



NEWPORT BEACH

City Council Staff Report

June 23, 2026
Agenda Item No. 16

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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

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TITLE: Professional Services Agreement with Serviam Law LLP DBA Serviam by Wright LLP and Nastich Law, a Professional Corporation for Hearing Adjudication Services

ABSTRACT:

The City of Newport Beach (City) utilizes independent hearing officers to conduct administrative hearings and issue written determinations on appeals and other enforcement-related matters. The City's existing hearing officer agreements expire on August 31, 2026. In anticipation of these expirations, and in response to a significant increase in enforcement actions and associated hearing volume, staff conducted a Request for Proposals (RFP) process.

Staff is requesting City Council approval of two three-year professional services agreements for hearing adjudication services: one with Serviam Law LLP, doing business as Serviam by Wright LLP, and one with Nastich Law, a Professional Corporation. Each agreement would have a not-to-exceed amount of \$187,500, for a combined total not-to-exceed amount of \$375,000. Approval of both agreements will provide sufficient capacity, scheduling flexibility and continuity of hearing

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) Authorize the Mayor and City Clerk to execute a three-year Professional Services Agreement with Serviam Law LLP DBA Serviam by Wright LLP for Hearing Adjudication Services, with a not-to-exceed amount of \$187,500; and
- c) Authorize the Mayor and City Clerk to execute a three-year Professional Services Agreement with Nastich Law, a Professional Corporation for Hearing Adjudication Services, with a not-to-exceed amount of \$187,500.

DISCUSSION:

Independent hearing officers are required to conduct administrative hearings and provide determinations for appeals and other matters, including, but not limited to, administrative citations, short-term lodging permit suspensions and revocations, three-year construction extensions, loud and unruly gathering violations and animal control violations.

The Revenue Division facilitates the appeal process and schedules administrative hearings on at least a bi-weekly basis and as needed, up to a weekly basis. Hearings are assigned by rotating among contracted hearing officers on a random basis. Hearing officers serve three continuous years before being removed from rotation for at least one year to support due process.

Administrative enforcement and hearing activity has increased significantly over the last fiscal year.

- **Fiscal Year 2025:** 137 administrative citation appeal requests; 68 approved hearings conducted.
- **Fiscal Year 2026 (through May 31, 2026):** 296 administrative citation appeal requests; 236 approved hearing requests; and 223 hearings conducted through May 28, 2026.

The increase from 68 hearings in Fiscal Year 2024-25 to 223 hearings in Fiscal Year 2025-26 represents an increase of approximately 228 percent. This increase is largely attributable to expanded enforcement efforts and the use of administrative citations for violations such as electric bicycle violations on the boardwalk, open-container violations, loud and unruly gatherings, and violations occurring within the expanded Safety Enhancement Zone.

In February 2026, the Administrative Services Department issued RFP No. 26-30 for hearing adjudication services. The solicitation was posted on the City's electronic bidding platform, PlanetBids, and resulted in five proposals. Following review, staff determined that two proposers were eligible for award and demonstrated the requisite experience providing hearing adjudication services for the types of matters handled by the City:

- Serviam Law LLP DBA Serviam by Wright LLP
- Nastich Law, a Professional Corporation

Staff recommends approval of professional services agreements with both firms to ensure adequate capacity and scheduling flexibility to meet current and anticipated hearing volume. The current incumbents will conduct their final hearings in July 2026 and complete issuance of hearing orders in August 2026. The new hearing officers are

expected to begin presiding over hearings in August 2026, providing a seamless transition and continuity of hearing adjudication services.

FISCAL IMPACT:

The adopted budget includes sufficient funding for this service.

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 – Professional Services Agreement with Serviam Law LLP DBA Serviam
by Wright LLP for Hearing Adjudication Services

Attachment B – Professional Services Agreement with Nastich Law, a Professional
Corporation for Hearing Adjudication Services