Event Grants in the following manner:

<u>Community & Charitable Events</u>	<u>Recommendation</u>
3 rd Thursdays	\$ 3,610
4 th of July Parade and Picnic	\$ 544
2025 Fourth of July Celebration	\$ 1,134
Andersen Deans Port of July	\$ 544
Annual Corona del Mar Christmas Walk	\$ 6,804
Annual Corona del Mar Scenic 5k	\$ 13,630
Annual Easter Egg Hunt	\$ 544
Annual Newport Classic Surf Contest	\$ 1,134
Balboa Island Parade	\$ 10,870
Balboa Island Summer Concert Series	\$ 1,134

Balboa Island Tree Lighting and Snow Day	\$ 544
Baroque Music Festival 46 th Season Fall Preview	\$ 900
CdM Home Tour	\$ 1,173
Chili Cook-Off and Picnic at the Park	\$ 544
Corona del Mar Sandcastle Contest	\$ 544
Field of Honor	\$ 1,134
Newport Beach Car Fest	\$ 7,650
Walk for Patrick Turner	\$ 544
Wooden Boat Festival	\$ 1,134
<u>World Wildlife Day Celebration</u>	<u>\$ 885</u>
Total	\$ 55,000

<u>Signature Events</u>	<u>Recommendation</u>
Hoag Classic	\$ 25,000
Newport Beach 4-Man Volleyball Invitational	\$ 10,000
Newport Beach Christmas Boat Parade and Ring of Lights	\$ 50,000
Newport Beach Film Festival	\$ 140,000
Newport to Ensenada International Yacht Race	\$ 10,000
<u>Susan G. Komen More than Pink Walk Orange County</u>	<u>\$ 10,000</u>
Total	\$ 245,000; and

- e) Authorize the Recreation & Senior Services Director to sign one-year grant agreements with Signature Event organizers.

MISCELLANEOUS

14. Confirmation of Appointments to the Water Quality/Coastal Tidelands Committee

- 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
- Appoint Peter Belden, Curtis Black, Charles Fancher, and Sharon Ray to fill the unscheduled and scheduled vacancies on the Water Quality/Coastal Tidelands Committee for terms ending June 30, 2029.

15. Confirmation of Appointments to the Ad Hoc Committee on Utilization of Lower Castaways and Aquatic Center Site Options

- 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
- Confirm Mayor Joe Stapleton's appointments of himself, Councilmember Noah Blom, Councilmember Michelle Barto, Harbor Commissioner Rudy Svrcek, Parks, Beaches and Recreation Commissioner Keira Kirby, Planning Commissioner Jonathan Langford, and Laird Hayes, as the citizen member, to the Ad Hoc Committee on the Utilization of Lower Castaways and Aquatic Center Site Options.

16. Confirmation of Nominees for Scheduled and Unscheduled Board and Commission Vacancies

- 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
- Confirm the nominations made by the City Council Ad Hoc Appointments Committee:

Board of Library Trustees [1 vacancy]

Timothy (Chase) Rief (incumbent)
Jennifer Strong

Building and Fire Board of Appeals [2 vacancies]

Charles Allen (incumbent)
K. Dirk Bondy (incumbent)
Andy Boyum
James Sanders

City Arts Commission [3 vacancies and 1 unscheduled vacancy]

David Anastos
Andy Boyum
Judith Brower
Rita Goldberg
Melissa Kandel (incumbent)
Tiare Meegan
Laurel Tippet

Civil Service Board [1 vacancy]

Taylor Diani
Paul Meyer (incumbent)

Harbor Commission [2 vacancies]

Jon Marlo
Bob Miller
Philip Stemler
Steve Sully (incumbent)

Parks, Beaches & Recreation Commission [2 vacancies]

Kelly Denner
William Finster
Keira Kirby (incumbent)
Travis Pirdy (incumbent)

Planning Commission [2 vacancies]

Jeffrey Bergsma
Michael Gazzano
Greg Reed (incumbent)
Loren Smith
Drew Teicheira

17. Pulled from the Consent Calendar

MISCELLANEOUS

13. Set Public Hearing Date to Adopt Fiscal Year 2025-2026 Budget

- 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) Schedule a public hearing on the City of Newport Beach's Proposed Budget for Fiscal Year 2025-2026 for June 10, 2025, and direct the City Clerk to publish a notice of said hearing in accordance with Section 1102 of the Newport Beach Charter.

Motion by Mayor Pro Tem Kleiman, seconded by Councilmember Weber, to approve the Consent Calendar, except the items removed (Items 10 and 17).

With Councilmember Weigand absent, the motion carried 6-0

VIII. ITEMS REMOVED FROM THE CONSENT CALENDAR

10. Resolution No. 2025-31: Amending the Structure, Membership, Roles and Responsibilities of the Aviation Committee

In response to Councilmember Grant's question regarding the appointment process, City Attorney Harp confirmed that the standard process for board and commission appointments would be followed, including public notification of the vacancies.

Jim Mosher suggested that all Councilmembers participate in reviewing the applications and selecting appointees. He also raised concerns about the requirement relative to the removal of the Newport Coast representative.

Mel Beale expressed support for restructuring the Aviation Committee but suggested allowing more time for deliberation about the proposed changes, especially considering the upcoming settlement agreement discussions.

Councilmember Grant inquired about the Newport Coast annexation agreement's requirement for representation on the Aviation Committee. City Attorney Harp explained that, while the pre-annexation agreement mentioned including a Newport Coast representative, the position had been vacant for an extended period and suggested adding a provision to designate one position for Newport Coast, but if no one from that area applies, it would be open to others to fill the seat.

Michael Gerro, representing the Newport Coast Community Association, indicated that the association is planning to have a member on the Aviation Committee.

Motion by Councilmember Blom, seconded by Mayor Pro Tem Kleiman, to 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) adopt amended Resolution No. 2025-31, *A Resolution of the City Council of the City of Newport Beach, California, Amending the Structure, Membership, Roles and Responsibilities of the Aviation Committee*; and c) direct the City Clerk to initiate the process for filling the vacancies on the Aviation Committee pursuant to the Maddy Act and City Council Policy A-2.

With Councilmember Weigand absent, the motion carried 6-0.

17. Proposed Relocation of Newport Beach Fire Station No. 3 to 1550 Avocado Avenue

Councilmember Blom provided an overview of the proposed fire station relocation, explaining that it was part of a broader effort to improve response times and service throughout the City. He emphasized that this was the initial step in a long process involving multiple stakeholders.

Councilmember Grant requested more comprehensive data on response times for all communities served by the fire station. Mayor Stapleton assured that more detailed information would be provided as the process moves forward.

Jim Mosher questioned whether the proposed location was the most central for underserved areas in the City and suggested considering alternative sites.

Motion by Councilmember Blom, seconded by Mayor Pro Tem Kleiman, to 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 Council to submit a letter to the Orange County Transportation Authority requesting its consideration and support in facilitating the relocation of Fire Station No. 3 to the proposed 1550 Avocado Avenue site.

With Councilmember Weigand absent, the motion carried 6-0.

IX. PUBLIC COMMENTS ON NON-AGENDA ITEMS

Courtney Rickard, a research assistant with Orange County Coastkeeper, expressed gratitude to the City for funding the Santa Ana River Mouth monitoring and outreach project. She indicated that the mobile electronic “no dogs off leash” sign was successful in significantly reducing the presence of off-leash dogs from July to October 2024, and requested the City to set up the sign again to protect vulnerable seabird populations.

Adam Leverenz discussed an item on the Harbor Commission agenda related to increasing weights for shore moorings, expressed concern about who should bear the cost, and advocated for stakeholder engagement.

Denys Oberman emphasized the importance of public safety response times and requested that Council consider public safety resources when increasing development in the City.

An unidentified speaker urged the City to oppose the installation of a battery plant in San Juan Capistrano and align with the opposition expressed by Supervisor Katrina Foley and San Clemente.

Michael Gerro, representing the Newport Coast Community Association, expressed concerns about the increase in burglaries in the area and requested additional resources for investigations and deterrence.

Zach, head of security for Newport Coast, suggested the introduction of infrared technology to cover larger areas and indicated that he would share more information about the technology after he attends a forthcoming meeting.

Mayor Stapleton highlighted the City's recent investments in security measures, including the use of flock cameras and implementation of a new drone program. He offered to set up a meeting with the Police Chief, Councilmember Weber, and relevant stakeholders.

Lili Daftarian shared her experience with a burglary in Newport Coast, raised concerns about speeding vehicles on Newport Coast Drive, and suggested possibly conducting traffic surveys or improvements.

Bruce Albert, President of the Pelican Ridge Homeowners Association, echoed the desire for more resources to combat burglaries in Newport Coast, but commended the police department for its efforts.

Barbara Keller asked if the new Corona del Mar Farmer's Market will continue to be a certified organic market, if the operator has a health permit, if a parking plan has been completed, and if having music and food trucks will be prohibited.

Carmen Rawson requested that any technology that is used in Newport Coast be considered for other areas in the City, like in the Newport Pier area.

X. PUBLIC HEARINGS

18. Ordinance No. 2025-10 and Resolution No. 2025-32: Approving an Amendment to the Housing Opportunity (HO) Overlay Zoning and Coastal Zoning Districts and Resolution No. 2025-33: Overriding Orange County Airport Land Use Commission's Determination of Inconsistency (PA2024-0205)

Planning Manager Zdeba utilized a presentation to explain that the proposed amendments were primarily focused on increasing maximum height limits for housing projects in certain areas, particularly in Newport Center.

Mayor Stapleton opened the public hearing.

Debra Allen expressed her gratitude to Council for respecting Newport Center's view corridors and offered historical context.

Tom Nicholson, representing St. Michael's and All Angels Episcopal Church, supported the height increase for their project, clarified misconceptions, and pointed out that the project aligns with the City's affordable housing goals.

Jim Mosher raised concerns that height increases might hinder affordable housing efforts and questioned the reduction of units allocated to the current fire and police station site. He also expressed concerns about the CEQA findings related to aesthetics and view impacts.

Katie Moen emphasized the importance of senior housing in the City and cited her experience working with seniors through the Meals on Wheels program.

Hearing no further testimony, Mayor Stapleton closed the public hearing.

Referencing the St. Michael's Church discussion, Councilmember Blom voiced his reservations about allowing height increases without receiving detailed project plans and impact studies.

Councilmember Grant recognized St. Michael's Church's intentions to meet Housing Element goals and encouraged them to collaborate with the Community Development Department to improve the proposal.

Councilmember Blom indicated that his motion will include removing Sites 146 and 147 from the ordinance and resolutions.

Motion by Councilmember Blom, seconded by Councilmember Weber, to a) find that all potential environmental effects for the Amendment have been adequately addressed in the previously certified Final Program Environmental Impact Report (EIR) identified by State Clearinghouse Number (SCH No. 2023060699) and the City Council of the City of Newport Beach intends to use said document for the approval of the Amendment; b) waive full reading, direct the City Clerk to read by title only, introduce amended Ordinance No. 2025-10, *An Ordinance of the City Council of the City of Newport Beach, California, Amending Section 20.28.050 (Housing Opportunity (HO) Overlay Zoning Districts) in Title 20 (Planning and Zoning) of the Newport Beach Municipal Code Related to Implementation of the Housing Element*, and pass to second reading on June 24, 2025; c) adopt amended Resolution No. 2025-32, *A Resolution of the City Council of the City of Newport Beach, California, Authorizing Submittal of a Local Coastal Program Amendment to the California Coastal Commission to Amend Pending Section 21.28.070 (Housing Opportunity (HO) Overlay Coastal Zoning Districts) in Title 21 (Local Coastal Program Implementation Plan) of the Newport Beach Municipal Code Related to Implementation of the Housing Element*; and d) adopt amended Resolution No. 2025-33, *A Resolution of the City Council of the City of Newport Beach, California, Finding Amendment to Section 20.28.050 (Housing Opportunity (HO) Overlay Zoning Districts) in Title 20 (Planning and Zoning) and Pending Section 21.28.070 (Housing Opportunity (HO) Overlay Coastal Zoning Districts) in Title 21 (Local Coastal Program Implementation Plan) of the Newport Beach Municipal Code Related to Implementation of the Housing Element Consistent with the Purposes of the State Aeronautics Act and Overriding the Orange County Airport Land Use Commission's Determination of Inconsistency with the 2008 John Wayne Airport Environs Land Use Plan (PA2024-0205).*

With Councilmember Weigand absent, the motion carried 6-0.

19. Resolution No. 2025-34: Fiscal Year 2025-26 Budget Adoption, Budget Public Hearing, Recommendations from the Finance Committee, and Proposed Budget Revision Items

Deputy Finance Director Burguan utilized a presentation to highlight the budget process, proposed budget revisions, General Fund sources, uses, and status, and reviewed the recommendations. She reported that the City maintained its triple-A credit rating, noted a surplus of \$12.2 million in the General Fund, and outlined key budget components, including pension liability payments and increased capital transfers.

Mayor Stapleton opened the public hearing.

Carmen Rawson and Maureen Cotton requested that Project 25R13 (Ocean Front Boardwalk Expansion) be removed from the Capital Improvement Program (CIP) budget, citing community opposition and safety concerns. Ms. Cotton also asked that "adding a second path" be removed from Project 24H12's description.

Adam Leverenz inquired about the change in job title from "Harbor Service Worker" to "Harbor Safety Officer" and expressed concerns about potential pension implications.

Finance Director Al-Imam clarified that only the job titles in the Harbor Department are changing and will not result in the employees receiving public safety pensions.

Kory Kramer, Finance Committee Member, expressed strong support for the proposed budget, praising its balanced approach and fiscal responsibility.

Hearing no further testimony, Mayor Stapleton closed the public hearing.

Motion by Mayor Stapleton, seconded by Councilmember Weber, to 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) Adopt Resolution No. 2025-34, *A Resolution of the City Council of the City of Newport Beach, California, Adopting the Budget for the 2025-26 Fiscal Year*; and c) approve the City Manager's recommended list of position classifications and their salary ranges as required by the California Public Employees' Retirement System and in accordance with 2 CCR § 570.5 (a)(1).

Councilmember Blom commended the Finance Committee and City staff for their work on the budget and emphasized the City's strong fiscal position compared to other municipalities.

Mayor Stapleton highlighted the City's tradition of fiscal responsibility, noted there will be a budget surplus, and commended the efforts made by the Finance Department and City staff.

With Councilmember Weigand absent, the motion carried 6-0.

XI. MOTION FOR RECONSIDERATION – None

XII. PUBLIC COMMENTS ON CLOSED SESSION – None

City Attorney Harp announced that the City Council would adjourn to Closed Session to discuss the items listed on the Closed Session agenda and read the titles.

Mayor Stapleton recessed the meeting at 6:05 p.m.

XIII. CLOSED SESSION – Council Chambers Conference Room

**A. CONFERENCE WITH LABOR NEGOTIATORS
(Government Code § 54957.6): 2 matters**

1. **Agency Designated Representatives:** Mayor Joe Stapleton and Mayor Pro Tem Lauren Kleiman.

Unrepresented Employees: Key and Management Group.

2. **Agency Designated Representatives:** Grace K. Leung, City Manager, and Jonathan Holtzman, Esq., Negotiators.

Employee Organizations: Newport Beach Fire Management Association (NBFMA); Newport Beach Lifeguard Management Association (NBLMA); Newport Beach Police Management Association (NBPMA); and Newport Beach Professional and Technical Employees Association (NBPTEA).

Mayor Stapleton reconvened the meeting at 6:05 p.m.

XIV. CLOSED SESSION REPORT

City Attorney Harp announced that no reportable actions were taken.

XV. ADJOURNMENT – Adjourned at 6:53 p.m. in memory of Melinda Seely

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, Newport Beach, on June 5, 2025, at 3:00 p.m.

Joe Stapleton
Mayor

Leilani Brown
City Clerk

Draft