CITY OF NEWPORT BEACH
CITY COUNCIL AGENDA

DECEMBER 9, 2025
COUNCIL CHAMBERS - 100 CIVIC CENTER DRIVE, NEWPORT BEACH, CA 92660

REGULAR MEETING - 5 P.M.

JOE STAPLETON, Mayor
LAUREN KLEIMAN, Mayor Pro Tem
MICHELLE BARTO, Councilmember
NOAH BLOM, Councilmember
ROBYN GRANT, Councilmember
SARA J. WEBER, Councilmember
ERIK WEIGAND, Councilmember

GRACE K. LEUNG, City Manager
AARON C. HARP, City Attorney
LENA SHUMWAY, City Clerk

NOTICE REGARDING PRESENTATIONS REQUIRING USE OF CITY EQUIPMENT
Any presentation requiring the use of the City of Newport Beach's equipment must be submitted to the City Clerk 24 hours prior to the scheduled City Council meeting.

LEVINE ACT
Under the Levine Act, Section 84308 of the Government Code, a party to a proceeding before the City involving a contract (other than competitively bid, labor, or personal employment contracts), franchise, license, permit, or other entitlement for use, is required to disclose on the record of the proceeding any contribution in an amount of more than five hundred dollars ($500) made within the preceding 12 months by the party or the party's agent to any elected or appointed officer of the City. If you have made a qualifying contribution, please ensure to make this disclosure on the record.

PUBLIC HEARINGS
If in the future, you wish to challenge in court any of the matters on this agenda for which a public hearing is to be conducted, you may be limited to raising only those issues which you (or someone else) raised orally at the public hearing or in written correspondence received by the City at or before the hearing.

NOTICE TO THE PUBLIC
Any times listed in this agenda are provided as a courtesy and the actual item may be heard before or after the time given.
This agenda was prepared by the City Clerk, and staff reports are available in the City Council Chambers lobby at 100 Civic Center Drive or online at newportbeachca.gov/agendas. If you have any questions or require copies of any of the staff reports or other documentation regarding any item of business on the agenda, please contact City Clerk staff at 949-644-3005.
The City of Newport Beach's goal is to fully comply with the Americans with Disabilities Act (ADA). If you require special assistance to participate in this meeting, we will attempt to accommodate you in every reasonable manner. Please contact City Clerk staff prior to the meeting at 949-644-3005 or cityclerk@newportbeachca.gov so that reasonable accommodations can be made.

I. ROLL CALL - 5:00 p.m.

INVOCATION

Mayor Stapleton

PLEDGE OF ALLEGIANCE

II. PRESENTATIONS

- **Proclamation Honoring the Corona Del Mar "3rd Thursdays" Volunteers**
- **Proclamation Honoring Grace Leung on Occasion of her Retirement and her Dedicated Years of Service for the City of Newport Beach**
- **Proclamation Honoring Tom Johnson for his Contributions to the City**
- **Mt Rushmore of Newport Beach presented by Bill Lobdell and Tom Johnson.**

PUBLIC COMMENTS ON AGENDA AND NON-AGENDA ITEMS

The City Council of Newport Beach welcomes and encourages community participation. Public comments are invited on items listed on the agenda and non-agenda items. Speakers must limit comments to three minutes per person to allow everyone to speak. Written comments are encouraged as well. The City Council has the discretion to extend or shorten the time limit on agenda or non-agenda items.

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

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

- **Consider conducting a Study Session to evaluate investment options for the City's surplus revenues or other funds, including whether amounts currently contributed to CalPERS above the required minimum should be redirected into alternative investments. The Study Session would include presentations from independent subject-matter experts in public-sector investment strategies and institutional asset management (Councilmembers Erik Weigand and Sara Weber.)**

PUBLIC COMMENTS ON CONSENT CALENDAR

This is the time in which Councilmembers may pull items from the CONSENT CALENDAR for discussion (ITEMS 1 -18). Public comments are also invited on Consent Calendar items. Speakers must limit comments to three minutes. Before speaking, please state your name for the record. If any item is removed from the Consent Calendar by a Councilmember, members of the public are invited to speak on each item for up to three minutes per item.

All matters listed under CONSENT CALENDAR are considered to be routine and will all be enacted by one motion in the form listed below. Councilmembers have received

detailed staff reports on each of the items recommending an action. There will be no separate discussion of these items prior to the time the City Council votes on the motion unless members of the City Council request specific items to be discussed and/or removed from the Consent Calendar for separate action.

IV. CONSENT CALENDAR

READING OF MINUTES AND ORDINANCES

1. Minutes for the November 18, 2025, City Council Meeting

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

Minutes

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. Ordinance No. 2025-35: Repealing and Replacing Chapter 12.56 (Bicycles - Registration and Regulations) of the Newport Beach Municipal Code - Second Reading

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) Conduct a second reading and adopt Ordinance No. 2025-35, *An Ordinance of the City Council of the City of Newport Beach, California, Repealing and Replacing Chapter 12.56 (Bicycles - Registration and Regulations) of the Newport Beach Municipal Code.*

Staff Report
Attachment A - Ordinance No. 2025-35

4. Ordinance No. 2025-36 Approving the MacArthur Court Development Agreement

a) Find the adoption of the ordinance is not subject to further environmental review pursuant to Section 21083.3 of the California Public Resources Code (PRC) and Section 15183 of the California Environmental Quality Act (CEQA) Guidelines, California Code of Regulations, Title 14, Division 6, Chapter 3, because it is consistent with the previously certified Program Environmental Impact Report (SCH No. 2023060699); and

b) Conduct second reading and adopt Ordinance No. 2025-36, *An Ordinance of the City Council of the City of Newport Beach, California, Approving a Development Agreement for the MacArthur Court Project located at 4665, 4675, 4680, 4685 and 4695 MacArthur Court, and 4770 Campus Drive (PA2025-0090).*

Staff Report

Attachment A Ordinance No. 2025-36

RESOLUTIONS FOR ADOPTION

5. **Resolution No. 2025-84: Adopting a Memorandum of Understanding Between the City of Newport Beach and the Newport Beach City Employees Association and Amending the Salary Schedule; and Resolution No. 2025-85: Approving a Revised Salary Schedule for the Part Time Employees Association of 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;

b) Adopt Resolution 2025-84: *A Resolution of the City Council of the City of Newport Beach, California, Adopting a Memorandum of Understanding Between the City of Newport Beach and the Newport Beach City Employees Association and Amending the Salary Schedule;*

c) Adopt Resolution 2025-85: *A Resolution of the City Council of the City of Newport Beach, California, Approving a Revised Salary Schedule for the Part Time Employees Association of Newport Beach*;

d) Approve Budget Amendment No. 26-041, appropriating $523,605.04 in increased expenditures in various City division salary and benefit accounts from the General Fund and the Water Enterprise Fund to fund the agreement with the Newport Beach City Employees Association; and

e) Approve Budget Amendment No. 26-044, appropriating $45,642.61 in increased expenditures in various City division salary and benefit accounts from the General Fund to fund positions in the Part-Time Employees Association of Newport Beach.

Staff Report
Attachment A - Resolution No. 2025-84
Attachment B - Resolution No. 2025-85
Attachment C - Cost of Agreement with NBCEA
Attachment D - Budget Amendment No. 26-041
Attachment E - Budget Amendment No. 26-044

6. **Resolution No. 2025-86: Setting City Council Regular Meeting Dates for Calendar Year 2026**

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. 2025-86, *A Resolution of the City Council of the City of Newport Beach, California, Setting the Time and Dates of City Council Regular Meetings for Calendar Year 2026*.

Staff Report
Attachment A - Resolution No. 2025-86

CONTRACTS AND AGREEMENTS

7. **Amendment No. One to On-Call Service Agreements with GCI Construction, Inc. and T.E. Roberts, Inc.for Water, Wastewater and Storm Drain Services**

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 Amendment No. One to the On-Call Maintenance and Repair Services Agreement with GCI Construction, Inc. to increase the agreement amount by $1,000,000, for a total not-to-exceed amount of $2,500,000; and

c) Authorize the Mayor and City Clerk to execute Amendment No. One to the On-Call Maintenance and Repair Services Agreement with T.E Roberts, Inc. to increase the agreement amount by $1,000,000, for a total not-to-exceed amount of $2,500,000.

Staff Report
Attachment A – Amendment No. One with T.E. Roberts
Attachment B – Amendment No. One with GCI Construction

8. **Award Services Agreement to Superior Pavement Markings for Street Striping and Sign Maintenance (Contract No. 9937-1)**

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) Award On-Call Maintenance and Repair Services Agreement with Superior Pavement Markings, LLC for Roadway Sign and Striping Maintenance, Repair, and Installation for a total contract amount of $1,800,000 and five-year term and authorize the Mayor and City Clerk to execute the contract.

Staff Report
Attachment A - Maintenance and Repair Services Agreement

9. **Approval of Amendment No. Seven to Professional Services Agreement with Dokken Engineering for the West Coast Highway Intersection Improvements and Pedestrian Bridge - (Contract No. 8020-5)**

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. Seven to Professional Services Agreement with Dokken Engineering for Superior Avenue overcrossing and parking lot project final design and engineering services (Contract No. 8020-5) to extend the term of the agreement to December 31, 2027, and authorize the Mayor and City Clerk to execute the amendment.

Staff Report
Attachment A - Location Map
Attachment B - Amendment No. 7

10. **Amendment No. Four to the Professional Services and Software License Agreement with Tyler Technologies, Inc. for the Land Management System (Contract No. 8399-1)**

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 Mayor and City Clerk to execute Amendment No. 4 to Professional Services and Software License Agreement with Tyler Technologies, Inc. for Land Management System for $933,181.21, for a total not-to-exceed amount of $2,074,194.29.(Contract No. 8399-1).

Staff Report
Attachment A – Amendment No. Four License Agreement with Tyler Technologies

11. **Amendment No. One to the Facilities Relocation Agreement with Southern California Edison**

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 Budget Amendment No. 26-043 appropriating $1,918,000 in new revenue and expenditures from Uptown Newport Jamboree, LLC. to Account No. 53401-561076 and Account No. 53402-941032; and

a) Authorize the Mayor and City Clerk to Execute Amendment No. One to the Facilities Relocation Agreement with Southern California Edison for an increased not-to-exceed amount of $3,311,000.

Staff Report
Attachment A - Amendment No. One
Attachment B - Budget Amendment 26-043

12. **Amendment No. Two to Memorandum of Understanding Between the Cities of Costa Mesa and Newport Beach for the Costa Mesa Bridge Shelter**

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 Mayor and City Clerk to execute Amendment No. Two to the Memorandum of Understanding Between the City of Costa Mesa and the City of Newport Beach for the Costa Mesa Bridge Shelter.

Staff Report
Attachment A - Proposed Amendment No. Two
Attachment B - Amendment No. One
Attachment C - Memorandum of Understanding

MISCELLANEOUS

13. Organizational Restructuring and Changes to Budgeted Positions

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) Introduce Ordinance No. 2025-37, *An Ordinance of the City Council of the City of Newport Beach, California, Amending Various Provisions of the Newport Beach Municipal Code to Reflect Organizational Restructuring to the City Attorney, Finance, Human Resources, and Public Works Departments;*

c) Adopt Resolution No.2025-87, *A Resolution of the City Council of the City of Newport Beach, California, Amending Various Provisions of the Newport Beach City Council Policies to Reflect Organizational Restructuring to the City Attorney, Finance, Human Resources, and Public Works Departments;*

d) Adopt Resolution No.2025-88, *A Resolution of the City Council of the City of Newport Beach, California, Approving a Revised Salary Schedule and New Classifications for the Key & Management Group;*

e) Approve the following changes to employee positions and assignments: (i) add one administrative services director and one municipal operations director; (ii) eliminate one finance director and one human resources director; (iii) convert one part-time human resources intern to one part-time human resources specialist; (iv) convert one public works crew chief to one management analyst; (v) convert two part-time library clerk II positions to two support services aides; (vi) reassign the positions/personnel as detailed in this staff report, including the transfer of 9.5 full-time equivalent Human Resources Department positions to the Administrative Services Department, 37.45 full-time equivalent Finance Department positions to the Administrative Services Department, 62.5 Public Works Department / Municipal Operations Division positions to the Municipal Operations Department, and three Human Resources positions to the City Attorney's Office;

f) Approve the Job Descriptions for the administrative services director and municipal operations director in this staff report and authorize the administrative

services director to approve new job descriptions consistent with the new positions and departmental changes approved by the City Council;

g) Authorize the city manager, city attorney, administrative services director, and municipal operations director to execute amendments to existing agreements, as necessary, to implement the organizational changes described herein, including transferring (i) the administration of all agreements related to workers' compensation, insurance and risk management previously administered by the Human Resources Department to the City Attorney's Office; (ii) all remaining agreements entered into by the Human Resources Department to the Administrative Services Department; (iii) all agreements entered into by the Finance Department to the Administrative Services Department; and all agreements entered into by the Public Works Department that pertain to municipal operations to the new Municipal Operations Department; and

h) Approve Budget Amendment No. 26-045, appropriating $14,856 in additional expenditures from the General Fund's unappropriated fund balance to fund the costs associated with the recommended position reclassifications.

Staff Report
Attachment A - Ordinance No. 2025-37
Attachment B - Resolution No. 2025-87
Attachment C - Resolution No. 2025-88
Attachment D - Budgeted Positions Per Department
Attachment E - Budget Amendment
Attachment F - Job Descriptions
Attachment G - Summary of New Department Personnel

14. Central Library Elevator Modernization - Notice of Completion of Contract No. 8939-1

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) Accept the completed work and authorize the City Clerk to file a Notice of Completion for the project.

Staff Report
Attachment A - Location Map

15. Final Tract Map No. 19261 for a Residential Condominium Development Located at 1401 Quail Street

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) Review and approve the Subdivision Agreement for Final Tract Map No. 19261 pursuant to Section 19.36.010 of the Municipal Code, and authorize the Mayor and City Clerk to execute the Subdivision Agreement;
c) Review and approve the required construction securities for the Final Tract No. 19261 pursuant to Section 19.36.030 of the Municipal Code, and authorize the Public Works Director to execute and release the securities; and
d) Review and approve the Final Tract Map No. 19261 located at 1401 Quail Street pursuant to Section 19.60.010 of the Municipal Code.

Staff Report
Attachment A - Location Map
Attachment B - Planning Commission Resolution No. PC2023-47
Attachment C - Tract Map 19261
Attachment D - Tract Map No. 19261 Surety Bonds
Attachment E - Tract Map No. 19261 Subdivision Agreement

16. First Quarter Budget Update

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) Receive and file this report.

Staff Report

17. Review of Proclamation of Local Emergency, Resolution No. 2025-75

a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15269(c), 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) Review the continued need for the local emergency as required by Newport Beach Municipal Code Section 2.20.065 and, if emergency conditions remain, receive and file the report.

Staff Report
Attachment A - Resolution No. 2025-75

18. Planning Commission Agenda for the November 20, 2025, Meeting

Receive and file.

PC Agenda

ACTION: MOVE AFFIRMATIVE ACTION OF THE CONSENT CALENDAR, EXCEPT FOR THOSE ITEMS REMOVED

ITEMS REMOVED FROM THE CONSENT CALENDAR

V. CURRENT BUSINESS

19. Appointment to Fill an Unscheduled Vacancy on the City Arts Commission

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) Appoint one of the nominated applicants, Bobby Barzi or Cory Glass, to fill the unscheduled vacancy on the City Arts Commission, with the term expiring June 30, 2029.

Staff Report

Attachment A - City Arts Commission Applications

PUBLIC COMMENTS REGARDING CITY COUNCIL REORGANIZATION

Public comments are invited on City Council Reorganization. Speakers must limit comments to three minutes. Before speaking, please state your name for the record.

VI. CITY COUNCIL REORGANIZATION

20. Presentation of Gavel Plaque to Mayor Joe Stapleton

21. Election of Mayor

The City Clerk presides over the election of the Mayor. The City Clerk, in presiding, places all members of the Council on an equal basis to nominate and elect.

a) Conduct verbal nominations for Mayor and conduct election by roll call vote;
b) The new Mayor is announced by the City Clerk; and
c) The Mayor takes his/her proper place at Council dais.

22. Election of Mayor Pro Tem

The Mayor presides over the election of the Mayor Pro Tem. The Mayor, in presiding, places all members of the Council on an equal basis to nominate and elect.

a) Conduct verbal nominations for Mayor Pro Tem and conduct election by roll call vote;
b) The new Mayor Pro Tem is announced by the City Clerk; and
c) The Mayor Pro Tem takes his/her proper place at Council dais.

23. Seating Arrangements for City Council

Council decides on seating arrangement of Council dais (per City Council Policy A-1, members of the City Council shall be seated at the City Council table with senior Councilmembers having first choice of seats. The Mayor, however, shall be seated in the center of the City Council table and the Mayor Pro Tem shall be seated to the right of the Mayor. In the event of equal seniority among members of the City Council, selection of City Council seats shall be made by the Councilmember who received the highest margin of victory percentage in the most recent election).

24. Remarks

New Mayor's remarks.

VII. MOTION FOR RECONSIDERATION

A motion to reconsider the vote on any action taken by the City Council at either this meeting or the previous meeting may be made only by one of the Councilmembers who voted with the prevailing side.

VIII. ADJOURNMENT

Written Comments Received on Agenda and Non-Agenda Items

Written Comments

Testimony given before the City Council is recorded.
The timer light will turn yellow when the speaker has one minute remaining.
The timer light will turn red when the speaker has 10 seconds remaining.

PLEASE TURN CELL PHONES OFF OR SET IN SILENT MODE.

CITY OF NEWPORT BEACH

City Council Meeting Minutes
Regular Meeting
November 18, 2025

I. ROLL CALL – 4:01 p.m.

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

II. PRESENTATIONS

- Proclamation Declaring November as Pancreatic Cancer Month

  Mayor Stapleton presented the proclamation to Dr. Lee Reitler and his wife who thanked Council for the recognition and highlighted services offered by the Pancreatic Cancer Action Network.

- Proclamation Honoring Jeff Schulein

  Mayor Stapleton presented the proclamation to Jeff Schulein, Owner of Crown Ace Hardware, and recognized his outstanding contributions to the community and exemplary leadership.

- History of Christmas Boat Parade by Chris Delfs, Chairman of the Christmas Boat Parade

  Chris Delfs, Co-Chair of the Christmas Boat Parade and Ring of Lights, referenced a PowerPoint presentation while discussing the history of the Newport Beach Boat Parade, which dates back to the early 1900s and has evolved into its current form. He noted that the event showcases approximately 100 decorated boats and is considered one of the top 10 holiday events in the country. Lastly, he announced that the parade is scheduled to commence at Marina Park on December 17, 2025.

III. STUDY SESSION

SS1. Underground Utility Assessment Loan Program

Finance Director Jason Al-Imam referenced a PowerPoint presentation and provided a comprehensive overview of a potential Underground Utility Assessment Loan Program designed to assist property owners experiencing financial hardship in paying underground utility assessments. He explained that new assessment districts were being proposed in the Newport Heights area representing roughly 600 properties and highlighted models used in Manhattan Beach and Laguna Beach.

Councilmember Barto clarified that the program could eventually be available citywide for future undergrounding districts.

Councilmember Weigand raised concerns about ensuring proper protections when properties transfer to heirs and suggested a 20-year sunset with 5-year renewal options to prevent situations where transfers go unnoticed. He also supported requiring interest payments on deferred loans, which Finance Director Al-Imam confirmed would be set at 1% above the bond rate.

Councilmember Grant emphasized the importance of supporting aging residents.

Draft

PUBLIC COMMENTS

Adam Leverenz asked if the program would be imposed upon residents or voluntary and if there is cost sharing involved.

Michael Henn, former Mayor, strongly supported the program and considered it an investment in the City's future.

Council unanimously supported the program concept via a Straw Vote, 7-0, and directed staff to return in early 2026 with detailed program guidelines for further review.

RECESS

RECONVENE REGULAR MEETING – 4:39 p.m.

IV. ROLL CALL

INVOCATION – Pastor Phil Eyskens, Lighthouse of Costa Mesa Church of the Nazarene

PLEDGE OF ALLEGIANCE – Councilmember Weigand

PUBLIC COMMENTS ON AGENDA AND NON-AGENDA ITEMS

Jim Mosher commented on Agenda Item 6 regarding wireless communication facilities, expressing concern that the request seemed to revert to a less public, less visible process than what currently exists. He suggested the Council should discuss current problems with the wireless facility location process and instruct staff on solutions. He also raised concerns about the bicycle sidewalk map associated with Agenda Item 3 *(Ordinance No. 2025-35: Repealing and Replacing Chapter 12.56 (Bicycles - Registration and Regulations) of the Newport Beach Municipal Code - Second Reading*) stating it was difficult to decipher where bike-legal sidewalks begin and end.

Mike Smith requested that Council withdraw the housing overlay request made to the California Coastal Commission for the southern section (holes 3-8) of the Newport Beach Golf Course.

An unidentified speaker raised safety concerns about poor lighting and lack of security cameras at the pedestrian overpass parking lot at Superior Avenue and Highway 101, describing it as secluded with limited visibility.

Mayor Stapleton suggested the speaker reach out to him via email to further discuss their concerns.

Ron Rubino expressed Eastbluff HOA's concerns about e-bike regulations, stating he would provide additional comments if the consent calendar item was pulled.

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

Councilmember Weigand

- Congratulated Ross Sinclair and Newport Harbor High School boys water polo team on winning the 2025 CIF-SS Open Division Championship.

Councilmember Barto

- Attended a Water Quality/Coastal Tidelands Committee (WQTC) meeting and the Randall Preserve Advisory Committee meeting.
- Attended the Newport Beach Citizens' Police Academy graduation.

Draft

Councilmember Grant

- Congratulated former three-time Mayor Ed Selich who was recognized as Citizen of the Year and restaurateur Ron Salisbury as Businessman of the Year.
- Attended the Newport Beach Fire Department Foundation's Inaugural Fundraising Reception.
- Reported a Transportation Corridor Agencies (TCA) targeted study of State Route 73.

Councilmember Blom

- Congratulated Mayor Pro Tem Kleiman on being elected to the Orange County Transportation Authority (OCTA) Board.

Councilmember Weber

- Echoed congratulations to Mayor Pro Tem Kleiman noting she was the first Newport Beach representative on the OCTA Board.

Mayor Stapleton

- Echoed congratulations to former Mayor Ed Selich as Citizen of the Year and restaurateur Ron Salisbury as Businessman of the Year.
- Attended the signing of a regional water well cooperative agreement.
- Attended the Irvine Terrace HOA annual meeting.
- Participated in the 2nd Annual "Mayors' Happy Hour".

City Attorney Aaron Harp responded to a public comment made earlier in the meeting concerning a request to alter the land use designation associated with the surf park and golf course. He clarified that it would be inappropriate for the Council to take any action on this matter, as it is not included in the agenda and considering it would lead to a violation of the Brown Act.

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

- As part of the City's update of the Municipal Code related to wireless communications, direct City staff to prepare amendments to the Municipal Code as well as associated policies and procedures to streamline the permitting and deployment of wireless communication facilities. Staff's updates and recommendations should include, but not be limited to, simplifying the permitting process for wireless facilities on both public and private property, establishing clear, predictable, and expedited review timelines, implementing standardized application requirements and processes, and reducing carrier costs associated with deploying wireless facilities. (Mayor Pro Tem Kleiman)

  Approved by a Straw Vote, 7-0.

PUBLIC COMMENTS ON CONSENT CALENDAR

Jim Mosher recommended a no vote on Agenda Item No. 6. *(Amendment No. Two to the Professional Services Agreement with Schmitz & Associates)*, questioned cost increases associated with Agenda Item No. 7 *(Approval of Purchase Agreement with Model 1 Commercial Vehicles, Inc. for Six New Trolley Vehicles for the Balboa Island / Corona del Mar Local Area Transit Service)*, asked about viewership data related to Agenda Item No. 8 *(Approval of Master Agreement for Kanopy, Inc. to Procure Digital Video Content)*, spoke on Agenda Item No. 10 *(Concrete Replacement Program Fiscal Year 2025-26 - Award of Contract No. 9945-1 (26R06))*, and questioned the lease rate calculation relative to Agenda Item No. 11 *(Lease Agreement with Harbor Island Community Association for Use of Tidelands Property for the Harbor Island Bridge)*.

Adam Leverenz also encouraged a no vote on Agenda Item No. 6. *(Amendment No. Two to the Professional Services Agreement with Schmitz & Associates)* and urged avoiding the appearance of impropriety.

Draft

VII. CONSENT CALENDAR

READING OF MINUTES AND ORDINANCES

1. **Minutes for the October 28, 2025, and November 4, 2025, City Council Meetings**
   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. **Item pulled from the consent calendar.**

RESOLUTIONS FOR ADOPTION

4. **Resolution No. 2025-79: Approval of Measure M2 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) Adopt Resolution 2025-79, *A Resolution of the City Council of the City of Newport Beach, California, Concerning the Measure M2 Expenditure Report for the City of Newport Beach for Fiscal Year 2024-25.*

   Councilmember Blom recused based on his interest in properties at 417 and 501 30th Street.

CONTRACTS AND AGREEMENTS

5. **Acceptance of Cooperative Agreement C-5-4013 With Orange County Transportation Authority Enhanced Mobility for Seniors and Individuals with Disabilities Grant Program for the OASIS Transportation Program**
   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 City Council to accept a $217,800 Orange County Transportation Authority Enhanced Mobility for Seniors and Individuals with Disabilities grant and sign and execute the Cooperative Agreement No. C-5-4013 and subsequent related documents as may be related to the reimbursement of the cost for vehicles for the OASIS Transportation Program; and
   c) Approve Budget Amendment No. 26-026 to record and appropriate $217,800 in grant revenue from the Orange County Transportation Authority to OASIS Transportation Grants account 0107033-431455-G2601, and in expenditure appropriations to OASIS Transportation - Equipment NOC account 0107033- 911024-G2601.

6. **Amendment No. Two to the Professional Services Agreement with Schmitz & Associates**
   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 enter into an Amendment No. Two to On-Call Professional Services Agreement with Schmitz & Associates for Advisor and Advocate Services for City Applications Before the California Coastal Commission with an amount not -to-exceed $240,000; and
   c) Waive the standard bidding requirements provided by City Council Policy F-14 and approve a single source award of the agreement to Schmitz & Associates.

Draft

7. **Approval of Purchase Agreement with Model 1 Commercial Vehicles, Inc. for Six New Trolley Vehicles for the Balboa Island/Corona del Mar Local Area Transit Service**
   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 Budget Amendment No. 26-039 to appropriate $2,624,060 in new revenue and expenditures from OCTA to Account Nos. 1230053-431150-26T14 and 1230053-980000-26T14, respectively, and to appropriate $1,012,521.14 in additional expenditures to Account No. 01201938-980000-26T14, funded by the General Fund Capital Improvement Program reserves and the Equipment Maintenance Internal Service Fund reserves; and
   c) Approve a Purchase Agreement with Model 1 Commercial Vehicles, Inc. DBA Creative Bus Sales, Inc. for a total not-to-exceed amount of $2,321,340.24, for six new trolley vehicles and authorize the Mayor and City Clerk to execute the agreement.

8. **Approval of Master Agreement for Kanopy, Inc. to Procure Digital Video Content**
   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 Master Agreement with Kanopy, Inc. for a not to exceed $75,000 annually through June 30, 2030, and to authorize the Mayor and City Clerk to execute the agreement.

9. **Concrete Replacement Program Fiscal Year 2025-26 - Award of Contract No. 9945-1 (26R06)**
   a) Find this project exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301(c), Class 1 (maintenance of existing public facilities involving negligible or no expansion of use) of the CEQA Guidelines, because this project has no potential to have a significant effect on the environment;
   b) Approve the project plans and specifications;
   c) Award Contract No. 9945-1 to CJ Concrete Construction, Inc. for the total bid price of $815,010 for the Concrete Replacement Program Fiscal Year 2025-26 project, and authorize the Mayor and City Clerk to execute the contract; and
   d) Establish a contingency of $160,000 (approximately 20% of the total bid) to cover the cost of unforeseen work not included in the original contract.

   Mayor Stapleton recused based on his interest in properties at 4100 and 4110 Macarthur Blvd.

10. **Fire Station No.2 HVAC Retrofit - Award of Contract No. 9959-1 (25R02)**
    a) Find this project exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301(c), Class 1 (maintenance of existing public facilities involving negligible or no expansion of use) of the CEQA Guidelines, because this project has no potential to have a significant effect on the environment;
    b) Approve the project plans and specifications;
    c) Award Contract No. 9959-1 to MEP Fusion, Inc. for the total bid price of $126,000 for the Fire Station No. 2 HVAC Retrofit project, and authorize the Mayor and City Clerk to execute the contract; and
    d) Establish a contingency of $19,000 (approximately 15% of total bid) to cover the cost of unforeseen work not included in the original contract.

11. **Lease Agreement with Harbor Island Community Association for Use of Tidelands Property for the Harbor Island Bridge**
    a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301 (Existing Facilities) of the CEQA Guidelines because it has no potential to have a significant effect on the environment;
    b) Authorize the City Manager and City Clerk to execute the Lease Agreement By and Between the City of Newport Beach and Harbor Island Community Association for the Harbor Island

Draft

Bridge, in a form substantially similar to the agreement attached to the staff report; and

c) Approve a waiver of City Council Policy F-7 - Income and Other Property based on the findings contained in the staff report and the Agreement, that conducting an open bid process or converting the property to another use would result in vacancy and other expenses that would outweigh other financial benefits to the City, and that the use promotes the City's goals to provide essential or unique services to the community.

Mayor Stapleton recused based on his business interests.

12. Cooperative Agreement with Orange County Transportation Authority

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 enter into a Cooperative Agreement between the Orange County Transportation Authority and the City of Newport Beach in a form substantially similar to the agreement attached to the staff report; and
c) Approve Budget Amendment No. 26-042 appropriating $250,000 in increased expenditures from the General Fund unappropriated fund balance.

13. Tentative Agreement with the Newport Beach City Employees Association

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 City Employees Association.

MISCELLANEOUS

14. Annual Reports on Development Impact Fees and Development Agreements

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, review and file the annual reports on development impact fees and development agreements.

15. Confirmation of Nominations to Fill an Unscheduled Vacancy on the City Arts Commission

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) Confirm the nominations of Bobby Barzi and Cory Glass to fill the unscheduled vacancy on the City Arts Commission for the term ending June 30, 2029.

Motion by Mayor Pro Tem Kleiman, seconded by Councilmember Blom, to approve the Consent Calendar, including amendments to Agenda Item No. 1, the Minutes; removal of Agenda Item No. 3 for further discussion, and noting the recusals on Agenda Item No. 4 by Councilmember Blom, and Mayor Stapleton on Agenda Item Nos. 9 and 11.

The Motion carried by the unanimous vote: 7-0-0

ITEMS REMOVED FROM THE CONSENT CALENDAR

3. Ordinance No. 2025-35: Repealing and Replacing Chapter 12.56 (Bicycles - Registration and Regulations) of the Newport Beach Municipal Code - Second Reading

Draft

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) Conduct a second reading and adopt Ordinance No. 2025-35, An Ordinance of the City Council of the City of Newport Beach, California, Repealing and Replacing Chapter 12.56 (Bicycles - Registration and Regulations) of the Newport Beach Municipal Code.

Councilmember Barto requested Agenda Item No. 3 be pulled from the consent calendar for further discussion and proposed an amendment to Ordinance No. 2025-35, deleting subsection (B)(4) - exception for operating bicycles on sidewalks in residential neighborhoods. She further proposed reintroducing Ordinance No. 2025-35, as amended, and conducting a second reading on December 9, 2025.

PUBLIC COMMENTS

Ron Rubino expressed strong opposition to e-bikes on residential sidewalks.

Jim Mosher suggested Council receive additional public input on the matter, noted that if the ordinance was revised at the dais, safe operation rules should apply to both motorized and conventional bicycles, and opposed the requirement that sidewalk riders must go with traffic flow.

Annie Sulentic voiced strong support for the ordinance and emphasized the need for relevant speed limit signage and enforcement.

Kimberly Ward fully supported the ordinance as presented.

In response to Councilmember Grant's question, Public Works Director Dave Webb clarified that a listing of specific streets is not required and confirmed accuracy of the exhibit attached to the ordinance.

Motion by Councilmember Barto, seconded by Mayor Stapleton, 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) strike out Exception No. (B)(4) in Section 12.56.030, reintroduce Ordinance No. 2025-35 as amended, and pass on to second reading at the December 9, 2025, City Council meeting.

The Motion carried by the unanimous vote: 7-0-0

XI. PUBLIC HEARINGS

16. Ordinance No. 2025-36 and Resolution No. 2025-80 Approving the MacArthur Court Development Agreement and Affordable Housing Implementation Plan (PA2025-0090)

a) Conduct a public hearing;
b) Find this project is not subject to further environmental review pursuant to Section 21083.3 of the California Public Resources Code (PRC) and Section 15183 of the CEQA Guidelines because the project is consistent with the previously certified Program Environmental Impact Report (SCH No. 2023060699);
c) Introduce Ordinance No. 2025-36, *An Ordinance of the City Council of the City of Newport Beach, California, Approving a Development Agreement for the MacArthur Court Project located at 4665, 4675, 4680, 4685 and 4695 MacArthur Court, and 4770 Campus Drive (PA2025-0090)*, and pass to second reading on December 9, 2025; and
d) Adopt Resolution No. 2025-80, *A Resolution of the City Council of the City of Newport Beach, California, Approving an Affordable Housing Implementation Plan for the MacArthur Court Project Located at 4665, 4675, 4680, 4685 and 4695 MacArthur Court, and 4770 Campus Drive (PA2025-0090).*

Draft

An amended page 19 of Resolution No. 2025-80 was provided to Council and the public.

Principal Planner Liz Westmorland referenced a PowerPoint presentation and presented a report including key provisions of the development agreement.

Mayor Stapleton opened the public hearing at 5:26 p.m.

PUBLIC COMMENTS

Shawna Schaffner, Chief Executive Officer of CAA Planning, Inc., supported staff recommendations.

Adam Leverenz raised concerns about the availability of affordable housing.

Ron Rubino advocated for mandatory inclusionary housing.

Jim Mosher expressed discomfort with vesting rights in a land use element that seemed in flux.

Mayor Stapleton closed the public hearing at 5:35 p.m.

Motion by Councilmember Blom, seconded by Councilmember Weber, to a) Find this project is not subject to further environmental review pursuant to Section 21083.3 of the California Public Resources Code (PRC) and Section 15183 of the CEQA Guidelines because the project is consistent with the previously certified Program Environmental Impact Report (SCH No. 2023060699); b) Introduce Ordinance No. 2025-36, *An Ordinance of the City Council of the City of Newport Beach, California, Approving a Development Agreement for the MacArthur Court Project located at 4665, 4675, 4680, 4685 and 4695 MacArthur Court, and 4770 Campus Drive (PA2025-0090)*, and pass to second reading on December 9, 2025; and c) Adopt Resolution No. 2025-80, *A Resolution of the City Council of the City of Newport Beach, California, Approving an Affordable Housing Implementation Plan for the MacArthur Court Project Located at 4665, 4675, 4680, 4685 and 4695 MacArthur Court, and 4770 Campus Drive (PA2025-0090) as amended*.

The Motion carried by the unanimous vote: 7-0-0

17. Certification of Responsible Housing Initiative Petition and Consideration of Council Action Options

a) Determine that the action is exempt from the California Environmental Quality Act CEQA) pursuant to Sections 15060(c)(1), (2) and (3) of the CEQA Guidelines because it will not result in a physical change to the environment, directly or indirectly; and

b) Authorize City staff to prepare and execute a budget amendment, as needed, to implement the City Council's selected course of action and to appropriate sufficient funds to cover associated costs based on the option approved by the City Council;

c) Accept the certification of the Orange County Registrar of Voters as to the verification of signatures of the Responsible Housing Initiative; and

d) i) Order a Report Pursuant to California Elections Code Section 9215. Determine the desired scope of a report under California Elections Code Section 9212 and adopt A Resolution Ordering a Report Pursuant to California Elections Code Section 9212 Regarding an Initiative Measure to Amend the Land Use Element of the City's General Plan; or ii) Adopt the Initiative Without Alteration. Adopt the initiative as submitted by the proponents, without amendment, by adopting A Resolution Adopting the Responsible Housing Initiative Pursuant to California Elections Code Section 9215, as Submitted by the Newport Beach Stewardship Association, Without Amendment; or iii) Call a Special Municipal Election. By motion, decide whether to submit an argument against the proposed initiative (pursuant to Elections Code Section 9282) and, if submitting such an argument, designate the authors; and then adopt the following Resolutions: (1) A Resolution Calling for and Giving Notice of a Special Municipal Election to

Draft

be held on _____, 2026, to Submit to the Voters an Initiative Measure Proposing to Amend the Land Use Element of the City's General Plan, and Requesting the Orange County Board of Supervisors Authorize the County Elections Official to Render Services Relating to the Conduct of a Special Municipal Election; (2) A Resolution Directing the City Attorney to Prepare an Impartial Analysis of an Initiative Measure to Be Submitted to the Voters at the Special Municipal Election to be Held on _____, 2026, and Providing for the Deadlines for Filing of the Impartial Analysis and Written Arguments For and Against the Initiative Measure; and (3) A Resolution Setting the Deadlines for Filing of Rebuttal Arguments in Response to Direct Arguments Filed For and Against the Initiative Measure to be Submitted to the Voters at the Special Municipal Election to be held on _____ 2026; or (iv) Call a General Municipal Election. By motion, decide whether to submit an argument against the proposed initiative (pursuant to Elections Code Section 9282) and, if submitting such an argument, designate the authors; and then adopt the following Resolutions: (1) A Resolution Calling for and Giving Notice of a General Municipal Election to be Held on November 3, 2026, to Submit to the Voters an Initiative Measure Proposing to Amend the Land Use Element of the City's General Plan, and Requesting the Orange County Board of Supervisors Consolidate the General Municipal Election with the Statewide General Election to be Held on the Same Date; (2) A Resolution Directing the City Attorney to Prepare an Impartial Analysis of an Initiative Measure to Be Submitted to the Voters at the General Municipal Election to be Held on November 3, 2026, and Providing for the Deadlines for Filing the Impartial Analysis and Written Arguments For and Against the Initiative Measure; and (3) A Resolution Setting the Deadlines for Filing of Rebuttal Arguments in Response to Direct Arguments Filed For and Against the Initiative Measure to be Submitted to the Voters at the General Municipal Election to be Held on November 3, 2026.

City Clerk Lena Shumway referenced a PowerPoint presentation and reported that on October 2, 2025, the Newport Beach Stewardship Association submitted the Responsible Housing Initiative Petition proposing amendments to the General Plan to facilitate development of 2,900 affordable housing units for extremely low, very low-, low- and moderate-income households. She further noted that the Orange County Registrar of Voters confirmed the petition contained the required number of valid signatures on November 5, 2025, and presented Council action options.

PUBLIC COMMENTS

Duffy Duffield, former Mayor, supported a vote of the people.

Kirk Fleming urged Council to adopt the initiative as presented rather than spend money on an election.

Jeff Herdman supported proceeding with an election.

Councilmember Blom highlighted that the signature-gathering efforts for the initiative were funded by a major city developer, raising questions about the developer's motives and concerns that the initiative's funding was intended to limit other development in Newport Beach. He defended the Council's actions by explaining that decisions regarding housing development are taken seriously, emphasizing the Council's commitment to responsible housing solutions. He noted that the Council had taken a similar approach in the past, which was ultimately rejected by the State, and asserted that the Council maintained transparency throughout the process, rejecting any suggestion that they were deceiving Newport Beach residents.

Councilmember Grant acknowledged the 6,000+ residents who signed the petition but defended Council's approach to avoid state penalties including loss of local land use control and expressed concern regarding the significant cost associated with a special election.

Draft

Prior to making a motion, Councilmember Blom requested a straw vote to determine who on Council would participate in authoring arguments against the initiative.

At the conclusion of the straw vote it was determined that Councilmembers Barto, Blom, and Weber would participate.

Motion by Councilmember Blom, seconded by Councilmember Weigand, to a) Determine that the action is exempt from the California Environmental Quality Act CEQA) pursuant to Sections 15060(c)(1), (2) and (3) of the CEQA Guidelines because it will not result in a physical change to the environment, directly or indirectly; and b) Authorize City staff to prepare and execute a budget amendment, as needed, to implement the City Council's selected course of action and to appropriate sufficient funds to cover associated costs based on the option approved by the City Council; c) Accept the certification of the Orange County Registrar of Voters as to the verification of signatures of the Responsible Housing Initiative; and d) (iv) Call a General Municipal Election. By motion, decide whether to submit an argument against the proposed initiative (pursuant to Elections Code Section 9282) and, if submitting such an argument, designate the authors; and then adopt the following Resolutions: (1) A Resolution Calling for and Giving Notice of a General Municipal Election to be Held on November 3, 2026, to Submit to the Voters an Initiative Measure Proposing to Amend the Land Use Element of the City's General Plan, and Requesting the Orange County Board of Supervisors Consolidate the General Municipal Election with the Statewide General Election to be Held on the Same Date; (2) A Resolution Directing the City Attorney to Prepare an Impartial Analysis of an Initiative Measure to Be Submitted to the Voters at the General Municipal Election to be Held on November 3, 2026, and Providing for the Deadlines for Filing the Impartial Analysis and Written Arguments For and Against the Initiative Measure; and (3) A Resolution Setting the Deadlines for Filing of Rebuttal Arguments in Response to Direct Arguments Filed For and Against the Initiative Measure to be Submitted to the Voters at the General Municipal Election to be Held on November 3, 2026.

The Motion carried by the unanimous vote: 7-0-0

X. MOTION FOR RECONSIDERATION – None

PUBLIC COMMENTS ON CLOSED SESSION

There were no public comments on closed session items.

XI. CLOSED SESSION

A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
(Government Code § 54956.8): 1 matter.

Property 3848 Campus Drive, Newport Beach, CA 92660 (APN 427-151-08).
City Negotiators: Seimone Jurjis, Assistant City Manager and Lauren Whitlinger, Real Property Administrator.
Negotiating Parties: John Saunders on behalf of 3848 Campus Drive LP.
Under Negotiation: Instruction to City Negotiators regarding price and terms of payment.

B. CONFERENCE WITH LEGAL COUNSEL
EXISTING LITIGATION

(Government Code § 54956.9(d)(1)): 1 matter

Abdelfattah Seifeldin et al. v. City of Newport Beach
Orange County Superior Case No. 30-2023-01340928-CU-PA-CJC

Draft

CLOSED SESSION REPORT

There was no closed session report.

XVI. ADJOURNMENT

Meeting adjourned at 6:22 p.m.

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 November 13, 2025, at 11:00 a.m.

_____
Joe Stapleton
Mayor

_____
Lena Shumway
City Clerk

Draft

CITY OF

NEWPORT BEACH

City Council Staff Report

December 9, 2025
Agenda Item No. 3

TO:	HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM:	David A. Webb, Public Works Director - 949-644-3311, dawebb@newportbeachca.gov
PREPARED BY:	Kevin Riley, City Traffic Engineer - 949-644-3329, kriley@newportbeachca.gov
TITLE:	Ordinance No. 2025-35: Repealing and Replacing Chapter 12.56 (Bicycles – Registration and Regulations) of the Newport Beach Municipal Code – Second Reading

ABSTRACT:

At the November 18, 2025, City Council meeting, a second reading was held on Ordinance No. 2025-35 Repealing and Replacing Chapter 12.56 (Bicycles – Registration and Regulations) of the Newport Beach Municipal Code (NBMC). At the meeting, the City Council amended the Ordinance by removing proposed NBMC 12.56.030.B.4 and passed it to a second reading. The ordinance updates the NBMC to heighten and enhance bicycle safety in the public right-of-way. For the City Council's consideration is the adoption of the attached ordinance.

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; and

b) Conduct a second reading and adopt Ordinance No. 2025-35, *An Ordinance of the City Council of the City of Newport Beach, California, Repealing and Replacing Chapter 12.56 (Bicycles – Registration and Regulations) of the Newport Beach Municipal Code.*

DISCUSSION:

An informal Bicycle Safety Working Group comprised of Mayor Stapleton, Councilmember Weigand, Councilmember Barto and City staff recently undertook review and discussion of bicycling issues in the City. The major issues discussed include the increase in the use of electric bicycles, ways to enhance bicycle and electric bicycle safety and coordinating education efforts with schools operating within Newport Beach. The working group collaborated over several meetings to develop proposed ordinance changes to Chapter 12.56 (Bicycles - Registration and Regulations) of the NBMC, and a

proposed update to the Sidewalk Cycling Allowed Map, which will add additional street corridors where sidewalk cycling is allowed.

Proposed Ordinance Changes to NBMC 12.56

Chapter 12.56 of the NBMC provides registration and general regulations on cycling within Newport Beach. Chapter 12.56 was adopted in 1972 with the most recent amendments in 1997. A summary of the areas covered by Chapter 12.56 include definitions limited to bicycles, pedicabs, and surrey cycles; voluntary licensing of bicycles; limitations on cycling on sidewalks; limitations on the operation of surrey cycles and/or pedicabs; and a general obligation to obey signage. Since that time, a number of changes have occurred in the area of cycling as identified by the Orange County Grand Jury Report on E-Bikes that was presented to the City Council on August 27, 2024. In that report, the Grand Jury made a number of findings including recognition that the majority of Orange County's 34 cities do not have ordinances or policies in place regulating electric bicycles; the need for consistent and accurate tracking by law enforcement and first responders due to the increased incidents of electric bicycle injuries; and the need for streamlined training and education on electric bicycle use and safety.[1]

The Bicycle Safety Working Group has worked to identify areas of enhancements to the NBMC Chapter 12.56 intended to capture electric bicycles within its regulations and improve safety. Specifically, the proposed ordinance would apply to electric bicycles and other motorized conveyance devices to specifically delineate behavior that is unsafe while riding, require helmets for all riders under the age of 18 years old, and provide additional penalties for violations by minors in particular. At the discretion of the citing officer, all varieties of bicycles and electric bicycles may be impounded with release only to a responsible adult. Additionally, the penalty provisions would now provide a diversion program directed towards minors who are cited for violations of the chapter. If a bicycle safety training program is successfully completed, the citation may be dismissed.

On November 4, 2025 City Council meeting, the City Council introduced Ordinance No. 2025-35, which enhances bicycle safety and identifies the sidewalks cyclists are allowed to ride on. A second reading took place on November 18, 2025 and the City Council amended the ordinance (Attachment A) by removing proposed NBMC 12.56.030.B.4 which removed the exception allowing sidewalk riding in front of residential properties in residential neighborhoods and passed it to a second reading.

FISCAL IMPACT:

There is no fiscal impact related to this item.

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

[1] This year, the City has undertaken a number of code amendments related to bicycles and electric bicycles including Ordinance Nos. 2025-6 and 2025-29 which prohibits bicycles and electric bicycles on City beaches and at Newport Elementary School.

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).

ATTACHMENT:

Attachment A – Ordinance No. 2025-35

ORDINANCE NO. 2025-35

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NEWPORT BEACH, CALIFORNIA, REPEALING AND REPLACING CHAPTER 12.56 (BICYCLES - REGISTRATION AND REGULATIONS) OF THE NEWPORT BEACH MUNICIPAL CODE

WHEREAS, Section 200 of the City Charter, of the City of Newport Beach ("City"), vests the City Council with the authority to make and enforce all laws, rules and regulations with respect to municipal affairs subject only to the restrictions and limitations contained in the City Charter and the State Constitution, and the power to exercise, or act pursuant to any and all rights, powers, and privileges or procedures granted or prescribed by any law of the State of California;

WHEREAS, Chapter 12.56 (Bicycles – Registration and Regulations) of the Newport Beach Municipal Code ("NBMC") regulates the use of bicycles within the city;

WHEREAS, electric bicycles (with new models continuing to emerge) have become an increasingly popular mode of transportation, but are not currently addressed in Chapter 12.56 (Bicycles – Registration and Regulations);

WHEREAS, the increased use of electric bicycles has contributed to a rise in accidents and injuries, creating a need to update local regulations to enhance the safety of pedestrians, cyclists, and motorists; and

WHEREAS, the City Council desires to repeal Chapter 12.56 (Bicycles – Registration and Regulations) in its entirety and adopt a new Chapter 12.56 (Bicycles – And Similar Devices - Registration and Regulations), as provided herein.

NOW THEREFORE, the City Council of the City of Newport Beach ordains as follows:

Section 1: Chapter 12.56 (Bicycles – Registration and Regulations) of the Newport Beach Municipal Code is hereby repealed in its entirety and replaced with the provisions set forth in Exhibit "A," which is attached hereto and incorporated herein by this reference.

Section 2: The City's Traffic Engineer is hereby directed to erect or place appropriate signs giving notice of the regulations imposed by this ordinance.

Section 3: The recitals provided in this ordinance are true and correct and are incorporated into the substantive portion of this ordinance.

Section 4: If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

Section 5: The City Council finds the introduction and adoption of this ordinance 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, Division 6, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

Section 6: Except as expressly modified in this ordinance, all other sections, subsections, terms, clauses and phrases set forth in the NBMC shall remain unchanged and shall be in full force and effect.

Section 7: The Mayor shall sign and the City Clerk shall attest to the passage of this ordinance. The City Clerk shall cause the ordinance, or a summary thereof, to be published pursuant to City Charter Section 414. This ordinance shall be effective thirty (30) calendar days after its adoption.

This ordinance was introduced at a regular meeting of the City Council of the City of Newport Beach held on the 4th day of November, 2025, and adopted on the 9th day of December, 2025, by the following vote, to-wit:

AYES: _____

NAYS: _____

ABSENT: _____

_____
Joe Stapleton, Mayor

ATTEST:

_____
Lena Shumway, City Clerk

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE

_____
Aaron C. Harp, City Attorney

Attachment(s): Exhibit A – Chapter 12.56 (Bicycles and Similar Devices – Registration and Regulations)

EXHIBIT A

Chapter 12.56

BICYCLES AND SIMILAR DEVICES—REGISTRATION AND REGULATIONS

Sections:

12.56.010 Definitions.
12.56.025 Voluntary Licensing.
12.56.030 Operating on Sidewalks.
12.56.040 Operating a Surrey Cycle or Pedicab.
12.56.050 Designation of Bicycle Lanes.
12.56.060 Safe Operation.
12.56.070 Placement of Appropriate Signs.
12.56.080 Penalties, Impoundment and Diversion.

12.56.010 Definitions.

As used in this chapter, the following terms and words shall have the following meanings:

"Bicycle" has the same meaning as defined in California Vehicle Code Section 231.

"Bicycle lane" means a portion of a roadway that has been designated by striping, signage, or pavement markings for the preferential or exclusive use of bicycles.

"Electric bicycle" has the same meaning as defined in California Vehicle Code Section 312.5.

"Electrically motorized board" has the same meaning as defined in California Vehicle Code Section 313.5.

"Motorized bicycle" has the same meaning as defined in California Vehicle Code Section 406.

"Motorized scooter" has the same meaning as defined in California Vehicle Code Section 407.5.

"Motorized wheeled conveyance" means any electric bicycle, electrically motorized board, motorized bicycle, or motorized scooter, or any similar electric or combustible - motorized wheeled conveyance.

"Pedicab" has the same meaning as defined in California Vehicle Code Section 467.5.

"Public plaza" means an open public area that is owned or controlled by the State, the County, the City, or other public entity that has been physically improved, which allows access to the beach, a boardwalk, or public pier, and where people can gather.

"Public rights-of-way" or "public right-of-way" means a public roadway, highway, street, sidewalk, path, trail, plaza, bicycle lane, boardwalk, or alleyway that is located within the jurisdictional boundaries of the City and subject to the City's regulatory authority.

"Surrey cycle" means a bicycle or electric bicycle with seating for one (1) or more persons which is which has four (4) or more wheels.

12.56.025 Voluntary Licensing.

A. Any person who is a resident of the City may apply to the Police Department for a bicycle or electric bicycle license. Motorized bicycles shall be licensed by the Department of Motor Vehicles and require a Driver's License to operate.

B. Fees for bicycle or electric bicycle license issuance or renewal, shall be established by resolution of the City Council. Fees shall be waived for all individuals who obtain a bicycle or electric bicycle license or renewal at a City sponsored bicycle safety program.

12.56.030 Operating on Sidewalks.

A. Prohibition. No person shall operate or ride a bicycle or electric bicycle upon any sidewalk except where such operation is specifically designated by resolution of the City Council or as otherwise authorized in subsection (B).

B. Exceptions. The provisions of this section shall not apply to:

1. A mobility aid used by a person to assist with a disability.

2. Tricycles which measure less than one of the following:

    a. Eighteen (18) inches from ground level to the neck joint,

    b. Twenty-four (24) inches in width measured from the outer rear wheels,

    c. Eighteen (18) inches in front tire diameter, or

    d. Twelve (12) inches in rear tire diameter.

3. Any bicycle or electric bicycle operated by a City employee or contractor when acting within the course and scope of his or her employment.

12.56.040 Operating a Surrey Cycle or Pedicab.

A. No person shall operate or ride a surrey cycle or pedicab upon any sidewalk, boardwalk or any public pier in the City.

B. Any person who operates a surrey cycle or pedicab rental service, shop or facility must inform each person who rents a surrey cycle or pedicab at the time of the rental, in writing, of the restrictions contained in this section. Each rental surrey cycle or pedicab shall be posted to clearly inform each rider of the particular areas in the City where surrey cycles and pedicabs are prohibited.

C. Any person who operates a surrey cycle or pedicab rental service, shop or facility, shall affix to each rented surrey cycle or pedicab, a flag of sufficient size and color to increase visibility of the surrey cycle or pedicab. The flag, which shall be of international orange or similar color, and of sufficient size to enhance the visibility of the surrey cycle or pedicab, shall be affixed so that it reaches three (3) feet above the highest portion of the surrey cycle or pedicab.

12.56.050 Designation of Bicycle Lanes.

The City Traffic Engineer is authorized to designate bicycle lanes on streets and shall mark and sign them in conformance with California Vehicle Code Section 21400.

12.56.060 Safe Operation.

A. No person shall operate or ride a motorized wheeled conveyance upon any public right-of-way, or within any public park in a manner that is unsafe or that creates an unreasonable risk of injury to any person or damage to any property.

B. Examples of operating or riding in an unsafe manner include, but are not limited to, the following actions:

1. Riding on a sidewalk designated as permissible without due caution for pedestrians, which shall include, but not be limited to, weaving between pedestrians, operating an electric bicycle at full power on crowded sidewalks, riding while distracted, or riding at night without lights.

2. Riding on a public right-of-way against the flow of traffic.

3. Failing to yield to vehicles or pedestrians when required by the California Vehicle Code.

4. Intentionally swerving or riding around stopped or slowed traffic.

5. Carrying passengers on bicycles or electric bicycles not designed or equipped for multiple riders.

6. Disobeying posted traffic signs, pavement markings or traffic control signals.

7. Riding without a properly fitted and fastened helmet when under the age of 18.

8. Intentionally lifting one or more wheels off the ground while riding.

9. Riding on public right-of-way at a speed greater than reasonable or prudent under the existing conditions, or at a speed which endangers the safety of persons or property.

10. Failing to utilize a designated bicycle lane when signs are posted requiring such use.

12.56.070 Placement of Appropriate Signs.

Whenever this Code or any ordinance or resolution of the City designates any portion of a sidewalk to allow cycling, the City Traffic Engineer shall place and maintain signs giving notice thereof.

12.56.080 Penalties, Impoundment, and Diversion.

A. Unlawful Acts. It shall be unlawful for any person to violate any provisions of, or to fail to comply with, any of the requirements of this chapter.

B. Enforcement and Impoundment. In addition to the fines and penalties that may be assessed to a minor pursuant to this Code, the Chief of Police or any officers of the Newport Beach Police Department charged with enforcing this chapter, may impound the motorized wheeled conveyance operated in violation of this chapter. Upon impoundment of a motorized wheeled conveyance, the minor shall be provided with written notice that possession of the impounded motorized wheeled conveyance shall be retained until released to a responsible adult. Motorized wheeled conveyances impounded and retained by the Police Department for more than ninety (90) days shall be deemed abandoned and may be disposed of as restricted by Civil Code Sections 2080.1, 2080.2, 2080.3, 2080.4 and 2080.5. The responsible adult shall be responsible for any impound fees adopted by resolution of the City Council.

C. Diversion Program. The Chief of Police shall establish and administer a motorized wheeled conveyance diversion program designed to educate violators on safe riding practices and applicable traffic laws. Participation in the diversion program shall be offered to minors who are first-time offenders and may, in the discretion of the Chief of Police, be offered to other violators. If the diversion program is successfully completed by the violator, or in the case of a minor, by the minor and the minor's parent or guardian, the City Attorney is authorized not to file the citation, dismiss the citation and waive any penalties related thereto. The diversion program shall include, but not be limited to, instruction on: (1) traffic laws applicable to the use of motorized wheeled conveyances; (2) safe and courteous riding practices; (3) the proper use of safety equipment; and (4) the responsibilities of cyclists in shared public spaces. A fee for participation in the diversion program shall be established by resolution of the City Council.

CITY OF

NEWPORT BEACH

City Council Staff Report

December 9, 2025
Agenda Item No. 4

TO:	HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM:	Jaime Murillo, Acting Community Development Director - 949-644-3209, jmurillo@newportbeachca.gov
PREPARED BY:	Liz Westmoreland, AICP, Principal Planner - 949-644-3234, lwestmoreland@newportbeachca.gov
TITLE:	Ordinance No. 2025-36: Approving the MacArthur Court Development Agreement

ABSTRACT:

For the City Council's consideration is the adoption of Ordinance No. 2025-36, approving a development agreement to vest The Irvine Company's (Applicant) rights to develop 700 residential dwelling units and 10,000 square feet of nonresidential building area at the MacArthur Court Campus in the Airport Area. The ordinance was introduced and considered at the November 18, 2025, City Council meeting.

RECOMMENDATIONS:

a) Find the adoption of the ordinance is not subject to further environmental review pursuant to Section 21083.3 of the California Public Resources Code (PRC) and Section 15183 of the California Environmental Quality Act (CEQA) Guidelines, California Code of Regulations, Title 14, Division 6, Chapter 3, because it is consistent with the previously certified Program Environmental Impact Report (SCH No. 2023060699); and

b) Conduct second reading and adopt Ordinance No. 2025-36, *An Ordinance of the City Council of the City of Newport Beach, California, Approving a Development Agreement for the MacArthur Court Project located at 4665, 4675, 4680, 4685 and 4695 MacArthur Court, and 4770 Campus Drive (PA2025-0090)*.

DISCUSSION:

On November 18, 2025, the City Council held a noticed public hearing to consider the Applicant's request for a Development Agreement (DA) and an Affordable Housing Implementation Plan (AHIP). The voluntary DA would vest the rights for future redevelopment of the MacArthur Court Campus, which is within the HO-1 (Airport Environs Area) Subarea of the Housing Opportunity (HO) Overlay Zoning District. While no specific project design is proposed currently, the proposed redevelopment would conceptually include two five-story residential buildings with up to 700 units and up to 10,000 square feet of non-residential building area. Although the DA provides vested rights, implementation of the project will require processing of a future site development

review application and other Planning Commission approvals prior to any building permit issuance.

In exchange for vested development rights, the Applicant would provide several public benefits, including a $3.25-million MacArthur Boulevard Revitalization Fee and off-site affordable housing, along with additional benefits outlined in Attachment A (Ordinance No. 2025-36).

After taking public testimony, the City Council unanimously adopted Resolution No. 2025-80 to approve the AHIP and introduced Ordinance No. 2025-36 and passed it to a second reading. If the ordinance is adopted it will take effect 30 days after adoption.

FISCAL IMPACT:

As the project is not increasing overall density nor is it changing allowed land uses through an amendment to the General Plan Land Use Element, a fiscal impact analysis was not prepared. However, a fiscal impact analysis was prepared by Keyser Marston Associates dated July 9, 2024, for the Housing Element Implementation Program Amendments. The analysis concluded that residential projects could have a net negative fiscal impact unless they continue to be developed at higher price points. Additionally, fiscal impacts are often offset through payment of impact fees and DAs. In this case, should future market rate residential projects be constructed pursuant to the DA, the applicant would provide various public benefit fees, including development impact fees and a MacArthur Boulevard Revitalization Fee to the City based on the specific terms contained in the DA.

ENVIRONMENTAL REVIEW:

Pursuant to the California Environmental Quality Act (CEQA) as set forth in California Public Resources Code Section 21000 *et seq*. and its implementing guidelines set forth in California Code of Regulations, Title 14, Division 6, Chapter 3 (CEQA Guidelines), the City Council adopted Resolution No. 2024-50 on July 23, 2024, certifying Final Program Environmental Impact Report SCH No. 2023060699 (PEIR), approving a Mitigation Monitoring and Reporting Program (MMRP), and adopting Findings and a Statement of Overriding Considerations related to the implementation of the Housing Element involving amendments to the General Plan, Coastal Land Use Plan, and Title 20 (Planning and Zoning) and Title 21 (Local Coastal Program Implementation Plan) of the NBMC which are available at: Housing Implementation Program EIR.

The Project is not subject to further environmental review pursuant to Section 21083.3 of the California Public Resources Code (PRC) and Section 15183 of the CEQA Guidelines because, inasmuch as the Properties involved are all within the HO-1 Subarea, the Project does not change the underlying land use or zoning designations; and would not result in new significant impacts or a substantial more adverse impact than addressed in the PEIR. A detailed consistency analysis has been prepared by T&B Planning Inc., dated October 2025, and peer reviewed by Kimley-Horn & Associates, Inc., is provided as Exhibit “C” of Attachment A and hereby incorporated by reference.

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).

ATTACHMENT:

Attachment A – Ordinance No. 2025-36

Attachment A

Ordinance No. 2025-36

ORDINANCE NO. 2025-36

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NEWPORT BEACH, CALIFORNIA, APPROVING A DEVELOPMENT AGREEMENT FOR THE MACARTHUR COURT PROJECT LOCATED AT 4665, 4675, 4680, 4685 AND 4695 MACARTHUR COURT AND 4770 CAMPUS DRIVE (PA2025-0090)

WHEREAS, Section 200 of the City Charter, of the City of Newport Beach ("City"), vests the City Council with the authority to make and enforce all laws, rules and regulations with respect to municipal affairs subject only to the restrictions and limitations contained in the City Charter and the State Constitution, and the power to exercise, or act pursuant to any and all rights, powers, and privileges or procedures granted or prescribed by any law of the State of California;

WHEREAS, California Government Code Section 65580 *et seq.* ("State Housing Element Law") requires each city and county adopt a housing element that identifies and analyzes existing and projected housing needs within their jurisdiction and prepare goals, policies, and programs, and quantified objectives to further the development, improvement, and preservation of housing;

WHEREAS, an application was filed by The Irvine Company ("Applicant"), concerning properties located at 4665, 4675, 4680, 4685 and 4695 MacArthur Court, and 4770 Campus Drive and legally described in Exhibit "A" ("Property"), which is attached hereto and incorporated by reference;

WHEREAS, the Applicant is requesting entitlements for the development of MacArthur Court Campus, a mixed-use campus consisting of two, five-story residential buildings containing 700 residential rental units ("MacArthur Court Apartments"), and a 10,000- square-foot nonresidential building ("Project");

WHEREAS, the Project would also retain the two existing high rise office towers and an existing parking garage;

WHEREAS, the Applicant requests the following approvals to vest the development rights for the Project:

- Development Agreement ("DA") - A development agreement between the Applicant and the City, pursuant to Chapter 15.45 (Development Agreements) of the Newport Beach Municipal Code ("NBMC"), which would provide the Applicant with the vested right to develop the Project for a term of 10 years and to provide negotiated public benefits to the City; and

- Affordable Housing Implementation Plan ("AHIP") - A preliminary plan specifying how the Project would contribute affordable housing as a public benefit, by providing affordable housing units equivalent to 7% of up to 700 market rate residential units, or up to 49 affordable housing units;

WHEREAS, the Property is designated General Commercial Office (CO-G) by the General Plan Land Use Element and is located within the Koll Center Planned Community (PC-15) Zoning District - Office Site C;

WHEREAS, the Property is not located within the coastal zone;

WHEREAS, a public hearing was held by the Planning Commission on October 23, 2025, in the Council Chambers at 100 Civic Center Drive, Newport Beach. A notice of the time, place, and purpose of the hearing was given in accordance with California Government Code Section 54950 *et seq.* ("Ralph M. Brown Act") and Chapter 20.62 ("Public Hearings") of the NBMC. Evidence, both written and oral, was presented to, and considered by, the Planning Commission at this public hearing;

WHEREAS, at the hearing, the Planning Commission adopted Resolution No. PC2025-023 by a unanimous vote (5 ayes, 2 absent) recommending the City Council approve the Project; and

WHEREAS, a public hearing was held by the City Council on November 18, 2025, in the Council Chambers at 100 Civic Center Drive, Newport Beach. A notice of the time, place, and purpose of the hearing was given in accordance with the Ralph M. Brown Act, Chapter 20.62 (Public Hearings) of the NBMC, and Section 15.45.050 (Public Hearing - Notice) of the NBMC. Evidence, both written and oral, was presented to and considered by the City Council at this hearing.

NOW THEREFORE, the City Council of the City of Newport Beach ordains as follows:

Section 1: The City Council has considered the recommendation of the Planning Commission and determined that modifications to the Project made by the City Council, if any, are not major changes that require referral back to the Planning Commission for consideration and recommendation.

Section 2: The City Council hereby approves the Development Agreement which is attached hereto as Exhibit "B" and incorporated herein by reference.

Section 3: The City Council finds the Development Agreement is consistent with provisions of California Government Code Sections 65864 *et seq.* and Chapter 15.45 (Development Agreements) of the NBMC that authorize binding agreements that: (i) encourage investment in, and commitment to, comprehensive planning and public facilities financing; (ii) strengthen the public planning process and encourage private implementation of the local general plan; (iii) provide certainty in the approval of projects to avoid waste of time and resources; and (iv) reduce the economic costs of development by providing assurance to the property owners that they may proceed with projects consistent with existing policies, rules, and regulations.

Additionally, the City Council finds the Development Agreement is entered into pursuant to, and constitutes a present exercise of, the City's police power and is in the best interest of the health, safety, and general welfare of the City, residents, and the public.

Section 4: A v Development Agreement dated October 2025 was prepared for the Project to vest the development rights for the Project over a period of 10 years. The Development Agreement provides the content required in Section 15.45.040 (Development Agreement – Contents) of the NBMC as follows:

1. A development agreement is requested by the Applicant, as the Project would include a total of 700 residential units. The development agreement includes all the mandatory elements including a term of 10 years and public benefits that are appropriate to support conveying the vested development rights consistent with the City's General Plan, the NBMC, and Government Code Sections 65864 *et seq.*

2. Public benefits include the payment of a public benefit fee for each residential unit. In addition to the public benefit fee, the Development Agreement includes public benefits in the form of a recorded easement for one acre of open space, a MacArthur Boulevard Revitalization Fee of $3.25 million (Three Million Two Hundred Fifty Thousand) Dollars, payment of Development Impact Fees, and an affordable housing obligation in the form of an AHIP to be adopted for the development of affordable housing units.

Section 5: The recitals provided in this ordinance are true and correct and are incorporated into the operative part of this resolution.

Section 6: If any section, subsection, sentence, clause or phrase of this resolution is, for any reason, held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this resolution. The City

Council hereby declares that it would have passed this resolution, and each section, subsection, sentence, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

Section 7: Pursuant to the California Environmental Quality Act ("CEQA") as set forth in California Public Resources Code Section 21000 *et seq*. and its implementing guidelines set forth in California Code of Regulations, Title 14, Division 6, Chapter 3 ("CEQA Guidelines"), the City Council adopted Resolution No. 2024-50 on July 23, 2024, certifying Final Program Environmental Impact Report SCH No. 2023060699 ("PEIR"), approving a Mitigation Monitoring and Reporting Program ("MMRP"), and adopting Findings and a Statement of Overriding Considerations related to the implementation of the Housing Element involving amendments to the General Plan, Coastal Land Use Plan, and Title 20 (Planning and Zoning) and Title 21 (Local Coastal Program Implementation Plan) of the NBMC which are available at: Housing Implementation Program EIR.

1. The Project is not subject to further environmental review pursuant to Section 21083.3 of the California Public Resources Code and Section 15183 of the CEQA Guidelines because, inasmuch as the Properties involved are all within the HO-1 Subarea, the Project does not change the underlying land use or zoning designations; and would not result in new significant impacts or a substantial more adverse impact than addressed in the PEIR. A detailed consistency analysis has been prepared by T & B Planning Inc., dated September 2025, and peer reviewed by Kimley-Horn & Associates, Inc., and is attached hereto as Exhibit "C" and incorporated herein by reference.

2. Section 15183 of the CEQA Guidelines provides, in relevant part:

    a. Projects which are consistent with the development density established by existing zoning, community plan, or general plan policies for which an environmental impact report ("EIR") was certified shall not require additional environmental review, except as might be necessary to examine whether there are project-specific significant effects which are peculiar to the project or its site. This streamlines the review of such projects and reduces the need to prepare repetitive environmental studies.

    b. In approving a project meeting the requirements of this section, a public agency shall limit its examination of environmental effects to those which the agency determines, in an initial study or other analysis:

i. Are peculiar to the project or the parcel on which the project would be located;

ii. Were not analyzed as significant effects in a prior EIR on the zoning action, general plan, or community plan, with which the project is consistent;

iii. Are potentially significant off-site impacts and cumulative impacts which were not discussed in the prior EIR prepared for the general plan, community plan or zoning action; or

iv. Are previously identified significant effects which, as a result of substantial new information which was not known at the time the EIR was certified, are determined to have a more severe adverse impact than discussed in the prior EIR.

c. If an impact is not peculiar to the parcel or to the project, has been addressed as a significant effect in the prior EIR, or can be substantially mitigated by the imposition of uniformly applied development policies or standards, as contemplated by subdivision (e) below, then an additional EIR need not be prepared for the project solely on the basis of that impact.

d. This section shall limit the analysis of only those significant environmental effects for which:

i. Each public agency with authority to mitigate any of the significant effects on the environment identified in the EIR on the planning or zoning action undertakes or requires others to undertake mitigation measures specified in the EIR which the lead agency found to be feasible, and

ii. The lead agency makes a finding at a public hearing as to whether the feasible mitigation measures will be undertaken.

e. An effect of a project on the environment shall not be considered peculiar to the project or the parcel for the purposes of this section if uniformly applied development policies or standards have been previously adopted by the city or county with a finding that the development policies or standards will substantially mitigate that environmental effect when applied to future projects, unless substantial new information shows that the policies or standards will not substantially mitigate the environmental effect. The finding shall be based on substantial evidence which need not include an

EIR. Such development policies or standards need not apply throughout the entire city or county but can apply only within the zoning district in which the project is located, or within the area subject to the community plan on which the lead agency is relying. Moreover, such policies or standards need not be part of the general plan or any community plan but can be found within another pertinent planning document such as a zoning ordinance.

3. As part of its decision-making process, the City is required to review and consider whether the Project would create new significant impacts or significant impacts that would be substantially more severe than those disclosed in the PEIR. Additional CEQA review is only triggered if the Project's new significant impacts or impacts that are more severe than those disclosed in PEIR such that major revisions to the PEIR would be required.

4. The PEIR contemplated those future projects meeting the thresholds of Senate Bill No. 610 (SB 610) would require the preparation of a Water Supply Assessment. The project area is within the Irvine Ranch Water District ("IRWD") service area and the PEIR concluded that water demands from future housing projects would result in a significant and unavoidable impact concerning water supply. The City, therefore, adopted a Statement of Overriding Consideration for this impact in connection with its certification of the PEIR.

5. The Project is consistent with the development density and use characteristics established by the City's General Plan Housing Implementation Program as analyzed by the PEIR, and the required determinations can be made, as detailed in Exhibit "C" of this ordinance and incorporated by reference.

Section 8: The City Council finds that judicial challenges to the CEQA determinations and approvals of land use projects are costly and time consuming. In addition, project opponents often seek an award of attorneys' fees in such challenges. As project applicants are the primary beneficiaries of such approvals, it is appropriate that such applicants should bear the expense of defending against any such judicial challenge, and bear the responsibility for any costs, attorneys' fees, and damages which may be awarded to a successful challenger.

Section 9: The Mayor shall sign and the City Clerk shall attest to the passage of this ordinance. The City Clerk shall cause the ordinance, or a summary thereof, to be published pursuant to City Charter Section 414. This ordinance shall be effective thirty (30) calendar days after its adoption.

This ordinance was introduced at a regular meeting of the City Council of the City of Newport Beach held on the 18th day of November, 2025, and adopted on the 9th day of December, 2025, by the following vote, to-wit:

AYES: _____

NAYS: _____

ABSENT: _____

_____
Joe Stapleton, Mayor

ATTEST:

_____
Lena Shumway, City Clerk

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE

_____
Aaron C. Harp, City Attorney

Attachments: Exhibit "A" – Legal Description
Exhibit "B" – Development Agreement
Exhibit "C" – CEQA Consistency Analysis prepared by T&B Planning Inc. dated October 2025

Exhibit "A"
Legal Description

The Land referred to herein below is situated in the City of Newport Beach, County of Orange, State of California, and is described as follows:

PARCEL A:
PARCEL 1 OF PARCEL MAP NO. 84-716, IN THE CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A PARCEL MAP FILED IN BOOK 196, PAGE 40 THROUGH 43 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL B:
PARCEL 1, IN THE CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A PARCEL MAP FILED IN BOOK 68, PAGE 19 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL C:
PARCELS 2, 3 AND 4 OF PARCEL MAP NO. 84-716, IN THE CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A PARCEL MAP FILED IN BOOK 196, PAGES 40 THROUGH 43 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APNs:
445-121-14 (Affects Parcel A)
445-121-05 (Affects Parcel B)
445-121-15 (Affects Parcel 2 of Parcel C)
445-121-16 (Affects Parcel 3 of Parcel C)
445-121-17 (Affects Parcel 4 of Parcel C)

Exhibit "B"

DEVELOPMENT AGREEMENT

November 12, 2025

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

City of Newport Beach
100 Civic Center Drive
Newport Beach, CA 92660
Attn: City Clerk

(Space Above This Line Is for Recorder's Use Only)

This Agreement is recorded at the request and for the benefit of the City of Newport Beach and is exempt from the payment of a recording fee pursuant to Government Code §§ 6103 and 27383.

DEVELOPMENT AGREEMENT

between

CITY OF NEWPORT BEACH

and

THE IRVINE COMPANY LLC, a Delaware limited liability company

and

MACARTHUR COURT I LLC,
a Delaware limited liability company

CONCERNING

"MACARTHUR COURT"

TABLE OF CONTENTS

Page

1. Definitions....2

2. General Provisions....6

   2.1 Plan Consistency, Zoning Implementation....6
   2.2 Binding Effect of Agreement....7
   2.3 Property Owners' Representations and Warranties Regarding Ownership of the Property and Related Matters Pertaining to this Agreement....7
   2.4 Term....7

3. Public Benefits....8

   3.1 Public Benefit Fee....8
   3.2 Other Public Benefits....8
   3.3 Public Benefit Administration....9

4. Development of Project....10

   4.1 Applicable Regulations; Property Owners' Vested Rights and City's Reservation of Discretion With Respect to Subsequent Development Approvals....10
   4.2 No Conflicting Enactments....11
   4.3 Reservations of Authority....11
   4.4 Tentative Subdivision Maps....14

5. Amendment or Cancellation of Agreement....14

6. Enforcement....14

7. Annual Review of Property Owners' Compliance With Agreement....14

   7.1 General....14
   7.2 Property Owners' Obligation to Demonstrate Good Faith Compliance....14
   7.3 Procedure....14
   7.4 Annual Review a Non-Exclusive Means for Determining and Requiring Cure of Property Owners' Default....15

8. Events of Default....15

   8.1 General Provisions....15
   8.2 Default by Property Owner(s)....15
   8.3 City's Option to Terminate Agreement....16
   8.4 Default by City....16
   8.5 Waiver....16

8.6 Specific Performance Remedy 16
8.7 Monetary Damages 17
8.8 Additional City Remedy for Property Owners' Default 17
8.9 No Personal Liability of City Officials, Employees, or Agents 17

9. Force Majeure. 17

10. Indemnity Obligations of Property Owners. 18

10.1 Indemnity Arising From Acts or Omissions of Property Owner 18
10.2 Third Party Litigation 18
10.3 Environmental Liability 19

11. Assignment. 19

12. Mortgagee Rights. 20

12.1 Encumbrances on Property 20
12.2 Mortgagee Protection 20
12.3 Mortgagee Not Obligated 21
12.4 Notice of Default to Mortgagee; Right of Mortgagee to Cure 21

13. Bankruptcy 21

14. Miscellaneous Terms. 21

14.1 Notices 21
14.2 Project as Private Undertaking 22
14.3 Cooperation 22
14.4 Estoppel Certificates 23
14.5 Rules of Construction 23
14.6 Time Is of the Essence 23
14.7 Waiver 23
14.8 Counterparts 23
14.9 Entire Agreement 23
14.10 Severability 24
14.11 Construction 24
14.12 Successors and Assigns; Constructive Notice and Acceptance 24
14.13 No Third Party Beneficiaries 25
14.14 Applicable Law and Venue 25
14.15 Section Headings 25
14.16 Incorporation of Recitals and Exhibits 25
14.17 Recordation 25

DEVELOPMENT AGREEMENT

(Pursuant to California Government Code sections 65864-65869.5)

This DEVELOPMENT AGREEMENT (the "Agreement") is dated as of the ____ day of _____, 2025, and is being entered into by and between the CITY OF NEWPORT BEACH ("City") and THE IRVINE COMPANY LLC, a Delaware limited liability company ("Property Owner") and MACARTHUR COURT I LLC, a Delaware limited liability company ("Property Owner" and "Developer"). Property Owners are sometimes collectively referred to in this Agreement together as "Property Owners". City and Property Owners are sometimes collectively referred to in this Agreement as the "Parties" and individually as a "Party."

RECITALS

A. The Irvine Company LLC is the owner of that certain real property located in the City of Newport Beach, County of Orange, State of California commonly referred to as 4675, 4680 and 4695 MacArthur Boulevard (APN ## 445-121-15, -16 and -17) and MacArthur Court I LLC is the owner of that certain real property located in the City of Newport Beach, County of Orange, State of California commonly referred to as 4665 and 4685 MacArthur Boulevard and 4770 Campus Drive (APN ## 445-121-14 and 445-121-05), which together are bounded by Campus Drive to the north, MacArthur Boulevard to the west, and Birch Street to the south (collectively referred to herein as the "Property"). The Property is more particularly described in the legal description attached hereto as Exhibit A and is depicted on the site map attached hereto as Exhibit B.

B. To encourage investment in, and commitment to, comprehensive planning and public facilities financing, strengthen the public planning process and encourage private implementation of the local general plan, provide certainty in the approval of projects in order to avoid waste of time and resources, and reduce the economic costs of development by providing assurance to property owners that they may proceed with projects consistent with existing land use policies, rules, and regulations, the California Legislature adopted California Government Code sections 65864-65869.5 (the "Development Agreement Statute") authorizing cities and counties to enter into development agreements with persons or entities having a legal or equitable interest in real property located within their jurisdiction.

C. On March 13, 2007, the City Council adopted Ordinance No. 2007-6, entitled "Ordinance Amending Chapter 15.45 of City of Newport Beach Municipal Code Regarding Development Agreements" (the "Development Agreement Ordinance"). This Agreement is consistent with the Development Agreement Ordinance.

D. In consideration of City entering into this Agreement, Property Owners have agreed to provide significant public benefits as detailed in this Agreement. City has determined that these public benefits City constitute adequate consideration for City's entering into and performing its obligations set forth in this Agreement.

E. The City Council adopted the General Plan 6th Cycle Housing Element ("Housing Element") in September 2022 covering the planning period from 2021-2029. As required by state

law, the Housing Element was certified by the State Department of Housing and Community Development ("HCD") in October 2022.

F. On July 23, 2024, the City Council adopted Resolution No. 2024-50 certifying the Housing Element Implementation Program Amendments Final Program Environmental Impact Report (State Clearinghouse No. 2023060699), approving a Mitigation Monitoring and Reporting Program, and adopting Findings and a Statement of Overriding Considerations and related approvals to implement the Housing Element including amendments to the General Plan, Coastal Land Use Plan, and Title 20 (Planning and Zoning) and Title 21 (Local Coastal Program Implementation Plan) of the Newport Beach Municipal Code and amending the General Plan Land Use Element, Coastal Land Use Plan and Title 20 (Planning and Zoning) of the Newport Beach Municipal Code.

G. On October 23, 2025, the City's Planning Commission held a public hearing on the AHIP and this Agreement, made findings and determinations with respect to this Agreement, and recommended to the City Council that the City Council approve this Agreement.

H. On November 18, 2025, the City Council also held a public hearing on this Agreement and considered the Planning Commission's recommendations and the testimony and information submitted by City staff, Property Owners or their representatives and members of the public. On December 11, 2025, consistent with applicable provisions of the Development Agreement Statute and Development Agreement Ordinance, the City Council adopted its Ordinance No. 2025-36 (the "Adopting Ordinance"), finding this Agreement to be consistent with the City of Newport Beach General Plan in approving this Agreement.

I. In recognition of the significant public benefits that this Agreement provides, the City Council has found that this Agreement: (i) is consistent with the City of Newport Beach General Plan; (ii) is in the best interests of the health, safety, and general welfare of City, its residents, and the public; (iii) is entered into pursuant to, and constitutes a present exercise of, the City's police power; (iv) is consistent with the provisions of the California Environmental Quality Act ("CEQA"); and (v) has been approved consistent with provisions of California Government Code section 65867 and City of Newport Beach Municipal Code Chapter 15.45.

AGREEMENT

NOW, THEREFORE, City and Property Owners agree as follows:

1. Definitions.

In addition to any terms defined elsewhere in this Agreement, the following terms when used in this Agreement shall have the meanings set forth below:

"Action" shall have the meaning ascribed in Section 8.10 of this Agreement.

"Adopting Ordinance" shall mean City Council Ordinance No. 2025-36 approving and adopting this Agreement.

"Agreement" shall mean this Development Agreement, as the same may be amended from time to time.

"Agreement Date" shall mean the date first written above, which date is the date the City Council adopted the Adopting Ordinance.

"AHIP" shall mean the Affordable Housing Implementation Plan attached hereto as Exhibit C, as may be amended from time to time.

"CEQA" shall mean the California Environmental Quality Act (California Public Resources Code sections 21000-21177) and the implementing regulations promulgated thereunder by the Secretary for Resources (California Code of Regulations, Title 14, section 15000 *et seq.*), as the same may be amended from time to time.

"City" shall mean the City of Newport Beach, a California charter city.

"City Council" shall mean the governing body of City.

"City's Affiliated Parties" shall have the meaning ascribed in Section 10.1 of this Agreement.

"Claim" shall have the meaning ascribed in Section 10.1 of this Agreement.

"Consumer Price Index" or "CPI" shall mean the Consumer Price Index published from time to time by the United States Department of Labor, Bureau of Labor Statistics for all urban consumers (all items) for the Los Angeles-Long Beach-Anaheim, California Area, All Urban Consumers, All Items, Base Period (1982-84=100), or, if such index is discontinued, such other similar index as may be publicly available that is selected by City in its reasonable discretion.

"Cure Period" shall have the meaning ascribed in Section 8.1 of this Agreement.

"Default" shall have the meaning ascribed to that term in Section 8.1 of this Agreement.

"Develop" or "Development" shall mean to improve or the improvement of the Property, including but not limited to:, grading; demolition, the construction of infrastructure and public facilities related to the Project, whether located within or outside the Property; the construction of all of the private improvements and facilities comprising the Project; the preservation or restoration, as required of natural and man-made or altered open space areas; the installation of landscaping; and subdivisions of land.

"Developer" shall mean the owner of that certain real property located in the City of Newport Beach, County of Orange, State of California commonly referred to as 4665 and 4685 MacArthur Boulevard and 4770 Campus Drive (APN ## 445-121-14 and 445-121-05. As of the Agreement Date, Developer is the same as Property Owner MacArthur Court I LLC.

"Development Agreement Ordinance" shall mean Chapter 15.45 of the City of Newport Beach Municipal Code.

"Development Agreement Statute" shall mean California Government Code sections 65864-65869.5, inclusive.

"Development Exactions" shall mean any requirement of City in connection with or pursuant to any ordinance, resolution, rule, or official policy for the dedication of land, the construction or installation of any public improvement or facility, or the payment of any fee or charge in order to lessen, offset, mitigate, or compensate for the impacts of development of the Project on the environment or other public interests.

"Development Impact Fee" shall mean the development impact fee adopted by the City on November 12, 2024, pursuant to Resolution No. 2024-83.

"Development Plan" shall mean all of the land use entitlements, approvals and permits approved by the City for the Project on or before the Agreement Date, as the same may be amended from time to time consistent with this Agreement. Such land use entitlements, approvals and permits include, without limitation, the following: (1) the Development rights as provided under this Agreement; (2) the AHIP; and (3) all conditions of approval and all mitigation measures approved for the Project on or before the Agreement Date.

"Development Regulations" shall mean the following regulations as they are in effect as of the Agreement Date and to the extent they govern or regulate the development of the Property, but excluding any amendment or modification to the Development Regulations adopted, approved, or imposed after the Agreement Date that impairs or restricts Property Owners' rights set forth in this Agreement, unless such amendment or modification is expressly authorized by this Agreement or is agreed to by Property Owners in writing: the General Plan; the Development Plan; and, to the extent not expressly superseded by the Development Plan or this Agreement, all other land use and subdivision regulations governing the permitted uses, density and intensity of use, design, improvement, and construction standards and specifications, procedures for obtaining required City permits and approvals for development, and similar matters that may apply to development of the Project on the Property during the Term of this Agreement that are set forth in Title 15 of the Newport Beach Municipal Code (buildings and construction), Title 19 of the Newport Beach Municipal Code (subdivisions), and Title 20 of the Newport Beach Municipal Code (planning and zoning). Notwithstanding the foregoing, the term "Development Regulations," as used herein, does not include any City ordinance, resolution, code, rule, regulation or official policy governing any of the following: (i) the conduct of businesses, professions, and occupations; (ii) taxes and assessments; (iii) the control and abatement of nuisances; (iv) the granting of encroachment permits and the conveyance of rights and interests which provide for the use of or the entry upon public property; or (v) the exercise of the power of eminent domain.

"Effective Date" shall mean the latest of all of the following dates occurring: (i) the date that is thirty (30) days after the Agreement Date; (ii) if a referendum concerning the Adopting Ordinance is timely qualified for the ballot and a referendum election is held concerning the Adopting Ordinance, the date on which the referendum is certified resulting in upholding and approving the Adopting Ordinance and becomes effective; (iii) if a lawsuit is timely filed challenging the validity or legality of the Adopting Ordinance, this Agreement, and/or the AHIP, the date on which said challenge is finally resolved in favor of the validity or legality of the Adopting Ordinance, this Agreement, and/or the AHIP, whether such finality is achieved by a final

non-appealable judgment, voluntary or involuntary dismissal (and the passage of any time required to appeal an involuntary dismissal), or binding written settlement agreement. Promptly after the Effective Date occurs, the Parties agree to cooperate in causing an appropriate instrument to be executed and recorded against the Property memorializing the Effective Date.

"Environmental Laws" means all federal, state, regional, county, municipal, and local laws, statutes, ordinances, rules, and regulations which are in effect as of the Agreement Date, and all federal, state, regional, county, municipal, and local laws, statutes, rules, ordinances, rules, and regulations which may hereafter be enacted and which apply to the Property or any part thereof, pertaining to the use, generation, storage, disposal, release, treatment, or removal of any Hazardous Substances, including without limitation the following: the Comprehensive Environmental Response Compensation and Liability Act of 1980, 42 U.S.C. Sections 9601, et seq., as amended ("CERCLA"); the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976, 42 U.S.C. Sections 6901, et seq., as amended ("RCRA"); the Emergency Planning and Community Right to Know Act of 1986, 42 U.S.C. Sections 11001 et seq., as amended; the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., as amended; the Clean Air Act, 42 U.S.C. Sections 7401 et seq., as amended; the Clean Water Act, 33 U.S.C. Section 1251, et seq., as amended; the Toxic Substances Control Act, 15 U.S.C. Sections 2601 et seq., as amended; the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. Sections 136 et seq., as amended; the Federal Safe Drinking Water Act, 42 U.S.C. Sections 300f et seq., as amended; the Federal Radon and Indoor Air Quality Research Act, 42 U.S.C. Sections 7401 et seq., as amended; the Occupational Safety and Health Act, 29 U.S.C. Sections 651 et seq., as amended; and California Health and Safety Code Section 25100, et seq.

"General Plan" shall mean City's 2006 General Plan adopted by the City Council on July 25, 2006, by Resolution No. 2006-76, as amended by Resolution No. 2022-60, Resolution No. 2022-80, Resolution No. 2024-51, and any other amendments through the Agreement Date and such amendments expressly authorized by this Agreement or specifically agreed to by Property Owners consistent with Section 4.3 below.

"Hazardous Substances" means any toxic substance or waste, pollutant, hazardous substance or waste, contaminant, special waste, industrial substance or waste, petroleum or petroleum-derived substance or waste, or any toxic or hazardous constituent or additive to or breakdown component from any such substance or waste, including without limitation any substance, waste, or material regulated under or defined as "hazardous" or "toxic" under any Environmental Law.

"MacArthur Boulevard Street Revitalization" shall mean improvements to the public right of way that City may undertake on and along MacArthur Boulevard between Campus Drive and Bowsprit Drive.

"Mortgage" shall mean a mortgage, deed of trust, sale and leaseback arrangement, or any other form of conveyance in which the Property, or a part or interest in the Property, is pledged as security and contracted for in good faith and for fair value.

"Mortgagee" shall mean the holder of a beneficial interest under a Mortgage or any successor or assignee of the Mortgagee.

"Notice of Default" shall have the meaning ascribed in Section 8.1 of this Agreement.

"Party" shall mean either City or one or both Property Owners as determined by the context.

"Parties" shall mean City and one or both Property Owners as determined by the context.

"Permitted Transferee" shall mean a party to whom an interest in or fee title to the Property, in whole or in part, is transferred as provided in Article 11 of this Agreement.

"Project" shall mean the development of up to 700 residential rental units and 10,000 square feet of retail and/or restaurant space, including all on-site and off-site improvements related thereto, that Property Owners are authorized to construct with respect to each parcel of the Property, as provided in this Agreement and the Development Regulations, as the same may be modified or amended from time to time consistent with this Agreement and applicable law.

"Property" is described in Exhibit A and depicted on Exhibit B.

"Property Owner" shall mean The Irvine Company LLC or MacArthur Court I LLC or the applicable successor or assignee to all or any portion of the rights, title, and interest in and to ownership of all or a portion of the Property, as determined by the context. As of the Agreement Date, MacArthur Court I LLC is a Property Owner and the Developer.

"Property Owners" shall mean The Irvine Company LLC and MacArthur Court I LLC and any successor or assignee to all or any portion of the rights, title, and interest in and to ownership of all or a portion of the Property.

"Public Benefit Fee" shall have the meaning ascribed in Section 3.1 of this Agreement.

"Subsequent Development Approvals" shall mean all discretionary development and building approvals that Property Owners are required to obtain to Develop the Project on and with respect to the Property after the Agreement Date consistent with the Development Regulations and this Agreement.

"Term" shall have the meaning ascribed in Section 2.4 of this Agreement.

"Termination Date" shall have the meaning ascribed in Section 2.4 of this Agreement.

"Transfer" shall have the meaning ascribed in Section 11 of this Agreement.

2. General Provisions.

2.1 Plan Consistency, Zoning Implementation.

This Agreement, the Development Plan and the Development Regulations applicable to the Property are consistent with the City's zoning and the General Plan.

2.2 Binding Effect of Agreement.

The Property is hereby made subject to this Agreement. Development of the Property is hereby authorized and shall be carried out in accordance with the terms of this Agreement.

2.3 Property Owners' Representations and Warranties Regarding Ownership of the Property and Related Matters Pertaining to this Agreement.

Each Property Owner for itself, and each person executing this Agreement on behalf of a Property Owner, hereby represents and warrants to City as follows: (i) that Property Owner is owner of the fee simple title to the Property or portion thereof as set forth in Recital A of this Agreement; (ii) that Property Owner is duly formed and existing and is authorized to do business in the State of California; (iii) that all actions required to be taken by all persons and entities comprising Property Owner to enter into this Agreement have been taken and that Property Owner has the legal authority to enter into this Agreement; (iv) that Property Owner's entering into and performing its obligations set forth in this Agreement will not result in a violation of any obligation, contractual or otherwise, that Property Owner or any person or entity comprising Property Owner has to any third party; (v) that neither Property Owner nor any co-owner comprising Property Owner is the subject of any voluntary or involuntary bankruptcy or insolvency petition; and (vi) that Property Owner has no actual or constructive knowledge of any pending or threatened claims of any person or entity affecting the validity of any of the representations and warranties set forth in clauses (i)-(vi), inclusive, or affecting Property Owner's authority or ability to enter into or perform any of its obligations set forth in this Agreement.

2.4 Term.

The term of this Agreement (the "Term") shall commence on the Effective Date and shall continue for a period of ten (10) years after the Effective Date unless otherwise terminated or modified pursuant to the terms of this Agreement or the mutual written agreement of the Parties hereto.

Notwithstanding any other provision set forth in this Agreement to the contrary, if any Party reasonably determines that the Effective Date will not occur because (i) the Adopting Ordinance has been disapproved by the City's voters at a referendum election or (ii) a court of competent jurisdiction issues a final non-appealable order or judgement is entered that directs the City to set aside the Adopting Ordinance, this Agreement and/or any of the Development Regulations for the Project approved on or before the Agreement Date that expressly mandate any approvals issued pursuant to such Development Regulations be set aside; then such Party, in its sole and absolute discretion shall have the right to terminate this Agreement upon delivery of written notice of termination to the other Party.

The Termination Date shall be the earliest of the following dates: (i) the tenth (10th) anniversary of the Effective Date; or (ii) such earlier date that this Agreement is terminated in accordance with this Section 2.4, Articles 5 and 7, and/or Section 8.3 of this Agreement and/or Sections 65865.1 and/or 65868 of the Development Agreement Statute. Further, upon completion of the Project in accordance with the terms of this Agreement, including Developer's complete satisfaction, performance, and payment, as applicable, of all applicable Development Exactions,

the issuance of all required final occupancy permits, and acceptance by City or applicable public agency(ies) or private entity(ies) of all required offers of dedication, if any, Property Owners, in their sole and absolute discretion, shall have the right to terminate this Agreement upon delivery of written notice of termination to City, in which event neither Party shall have any further rights or obligations hereunder.

Notwithstanding any other provision set forth in this Agreement to the contrary, the provisions set forth in Article 10 and Section 13.10 (as well as any other Property Owners' obligations set forth in this Agreement that are expressly written to survive the Termination Date) shall survive the Termination Date of this Agreement.

3. Public Benefits.

3.1 Public Benefit Fee.

As consideration for this Agreement, Developer shall pay to City a fee that shall be in addition to any other fee or charge to which the Property and the Project would otherwise be subject (herein, the "Public Benefit Fee") in the sum of Seventeen Thousand Dollars and 00/100 ($17,000.00) per unit payable at the issuance of the respective building permit for any of the 700 residential units that are issued a building permit on or after July 1, 2028. Development of all or a portion of the 700 residential units on the Property shall not be subject to a Public Benefit Fee for any units that are issued a building permit for such residential units before July 1, 2028.

3.2 Other Public Benefits. In addition to the Public Benefit Fee, the direct and indirect benefits the City shall receive pursuant to this Development Agreement are as follows:

3.2.1 Open Space. Prior to the issuance of the final certificate of occupancy for the 700 residential units of the Project, the applicable Property Owner(s) shall record an easement for a 1.0-acre publicly accessible open space, but privately owned and maintained, within the Property. Prior to the issuance of the final building permit for the 700 residential units of the Project, the City and applicable Property Owner(s) shall reasonably agree to a mutually acceptable form of such easement. The provision of the publicly accessible open space pursuant to this Section 3.2.1 is in-lieu of any park fee or dedication that would otherwise be applicable to the Project, including as may be required pursuant to General Plan Policy 6.15.13 of the Newport Beach Municipal Code or any other Development Regulation.

3.2.2 MacArthur Boulevard Revitalization Fee. Developer shall provide funding in the amount of Three Million Two Hundred Fifty Thousand Dollars and 00/100 ($3,250,000.00) to the City for the MacArthur Boulevard Street Revitalization (herein "MacArthur Boulevard Street Revitalization Fee") work to be completed by the City, to be paid at the issuance of the first building permit for all or any portion of the 700 residential units on the Property. If Property Owners do not complete development all 700 residential units prior to the expiration of this Agreement, then City agrees that Developer or its designated affiliate(s) shall receive a credit for a portion of the MacArthur Boulevard Revitalization Fee (determined on a pro rata basis based on residential units remaining to be developed) that Developer or its designated affiliate(s) may apply against any Development Impact Fee required for development in the City, which credit shall survive the termination of this Agreement.

3.2.3 Development Impact Fee. The Developer shall pay the applicable Development Impact Fee at the issuance of the respective building permit for any of the 700 residential units.

3.2.4 Affordable Housing Obligation. The Parties agree that Developer's compliance with the AHIP satisfies any obligation of Property Owners to the City with respect to the provision of affordable housing for the Project or the Property pursuant to and during the Term of this Agreement. The adopted AHIP may be amended by the mutual consent of the Parties without requiring an amendment to this Agreement.

Any unpaid portion of the per unit Public Benefit Fee set forth in Section 3.1 and the MacArthur Boulevard Street Revitalization Fee set forth in Section 3.2.2 shall be adjusted for inflation based upon percentage increases in the CPI as provided herein. The first CPI adjustment of the per unit Public Benefit Fee and MacArthur Boulevard Street Revitalization Fee shall occur on July 1, 2029, (the first "Fee Adjustment Date") and subsequent CPI adjustments shall occur on each anniversary of the first Fee Adjustment Date thereafter until expiration of the Term of this Agreement. The amount of the CPI adjustment on the applicable Fee Adjustment Date shall in each instance be calculated based on the then most recently available CPI figures such that, for example, if the Effective Date of this Agreement falls on July 1 and the most recently available CPI figure on the first Fee Adjustment Date (for illustration assumed to be January 1 of the following year) is the CPI for November of the preceding year, the percentage increase in the CPI for that partial year (a 6-month period) shall be calculated by comparing the CPI for November of the preceding year with the CPI for May of the preceding year (a 6-month period). In no event, however, shall application of the CPI reduce the amount of the Public Benefit Fee or MacArthur Boulevard Street Revitalization Fee (or unpaid portions thereof) below the amount in effect prior to any applicable Fee Adjustment Date.

3.3 Public Benefit Administration.

Developer and Property Owner(s) acknowledge by each's approval and execution of this Agreement that it/they is/are voluntarily agreeing to pay or provide the applicable Public Benefits as set forth in this Article 3 if and when Development of any of the 700 residential units is undertaken, that the obligation to pay or provide the Public Benefit Fee for each residential unit developed is an essential term of this Agreement and is not severable from City's obligations and Property Owners' vesting rights to be acquired hereunder, and that Developer and Property Owners expressly waive any constitutional, statutory, or common law right it/they might have in the absence of this Agreement to protest or challenge the payment of such fee on any ground whatsoever, including without limitation pursuant to the Fifth and Fourteenth Amendments to the United States Constitution, California Constitution Article I Section 19, the Mitigation Fee Act (California Government Code Section 66000 *et seq.*), or otherwise.

In addition to any other remedy set forth in this Agreement for Developer's Default, if Developer fails to pay timely any portion of the Public Benefit Fee or MacArthur Boulevard Street Revitalization Fee identified in Article 3 when due, City shall have the right to withhold issuance of any further building permits, occupancy permits, or other development or building permits for the Project. While certain public benefits set forth in Section 3.1 and 3.2 are required of the

Developer, each Property Owner understands that building permits will not be issued until the public benefits fees required to be paid at the issuance of such building permits are paid.

4. Development of Project.

4.1 Applicable Regulations; Property Owners' Vested Rights and City's Reservation of Discretion With Respect to Subsequent Development Approvals.

Other than as expressly set forth in this Agreement, during the Term of this Agreement, (i) Property Owners shall have the vested right to Develop the Project, including without limitation, permitted uses, density and intensity of use, the maximum height, size and location of proposed structures, on and with respect to the Property in accordance with the terms of the Development Plan, Development Regulations and this Agreement and (ii) City shall not prohibit, prevent, restrict or condition Development of the Property on grounds inconsistent with the Development Plan, Development Regulations or this Agreement. Notwithstanding the foregoing, nothing herein is intended to limit or restrict City's discretion with respect to (i) review and approval requirements contained in the Development Regulations, (ii) the approval, conditional approval, or denial of any Subsequent Development Approvals that are required for Development of the Project as of the Agreement Date provided that all such actions are consistent with the Development Regulations, or (iii) any environmental approvals that may be required under CEQA or any other federal or state law or regulation in conjunction with any Subsequent Development Approvals that may be required for the Project, and in this regard, as to future actions referred to in clauses (i)-(iii) of this sentence, City reserves its full discretion subject to the limitations under state law. In addition, it is understood and agreed that nothing in this Agreement is intended to vest Property Owners' rights with respect to any laws, regulations, rules, or official policies of any other governmental agency or public utility company with jurisdiction over the Property or the Project; or any applicable federal or state laws, regulations, rules, or official policies that may be inconsistent with this Agreement and that override or supersede the provisions set forth in this Agreement, and regardless of whether such overriding or superseding laws, regulations, rules, or official policies are adopted or applied to the Property or the Project prior or subsequent to the Agreement Date.

Property Owners have expended and will continue to expend substantial amounts of time and money planning and preparing for Development of the Project. Property Owners represent and City acknowledges that Property Owners would not make these expenditures without this Agreement, and that Property Owners are and will be making these expenditures in reasonable reliance upon their vested rights to Develop the Project as set forth in this Agreement.

Property Owners may apply to City for permits or approvals to modify or amend the Development specified in the Development Regulations. In addition, Property Owners may apply to City for approval of tentative tract maps or tentative parcel maps, or minor amendments to existing tentative maps or associated conditions of approval, consistent with City of Newport Beach Municipal Code Section 19.12.090. This Agreement does not constitute a promise or commitment by City to approve any such permit or approval, or to approve the same with or without any particular requirements or conditions including any applicable Development Impact Fees, and City's discretion with respect to such matters shall be the same as it would be in the absence of this Agreement. If approved by City, then any such permits or approvals shall be vested

in the same manner as provided in this Agreement for the Development Regulations, and shall be a part of and included in the Development Plan without requiring an amendment of this Agreement.

4.2 No Conflicting Enactments.

Except to the extent City reserves its discretion as expressly set forth in this Agreement, during the Term of this Agreement, City shall not apply to the Project or the Property any ordinance, policy, rule, regulation, or other measure relating to Development of the Project that is enacted or becomes effective after the Agreement Date to the extent it conflicts with this Agreement unless a court of competent jurisdiction in a final and non-appealable order or judgment expressly mandates that any approvals issued pursuant to the Development Regulations be set aside. This Section 4.2 shall not restrict the City's ability to enact an ordinance, policy, rule, regulation, or other measure applicable to the Project pursuant to California Government Code Section 65866 consistent with the procedures specified in Section 4.3 of this Agreement. In *Pardee Construction Co. v. City of Camarillo* (1984) 37 Cal.3d 465, the California Supreme Court held that a construction company was not exempt from a city's growth control ordinance even though the city and construction company had entered into a consent judgment (tantamount to a contract under California law) establishing the company's vested rights to develop its property consistent with the zoning. The California Supreme Court reached this result because the consent judgment failed to address the timing of development. The Parties intend to avoid the result of the *Pardee* case by acknowledging and providing in this Agreement that Property Owners shall have the vested right to Develop the Project on and with respect to the Property at the rate, timing, and sequencing that Property Owners deem appropriate within the exercise of Property Owners' sole subjective business judgment, provided that such Development occurs in accordance with this Agreement and the Development Regulations, notwithstanding adoption by City's electorate of an initiative to the contrary after the Effective Date. No City moratorium or other similar limitation relating to the rate, timing, or sequencing of the Development of all or any part of the Project and whether enacted by initiative or another method, affecting subdivision maps, building permits, occupancy certificates, or other entitlement to use, shall apply to the Project to the extent such moratorium or other similar limitation restricts Property Owners' vested rights in this Agreement or otherwise conflicts with the express provisions of this Agreement. Nothing herein shall obligate Property Owners to Develop the Project.

4.3 Reservations of Authority.

Notwithstanding any other provision set forth in this Agreement to the contrary, the laws, rules, regulations, and official policies set forth in this Section 4.3 shall apply to and govern the Development of the Project on and with respect to the Property.

4.3.1 Procedural Regulations. Procedural regulations relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals, and any other matter of procedure shall apply to the Property, provided that such procedural regulations are adopted and applied City-wide or to all other properties similarly situated in City.

4.3.2 Processing and Permit Fees. City shall have the right to charge, and the respective Property Owners shall be required to pay, all applicable processing and permit fees to cover the reasonable cost to City of processing and reviewing applications and plans for any

required Subsequent Development Approvals, building permits, excavation and grading permits, encroachment permits, and the like, for performing necessary studies and reports in connection therewith, inspecting the work constructed or installed by or on behalf of such Property Owner, and monitoring compliance with any requirements applicable to Development of the Project, all at the rates in effect at the time fees are due.

4.3.3 Consistent Future City Regulations. City ordinances, resolutions, regulations, and official policies governing Development which do not conflict with the Development Regulations, or with respect to such regulations that do conflict, where Property Owners have consented in writing to the regulations, shall apply to the Property.

4.3.4 Development Exactions Applicable to Property. During the Term of this Agreement, Developer shall be required to satisfy and pay the Public Benefit Fee (Section 3.1), provision of open space (Section 3.2.1), MacArthur Boulevard Revitalization Fee (Section 3.2.2), Development Impact Fee (Section 3.2.3), and affordable housing obligations (Section 3.2.4) as set forth in this Agreement, and any applicable traffic fees required pursuant to the Fair Share Traffic Contribution Ordinance (Chapter 15.38 of the City's Municipal Code) and the Traffic Phasing Ordinance (Chapter 15.40 of the City's Municipal Code) at the time performance or payment of any such fees are due as set forth in the Fair Share Traffic Contribution Ordinance and Traffic Phasing Ordinance. Other than the foregoing, Property Owners shall not be required to pay any Development Exaction for the Project and City shall not alter, increase, or modify any public benefits set forth in Article 3 or Development Exactions required under this Agreement in a manner that is inconsistent with the Development Plan, Development Regulations or this Agreement without Property Owners' prior written consent or as may be otherwise required pursuant to overriding federal or state laws or regulations (Section 4.3.5 hereinbelow). In addition, nothing in this Agreement is intended or shall be deemed to vest Property Owners against the obligation to pay any of the following (which are not included within the definition of "Development Exactions") in the amount that would apply in the absence of this Agreement: (i) City's normal fees for processing, environmental assessment and review, tentative tract and parcel map review, plan checking, site review and approval, administrative review, building permit, grading permit, inspection, and similar fees imposed to recover City's costs associated with processing, reviewing, and inspecting project applications, plans, and specifications; (ii) fees and charges levied by any other public agency, utility, district, or joint powers authority, regardless of whether City collects those fees and charges; or (iii) community facility district special taxes or special district assessments or similar assessments, business license fees, bonds or other security required for public improvements, transient occupancy taxes, sales taxes, property taxes, sewer lateral connection fees, water service connection fees, new water meter fees, and the Property Development Tax payable under Section 3.12 of City's Municipal Code.

4.3.5 Overriding Federal and State Laws and Regulations. Federal and state laws and regulations that override Property Owners' vested rights set forth in this Agreement shall apply to the Property, together with any City ordinances, resolutions, regulations, and official policies that are necessary to enable City to comply with the provisions of any such overriding federal or state laws and regulations, provided that (i) Property Owners do not waive their right to challenge or contest the validity of any such purportedly overriding federal, state, or City law or regulation; and (ii) upon the discovery of any such overriding federal, state, or City law or regulation that

prevents or precludes compliance with any provision of this Agreement, City or Property Owner shall provide to the other Parties a written notice identifying the federal, state, or City law or regulation, together with a copy of the law or regulation and a brief written statement of the conflict(s) between that law or regulation and the provisions of this Agreement. Promptly thereafter City and Property Owners shall meet and confer in good faith in a reasonable attempt to determine whether a modification or suspension of this Agreement, in whole or in part, is necessary to comply with such overriding federal, state, or City law or regulation. In such negotiations, City and Property Owners agree to preserve the terms of this Agreement and the rights of Property Owners as derived from this Agreement to the maximum feasible extent while resolving the conflict. City agrees to cooperate with Property Owners at no cost to City in resolving the conflict in a manner which minimizes any financial impact of the conflict upon Property Owners. City also agrees to process in a prompt manner a Property Owner's proposed changes to the Project and any of the Development Regulations as may be necessary to comply with such overriding federal, state, or City law or regulation; provided, however, that the approval of such changes by City shall be subject to the discretion of City, consistent with this Agreement.

4.3.6 Public Health and Safety. Any City ordinance, resolution, rule, regulation, program, or official policy that is necessary to protect persons on the Property or in the immediate vicinity from conditions dangerous to their health or safety, as reasonably determined by City, shall apply to the Property, even though the application of the ordinance, resolution, rule regulation, program, or official policy would result in the impairment of Property Owners' vested rights under this Agreement.

4.3.7 Uniform Building Standards. Existing and future building and building-related standards set forth in the uniform codes adopted and amended by City from time to time, including building, plumbing, mechanical, electrical, housing, swimming pool, and fire codes, and any modifications and amendments thereof shall all apply to the Project and the Property to the same extent that the same would apply in the absence of this Agreement.

4.3.8 Public Works Improvements. To the extent a Property Owner constructs or installs any public improvements, works, or facilities, the City standards in effect for such public improvements, works, or facilities at the time of City's issuance of a permit, license, or other authorization for construction or installation of same shall apply.

4.3.9 No Guarantee or Reservation of Utility Capacity. Notwithstanding any other provision set forth in this Agreement to the contrary, nothing in this Agreement is intended or shall be interpreted to require City to guarantee or reserve to or for the benefit of Property Owners or the Property any utility capacity, service, or facilities that may be needed to serve the Project, whether domestic or reclaimed water service, sanitary sewer transmission or wastewater treatment capacity, downstream drainage capacity, or otherwise, and City shall have the right to limit or restrict Development of the Project if and to the extent that City reasonably determines that inadequate utility capacity exists to adequately serve the Project at the time Development is scheduled to commence. Notwithstanding the foregoing, City covenants to provide utility services to the Project on a non-discriminatory basis (i.e., on the same terms and conditions that City undertakes to provide such services to other similarly situated new developments in the City of Newport Beach as and when service connections are provided and service commences).

4.4 Tentative Subdivision Maps.

City agrees that Property Owners may apply for new and existing tentative subdivision map(s) for the Property consistent with California Government Code sections 66498.1-66498.9 and City of Newport Beach Municipal Code Chapter 19.20 as a Subsequent Development Approval. Pursuant to the applicable provision of the California Subdivision Map Act (California Government Code section 66452.6(a)), the life of any tentative subdivision map approved for the Property, whether designated a "vesting tentative map," or otherwise, shall be extended for the Term of this Agreement.

5. Amendment or Cancellation of Agreement.

This Agreement may be amended or canceled in whole or in part only by mutual written and executed consent of the Parties in compliance with California Government Code section 65868 and City of Newport Beach Municipal Code section 15.45.070.

6. Enforcement.

Unless this Agreement is amended, canceled, modified, or suspended as authorized herein or pursuant to California Government Code section 65869.5, this Agreement shall be enforceable by either Party despite any change in any applicable general or specific plan, zoning, subdivision, or building regulation or other applicable ordinance or regulation adopted by City (including by City's electorate) that purports to apply to any or all of the Property.

7. Annual Review of Property Owner's Compliance With Agreement.

7.1 General.

City shall review this Agreement once during every twelve (12) month period following the Effective Date for compliance with the terms of this Agreement as provided in Government Code section 65865.1. Property Owners or Developer shall pay City a reasonable fee in an amount City may reasonably establish from time to time to cover the actual and necessary costs for the annual review. City's failure to timely provide or conduct an annual review shall not constitute a Default hereunder by City.

7.2 Property Owners' Obligation to Demonstrate Good Faith Compliance.

During each annual review by City, Property Owners are required to demonstrate good faith compliance with the terms of the Agreement. Each Property Owner agrees to furnish such evidence of good faith compliance as City, in the reasonable exercise of its discretion, may require, thirty (30) days prior to each anniversary of the Effective Date during the Term; provided, however, that the evidence may be provided in one submittal for all Property Owners.

7.3 Procedure.

The City shall conduct a review of whether or not each Property Owner has, for the period under review, complied with the terms of this Agreement, as provided for in the Newport Beach Municipal Code. If the City finds that Property Owners have so complied, the annual review shall

be concluded. If the City finds, on the basis of substantial evidence, that a Property Owner has not so complied, written notice shall be sent to such Property Owner by first class mail of the City's finding of non-compliance, and Property Owners shall be given at thirty (30) days to cure any noncompliance. If a cure not relating to the payment of money cannot be completed within thirty (30) days for reasons which are beyond the control of the Property Owner, such Property Owner must commence the cure within such thirty (30) days and diligently pursue such cure to completion. If such Property Owner fails to cure such noncompliance within the time(s) set forth above, such failure shall be considered to be a Default and City shall be entitled to exercise the remedies set forth in Article 8 below.

7.4 Annual Review a Non-Exclusive Means for Determining and Requiring Cure of Property Owners' Default.

The annual review procedures set forth in this Section 7 shall not be the exclusive means for City to identify a Default by a Property Owner or limit City's rights or remedies for any such Default.

8. Events of Default.

8.1 General Provisions.

In the event of any material default, breach, or violation of the terms of this Agreement ("Default"), the Party alleging a Default shall have the right to deliver a written notice (each, a "Notice of Default") to the defaulting Party. The Notice of Default shall specify the nature of the alleged Default and a reasonable manner and sufficient period of time (thirty (30) days if the Default relates to the failure to timely make a monetary payment due hereunder and not less than sixty (60) days in the event of non-monetary Defaults) in which the Default must be cured (the "Cure Period"). During the Cure Period, the Party charged shall not be considered in Default for the purposes of termination of this Agreement or institution of legal proceedings. If the alleged Default is cured within the Cure Period, then the Default thereafter shall be deemed not to exist. If a non-monetary Default cannot be cured during the Cure Period with the exercise of commercially reasonable diligence, the defaulting Party must promptly commence to cure as quickly as possible, and in no event later than sixty (60) days after it receives the Notice of Default, and thereafter diligently pursue said cure to completion.

8.2 Default by Property Owner(s).

If a Property Owner is alleged to be in default and it disputes the claimed Default, it may make a written request for an appeal hearing before the City Council within thirty (30) days of receiving the Notice of Default, and a public hearing shall be scheduled at the next available City Council meeting to consider such Property Owner's appeal of the Notice of Default. Failure to appeal a Notice of Default to the City Council within the thirty (30) business days shall result in waiver of any right to a hearing on the claimed Default. If Property Owner's appeal of the Notice of Default is timely and in good faith but after a public hearing of Property Owner's appeal the City Council concludes that such Property Owner is in Default as alleged in the Notice of Default, the accrual date for commencement of the sixty (60) day Cure Period provided in Section 8.1 shall be extended until the City Council's denial of Property Owner's appeal is communicated to

Property Owner in writing. Notwithstanding any other provision of this Agreement to the contrary, Developer shall be liable under this Agreement for a Default by any Property Owner.

8.3 City's Option to Terminate Agreement.

If the City alleges Property Owner(s) Default, City may not terminate this Agreement without first delivering a written Notice of Default and providing Property Owners with the opportunity to cure the Default within the Cure Period, as provided in Section 8.1, and complying with Section 8.2 if the Property Owner timely appeals any Notice of Default. A termination of this Agreement by City shall be valid if good cause exists and is supported by evidence presented to the City Council at or in connection with a duly noticed public hearing to establish the existence of a Default. The validity of any termination may be judicially challenged by Property Owner(s). Any such judicial challenge must be brought within ninety (90) calendar days of service on Property Owners, by first class mail, postage prepaid, of written notice of termination by City or a written notice of City's determination of an appeal of the Notice of Default as provided in Section 8.2.

8.4 Default by City.

If a Property Owner alleges a City Default and alleges that the City has not cured the Default within the Cure Period, such Property Owner may pursue any equitable remedy available to it under this Agreement, including, without limitation, an action for a writ of mandamus, injunctive relief, or specific performance of City's obligations set forth in this Agreement. Upon a City Default, any resulting delays in a Property Owner's performance hereunder shall neither be a Property Owner Default nor constitute grounds for termination or cancellation of this Agreement by City and shall, at Property Owner's option (and provided Property Owner delivers written notice to City within thirty (30) days of the commencement of the alleged City Default), extend the Term for a period equal to the length of the delay.

8.5 Waiver.

Failure or delay by a Party in delivering a Notice of Default shall not waive that Party's right to deliver a future Notice of Default of the same or any other Default.

8.6 Specific Performance Remedy.

Due to the size, nature, and scope of the Project, it will not be practical or possible to restore the Property to its pre-existing condition once implementation of this Agreement has begun. After such implementation, Property Owners and City may be foreclosed from other choices they may have had to plan for the development of the Property, to utilize the Property or provide for other benefits and alternatives. Property Owners and City have invested significant time and resources and performed extensive planning and processing of the Project in agreeing to the terms of this Agreement and will be investing even more significant time and resources in implementing the Project in reliance upon the terms of this Agreement. It is not possible to determine the sum of money which would adequately compensate Property Owners or City for such efforts. For the above reasons, Property Owners and City agree that damages would not be an adequate remedy if either City or a Property Owner fails to carry out its obligations under this Agreement. Therefore,

specific performance of this Agreement is necessary to compensate Property Owners if City fails to carry out its obligations under this Agreement or to compensate City if a Property Owner fails to carry out its obligations under this Agreement.

8.7 Monetary Damages.

The Parties agree that monetary damages shall not be an available remedy for any Party for a Default hereunder by another Party; provided, however, that (i) nothing in this Section 8.7 is intended or shall be interpreted to limit or restrict City's right to recover the Public Benefit Fee or MacArthur Boulevard Street Revitalization Fee as set forth herein and/or (ii) nothing in this Section 8.7 is intended or shall be interpreted to limit or restrict Property Owner's indemnity obligations set forth in Article 10. In no event shall damages otherwise be awarded against a Party upon an event of default or upon termination of this Agreement Property Owners expressly agree that the City, any City agencies and their respective elected and appointed council, boards, commissions, officers, agents, employees, volunteers and representatives (collectively, for purposes of this Section 8.7, "City") shall not be liable for any monetary damage for a Default by the City or any claims against City arising out of this Agreement. The sole and exclusive judicial remedy for Property Owners in the event of a Default by the City shall be an action in mandamus, specific performance, or other injunctive or declaratory relief. Notwithstanding the foregoing, nothing in this Section 8.7 is intended or shall be interpreted to limit or restrict Property Owner(s) right(s) to recover repayment of the Public Benefit Fee, MacArthur Boulevard Street Revitalization Fees or any Development Exaction as set forth in Section 4.3.4 paid by Developer in the event of a determination by a court of competent jurisdiction of (i) the City's Default or (ii) that directs the City to set aside the Adopting Ordinance or this Agreement and/or any of the Development Regulations for the Project approved on or before the Agreement Date and expressly mandates that any approvals issued pursuant to such Development Regulations be set aside.

8.8 Additional City Remedy for Property Owners' Default.

In the event of any Default by a Property Owner, in addition to any other remedies which may be available to City, whether legal or equitable, City shall be entitled to receive and retain any Development Exactions applicable to the Project or the Property, including any fees, grants, dedications, or improvements to public property which it may have received from such Property Owner prior to Property Owner's Default without recourse from Property Owner or its successors or assigns.

8.9 No Personal Liability of City Officials, Employees, or Agents. No City official, employee, or agent shall have any personal liability hereunder for a Default by City of any of its obligations set forth in this Agreement.

9. Force Majeure.

No Party shall be deemed to be in Default where failure or delay in performance of any of its obligations under this Agreement is caused, through no fault of the Party whose performance is prevented or delayed, by floods, earthquakes, other acts of God, fires, wars, riots or similar hostilities, strikes or other labor difficulties, state or federal regulations, or court actions. Except as specified above, nonperformance shall not be excused because of the act or omission of a third

person (other than another Party). In no event shall the occurrence of an event of force majeure operate to extend the Term of this Agreement. In addition, in no event shall the time for performance of a monetary obligation, including without limitation Developer's obligation to pay Public Benefit Fees, be extended pursuant to this Section.

10. Indemnity Obligations.

10.1 Indemnity Arising From Acts or Omissions of Property Owner(s).

Each Property Owner shall indemnify, defend and hold harmless City or City's officials, employees, agents, attorneys, and contractors (collectively, the "City's Affiliated Parties"), from and against all suits, claims, liabilities, losses, damages, penalties, obligations, and expenses (including but not limited to reasonable attorneys' fees and costs) (collectively, a "Claim") that may arise, directly or indirectly, from the acts, omissions, or operations of such Property Owner or its agents, contractors, subcontractors, agents, or employees in the course of Development of the Project or any other activities of such Property Owner pursuant to this Agreement. In the event the Property Owner disputes that the Claim arises from or relates to its acts, omissions, or operations, then Property Owners shall jointly indemnify, defend and hold harmless the City and City's Affiliated Parties in defending the Claim. City shall have the right to select and retain counsel to defend any Claim filed against City and/or any of City's Affiliated Parties, and the indemnifying Property Owner shall pay the reasonable cost for defense of any Claim. The indemnity provisions in this Section 10.1 shall survive the Termination Date.

10.2 Third Party Litigation.

In addition to its indemnity obligations set forth in Section 10.1, the Developer shall indemnify, defend, and hold harmless City and City's Affiliated Parties from and against any Claim against City or City's Affiliated Parties seeking to attack, set aside, void, or annul the approval of this Agreement, the Adopting Ordinance, any of the Development Regulations for the Project (including without limitation any actions taken pursuant to CEQA with respect thereto), or the approval of any permit granted pursuant to this Agreement. (For the avoidance of doubt, this indemnity obligation does not extend to any Claims to attack, set aside, void or annul the City's General Plan, any element thereof, or zoning where Developer is not a party to the litigation as a named defendant or real party in interest in a direct challenge to the Project. In no event shall this be construed as obligating the City to defend against or take other action that is related in any way, directly or indirectly, to a challenge, lawsuit, or other legal action to attack, set aside, void or annul the City's General Plan, any element thereof, or zoning.) Said indemnity obligation shall include payment of reasonable attorney's fees, expert witness fees, and court costs. City shall promptly notify the Developer of any such Claim and City shall cooperate with the Developer in the defense of such Claim. If City fails to promptly notify Developer of such Claim, Developer shall not be responsible to indemnify, defend, and hold City harmless from such Claim until Developer is so notified and if City fails to cooperate in the defense of a Claim Developer shall not be responsible to defend, indemnify, and hold harmless City during the period that City so fails to cooperate or for any losses attributable thereto. City shall be entitled to retain separate counsel to represent City against the Claim and the City's defense costs for its separate counsel shall be included in Developer's indemnity obligation, provided that such counsel shall reasonably cooperate with Developer in an effort to minimize the total litigation expenses incurred by Developer. In the event

either City or Developer recover any attorney's fees, expert witness fees, costs, interest, or other amounts from the party or parties asserting the Claim, Developer shall be entitled to retain the same (provided they have fully performed their indemnity obligations hereunder). The indemnity provisions in this Section 10.2 shall commence on the Agreement Date, regardless of whether the Effective Date occurs, and shall survive the Termination Date.

10.3 Environmental Indemnity.

In addition to its indemnity obligations set forth in Section 10.1, each Property Owner on its own behalf shall indemnify, defend, and hold harmless City and City's Affiliated Parties from and against any and all Claims for personal injury or death, property damage, economic loss, statutory penalties or fines, and damages of any kind or nature whatsoever, including without limitation attorney's fees, expert witness fees, and costs, based upon or arising from the storage, handling, transport, or disposal of any Hazardous Substance on, to, or from the Property, and any other area disturbed, graded, or developed by Property Owners, by or on behalf of such Property Owner in connection with such Property Owner's Development of the Project. The indemnity provisions in this Section 10.3 shall survive the Termination Date.

11. Assignment.

Each Property Owner and/or Developer shall have the right to sell, transfer, or assign (hereinafter, collectively, a "Transfer") such Property Owner's or Developer's interest in or fee title to the Property, in whole or in part, to a Permitted Transferee (which successor, as of the effective date of the Transfer, shall become a "Property Owner" or "Developer" under this Agreement) at any time from the Agreement Date until the Termination Date without the prior consent or approval of City; provided, however, that no such Transfer shall violate the provisions of the Subdivision Map Act (Government Code Section 66410 et seq.) or City's local subdivision ordinance and shall comply with the requirements of this Section 11. Any Transfer of fee title to the Property shall include the assignment and assumption of the transferring Property Owner's or Developer's rights, duties, and obligations set forth in or arising under this Agreement as to the Property or the portion thereof so Transferred and shall be made in strict compliance with the following conditions: (i) no Transfer of any of Property Owner's or Developer's rights or interest under this Agreement shall be made unless made together with the Transfer of all or a part of Property Owner's or Developer's interest in the Property; (ii) prior to the effective date of any proposed Transfer, the transferring Property Owner (as transferor) or Developer shall notify City, in writing, of such proposed Transfer; and (iii) upon the Transfer, the transferring Property Owner or Developer (as transferor) shall deliver to City a written assignment and assumption, in a recordable form reasonably approved by the City Attorney, executed by the transferring and successor Property Owner or Developer, pursuant to which the transferring Property Owner or Developer assigns to the successor Property Owner or Developer and the successor Property Owner or Developer assumes from the transferring Property Owner or Developer all of the rights and obligations of such Property Owner or Developer with respect to the Property, or interest in the Property, or portion thereof, to be so Transferred, including in the case of a partial Transfer the obligation to perform such obligations that must be performed that are a condition precedent to the successor Property Owner's or Developer's right to develop the portion of the Property so Transferred. Any Permitted Transferee shall have all of the same rights, benefits, duties, obligations, and liabilities of the transferor Property Owners or Developer under this Agreement

with respect to the Portion of, or interest in, the Property Transferred to such Permitted Transferee; provided, however, that in the event of a Transfer of less than all of the Property, or interest in the Property, no such Permitted Transferee shall have the right to enter into an amendment of this Agreement that jeopardizes or impairs the rights or increases the obligations of the other Property Owners or Developer with respect to the balance of the Property.

Notwithstanding any Transfer, the transferring Property Owner or Developer shall continue to be jointly and severally liable to City, together with the successor Property Owner, to perform all of the transferred obligations set forth in or arising under this Agreement; provided, however, that the transferring Property Owner or Developer shall be released from any and all obligations with respect to the Property so Transferred, or portion thereof in the event of a partial Transfer if: (i) the transferring Property Owner or Developer no longer has a legal or equitable interest in the portion of the Property so Transferred other than as a beneficiary under a deed of trust; (ii) the transferring Property Owner or Developer is not then in Default under this Agreement; and (iii) the transferring Property Owner or Developer has provided City with the notice and the fully executed written and recordable assignment and assumption agreement required as set forth in the first paragraph of this Section 11; and (iv) the successor Property Owner or Developer either (A) is an affiliate of the transferring Property Owner or Developer, or (B) the City Manager provides a written release of the transferring Property Owner or Developer after a review of all documentation reasonably required to the satisfaction of the City Manager, that demonstrates to the City Manager's reasonable satisfaction that the successor Property Owner or Developer has the financial resources or commitments available to perform the transferred obligations at the time and in the manner required under this Agreement. The City Manager's review of the documentation is a ministerial review, without any public notices or hearings required.

12. Mortgagee Rights.

12.1 Encumbrances on Property.

The Parties agree that this Agreement shall not prevent or limit Property Owners in any manner from encumbering the Property, any part of the Property, or any improvements on the Property with any Mortgage securing financing with respect to the construction, development, use, or operation of the Project.

12.2 Mortgagee Protection.

This Agreement shall be superior and senior to the lien of any Mortgage. Nevertheless, no breach of this Agreement shall defeat, render invalid, diminish, or impair the lien of any Mortgage made in good faith and for value. Any acquisition or acceptance of title or any right or interest in the Property or part of the Property by a Mortgagee (whether due to foreclosure, trustee's sale, deed in lieu of foreclosure, lease termination, or otherwise) shall be subject to all of the terms and conditions of this Agreement. Any Mortgagee who takes title to the Property or any part of the Property shall be entitled to the benefits arising under this Agreement.

12.3 Mortgagee Not Obligated.

Notwithstanding the provisions of this Section 12.3, a Mortgagee will not have any obligation or duty under the terms of this Agreement to perform the obligations of Property Owners or other affirmative covenants of Property Owners, or to guarantee this performance except that: (i) the Mortgagee shall have no right to develop the Project under the Development Regulations without fully complying with the terms of this Agreement; and (ii) to the extent that any covenant to be performed by Property Owner is a condition to the performance of a covenant by City, that performance shall continue to be a condition precedent to City's performance.

12.4 Notice of Default to Mortgagee; Right of Mortgagee to Cure.

Each Mortgagee shall, upon written request to City, be entitled to receive written notice from City of: (i) the results of the periodic review of compliance specified in section 7 of this Agreement, and (ii) any default by the Property Owner subject to the Mortgage of its obligations set forth in this Agreement.

Each Mortgagee shall have a further right, but not an obligation, to cure the Default subject to the Mortgage within thirty (30) days after receiving a Notice of Default with respect to a monetary Default and within sixty (60) days after receiving a Notice of Default with respect to a non-monetary Default. If the Mortgagee can only remedy or cure a non-monetary Default by obtaining possession of the Property or applicable portion thereof, then the Mortgagee shall have the right to seek to obtain possession with diligence and continuity through a receiver or otherwise, and to remedy or cure the non-monetary Default within sixty (60) days after obtaining possession and, except in case of emergency or to protect the public health or safety, City may not exercise any of its judicial remedies set forth in this Agreement to terminate or substantially alter the rights of the Mortgagee until expiration of the sixty (60)-day period. In the case of a non-monetary Default that cannot with diligence be remedied or cured within sixty (60) days, the Mortgagee shall have additional time as is reasonably necessary to remedy or cure the Default, provided the Mortgagee promptly commences to cure the non-monetary Default within sixty (60) days and diligently prosecutes the cure to completion.

13. Bankruptcy. The obligations of this Agreement shall not be dischargeable in bankruptcy.

14. Miscellaneous Terms.

14.1 Notices.

Any notice or demand that shall be required or permitted by law or any provision of this Agreement shall be in writing. If the notice or demand will be served upon a Party, it either shall be personally delivered to the Party; deposited in the United States mail, certified, return receipt requested, and postage prepaid; or delivered by a reliable courier service that provides a receipt showing date and time of delivery with courier charges prepaid. The notice or demand shall be addressed as follows:

TO CITY:	City of Newport Beach 100 Civic Center Drive Newport Beach, California 92660 Attn: City Manager
With a copy to:	City Attorney City of Newport Beach 100 Civic Center Drive Newport Beach, California 92660
TO IRVINE COMPANY LLC:	550 Newport Center Drive Newport Beach, California 92660 Attn: General Counsel
TO MACARTHUR COURT I LLC:	550 Newport Center Drive Newport Beach, California 92660 Attn: General Counsel
With a copy to:	Latham & Watkins LLP 10250 Constellation Boulevard, Suite 1100 Century City, California 90067 Attn: Maria Hoye

Any Party may change the address stated in this Section 14.1 by delivering notice to the other Parties in the manner provided in this Section 14.1, and thereafter notices to such Party shall be addressed and submitted to the new address. Notices delivered in accordance with this Agreement shall be deemed to be delivered upon the earlier of: (i) the date received or (iii) three business days after deposit in the mail as provided above.

14.2 Project as Private Undertaking.

Any future Development of the Project is a private undertaking. No Party is acting as the agent of the other in any respect, and each Party is an independent contracting entity with respect to the terms, covenants, and conditions set forth in this Agreement. This Agreement forms no partnership, joint venture, or other association of any kind. The only relationship between the Parties is that of a government entity regulating the Development of private property by the owner or user of the property.

14.3 Cooperation.

Each Party shall cooperate with and provide reasonable assistance to the other Parties to the extent consistent with and necessary to implement this Agreement. Upon the request of a Party at any time, the other Parties shall promptly execute, with acknowledgement or affidavit if reasonably required, and file or record the required instruments and writings and take any actions as may be reasonably necessary to implement this Agreement or to evidence or consummate the transactions contemplated by this Agreement.

14.4 Estoppel Certificates.

At any time, either City or any Property Owner may deliver written notice to the other Party requesting that that Party certify in writing that, to the best of its knowledge: (i) this Agreement is in full force and effect and is binding on the Party; (ii) this Agreement has not been amended or modified either orally or in writing or, if this Agreement has been amended, the Party providing the certification shall identify the amendments or modifications; and (iii) the requesting Party is not in Default in the performance of its obligations under this Agreement and no event or situation has occurred that with the passage of time or the giving of Notice or both would constitute a Default or, if such is not the case, then the other Party shall describe the nature and amount of the actual or prospective Default.

The Party requested to furnish an estoppel certificate shall execute and return the certificate within thirty (30) days following receipt. Requests for the City to furnish an estoppel certificate shall include reimbursement for all administrative costs incurred by the City including reasonable attorney's fees incurred by the City in furnishing an estoppel certificate.

14.5 Rules of Construction.

The singular includes the plural; the masculine and neuter include the feminine; "shall" is mandatory; and "may" is permissive.

14.6 Time Is of the Essence.

Time is of the essence regarding each provision of this Agreement as to which time is an element.

14.7 Waiver.

The failure by a Party to insist upon the strict performance of any of the provisions of this Agreement by the other Party, and failure by a Party to exercise its rights upon a Default by the other Party, shall not constitute a waiver of that Party's right to demand strict compliance by the other Party in the future.

14.8 Counterparts.

This Agreement may be executed in two or more counterparts, each of which shall be identical and may be introduced in evidence or used for any other purpose without any other counterpart, but all of which shall together constitute one and the same agreement.

14.9 Entire Agreement.

This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements and understandings, both written and oral, between the Parties with respect to the subject matter addressed in this Agreement.

14.10 Severability.

The Parties intend that each and every obligation of the Parties is interdependent and interrelated with the other, and if any provision of this Agreement or the application of the provision to any Party or circumstances shall be held invalid or unenforceable to any extent, it is the intention of the Parties that the remainder of this Agreement or the application of the provision to persons or circumstances shall be rendered invalid or unenforceable. The Parties intend that neither Party shall receive any of the benefits of the Agreement without the full performance by such Party of all of its obligations provided for under this Agreement. Without limiting the generality of the foregoing, the Parties intend that a Property Owner shall not receive any of the benefits of this Agreement if such Property Owner's obligations are rendered void or unenforceable as the result of any third party litigation, and City shall be free to exercise its legislative discretion to amend or repeal the Development Regulations applicable to such Property Owner and its Property and such Property Owner shall cooperate as required, despite this Agreement, should third party litigation result in the nonperformance of Property Owner's obligations under this Agreement. The provisions of this Section 14.10 shall apply regardless of whether the Effective Date occurs and after the Termination Date.

14.11 Construction.

This Agreement has been drafted after negotiation and revision. City and Property Owners are sophisticated parties who were represented by independent counsel throughout the negotiations or City and Property Owners had the opportunity to be so represented and voluntarily chose to not be so represented. City and Property Owners each agree and acknowledge that the terms of this Agreement are fair and reasonable, taking into account their respective purposes, terms, and conditions. This Agreement shall therefore be construed as a whole consistent with its fair meaning, and no principle or presumption of contract construction or interpretation, if any, shall be used to construe the whole or any part of this Agreement in favor of or against either Party.

14.12 Successors and Assigns; Constructive Notice and Acceptance.

The burdens of this Agreement shall be binding upon, and the benefits of this Agreement shall inure to, all successors in interest to the Parties to this Agreement. All provisions of this Agreement shall be enforceable as equitable servitudes and constitute covenants running with the land. Each covenant to do or refrain from doing some act hereunder with regard to Development of the Property or portion thereof: (i) is for the benefit of and is a burden upon the Property; (ii) runs with the Property; and (iii) is binding upon each Party and each successor in interest during its ownership of the Property or any portion thereof. Every person or entity who now or later owns or acquires any right, title, or interest in any part of the Project or the Property is and shall be conclusively deemed to have consented and agreed to every provision of this Agreement. This Section 14.12 applies regardless of whether the instrument by which such person or entity acquires the interest refers to or acknowledges this Agreement and regardless of whether such person or entity has expressly entered into an assignment and assumption agreement as provided for in Article 12.

14.13 No Third-Party Beneficiaries.

The only Parties to this Agreement are City and Property Owners. This Agreement does not involve any third party beneficiaries, and it is not intended and shall not be construed to benefit or be enforceable by any other person or entity.

14.14 Applicable Law and Venue.

This Agreement shall be construed and enforced consistent with the internal laws of the State of California, without regard to conflicts of law principles. Any action at law or in equity arising under this Agreement or brought by any Party for the purpose of enforcing, construing, or determining the validity of any provision of this Agreement shall be filed and tried in the Superior Court of the County of Orange, State of California, or the United States District Court for the Central District of California. The Parties waive all provisions of law providing for the removal or change of venue to any other court.

14.15 Section Headings.

All section headings and subheadings are inserted for convenience only and shall not affect construction or interpretation of this Agreement.

14.16 Incorporation of Recitals and Exhibits.

All of the Recitals are incorporated into this Agreement by this reference. Exhibits A and B are attached to this Agreement and incorporated by this reference as follows:

EXHIBIT DESIGNATION	DESCRIPTION
A	Legal Description of Property
B	Depiction of the Property
C	Affordable Housing Implementation Plan

14.17 Recordation.

The City Clerk of City shall record this Agreement and any amendment, modification, or cancellation of this Agreement in the Office of the County Recorder of the County of Orange within the period required by California Government Code section 65868.5 and City of Newport Beach Municipal Code section 15.45.090. The date of recordation of this Agreement shall not modify or amend the Effective Date or the Termination Date.

[Signature page follows]

SIGNATURE PAGE TO
DEVELOPMENT AGREEMENT

"PROPERTY OWNER"

The Irvine Company LLC,
a Delaware limited liability company

By: _____

By: _____

"PROPERTY OWNER" AND "DEVELOPER"

MacArthur Court I LLC,
a Delaware limited liability company

By: _____

By: _____

"CITY"

CITY OF NEWPORT BEACH

By: _____
Joe Stapleton, Mayor

ATTEST:

_____
Lena Shumway, City Clerk

APPROVED AS TO FORM:

_____
Aaron C. Harp, City Attorney

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Orange)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)
County of Orange)

On _____, before me, _____, a Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

The Land referred to herein below is situated in the City of Newport Beach, County of Orange, State of California, and is described as follows:

PARCEL A:
PARCEL 1 OF PARCEL MAP NO. 84-716, IN THE CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A PARCEL MAP FILED IN BOOK 196, PAGE 40 THROUGH 43 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL B:
PARCEL 1, IN THE CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A PARCEL MAP FILED IN BOOK 68, PAGE 19 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PARCEL C:
PARCELS 2, 3 AND 4 OF PARCEL MAP NO. 84-716, IN THE CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A PARCEL MAP FILED IN BOOK 196, PAGES 40 THROUGH 43 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

APNs:
445-121-14 (Affects Parcel A)
445-121-05 (Affects Parcel B)
445-121-15 (Affects Parcel 2 of Parcel C)
445-121-16 (Affects Parcel 3 of Parcel C)
445-121-17 (Affects Parcel 4 of Parcel C)

EXHIBIT B

DEPICTION OF PROPERTY

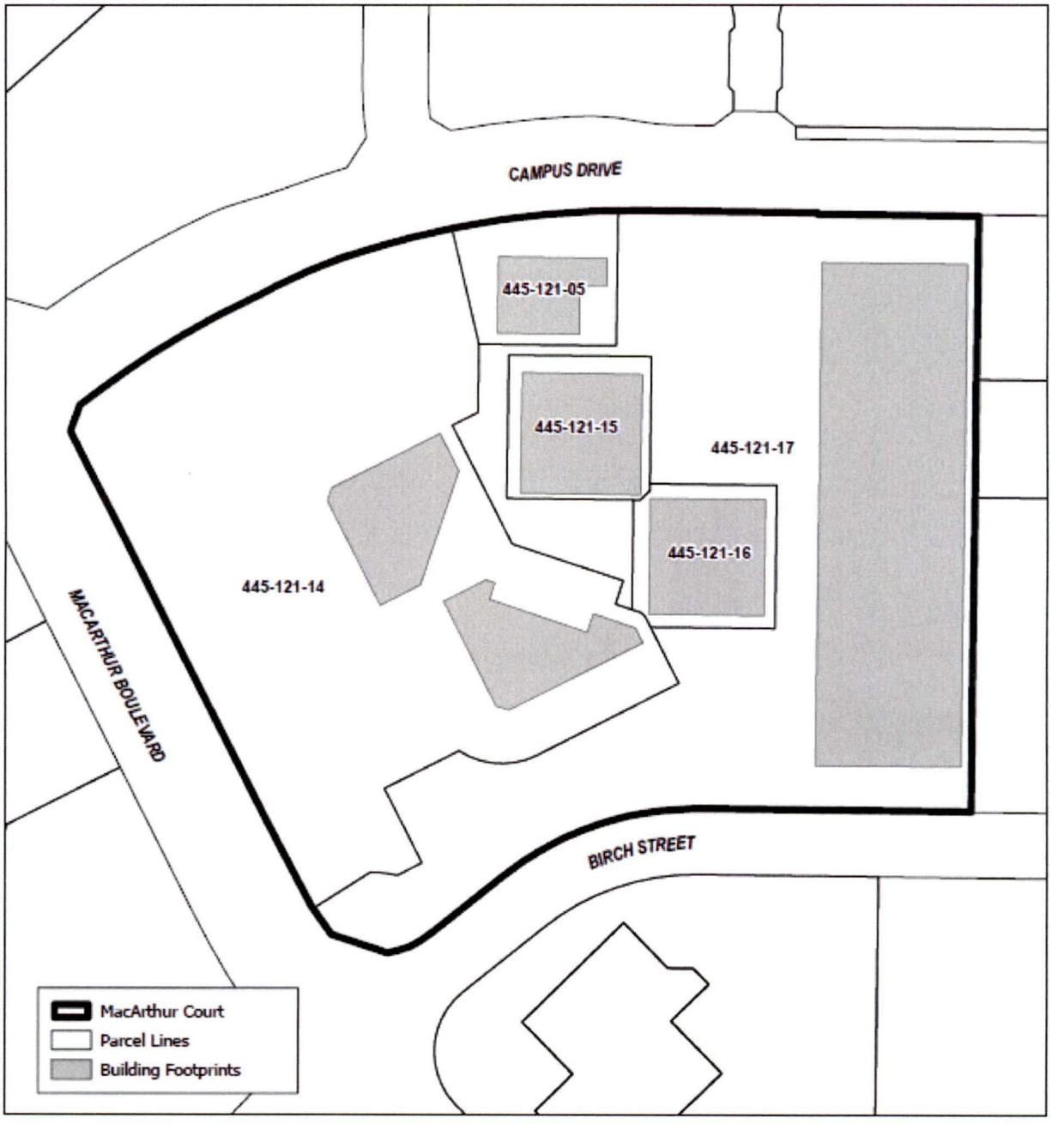


EXHIBIT C

Affordable Housing Implementation Plan

[attached hereto]

MACARTHUR COURT

AFFORDABLE HOUSING IMPLEMENTATION PLAN

Prepared For:
The City of Newport Beach

September 2025

Contents

I. Introduction 1

Background 1

II. Affordable Housing Plan 3

Proposed Plan 3
Number of Affordable Units/Income Levels 3
Implementation 4
Conclusion 4

III. Consistency with Housing Element 5

IV. Amendments to the AHIP 5

V. Authority 5

Figures

Exhibit 1 – MacArthur Court 2

I. Introduction

The MacArthur Court project approval by the City of Newport Beach will implement the goals and policies of the City's General Plan. With the project, MacArthur Court, as shown on Exhibit 1, will consist of a mixed-use office and residential community with retail located at the strategic intersection of MacArthur Boulevard and Campus Drive in the City's Airport Area, a regional center comprised of professional office, residential, retail, recreation and hotel uses in proximity to John Wayne Airport. The subject property is located within the HO-1 subarea (Airport Area Environs Area) as identified in Newport Beach Municipal Code Sections 20.80.025 (Housing Opportunity Overlay Zoning Districts maps) and 20.28.050 (Housing Oopportunity (HO) Overlay Zoning Districts) including 4665, 4675, 4680, 4685, and 4695 MacArthur Court and 4770 Campus Drive.

With the project, a total of 700 residential units may be developed on MacArthur Court. The City has not adopted an inclusionary housing policy. However, the City is encouraging new residential development projects to provide affordable housing. This Affordable Housing Implementation Plan (AHIP) outlines how affordable housing will be provided relative to the 700 new residential units allowed at MacArthur Court.

Background

On September 13, 2022, the Newport Beach City Council adopted the 6th Cycle Housing Element for the 2021-2029 planning cycle in response to the Regional Housing Needs Assessment (RHNA) allocation. The Housing Element identifies moderate income households as those with annual incomes between 81% and 120% of the County median household income. Low-income households are those with annual incomes between 51% and 80% of the County median household income. Very-low income households are those with annual incomes between 31% and 50% of the County median household income. Extremely low-income households are those with annual incomes of 30% or less of the County median household income. While the Housing Element does not require an AHIP, this document has been prepared to outline how the development will meet the City's affordable housing goal.

The Southern California Association of Governments (SCAG) prepares the state-mandated RHNA. The RHNA quantifies the need for housing within each jurisdiction during specified planning periods. The City's General Plan Housing Element must include its "fair share" regional housing needs allocation for all income groups which must be updated periodically. The most recently published SCAG RHNA identifies the City allocation as follows:

- Total allocation between 10/15/2021 and 10/15/2029 – 4,845 units
- Very-low income allocation – 30% (1,456 units)
- Low-income allocation – 19% (930 units)
- Moderate-income allocation – 22% (1,050 units)

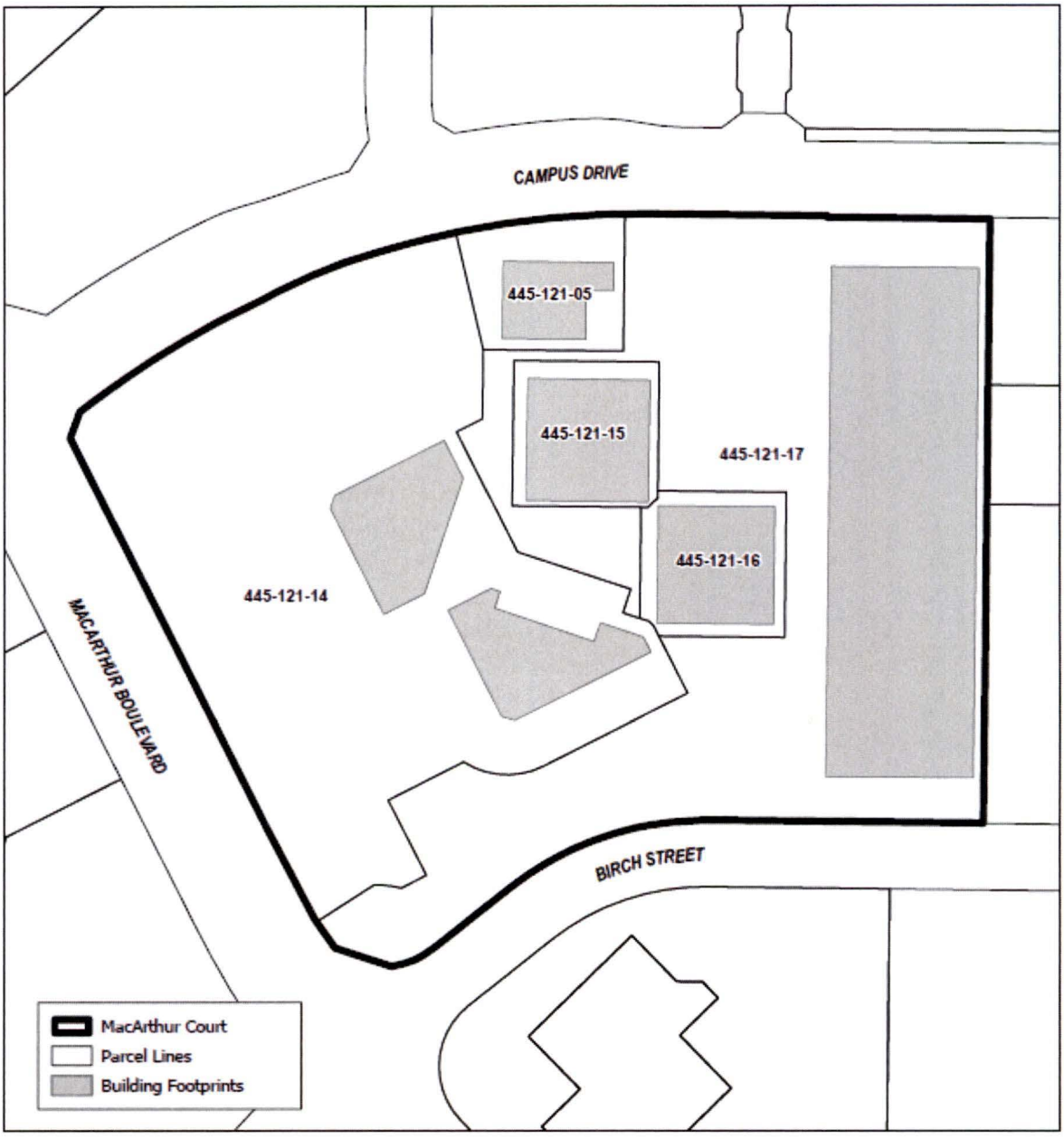


Exhibit 1 – MacArthur Court

II. Affordable Housing Plan

Proposed Plan

This Affordable Housing Implementation Plan includes the following plan.

A. Construction of New Affordable Housing Units

Irvine Company owns property within Newport Beach that would allow for the development of new affordable housing. Irvine Company proposes to identify an appropriate site for the development of affordable housing and to develop a new affordable housing project. Due to land costs, the location may be located outside of the Airport Area.

The units must be sold or rented to households qualifying as very-low or low-income households. The annualized rents chargeable for occupancy of the Affordable Units shall not exceed thirty percent (30%) of the Very-Low or Low-income limits. The restriction on these units – for example, tenant selection procedures, monitoring – will be included in an affordable housing agreement, which shall be submitted for review and approval by the City Attorney and recorded against the property(ies).

B. Dedication of Property to the City

If Irvine Company is unable to construct new affordable housing units as described in Section II.A above and in a manner consistent with the Implementation terms below, Irvine Company shall dedicate land to the City, which could include land not currently zoned for residential use, for the purpose of future affordable housing development. The site shall be of adequate size to allow for construction of at least 49 affordable housing units at an assumed density of 20-50 dwelling units to the acre. The site shall be free of any restrictions such as easements, covenants, conditions, or other restrictions that would preclude or make financially infeasible the development of the intended affordable housing development as determined by the City. The City shall coordinate with Irvine Company regarding design. Notwithstanding any covenants, conditions or other restrictions, the City shall be the final review authority regarding design of the building(s) and property.

C. Fee Payment

In the event that construction of new affordable housing units as described in Section II.A above, or dedication of property as described in Section II.B above, is not possible, Irvine Company shall pay the City an affordable housing in-lieu fee of $36,690 per market-rate unit constructed. If the City determines that the conditions in Sections II.A and II.B above cannot be met, the fee for any market-rate unit that has received a building permit shall be paid to the City within 90 days of said determination. For any remaining market-rate units to be constructed, the in-lieu fee shall be paid at the time of building permit issuance.

Number and Type of Affordable Units

The Irvine Company proposes to build new affordable housing units which equate to 7% of new market-rate housing units built at MacArthur Court. Irvine Company shall be permitted to construct conventional affordable housing or senior affordable housing. Irvine Company shall be required to build the number of affordable housing units equivalent to 7% of new market-rate residential units permitted. Irvine Company is contemplating the construction of approximately 700 new market-rate residential units at MacArthur Court, which would require construction of 49 new affordable units. If

additional affordable units are provided (or land is dedicated that will accommodate more affordable housing units) in excess of the 7% requirement, Irvine Company shall be allowed to offset any future residential development against the excess affordable units provided.

Implementation

The new affordable housing units shall be constructed on a single site (which may include additional new affordable housing units that are intended to meet the affordable housing requirements related to other projects in the City) and may be implemented in a single phase or in multiple phases. Irvine Company shall secure the first approved building permit (i.e. issued) from the City by January 31, 2029, for the affordable housing units required under this AHIP (Section II.A), unless the deadline is extended by the Director of Community Development upon mutual consent of the parties.

Conclusion

Implementation of this AHIP will result in the availability of affordable housing units as identified above within the City of Newport Beach in accordance with the City's Housing Element.

III. Consistency with Housing Element

The City of Newport Beach adopted a Housing Element Implementation Plan in 2024. A Housing Element was included in the General Plan in accordance with state law. The Housing Element was updated in 2022 and amended in 2024. The Housing Element identifies goals and programs for the provision of affordable housing in the City. The AHIP is intended to meet the specific goals of the Housing Element as follows:

Housing Goal #3 *A variety of housing types, designs, and opportunities for all social and economic segments.*

Housing Policy 3.1 *Encourage preservation of existing and provision of new housing affordable to extremely low-, very low-, low-, and moderate-income households.*

The AHIP supports the City's requirement for the provision of affordable housing for all new residential development. The Irvine Company has prepared a Development Agreement in accordance with this Policy/Program.

Housing Goal #5 *Preservation of the City's housing stock for extremely low-, very low-, low-, and moderate-income households.*

Housing Policy 5.1 *Continue or undertake the following programs to mitigate potential loss of "at risk" units due to conversion to market-rate units. These efforts utilize existing City and local resources. They include efforts to secure additional resources from public and private sectors should they become available.*

The affordable housing provided per the AHIP will increase the City's affordable housing stock. The units will be deed-restricted to remain affordable for a period of 55 years. In addition, the developer will provide periodic reports in the form required by the City. The provision of the affordable housing units will assist the City in meeting Housing Element Goal #1: Provision of adequate sites to accommodate projected housing unit growth needs identified by the 2021-2029 RHNA.

In conclusion, the AHIP is consistent with the relevant goals and programs in the City's 2022 General Plan Housing Element.

IV. Amendments to the AHIP

This AHIP may be amended with the approval of the City Council.

V. Authority

The AHIP has been adopted by the City of Newport Beach per Resolution No. 2025-___ on the 18th day of November, 2025.

Exhibit "C"

CEQA CONSISTENCY ANALYSIS PREPARED BY T&B PLANNING INC. DATED OCTOBER 2025

https://ecms.newportbeachca.gov/WEB/DocView.aspx?id=3187695&dbid=0&repo=CNB

Appendix A – Mitigation, Monitoring, and Reporting Program ("MMRP") Applicability Matrix:

https://ecms.newportbeachca.gov/WEB/DocView.aspx?id=3187694&dbid=0&repo=CNB

Appendix B – Water Supply Assessment (WSA):

https://ecms.newportbeachca.gov/WEB/DocView.aspx?id=3187693&dbid=0&repo=CNB

CITY OF

NEWPORT BEACH

City Council Staff Report

December 9, 2025
Agenda Item No. 5

TO:	HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM:	Grace K. Leung, City Manager - 949-644-3001, gleung@newportbeachca.gov
PREPARED BY:	Tara Finnigan, Assistant City Manager / Acting Human Resources Director - 949-644-3035, tfinnigan@newportbeachca.gov
TITLE:	Resolution No. 2025-84: Adopting a Memorandum of Understanding Between the City of Newport Beach and the Newport Beach City Employees Association and Amending the Salary Schedule; and Resolution No. 2025-85: Approving a Revised Salary Schedule for the Part Time Employees Association of Newport Beach

ABSTRACT:

The Tentative Agreement (Agreement) regarding a Memorandum of Understanding (MOU) between the City of Newport Beach and the Newport Beach City Employees Association (NBCEA) was submitted to the City Council at its regular meeting on November 18, 2025, to provide the City Council and community an opportunity to consider the terms and costs of the Agreement.

The proposed MOU is now presented for City Council action. This is the final step in the meet and confer process with the NBCEA. Staff recommends approval of the MOU and the associated salary schedule. Further, the attached budget amendment appropriates the required funding to implement the costs associated with the agreement for the current fiscal year.

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) Adopt Resolution 2025-84: *A Resolution of the City Council of the City of Newport Beach, California, Adopting a Memorandum of Understanding Between the City of Newport Beach and the Newport Beach City Employees Association and Amending the Salary Schedule;*

c) Adopt Resolution 2025-85: *A Resolution of the City Council of the City of Newport Beach, California, Approving a Revised Salary Schedule for the Part Time Employees Association of Newport Beach*;

d) Approve Budget Amendment No. 26-041, appropriating $523,605.04 in increased expenditures in various City division salary and benefit accounts from the General Fund and the Water Enterprise Fund to fund the agreement with the Newport Beach City Employees Association; and

e) Approve Budget Amendment No. 26-044, appropriating $45,642.61 in increased expenditures in various City division salary and benefit accounts from the General Fund to fund positions in the Part-Time Employees Association of Newport Beach.

DISCUSSION:

The following discussion was provided, in part, with the November 18, 2025, staff report and is included here for reference.

The NBCEA represents just under 100 miscellaneous positions in administrative support, finance, library services, and recreational services occupations and is affiliated with the Laborers' International Union of North America (LIUNA). During negotiations, City representatives and NBCEA board members discussed wage adjustments, the medical cafeteria allowance and structure, leave time, employee retirement contributions, and other non-economic matters.

Key provisions of the Agreement between the City and NBCEA include:

- Term: November 29, 2025, through December 31, 2028
- Salary Adjustments:
    - November 29, 2025 – 5% increase
    - Effective the first full pay period after January 1, 2027 – 4% increase
    - Effective the first full pay period after January 1, 2028 – 3% increase
- Medical Insurance: The City will contribute $2,025 per month (plus the minimum CalPERS participating employee contribution) to each member's cafeteria plan
- Introduction of Longevity Pay starting at 15 years of full-time service with the City
- Adjustments to Shift Differential Pay and Holiday Leave
- Withdrawal from the LIUNA National Industrial Pension Fund

It should be noted that the two parties reached a Tentative Agreement earlier this year to reduce NBCEA members' California Public Employee Retirement System (CalPERS) pension retirement contributions. On September 23, 2025, the City Council adopted

Resolution No. 2025-63, and thereby approved a Side Letter Agreement with the NBCEA to reduce its members' CalPERS contributions to the following levels:

- Tiers I & II – 8% of compensation earnable
- Tier III – 8% of pensionable compensation or half the normal cost, whichever is higher.

These reduced CalPERS contribution rates approved by the City Council in September have been incorporated into the proposed MOU.

The City Council reviewed and considered the Agreement and proposed MOU with NBCEA at its regular meeting on November 18, 2025, after which the costing information and proposed MOU were posted for public review on the City's website. A final version of the successor MOU is being presented in accordance with Government Code section 3505.1. The total cost of the NBCEA MOU is approximately $3.8 million. If the Council approves adoption of the MOU, City staff will work to implement the terms as soon as possible.

Part Time Salary Schedule Adjustments

In addition, staff recommends adoption of Resolution 2025-85. On August 26, 2025, the City Council approved a new MOU between the City and the Part Time Employees Association of Newport Beach (PTEANB). Per the MOU, part-time classification salary schedules are to adjust to match the base salary, hourly rates of the equivalent, full-time NBCEA classifications, once the City Council approves a new MOU with the NBCEA.

Accordingly, employees working part-time in classifications that have a full-time counterpart will move to the full-time step with the salary that is closest to their current salary, whether higher or lower than their current step.

FISCAL IMPACT:

Detailed cost information is provided in Attachment C. Since the MOU covers the period from November 29, 2025, through December 31, 2028, it will result in the following annual fiscal impacts to implement the terms of the agreement, totaling $3,784,234:

Fiscal Year	Amount
2025/26	$ 806,786
2026/27	$1,324,238
2027/28	$1,653,210
Total	**$3,784,234**

The costs shown reflect the additional annual expenses for each corresponding fiscal year. These amounts include the costs associated with the side letter approved on September 23, 2025, which reduced the required CalPERS pension contributions to 8% or half of the normal cost, whichever is greater. On that same date, the City Council

approved Budget Amendment No. 26-027, appropriating $283,181 for the aforementioned side letter with the NBCEA. At this time, a budget amendment of $523,605.04 is required to appropriate the funds necessary to cover the full cost of the contract for Fiscal Year 2025-26. Adequate funding will be included in the annual budget for subsequent years. A budget amendment of $45,642.61 is also required to increase expenditure appropriations to fund positions in the Part-Time Employees Association of Newport Beach that are aligned with the NBCEA.

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 – Resolution No. 2025-84 including Exhibit A, NBCEA MOU
Attachment B – Resolution No. 2025-85 including Exhibit A, PTEANB Salary Adjustments
Attachment C – Cost of Agreement with NBCEA
Attachment D – Budget Amendment No. 26-041
Attachment E – Budget Amendment No. 26-044

ATTACHMENT A

RESOLUTION 2025- 84

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEWPORT BEACH, CALIFORNIA, ADOPTING A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF NEWPORT BEACH AND THE NEWPORT BEACH CITY EMPLOYEES ASSOCIATION AND AMENDING THE SALARY SCHEDULE

WHEREAS, the City Council of the City of Newport Beach ("City Council") previously adopted Resolution No. 2001-50, the "Employer-Employee Relations Resolution," pursuant to authority contained in the Meyers-Milias-Brown Act, Government Code 3500, *et seq.;*

WHEREAS, the City of Newport Beach ("City") promotes effective communication and collaborative working relationships with its employee associations to foster improved relations while balancing good management practices;

WHEREAS, the City previously entered into a Memorandum of Understanding ("MOU") with the Newport Beach City Employees Association ("NBCEA") a recognized organization, for the term of January 1, 2022, through December 31, 2025;

WHEREAS, representatives from the City and NBCEA met and conferred in good faith and reached a tentative agreement on wages, benefits and other terms and conditions of employment, which are memorialized in the Memorandum of Understanding between the City and NBCEA ("Memorandum of Understanding") attached hereto as Attachment A and incorporated herein by this reference;

WHEREAS, NBCEA has voted to approve the Memorandum of Understanding;

WHEREAS, City of Newport Beach Charter Section 601 requires the City Council to provide the number, titles, qualifications, powers, duties and compensation of all officers and employees of the City;

WHEREAS, Newport Beach Municipal Code Section 2.28.010 (Establishment of Classification and Salary Ranges) provides, upon recommendation of the City Manager, the City Council may establish by resolution the salary range or rate for each position;

WHEREAS, by adopting this resolution, the City Council intends to amend the salary schedule for NBCEA unit members to be in conformance with the Memorandum of Understanding;

WHEREAS, the City Manager has reviewed the changes to the salary schedule for NBCEA unit members provided in this resolution and recommends approval;

WHEREAS, the City Council received and considered the Memorandum of Understanding at its regular meeting on November 18, 2025; and

WHEREAS, by adopting this resolution, the City Council also desires to replace the 2022-2025 MOU between the City and NBCEA by adopting the Memorandum of Understanding attached hereto as Attachment A to serve as the successor agreement between the City and NBCEA for the period November 29, 2025, through December 31, 2028.

NOW, THEREFORE, the City Council of the City of Newport Beach resolves as follows:

Section 1: The City Council hereby approves, and authorizes the Mayor to execute the Memorandum of Understanding attached hereto as Attachment A. The wages, hours, fringe benefits, and other terms and conditions of employment for employees represented by NBCEA shall be provided in accordance with the provisions of the Memorandum of Understanding, which shall serve as the successor agreement between the City and NBCEA for the period November 29, 2025, through December 31, 2028.

Section 2: The City's salary schedule shall be modified to be consistent with this resolution, the Memorandum of Understanding, and Exhibit A to the Memorandum of Understanding. Any resolution, or part thereof, in conflict with this resolution shall be of no effect.

Section 3: The recitals provided in this resolution are true and correct and are incorporated into the operative part of this resolution.

Section 4: If any section, subsection, sentence, clause or phrase of this resolution is, for any reason, held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this resolution. The City Council hereby declares that it would have passed this resolution, and each section, subsection, sentence, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

Section 5: The City Council finds the adoption of this resolution 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, Division 6, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

Section 6: This resolution shall take effect immediately upon its adoption by the City Council, and the City Clerk shall certify the vote adopting the resolution.

ADOPTED this 9th day of December, 2025.

Joe Stapleton
Mayor

ATTEST:

Lena Shumway
City Clerk

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE

Aaron C. Harp
City Attorney

Attachment A - Memorandum of Understanding with the Newport Beach City Employees Association

Attachment A

NEWPORT BEACH CITY EMPLOYEEES ASSOCIATION
MEMORANDUM OF UNDERSTANDING

November 29, 2025, through December 31, 2028

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITY OF NEWPORT BEACH
AND
CITY EMPLOYEES ASSOCIATION
November 29, 2025, through December 31, 2028

TABLE OF CONTENTS

Preamble

Section 1. General Provisions

Recognition 1
Term 1
Release Time 2
Scope 2
Employee Data and Access 3
Conclusiveness 3
Modifications 4
Association Dues 4

Section 2. Compensation

Salary 4
Overtime 4
Standby Duty 5
Callback Duty 6
Accumulation of Compensatory Time Off 6
Shift Differential 6
Incentive Shift Differential for Library Members 7
Court Time 7
Certificate Pay 7
Acting Pay 7
Bilingual Pay 7
Longevity Pay 8

Section 3. Leaves

Flex Leave 8
Holiday Leave 9
Bereavement Leave 11
Reproductive Loss Leave 11
Leave Sellback 11

Section 4. Fringe Benefits

Insurance 12
Additional Insurance Programs 13
Employee Assistance Program 14
Retirement Benefit 14
Retiree Medical Benefit 16
Tuition Reimbursement 19
Deferred Compensation 20

Section 5. Miscellaneous

Reductions in Force/Layoffs 20
Recruitment and Selection 22
Alternate Work Schedules 23
Labor Management Committee 23
Discipline – Notice of Intent 23
Grievance Procedure 24
Probation 25
Salary on Reclassification 26
Salary on Promotion 26
Uniforms and Safety Equipment 26
Service Awards 26
Direct Deposit 26
Telecommuting Program 26
Overpayment 26
Classification and Compensation Studies 27
Separability 27

EXHIBIT A: Represented Job Classifications and Pay Rates 29
EXHIBIT B: Approved Certificates 44

MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF NEWPORT BEACH AND NEWPORT BEACH CITY EMPLOYEES ASSOCIATION

This MEMORANDUM OF UNDERSTANDING (hereinafter referred to as "MOU") is entered into with reference to the following:

PREAMBLE

1. The Newport Beach City Employees Association ("NBCEA" or "Association"), a recognized employee organization, affiliated with the Laborers' International Union of North America, Local 777 (LIUNA), and the City of Newport Beach ("City"), a municipal corporation and charter city, have been meeting and conferring, in good faith, with respect to wages, hours, fringe benefits and other terms and conditions of employment.

2. NBCEA representatives and City representatives have reached an agreement as to wages, hours and other terms and conditions of employment. This shall apply to all affected employees for the term of *November 29, 2025* through *December 31, 2028* and this agreement has been embodied in this MOU.

3. This MOU, upon approval by NBCEA and the Newport Beach City Council, represents the total and complete understanding and agreement between the parties regarding all matters within the scope of representation.

SECTION 1. GENERAL PROVISIONS

A. Recognition

In accordance with the provisions of the Charter of the City of Newport Beach, the Meyers Milias Brown Act of the State of California and the provisions of the Employer's/Employee Labor Relations Resolution No. 2001-50, the City acknowledges that NBCEA is the majority representative for the purpose of meeting and conferring regarding wages, hours and other terms and conditions of employment for all employees in those classifications specified in Exhibit "A" or as appropriately modified in accordance with the Employer/Employee Resolution. All other classifications and positions not specifically included within Exhibit "A" are excluded from representation by NBCEA.

B. Term

1. Except as specifically provided otherwise, any ordinance, resolution or action of the City Council necessary to implement this MOU shall be considered effective as of *November 29, 2025*. This MOU shall remain in full force and effect until *December 31, 2028*, and the provisions of this MOU shall continue after the date of expiration of this MOU in the event the parties are meeting and conferring on a successor MOU.

2. The provisions of this MOU shall prevail over conflicting provisions of the Newport Beach City Charter, the ordinances, resolutions and policies of the City, and federal and state statutes, rules and regulations which either specifically provide that agreements such as this prevail, confer rights which may be waived by any collective bargaining agreement, or are, pursuant to decisional or statutory law, superseded by the provisions of an agreement similar to this MOU.

C. Release Time

1. Three NBCEA officers designated by the NBCEA shall collectively be granted an annual maximum of 150 hours paid release time for the conduct of NBCEA business. Such time shall be exclusive of actual time spent in collective bargaining and shall be scheduled at the discretion of the NBCEA officer. Every effort will be made to schedule this time to avoid interference with City operations.

2. Release time designees shall be identified annually and notice shall be provided to the City. Release time incurred shall be reported regularly in the form and manner prescribed by the City.

3. Activities performed on release time shall include representation of members in rights disputes, preparation for collective bargaining activities, and distribution of NBCEA written communication in the workplace.

4. Each January, the City will examine the number of Release Time hours the Association used the preceding year. If the Association used more than 75% of the hours normally granted (150), the Association will be granted an additional 30 hours for that year.

D. Scope

1. All present written rules and current established practices and employees' rights, privileges and benefits that are within the scope of representation shall remain in full force and effect during the term of this MOU unless specifically amended by the provisions of this MOU.

2. Pursuant to this MOU, the City reserves and retains all its inherent exclusive and non–exclusive managerial rights, powers, functions and authorities ("Management Rights") as set forth in Resolution No. 2001-50. Management Rights include, but are not limited to, the following:

(a) the determination of the purposes and functions of City Departments;

(b) the establishment of standards of service;

(c) to assign work to employees as deemed appropriate;

(d) the direction and supervision of its employees;

(e) the discipline of employees;

(f) the power to relieve employees from duty for lack of work or other legitimate reasons;

(g) to maintain the efficiency of operations;

(h) to determine the methods, means and personnel by which operations are to be conducted;

(i) the right to take all necessary actions to fulfill the Department's responsibilities in the event of an emergency; and

(j) the exercise of complete control and discretion over the manner of organization, and the appropriate technology, best suited to the performance of departmental functions.

The practical consequences of a Management Rights decision on wages, hours, and other terms and conditions of employment shall be subject to the grievance procedures.

E. Employee Data and Access

The City shall provide NBCEA with access and information regarding new employees and existing unit members as required by law. NBCEA designated officers shall be entitled to solicit membership from new employees at their work site. This solicitation shall be made from the total release time for NBCEA Officers, and shall be scheduled in a manner that is not disruptive to departmental operations. Department heads may determine appropriate times for new employee contact, but they cannot reasonably deny such contact.

F. Conclusiveness

With the exception of a separate MOU covering retirement issues, this MOU contains all of the covenants, stipulations, and provisions agreed upon by the parties. Therefore, for the term of this MOU, neither party shall be compelled, and each party expressly waives its rights to request the other to meet and confer concerning any issue within the scope of representation except as expressly provided herein or by mutual agreement of the parties. No representative of either party has the authority to make, and none of the parties shall be bound by, any statement, representation or agreement reached prior to the execution of this MOU and not set forth herein.

As provided in the Employer-Employee Relations Resolution No. 2001-50, the City shall determine the *way* City services are to be provided, including whether the City should

provide services directly or contract out work, including work that is currently being performed by Association members. In the event the City introduces a plan to outsource services currently being performed by Association members to achieve greater efficiency and/or cost savings, and upon request by the Association, the City shall meet and confer with Association representatives to discuss the impacts of the City's decision to contract out work. The City shall retain sole authority to decide whether or not to contract out work, including work that is currently being performed by Association members. This provision shall not limit the City's authority to enter into such an agreement for any City services.

G. Modifications

Any agreement, understanding, or waiver or modification of any of the terms or provisions of this MOU shall not be binding upon the parties unless contained in a written document executed by authorized representatives of the parties.

H. Association Dues

1. The collection of Association dues shall be handled through the payroll deduction process.

2. The Association and LIUNA agree to defend, indemnify and hold harmless the City for its collection of Association dues.

SECTION 2 – COMPENSATION

A. Salary

Base salary increases for all NBCEA represented classifications shall be as follows and as specified in Exhibit A:

Effective November 29, 2025, there shall be a base salary increase of five percent (5.0%) for all classifications in the bargaining unit.

Effective the first full pay period after January 1, 2027, there shall be a base salary increase of four percent (4.0%) for all classifications in the bargaining unit.

Effective the first full pay period after January 1, 2028, there shall be a base salary increase of three percent (3.0%) for all classifications in the bargaining unit.

B. Overtime

1. Advanced Approval - Employees must have advanced approval from their supervisor to work overtime.

2. FLSA Overtime - Overtime earned for actual work hours in excess of 40 in the

employee's defined FLSA workweek.

3. Contract Overtime – Overtime earned for an employee whose hours paid in their defined FLSA workweek exceeds 40. For purposes of calculating hours paid for contract overtime, holidays occurring during the work week count as time worked. The use of other forms of leave do not count as hours worked for purposes of calculating hours paid for determining eligibility for contract overtime.

4. Rate at Which Overtime is Calculated – FLSA and Contract Overtime (paid at time and one half – 1.5) shall be calculated at the regular rate of pay, except that the rate at which Contract Overtime is calculated shall not include the City's Cafeteria Plan Allowance, the opt-out Cafeteria Plan Allowance, or any cash back an employee may receive from the Cafeteria Plan Allowance by choosing benefits which cost less than the Allowance.

5. Workweek for Purposes of Calculating Overtime – For employees who work the 9/80 work schedule, their defined FLSA workweek shall begin exactly four hours after the start time of their shift on their alternating regular day off (i.e., their eight-hour day) and end exactly 168 hours later. For employees who work a 5/40 work schedule, their workweek shall begin on Saturday at 12:01 a.m. and will end exactly 168 hours later the following Saturday at 12:00 a.m.

6. Work Schedule – Regardless of the type of work schedule an employee is assigned (e.g., 5/40, 9/80 *or 4/10*), full-time employees are regularly scheduled to work 40 hours in their defined FLSA workweek.

7. Reporting Time - The City calculates overtime in tenths of an hour. Employees shall report their time worked to the nearest tenth of an hour.

C. Standby Duty

1. Defined

   a. To be ready to respond immediately to calls for service;

   b. to be reachable by telephone;

   c. to remain within a specified distance from the employee's workstation; and

   d. to refrain from activities which might impair the employee's ability to perform their assigned duties.

2. Compensation

Standby duty shall be compensated at the rate of one hour of overtime compensation for each eight hours of such duty. Standby duty on holidays shall be compensated at

the rate of two hours of overtime compensation for each eight hours of standby duty. Should the employee be required to return to work while on standby status, the provisions pertaining to compensation for call-back pay shall apply for the period of time the employee is actually working.

D. Callback Duty

1. Defined

Call-back duty requires the employee to respond to a request to return to their workstation after the normal work shift has been completed and the employee has left their normal workstation. Those periods of overtime which are scheduled by the Department Director prior to the end of the normal work shift are not considered callback duty.

2. Compensation

All employees shall receive a minimum of two hours pay. If an employee works more than two hours, said employee shall receive pay for actual hours worked.

E. Accumulation of Compensatory Time Off

Unit members who are non-exempt from overtime may receive compensatory time off (CTO), in lieu of cash, as compensation for overtime hours worked at the rate of one-and-one-half hours for each hour of overtime worked. An employee may only earn CTO if requested and then approved by the employee's supervisor. Callback time may be converted to CTO with supervisor approval.

Employees may accumulate up to 80 hours of CTO. Any hours earned in excess of 80 will be paid out to the employee the following pay period. Once a unit member reduces the balance below 80 hours, additional hours may be earned again up to the 80 hour cap.

F. Shift Differential

Unit members who are regularly assigned a work schedule that ends beyond 6:00 p.m. shall receive a shift differential pay of *$2.00* per actual hour worked; payable for each hour worked after 6:00 p.m. Overtime worked as an extension of an assigned day shift shall not qualify an employee for shift differential.

The parties agree that to the extent permitted by law, the City shall report to the California Public Employees' Retirement System (CalPERS) shift differential pay as Special Assignment Pay pursuant to Title 2 CCR, Section 571(a)(4) *and/or Section 571.1 (b)(3)* Shift Differential. *However, for "new members" as defined by the Public Employees' Pension Reform Act (PEPRA) of 2013, shift differential pay will not be reported as pensionable compensation to CalPERS.*

G. Incentive Shift for Library Members

For NBCEA members assigned to the Library Services Department, the Sunday work shift will be considered an "incentive" shift. Unit members who work a regularly scheduled shift of five hours on a Sunday will report their actual hours worked on their time sheet plus three hours of incentive pay at the hourly base rate.

H. Court Time

Employees who are required to appear in court during their off-duty hours in connection with City business shall receive a minimum of two hours pay. If an employee is actually in court for more than two hours, the member shall receive pay for actual hours worked.

I. Certificate Pay

Effective January 1, 2013, the certificate pay program was modified to eliminate "inactive" certificates and "sunset" certain active certificates. Employees currently receiving pay for a "sunset" certificate are considered grandfathered under the program, but no further employees shall be eligible. Effective January 1, 2014, the pay for eligible certificates was converted from a percentage-based benefit to a flat dollar amount. The complete list of eligible certificates and the corresponding benefit is listed in Exhibit B. All other procedures associated with Certificate Pay remain in effect.

The parties agree that to the extent permitted by law, the City shall report to the California Public Employees' Retirement System (CalPERS) eligible certificate pays as Educational Pay pursuant to Title 2 CCR, Section 571(a)(2) and/or 571.1(b)(2).

J. Acting Pay

NBCEA employees are eligible to receive "acting pay" only after completing 80 consecutive hours in the higher classification. Once the 80 hour requirement has been satisfied, acting pay will be granted for all hours worked above 40 hours beginning with the 41st hour worked in the higher classification. Acting pay is an additional 7.5% of the employee's base pay rate.

The parties agree that to the extent permitted by law, and in accordance with Government Code §20480 Out-of-Class Appointment Limitations, the City shall report to the California Public Employees' Retirement System (CalPERS) acting pay as Premium Pay pursuant to Title 2 CCR Section 571(a)(3) Temporary Upgrade Pay. The employee must be performing 100% of the duties in the higher classification for temporary upgrade pay to be reportable. *However, for "new members" as defined by the Public Employees' Pension Reform Act (PEPRA) of 2013, acting pay will not be reported as pensionable compensation to CalPERS.*

K. Bilingual Pay

Upon determination of the Department Director that an employee's ability to speak, read and/or write in Spanish contributes to the Department providing better service to the public, employees in positions that require additional languages as part of their normal duties shall be eligible to receive One Hundred Fifty ($150.00) dollars per month (paid each pay period) in bilingual pay. The certification process will confirm the employee is fluent at the street conversational level in speaking, reading and/or writing Spanish. Employees certified shall receive bilingual pay the first full pay period following certification.

Additional languages may be certified for compensation pursuant to this section by the Department Director with the concurrence of the Human Resources Director.

The parties agree that to the extent permitted by law, the City shall report to the California Public Employees' Retirement System (CalPERS) bilingual pay as Special Assignment Pay pursuant to Title 2 CCR, Section 571(a)(4) and/or 571.1(b)(3) Bilingual Premium.

L. Longevity Pay
Unit members shall receive longevity pay based on their continuous years of full-time service with the City of Newport Beach as follows:

Years of Continuous Service	*Longevity Pay*
15-19	*1.0%*
20-24	*1.5%*
Over 25 years	*2.0%*

These pays are not cumulative (e.g., at 20 years of service, total longevity pay will be 1.5%). The parties agree that to the extent permitted by law, Longevity Pay is special compensation and shall be reported to CalPERS as such pursuant to Title 2 CCR, Section 571(a)(1) and 571.1(b)(1).

SECTION 3. LEAVES

A. Flex Leave

Members accrue flex leave in lieu of vacation and *sick leave.* An employee accrues a designated number of flex leave hours while in paid status and based upon years of service. Years of service is determined by the number of continuous, full-time years a member is employed by the City.

All unit members shall accrue flex leave at the following hourly rates:

Years of Continuous Service	Hrs. Accrued Per Pay Period	Annual Hours	Max Allowable Balance (hours)
Less than 5	6.00	156.00	468.00
5 but less than 9	6.61	171.86	515.58

9 but less than 12	7.23	187.98	563.94
12 but less than 16	8.15	211.90	635.70
16 but less than 20	8.77	228.02	684.06
20 but less than 25	9.38	243.88	731.64
25 and over	10.00	260.00	780.00

Members shall accrue three (3) months (i.e., 39 hours) of flex leave *in the manner* provided above upon completion of three (3) months of continuous employment with the City, provided however, this amount shall be reduced by any flex leave time advanced during the first three (3) months of employment.

1. Limit on Accumulation

Members hired prior to July 1, 1996:
Members hired prior to July 1, 1996 shall be paid for earned flex leave in excess of the maximum allowable balance as spillover pay at the member's hourly rate of pay provided that they have utilized at least eighty (80) hours of flex leave the previous calendar year. Employees accruing at the 16 years of continuous service level or above shall be required to use 120 hours of flex leave the previous calendar year to receive spillover pay. Employees who have not utilized the required amount of leave the prior calendar year shall not be eligible to accrue time above the maximum allowable balance.

Employees hired after July 1, 1996:
Employees first hired or rehired by the City subsequent to July 1, 1996 *are* not eligible for flex leave spillover pay and *are* not entitled to accrue flex leave in excess of the flex leave maximum allowable balance.

2. Method of Use

The Department Director shall approve all requests for flex leave taking into consideration the needs of the Department, and whenever possible the wishes of the employee. Flex leave may be granted in ¼ hour increments.

B. Holiday Leave

The following days shall be observed as paid holidays (i.e., employees shall have the day off with pay). With the exception of the "floating holiday" (where the employee chooses the day off), employees who *are* required to work on the holiday will receive their pay for the holiday and either pay or flex leave for the number of hours worked on the holiday.

New Year's Day	January 1
Martin Luther King Day	January – 3rd Monday
Washington's Birthday	February – 3rd Monday
Memorial Day	May – Last Monday
Floating Holiday*	July 1

Independence Day	July 4
Labor Day	September – 1st Monday
Veterans Day	November 11
Thanksgiving Day	November – 4th Thursday
Friday After Thanksgiving	November – 4th Friday
Christmas Eve	*December 24*
Christmas Day	December 25
New Year's Eve	*December 31*
Holiday Closure – Up to 3 Days	*TBD based on closure dates*

Holidays are paid based on the employee's regular workday schedule. For example, if an employee is on a 9/80 schedule and the holiday is observed on a day that the employee is regularly scheduled to work nine hours, the employee is entitled to receive nine hours of holiday pay. However, if an employee is on a 9/80 schedule and the holiday is observed on a day that the employee is regularly scheduled to work eight hours, the employee is eligible to receive eight hours of holiday pay.

1. Holidays listed above (except the floating holiday) occurring on a Saturday shall be observed the preceding Friday. Holidays occurring on a Sunday shall be observed the following Monday.

2. Holiday pay will be paid only to employees who work their scheduled day before and scheduled day after a holiday or are on authorized paid leave (e.g. paid leave that has been reviewed and approved by the Department Director).

3. *Holiday Closure – If the City Council approves a holiday closure for City Hall, the following applies:*
    a. *Holiday Closure Pay Unit members will receive holiday closure pay for the days they would have normally been scheduled to work during the closure period, up to a maximum of three (3) days. The holiday closure pay is specifically for use during the approved holiday closure. Example: If your regular work schedule would have you working two days during a three-day holiday closure, you will receive two days of holiday closure pay, not three. You will not automatically get three days if your schedule does not call for it.*

    b. *Working During a Holiday Closure If a unit member is required by their supervisor to work during a holiday closure, they may bank their holiday hours to flex, up to a maximum of eight hours for each day the employee is required to work during the holiday closure.*

The Holiday Closure Pay aims to fairly compensate members while ensuring operational needs are met during approved holiday closures.

The floating holiday is awarded on July 1. Eight hours of holiday leave *are* added to the member's flex leave bank on the first pay period in July each year.

C. Bereavement Leave

Bereavement leave shall be defined as "the necessary absence from duty by an employee because of the death or terminal illness of an immediate family member." Unit members shall be entitled to 40 hours of bereavement leave per calendar year per incident (terminal illness followed by death is considered one incident). Bereavement leave shall be administered in accordance with the provisions of the Employee Policy Manual. Leave hours need not be used consecutively, however they should be used in proximate time to the occurrence. For the purposes of this section, immediate family shall mean an employee's father, mother, stepfather, stepmother, brother, sister, spouse/domestic partner, child, stepchild, *grandchild*, grandparents and the member's spouse's/domestic partner's father, mother, brother, sister, child, *grandchild* and grandparents. The provisions of this Section shall not diminish or reduce any rights a member may have pursuant to applicable provisions of state or federal law. A member requesting bereavement leave shall notify their supervisor as soon as possible of the need to take leave.

D. Reproductive Loss Leave

Eligible employees are entitled to five unpaid days for each reproductive loss event. Multiple reproductive loss events are covered, up to a maximum of 20 days of reproductive loss leave within a twelve-month period.

E. Leave Sellback

Employees shall have the option (on two occasions) of selling back on an hour for hour basis, accrued flex leave. In no event shall the flex leave balance be reduced below one hundred and sixty (160) hours. Hours sold back will be subject to the Retiree Health Savings Plan Part C contributions, per Section 4 (F), Retiree Medical. For the term of this MOU the Association has elected Part C contributions for Flex at 0%.

Employees shall have the option of converting accrued flex leave to cash on an hour for hour basis subject to the following: On or before the pay period which includes December 15 of each calendar year, an employee may make an irrevocable election to cash out accrued flex leave which will be earned in the following calendar year. The employee can elect to receive the cash out in the pay period which includes June 30 and/or the pay period which includes December 15 for those flex leave benefits that have been earned during that portion of the year. In no event shall the flex leave balance be reduced below 160 hours.

In addition to the above, an employee who has an "unforeseen emergency" (defined as an unanticipated emergency that is caused by an event beyond the control of the employee and that would result in severe financial hardship to the employee if early

withdrawal were not permitted) shall be entitled to make a request to the Director of Human Resources for a payoff of accrued flex leave. The amount of flex leave which may be cashed out is limited to the amount necessary to meet the emergency. If there is an unforeseen emergency, an employee can cash out flex leave earlier in the year than described above provided that the remaining balance is not reduced below 160 hours.

When a part-time employee's status changes to full-time and enters the unit, all accrued flex leave in the employee's bank at the time of appointment shall be converted to cash at the employee's last part-time hourly rate on an hour for hour basis.

SECTION 4. FRINGE BENEFITS

A. Insurance

1. Benefits Information Committee

The City has established a Benefits Information Committee (BIC) composed of one representative from each employee association group and up to three City representatives. The Benefits Information Committee has been established to allow the City to present data regarding carrier and coverage options, the cost of those options, appropriate coverage levels and other health programs. The purpose of the BIC is to provide each employee association with information about health insurance/programs and to receive timely input from associations regarding preferred coverage options and levels of coverage.

2. Medical Insurance

The City has implemented an IRS qualified Cafeteria Plan. In addition to the contribution amounts listed below, the City shall contribute the minimum CalPERS participating employer's contribution towards medical insurance for employees enrolled in a CalPERS medical plan, per Government Code Section 22892. Employees shall have the option of allocating Cafeteria Plan contributions towards the City's existing medical, dental and vision insurance/programs.

Unused Cafeteria Plan funds shall be payable to the employee as taxable cash back. Employees shall be allowed to change coverages in accordance with plan rules and during regular open enrollment periods.

The City's contribution towards the Cafeteria Plan is *Two Thousand and Twenty-Five Dollars ($2,025)*, plus the minimum CalPERS participating employer's contribution.

NBCEA members who do not enroll in any medical plan offered by the City must provide evidence of group medical insurance coverage and execute an opt-out agreement releasing the City from any responsibility or liability to provide medical insurance coverage on an annual basis.

Employees hired prior to March 16, 2019 who elect to opt out of medical coverage offered by the City because they have provided proof of minimum essential coverage ("MEC") through another source (other than coverage in the individual market, whether or not obtained through Covered California) will receive One Thousand Dollars (*$1,000*) per month in taxable cash. For these same employees, if they elect medical coverage and spend less than *$1,725 (plus the minimum CalPERS participating employer's contribution)* of the City contribution provided above, *the difference* shall be paid to the employee as taxable cash.

Employees hired on or after March 16, 2019 who elect to opt out of medical coverage offered by the City because they have provided proof of MEC through another source (other than coverage in the individual market, whether or not obtained through Covered California) shall receive Five Hundred Dollars (*$500*) per month in taxable cash. For these same employees, if they elect medical coverage and spend less than the City contribution provided above, there shall be no cash back provided.

3. Dental Insurance

The existing or comparable dental plans shall be maintained as part of the City's health plan offerings as agreed upon by the Benefits Information Committee.

4. Vision Insurance

The existing or a comparable vision plan shall be maintained as part of the City's plan offerings as agreed upon by the Benefits Information Committee.

5. Healthcare Reform

The parties recognize that certain *s*tate and *f*ederal laws, programs and regulations, including the Affordable Care Act, may impact future medical plan offerings. Either party may request to reopen Section 4A(2) regarding medical insurance for the purpose of discussing alternative approaches and proposals to providing healthcare coverage. Additionally, should state or federal laws concerning taxation of healthcare benefits change, the parties agree to meet and discuss the impact of such change.

B. Additional Insurance Programs

1. IRS Section 125 Flexible Spending Account

Section 125 of the Internal Revenue Code authorizes an employee to reduce taxable income for payment of allowable expenses such as child care and medical expenses. An Association member may request that medical, child care and other eligible expenses be paid or reimbursed by the Section 125 Plan out of the employee's account. The base salary of the employee will be reduced by the amount designated by the employee for reimbursable expenses.

2. Disability Insurance

The City shall provide Short-term (STD) and Long-term (LTD) disability insurance to all regular full-time employees with the following provisions:

	Short-Term Disability	Long-Term Disability
Benefit Amount	66.67% of covered wages	66.67% of covered wages
Maximum Benefit	$1,846 weekly	$15,000 monthly
Waiting Period	30 calendar days	180 calendar days

Employees shall not be required to exhaust accrued paid leaves prior to receiving benefits under the disability insurance program. Employees may not supplement the disability benefit with paid leave once the waiting period has been exhausted.

3. Life Insurance

The City shall provide life insurance for all regular full-time employees in $1,000 increments equal to one times the employee's annual salary up to a maximum of $50,000. At age 70 the City-paid life insurance is reduced by 50% of the pre-70 amount. This amount remains in effect until the employee terminates from City employment.

C. Employee Assistance Program

The City shall provide an Employee Assistance Program (EAP) through a properly licensed provider. Association members and their family members may access the EAP subject to provider guidelines.

D. Retirement Benefit

The City contracts with the California Public Employees' Retirement System (CalPERS) to provide retirement benefits for its employees. Pursuant to prior agreements and state mandated reform, the City has implemented three different tiers of retirement benefits, categorized as Tier I, Tier II and Tier III.

1. Retirement Formula

Tier I: For employees hired by the City on or before November 23, 2012, the retirement formula shall be the 2.5% @ 55 calculated on the basis of the single highest year.

Tier II: For employees first hired by the City between November 24 and December 31, 2012, or hired on or after January 1, 2013, and who are current classic members of the retirement system, as defined in the Public Employees' Pension Reform Act ("PEPRA"), the retirement formula shall be 2% @ 60 calculated on the average 36

highest months' salary.

Tier III: For employees first hired by the City on or after January 1, 2013, and who do not meet the Tier II criteria because they are new members as defined by PEPRA, the retirement formula shall be 2% @ 62 calculated on the average 36 highest months' salary.

2. Employee Contributions

The Association has agreed to share in the rising cost of pension obligations. Under the terms of this MOU, unit members will contribute additional amounts toward the CalPERS retirement benefit *depending on their tier*, to the extent permissible by law. Should any provision be deemed invalid, the City and Association agree to meet for the purpose of renegotiating employee retirement contributions.

Employee retirement contributions that are in addition to the normal CalPERS Member Contribution (of 7% or 8%) shall be calculated on base pay, special pays, and other pays normally reported as "PERSable" compensation and will be made on a pre-tax basis through payroll deduction, to the extent allowable by law. It is recognized that these payments will not be reported to CalPERS as contributions toward either the Member or Employer rate, as provided under Government Code Section 20516(f).

> *Tier I Employees - shall contribute a total employee contribution of eight percent (8%) (member contribution).*
>
> *Tier II Employees - shall contribute a total employee contribution of eight percent (8%) as follows: seven percent (7%) of compensation earnable (member contribution) and one percent (1%) of compensation earnable as cost sharing per Government Code section 20516(f).*
>
> *Tier III Employees - The minimum statutory employee contribution for employees in Tier III is subject to the provisions of PEPRA and equals 50% of the "total normal cost". Tier III employees shall make an additional contribution of pensionable compensation toward retirement pursuant to Government Code Section 20516(f), such that the total employee contribution equals no less than eight percent (8%) of pensionable compensation (i.e., the greater of 8% of pensionable compensation or 50% of the "total normal cost").*

The City contracts with CalPERS for the 4th Level 1959 Survivors Insurance Benefit, $500 Lump Sum Death Benefit, Sick Leave Credit, Military Service Credit, 2% Cost of Living Adjustment and the pre-retirement option settlement 2 death benefit (Government Code Section 21548).

E. Retiree Medical Benefit

This is an Integral Part Trust (IPT) RHS Retiree Health Savings (RHS) plan (formerly the Medical Expense Reimbursement Program - "MERP"). Each member has an individual RHS account ("Account"), which accumulates based on the category they fall under (see Program Structure below). Funds from the Account may be used for eligible health care expenses after separation, retirement or a change in personnel status to a position that does not receive the RHS benefit. These changes in personnel status will activate the Account and allow funds to be withdrawn until the Account balance is depleted. Since the plan restricts all distributions to be spent for health insurance premiums and health care expenses, as defined by the Internal Revenue Code Publication 502, § 213(d) and the Plan document the contributions, fund investment earnings and benefit payments (when withdrawn from the Account) are not taxable when posted. Additionally, certain contributions may only be deposited upon retirement from the City. The categories are provided below.

1. Background

In 2005, the City and NBCEA agreed to replace the previous "defined benefit" retiree medical program with a new "defined contribution" program. During the transition, employees and (then) existing retirees were administratively classified into different categories. The benefit is structured differently for each of the categories. The categories are as follows:

a. Category 1 - Employees who become eligible for the benefit after January 1, 2006. This may include new hires, rehires and part-time employees appointing to full-time status.

b. Category 2 - Employees who were active and enrolled in the previous defined benefit as of December 31, 2005, eligible for the new defined contribution program as of January 1, 2006 and whose age plus years of service as of January 1, 2006 was less than 50.

c. Category 3 - Employees who were active and enrolled in the previous defined benefit as of December 31, 2005, eligible for the new defined contribution program as of January 1, 2006 and whose age *plus years* of service as of January 1, 2006 was 50 or greater.

2. Eligibility

All Association members are eligible for the RHS benefit. However, if a member separates or changes positions to a bargaining unit which does not offer this benefit, the member is no longer eligible for any contributions to the plan and their Account will be activated for use and withdrawal of funds by the employee (or former employee). This means if a unit member subsequently reappoints to a position which offers the RHS benefit, they will be enrolled in "Category 1" and must revest in the

program. Any remaining balance deposited during prior eligibility will remain in the Account.

Employees who become ineligible (no longer covered by City employee association offering the RHS benefit) before vesting forfeit the City's Part B contribution. Said employee will only receive Part A and Part C contributions. The only exception is an active employee who separates before vesting due to an approved industrial disability. In such case, the employee will receive exactly five years' worth of Part B contributions, using the employee's age and compensation at the time of separation for calculation purposes. This amount will be deposited into the employee's Account at the time of separation.

3. Account Contributions

Account contributions are categorized as Part A, Part B and Part C.

Part A contributions are a mandatory, automatic 1% employee contribution deducted each pay period and deposited into the Account through payroll. Deductions begin the pay period in which the employee becomes eligible and are reported to CalPERS as pensionable.

Part B contributions require a five year vesting period which begins when the employee becomes eligible for the RHS benefit. At the conclusion of the vesting period, the City will credit the first five years' worth of Part B contributions into the Account (interest does not accrue during that period and the contributions are calculated at $2.50 per month for eac*h year of the employee's full-time service plus age) and begin to contribute $2.50 per month for each year of the employee's full-time service plus age (e.g. 30 years old and five* years of service would be a factor of 35. $2.50 x 35 = $87.50 per month). This factor is updated annually in the pay period including January 1. Part B contributions are not reported to CalPERS as pensionable.

The parties agree that the City's Part B contributions during active employment constitute the minimum CalPERS participating employer's contribution (i.e., the CalPERS statutory minimum amount) towards medical insurance after retirement. The parties also agree that, for retirees selecting a CalPERS medical plan, or any other plan with a similar employer contribution requirement, the required employer contribution will be deducted from the employer's contribution to the retiree's account.

Part C contributions are determined by Association election and deposited into the Account when flex leave hours are converted to taxable cash through leave cash-out or at the time of separation or status change. Spillover pay does not qualify for Part C contributions. Part C contributions are not reported to CalPERS as pensionable.

The Association determines the level of contribution for all unit members, subject to the following constraints. All employees within the Association must participate at the same level. The participation level shall be specified as a percentage of the flex leave

balance available in each employee's leave bank at the time of separation from the City, or status change, or as a percentage of the flex leave balance being cashed out.

For example, if the Association wishes to elect 30% Part C contributions, then each member leaving the City, or cashing out eligible leave at any other time, would have the cash equivalent of 30% of the amount that is cashed out deposited to their RHS Account on a pre-tax basis. The remaining 70% would be paid in cash as taxable income. Individual employees do not have the option to deviate from this breakout.

The Association may change the Part C contribution amount as part of a meet and confer process. The purpose and focus of these changes should be toward long-term, trend type adjustments. Due to IRS restrictions regarding "constructive receipt," the City will impose restrictions against frequent spikes or drops that appear to be tailored toward satisfying the desires of a group of imminent retirees.

The Association has decided to participate in Part C contributions at the level of zero percent (0%) flex leave.

Nothing in this section restricts taking leave for time off purposes.

4. Benefit

   a. Category 1: Employees in this category make Part A and receive Part B contributions (subject to vesting) automatically each pay period through payroll deductions. Part C contributions are received through cash outs. No contributions are made to Category 1 participants after separation.

   b. Category 2: Employees in this category make Part A and receive Part B contributions (subject to vesting) automatically each pay period through payroll deductions. Part C contributions are received through cash outs. No contributions are made to Category 2 participants after separation.

      If a Category 2 participant retires from the City with a minimum of 5 consecutive years of full-time service, the City will contribute to the participant's Account a one-time contribution equal to $100 per month for every month the participant contributed to the previous "defined benefit" plan up to a maximum of 15 years (180 months). This contribution is deposited into the Account at the time of retirement, and only if the employee retires from the City and becomes a CalPERS annuitant of the City of Newport Beach. No interest will be earned in the interim.

      Category 2 participants with less than five years of continuous contributions into the prior defined benefit plan as of January 1, 2006: *only the years* of service after January 1, 2006 count towards Part B contributions upon vesting. Contributions in years before 2006 will be paid out as stated in the above paragraph.

c. Category 3: Employees in this category make Part A contributions automatically each pay period through payroll deductions. Category 3 participants do not receive any Part B contributions. Part C contributions are received through cash outs.

If an eligible Category 3 participant retires from the City of Newport Beach, the City will deposit $400 per month into the Account upon retirement, up to a maximum of $4,800 per year, less the CalPERS minimum required employer contribution as determined by CalPERS annually, which shall continue as long as the employee or surviving spouse/qualified dependent is still living. To offset this expense to the City, active Category 3 participants will contribute an additional $100 per month to the plan until retirement. There is no cash out option for these funds and they cannot be spent in advance of receipt.

Category 3 participants also receive an additional one-time City contribution of $75 per month for every month they contributed to the previous plan prior to January 1, 2006, up to a maximum of 15 years (180 months). This contribution is deposited into the Account at the time of retirement, and only if the employee retires from the City. No interest will be earned in the interim. Contributions are contingent upon remaining a CalPERS annuitant of the City.

5. Administration

Vendors have been selected by the City to administer the program. The contract expense for program-wide administration by the vendor will be paid by the City. However, specific vendor charges for individual account transactions that vary according to the investment actions taken by each employee, such as fees or commissions for trades, will be paid by each employee.

The City's Deferred Compensation Committee, or its successor committee has the authority to determine investment options that will be available through the plan.

F. Tuition Reimbursement

Subject to the limitations below, NBCEA members attending accredited community colleges, colleges, trade schools or universities, or recognized professional organizations or agencies may apply for reimbursement of one hundred percent (100%) of the actual cost of tuition, books, fees or other student expenses for approved job–related coursework, seminars or professional development programs. *Travel expenses are not eligible for reimbursement.* The maximum annual benefit is $2,000 per fiscal year. Reimbursement is contingent upon the successful completion of the course. Successful completion means a grade of "C" or better for undergraduate courses and a grade of "B" or better for graduate courses. All claims for tuition reimbursement require the approval of the Human Resources Director or designee.

G. Deferred Compensation

All members: Each unit member shall have the right to enroll in the deferred compensation program set up by the City and subject to the rules of IRS Code section 457. Unit members who enroll in the City deferred compensation program are eligible for City contributions to their City deferred compensation account as follows:

Matching City Contributions: *The* City shall match a unit member's deferred compensation contribution up to a maximum of thirty dollars ($30) per month. The City is only obligated to make the contribution if the unit member has enrolled in the deferred compensation program. There is no retroactivity.

Additional matching City contributions to Deferred Compensation Based on Years of Service: In addition to the City contribution provided above, the City shall match contributions to eligible unit members' deferred compensation accounts as follows:

Years of Service	
15-19	$30
20-25	$35
25+	$40

Years of service is determined by the number of continuous, full-time years a member is employed by the City. Under federal law, there is an annual maximum contribution which may be made to an employee's IRS Code section 457 account. Although the City will be making contributions to the members' accounts each pay period as described above, it is the members' responsibility to track their total contribution amount. If a member's account contributions reach the annual IRS Code section 457 maximum, the City will stop making contributions for the remainder of the calendar year and shall not owe the member any additional compensation under this section.

SECTION 5. MISCELLANEOUS

A. Reductions in Force/Layoffs

The provisions of this section shall apply when the City Manager determines that a reduction in the work force is warranted because of actual or anticipated reductions in revenue, reorganization of the work force, a reduction in municipal services, a reduction in the demand for service or other reasons unrelated to the performance of duties by any specific employee. Reductions in force are to be accomplished, to the extent feasible, on the basis of seniority within a particular Classification or Series and this Section should be interpreted accordingly.

DEFINITIONS

1. "Bumping Rights", "Bumping" or "Bump" shall mean (1) the right of an employee,

based upon seniority within a series to bump into a lower ranking classification within the same series, (2) to be followed by an employee being permitted to bump into a classification within a different series. The latter bumping shall be based upon unit wide seniority and shall be limited to a classification in which the employee previously held regular status.

No employee shall have the right to bump into a classification for which the employee does not possess the minimum qualifications such as specialized education, training or experience.

2. "Classification" shall mean one or more full time positions identical or similar in duties not including part-time, seasonal or temporary positions. Classification within a Series shall be ranked according to pay (lowest ranking, lowest pay).

3. "Layoffs" or "Laid Off" shall mean the non-disciplinary termination of employment.

4. "Seniority" shall mean the time an employee has worked in a Classification or Series calculated from the date on which the employee was first granted regular status in the current Classification or any Classification within the Series, subject to the following:

   a. Credit shall be given only for continuous service subsequent to the most recent appointment to regular status in the Classification or Series; and

   b. Seniority shall include time spent on all City, state and/or federally protected and authorized leaves but shall not include time spent on any unauthorized leave of absence.

5. "Series" shall mean two or more classifications within a Department which require the performance of similar duties with the higher-ranking classification(s) characterized by the need for less supervision by superiors, more difficult assignments, more supervisory responsibilities for subordinates. The City Manager shall determine those classifications following a meet and consult process which constitute a Series.

PROCEDURE

In the event the City Manager determines to reduce the number of employees within a classification, the following procedures are applicable:

1. Probationary employees within any Classification shall be laid off before regular employees.

2. Employees within a Classification shall be laid off in inverse order of Seniority.

3. An employee subject to Layoff in one Classification shall have the right to Bump a

less senior employee in a lower ranking Classification within a Series. An employee who has Bumping rights shall notify the Department Director within three (3) working days after notice of Layoff of their intention to exercise Bumping Rights.

4. In the event two or more employees in the same Classification are subject to Layoff and have the same Seniority, the employees shall be laid off following the Department Director's consideration of finalized performance evaluations.

NOTICE

Employees subject to Lay-off shall be given at least thirty (30) days advance notice of the Layoff or thirty (30) days' pay in lieu of notice. In addition, employees laid off will be paid for all accumulated paid leave and holiday leave (if any).

REEMPLOYMENT

Employees who are laid off shall be placed on a Department re-employment list in reverse order of Layoff. The re-employment list shall expire in eighteen (18) months. In the event a vacant position occurs in the Classification which the employee occupied at the time of Layoff, or a lower ranking Classification within a Series, the employee at the top of the Department re-employment list shall have the right within seven (7) days of written notice of appointment. Notice shall be deemed given when personally delivered to the employee or deposited in the U.S. Mail, first class postage prepaid, and addressed to the employee at their last known address. Any employee shall have the right to refuse to be placed on the re-employment list or the right to remove their name from the re-employment list by sending written confirmation to the Human Resources Director.

SEVERANCE

If an employee is Laid Off from their job with the City for economic reasons, the City will grant severance pay in an amount equal to one week of pay for every full year of continuous employment service to the City up to ten (10) weeks of pay.

B. Recruitment and Selection

Position vacancy announcements for available City positions shall be distributed in a manner that reasonably assures unit members access to the announcements. In order to select the most qualified individual for vacant positions the City will continue its practice of "banding" candidates into one of the following ratings: Outstanding, Highly Recommended, Recommended, and Not Recommended, during the testing process. Department Directors review qualified candidates in band order, beginning with the top band and are permitted to hire any eligible candidate from the list (minimum rating of Recommended).

Where no less than 2 unit members achieve top three ranking on a certified eligible list, selection to the position shall be made with preference given to the unit members so

qualified.

C. *Alternate Work Schedules*

Unit members work either a 5/40, *4/10* or 9/80 work schedule *subject to supervisor approval.*

Working a 4/10 schedule is not an entitlement and may be revoked due to operational needs. Denials of requests to work a 4/10 schedule and/or the cancellation of existing 4/10 schedules shall not be subject to the grievance procedure in Section 5.F.

Employees assigned to the 9/80 work schedule will have alternating Fridays off with the City determining which employees will work on each alternating Friday to ensure effective coverage of the work. Supervisors may approve a different alternating day off based on extenuating business circumstances.

Employees assigned to a 4/10 schedule will work four 10-hour days per week with the City determining the regular day off based on operational needs. Requests for specific days off may be approved by the supervisor where feasible, but shall not be subject to the grievance procedure in Section 5.F.

The City agrees to maintain flex-scheduling where it is currently operating successfully in this unit.

D. Labor Management Committee

The City will work with NBCEA leadership, through its managers, to establish labor-management committees departmentally whenever it is mutually determined it is appropriate to do so.

E. Discipline - Notice of Intent

Employees who are to be the subject of discipline equal to an unpaid suspension of three (3) days or greater shall be entitled to prior written notice of intent to discipline at least seven (7) calendar days prior to the imposition of the actual penalty. This written notice shall contain a description of the event or conduct which justifies the imposition of discipline. The notice shall also include the specific form of discipline intended, and the employee shall be offered the opportunity for a Skelly meeting before their Department Director prior to the imposition of the penalty.

All other discipline resulting in less than a three (3) day suspension is not subject to the aforementioned procedure.

This understanding is not intended to in any way reduce the rights of employees to due process. Employees who have become the subject of a suspension of one or two days who wish to appeal the suspension shall have the right to appeal the decision to the City

Manager or designee.

F. Grievance Procedure

Step 1: A grievance may be filed by any employee *on* their own behalf, or jointly by a group of employees, or by the Association. Except as otherwise provided by law, the Grievance Procedure is the sole and exclusive method by which an employee or the Association may challenge *the interpretation and/or application of* a provision of this MOU.

A grievance shall be brought to the attention of the immediate supervisor for discussion within ten (10) days after an employee or Association Board member knew, or in the exercise of reasonable diligence should have known, the act or events upon which the grievance arises. If the Employee or the Association (if filed by the Association) is not satisfied with the decision reached through the informal discussion or if extenuating circumstances exist, the Employee or Association shall have the right to file a formal grievance in accordance with Step 2 of this section. Grievances not presented within the time period shall be considered resolved.

The supervisor shall meet with the grievant to settle *the* grievance and give a written answer to the grievant within seven (7) calendar days from receipt of the grievance by the supervisor. When the immediate supervisor is also the department head, the grievance shall be presented in Step 2.

Step 2: If the employee or the Association (if filed by the Association) is not in agreement with the decision rendered in Step 1, the grievant shall have the right to present a formal grievance to the Department Director within ten (10) Days after the discussion in Step 1. The right to file a grievance petition shall be waived in the event the Employee or Association fails to file a formal grievance within ten (10) Days after the occurrence of the incident that forms the basis of the grievance. All formal grievances shall be submitted on the form prescribed by the Human Resources Director and no formal grievance shall be accepted until the form is complete. The formal grievance shall contain a clear, concise statement of the grievance, the facts upon which the grievance is based, the rule, regulation, *MOU provision* or policy the interpretation of which is involved in the grievance, and the specific remedy or remedies sought by the grievant. The Department Director should render a written decision within ten (10) Days after receipt of the formal grievance.

Step 3: If the formal grievance has not been satisfactorily adjusted in Step 2, it may be appealed to the City Manager within ten (10) Days after the Employee receives the decision. The City Manager may accept or reject the decision of the Department Director and shall render a written decision within ten (10) Days after conducting a grievance hearing. The decision of the City Manager shall be final and conclusive. If mutually agreeable, a meeting may be conducted involving all affected parties at any step in the grievance procedure prior to a decision. The City Manager may delegate uninvolved Department Directors to act on behalf of the City Manager to provide

findings and recommendations. The findings and recommendations of the uninvolved Department Directors are advisory only and the City Manager's decision shall be final.

Time Limits: Grievances shall be processed from one step to the next within the time limit indicated for each step. Time limits shall be strictly enforced. Any time limits can be waived or extended only by mutual agreement confirmed in writing. Any grievance not carried to the next step by the Employee or Association within the prescribed time limit shall be deemed resolved upon the basis of the previous decision.

G. Probation

1. Probationary Period

Newly hired employees shall serve a twelve (12) month probationary period. The probationary period for promoted employees shall be six (6) months.

Newly hired employees shall become eligible for their first step increase after twelve (12) months. All other City rules regarding step increases shall remain unchanged.

2. Failure of Probation

(a) New Probation

An employee on new probation may be released at the sole discretion of the City at any time without right of appeal or hearing.

(b) Promotional Probation

An employee on promotional probation may be failed at any time without right of appeal or hearing and except that failing an employee on promotional probation must not be arbitrary, capricious or unreasonable.

An employee who fails promotional probation shall receive a performance evaluation stating the reason for failure of promotional probation.

When an employee fails their promotional probation, the employee shall have the right to return to their former class provided the employee was not in the previous class for the purpose of training for a promotion to a higher class. When an employee is returned to their former class, the employee shall serve the remainder of any uncompleted probationary period in the former class.

If the employee's former class has been deleted or abolished, the employee shall have the right to return to a class in their former occupational series closest to, but no higher than, the salary range of the class which the employee occupied immediately prior to promotion and shall serve the remainder of any probationary period not completed in the former class.

H. Salary on Reclassification

An employee who is reclassified will be provided with a salary increase to the nearest step closest to five (5%) percent (not to exceed the maximum of the new salary range).

I. Salary on Promotion

Determination of employee salary upon promotion shall be governed by Section 6.11 of the Employee Policy Manual.

J. Uniforms and Safety Equipment

For assigned Park Patrol staff, uniforms shall be worn at all times during regular business hours. Park Patrol shall be provided with City designated shirts, shorts, pants, boots, jacket, and hat annually. Additional equipment or supplies may be issued to employees by the Department as deemed appropriate. If the provided winter jacket or work boots are lost, the employee shall replace the item with one from an authorized vendor. Work boots shall provide toe protection and meet Department safety standards. The Department Head or designee may approve exceptions to wearing uniforms.

The City will continue its practice of directly paying for dry cleaning for individuals in the Park Patrol classification.

K. Service Awards

For the purpose of determining service awards, if an employee has been employed by the City on more than one occasion, non-consecutive time will be considered as part of total service. Prior to system implementations, an employee is required to individually notify the awards committee of all of the service time.

L. Direct Deposit

All employees shall participate in the payroll direct deposit system.

M. Telecommuting Program

The City agrees to a telecommuting program that will provide for 80 hours *per calendar year* of telecommuting hours to be used in accordance with City policy. *The* provisions of the policy shall not trigger any right of grievance or appeal.

N. Overpayment

Employees will be notified by Payroll or Human Resources prior to the recovery of overpayments on paychecks. Recovery of more than 15% of net pay will be subject to a repayment schedule established by the appointing authority under guidelines issued by the Finance Department or Human Resources. Such recovery shall not exceed 15% per

month of disposable earnings, as defined by State law, except a mutually agreed upon accelerated payment plan for faster recovery.

Recoupments under this section shall be limited to forty-eight (48) months. However, nothing in this section is intended to preclude the City from seeking recoupment of overpayments due to fraud or other knowing concealment through any available legal forum.

O. Classification and Compensation Studies

In accordance with the City of Newport Beach Employee Policy Manual (EPM), the City Manager shall reclassify and/or adjust salary schedules for Association positions upon a determination that said adjustment(s) are warranted as a result of a job audit or classification and compensation study. The Association may submit up to three job study requests per fiscal year to the Human Resources Director. If the position requested requires analysis of other positions in the series, each position studied counts towards the total of three job audits per fiscal year.

The Human Resources Director may terminate a study upon a determination that there is no substantial evidence of a material change in duties, or of the need to adjust the compensation. At the time of the request for a job audit, the Association will provide the bases for the job audit request, including but not limited to, all substantial evidence of a material change in duties, and/or the bases for asserting said position's compensation requires adjusting. The job audit should include a detailed analysis of the work performed by, or expected of, the employee(s) and a comparison of that work with the job specifications for the classification. The Human Resources Director shall submit a completed job audit, together with recommendations to the Department Director, the City Manager and the Association.

In the event a position warrants adjustment in job duties and/or compensation, the salary range and effective date shall comply with section 9.2B of the City's EPM. This provision shall terminate upon the expiration of this MOU.

P. Separability

Should any part of this MOU or any provision herein contained be rendered or declared invalid, by reason of any existing or subsequently enacted Legislation, or by decree of a Court of competent jurisdiction, such invalidation of such part or portion of this MOU shall not invalidate the remaining portion hereto, and same shall remain in full force and effect.

Signatures are on the next page.

Executed this _____day of _____, *2025*:

FOR THE NEWPORT BEACH CITY EMPLOYEES ASSOCIATION:

By: _____
Mariah Stinson (Nov 19, 2025 16:51:48 PST)
Mariah Stinson, President

By: Jaime Gonzalez
Jaime Gonzalez (Dec 2, 2025 17:07:26 PST)
Jaime Gonzalez, Sr. Labor Relations Representative
LIUNA Local 777

FOR THE CITY OF NEWPORT BEACH

By: _____
Joe Stapleton, Mayor

CITY OF NEWPORT BEACH
APPROVED AS TO FORM

By: _____
Aaron C. Harp, City Attorney

ATTEST:

By: _____
Lena Shumway, City Clerk

Exhibit A
Newport Beach City Employees Association
MOU Term: November 29, 2025 - December 31, 2028
Effective November 29, 2025:
5% Cost-of-Living Adjustment (COLA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Assistant, Administrative	75	1	$ 35.16	$ 6,094	$ 73,124
Assistant, Administrative	75	2	$ 36.91	$ 6,398	$ 76,776
Assistant, Administrative	75	3	$ 38.75	$ 6,716	$ 80,594
Assistant, Administrative	75	4	$ 40.66	$ 7,048	$ 84,578
Assistant, Administrative	75	5	$ 42.71	$ 7,403	$ 88,839
Assistant, Administrative	75	6	$ 44.83	$ 7,770	$ 93,238
Assistant, Administrative	75	7	$ 47.11	$ 8,166	$ 97,997
Assistant, Administrative	75	8	$ 49.40	$ 8,563	$ 102,756
Assistant, Administrative	75	9	$ 51.87	$ 8,991	$ 107,893
Assistant, Department	55	1	$ 28.21	$ 4,890	$ 58,683
Assistant, Department	55	2	$ 29.61	$ 5,132	$ 61,587
Assistant, Department	55	3	$ 31.07	$ 5,386	$ 64,630
Assistant, Department	55	4	$ 32.63	$ 5,656	$ 67,867
Assistant, Department	55	5	$ 34.28	$ 5,942	$ 71,298
Assistant, Department	55	6	$ 35.98	$ 6,237	$ 74,840
Assistant, Department	55	7	$ 37.78	$ 6,548	$ 78,575
Assistant, Department	55	8	$ 39.67	$ 6,875	$ 82,503
Assistant, Department	55	9	$ 41.65	$ 7,219	$ 86,628
Assistant, Office	15	1	$ 24.12	$ 4,180	$ 50,160
Assistant, Office	15	2	$ 25.33	$ 4,390	$ 52,678
Assistant, Office	15	3	$ 26.60	$ 4,611	$ 55,334
Assistant, Office	15	4	$ 27.95	$ 4,844	$ 58,129
Assistant, Office	15	5	$ 29.33	$ 5,084	$ 61,006
Assistant, Office	15	6	$ 30.81	$ 5,340	$ 64,076
Assistant, Office	15	7	$ 32.32	$ 5,603	$ 67,231
Assistant, Office	15	8	$ 33.95	$ 5,884	$ 70,607
Assistant, Office	15	9	$ 35.64	$ 6,178	$ 74,137
Buyer	01	1	$ 35.24	$ 6,108	$ 73,290
Buyer	01	2	$ 37.00	$ 6,414	$ 76,970
Buyer	01	3	$ 38.84	$ 6,732	$ 80,788
Buyer	01	4	$ 40.80	$ 7,071	$ 84,855
Buyer	01	5	$ 42.83	$ 7,424	$ 89,088
Buyer	01	6	$ 44.97	$ 7,795	$ 93,542
Buyer	01	7	$ 47.23	$ 8,187	$ 98,246
Buyer	01	8	$ 49.55	$ 8,588	$ 103,060
Buyer	01	9	$ 52.03	$ 9,018	$ 108,213
Buyer, Senior	55A	1	$ 41.58	$ 7,207	$ 86,487
Buyer, Senior	55A	2	$ 43.67	$ 7,569	$ 90,831
Buyer, Senior	55A	3	$ 45.82	$ 7,943	$ 95,313
Buyer, Senior	55A	4	$ 48.12	$ 8,342	$ 100,100
Buyer, Senior	55A	5	$ 50.52	$ 8,757	$ 105,079
Buyer, Senior	55A	6	$ 53.05	$ 9,195	$ 110,336
Buyer, Senior	55A	7	$ 55.68	$ 9,651	$ 115,814
Buyer, Senior	55A	8	$ 58.50	$ 10,140	$ 121,680
Buyer, Senior	55A	9	$ 61.43	$ 10,647	$ 127,764
Fiscal Clerk	31	1	$ 25.43	$ 4,408	$ 52,900
Fiscal Clerk	31	2	$ 26.75	$ 4,637	$ 55,638

Exhibit A
Newport Beach City Employees Association
MOU Term: November 29, 2025 - December 31, 2028
Effective November 29, 2025:
5% Cost-of-Living Adjustment (COLA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Fiscal Clerk	31	3	$ 28.08	$ 4,867	$ 58,405
Fiscal Clerk	31	4	$ 29.45	$ 5,105	$ 61,255
Fiscal Clerk	31	5	$ 30.93	$ 5,361	$ 64,326
Fiscal Clerk	31	6	$ 32.50	$ 5,633	$ 67,591
Fiscal Clerk	31	7	$ 34.12	$ 5,914	$ 70,966
Fiscal Clerk	31	8	$ 35.82	$ 6,209	$ 74,507
Fiscal Clerk	31	9	$ 37.61	$ 6,519	$ 78,232
Fiscal Clerk, Senior	65	1	$ 29.61	$ 5,132	$ 61,587
Fiscal Clerk, Senior	65	2	$ 31.03	$ 5,379	$ 64,547
Fiscal Clerk, Senior	65	3	$ 32.63	$ 5,656	$ 67,867
Fiscal Clerk, Senior	65	4	$ 34.28	$ 5,942	$ 71,298
Fiscal Clerk, Senior	65	5	$ 35.97	$ 6,234	$ 74,811
Fiscal Clerk, Senior	65	6	$ 37.76	$ 6,546	$ 78,547
Fiscal Clerk, Senior	65	7	$ 39.67	$ 6,875	$ 82,503
Fiscal Clerk, Senior	65	8	$ 41.66	$ 7,221	$ 86,653
Fiscal Clerk, Senior	65	9	$ 43.74	$ 7,582	$ 90,986
Fiscal Specialist	85	1	$ 34.30	$ 5,946	$ 71,353
Fiscal Specialist	85	2	$ 36.05	$ 6,248	$ 74,978
Fiscal Specialist	85	3	$ 37.83	$ 6,557	$ 78,685
Fiscal Specialist	85	4	$ 39.72	$ 6,884	$ 82,614
Fiscal Specialist	85	5	$ 41.74	$ 7,235	$ 86,819
Fiscal Specialist	85	6	$ 43.78	$ 7,588	$ 91,052
Fiscal Specialist	85	7	$ 46.00	$ 7,973	$ 95,673
Fiscal Specialist	85	8	$ 48.28	$ 8,369	$ 100,432
Fiscal Specialist	85	9	$ 50.70	$ 8,788	$ 105,453
Inventory Analyst	90	1	$ 30.18	$ 5,231	$ 62,776
Inventory Analyst	90	2	$ 31.67	$ 5,490	$ 65,875
Inventory Analyst	90	3	$ 33.24	$ 5,762	$ 69,140
Inventory Analyst	90	4	$ 34.92	$ 6,052	$ 72,626
Inventory Analyst	90	5	$ 36.69	$ 6,359	$ 76,306
Inventory Analyst	90	6	$ 38.52	$ 6,677	$ 80,124
Inventory Analyst	90	7	$ 40.46	$ 7,014	$ 84,163
Inventory Analyst	90	8	$ 42.50	$ 7,366	$ 88,396
Inventory Analyst	90	9	$ 44.62	$ 7,735	$ 92,816
Librarian I	20	1	$ 34.70	$ 6,015	$ 72,184
Librarian I	20	2	$ 36.43	$ 6,315	$ 75,780
Librarian I	20	3	$ 38.23	$ 6,626	$ 79,515
Librarian I	20	4	$ 40.18	$ 6,965	$ 83,582
Librarian I	20	5	$ 42.17	$ 7,309	$ 87,705
Librarian I	20	6	$ 44.33	$ 7,685	$ 92,214
Librarian I	20	7	$ 46.52	$ 8,063	$ 96,752
Librarian I	20	8	$ 48.82	$ 8,462	$ 101,538
Librarian I	20	9	$ 51.26	$ 8,885	$ 106,615
Librarian II	30A	1	$ 38.14	$ 6,610	$ 79,322
Librarian II	30A	2	$ 40.08	$ 6,947	$ 83,360
Librarian II	30A	3	$ 42.09	$ 7,295	$ 87,539
Librarian II	30A	4	$ 44.17	$ 7,657	$ 91,882

Exhibit A
Newport Beach City Employees Association
MOU Term: November 29, 2025 - December 31, 2028
Effective November 29, 2025:
5% Cost-of-Living Adjustment (COLA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Librarian II	30A	5	$ 46.40	$ 8,042	$ 96,503
Librarian II	30A	6	$ 48.70	$ 8,441	$ 101,290
Librarian II	30A	7	$ 51.13	$ 8,863	$ 106,352
Librarian II	30A	8	$ 53.71	$ 9,310	$ 111,719
Librarian II	30A	9	$ 56.40	$ 9,775	$ 117,306
Librarian III	35A	1	$ 41.98	$ 7,276	$ 87,317
Librarian III	35A	2	$ 44.04	$ 7,634	$ 91,606
Librarian III	35A	3	$ 46.25	$ 8,017	$ 96,199
Librarian III	35A	4	$ 48.60	$ 8,425	$ 101,096
Librarian III	35A	5	$ 51.05	$ 8,849	$ 106,186
Librarian III	35A	6	$ 53.57	$ 9,285	$ 111,415
Librarian III	35A	7	$ 56.28	$ 9,755	$ 117,059
Librarian III	35A	8	$ 59.06	$ 10,237	$ 122,842
Librarian III	35A	9	$ 62.01	$ 10,749	$ 128,984
Library Assistant	70	1	$ 29.52	$ 5,116	$ 61,393
Library Assistant	70	2	$ 30.95	$ 5,365	$ 64,381
Library Assistant	70	3	$ 32.52	$ 5,637	$ 67,646
Library Assistant	70	4	$ 34.15	$ 5,918	$ 71,022
Library Assistant	70	5	$ 35.85	$ 6,214	$ 74,563
Library Assistant	70	6	$ 37.67	$ 6,529	$ 78,353
Library Assistant	70	7	$ 39.53	$ 6,852	$ 82,227
Library Assistant	70	8	$ 41.51	$ 7,196	$ 86,349
Library Assistant	70	9	$ 43.59	$ 7,556	$ 90,667
Library Clerk I	05	1	$ 23.00	$ 3,986	$ 47,836
Library Clerk I	05	2	$ 24.13	$ 4,182	$ 50,188
Library Clerk I	05	3	$ 25.34	$ 4,392	$ 52,705
Library Clerk I	05	4	$ 26.60	$ 4,611	$ 55,334
Library Clerk I	05	5	$ 27.95	$ 4,844	$ 58,129
Library Clerk I	05	6	$ 29.33	$ 5,084	$ 61,006
Library Clerk I	05	7	$ 30.81	$ 5,340	$ 64,076
Library Clerk I	05	8	$ 32.34	$ 5,605	$ 67,258
Library Clerk I	05	9	$ 33.95	$ 5,885	$ 70,621
Library Clerk II	30	1	$ 25.43	$ 4,408	$ 52,900
Library Clerk II	30	2	$ 26.75	$ 4,637	$ 55,638
Library Clerk II	30	3	$ 28.08	$ 4,867	$ 58,405
Library Clerk II	30	4	$ 29.45	$ 5,105	$ 61,255
Library Clerk II	30	5	$ 30.93	$ 5,361	$ 64,326
Library Clerk II	30	6	$ 32.50	$ 5,633	$ 67,591
Library Clerk II	30	7	$ 34.12	$ 5,914	$ 70,966
Library Clerk II	30	8	$ 35.82	$ 6,209	$ 74,507
Library Clerk II	30	9	$ 37.61	$ 6,519	$ 78,232
Library Clerk, Senior	71	1	$ 29.52	$ 5,116	$ 61,393
Library Clerk, Senior	71	2	$ 30.95	$ 5,365	$ 64,381
Library Clerk, Senior	71	3	$ 32.52	$ 5,637	$ 67,646
Library Clerk, Senior	71	4	$ 34.15	$ 5,918	$ 71,022
Library Clerk, Senior	71	5	$ 35.85	$ 6,214	$ 74,563
Library Clerk, Senior	71	6	$ 37.67	$ 6,529	$ 78,353

Exhibit A
Newport Beach City Employees Association
MOU Term: November 29, 2025 - December 31, 2028
Effective November 29, 2025:
5% Cost-of-Living Adjustment (COLA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Library Clerk, Senior	71	7	$ 39.53	$ 6,852	$ 82,227
Library Clerk, Senior	71	8	$ 41.51	$ 7,196	$ 86,349
Library Clerk, Senior	71	9	$ 43.59	$ 7,556	$ 90,667
Mail Processing Clerk, Senior	07	1	$ 26.71	$ 4,630	$ 55,556
Mail Processing Clerk, Senior	07	2	$ 28.04	$ 4,860	$ 58,322
Mail Processing Clerk, Senior	07	3	$ 29.45	$ 5,105	$ 61,255
Mail Processing Clerk, Senior	07	4	$ 30.90	$ 5,356	$ 64,270
Mail Processing Clerk, Senior	07	5	$ 32.47	$ 5,628	$ 67,536
Mail Processing Clerk, Senior	07	6	$ 34.09	$ 5,909	$ 70,911
Mail Processing Clerk, Senior	07	7	$ 35.81	$ 6,207	$ 74,480
Mail Processing Clerk, Senior	07	8	$ 37.59	$ 6,516	$ 78,187
Mail Processing Clerk, Senior	07	9	$ 39.47	$ 6,841	$ 82,097
Marketing Specialist	02	1	$ 35.16	$ 6,094	$ 73,124
Marketing Specialist	02	2	$ 36.91	$ 6,398	$ 76,776
Marketing Specialist	02	3	$ 38.73	$ 6,714	$ 80,566
Marketing Specialist	02	4	$ 40.64	$ 7,044	$ 84,523
Marketing Specialist	02	5	$ 42.72	$ 7,406	$ 88,866
Marketing Specialist	02	6	$ 44.87	$ 7,777	$ 93,321
Marketing Specialist	02	7	$ 47.09	$ 8,162	$ 97,941
Marketing Specialist	02	8	$ 49.41	$ 8,565	$ 102,783
Marketing Specialist	02	9	$ 51.89	$ 8,993	$ 107,922
Park Patrol Officer	89	1	$ 25.06	$ 4,344	$ 52,125
Park Patrol Officer	89	2	$ 26.32	$ 4,563	$ 54,753
Park Patrol Officer	89	3	$ 27.61	$ 4,786	$ 57,437
Park Patrol Officer	89	4	$ 29.01	$ 5,028	$ 60,342
Park Patrol Officer	89	5	$ 30.45	$ 5,278	$ 63,330
Park Patrol Officer	89	6	$ 31.98	$ 5,543	$ 66,512
Park Patrol Officer	89	7	$ 33.59	$ 5,822	$ 69,859
Park Patrol Officer	89	8	$ 35.26	$ 6,112	$ 73,345
Park Patrol Officer	89	9	$ 37.03	$ 6,418	$ 77,013
Park Patrol Officer, Lead	22	1	$ 28.12	$ 4,874	$ 58,488
Park Patrol Officer, Lead	22	2	$ 29.53	$ 5,118	$ 61,421
Park Patrol Officer, Lead	22	3	$ 30.99	$ 5,372	$ 64,464
Park Patrol Officer, Lead	22	4	$ 32.56	$ 5,644	$ 67,729
Park Patrol Officer, Lead	22	5	$ 34.18	$ 5,925	$ 71,105
Park Patrol Officer, Lead	22	6	$ 35.89	$ 6,220	$ 74,645
Park Patrol Officer, Lead	22	7	$ 37.68	$ 6,532	$ 78,381
Park Patrol Officer, Lead	22	8	$ 39.57	$ 6,859	$ 82,310
Park Patrol Officer, Lead	22	9	$ 41.55	$ 7,202	$ 86,425
Public Works Specialist	57A	1	$ 34.18	$ 5,925	$ 71,105
Public Works Specialist	57A	2	$ 35.89	$ 6,220	$ 74,645
Public Works Specialist	57A	3	$ 37.70	$ 6,534	$ 78,408
Public Works Specialist	57A	4	$ 39.56	$ 6,857	$ 82,282
Public Works Specialist	57A	5	$ 41.54	$ 7,200	$ 86,404
Public Works Specialist	57A	6	$ 43.67	$ 7,569	$ 90,831
Public Works Specialist	57A	7	$ 45.81	$ 7,940	$ 95,285
Public Works Specialist	57A	8	$ 48.14	$ 8,344	$ 100,127

Exhibit A
Newport Beach City Employees Association
MOU Term: November 29, 2025 - December 31, 2028
Effective November 29, 2025:
5% Cost-of-Living Adjustment (COLA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Public Works Specialist	57A	9	$ 50.54	$ 8,761	$ 105,133
Records Specialist	76	1	$ 35.16	$ 6,094	$ 73,124
Records Specialist	76	2	$ 36.91	$ 6,398	$ 76,776
Records Specialist	76	3	$ 38.75	$ 6,716	$ 80,594
Records Specialist	76	4	$ 40.66	$ 7,048	$ 84,578
Records Specialist	76	5	$ 42.71	$ 7,403	$ 88,839
Records Specialist	76	6	$ 44.83	$ 7,770	$ 93,238
Records Specialist	76	7	$ 47.11	$ 8,166	$ 97,997
Records Specialist	76	8	$ 49.40	$ 8,563	$ 102,756
Records Specialist	76	9	$ 51.87	$ 8,991	$ 107,893
Recreation Coordinator	05A	1	$ 32.51	$ 5,635	$ 67,618
Recreation Coordinator	05A	2	$ 34.15	$ 5,918	$ 71,022
Recreation Coordinator	05A	3	$ 35.83	$ 6,211	$ 74,535
Recreation Coordinator	05A	4	$ 37.67	$ 6,529	$ 78,353
Recreation Coordinator	05A	5	$ 39.53	$ 6,852	$ 82,227
Recreation Coordinator	05A	6	$ 41.51	$ 7,196	$ 86,349
Recreation Coordinator	05A	7	$ 43.62	$ 7,560	$ 90,720
Recreation Coordinator	05A	8	$ 45.74	$ 7,929	$ 95,147
Recreation Coordinator	05A	9	$ 48.03	$ 8,325	$ 99,904
Recreation Coordinator, Assistant	07A	1	$ 26.71	$ 4,630	$ 55,556
Recreation Coordinator, Assistant	07A	2	$ 28.04	$ 4,860	$ 58,322
Recreation Coordinator, Assistant	07A	3	$ 29.45	$ 5,105	$ 61,255
Recreation Coordinator, Assistant	07A	4	$ 30.90	$ 5,356	$ 64,270
Recreation Coordinator, Assistant	07A	5	$ 32.47	$ 5,628	$ 67,536
Recreation Coordinator, Assistant	07A	6	$ 34.09	$ 5,909	$ 70,911
Recreation Coordinator, Assistant	07A	7	$ 35.81	$ 6,207	$ 74,480
Recreation Coordinator, Assistant	07A	8	$ 37.59	$ 6,516	$ 78,187
Recreation Coordinator, Assistant	07A	9	$ 39.47	$ 6,841	$ 82,097
Recreation Supervisor	04	1	$ 38.00	$ 6,586	$ 79,036
Recreation Supervisor	04	2	$ 39.92	$ 6,919	$ 83,025
Recreation Supervisor	04	3	$ 41.89	$ 7,261	$ 87,131
Recreation Supervisor	04	4	$ 43.98	$ 7,623	$ 91,471
Recreation Supervisor	04	5	$ 46.20	$ 8,009	$ 96,105
Recreation Supervisor	04	6	$ 48.49	$ 8,405	$ 100,856
Recreation Supervisor	04	7	$ 50.96	$ 8,832	$ 105,988
Recreation Supervisor	04	8	$ 53.49	$ 9,272	$ 111,267
Recreation Supervisor	04	9	$ 56.17	$ 9,736	$ 116,830

Hourly rates are rounded to the nearest hundredth. Monthly and annual salaries are rounded to the nearest whole dollar.
Actual rates may vary slightly due to rounding.

Exhibit A
Newport Beach City Employees Association
MOU Term: November 29, 2025 - December 31, 2028
Effective January 9, 2027:
4% Cost-of-Living Adjustment (COLA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Assistant, Administrative	75	1	$ 36.56	$ 6,337	$ 76,049
Assistant, Administrative	75	2	$ 38.39	$ 6,654	$ 79,848
Assistant, Administrative	75	3	$ 40.30	$ 6,985	$ 83,818
Assistant, Administrative	75	4	$ 42.29	$ 7,330	$ 87,961
Assistant, Administrative	75	5	$ 44.42	$ 7,699	$ 92,393
Assistant, Administrative	75	6	$ 46.62	$ 8,081	$ 96,968
Assistant, Administrative	75	7	$ 49.00	$ 8,493	$ 101,916
Assistant, Administrative	75	8	$ 51.38	$ 8,905	$ 106,866
Assistant, Administrative	75	9	$ 53.95	$ 9,351	$ 112,209
Assistant, Department	55	1	$ 29.34	$ 5,086	$ 61,030
Assistant, Department	55	2	$ 30.79	$ 5,338	$ 64,050
Assistant, Department	55	3	$ 32.31	$ 5,601	$ 67,215
Assistant, Department	55	4	$ 33.93	$ 5,882	$ 70,582
Assistant, Department	55	5	$ 35.65	$ 6,179	$ 74,150
Assistant, Department	55	6	$ 37.42	$ 6,486	$ 77,833
Assistant, Department	55	7	$ 39.29	$ 6,810	$ 81,718
Assistant, Department	55	8	$ 41.25	$ 7,150	$ 85,803
Assistant, Department	55	9	$ 43.31	$ 7,508	$ 90,094
Assistant, Office	15	1	$ 25.08	$ 4,347	$ 52,166
Assistant, Office	15	2	$ 26.34	$ 4,565	$ 54,785
Assistant, Office	15	3	$ 27.67	$ 4,796	$ 57,548
Assistant, Office	15	4	$ 29.06	$ 5,038	$ 60,454
Assistant, Office	15	5	$ 30.50	$ 5,287	$ 63,446
Assistant, Office	15	6	$ 32.04	$ 5,553	$ 66,640
Assistant, Office	15	7	$ 33.62	$ 5,827	$ 69,920
Assistant, Office	15	8	$ 35.30	$ 6,119	$ 73,431
Assistant, Office	15	9	$ 37.07	$ 6,425	$ 77,102
Buyer	01	1	$ 36.65	$ 6,352	$ 76,222
Buyer	01	2	$ 38.48	$ 6,671	$ 80,049
Buyer	01	3	$ 40.39	$ 7,002	$ 84,020
Buyer	01	4	$ 42.43	$ 7,354	$ 88,249
Buyer	01	5	$ 44.54	$ 7,721	$ 92,652
Buyer	01	6	$ 46.77	$ 8,107	$ 97,284
Buyer	01	7	$ 49.12	$ 8,515	$ 102,176
Buyer	01	8	$ 51.53	$ 8,932	$ 107,182
Buyer	01	9	$ 54.11	$ 9,378	$ 112,541
Buyer, Senior	55A	1	$ 43.24	$ 7,496	$ 89,947
Buyer, Senior	55A	2	$ 45.42	$ 7,872	$ 94,465
Buyer, Senior	55A	3	$ 47.66	$ 8,260	$ 99,125
Buyer, Senior	55A	4	$ 50.05	$ 8,675	$ 104,104
Buyer, Senior	55A	5	$ 52.54	$ 9,107	$ 109,283
Buyer, Senior	55A	6	$ 55.17	$ 9,562	$ 114,750
Buyer, Senior	55A	7	$ 57.91	$ 10,037	$ 120,447
Buyer, Senior	55A	8	$ 60.84	$ 10,546	$ 126,547
Buyer, Senior	55A	9	$ 63.88	$ 11,073	$ 132,875
Fiscal Clerk	31	1	$ 26.45	$ 4,585	$ 55,015
Fiscal Clerk	31	2	$ 27.82	$ 4,822	$ 57,864

Exhibit A

Newport Beach City Employees Association

MOU Term: November 29, 2025 - December 31, 2028

Effective January 9, 2027:

4% Cost-of-Living Adjustment (COLA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Fiscal Clerk	31	3	$ 29.20	$ 5,062	$ 60,741
Fiscal Clerk	31	4	$ 30.63	$ 5,309	$ 63,705
Fiscal Clerk	31	5	$ 32.16	$ 5,575	$ 66,899
Fiscal Clerk	31	6	$ 33.80	$ 5,858	$ 70,295
Fiscal Clerk	31	7	$ 35.48	$ 6,150	$ 73,804
Fiscal Clerk	31	8	$ 37.25	$ 6,457	$ 77,488
Fiscal Clerk	31	9	$ 39.12	$ 6,780	$ 81,362
Fiscal Clerk, Senior	65	1	$ 30.79	$ 5,338	$ 64,050
Fiscal Clerk, Senior	65	2	$ 32.27	$ 5,594	$ 67,129
Fiscal Clerk, Senior	65	3	$ 33.93	$ 5,882	$ 70,582
Fiscal Clerk, Senior	65	4	$ 35.65	$ 6,179	$ 74,150
Fiscal Clerk, Senior	65	5	$ 37.41	$ 6,484	$ 77,804
Fiscal Clerk, Senior	65	6	$ 39.27	$ 6,807	$ 81,688
Fiscal Clerk, Senior	65	7	$ 41.25	$ 7,150	$ 85,803
Fiscal Clerk, Senior	65	8	$ 43.33	$ 7,510	$ 90,120
Fiscal Clerk, Senior	65	9	$ 45.49	$ 7,885	$ 94,625
Fiscal Specialist	85	1	$ 35.68	$ 6,184	$ 74,207
Fiscal Specialist	85	2	$ 37.49	$ 6,498	$ 77,977
Fiscal Specialist	85	3	$ 39.34	$ 6,819	$ 81,832
Fiscal Specialist	85	4	$ 41.31	$ 7,160	$ 85,918
Fiscal Specialist	85	5	$ 43.41	$ 7,524	$ 90,292
Fiscal Specialist	85	6	$ 45.53	$ 7,891	$ 94,694
Fiscal Specialist	85	7	$ 47.84	$ 8,292	$ 99,500
Fiscal Specialist	85	8	$ 50.22	$ 8,704	$ 104,449
Fiscal Specialist	85	9	$ 52.73	$ 9,139	$ 109,671
Inventory Analyst	90	1	$ 31.39	$ 5,441	$ 65,288
Inventory Analyst	90	2	$ 32.94	$ 5,709	$ 68,511
Inventory Analyst	90	3	$ 34.57	$ 5,992	$ 71,905
Inventory Analyst	90	4	$ 36.31	$ 6,294	$ 75,532
Inventory Analyst	90	5	$ 38.15	$ 6,613	$ 79,358
Inventory Analyst	90	6	$ 40.06	$ 6,944	$ 83,328
Inventory Analyst	90	7	$ 42.08	$ 7,294	$ 87,530
Inventory Analyst	90	8	$ 44.20	$ 7,661	$ 91,932
Inventory Analyst	90	9	$ 46.41	$ 8,044	$ 96,529
Librarian I	20	1	$ 36.09	$ 6,256	$ 75,071
Librarian I	20	2	$ 37.89	$ 6,568	$ 78,811
Librarian I	20	3	$ 39.76	$ 6,891	$ 82,696
Librarian I	20	4	$ 41.79	$ 7,244	$ 86,926
Librarian I	20	5	$ 43.85	$ 7,601	$ 91,213
Librarian I	20	6	$ 46.11	$ 7,992	$ 95,903
Librarian I	20	7	$ 48.38	$ 8,385	$ 100,622
Librarian I	20	8	$ 50.77	$ 8,800	$ 105,600
Librarian I	20	9	$ 53.31	$ 9,240	$ 110,880
Librarian II	30A	1	$ 39.66	$ 6,875	$ 82,494
Librarian II	30A	2	$ 41.68	$ 7,225	$ 86,695
Librarian II	30A	3	$ 43.77	$ 7,587	$ 91,040
Librarian II	30A	4	$ 45.94	$ 7,963	$ 95,558

Exhibit A
Newport Beach City Employees Association
MOU Term: November 29, 2025 - December 31, 2028
Effective January 9, 2027:
4% Cost-of-Living Adjustment (COLA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Librarian II	30A	5	$ 48.25	$ 8,364	$ 100,363
Librarian II	30A	6	$ 50.64	$ 8,778	$ 105,341
Librarian II	30A	7	$ 53.18	$ 9,217	$ 110,607
Librarian II	30A	8	$ 55.86	$ 9,682	$ 116,188
Librarian II	30A	9	$ 58.65	$ 10,166	$ 121,998
Librarian III	35A	1	$ 43.66	$ 7,568	$ 90,810
Librarian III	35A	2	$ 45.80	$ 7,939	$ 95,270
Librarian III	35A	3	$ 48.10	$ 8,337	$ 100,047
Librarian III	35A	4	$ 50.55	$ 8,762	$ 105,139
Librarian III	35A	5	$ 53.09	$ 9,203	$ 110,434
Librarian III	35A	6	$ 55.71	$ 9,656	$ 115,872
Librarian III	35A	7	$ 58.53	$ 10,145	$ 121,741
Librarian III	35A	8	$ 61.42	$ 10,646	$ 127,755
Librarian III	35A	9	$ 64.49	$ 11,179	$ 134,144
Library Assistant	70	1	$ 30.70	$ 5,321	$ 63,848
Library Assistant	70	2	$ 32.19	$ 5,580	$ 66,957
Library Assistant	70	3	$ 33.82	$ 5,863	$ 70,352
Library Assistant	70	4	$ 35.51	$ 6,155	$ 73,862
Library Assistant	70	5	$ 37.28	$ 6,462	$ 77,545
Library Assistant	70	6	$ 39.18	$ 6,791	$ 81,488
Library Assistant	70	7	$ 41.11	$ 7,126	$ 85,516
Library Assistant	70	8	$ 43.17	$ 7,484	$ 89,803
Library Assistant	70	9	$ 45.33	$ 7,858	$ 94,293
Library Clerk I	05	1	$ 23.92	$ 4,146	$ 49,750
Library Clerk I	05	2	$ 25.09	$ 4,350	$ 52,196
Library Clerk I	05	3	$ 26.35	$ 4,568	$ 54,814
Library Clerk I	05	4	$ 27.67	$ 4,796	$ 57,548
Library Clerk I	05	5	$ 29.06	$ 5,038	$ 60,454
Library Clerk I	05	6	$ 30.50	$ 5,287	$ 63,446
Library Clerk I	05	7	$ 32.04	$ 5,553	$ 66,640
Library Clerk I	05	8	$ 33.63	$ 5,829	$ 69,949
Library Clerk I	05	9	$ 35.31	$ 6,121	$ 73,446
Library Clerk II	30	1	$ 26.45	$ 4,585	$ 55,015
Library Clerk II	30	2	$ 27.82	$ 4,822	$ 57,864
Library Clerk II	30	3	$ 29.20	$ 5,062	$ 60,741
Library Clerk II	30	4	$ 30.63	$ 5,309	$ 63,705
Library Clerk II	30	5	$ 32.16	$ 5,575	$ 66,899
Library Clerk II	30	6	$ 33.80	$ 5,858	$ 70,295
Library Clerk II	30	7	$ 35.48	$ 6,150	$ 73,804
Library Clerk II	30	8	$ 37.25	$ 6,457	$ 77,488
Library Clerk II	30	9	$ 39.12	$ 6,780	$ 81,362
Library Clerk, Senior	71	1	$ 30.70	$ 5,321	$ 63,848
Library Clerk, Senior	71	2	$ 32.19	$ 5,580	$ 66,957
Library Clerk, Senior	71	3	$ 33.82	$ 5,863	$ 70,352
Library Clerk, Senior	71	4	$ 35.51	$ 6,155	$ 73,862
Library Clerk, Senior	71	5	$ 37.28	$ 6,462	$ 77,545
Library Clerk, Senior	71	6	$ 39.18	$ 6,791	$ 81,488

Exhibit A
Newport Beach City Employees Association
MOU Term: November 29, 2025 - December 31, 2028
Effective January 9, 2027:
4% Cost-of-Living Adjustment (COLA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Library Clerk, Senior	71	7	$ 41.11	$ 7,126	$ 85,516
Library Clerk, Senior	71	8	$ 43.17	$ 7,484	$ 89,803
Library Clerk, Senior	71	9	$ 45.33	$ 7,858	$ 94,293
Mail Processing Clerk, Senior	07	1	$ 27.78	$ 4,815	$ 57,778
Mail Processing Clerk, Senior	07	2	$ 29.16	$ 5,055	$ 60,655
Mail Processing Clerk, Senior	07	3	$ 30.63	$ 5,309	$ 63,705
Mail Processing Clerk, Senior	07	4	$ 32.14	$ 5,570	$ 66,841
Mail Processing Clerk, Senior	07	5	$ 33.77	$ 5,853	$ 70,237
Mail Processing Clerk, Senior	07	6	$ 35.46	$ 6,146	$ 73,747
Mail Processing Clerk, Senior	07	7	$ 37.24	$ 6,455	$ 77,459
Mail Processing Clerk, Senior	07	8	$ 39.09	$ 6,776	$ 81,314
Mail Processing Clerk, Senior	07	9	$ 41.05	$ 7,115	$ 85,380
Marketing Specialist	02	1	$ 36.56	$ 6,337	$ 76,049
Marketing Specialist	02	2	$ 38.39	$ 6,654	$ 79,848
Marketing Specialist	02	3	$ 40.28	$ 6,982	$ 83,789
Marketing Specialist	02	4	$ 42.26	$ 7,325	$ 87,904
Marketing Specialist	02	5	$ 44.43	$ 7,702	$ 92,421
Marketing Specialist	02	6	$ 46.66	$ 8,088	$ 97,054
Marketing Specialist	02	7	$ 48.97	$ 8,488	$ 101,859
Marketing Specialist	02	8	$ 51.39	$ 8,908	$ 106,894
Marketing Specialist	02	9	$ 53.96	$ 9,353	$ 112,239
Park Patrol Officer	89	1	$ 26.06	$ 4,517	$ 54,210
Park Patrol Officer	89	2	$ 27.38	$ 4,745	$ 56,943
Park Patrol Officer	89	3	$ 28.72	$ 4,978	$ 59,734
Park Patrol Officer	89	4	$ 30.17	$ 5,230	$ 62,755
Park Patrol Officer	89	5	$ 31.67	$ 5,489	$ 65,864
Park Patrol Officer	89	6	$ 33.26	$ 5,764	$ 69,172
Park Patrol Officer	89	7	$ 34.93	$ 6,054	$ 72,654
Park Patrol Officer	89	8	$ 36.67	$ 6,357	$ 76,279
Park Patrol Officer	89	9	$ 38.51	$ 6,674	$ 80,093
Park Patrol Officer, Lead	22	1	$ 29.24	$ 5,069	$ 60,828
Park Patrol Officer, Lead	22	2	$ 30.71	$ 5,323	$ 63,878
Park Patrol Officer, Lead	22	3	$ 32.23	$ 5,587	$ 67,043
Park Patrol Officer, Lead	22	4	$ 33.86	$ 5,870	$ 70,438
Park Patrol Officer, Lead	22	5	$ 35.55	$ 6,162	$ 73,949
Park Patrol Officer, Lead	22	6	$ 37.32	$ 6,469	$ 77,631
Park Patrol Officer, Lead	22	7	$ 39.19	$ 6,793	$ 81,516
Park Patrol Officer, Lead	22	8	$ 41.15	$ 7,134	$ 85,602
Park Patrol Officer, Lead	22	9	$ 43.21	$ 7,490	$ 89,882
Public Works Specialist	57A	1	$ 35.55	$ 6,162	$ 73,949
Public Works Specialist	57A	2	$ 37.32	$ 6,469	$ 77,631
Public Works Specialist	57A	3	$ 39.20	$ 6,795	$ 81,545
Public Works Specialist	57A	4	$ 41.14	$ 7,131	$ 85,573
Public Works Specialist	57A	5	$ 43.20	$ 7,488	$ 89,860
Public Works Specialist	57A	6	$ 45.42	$ 7,872	$ 94,465
Public Works Specialist	57A	7	$ 47.64	$ 8,258	$ 99,096
Public Works Specialist	57A	8	$ 50.06	$ 8,678	$ 104,132

Exhibit A
Newport Beach City Employees Association
MOU Term: November 29, 2025 - December 31, 2028
Effective January 9, 2027:
4% Cost-of-Living Adjustment (COLA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Public Works Specialist	57A	9	$ 52.57	$ 9,112	$ 109,339
Records Specialist	76	1	$ 36.56	$ 6,337	$ 76,049
Records Specialist	76	2	$ 38.39	$ 6,654	$ 79,848
Records Specialist	76	3	$ 40.30	$ 6,985	$ 83,818
Records Specialist	76	4	$ 42.29	$ 7,330	$ 87,961
Records Specialist	76	5	$ 44.42	$ 7,699	$ 92,393
Records Specialist	76	6	$ 46.62	$ 8,081	$ 96,968
Records Specialist	76	7	$ 49.00	$ 8,493	$ 101,916
Records Specialist	76	8	$ 51.38	$ 8,905	$ 106,866
Records Specialist	76	9	$ 53.95	$ 9,351	$ 112,209
Recreation Coordinator	05A	1	$ 33.81	$ 5,860	$ 70,323
Recreation Coordinator	05A	2	$ 35.51	$ 6,155	$ 73,862
Recreation Coordinator	05A	3	$ 37.27	$ 6,460	$ 77,516
Recreation Coordinator	05A	4	$ 39.18	$ 6,791	$ 81,488
Recreation Coordinator	05A	5	$ 41.11	$ 7,126	$ 85,516
Recreation Coordinator	05A	6	$ 43.17	$ 7,484	$ 89,803
Recreation Coordinator	05A	7	$ 45.36	$ 7,862	$ 94,349
Recreation Coordinator	05A	8	$ 47.57	$ 8,246	$ 98,953
Recreation Coordinator	05A	9	$ 49.95	$ 8,658	$ 103,900
Recreation Coordinator, Assistant	07A	1	$ 27.78	$ 4,815	$ 57,778
Recreation Coordinator, Assistant	07A	2	$ 29.16	$ 5,055	$ 60,655
Recreation Coordinator, Assistant	07A	3	$ 30.63	$ 5,309	$ 63,705
Recreation Coordinator, Assistant	07A	4	$ 32.14	$ 5,570	$ 66,841
Recreation Coordinator, Assistant	07A	5	$ 33.77	$ 5,853	$ 70,237
Recreation Coordinator, Assistant	07A	6	$ 35.46	$ 6,146	$ 73,747
Recreation Coordinator, Assistant	07A	7	$ 37.24	$ 6,455	$ 77,459
Recreation Coordinator, Assistant	07A	8	$ 39.09	$ 6,776	$ 81,314
Recreation Coordinator, Assistant	07A	9	$ 41.05	$ 7,115	$ 85,380
Recreation Supervisor	04	1	$ 39.52	$ 6,850	$ 82,198
Recreation Supervisor	04	2	$ 41.51	$ 7,195	$ 86,346
Recreation Supervisor	04	3	$ 43.57	$ 7,551	$ 90,617
Recreation Supervisor	04	4	$ 45.74	$ 7,927	$ 95,130
Recreation Supervisor	04	5	$ 48.05	$ 8,329	$ 99,949
Recreation Supervisor	04	6	$ 50.43	$ 8,741	$ 104,890
Recreation Supervisor	04	7	$ 52.99	$ 9,186	$ 110,228
Recreation Supervisor	04	8	$ 55.63	$ 9,643	$ 115,718
Recreation Supervisor	04	9	$ 58.42	$ 10,125	$ 121,504

Hourly rates are rounded to the nearest hundredth. Monthly and annual salaries are rounded to the nearest whole dollar.
Actual rates may vary slightly due to rounding.

Exhibit A
Newport Beach City Employees Association
MOU Term: November 29, 2025 - December 31, 2028
Effective January 8, 2028:
3% Cost-of-Living Adjustment (COLA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Assistant, Administrative	75	1	$ 37.66	$ 6,528	$ 78,330
Assistant, Administrative	75	2	$ 39.54	$ 6,854	$ 82,243
Assistant, Administrative	75	3	$ 41.51	$ 7,194	$ 86,332
Assistant, Administrative	75	4	$ 43.56	$ 7,550	$ 90,600
Assistant, Administrative	75	5	$ 45.75	$ 7,930	$ 95,165
Assistant, Administrative	75	6	$ 48.02	$ 8,323	$ 99,877
Assistant, Administrative	75	7	$ 50.47	$ 8,748	$ 104,974
Assistant, Administrative	75	8	$ 52.92	$ 9,173	$ 110,072
Assistant, Administrative	75	9	$ 55.57	$ 9,631	$ 115,575
Assistant, Department	55	1	$ 30.22	$ 5,238	$ 62,860
Assistant, Department	55	2	$ 31.72	$ 5,498	$ 65,972
Assistant, Department	55	3	$ 33.28	$ 5,769	$ 69,231
Assistant, Department	55	4	$ 34.95	$ 6,058	$ 72,699
Assistant, Department	55	5	$ 36.72	$ 6,365	$ 76,375
Assistant, Department	55	6	$ 38.54	$ 6,681	$ 80,168
Assistant, Department	55	7	$ 40.47	$ 7,014	$ 84,169
Assistant, Department	55	8	$ 42.49	$ 7,365	$ 88,377
Assistant, Department	55	9	$ 44.61	$ 7,733	$ 92,796
Assistant, Office	15	1	$ 25.83	$ 4,478	$ 53,731
Assistant, Office	15	2	$ 27.13	$ 4,702	$ 56,429
Assistant, Office	15	3	$ 28.50	$ 4,940	$ 59,274
Assistant, Office	15	4	$ 29.94	$ 5,189	$ 62,267
Assistant, Office	15	5	$ 31.42	$ 5,446	$ 65,350
Assistant, Office	15	6	$ 33.00	$ 5,720	$ 68,638
Assistant, Office	15	7	$ 34.62	$ 6,001	$ 72,018
Assistant, Office	15	8	$ 36.36	$ 6,303	$ 75,634
Assistant, Office	15	9	$ 38.18	$ 6,618	$ 79,416
Buyer	01	1	$ 37.74	$ 6,542	$ 78,508
Buyer	01	2	$ 39.64	$ 6,871	$ 82,450
Buyer	01	3	$ 41.61	$ 7,212	$ 86,540
Buyer	01	4	$ 43.70	$ 7,575	$ 90,897
Buyer	01	5	$ 45.88	$ 7,953	$ 95,431
Buyer	01	6	$ 48.17	$ 8,350	$ 100,202
Buyer	01	7	$ 50.60	$ 8,770	$ 105,241
Buyer	01	8	$ 53.08	$ 9,200	$ 110,398
Buyer	01	9	$ 55.73	$ 9,660	$ 115,917
Buyer, Senior	55A	1	$ 44.54	$ 7,720	$ 92,645
Buyer, Senior	55A	2	$ 46.78	$ 8,108	$ 97,299
Buyer, Senior	55A	3	$ 49.09	$ 8,508	$ 102,099
Buyer, Senior	55A	4	$ 51.55	$ 8,936	$ 107,227
Buyer, Senior	55A	5	$ 54.12	$ 9,380	$ 112,561
Buyer, Senior	55A	6	$ 56.82	$ 9,849	$ 118,192
Buyer, Senior	55A	7	$ 59.64	$ 10,338	$ 124,060
Buyer, Senior	55A	8	$ 62.67	$ 10,862	$ 130,343
Buyer, Senior	55A	9	$ 65.80	$ 11,405	$ 136,861
Fiscal Clerk	31	1	$ 27.24	$ 4,722	$ 56,666
Fiscal Clerk	31	2	$ 28.65	$ 4,967	$ 59,600

Exhibit A
Newport Beach City Employees Association
MOU Term: November 29, 2025 - December 31, 2028
Effective January 8, 2028:
3% Cost-of-Living Adjustment (COLA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Fiscal Clerk	31	3	$ 30.08	$ 5,214	$ 62,564
Fiscal Clerk	31	4	$ 31.55	$ 5,468	$ 65,616
Fiscal Clerk	31	5	$ 33.13	$ 5,742	$ 68,906
Fiscal Clerk	31	6	$ 34.81	$ 6,034	$ 72,404
Fiscal Clerk	31	7	$ 36.55	$ 6,335	$ 76,019
Fiscal Clerk	31	8	$ 38.37	$ 6,651	$ 79,812
Fiscal Clerk	31	9	$ 40.29	$ 6,984	$ 83,803
Fiscal Clerk, Senior	65	1	$ 31.72	$ 5,498	$ 65,972
Fiscal Clerk, Senior	65	2	$ 33.24	$ 5,762	$ 69,143
Fiscal Clerk, Senior	65	3	$ 34.95	$ 6,058	$ 72,699
Fiscal Clerk, Senior	65	4	$ 36.72	$ 6,365	$ 76,375
Fiscal Clerk, Senior	65	5	$ 38.53	$ 6,678	$ 80,138
Fiscal Clerk, Senior	65	6	$ 40.45	$ 7,012	$ 84,139
Fiscal Clerk, Senior	65	7	$ 42.49	$ 7,365	$ 88,377
Fiscal Clerk, Senior	65	8	$ 44.63	$ 7,735	$ 92,823
Fiscal Clerk, Senior	65	9	$ 46.86	$ 8,122	$ 97,464
Fiscal Specialist	85	1	$ 36.75	$ 6,369	$ 76,434
Fiscal Specialist	85	2	$ 38.61	$ 6,693	$ 80,316
Fiscal Specialist	85	3	$ 40.52	$ 7,024	$ 84,287
Fiscal Specialist	85	4	$ 42.55	$ 7,375	$ 88,496
Fiscal Specialist	85	5	$ 44.71	$ 7,750	$ 93,001
Fiscal Specialist	85	6	$ 46.89	$ 8,128	$ 97,535
Fiscal Specialist	85	7	$ 49.27	$ 8,540	$ 102,485
Fiscal Specialist	85	8	$ 51.72	$ 8,965	$ 107,583
Fiscal Specialist	85	9	$ 54.31	$ 9,413	$ 112,961
Inventory Analyst	90	1	$ 32.33	$ 5,604	$ 67,246
Inventory Analyst	90	2	$ 33.93	$ 5,880	$ 70,566
Inventory Analyst	90	3	$ 35.61	$ 6,172	$ 74,063
Inventory Analyst	90	4	$ 37.40	$ 6,483	$ 77,797
Inventory Analyst	90	5	$ 39.30	$ 6,812	$ 81,739
Inventory Analyst	90	6	$ 41.26	$ 7,152	$ 85,829
Inventory Analyst	90	7	$ 43.34	$ 7,513	$ 90,155
Inventory Analyst	90	8	$ 45.52	$ 7,891	$ 94,690
Inventory Analyst	90	9	$ 47.80	$ 8,285	$ 99,425
Librarian I	20	1	$ 37.17	$ 6,444	$ 77,323
Librarian I	20	2	$ 39.03	$ 6,765	$ 81,176
Librarian I	20	3	$ 40.95	$ 7,098	$ 85,177
Librarian I	20	4	$ 43.05	$ 7,461	$ 89,534
Librarian I	20	5	$ 45.17	$ 7,829	$ 93,950
Librarian I	20	6	$ 47.49	$ 8,232	$ 98,780
Librarian I	20	7	$ 49.83	$ 8,637	$ 103,641
Librarian I	20	8	$ 52.29	$ 9,064	$ 108,768
Librarian I	20	9	$ 54.91	$ 9,517	$ 114,206
Librarian II	30A	1	$ 40.85	$ 7,081	$ 84,969
Librarian II	30A	2	$ 42.93	$ 7,441	$ 89,296
Librarian II	30A	3	$ 45.08	$ 7,814	$ 93,771
Librarian II	30A	4	$ 47.32	$ 8,202	$ 98,424

Exhibit A
Newport Beach City Employees Association
MOU Term: November 29, 2025 - December 31, 2028
Effective January 8, 2028:
3% Cost-of-Living Adjustment (COLA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Librarian II	30A	5	$ 49.70	$ 8,614	$ 103,373
Librarian II	30A	6	$ 52.16	$ 9,042	$ 108,501
Librarian II	30A	7	$ 54.77	$ 9,494	$ 113,925
Librarian II	30A	8	$ 57.54	$ 9,973	$ 119,674
Librarian II	30A	9	$ 60.41	$ 10,471	$ 125,658
Librarian III	35A	1	$ 44.97	$ 7,795	$ 93,534
Librarian III	35A	2	$ 47.18	$ 8,177	$ 98,128
Librarian III	35A	3	$ 49.54	$ 8,587	$ 103,048
Librarian III	35A	4	$ 52.06	$ 9,024	$ 108,294
Librarian III	35A	5	$ 54.69	$ 9,479	$ 113,747
Librarian III	35A	6	$ 57.38	$ 9,946	$ 119,348
Librarian III	35A	7	$ 60.29	$ 10,449	$ 125,394
Librarian III	35A	8	$ 63.26	$ 10,966	$ 131,588
Librarian III	35A	9	$ 66.43	$ 11,514	$ 138,168
Library Assistant	70	1	$ 31.62	$ 5,480	$ 65,764
Library Assistant	70	2	$ 33.16	$ 5,747	$ 68,965
Library Assistant	70	3	$ 34.84	$ 6,039	$ 72,463
Library Assistant	70	4	$ 36.58	$ 6,340	$ 76,078
Library Assistant	70	5	$ 38.40	$ 6,656	$ 79,871
Library Assistant	70	6	$ 40.35	$ 6,994	$ 83,932
Library Assistant	70	7	$ 42.35	$ 7,340	$ 88,081
Library Assistant	70	8	$ 44.47	$ 7,708	$ 92,497
Library Assistant	70	9	$ 46.69	$ 8,093	$ 97,122
Library Clerk I	05	1	$ 24.64	$ 4,270	$ 51,242
Library Clerk I	05	2	$ 25.85	$ 4,480	$ 53,761
Library Clerk I	05	3	$ 27.14	$ 4,705	$ 56,458
Library Clerk I	05	4	$ 28.50	$ 4,940	$ 59,274
Library Clerk I	05	5	$ 29.94	$ 5,189	$ 62,267
Library Clerk I	05	6	$ 31.42	$ 5,446	$ 65,350
Library Clerk I	05	7	$ 33.00	$ 5,720	$ 68,638
Library Clerk I	05	8	$ 34.64	$ 6,004	$ 72,047
Library Clerk I	05	9	$ 36.37	$ 6,304	$ 75,650
Library Clerk II	30	1	$ 27.24	$ 4,722	$ 56,666
Library Clerk II	30	2	$ 28.65	$ 4,967	$ 59,600
Library Clerk II	30	3	$ 30.08	$ 5,214	$ 62,564
Library Clerk II	30	4	$ 31.55	$ 5,468	$ 65,616
Library Clerk II	30	5	$ 33.13	$ 5,742	$ 68,906
Library Clerk II	30	6	$ 34.81	$ 6,034	$ 72,404
Library Clerk II	30	7	$ 36.55	$ 6,335	$ 76,019
Library Clerk II	30	8	$ 38.37	$ 6,651	$ 79,812
Library Clerk II	30	9	$ 40.29	$ 6,984	$ 83,803
Library Clerk, Senior	71	1	$ 31.62	$ 5,480	$ 65,764
Library Clerk, Senior	71	2	$ 33.16	$ 5,747	$ 68,965
Library Clerk, Senior	71	3	$ 34.84	$ 6,039	$ 72,463
Library Clerk, Senior	71	4	$ 36.58	$ 6,340	$ 76,078
Library Clerk, Senior	71	5	$ 38.40	$ 6,656	$ 79,871
Library Clerk, Senior	71	6	$ 40.35	$ 6,994	$ 83,932

Exhibit A
Newport Beach City Employees Association
MOU Term: November 29, 2025 - December 31, 2028
Effective January 8, 2028:
3% Cost-of-Living Adjustment (COLA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Library Clerk, Senior	71	7	$ 42.35	$ 7,340	$ 88,081
Library Clerk, Senior	71	8	$ 44.47	$ 7,708	$ 92,497
Library Clerk, Senior	71	9	$ 46.69	$ 8,093	$ 97,122
Mail Processing Clerk, Senior	07	1	$ 28.61	$ 4,959	$ 59,511
Mail Processing Clerk, Senior	07	2	$ 30.04	$ 5,206	$ 62,474
Mail Processing Clerk, Senior	07	3	$ 31.55	$ 5,468	$ 65,616
Mail Processing Clerk, Senior	07	4	$ 33.10	$ 5,737	$ 68,847
Mail Processing Clerk, Senior	07	5	$ 34.78	$ 6,029	$ 72,344
Mail Processing Clerk, Senior	07	6	$ 36.52	$ 6,330	$ 75,960
Mail Processing Clerk, Senior	07	7	$ 38.36	$ 6,649	$ 79,783
Mail Processing Clerk, Senior	07	8	$ 40.27	$ 6,979	$ 83,754
Mail Processing Clerk, Senior	07	9	$ 42.28	$ 7,328	$ 87,942
Marketing Specialist	02	1	$ 37.66	$ 6,528	$ 78,330
Marketing Specialist	02	2	$ 39.54	$ 6,854	$ 82,243
Marketing Specialist	02	3	$ 41.49	$ 7,192	$ 86,303
Marketing Specialist	02	4	$ 43.53	$ 7,545	$ 90,541
Marketing Specialist	02	5	$ 45.77	$ 7,933	$ 95,194
Marketing Specialist	02	6	$ 48.06	$ 8,330	$ 99,965
Marketing Specialist	02	7	$ 50.44	$ 8,743	$ 104,915
Marketing Specialist	02	8	$ 52.93	$ 9,175	$ 110,101
Marketing Specialist	02	9	$ 55.58	$ 9,634	$ 115,606
Park Patrol Officer	89	1	$ 26.84	$ 4,653	$ 55,836
Park Patrol Officer	89	2	$ 28.20	$ 4,888	$ 58,651
Park Patrol Officer	89	3	$ 29.58	$ 5,127	$ 61,526
Park Patrol Officer	89	4	$ 31.08	$ 5,387	$ 64,638
Park Patrol Officer	89	5	$ 32.62	$ 5,653	$ 67,840
Park Patrol Officer	89	6	$ 34.25	$ 5,937	$ 71,247
Park Patrol Officer	89	7	$ 35.98	$ 6,236	$ 74,833
Park Patrol Officer	89	8	$ 37.77	$ 6,547	$ 78,567
Park Patrol Officer	89	9	$ 39.66	$ 6,875	$ 82,496
Park Patrol Officer, Lead	22	1	$ 30.12	$ 5,221	$ 62,653
Park Patrol Officer, Lead	22	2	$ 31.63	$ 5,483	$ 65,794
Park Patrol Officer, Lead	22	3	$ 33.20	$ 5,755	$ 69,054
Park Patrol Officer, Lead	22	4	$ 34.88	$ 6,046	$ 72,551
Park Patrol Officer, Lead	22	5	$ 36.62	$ 6,347	$ 76,167
Park Patrol Officer, Lead	22	6	$ 38.44	$ 6,663	$ 79,960
Park Patrol Officer, Lead	22	7	$ 40.37	$ 6,997	$ 83,961
Park Patrol Officer, Lead	22	8	$ 42.39	$ 7,348	$ 88,170
Park Patrol Officer, Lead	22	9	$ 44.51	$ 7,715	$ 92,579
Public Works Specialist	57A	1	$ 36.62	$ 6,347	$ 76,167
Public Works Specialist	57A	2	$ 38.44	$ 6,663	$ 79,960
Public Works Specialist	57A	3	$ 40.38	$ 6,999	$ 83,991
Public Works Specialist	57A	4	$ 42.38	$ 7,345	$ 88,140
Public Works Specialist	57A	5	$ 44.50	$ 7,713	$ 92,556
Public Works Specialist	57A	6	$ 46.78	$ 8,108	$ 97,299
Public Works Specialist	57A	7	$ 49.07	$ 8,506	$ 102,069
Public Works Specialist	57A	8	$ 51.57	$ 8,938	$ 107,256

Exhibit A
Newport Beach City Employees Association
MOU Term: November 29, 2025 - December 31, 2028
Effective January 8, 2028:
3% Cost-of-Living Adjustment (COLA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Public Works Specialist	57A	9	$ 54.14	$ 9,385	$ 112,619
Records Specialist	76	1	$ 37.66	$ 6,528	$ 78,330
Records Specialist	76	2	$ 39.54	$ 6,854	$ 82,243
Records Specialist	76	3	$ 41.51	$ 7,194	$ 86,332
Records Specialist	76	4	$ 43.56	$ 7,550	$ 90,600
Records Specialist	76	5	$ 45.75	$ 7,930	$ 95,165
Records Specialist	76	6	$ 48.02	$ 8,323	$ 99,877
Records Specialist	76	7	$ 50.47	$ 8,748	$ 104,974
Records Specialist	76	8	$ 52.92	$ 9,173	$ 110,072
Records Specialist	76	9	$ 55.57	$ 9,631	$ 115,575
Recreation Coordinator	05A	1	$ 34.82	$ 6,036	$ 72,433
Recreation Coordinator	05A	2	$ 36.58	$ 6,340	$ 76,078
Recreation Coordinator	05A	3	$ 38.39	$ 6,653	$ 79,842
Recreation Coordinator	05A	4	$ 40.35	$ 6,994	$ 83,932
Recreation Coordinator	05A	5	$ 42.35	$ 7,340	$ 88,081
Recreation Coordinator	05A	6	$ 44.47	$ 7,708	$ 92,497
Recreation Coordinator	05A	7	$ 46.72	$ 8,098	$ 97,179
Recreation Coordinator	05A	8	$ 49.00	$ 8,493	$ 101,921
Recreation Coordinator	05A	9	$ 51.45	$ 8,918	$ 107,017
Recreation Coordinator, Assistant	07A	1	$ 28.61	$ 4,959	$ 59,511
Recreation Coordinator, Assistant	07A	2	$ 30.04	$ 5,206	$ 62,474
Recreation Coordinator, Assistant	07A	3	$ 31.55	$ 5,468	$ 65,616
Recreation Coordinator, Assistant	07A	4	$ 33.10	$ 5,737	$ 68,847
Recreation Coordinator, Assistant	07A	5	$ 34.78	$ 6,029	$ 72,344
Recreation Coordinator, Assistant	07A	6	$ 36.52	$ 6,330	$ 75,960
Recreation Coordinator, Assistant	07A	7	$ 38.36	$ 6,649	$ 79,783
Recreation Coordinator, Assistant	07A	8	$ 40.27	$ 6,979	$ 83,754
Recreation Coordinator, Assistant	07A	9	$ 42.28	$ 7,328	$ 87,942
Recreation Supervisor	04	1	$ 40.70	$ 7,055	$ 84,664
Recreation Supervisor	04	2	$ 42.76	$ 7,411	$ 88,936
Recreation Supervisor	04	3	$ 44.87	$ 7,778	$ 93,335
Recreation Supervisor	04	4	$ 47.11	$ 8,165	$ 97,984
Recreation Supervisor	04	5	$ 49.49	$ 8,579	$ 102,948
Recreation Supervisor	04	6	$ 51.94	$ 9,003	$ 108,037
Recreation Supervisor	04	7	$ 54.58	$ 9,461	$ 113,534
Recreation Supervisor	04	8	$ 57.30	$ 9,932	$ 119,189
Recreation Supervisor	04	9	$ 60.17	$ 10,429	$ 125,149

Hourly rates are rounded to the nearest hundredth. Monthly and annual salaries are rounded to the nearest whole dollar.
Actual rates may vary slightly due to rounding.

Exhibit B
CITY EMPLOYEES ASSOCIATION

List of Proposed Certifications for Pay

MOU Term: November 29, 2025 - December 31, 2028

CERTIFICATE	MONTHLY AMOUNT
Forklift Training Certificate *	$45
Public Notary**	$45

*Only those unit members who were receiving the certificate pay at time of the 2012-15 MOU are eligible for the benefit.

**Language added in 2015-18 MOU: only available to CEA members

Certified Revenue Officer Certificate removed upon adoption of the 2022-25 MOU.

25-1118-08-CEA_MOU_Clean_w_Table_of_Contents

Final Audit Report 2025-12-03

Created:	2025-11-20
By:	Samantha Smithies (SSmithies@publiclawgroup.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAlce3j_N15w7SlYJwQatiw4_2OOUGJnaY

"25-1118-08-CEA_MOU_Clean_w_Table_of_Contents" History

Document created by Samantha Smithies (SSmithies@publiclawgroup.com)
2025-11-20 - 0:48:33 AM GMT

Document emailed to Mariah Stinson (mstinson@newportbeachca.gov) for signature
2025-11-20 - 0:48:42 AM GMT

Document emailed to Jaime Gonzalez (jaime@liuna777.org) for signature
2025-11-20 - 0:48:42 AM GMT

Email viewed by Mariah Stinson (mstinson@newportbeachca.gov)
2025-11-20 - 0:49:14 AM GMT

Document e-signed by Mariah Stinson (mstinson@newportbeachca.gov)
Signature Date: 2025-11-20 - 0:51:48 AM GMT - Time Source: server

New document URL requested by Samantha Smithies (SSmithies@publiclawgroup.com)
2025-12-01 - 6:59:10 PM GMT

Email viewed by Jaime Gonzalez (jaime@liuna777.org)
2025-12-03 - 1:03:51 AM GMT

Document e-signed by Jaime Gonzalez (jaime@liuna777.org)
Signature Date: 2025-12-03 - 1:07:26 AM GMT - Time Source: server

Agreement completed.
2025-12-03 - 1:07:26 AM GMT

Adobe Acrobat Sign

ATTACHMENT B

RESOLUTION No. 2025-85

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEWPORT BEACH, CALIFORNIA, APPROVING A REVISED SALARY SCHEDULE FOR THE PART TIME EMPLOYEES ASSOCIATION OF NEWPORT BEACH

WHEREAS, the City Council of the City of Newport Beach ("City Council") previously adopted Resolution No. 2001-50, the "Employer-Employee Relations Resolution," pursuant to authority contained in the Meyers-Milias-Brown Act, Government Code 3500, *et seq.;*

WHEREAS, the City of Newport Beach ("City") promotes effective communication and collaborative working relationships with its employee associations to foster improved relations while balancing good management practices;

WHEREAS, the City previously entered into a Memorandum of Understanding ("MOU") with the Part Time Employees Association of Newport Beach ("PTEANB") a recognized organization, for the term of August 23, 2025, through June 30, 2028;

WHEREAS, the City Council intends to approve an amendment to the PTEANB Salary Schedule to include positions tied to adjustments within Newport Beach City Employees Association, which are set forth in Exhibit A and incorporated herein by this reference;

WHEREAS, City of Newport Beach Charter Section 601 requires the City Council to provide the number, titles, qualifications, powers, duties and compensation of all officers and employees of the City;

WHEREAS, Newport Beach Municipal Code Section 2.28.010 (Establishment of Classification and Salary Ranges) provides, upon recommendation of the City Manager, the City Council may establish by resolution the salary range or rate for each position;

WHEREAS, the City Manager has reviewed the changes to the salary schedule for PTEANB unit members provided in this resolution and recommends approval; and

WHEREAS, by adopting this resolution, the City Council is approving and adopting the amended salary schedule for PTEANB employees attached hereto as Exhibit A.

NOW, THEREFORE, the City Council of the City of Newport Beach resolves as follows:

Section 1: The City Council does hereby approve the salary schedules and ranges set forth in Exhibit A. The salary ranges set forth in the salary schedule shall prevail over any previously adopted language or salary range that conflict herewith.

Section 2: The City's salary schedule shall be modified to be consistent with this resolution and the 2025 PTEANB MOU. Exhibit A, the PTNEAB Salary Schedule, shall be effective as of November 29, 2025, and is incorporated herein by this reference.

Section 3: The recitals provided in this resolution are true and correct and are incorporated into the operative part of this resolution.

Section 4: If any section, subsection, sentence, clause or phrase of this resolution is, for any reason, held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this resolution. The City Council hereby declares that it would have passed this resolution, and each section, subsection, sentence, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

Section 5: The City Council finds the adoption of this resolution 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, Division 6, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

Section 6: This resolution shall take effect immediately upon its adoption by the City Council, and the City Clerk shall certify the vote adopting the resolution.

ADOPTED this 9th day of December, 2025.

Joe Stapleton
Mayor

ATTEST:

Lena Shumway
City Clerk

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE

Aaron C. Harp
City Attorney

Exhibit A - Salary Schedule for PTEANB

Exhibit A

Part-Time Employees Association of Newport Beach

MOU Term: August 23, 2025 - June 30, 2028

Effective November 29, 2025:

Salary Adjustments (Positions tied to CEA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Assistant, Administrative P/T	05E	1	$ 35.16	$ 6,094	$ 73,124
Assistant, Administrative P/T	05E	2	$ 36.91	$ 6,398	$ 76,776
Assistant, Administrative P/T	05E	3	$ 38.75	$ 6,716	$ 80,594
Assistant, Administrative P/T	05E	4	$ 40.66	$ 7,048	$ 84,578
Assistant, Administrative P/T	05E	5	$ 42.71	$ 7,403	$ 88,839
Assistant, Administrative P/T	05E	6	$ 44.83	$ 7,770	$ 93,238
Assistant, Administrative P/T	05E	7	$ 47.11	$ 8,166	$ 97,997
Assistant, Administrative P/T	05E	8	$ 49.40	$ 8,563	$ 102,756
Assistant, Administrative P/T	05E	9	$ 51.87	$ 8,991	$ 107,893
Assistant, Department P/T	55	1	$ 28.21	$ 4,890	$ 58,683
Assistant, Department P/T	55	2	$ 29.61	$ 5,132	$ 61,587
Assistant, Department P/T	55	3	$ 31.07	$ 5,386	$ 64,630
Assistant, Department P/T	55	4	$ 32.63	$ 5,656	$ 67,867
Assistant, Department P/T	55	5	$ 34.28	$ 5,942	$ 71,298
Assistant, Department P/T	55	6	$ 35.98	$ 6,237	$ 74,840
Assistant, Department P/T	55	7	$ 37.78	$ 6,548	$ 78,575
Assistant, Department P/T	55	8	$ 39.67	$ 6,875	$ 82,503
Assistant, Department P/T	55	9	$ 41.65	$ 7,219	$ 86,628
Assistant, Office P/T	15	1	$ 24.12	$ 4,180	$ 50,160
Assistant, Office P/T	15	2	$ 25.33	$ 4,390	$ 52,678
Assistant, Office P/T	15	3	$ 26.60	$ 4,611	$ 55,334
Assistant, Office P/T	15	4	$ 27.95	$ 4,844	$ 58,129
Assistant, Office P/T	15	5	$ 29.33	$ 5,084	$ 61,006
Assistant, Office P/T	15	6	$ 30.81	$ 5,340	$ 64,076
Assistant, Office P/T	15	7	$ 32.32	$ 5,603	$ 67,231
Assistant, Office P/T	15	8	$ 33.95	$ 5,884	$ 70,607
Assistant, Office P/T	15	9	$ 35.64	$ 6,178	$ 74,137
Fiscal Clerk P/T	30	1	$ 25.43	$ 4,408	$ 52,900
Fiscal Clerk P/T	30	2	$ 26.75	$ 4,637	$ 55,638
Fiscal Clerk P/T	30	3	$ 28.08	$ 4,867	$ 58,405
Fiscal Clerk P/T	30	4	$ 29.45	$ 5,105	$ 61,255
Fiscal Clerk P/T	30	5	$ 30.93	$ 5,361	$ 64,326
Fiscal Clerk P/T	30	6	$ 32.50	$ 5,633	$ 67,591
Fiscal Clerk P/T	30	7	$ 34.12	$ 5,914	$ 70,966
Fiscal Clerk P/T	30	8	$ 35.82	$ 6,209	$ 74,507
Fiscal Clerk P/T	30	9	$ 37.61	$ 6,519	$ 78,232
Fiscal Clerk, Senior P/T	65	1	$ 29.61	$ 5,132	$ 61,587
Fiscal Clerk, Senior P/T	65	2	$ 31.03	$ 5,379	$ 64,547
Fiscal Clerk, Senior P/T	65	3	$ 32.63	$ 5,656	$ 67,867
Fiscal Clerk, Senior P/T	65	4	$ 34.28	$ 5,942	$ 71,298
Fiscal Clerk, Senior P/T	65	5	$ 35.97	$ 6,234	$ 74,811
Fiscal Clerk, Senior P/T	65	6	$ 37.76	$ 6,546	$ 78,547
Fiscal Clerk, Senior P/T	65	7	$ 39.67	$ 6,875	$ 82,503
Fiscal Clerk, Senior P/T	65	8	$ 41.66	$ 7,221	$ 86,653
Fiscal Clerk, Senior P/T	65	9	$ 43.74	$ 7,582	$ 90,986
Fiscal Specialist P/T	85	1	$ 34.30	$ 5,946	$ 71,353
Fiscal Specialist P/T	85	2	$ 36.05	$ 6,248	$ 74,978

Exhibit A

Part-Time Employees Association of Newport Beach

MOU Term: August 23, 2025 - June 30, 2028

Effective November 29, 2025:

Salary Adjustments (Positions tied to CEA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Fiscal Specialist P/T	85	3	$ 37.83	$ 6,557	$ 78,685
Fiscal Specialist P/T	85	4	$ 39.72	$ 6,884	$ 82,614
Fiscal Specialist P/T	85	5	$ 41.74	$ 7,235	$ 86,819
Fiscal Specialist P/T	85	6	$ 43.78	$ 7,588	$ 91,052
Fiscal Specialist P/T	85	7	$ 46.00	$ 7,973	$ 95,673
Fiscal Specialist P/T	85	8	$ 48.28	$ 8,369	$ 100,432
Fiscal Specialist P/T	85	9	$ 50.70	$ 8,788	$ 105,453
Intern P/T	05	1	$ 22.32	$ 3,868	$ 46,417
Librarian I P/T	21	1	$ 34.70	$ 6,015	$ 72,184
Librarian I P/T	21	2	$ 36.43	$ 6,315	$ 75,780
Librarian I P/T	21	3	$ 38.23	$ 6,626	$ 79,515
Librarian I P/T	21	4	$ 40.18	$ 6,965	$ 83,582
Librarian I P/T	21	5	$ 42.17	$ 7,309	$ 87,705
Librarian I P/T	21	6	$ 44.33	$ 7,685	$ 92,214
Librarian I P/T	21	7	$ 46.52	$ 8,063	$ 96,752
Librarian I P/T	21	8	$ 48.82	$ 8,462	$ 101,538
Librarian I P/T	21	9	$ 51.26	$ 8,885	$ 106,615
Library Assistant P/T	70	1	$ 29.52	$ 5,116	$ 61,393
Library Assistant P/T	70	2	$ 30.95	$ 5,365	$ 64,381
Library Assistant P/T	70	3	$ 32.52	$ 5,637	$ 67,646
Library Assistant P/T	70	4	$ 34.15	$ 5,918	$ 71,022
Library Assistant P/T	70	5	$ 35.85	$ 6,214	$ 74,563
Library Assistant P/T	70	6	$ 37.67	$ 6,529	$ 78,353
Library Assistant P/T	70	7	$ 39.53	$ 6,852	$ 82,227
Library Assistant P/T	70	8	$ 41.51	$ 7,196	$ 86,349
Library Assistant P/T	70	9	$ 43.59	$ 7,556	$ 90,667
Library Clerk I P/T	05A	1	$ 23.00	$ 3,986	$ 47,836
Library Clerk I P/T	05A	2	$ 24.13	$ 4,182	$ 50,188
Library Clerk I P/T	05A	3	$ 25.34	$ 4,392	$ 52,705
Library Clerk I P/T	05A	4	$ 26.60	$ 4,611	$ 55,334
Library Clerk I P/T	05A	5	$ 27.95	$ 4,844	$ 58,129
Library Clerk I P/T	05A	6	$ 29.33	$ 5,084	$ 61,006
Library Clerk I P/T	05A	7	$ 30.81	$ 5,340	$ 64,076
Library Clerk I P/T	05A	8	$ 32.34	$ 5,605	$ 67,258
Library Clerk I P/T	05A	9	$ 33.95	$ 5,885	$ 70,621
Library Clerk II P/T	20	1	$ 25.43	$ 4,408	$ 52,900
Library Clerk II P/T	20	2	$ 26.75	$ 4,637	$ 55,638
Library Clerk II P/T	20	3	$ 28.08	$ 4,867	$ 58,405
Library Clerk II P/T	20	4	$ 29.45	$ 5,105	$ 61,255
Library Clerk II P/T	20	5	$ 30.93	$ 5,361	$ 64,326
Library Clerk II P/T	20	6	$ 32.50	$ 5,633	$ 67,591
Library Clerk II P/T	20	7	$ 34.12	$ 5,914	$ 70,966
Library Clerk II P/T	20	8	$ 35.82	$ 6,209	$ 74,507
Library Clerk II P/T	20	9	$ 37.61	$ 6,519	$ 78,232
Library Page P/T	30A	1	$ 18.62	$ 3,227	$ 38,722
Library Page P/T	30A	2	$ 19.54	$ 3,388	$ 40,652
Library Page P/T	30A	3	$ 20.52	$ 3,557	$ 42,685

Exhibit A
Part-Time Employees Association of Newport Beach
MOU Term: August 23, 2025 - June 30, 2028
Effective November 29, 2025:
Salary Adjustments (Positions tied to CEA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Library Page P/T	30A	4	$ 21.55	$ 3,735	$ 44,819
Library Page P/T	30A	5	$ 22.62	$ 3,921	$ 47,049
Library Page P/T	30A	6	$ 23.75	$ 4,117	$ 49,402
Library Page P/T	30A	7	$ 24.94	$ 4,323	$ 51,872
Literacy Coordinator P/T	12A	1	$ 33.05	$ 5,728	$ 68,735
Literacy Coordinator P/T	12A	2	$ 34.68	$ 6,011	$ 72,137
Literacy Coordinator P/T	12A	3	$ 36.44	$ 6,316	$ 75,794
Literacy Coordinator P/T	12A	4	$ 38.23	$ 6,627	$ 79,526
Literacy Coordinator P/T	12A	5	$ 40.20	$ 6,968	$ 83,614
Literacy Coordinator P/T	12A	6	$ 42.19	$ 7,313	$ 87,753
Literacy Coordinator P/T	12A	7	$ 44.30	$ 7,679	$ 92,146
Literacy Coordinator P/T	12A	8	$ 46.50	$ 8,060	$ 96,716
Literacy Coordinator P/T	12A	9	$ 48.82	$ 8,463	$ 101,552
Marketing Specialist P/T	02B	1	$ 35.16	$ 6,094	$ 73,124
Marketing Specialist P/T	02B	2	$ 36.91	$ 6,398	$ 76,776
Marketing Specialist P/T	02B	3	$ 38.73	$ 6,714	$ 80,566
Marketing Specialist P/T	02B	4	$ 40.64	$ 7,044	$ 84,523
Marketing Specialist P/T	02B	5	$ 42.72	$ 7,406	$ 88,866
Marketing Specialist P/T	02B	6	$ 44.87	$ 7,777	$ 93,321
Marketing Specialist P/T	02B	7	$ 47.09	$ 8,162	$ 97,941
Marketing Specialist P/T	02B	8	$ 49.41	$ 8,565	$ 102,783
Marketing Specialist P/T	02B	9	$ 51.89	$ 8,993	$ 107,922
Park Patrol Officer P/T	89	1	$ 25.06	$ 4,344	$ 52,125
Park Patrol Officer P/T	89	2	$ 26.32	$ 4,563	$ 54,753
Park Patrol Officer P/T	89	3	$ 27.61	$ 4,786	$ 57,437
Park Patrol Officer P/T	89	4	$ 29.01	$ 5,028	$ 60,342
Park Patrol Officer P/T	89	5	$ 30.45	$ 5,278	$ 63,330
Park Patrol Officer P/T	89	6	$ 31.98	$ 5,543	$ 66,512
Park Patrol Officer P/T	89	7	$ 33.59	$ 5,822	$ 69,859
Park Patrol Officer P/T	89	8	$ 35.26	$ 6,112	$ 73,345
Park Patrol Officer P/T	89	9	$ 37.03	$ 6,418	$ 77,013
Pool Lifeguard P/T	80	1	$ 18.24	$ 3,161	$ 37,935
Pool Lifeguard P/T	80	2	$ 19.17	$ 3,322	$ 39,865
Pool Lifeguard P/T	80	3	$ 20.12	$ 3,488	$ 41,858
Pool Lifeguard P/T	80	4	$ 21.13	$ 3,663	$ 43,951
Pool Lifeguard P/T	80	5	$ 22.19	$ 3,846	$ 46,148
Pool Lifeguard P/T	80	6	$ 23.30	$ 4,038	$ 48,456
Pool Lifeguard, Senior P/T	86	1	$ 22.82	$ 3,955	$ 47,457
Pool Lifeguard, Senior P/T	86	2	$ 23.98	$ 4,156	$ 49,869
Pool Lifeguard, Senior P/T	86	3	$ 25.16	$ 4,361	$ 52,332
Pool Lifeguard, Senior P/T	86	4	$ 26.44	$ 4,583	$ 54,998
Pool Lifeguard, Senior P/T	86	5	$ 27.80	$ 4,818	$ 57,816
Pool Lifeguard, Senior P/T	86	6	$ 29.19	$ 5,059	$ 60,707
Pool Swim Instructor P/T	85A	1	$ 18.59	$ 3,223	$ 38,671
Pool Swim Instructor P/T	85A	2	$ 19.53	$ 3,386	$ 40,626
Pool Swim Instructor P/T	85A	3	$ 20.51	$ 3,555	$ 42,658
Pool Swim Instructor P/T	85A	4	$ 21.52	$ 3,730	$ 44,765

Exhibit A

Part-Time Employees Association of Newport Beach

MOU Term: August 23, 2025 - June 30, 2028

Effective November 29, 2025:

Salary Adjustments (Positions tied to CEA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Pool Swim Instructor P/T	85A	5	$ 22.60	$ 3,917	$ 47,000
Pool Swim Instructor P/T	85A	6	$ 23.73	$ 4,112	$ 49,350
Records Specialist P/T	17	1	$ 35.16	$ 6,094	$ 73,124
Records Specialist P/T	17	2	$ 36.91	$ 6,398	$ 76,776
Records Specialist P/T	17	3	$ 38.75	$ 6,716	$ 80,594
Records Specialist P/T	17	4	$ 40.66	$ 7,048	$ 84,578
Records Specialist P/T	17	5	$ 42.71	$ 7,403	$ 88,839
Records Specialist P/T	17	6	$ 44.83	$ 7,770	$ 93,238
Records Specialist P/T	17	7	$ 47.11	$ 8,166	$ 97,997
Records Specialist P/T	17	8	$ 49.40	$ 8,563	$ 102,756
Records Specialist P/T	17	9	$ 51.87	$ 8,991	$ 107,893
Recreation Coordinator P/T	56	1	$ 32.51	$ 5,635	$ 67,618
Recreation Coordinator P/T	56	2	$ 34.15	$ 5,918	$ 71,022
Recreation Coordinator P/T	56	3	$ 35.83	$ 6,211	$ 74,535
Recreation Coordinator P/T	56	4	$ 37.67	$ 6,529	$ 78,353
Recreation Coordinator P/T	56	5	$ 39.53	$ 6,852	$ 82,227
Recreation Coordinator P/T	56	6	$ 41.51	$ 7,196	$ 86,349
Recreation Coordinator P/T	56	7	$ 43.62	$ 7,560	$ 90,720
Recreation Coordinator P/T	56	8	$ 45.74	$ 7,929	$ 95,147
Recreation Coordinator P/T	56	9	$ 48.03	$ 8,325	$ 99,904
Recreation Coordinator, Assistant P/T	06	1	$ 26.71	$ 4,630	$ 55,556
Recreation Coordinator, Assistant P/T	06	2	$ 28.04	$ 4,860	$ 58,322
Recreation Coordinator, Assistant P/T	06	3	$ 29.45	$ 5,105	$ 61,255
Recreation Coordinator, Assistant P/T	06	4	$ 30.90	$ 5,356	$ 64,270
Recreation Coordinator, Assistant P/T	06	5	$ 32.47	$ 5,628	$ 67,536
Recreation Coordinator, Assistant P/T	06	6	$ 34.09	$ 5,909	$ 70,911
Recreation Coordinator, Assistant P/T	06	7	$ 35.81	$ 6,207	$ 74,480
Recreation Coordinator, Assistant P/T	06	8	$ 37.59	$ 6,516	$ 78,187
Recreation Coordinator, Assistant P/T	06	9	$ 39.47	$ 6,841	$ 82,097
Recreation Leader P/T	45	1	$ 17.85	$ 3,094	$ 37,123
Recreation Leader P/T	45	2	$ 18.78	$ 3,254	$ 39,053
Recreation Leader P/T	45	3	$ 19.71	$ 3,417	$ 41,005
Recreation Leader P/T	45	4	$ 20.70	$ 3,588	$ 43,055
Recreation Leader P/T	45	5	$ 21.73	$ 3,767	$ 45,208
Recreation Leader P/T	45	6	$ 22.82	$ 3,956	$ 47,469
Recreation Leader, Senior P/T	55A	1	$ 19.69	$ 3,413	$ 40,956
Recreation Leader, Senior P/T	55A	2	$ 20.73	$ 3,593	$ 43,115
Recreation Leader, Senior P/T	55A	3	$ 21.75	$ 3,771	$ 45,248
Recreation Leader, Senior P/T	55A	4	$ 22.80	$ 3,953	$ 47,431
Recreation Leader, Senior P/T	55A	5	$ 23.96	$ 4,154	$ 49,844
Recreation Leader, Senior P/T	55A	6	$ 25.16	$ 4,361	$ 52,336
Recreation Supervisor P/T	04A	1	$ 38.00	$ 6,586	$ 79,036
Recreation Supervisor P/T	04A	2	$ 39.92	$ 6,919	$ 83,025
Recreation Supervisor P/T	04A	3	$ 41.89	$ 7,261	$ 87,131
Recreation Supervisor P/T	04A	4	$ 43.98	$ 7,623	$ 91,471
Recreation Supervisor P/T	04A	5	$ 46.20	$ 8,009	$ 96,105
Recreation Supervisor P/T	04A	6	$ 48.49	$ 8,405	$ 100,856

Exhibit A

Part-Time Employees Association of Newport Beach

MOU Term: August 23, 2025 - June 30, 2028

Effective November 29, 2025:

Salary Adjustments (Positions tied to CEA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Recreation Supervisor P/T	04A	7	$ 50.96	$ 8,832	$ 105,988
Recreation Supervisor P/T	04A	8	$ 53.49	$ 9,272	$ 111,267
Recreation Supervisor P/T	04A	9	$ 56.17	$ 9,736	$ 116,830
Review Officer P/T	95	1	$ 39.61	$ 6,866	$ 82,395
Review Officer P/T	95	2	$ 41.58	$ 7,207	$ 86,484
Review Officer P/T	95	3	$ 43.65	$ 7,567	$ 90,800
Review Officer P/T	95	4	$ 45.85	$ 7,948	$ 95,371
Review Officer P/T	95	5	$ 48.14	$ 8,345	$ 100,140

Hourly rates are rounded to the nearest hundredth. Monthly and annual salaries are rounded to the nearest whole dollar.
Actual rates may vary slightly due to rounding.

Exhibit A

Part-Time Employees Association of Newport Beach

MOU Term: August 23, 2025 - June 30, 2028

Effective January 9, 2027:

Salary Adjustments (Positions tied to CEA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Assistant, Administrative P/T	05E	1	$ 36.56	$ 6,337	$ 76,049
Assistant, Administrative P/T	05E	2	$ 38.39	$ 6,654	$ 79,848
Assistant, Administrative P/T	05E	3	$ 40.30	$ 6,985	$ 83,818
Assistant, Administrative P/T	05E	4	$ 42.29	$ 7,330	$ 87,961
Assistant, Administrative P/T	05E	5	$ 44.42	$ 7,699	$ 92,393
Assistant, Administrative P/T	05E	6	$ 46.62	$ 8,081	$ 96,968
Assistant, Administrative P/T	05E	7	$ 49.00	$ 8,493	$ 101,916
Assistant, Administrative P/T	05E	8	$ 51.38	$ 8,905	$ 106,866
Assistant, Administrative P/T	05E	9	$ 53.95	$ 9,351	$ 112,209
Assistant, Department P/T	55	1	$ 29.34	$ 5,086	$ 61,030
Assistant, Department P/T	55	2	$ 30.79	$ 5,338	$ 64,050
Assistant, Department P/T	55	3	$ 32.31	$ 5,601	$ 67,215
Assistant, Department P/T	55	4	$ 33.93	$ 5,882	$ 70,582
Assistant, Department P/T	55	5	$ 35.65	$ 6,179	$ 74,150
Assistant, Department P/T	55	6	$ 37.42	$ 6,486	$ 77,833
Assistant, Department P/T	55	7	$ 39.29	$ 6,810	$ 81,718
Assistant, Department P/T	55	8	$ 41.25	$ 7,150	$ 85,803
Assistant, Department P/T	55	9	$ 43.31	$ 7,508	$ 90,094
Assistant, Office P/T	15	1	$ 25.08	$ 4,347	$ 52,166
Assistant, Office P/T	15	2	$ 26.34	$ 4,565	$ 54,785
Assistant, Office P/T	15	3	$ 27.67	$ 4,796	$ 57,548
Assistant, Office P/T	15	4	$ 29.06	$ 5,038	$ 60,454
Assistant, Office P/T	15	5	$ 30.50	$ 5,287	$ 63,446
Assistant, Office P/T	15	6	$ 32.04	$ 5,553	$ 66,640
Assistant, Office P/T	15	7	$ 33.62	$ 5,827	$ 69,920
Assistant, Office P/T	15	8	$ 35.30	$ 6,119	$ 73,431
Assistant, Office P/T	15	9	$ 37.07	$ 6,425	$ 77,102
Fiscal Clerk P/T	30	1	$ 26.45	$ 4,585	$ 55,015
Fiscal Clerk P/T	30	2	$ 27.82	$ 4,822	$ 57,864
Fiscal Clerk P/T	30	3	$ 29.20	$ 5,062	$ 60,741
Fiscal Clerk P/T	30	4	$ 30.63	$ 5,309	$ 63,705
Fiscal Clerk P/T	30	5	$ 32.16	$ 5,575	$ 66,899
Fiscal Clerk P/T	30	6	$ 33.80	$ 5,858	$ 70,295
Fiscal Clerk P/T	30	7	$ 35.48	$ 6,150	$ 73,804
Fiscal Clerk P/T	30	8	$ 37.25	$ 6,457	$ 77,488
Fiscal Clerk P/T	30	9	$ 39.12	$ 6,780	$ 81,362
Fiscal Clerk, Senior P/T	65	1	$ 30.79	$ 5,338	$ 64,050
Fiscal Clerk, Senior P/T	65	2	$ 32.27	$ 5,594	$ 67,129
Fiscal Clerk, Senior P/T	65	3	$ 33.93	$ 5,882	$ 70,582
Fiscal Clerk, Senior P/T	65	4	$ 35.65	$ 6,179	$ 74,150
Fiscal Clerk, Senior P/T	65	5	$ 37.41	$ 6,484	$ 77,804
Fiscal Clerk, Senior P/T	65	6	$ 39.27	$ 6,807	$ 81,688
Fiscal Clerk, Senior P/T	65	7	$ 41.25	$ 7,150	$ 85,803
Fiscal Clerk, Senior P/T	65	8	$ 43.33	$ 7,510	$ 90,120
Fiscal Clerk, Senior P/T	65	9	$ 45.49	$ 7,885	$ 94,625
Fiscal Specialist P/T	85	1	$ 35.68	$ 6,184	$ 74,207
Fiscal Specialist P/T	85	2	$ 37.49	$ 6,498	$ 77,977

Exhibit A

Part-Time Employees Association of Newport Beach

MOU Term: August 23, 2025 - June 30, 2028

Effective January 9, 2027:

Salary Adjustments (Positions tied to CEA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Fiscal Specialist P/T	85	3	$ 39.34	$ 6,819	$ 81,832
Fiscal Specialist P/T	85	4	$ 41.31	$ 7,160	$ 85,918
Fiscal Specialist P/T	85	5	$ 43.41	$ 7,524	$ 90,292
Fiscal Specialist P/T	85	6	$ 45.53	$ 7,891	$ 94,694
Fiscal Specialist P/T	85	7	$ 47.84	$ 8,292	$ 99,500
Fiscal Specialist P/T	85	8	$ 50.22	$ 8,704	$ 104,449
Fiscal Specialist P/T	85	9	$ 52.73	$ 9,139	$ 109,671
Intern P/T	05	1	$ 23.21	$ 4,023	$ 48,274
Librarian I P/T	21	1	$ 36.09	$ 6,256	$ 75,071
Librarian I P/T	21	2	$ 37.89	$ 6,568	$ 78,811
Librarian I P/T	21	3	$ 39.76	$ 6,891	$ 82,696
Librarian I P/T	21	4	$ 41.79	$ 7,244	$ 86,926
Librarian I P/T	21	5	$ 43.85	$ 7,601	$ 91,213
Librarian I P/T	21	6	$ 46.11	$ 7,992	$ 95,903
Librarian I P/T	21	7	$ 48.38	$ 8,385	$ 100,622
Librarian I P/T	21	8	$ 50.77	$ 8,800	$ 105,600
Librarian I P/T	21	9	$ 53.31	$ 9,240	$ 110,880
Library Assistant P/T	70	1	$ 30.70	$ 5,321	$ 63,848
Library Assistant P/T	70	2	$ 32.19	$ 5,580	$ 66,957
Library Assistant P/T	70	3	$ 33.82	$ 5,863	$ 70,352
Library Assistant P/T	70	4	$ 35.51	$ 6,155	$ 73,862
Library Assistant P/T	70	5	$ 37.28	$ 6,462	$ 77,545
Library Assistant P/T	70	6	$ 39.18	$ 6,791	$ 81,488
Library Assistant P/T	70	7	$ 41.11	$ 7,126	$ 85,516
Library Assistant P/T	70	8	$ 43.17	$ 7,484	$ 89,803
Library Assistant P/T	70	9	$ 45.33	$ 7,858	$ 94,293
Library Clerk I P/T	05A	1	$ 23.92	$ 4,146	$ 49,750
Library Clerk I P/T	05A	2	$ 25.09	$ 4,350	$ 52,196
Library Clerk I P/T	05A	3	$ 26.35	$ 4,568	$ 54,814
Library Clerk I P/T	05A	4	$ 27.67	$ 4,796	$ 57,548
Library Clerk I P/T	05A	5	$ 29.06	$ 5,038	$ 60,454
Library Clerk I P/T	05A	6	$ 30.50	$ 5,287	$ 63,446
Library Clerk I P/T	05A	7	$ 32.04	$ 5,553	$ 66,640
Library Clerk I P/T	05A	8	$ 33.63	$ 5,829	$ 69,949
Library Clerk I P/T	05A	9	$ 35.31	$ 6,121	$ 73,446
Library Clerk II P/T	20	1	$ 26.45	$ 4,585	$ 55,015
Library Clerk II P/T	20	2	$ 27.82	$ 4,822	$ 57,864
Library Clerk II P/T	20	3	$ 29.20	$ 5,062	$ 60,741
Library Clerk II P/T	20	4	$ 30.63	$ 5,309	$ 63,705
Library Clerk II P/T	20	5	$ 32.16	$ 5,575	$ 66,899
Library Clerk II P/T	20	6	$ 33.80	$ 5,858	$ 70,295
Library Clerk II P/T	20	7	$ 35.48	$ 6,150	$ 73,804
Library Clerk II P/T	20	8	$ 37.25	$ 6,457	$ 77,488
Library Clerk II P/T	20	9	$ 39.12	$ 6,780	$ 81,362
Library Page P/T	30A	1	$ 19.36	$ 3,356	$ 40,271
Library Page P/T	30A	2	$ 20.33	$ 3,523	$ 42,278
Library Page P/T	30A	3	$ 21.34	$ 3,699	$ 44,392

Exhibit A

Part-Time Employees Association of Newport Beach

MOU Term: August 23, 2025 - June 30, 2028

Effective January 9, 2027:

Salary Adjustments (Positions tied to CEA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Library Page P/T	30A	4	$ 22.41	$ 3,884	$ 46,612
Library Page P/T	30A	5	$ 23.52	$ 4,078	$ 48,931
Library Page P/T	30A	6	$ 24.70	$ 4,281	$ 51,378
Library Page P/T	30A	7	$ 25.94	$ 4,496	$ 53,947
Literacy Coordinator P/T	12A	1	$ 34.37	$ 5,957	$ 71,484
Literacy Coordinator P/T	12A	2	$ 36.07	$ 6,252	$ 75,023
Literacy Coordinator P/T	12A	3	$ 37.90	$ 6,569	$ 78,826
Literacy Coordinator P/T	12A	4	$ 39.76	$ 6,892	$ 82,708
Literacy Coordinator P/T	12A	5	$ 41.81	$ 7,247	$ 86,959
Literacy Coordinator P/T	12A	6	$ 43.88	$ 7,605	$ 91,264
Literacy Coordinator P/T	12A	7	$ 46.07	$ 7,986	$ 95,832
Literacy Coordinator P/T	12A	8	$ 48.36	$ 8,382	$ 100,585
Literacy Coordinator P/T	12A	9	$ 50.78	$ 8,801	$ 105,614
Marketing Specialist P/T	02B	1	$ 36.56	$ 6,337	$ 76,049
Marketing Specialist P/T	02B	2	$ 38.39	$ 6,654	$ 79,848
Marketing Specialist P/T	02B	3	$ 40.28	$ 6,982	$ 83,789
Marketing Specialist P/T	02B	4	$ 42.26	$ 7,325	$ 87,904
Marketing Specialist P/T	02B	5	$ 44.43	$ 7,702	$ 92,421
Marketing Specialist P/T	02B	6	$ 46.66	$ 8,088	$ 97,054
Marketing Specialist P/T	02B	7	$ 48.97	$ 8,488	$ 101,859
Marketing Specialist P/T	02B	8	$ 51.39	$ 8,908	$ 106,894
Marketing Specialist P/T	02B	9	$ 53.96	$ 9,353	$ 112,239
Park Patrol Officer P/T	89	1	$ 26.06	$ 4,517	$ 54,210
Park Patrol Officer P/T	89	2	$ 27.38	$ 4,745	$ 56,943
Park Patrol Officer P/T	89	3	$ 28.72	$ 4,978	$ 59,734
Park Patrol Officer P/T	89	4	$ 30.17	$ 5,230	$ 62,755
Park Patrol Officer P/T	89	5	$ 31.67	$ 5,489	$ 65,864
Park Patrol Officer P/T	89	6	$ 33.26	$ 5,764	$ 69,172
Park Patrol Officer P/T	89	7	$ 34.93	$ 6,054	$ 72,654
Park Patrol Officer P/T	89	8	$ 36.67	$ 6,357	$ 76,279
Park Patrol Officer P/T	89	9	$ 38.51	$ 6,674	$ 80,093
Pool Lifeguard P/T	80	1	$ 18.97	$ 3,288	$ 39,453
Pool Lifeguard P/T	80	2	$ 19.93	$ 3,455	$ 41,460
Pool Lifeguard P/T	80	3	$ 20.93	$ 3,628	$ 43,533
Pool Lifeguard P/T	80	4	$ 21.98	$ 3,809	$ 45,709
Pool Lifeguard P/T	80	5	$ 23.07	$ 4,000	$ 47,994
Pool Lifeguard P/T	80	6	$ 24.23	$ 4,199	$ 50,394
Pool Lifeguard, Senior P/T	86	1	$ 23.73	$ 4,113	$ 49,355
Pool Lifeguard, Senior P/T	86	2	$ 24.93	$ 4,322	$ 51,864
Pool Lifeguard, Senior P/T	86	3	$ 26.17	$ 4,535	$ 54,425
Pool Lifeguard, Senior P/T	86	4	$ 27.50	$ 4,767	$ 57,198
Pool Lifeguard, Senior P/T	86	5	$ 28.91	$ 5,011	$ 60,129
Pool Lifeguard, Senior P/T	86	6	$ 30.35	$ 5,261	$ 63,136
Pool Swim Instructor P/T	85A	1	$ 19.34	$ 3,351	$ 40,218
Pool Swim Instructor P/T	85A	2	$ 20.31	$ 3,521	$ 42,252
Pool Swim Instructor P/T	85A	3	$ 21.33	$ 3,697	$ 44,364
Pool Swim Instructor P/T	85A	4	$ 22.38	$ 3,880	$ 46,556

Exhibit A

Part-Time Employees Association of Newport Beach

MOU Term: August 23, 2025 - June 30, 2028

Effective January 9, 2027:

Salary Adjustments (Positions tied to CEA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Pool Swim Instructor P/T	85A	5	$ 23.50	$ 4,073	$ 48,879
Pool Swim Instructor P/T	85A	6	$ 24.67	$ 4,277	$ 51,323
Records Specialist P/T	17	1	$ 36.56	$ 6,337	$ 76,049
Records Specialist P/T	17	2	$ 38.39	$ 6,654	$ 79,848
Records Specialist P/T	17	3	$ 40.30	$ 6,985	$ 83,818
Records Specialist P/T	17	4	$ 42.29	$ 7,330	$ 87,961
Records Specialist P/T	17	5	$ 44.42	$ 7,699	$ 92,393
Records Specialist P/T	17	6	$ 46.62	$ 8,081	$ 96,968
Records Specialist P/T	17	7	$ 49.00	$ 8,493	$ 101,916
Records Specialist P/T	17	8	$ 51.38	$ 8,905	$ 106,866
Records Specialist P/T	17	9	$ 53.95	$ 9,351	$ 112,209
Recreation Coordinator P/T	56	1	$ 33.81	$ 5,860	$ 70,323
Recreation Coordinator P/T	56	2	$ 35.51	$ 6,155	$ 73,862
Recreation Coordinator P/T	56	3	$ 37.27	$ 6,460	$ 77,516
Recreation Coordinator P/T	56	4	$ 39.18	$ 6,791	$ 81,488
Recreation Coordinator P/T	56	5	$ 41.11	$ 7,126	$ 85,516
Recreation Coordinator P/T	56	6	$ 43.17	$ 7,484	$ 89,803
Recreation Coordinator P/T	56	7	$ 45.36	$ 7,862	$ 94,349
Recreation Coordinator P/T	56	8	$ 47.57	$ 8,246	$ 98,953
Recreation Coordinator P/T	56	9	$ 49.95	$ 8,658	$ 103,900
Recreation Coordinator, Assistant P/T	06	1	$ 27.78	$ 4,815	$ 57,778
Recreation Coordinator, Assistant P/T	06	2	$ 29.16	$ 5,055	$ 60,655
Recreation Coordinator, Assistant P/T	06	3	$ 30.63	$ 5,309	$ 63,705
Recreation Coordinator, Assistant P/T	06	4	$ 32.14	$ 5,570	$ 66,841
Recreation Coordinator, Assistant P/T	06	5	$ 33.77	$ 5,853	$ 70,237
Recreation Coordinator, Assistant P/T	06	6	$ 35.46	$ 6,146	$ 73,747
Recreation Coordinator, Assistant P/T	06	7	$ 37.24	$ 6,455	$ 77,459
Recreation Coordinator, Assistant P/T	06	8	$ 39.09	$ 6,776	$ 81,314
Recreation Coordinator, Assistant P/T	06	9	$ 41.05	$ 7,115	$ 85,380
Recreation Leader P/T	45	1	$ 18.56	$ 3,217	$ 38,608
Recreation Leader P/T	45	2	$ 19.53	$ 3,385	$ 40,615
Recreation Leader P/T	45	3	$ 20.50	$ 3,554	$ 42,646
Recreation Leader P/T	45	4	$ 21.53	$ 3,731	$ 44,778
Recreation Leader P/T	45	5	$ 22.60	$ 3,918	$ 47,017
Recreation Leader P/T	45	6	$ 23.73	$ 4,114	$ 49,368
Recreation Leader, Senior P/T	55A	1	$ 20.48	$ 3,550	$ 42,595
Recreation Leader, Senior P/T	55A	2	$ 21.56	$ 3,737	$ 44,840
Recreation Leader, Senior P/T	55A	3	$ 22.62	$ 3,921	$ 47,058
Recreation Leader, Senior P/T	55A	4	$ 23.72	$ 4,111	$ 49,329
Recreation Leader, Senior P/T	55A	5	$ 24.92	$ 4,320	$ 51,837
Recreation Leader, Senior P/T	55A	6	$ 26.17	$ 4,536	$ 54,429
Recreation Supervisor P/T	04A	1	$ 39.52	$ 6,850	$ 82,198
Recreation Supervisor P/T	04A	2	$ 41.51	$ 7,195	$ 86,346
Recreation Supervisor P/T	04A	3	$ 43.57	$ 7,551	$ 90,617
Recreation Supervisor P/T	04A	4	$ 45.74	$ 7,927	$ 95,130
Recreation Supervisor P/T	04A	5	$ 48.05	$ 8,329	$ 99,949
Recreation Supervisor P/T	04A	6	$ 50.43	$ 8,741	$ 104,890

Exhibit A

Part-Time Employees Association of Newport Beach

MOU Term: August 23, 2025 - June 30, 2028

Effective January 9, 2027:

Salary Adjustments (Positions tied to CEA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Recreation Supervisor P/T	04A	7	$ 52.99	$ 9,186	$ 110,228
Recreation Supervisor P/T	04A	8	$ 55.63	$ 9,643	$ 115,718
Recreation Supervisor P/T	04A	9	$ 58.42	$ 10,125	$ 121,504
Review Officer P/T	95	1	$ 41.20	$ 7,141	$ 85,691
Review Officer P/T	95	2	$ 43.24	$ 7,495	$ 89,943
Review Officer P/T	95	3	$ 45.40	$ 7,869	$ 94,433
Review Officer P/T	95	4	$ 47.69	$ 8,265	$ 99,186
Review Officer P/T	95	5	$ 50.07	$ 8,679	$ 104,145

Hourly rates are rounded to the nearest hundredth. Monthly and annual salaries are rounded to the nearest whole dollar.
Actual rates may vary slightly due to rounding.

Exhibit A

Part-Time Employees Association of Newport Beach

MOU Term: August 23, 2025 - June 30, 2028

Effective January 8, 2028:

Salary Adjustments (Positions tied to CEA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Assistant, Administrative P/T	05E	1	$ 37.66	$ 6,528	$ 78,330
Assistant, Administrative P/T	05E	2	$ 39.54	$ 6,854	$ 82,243
Assistant, Administrative P/T	05E	3	$ 41.51	$ 7,194	$ 86,332
Assistant, Administrative P/T	05E	4	$ 43.56	$ 7,550	$ 90,600
Assistant, Administrative P/T	05E	5	$ 45.75	$ 7,930	$ 95,165
Assistant, Administrative P/T	05E	6	$ 48.02	$ 8,323	$ 99,877
Assistant, Administrative P/T	05E	7	$ 50.47	$ 8,748	$ 104,974
Assistant, Administrative P/T	05E	8	$ 52.92	$ 9,173	$ 110,072
Assistant, Administrative P/T	05E	9	$ 55.57	$ 9,631	$ 115,575
Assistant, Department P/T	55	1	$ 30.22	$ 5,238	$ 62,860
Assistant, Department P/T	55	2	$ 31.72	$ 5,498	$ 65,972
Assistant, Department P/T	55	3	$ 33.28	$ 5,769	$ 69,231
Assistant, Department P/T	55	4	$ 34.95	$ 6,058	$ 72,699
Assistant, Department P/T	55	5	$ 36.72	$ 6,365	$ 76,375
Assistant, Department P/T	55	6	$ 38.54	$ 6,681	$ 80,168
Assistant, Department P/T	55	7	$ 40.47	$ 7,014	$ 84,169
Assistant, Department P/T	55	8	$ 42.49	$ 7,365	$ 88,377
Assistant, Department P/T	55	9	$ 44.61	$ 7,733	$ 92,796
Assistant, Office P/T	15	1	$ 25.83	$ 4,478	$ 53,731
Assistant, Office P/T	15	2	$ 27.13	$ 4,702	$ 56,429
Assistant, Office P/T	15	3	$ 28.50	$ 4,940	$ 59,274
Assistant, Office P/T	15	4	$ 29.94	$ 5,189	$ 62,267
Assistant, Office P/T	15	5	$ 31.42	$ 5,446	$ 65,350
Assistant, Office P/T	15	6	$ 33.00	$ 5,720	$ 68,638
Assistant, Office P/T	15	7	$ 34.62	$ 6,001	$ 72,018
Assistant, Office P/T	15	8	$ 36.36	$ 6,303	$ 75,634
Assistant, Office P/T	15	9	$ 38.18	$ 6,618	$ 79,416
Fiscal Clerk P/T	30	1	$ 27.24	$ 4,722	$ 56,666
Fiscal Clerk P/T	30	2	$ 28.65	$ 4,967	$ 59,600
Fiscal Clerk P/T	30	3	$ 30.08	$ 5,214	$ 62,564
Fiscal Clerk P/T	30	4	$ 31.55	$ 5,468	$ 65,616
Fiscal Clerk P/T	30	5	$ 33.13	$ 5,742	$ 68,906
Fiscal Clerk P/T	30	6	$ 34.81	$ 6,034	$ 72,404
Fiscal Clerk P/T	30	7	$ 36.55	$ 6,335	$ 76,019
Fiscal Clerk P/T	30	8	$ 38.37	$ 6,651	$ 79,812
Fiscal Clerk P/T	30	9	$ 40.29	$ 6,984	$ 83,803
Fiscal Clerk, Senior P/T	65	1	$ 31.72	$ 5,498	$ 65,972
Fiscal Clerk, Senior P/T	65	2	$ 33.24	$ 5,762	$ 69,143
Fiscal Clerk, Senior P/T	65	3	$ 34.95	$ 6,058	$ 72,699
Fiscal Clerk, Senior P/T	65	4	$ 36.72	$ 6,365	$ 76,375
Fiscal Clerk, Senior P/T	65	5	$ 38.53	$ 6,678	$ 80,138
Fiscal Clerk, Senior P/T	65	6	$ 40.45	$ 7,012	$ 84,139
Fiscal Clerk, Senior P/T	65	7	$ 42.49	$ 7,365	$ 88,377
Fiscal Clerk, Senior P/T	65	8	$ 44.63	$ 7,735	$ 92,823
Fiscal Clerk, Senior P/T	65	9	$ 46.86	$ 8,122	$ 97,464
Fiscal Specialist P/T	85	1	$ 36.75	$ 6,369	$ 76,434
Fiscal Specialist P/T	85	2	$ 38.61	$ 6,693	$ 80,316

Exhibit A

Part-Time Employees Association of Newport Beach

MOU Term: August 23, 2025 - June 30, 2028

Effective January 8, 2028:

Salary Adjustments (Positions tied to CEA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Fiscal Specialist P/T	85	3	$ 40.52	$ 7,024	$ 84,287
Fiscal Specialist P/T	85	4	$ 42.55	$ 7,375	$ 88,496
Fiscal Specialist P/T	85	5	$ 44.71	$ 7,750	$ 93,001
Fiscal Specialist P/T	85	6	$ 46.89	$ 8,128	$ 97,535
Fiscal Specialist P/T	85	7	$ 49.27	$ 8,540	$ 102,485
Fiscal Specialist P/T	85	8	$ 51.72	$ 8,965	$ 107,583
Fiscal Specialist P/T	85	9	$ 54.31	$ 9,413	$ 112,961
Intern P/T	05	1	$ 23.90	$ 4,143	$ 49,722
Librarian I P/T	21	1	$ 37.17	$ 6,444	$ 77,323
Librarian I P/T	21	2	$ 39.03	$ 6,765	$ 81,176
Librarian I P/T	21	3	$ 40.95	$ 7,098	$ 85,177
Librarian I P/T	21	4	$ 43.05	$ 7,461	$ 89,534
Librarian I P/T	21	5	$ 45.17	$ 7,829	$ 93,950
Librarian I P/T	21	6	$ 47.49	$ 8,232	$ 98,780
Librarian I P/T	21	7	$ 49.83	$ 8,637	$ 103,641
Librarian I P/T	21	8	$ 52.29	$ 9,064	$ 108,768
Librarian I P/T	21	9	$ 54.91	$ 9,517	$ 114,206
Library Assistant P/T	70	1	$ 31.62	$ 5,480	$ 65,764
Library Assistant P/T	70	2	$ 33.16	$ 5,747	$ 68,965
Library Assistant P/T	70	3	$ 34.84	$ 6,039	$ 72,463
Library Assistant P/T	70	4	$ 36.58	$ 6,340	$ 76,078
Library Assistant P/T	70	5	$ 38.40	$ 6,656	$ 79,871
Library Assistant P/T	70	6	$ 40.35	$ 6,994	$ 83,932
Library Assistant P/T	70	7	$ 42.35	$ 7,340	$ 88,081
Library Assistant P/T	70	8	$ 44.47	$ 7,708	$ 92,497
Library Assistant P/T	70	9	$ 46.69	$ 8,093	$ 97,122
Library Clerk I P/T	05A	1	$ 24.64	$ 4,270	$ 51,242
Library Clerk I P/T	05A	2	$ 25.85	$ 4,480	$ 53,761
Library Clerk I P/T	05A	3	$ 27.14	$ 4,705	$ 56,458
Library Clerk I P/T	05A	4	$ 28.50	$ 4,940	$ 59,274
Library Clerk I P/T	05A	5	$ 29.94	$ 5,189	$ 62,267
Library Clerk I P/T	05A	6	$ 31.42	$ 5,446	$ 65,350
Library Clerk I P/T	05A	7	$ 33.00	$ 5,720	$ 68,638
Library Clerk I P/T	05A	8	$ 34.64	$ 6,004	$ 72,047
Library Clerk I P/T	05A	9	$ 36.37	$ 6,304	$ 75,650
Library Clerk II P/T	20	1	$ 27.24	$ 4,722	$ 56,666
Library Clerk II P/T	20	2	$ 28.65	$ 4,967	$ 59,600
Library Clerk II P/T	20	3	$ 30.08	$ 5,214	$ 62,564
Library Clerk II P/T	20	4	$ 31.55	$ 5,468	$ 65,616
Library Clerk II P/T	20	5	$ 33.13	$ 5,742	$ 68,906
Library Clerk II P/T	20	6	$ 34.81	$ 6,034	$ 72,404
Library Clerk II P/T	20	7	$ 36.55	$ 6,335	$ 76,019
Library Clerk II P/T	20	8	$ 38.37	$ 6,651	$ 79,812
Library Clerk II P/T	20	9	$ 40.29	$ 6,984	$ 83,803
Library Page P/T	30A	1	$ 19.94	$ 3,457	$ 41,479
Library Page P/T	30A	2	$ 20.94	$ 3,629	$ 43,547
Library Page P/T	30A	3	$ 21.98	$ 3,810	$ 45,724

Exhibit A
Part-Time Employees Association of Newport Beach
MOU Term: August 23, 2025 - June 30, 2028
Effective January 8, 2028:
Salary Adjustments (Positions tied to CEA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Library Page P/T	30A	4	$ 23.08	$ 4,001	$ 48,010
Library Page P/T	30A	5	$ 24.23	$ 4,200	$ 50,399
Library Page P/T	30A	6	$ 25.44	$ 4,410	$ 52,919
Library Page P/T	30A	7	$ 26.71	$ 4,630	$ 55,565
Literacy Coordinator P/T	12A	1	$ 35.40	$ 6,136	$ 73,629
Literacy Coordinator P/T	12A	2	$ 37.15	$ 6,439	$ 77,274
Literacy Coordinator P/T	12A	3	$ 39.03	$ 6,766	$ 81,190
Literacy Coordinator P/T	12A	4	$ 40.96	$ 7,099	$ 85,189
Literacy Coordinator P/T	12A	5	$ 43.06	$ 7,464	$ 89,568
Literacy Coordinator P/T	12A	6	$ 45.19	$ 7,833	$ 94,001
Literacy Coordinator P/T	12A	7	$ 47.46	$ 8,226	$ 98,707
Literacy Coordinator P/T	12A	8	$ 49.81	$ 8,634	$ 103,602
Literacy Coordinator P/T	12A	9	$ 52.30	$ 9,065	$ 108,782
Marketing Specialist P/T	02B	1	$ 37.66	$ 6,528	$ 78,330
Marketing Specialist P/T	02B	2	$ 39.54	$ 6,854	$ 82,243
Marketing Specialist P/T	02B	3	$ 41.49	$ 7,192	$ 86,303
Marketing Specialist P/T	02B	4	$ 43.53	$ 7,545	$ 90,541
Marketing Specialist P/T	02B	5	$ 45.77	$ 7,933	$ 95,194
Marketing Specialist P/T	02B	6	$ 48.06	$ 8,330	$ 99,965
Marketing Specialist P/T	02B	7	$ 50.44	$ 8,743	$ 104,915
Marketing Specialist P/T	02B	8	$ 52.93	$ 9,175	$ 110,101
Marketing Specialist P/T	02B	9	$ 55.58	$ 9,634	$ 115,606
Park Patrol Officer P/T	89	1	$ 26.84	$ 4,653	$ 55,836
Park Patrol Officer P/T	89	2	$ 28.20	$ 4,888	$ 58,651
Park Patrol Officer P/T	89	3	$ 29.58	$ 5,127	$ 61,526
Park Patrol Officer P/T	89	4	$ 31.08	$ 5,387	$ 64,638
Park Patrol Officer P/T	89	5	$ 32.62	$ 5,653	$ 67,840
Park Patrol Officer P/T	89	6	$ 34.25	$ 5,937	$ 71,247
Park Patrol Officer P/T	89	7	$ 35.98	$ 6,236	$ 74,833
Park Patrol Officer P/T	89	8	$ 37.77	$ 6,547	$ 78,567
Park Patrol Officer P/T	89	9	$ 39.66	$ 6,875	$ 82,496
Pool Lifeguard P/T	80	1	$ 19.54	$ 3,386	$ 40,636
Pool Lifeguard P/T	80	2	$ 20.53	$ 3,559	$ 42,703
Pool Lifeguard P/T	80	3	$ 21.56	$ 3,737	$ 44,839
Pool Lifeguard P/T	80	4	$ 22.63	$ 3,923	$ 47,080
Pool Lifeguard P/T	80	5	$ 23.77	$ 4,120	$ 49,434
Pool Lifeguard P/T	80	6	$ 24.95	$ 4,325	$ 51,906
Pool Lifeguard, Senior P/T	86	1	$ 24.44	$ 4,236	$ 50,836
Pool Lifeguard, Senior P/T	86	2	$ 25.68	$ 4,452	$ 53,420
Pool Lifeguard, Senior P/T	86	3	$ 26.95	$ 4,672	$ 56,058
Pool Lifeguard, Senior P/T	86	4	$ 28.32	$ 4,910	$ 58,914
Pool Lifeguard, Senior P/T	86	5	$ 29.78	$ 5,161	$ 61,933
Pool Lifeguard, Senior P/T	86	6	$ 31.26	$ 5,419	$ 65,030
Pool Swim Instructor P/T	85A	1	$ 19.92	$ 3,452	$ 41,425
Pool Swim Instructor P/T	85A	2	$ 20.92	$ 3,627	$ 43,519
Pool Swim Instructor P/T	85A	3	$ 21.97	$ 3,808	$ 45,695
Pool Swim Instructor P/T	85A	4	$ 23.05	$ 3,996	$ 47,952

Exhibit A

Part-Time Employees Association of Newport Beach

MOU Term: August 23, 2025 - June 30, 2028

Effective January 8, 2028:

Salary Adjustments (Positions tied to CEA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Pool Swim Instructor P/T	85A	5	$ 24.20	$ 4,195	$ 50,346
Pool Swim Instructor P/T	85A	6	$ 25.42	$ 4,405	$ 52,863
Records Specialist P/T	17	1	$ 37.66	$ 6,528	$ 78,330
Records Specialist P/T	17	2	$ 39.54	$ 6,854	$ 82,243
Records Specialist P/T	17	3	$ 41.51	$ 7,194	$ 86,332
Records Specialist P/T	17	4	$ 43.56	$ 7,550	$ 90,600
Records Specialist P/T	17	5	$ 45.75	$ 7,930	$ 95,165
Records Specialist P/T	17	6	$ 48.02	$ 8,323	$ 99,877
Records Specialist P/T	17	7	$ 50.47	$ 8,748	$ 104,974
Records Specialist P/T	17	8	$ 52.92	$ 9,173	$ 110,072
Records Specialist P/T	17	9	$ 55.57	$ 9,631	$ 115,575
Recreation Coordinator P/T	56	1	$ 34.82	$ 6,036	$ 72,433
Recreation Coordinator P/T	56	2	$ 36.58	$ 6,340	$ 76,078
Recreation Coordinator P/T	56	3	$ 38.39	$ 6,653	$ 79,842
Recreation Coordinator P/T	56	4	$ 40.35	$ 6,994	$ 83,932
Recreation Coordinator P/T	56	5	$ 42.35	$ 7,340	$ 88,081
Recreation Coordinator P/T	56	6	$ 44.47	$ 7,708	$ 92,497
Recreation Coordinator P/T	56	7	$ 46.72	$ 8,098	$ 97,179
Recreation Coordinator P/T	56	8	$ 49.00	$ 8,493	$ 101,921
Recreation Coordinator P/T	56	9	$ 51.45	$ 8,918	$ 107,017
Recreation Coordinator, Assistant P/T	06	1	$ 28.61	$ 4,959	$ 59,511
Recreation Coordinator, Assistant P/T	06	2	$ 30.04	$ 5,206	$ 62,474
Recreation Coordinator, Assistant P/T	06	3	$ 31.55	$ 5,468	$ 65,616
Recreation Coordinator, Assistant P/T	06	4	$ 33.10	$ 5,737	$ 68,847
Recreation Coordinator, Assistant P/T	06	5	$ 34.78	$ 6,029	$ 72,344
Recreation Coordinator, Assistant P/T	06	6	$ 36.52	$ 6,330	$ 75,960
Recreation Coordinator, Assistant P/T	06	7	$ 38.36	$ 6,649	$ 79,783
Recreation Coordinator, Assistant P/T	06	8	$ 40.27	$ 6,979	$ 83,754
Recreation Coordinator, Assistant P/T	06	9	$ 42.28	$ 7,328	$ 87,942
Recreation Leader P/T	45	1	$ 19.12	$ 3,314	$ 39,766
Recreation Leader P/T	45	2	$ 20.11	$ 3,486	$ 41,833
Recreation Leader P/T	45	3	$ 21.12	$ 3,660	$ 43,925
Recreation Leader P/T	45	4	$ 22.17	$ 3,843	$ 46,121
Recreation Leader P/T	45	5	$ 23.28	$ 4,036	$ 48,427
Recreation Leader P/T	45	6	$ 24.45	$ 4,237	$ 50,848
Recreation Leader, Senior P/T	55A	1	$ 21.09	$ 3,656	$ 43,872
Recreation Leader, Senior P/T	55A	2	$ 22.20	$ 3,849	$ 46,185
Recreation Leader, Senior P/T	55A	3	$ 23.30	$ 4,039	$ 48,470
Recreation Leader, Senior P/T	55A	4	$ 24.43	$ 4,234	$ 50,808
Recreation Leader, Senior P/T	55A	5	$ 25.67	$ 4,449	$ 53,393
Recreation Leader, Senior P/T	55A	6	$ 26.95	$ 4,672	$ 56,062
Recreation Supervisor P/T	04A	1	$ 40.70	$ 7,055	$ 84,664
Recreation Supervisor P/T	04A	2	$ 42.76	$ 7,411	$ 88,936
Recreation Supervisor P/T	04A	3	$ 44.87	$ 7,778	$ 93,335
Recreation Supervisor P/T	04A	4	$ 47.11	$ 8,165	$ 97,984
Recreation Supervisor P/T	04A	5	$ 49.49	$ 8,579	$ 102,948
Recreation Supervisor P/T	04A	6	$ 51.94	$ 9,003	$ 108,037

Exhibit A

Part-Time Employees Association of Newport Beach

MOU Term: August 23, 2025 - June 30, 2028

Effective January 8, 2028:

Salary Adjustments (Positions tied to CEA)

POSITION TITLES	GRADE	STEP	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Recreation Supervisor P/T	04A	7	$ 54.58	$ 9,461	$ 113,534
Recreation Supervisor P/T	04A	8	$ 57.30	$ 9,932	$ 119,189
Recreation Supervisor P/T	04A	9	$ 60.17	$ 10,429	$ 125,149
Review Officer P/T	95	1	$ 42.43	$ 7,355	$ 88,262
Review Officer P/T	95	2	$ 44.54	$ 7,720	$ 92,642
Review Officer P/T	95	3	$ 46.76	$ 8,105	$ 97,265
Review Officer P/T	95	4	$ 49.12	$ 8,513	$ 102,161
Review Officer P/T	95	5	$ 51.57	$ 8,939	$ 107,270

Hourly rates are rounded to the nearest hundredth. Monthly and annual salaries are rounded to the nearest whole dollar.
Actual rates may vary slightly due to rounding.

ATTACHMENT C

Cost of Agreement with NBCEA

City of Newport Beach
Cost of Agreement with NBCEA

	Current	Year 1	Year 2	Year 3
Key Contract Terms				
COLA		5.00%	4.00%	3.00%
Medical Insurance			Increase by $300/Month	
CalPERS Employee Pickup			Reduce EE Contribution to 8%	
Longevity Pay			15-19 YOS, 1% 20-24 YOS, 1.5% 25+ YOS, 2%	
LIUNA Supplemental Pension Program			Withdrawal	
Night Shift Differential			$2.00 per actual hour worked beyond 6:00pm	
Holiday Pay (closures)			3 days of paid leave	
Holiday Pays (eves)			Christmas Eve and New Years Eve full pay	
Summary of Proposal Cost [1]				
Baseline Compensation				
Base Pay	$8,721,578	$413,079	$802,385	$1,088,104
Supplemental Pays	28,080	56,962	63,766	65,660
Overtime	25,567	1,278	2,352	3,190
Pension Contribution	497,899	283,181	385,202	411,541
Cafeteria Plan	2,049,300	29,856	29,856	29,856
Other City Paid Benefits[2]	774,424	22,430	40,677	54,859
Total	**$12,096,848**	**$806,786**	**$1,324,238**	**$1,653,210**
Cumulative Impact on Employee Compensation				
Base Salary Increase[3]		4.74%	9.20%	12.48%
Total Compensation Increase[4]		6.67%	10.95%	13.67%
Key Contract Terms				
COLA		467,900	898,447	1,215,671
Medical Insurance		29,856	29,856	29,856
CalPERS Employee Reduction		248,350	328,452	338,306
Night Shift Differential		3,717	3,717	3,717
Longevity Pay		31,910	37,711	38,824
Holiday Pays (eves)		5,011	5,211	5,367
Holiday Pays (closure)		20,042	20,844	21,469
Total		**$ 806,786**	**$ 1,324,238**	**$ 1,653,210**

Notes

[1] Costs shown in years two and three reflect the cumulative budget impact in each year as compared to the current budgeted amounts.

[2] Includes Medicare, Compensated Absences, Retiree Health Savings, Life Insurance, EAP.

[3] Percentage shown in each year is as compared to current base salary, not the prior year.

[4] Measured based on the total of all pay and benefits. Percentage shown in each year is as compared to current total compensation, not the prior year.

ATTACHMENT D

Budget Amendment No. 26-041

City of Newport Beach

BUDGET AMENDMENT

2025-26

BA#: 26-041

Department: Human Resources

Requestor: Tara Finnigan

ONE TIME: ☑ Yes ☐ No

☐ **CITY MANAGER'S APPROVAL ONLY**

☑ **COUNCIL APPROVAL REQUIRED**

Approvals		
City Clerk:		**Date**
Finance Director:	John Lehman	**Date** 11/25/25
Budget Manager:		**Date** 11/05/25

EXPLANATION FOR REQUEST:

To increase expenditure appropriations to fund the agreement with The Newport Beach City Employees Association (CEA) for FY 2025-26.

☐ from existing budget appropriations
☐ from additional estimated revenues
☑ from unappropriated fund balance

REVENUES

Fund #	Org	Object	Project	Description	Increase or (Decrease) $
				-	-
				-	
				Subtotal	$ -

EXPENDITURES

Fund #	Org	Object	Project	Description	Increase or (Decrease) $
010	01010005	711001		CITY CLERK ADMIN - SALARIES MISCELLANEOUS	5,354.50
010	01025005	711001		HUMAN RESOURCES - SALARIES MISCELLANEOUS	1,808.38
010	01030005	711001		FINANCE ADMIN - SALARIES MISCELLANEOUS	2,011.78
010	01030302	711001		ACCOUNTING - SALARIES MISCELLANEOUS	7,893.72
010	01030304	711001		PURCHASING - SALARIES MISCELLANEOUS	12,056.19
010	0103031	711001		REVENUE SERVICES - SALARIES MISCELLANEOUS	25,404.20
010	01040005	711001		FIRE ADMINISTRATION - SALARIES MISCELLANEOUS	3,673.94
010	01040404	711001		EMERGENCY MEDICAL SERVICES - SALARIES MISCELLANEOUS	1,173.16
010	01040405	711001		JUNIOR LIFEGUARDS - SALARIES MISCELLANEOUS	2,047.70
010	01040406	711001		LIFEGUARD OPERATIONS - SALARIES MISCELLANEOUS	2,892.92
010	01050005	711001		CDD ADMIN - SALARIES MISCELLANEOUS	8,251.35
010	0105041	711001		INSPECTIONS - SALARIES MISCELLANEOUS	1,482.73
010	0105042	711001		PLAN CHECKS/PERMITS - SALARIES MISCELLANEOUS	1,482.73
010	01050501	711001		PLANNING - SALARIES MISCELLANEOUS	4,029.27
010	01060005	711001		LIBRARY ADMIN - SALARIES MISCELLANEOUS	19,037.81
010	0106021	711001		CDM BRANCH LIBRARY - SALARIES MISCELLANEOUS	5,165.21
010	0106022	711001		MARINERS BRANCH LIBRARY - SALARIES MISCELLANEOUS	15,940.55
010	0106023	711001		CENTRAL LIBRARY - SALARIES MISCELLANEOUS	37,290.99
010	0106024	711001		BALBOA BRANCH LIBRARY - SALARIES MISCELLANEOUS	3,224.17
010	01060601	711001		TECHNICAL PROCESSING - SALARIES MISCELLANEOUS	6,374.08
010	01070005	711001		RECREATION ADMIN - SALARIES MISCELLANEOUS	6,968.88
010	0107010	711001		PROGRAM SUPPORT - SALARIES MISCELLANEOUS	22,605.57
010	0107012	711001		ADULT SPORTS - SALARIES MISCELLANEOUS	2,437.42
010	0107014	711001		YOUTH PROGRAMS - SALARIES MISCELLANEOUS	2,209.41
010	0107018	711001		PARK PATROL - SALARIES MISCELLANEOUS	4,658.14
010	0107020	711001		NEWPORT COAST COMMUNITY CENTER - SALARIES MISCELLANEOUS	2,745.89
010	0107021	711001		COMMUNITY YOUTH CENTER - SALARIES MISCELLANEOUS	1,965.70
010	0107022	711001		CIVIC CENTER RENTALS - SALARIES MISCELLANEOUS	2,105.26
010	0107023	711001		MARINA PARK - SALARIES MISCELLANEOUS	3,870.39
010	0107031	711001		OASIS - SALARIES MISCELLANEOUS	13,799.10
010	0107032	711001		OASIS FITNESS CENTER - SALARIES MISCELLANEOUS	2,675.03
010	0107033	711001		OASIS TRANSPORTATION - SALARIES MISCELLANEOUS	4,095.32
010	01080005	711001		PUBLIC WORKS ADMIN - SALARIES MISCELLANEOUS	12,400.93
701	7019052	711001		WATER SYSTEM SERVICE - SALARIES MISCELLANEOUS	5,346.47
010	01010005	722001		CITY CLERK ADMIN - PENSION EE NORMAL COST MISC	544.77
010	01025005	722001		HUMAN RESOURCES - PENSION EE NORMAL COST MISC	153.44
010	01030005	722001		FINANCE ADMIN - PENSION EE NORMAL COST MISC	171.57
010	01030302	722001		ACCOUNTING - PENSION EE NORMAL COST MISC	663.93
010	01030304	722001		PURCHASING - PENSION EE NORMAL COST MISC	1,332.78

Fund #	Org	Object	Project	Description	Increase or (Decrease) $
010	0103031	722001		REVENUE SERVICES - PENSION EE NORMAL COST MISC	2,501.60
010	01040005	722001		FIRE ADMINISTRATION - PENSION EE NORMAL COST MISC	338.43
010	01040404	722001		EMERGENCY MEDICAL SERVICES - PENSION EE NORMAL COST MISC	101.27
010	01040405	722001		JUNIOR LIFEGUARDS - PENSION EE NORMAL COST MISC	174.91
010	01040406	722001		LIFEGUARD OPERATIONS - PENSION EE NORMAL COST MISC	253.80
010	01050005	722001		CDD ADMIN - PENSION EE NORMAL COST MISC	870.18
010	0105041	722001		INSPECTIONS - PENSION EE NORMAL COST MISC	171.93
010	0105042	722001		PLAN CHECKS/PERMITS - PENSION EE NORMAL COST MISC	171.93
010	01050501	722001		PLANNING - PENSION EE NORMAL COST MISC	343.97
010	01060005	722001		LIBRARY ADMIN - PENSION EE NORMAL COST MISC	1,747.26
010	0106021	722001		CDM BRANCH LIBRARY - PENSION EE NORMAL COST MISC	453.23
010	0106022	722001		MARINERS BRANCH LIBRARY - PENSION EE NORMAL COST MISC	1,666.90
010	0106023	722001		CENTRAL LIBRARY - PENSION EE NORMAL COST MISC	3,650.80
010	0106024	722001		BALBOA BRANCH LIBRARY - PENSION EE NORMAL COST MISC	373.86
010	01060601	722001		TECHNICAL PROCESSING - PENSION EE NORMAL COST MISC	689.77
010	01070005	722001		RECREATION ADMIN - PENSION EE NORMAL COST MISC	600.52
010	0107010	722001		PROGRAM SUPPORT - PENSION EE NORMAL COST MISC	2,122.76
010	0107012	722001		ADULT SPORTS - PENSION EE NORMAL COST MISC	211.82
010	0107014	722001		YOUTH PROGRAMS - PENSION EE NORMAL COST MISC	190.74
010	0107018	722001		PARK PATROL - PENSION EE NORMAL COST MISC	435.42
010	0107020	722001		NEWPORT COAST COMMUNITY CENTER - PENSION EE NORMAL COST	318.40
010	0107021	722001		COMMUNITY YOUTH CENTER - PENSION EE NORMAL COST MISC	178.78
010	0107022	722001		CIVIC CENTER RENTALS - PENSION EE NORMAL COST MISC	180.04
010	0107023	722001		MARINA PARK - PENSION EE NORMAL COST MISC	341.44
010	0107031	722001		OASIS - PENSION EE NORMAL COST MISC	1,410.67
010	0107032	722001		OASIS FITNESS CENTER - PENSION EE NORMAL COST MISC	226.48
010	0107033	722001		OASIS TRANSPORTATION - PENSION EE NORMAL COST MISC	475.18
010	01080005	722001		PUBLIC WORKS ADMIN - PENSION EE NORMAL COST MISC	1,232.95
701	7019052	722001		WATER SYSTEM SERVICE - PENSION EE NORMAL COST MISC	538.88
010	01010005	723002		CITY CLERK ADMIN - PENSION ER NORMAL COST MISC	531.31
010	01025005	723002		HUMAN RESOURCES - PENSION ER NORMAL COST MISC	203.79
010	01030005	723002		FINANCE ADMIN - PENSION ER NORMAL COST MISC	227.87
010	01030302	723002		ACCOUNTING - PENSION ER NORMAL COST MISC	881.82
010	01030304	723002		PURCHASING - PENSION ER NORMAL COST MISC	1,188.89
010	0103031	723002		REVENUE SERVICES - PENSION ER NORMAL COST MISC	2,607.26
010	01040005	723002		FIRE ADMINISTRATION - PENSION ER NORMAL COST MISC	449.49
010	01040404	723002		EMERGENCY MEDICAL SERVICES - PENSION ER NORMAL COST MISC	134.50
010	01040405	723002		JUNIOR LIFEGUARDS - PENSION ER NORMAL COST MISC	232.31
010	01040406	723002		LIFEGUARD OPERATIONS - PENSION ER NORMAL COST MISC	337.09
010	01050005	723002		CDD ADMIN - PENSION ER NORMAL COST MISC	808.57
010	0105041	723002		INSPECTIONS - PENSION ER NORMAL COST MISC	132.65
010	0105042	723002		PLAN CHECKS/PERMITS - PENSION ER NORMAL COST MISC	132.65
010	01050501	723002		PLANNING - PENSION ER NORMAL COST MISC	456.85
010	01060005	723002		LIBRARY ADMIN - PENSION ER NORMAL COST MISC	2,091.86
010	0106021	723002		CDM BRANCH LIBRARY - PENSION ER NORMAL COST MISC	601.98
010	0106022	723002		MARINERS BRANCH LIBRARY - PENSION ER NORMAL COST MISC	1,564.30
010	0106023	723002		CENTRAL LIBRARY - PENSION ER NORMAL COST MISC	3,884.73
010	0106024	723002		BALBOA BRANCH LIBRARY - PENSION ER NORMAL COST MISC	288.44
010	01060601	723002		TECHNICAL PROCESSING - PENSION ER NORMAL COST MISC	627.50
010	01070005	723002		RECREATION ADMIN - PENSION ER NORMAL COST MISC	797.60
010	0107010	723002		PROGRAM SUPPORT - PENSION ER NORMAL COST MISC	2,416.18
010	0107012	723002		ADULT SPORTS - PENSION ER NORMAL COST MISC	281.34
010	0107014	723002		YOUTH PROGRAMS - PENSION ER NORMAL COST MISC	253.34
010	0107018	723002		PARK PATROL - PENSION ER NORMAL COST MISC	578.32
010	0107020	723002		NEWPORT COAST COMMUNITY CENTER - PENSION ER NORMAL COST	245.65
010	0107021	723002		COMMUNITY YOUTH CENTER - PENSION ER NORMAL COST MISC	237.45
010	0107022	723002		CIVIC CENTER RENTALS - PENSION ER NORMAL COST MISC	239.13
010	0107023	723002		MARINA PARK - PENSION ER NORMAL COST MISC	453.49
010	0107031	723002		OASIS - PENSION ER NORMAL COST MISC	1,384.46
010	0107032	723002		OASIS FITNESS CENTER - PENSION ER NORMAL COST MISC	300.81
010	0107033	723002		OASIS TRANSPORTATION - PENSION ER NORMAL COST MISC	366.61
010	01080005	723002		PUBLIC WORKS ADMIN - PENSION ER NORMAL COST MISC	1,254.75
701	7019052	723002		WATER SYSTEM SERVICE - PENSION ER NORMAL COST MISC	560.12
010	01010005	724001		CITY CLERK ADMIN - PENSION EE CONTRIB MISC	3,193.86
010	01025005	724001		HUMAN RESOURCES - PENSION EE CONTRIB MISC	1,060.30
010	01030005	724001		FINANCE ADMIN - PENSION EE CONTRIB MISC	1,185.58
010	01030302	724001		ACCOUNTING - PENSION EE CONTRIB MISC	4,587.97
010	01030304	724001		PURCHASING - PENSION EE CONTRIB MISC	7,484.39
010	0103031	724001		REVENUE SERVICES - PENSION EE CONTRIB MISC	15,163.43
010	01040005	724001		FIRE ADMINISTRATION - PENSION EE CONTRIB MISC	2,238.31
010	01040404	724001		EMERGENCY MEDICAL SERVICES - PENSION EE CONTRIB MISC	699.80

Fund #	Org	Object	Project	Description	Increase or (Decrease) $
010	01040405	724001		JUNIOR LIFEGUARDS - PENSION EE CONTRIB MISC	1,208.67
010	01040406	724001		LIFEGUARD OPERATIONS - PENSION EE CONTRIB MISC	1,753.81
010	01050005	724001		CDD ADMIN - PENSION EE CONTRIB MISC	4,982.60
010	0105041	724001		INSPECTIONS - PENSION EE CONTRIB MISC	903.99
010	0105042	724001		PLAN CHECKS/PERMITS - PENSION EE CONTRIB MISC	903.99
010	01050501	724001		PLANNING - PENSION EE CONTRIB MISC	2,376.92
010	01060005	724001		LIBRARY ADMIN - PENSION EE CONTRIB MISC	11,394.89
010	0106021	724001		CDM BRANCH LIBRARY - PENSION EE CONTRIB MISC	3,131.99
010	0106022	724001		MARINERS BRANCH LIBRARY - PENSION EE CONTRIB MISC	9,590.35
010	0106023	724001		CENTRAL LIBRARY - PENSION EE CONTRIB MISC	22,366.00
010	0106024	724001		BALBOA BRANCH LIBRARY - PENSION EE CONTRIB MISC	1,965.71
010	01060601	724001		TECHNICAL PROCESSING - PENSION EE CONTRIB MISC	3,909.71
010	01070005	724001		RECREATION ADMIN - PENSION EE CONTRIB MISC	4,149.80
010	0107010	724001		PROGRAM SUPPORT - PENSION EE CONTRIB MISC	13,471.97
010	0107012	724001		ADULT SPORTS - PENSION EE CONTRIB MISC	1,463.76
010	0107014	724001		YOUTH PROGRAMS - PENSION EE CONTRIB MISC	1,318.10
010	0107018	724001		PARK PATROL - PENSION EE CONTRIB MISC	3,008.93
010	0107020	724001		NEWPORT COAST COMMUNITY CENTER - PENSION EE CONTRIB MISC	1,674.11
010	0107021	724001		COMMUNITY YOUTH CENTER - PENSION EE CONTRIB MISC	1,235.42
010	0107022	724001		CIVIC CENTER RENTALS - PENSION EE CONTRIB MISC	1,244.14
010	0107023	724001		MARINA PARK - PENSION EE CONTRIB MISC	2,359.46
010	0107031	724001		OASIS - PENSION EE CONTRIB MISC	8,296.11
010	0107032	724001		OASIS FITNESS CENTER - PENSION EE CONTRIB MISC	1,565.08
010	0107033	724001		OASIS TRANSPORTATION - PENSION EE CONTRIB MISC	2,498.44
010	01080005	724001		PUBLIC WORKS ADMIN - PENSION EE CONTRIB MISC	7,383.63
701	7019052	724001		WATER SYSTEM SERVICE - PENSION EE CONTRIB MISC	3,261.92
010	01010005	727016		CITY CLERK ADMIN - MEDICARE FRINGES	87.06
010	01025005	727016		HUMAN RESOURCES - MEDICARE FRINGES	28.90
010	01030005	727016		FINANCE ADMIN - MEDICARE FRINGES	32.32
010	01030302	727016		ACCOUNTING - MEDICARE FRINGES	125.06
010	01030304	727016		PURCHASING - MEDICARE FRINGES	204.01
010	0103031	727016		REVENUE SERVICES - MEDICARE FRINGES	413.32
010	01040005	727016		FIRE ADMINISTRATION - MEDICARE FRINGES	63.75
010	01040404	727016		EMERGENCY MEDICAL SERVICES - MEDICARE FRINGES	19.08
010	01040405	727016		JUNIOR LIFEGUARDS - MEDICARE FRINGES	32.95
010	01040406	727016		LIFEGUARD OPERATIONS - MEDICARE FRINGES	47.80
010	01050005	727016		CDD ADMIN - MEDICARE FRINGES	136.27
010	0105041	727016		INSPECTIONS - MEDICARE FRINGES	24.64
010	0105042	727016		PLAN CHECKS/PERMITS - MEDICARE FRINGES	24.64
010	01050501	727016		PLANNING - MEDICARE FRINGES	64.79
010	01060005	727016		LIBRARY ADMIN - MEDICARE FRINGES	311.51
010	0106021	727016		CDM BRANCH LIBRARY - MEDICARE FRINGES	85.37
010	0106022	727016		MARINERS BRANCH LIBRARY - MEDICARE FRINGES	261.41
010	0106023	727016		CENTRAL LIBRARY - MEDICARE FRINGES	609.65
010	0106024	727016		BALBOA BRANCH LIBRARY - MEDICARE FRINGES	53.58
010	01060601	727016		TECHNICAL PROCESSING - MEDICARE FRINGES	106.57
010	01070005	727016		RECREATION ADMIN - MEDICARE FRINGES	114.03
010	0107010	727016		PROGRAM SUPPORT - MEDICARE FRINGES	369.04
010	0107012	727016		ADULT SPORTS - MEDICARE FRINGES	40.36
010	0107014	727016		YOUTH PROGRAMS - MEDICARE FRINGES	36.39
010	0107018	727016		PARK PATROL - MEDICARE FRINGES	82.02
010	0107020	727016		NEWPORT COAST COMMUNITY CENTER - MEDICARE FRINGES	46.09
010	0107021	727016		COMMUNITY YOUTH CENTER - MEDICARE FRINGES	34.13
010	0107022	727016		CIVIC CENTER RENTALS - MEDICARE FRINGES	34.37
010	0107023	727016		MARINA PARK - MEDICARE FRINGES	64.31
010	0107031	727016		OASIS - MEDICARE FRINGES	227.05
010	0107032	727016		OASIS FITNESS CENTER - MEDICARE FRINGES	43.12
010	0107033	727016		OASIS TRANSPORTATION - MEDICARE FRINGES	68.56
010	01080005	727016		PUBLIC WORKS ADMIN - MEDICARE FRINGES	201.26
701	7019052	727016		WATER SYSTEM SERVICE - MEDICARE FRINGES	89.37
010	01010005	728003		CITY CLERK ADMIN - COMPENSATED ABSENCES	489.35
010	01025005	728003		HUMAN RESOURCES - COMPENSATED ABSENCES	163.42
010	01030005	728003		FINANCE ADMIN - COMPENSATED ABSENCES	182.73
010	01030302	728003		ACCOUNTING - COMPENSATED ABSENCES	707.13
010	01030304	728003		PURCHASING - COMPENSATED ABSENCES	1,148.71
010	0103031	728003		REVENUE SERVICES - COMPENSATED ABSENCES	2,327.41
010	01040005	728003		FIRE ADMINISTRATION - COMPENSATED ABSENCES	360.45
010	01040404	728003		EMERGENCY MEDICAL SERVICES - COMPENSATED ABSENCES	107.86
010	01040405	728003		JUNIOR LIFEGUARDS - COMPENSATED ABSENCES	186.29
010	01040406	728003		LIFEGUARD OPERATIONS - COMPENSATED ABSENCES	270.31
010	01050005	728003		CDD ADMIN - COMPENSATED ABSENCES	763.11

Fund #	Org	Object	Project	Description	Increase or (Decrease) $
010	0105041	728003		INSPECTIONS - COMPENSATED ABSENCES	139.33
010	0105042	728003		PLAN CHECKS/PERMITS - COMPENSATED ABSENCES	139.33
010	01050501	728003		PLANNING - COMPENSATED ABSENCES	361.50
010	01060005	728003		LIBRARY ADMIN - COMPENSATED ABSENCES	1,751.42
010	0106021	728003		CDM BRANCH LIBRARY - COMPENSATED ABSENCES	482.73
010	0106022	728003		MARINERS BRANCH LIBRARY - COMPENSATED ABSENCES	1,478.14
010	0106023	728003		CENTRAL LIBRARY - COMPENSATED ABSENCES	3,442.37
010	0106024	728003		BALBOA BRANCH LIBRARY - COMPENSATED ABSENCES	302.97
010	01060601	728003		TECHNICAL PROCESSING - COMPENSATED ABSENCES	597.75
010	01070005	728003		RECREATION ADMIN - COMPENSATED ABSENCES	639.60
010	0107010	728003		PROGRAM SUPPORT - COMPENSATED ABSENCES	2,076.40
010	0107012	728003		ADULT SPORTS - COMPENSATED ABSENCES	220.76
010	0107014	728003		YOUTH PROGRAMS - COMPENSATED ABSENCES	198.31
010	0107018	728003		PARK PATROL - COMPENSATED ABSENCES	463.75
010	0107020	728003		NEWPORT COAST COMMUNITY CENTER - COMPENSATED ABSENCES	258.03
010	0107021	728003		COMMUNITY YOUTH CENTER - COMPENSATED ABSENCES	190.41
010	0107022	728003		CIVIC CENTER RENTALS - COMPENSATED ABSENCES	186.91
010	0107023	728003		MARINA PARK - COMPENSATED ABSENCES	363.66
010	0107031	728003		OASIS - COMPENSATED ABSENCES	1,268.97
010	0107032	728003		OASIS FITNESS CENTER - COMPENSATED ABSENCES	241.22
010	0107033	728003		OASIS TRANSPORTATION - COMPENSATED ABSENCES	380.23
010	01080005	728003		PUBLIC WORKS ADMIN - COMPENSATED ABSENCES	1,138.02
701	7019052	728003		WATER SYSTEM SERVICE - COMPENSATED ABSENCES	497.91
010	01010005	721001		CITY CLERK ADMIN - CAFETERIA ALLOWANCE FT	351.98
010	01025005	721001		HUMAN RESOURCES - CAFETERIA ALLOWANCE FT	175.99
010	01030005	721001		FINANCE ADMIN - CAFETERIA ALLOWANCE FT	175.99
010	01030302	721001		ACCOUNTING - CAFETERIA ALLOWANCE FT	527.96
010	01030304	721001		PURCHASING - CAFETERIA ALLOWANCE FT	703.95
010	0103031	721001		REVENUE SERVICES - CAFETERIA ALLOWANCE FT	1,847.87
010	01040005	721001		FIRE ADMINISTRATION - CAFETERIA ALLOWANCE FT	263.98
010	01040404	721001		EMERGENCY MEDICAL SERVICES - CAFETERIA ALLOWANCE FT	87.99
010	01040405	721001		JUNIOR LIFEGUARDS - CAFETERIA ALLOWANCE FT	140.79
010	01040406	721001		LIFEGUARD OPERATIONS - CAFETERIA ALLOWANCE FT	211.19
010	01050005	721001		CDD ADMIN - CAFETERIA ALLOWANCE FT	527.96
010	0105041	721001		INSPECTIONS - CAFETERIA ALLOWANCE FT	87.99
010	0105042	721001		PLAN CHECKS/PERMITS - CAFETERIA ALLOWANCE FT	87.99
010	01050501	721001		PLANNING - CAFETERIA ALLOWANCE FT	351.98
010	01060005	721001		LIBRARY ADMIN - CAFETERIA ALLOWANCE FT	1,055.93
010	0106021	721001		CDM BRANCH LIBRARY - CAFETERIA ALLOWANCE FT	351.98
010	0106022	721001		MARINERS BRANCH LIBRARY - CAFETERIA ALLOWANCE FT	1,055.93
010	0106023	721001		CENTRAL LIBRARY - CAFETERIA ALLOWANCE FT	2,639.82
010	0106024	721001		BALBOA BRANCH LIBRARY - CAFETERIA ALLOWANCE FT	175.99
010	01060601	721001		TECHNICAL PROCESSING - CAFETERIA ALLOWANCE FT	527.96
010	01070005	721001		RECREATION ADMIN - CAFETERIA ALLOWANCE FT	439.97
010	0107010	721001		PROGRAM SUPPORT - CAFETERIA ALLOWANCE FT	1,407.90
010	0107012	721001		ADULT SPORTS - CAFETERIA ALLOWANCE FT	175.99
010	0107014	721001		YOUTH PROGRAMS - CAFETERIA ALLOWANCE FT	175.99
010	0107018	721001		PARK PATROL - CAFETERIA ALLOWANCE FT	351.98
010	0107020	721001		NEWPORT COAST COMMUNITY CENTER - CAFETERIA ALLOWANCE FT	175.99
010	0107021	721001		COMMUNITY YOUTH CENTER - CAFETERIA ALLOWANCE FT	175.99
010	0107022	721001		CIVIC CENTER RENTALS - CAFETERIA ALLOWANCE FT	175.99
010	0107023	721001		MARINA PARK - CAFETERIA ALLOWANCE FT	351.98
010	0107031	721001		OASIS - CAFETERIA ALLOWANCE FT	950.34
010	0107032	721001		OASIS FITNESS CENTER - CAFETERIA ALLOWANCE FT	211.19
010	0107033	721001		OASIS TRANSPORTATION - CAFETERIA ALLOWANCE FT	246.38
010	01080005	721001		PUBLIC WORKS ADMIN - CAFETERIA ALLOWANCE FT	879.94
701	7019052	721001		WATER SYSTEM SERVICE - CAFETERIA ALLOWANCE FT	351.98
010	01010005	712015		CITY CLERK ADMIN - LONGEVITY PAY MISC	1,199.29
010	01030304	712015		PURCHASING - LONGEVITY PAY MISC	1,011.35
010	0103031	712015		REVENUE SERVICES - LONGEVITY PAY MISC	1,677.84
010	01050005	712015		CDD ADMIN - LONGEVITY PAY MISC	1,321.83
010	0105041	712015		INSPECTIONS - LONGEVITY PAY MISC	899.46
010	01060005	712015		LIBRARY ADMIN - LONGEVITY PAY MISC	716.86
010	0106022	712015		MARINERS BRANCH LIBRARY - LONGEVITY PAY MISC	1,442.60
010	0106023	712015		CENTRAL LIBRARY - LONGEVITY PAY MISC	3,433.49
010	0106024	712015		BALBOA BRANCH LIBRARY - LONGEVITY PAY MISC	651.95
010	01060601	712015		TECHNICAL PROCESSING - LONGEVITY PAY MISC	1,148.34
010	0107010	712015		PROGRAM SUPPORT - LONGEVITY PAY MISC	973.97
010	0107031	712015		OASIS - LONGEVITY PAY MISC	1,623.28
010	01080005	712015		PUBLIC WORKS ADMIN - LONGEVITY PAY MISC	1,798.93
701	7019052	712015		WATER SYSTEM SERVICE - LONGEVITY PAY MISC	722.19

Fund #	Org	Object	Project	Description	Increase or (Decrease) $
010	01025005	713001		HUMAN RESOURCES - OVERTIME MISC & 1/2 TIME	5.17
010	01030304	713001		PURCHASING - OVERTIME MISC & 1/2 TIME	31.02
010	0103031	713001		REVENUE SERVICES - OVERTIME MISC & 1/2 TIME	164.82
010	01050005	713001		CDD ADMIN - OVERTIME MISC & 1/2 TIME	8.52
010	0105041	713001		INSPECTIONS - OVERTIME MISC & 1/2 TIME	183.88
010	0105042	713001		PLAN CHECKS/PERMITS - OVERTIME MISC & 1/2 TIME	193.38
010	01060005	713001		LIBRARY ADMIN - OVERTIME MISC & 1/2 TIME	36.36
010	0106021	713001		CDM BRANCH LIBRARY - OVERTIME MISC & 1/2 TIME	0.09
010	01040406	713001		LIFEGUARD OPERATIONS - OVERTIME MISC & 1/2 TIME	108.75
010	0107033	713001		OASIS TRANSPORTATION - OVERTIME MISC & 1/2 TIME	14.02
				-	
				-	
				Subtotal	$ 523,605.04

FUND BALANCE

Fund #	Object	Description	Increase or (Decrease) $
010	300000	GENERAL FUND - FUND BALANCE CONTROL	**(512,236.20)**
701	300000	WATER ENTERPRISE FUND - FUND BALANCE CONTROL	**(11,368.84)**
		-	
		Subtotal	**$ (523,605.04)**

Fund Balance Change Required

ATTACHMENT E

Budget Amendment No. 26-044

City of Newport Beach

BUDGET AMENDMENT

2025-26

BA#: 26-044

Department: Human Resources

Requestor: Sarah Rodriguez

ONE TIME: ☑ Yes ☐ No

☐ **CITY MANAGER'S APPROVAL ONLY**

☑ **COUNCIL APPROVAL REQUIRED**

Approvals		
City Clerk:		Date
Finance Director:	Jason Al-Imam	Date 11/25/25
Budget Manager:		Date 11/25/25

EXPLANATION FOR REQUEST:

To increase expenditure appropriations to fund positions in the Part-Time Newport Beach (PTNEAB) group that are aligned with the City Employees Association (CEA) group's MOU, reference BA-041-CC.

☐ from existing budget appropriations
☐ from additional estimated revenues
☑ from unappropriated fund balance

REVENUES

Fund #	Org	Object	Project	Description	Increase or (Decrease) $
				-	
				-	
				-	
				-	
				Subtotal	$ -

EXPENDITURES

Fund #	Org	Object	Project	Description	Increase or (Decrease) $
010	0103031	711003		REVENUE SERVICES - SALARIES PART TIME	4,494.46
010	01050005	711003		CDD ADMIN - SALARIES PART TIME	887.89
010	0105042	711003		PLAN CHECKS/PERMITS - SALARIES PART TIME	887.89
010	01050501	711003		PLANNING - SALARIES PART TIME	887.89
010	01060005	711003		LIBRARY ADMIN - SALARIES PART TIME	1,415.83
010	0106021	711003		CDM BRANCH LIBRARY - SALARIES PART TIME	1,846.66
010	0106022	711003		MARINERS BRANCH LIBRARY - SALARIES PART TIME	3,288.57
010	0106023	711003		CENTRAL LIBRARY - SALARIES PART TIME	3,895.11
010	0106024	711003		BALBOA BRANCH LIBRARY - SALARIES PART TIME	2,087.40
010	01060604	711003		LITERACY SERVICES - SALARIES PART TIME	2,435.82
010	0107010	711003		PROGRAM SUPPORT - SALARIES PART TIME	1,271.58
010	0107014	711003		YOUTH PROGRAMS - SALARIES PART TIME	2,003.54
010	0107015	711003		PRESCHOOL PROGRAMS - SALARIES PART TIME	1,050.10
010	0107016	711003		NATURAL RESOURCES - SALARIES PART TIME	953.44
010	0107018	711003		PARK PATROL - SALARIES PART TIME	1,258.15
010	0107019	711003		AQUATICS - SALARIES PART TIME	2,216.76
010	0107020	711003		NEWPORT COAST COMMUNITY CENTER - SALARIES PART TIME	3,242.51
010	0107022	711003		CIVIC CENTER RENTALS - SALARIES PART TIME	1,957.39
010	0107023	711003		MARINA PARK - SALARIES PART TIME	3,582.96
010	0107031	711003		OASIS - SALARIES PART TIME	1,001.11
010	0107032	711003		OASIS FITNESS CENTER - SALARIES PART TIME	1,833.54
010	01080005	711003		PUBLIC WORKS ADMIN - SALARIES PART TIME	887.89
010	0103031	727016		REVENUE SERVICES - MEDICARE FRINGES	65.17
010	01050005	727016		CDD ADMIN - MEDICARE FRINGES	12.87
010	0105042	727016		PLAN CHECKS/PERMITS - MEDICARE FRINGES	12.87
010	01050501	727016		PLANNING - MEDICARE FRINGES	12.87
010	01060005	727016		LIBRARY ADMIN - MEDICARE FRINGES	20.53
010	0106021	727016		CDM BRANCH LIBRARY - MEDICARE FRINGES	26.78
010	0106022	727016		MARINERS BRANCH LIBRARY - MEDICARE FRINGES	47.68
010	0106023	727016		CENTRAL LIBRARY - MEDICARE FRINGES	56.48
010	0106024	727016		BALBOA BRANCH LIBRARY - MEDICARE FRINGES	30.27
010	01060604	727016		LITERACY SERVICES - MEDICARE FRINGES	35.32
010	0107010	727016		PROGRAM SUPPORT - MEDICARE FRINGES	18.44
010	0107014	727016		YOUTH PROGRAMS - MEDICARE FRINGES	29.05
010	0107015	727016		PRESCHOOL PROGRAMS - MEDICARE FRINGES	15.23
010	0107016	727016		NATURAL RESOURCES - MEDICARE FRINGES	13.82
010	0107018	727016		PARK PATROL - MEDICARE FRINGES	18.24
010	0107019	727016		AQUATICS - MEDICARE FRINGES	32.14
010	0107020	727016		NEWPORT COAST COMMUNITY CENTER - MEDICARE FRINGES	47.02

Fund #	Org	Object	Project	Description	Increase or (Decrease) $
010	0107022	727016		CIVIC CENTER RENTALS - MEDICARE FRINGES	28.38
010	0107023	727016		MARINA PARK - MEDICARE FRINGES	51.95
010	0107031	727016		OASIS - MEDICARE FRINGES	14.52
010	0107032	727016		OASIS FITNESS CENTER - MEDICARE FRINGES	26.59
010	01080005	727016		PUBLIC WORKS ADMIN - MEDICARE FRINGES	12.87
010	0103031	723004		REVENUE SERVICES - RETIREMENT PART TIME/TEMP	168.54
010	01050005	723004		CDD ADMIN - RETIREMENT PART TIME/TEMP	33.30
010	0105042	723004		PLAN CHECKS/PERMITS - RETIREMENT PART TIME/TEMP	33.30
010	01050501	723004		PLANNING - RETIREMENT PART TIME/TEMP	33.30
010	01060005	723004		LIBRARY ADMIN - RETIREMENT PART TIME/TEMP	53.09
010	0106021	723004		CDM BRANCH LIBRARY - RETIREMENT PART TIME/TEMP	69.25
010	0106022	723004		MARINERS BRANCH LIBRARY - RETIREMENT PART TIME/TEMP	123.32
010	0106023	723004		CENTRAL LIBRARY - RETIREMENT PART TIME/TEMP	146.07
010	0106024	723004		BALBOA BRANCH LIBRARY - RETIREMENT PART TIME/TEMP	78.28
010	01060604	723004		LITERACY SERVICES - RETIREMENT PART TIME/TEMP	91.34
010	0107010	723004		PROGRAM SUPPORT - RETIREMENT PART TIME/TEMP	47.68
010	0107014	723004		YOUTH PROGRAMS - RETIREMENT PART TIME/TEMP	75.13
010	0107015	723004		PRESCHOOL PROGRAMS - RETIREMENT PART TIME/TEMP	39.38
010	0107016	723004		NATURAL RESOURCES - RETIREMENT PART TIME/TEMP	35.75
010	0107018	723004		PARK PATROL - RETIREMENT PART TIME/TEMP	47.18
010	0107019	723004		AQUATICS - RETIREMENT PART TIME/TEMP	83.13
010	0107020	723004		NEWPORT COAST COMMUNITY CENTER - RETIREMENT PART TIME/TEMP	121.59
010	0107022	723004		CIVIC CENTER RENTALS - RETIREMENT PART TIME/TEMP	73.40
010	0107023	723004		MARINA PARK - RETIREMENT PART TIME/TEMP	134.36
010	0107031	723004		OASIS - RETIREMENT PART TIME/TEMP	37.54
010	0107032	723004		OASIS FITNESS CENTER - RETIREMENT PART TIME/TEMP	68.76
010	01080005	723004		PUBLIC WORKS ADMIN - RETIREMENT PART TIME/TEMP	33.30
				-	
				-	
				-	
				Subtotal	$ 45,642.61

FUND BALANCE

Fund #	Object	Description	Increase or (Decrease) $
010	300000	GENERAL FUND - FUND BALANCE CONTROL	**(45,642.61)**
		-	-
		-	
		Subtotal	**$ (45,642.61)**

Fund Balance Change Required

CITY OF

NEWPORT BEACH

City Council Staff Report

December 9, 2025
Agenda Item No. 6

TO:	HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM:	Lena Shumway, City Clerk - 949-644-3005, lshumway@newportbeachca.gov
PREPARED BY:	Lena Shumway, City Clerk
TITLE:	Resolution No. 2025-86: Setting City Council Regular Meeting Dates for Calendar Year 2026

ABSTRACT:

The proposed resolution establishes the 2026 City Council regular meeting schedule in accordance with the City Charter, generally setting meetings on the second and fourth Tuesdays of each month, with modified dates in August, November, and December to accommodate election and holiday scheduling while complying with Brown Act noticing requirements.

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; and

b) Adopt Resolution No. 2025-86, *A Resolution of the City Council of the City of Newport Beach, California, Setting the Time and Dates of City Council Regular Meetings for Calendar Year 2026.*

DISCUSSION:

The City's Charter reads, in pertinent part, as follows:

> Section 407. Regular Meetings.
>
> The City Council shall hold two meetings per month except in the months of August and December when there shall be at least one regular meeting in August and one regular meeting in December. The City Council shall hold regular meetings at such times as it shall fix by ordinance or resolution. All regular meetings shall be publicly noticed according to the Ralph M. Brown Act, or any successor law.

The proposed resolution sets the regular meeting schedule for 2026. Except for August, November and December, the meetings are scheduled for the second and fourth Tuesdays of each month.

However, for November 2026, in order to avoid holding a meeting on Election Day and during the week of the Thanksgiving holiday, the meetings will be held on the second and third Tuesdays of the month.

The City Council meeting dates for 2026 will be:

January 13 and 27
February 10 and 24
March 10 and 24
April 14 and 28
May 12 and 26
June 9 and 23
July 14 and 28
August 25
September 8 and 22
October 13 and 27
November 10 and 17
December 8

FISCAL IMPACT:

There is no fiscal impact related to this item.

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).

ATTACHMENT:

Attachment A – Resolution No. 2025-86

ATTACHMENT A

RESOLUTION NO. 2025-86

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEWPORT BEACH, CALIFORNIA, SETTING THE TIME AND DATES OF CITY COUNCIL REGULAR MEETINGS FOR CALENDAR YEAR 2026

WHEREAS, Section 407 of the City of Newport Beach City Charter ("Section 407") directs that the City Council hold regular meetings at least twice each month except in the months of August and December;

WHEREAS, Section 407 directs that the times and dates of the regular meetings of the City Council be set by ordinance or resolution;

WHEREAS, pursuant to Section 407, the City Council previously adopted resolutions setting the regular meeting dates of the City Council to be held the second and fourth Tuesdays of each month, except in August and December; and

WHEREAS, the City Council desires to set the regular meeting dates of the City Council for calendar year 2026.

NOW, THEREFORE, the City Council of the City of Newport Beach resolves as follows:

Section 1: The City Council does hereby establish the following dates as the schedule for regular meetings of the City Council for calendar year 2026:

CITY COUNCIL REGULAR MEETING SCHEDULE

January 13 and 27
February 10 and 24
March 10 and 24
April 14 and 28
May 12 and 26
June 9 and 23
July 14 and 28
August 25
September 8 and 22
October 13 and 27
November 10 and 17
December 8

Section 2: Pursuant to City Council Policy A-1 (City Council), regular meetings shall begin at 4:00 p.m., or as otherwise scheduled due to the demand of business.

Section 3: The Mayor or a majority of the members of the City Council may call emergency or special meetings on an as-needed basis in compliance with the Brown Act. The regular meeting schedule may be revised by adoption of a resolution amending the regular meeting schedule.

Section 4: The recitals provided in this resolution are true and correct and are incorporated into the operative part of this resolution.

Section 5: If any section, subsection, sentence, clause or phrase of this resolution is, for any reason, held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this resolution. The City Council hereby declares that it would have passed this resolution, and each section, subsection, sentence, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

Section 6: The City Council finds the adoption of this resolution 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, Division 6, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

Section 7: This resolution shall take effect immediately upon its adoption by the City Council, and the City Clerk shall certify the vote adopting the resolution.

ADOPTED this 9th day of December, 2025.

Joe Stapleton
Mayor

ATTEST:

Lena Shumway
City Clerk

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE

Aaron C. Harp
City Attorney

CITY OF

NEWPORT BEACH

City Council Staff Report

December 9, 2025
Agenda Item No. 7

TO:	HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM:	Mark Vukojevic, Utilities Director - 949-644-3011, mvukojevic@newportbeachca.gov
PREPARED BY:	Joshua Rosenbaum, Senior Management Analyst - 949-644-3057 jrosenbaum@newportbeachca.gov
TITLE:	Amendment No. One to On-Call Service Agreements with GCI Construction, Inc. and T.E. Roberts, Inc. for Water, Wastewater and Storm Drain Services

ABSTRACT:

The Utilities Department utilizes on-call contractors for the City's water, wastewater and storm drain systems. Over the last few years, these contractors have been used for on-call tasks, repair projects and emergencies of various complexities. Staff is requesting City Council approval of amendments to increase the agreement amount of both GCI Construction, Inc. and T.E. Roberts, until their agreements expire in 2028.

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 Amendment No. One to the On-Call Maintenance and Repair Services Agreement with GCI Construction, Inc. to increase the agreement amount by $1,000,000, for a total not-to-exceed amount of $2,500,000; and

c) Authorize the Mayor and City Clerk to execute Amendment No. One to the On-Call Maintenance and Repair Services Agreement with T.E Roberts, Inc. to increase the agreement amount by $1,000,000, for a total not-to-exceed amount of $2,500,000.

DISCUSSION:

The Utilities Department maintains hundreds of miles of water, wastewater and storm drain pipelines and appurtenant facilities such as pump stations, pressure stations, reservoirs, treatment facilities, well sites, fire hydrants, valves, manholes and communication equipment. The maintenance and operation of these systems are administered by licensed City staff. At times, the Utilities Department requires the assistance from contractors to provide supplemental manpower, backlog reduction, expertise, equipment, special repairs, supplemental capital improvements and emergency services. Examples include deep excavations that require specialized

shoring, storm damage repairs, dewatering, pipe welding, heavy and specialized equipment, emergency pipe repairs, utility locating/pothole services, and complex utility situations requiring several days of work.

Decisions to use these contractors are typically based on the size and complexity of the repair or emergency, availability of staff and contract resources, shoring needs, expected duration of the repair and anticipated costs. When using contract resources, City staff oversees the repair. Typically, staff also provide supplemental services to save costs and expedite repairs.

On May 23, 2023, City Council approved seven on-call agreements (following a Request for Qualifications process). Each contractor within their work specialty is asked to submit cost-competitive proposals and their availability to perform work. Over the last years, all seven of the contractors have been utilized for various City projects. GCI Construction, Inc. and T.E. Roberts, both earned the two highest rankings during the qualification process. They have demonstrated a proven track record of delivering the best pricing value, high quality work and reliability.

The higher than anticipated volume of projects has exhausted a high percentage of their authorized agreement compensation. Staff is requesting amendments to increase GCI Construction, Inc. and T.E. Roberts agreements by $1 million each. Their total 5-year on-call agreement amounts will increase from $1.5 million to $2.5 million.

FISCAL IMPACT:

No additional General Funds are required. The adopted budget includes sufficient funding for these services. The agreements are funded from various annual maintenance and repair accounts in the water, wastewater, and storm drain budgets within the Utilities Department, as well as the Public Work's Department Capital Improvement project accounts. Over the past few years, the department averaged approximately $800,000 to $1 million in annual water, wastewater and storm drain repairs and emergencies across all contracted work and projects. A typical on-call project is approximately $50,000. In the event of major repair projects or emergencies that exceed the annual budget appropriation, a budget amendment would be brought to City Council.

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 the On-Call Agreement with T.E. Roberts
Attachment B – Amendment No. One to the On-Call Agreement with GCI Construction

AMENDMENT NO. ONE TO ON-CALL MAINTENANCE/REPAIR SERVICES AGREEMENT WITH T.E. ROBERTS, INC. FOR ON-CALL WATER, WASTEWATER AND STORM DRAIN SERVICES

THIS AMENDMENT NO. ONE TO ON-CALL MAINTENANCE/REPAIR SERVICES AGREEMENT ("Amendment No. One") is made and entered into as of this 4th day of November, 2025 ("Effective Date"), by and between the CITY OF NEWPORT BEACH, a California municipal corporation and charter city ("City"), and T.E. ROBERTS, INC., a California corporation ("Contractor"), whose address is 17771 Mitchell North, Irvine, CA 92614, and is made with reference to the following:

RECITALS

A. On May 23, 2023, City and Contractor entered into an On-Call Maintenance/ Repair Services Agreement (Contract No. C-9314-1) ("Agreement") to engage Contractor to perform on-call maintenance and/or repair services for water, wastewater and storm drains ("Project").

B. Since entering into the Agreement, Contractor was asked to perform a higher volume of Work than was originally anticipated.

C. The parties desire to enter into this Amendment No. One to increase the total compensation for the higher volume of work, and to update the insurance requirements.

NOW, THEREFORE, it is mutually agreed by and between the undersigned parties as follows:

1. COMPENSATION TO CONTRACTOR

Section 4.1 of the Agreement is amended in its entirety and replaced with the following: "City shall pay Contractor for the Services on a time and expense not-to-exceed basis in accordance with the provisions of this Section and the Letter Proposal and the Schedule of Billing Rates attached hereto as Exhibit B and incorporated herein by reference. Except as otherwise provided herein, no rate changes shall be made during the term of this Agreement without the prior written approval of the City's Utility Director or designee. Contractor's compensation for all Services performed in accordance with this Agreement, including all reimbursable items, shall not exceed **Two Million Five Hundred Thousand Dollars and 00/100 ($2,500,000.00)** without prior written amendment to the Agreement."

The total amended compensation reflects Contractor's additional compensation for additional Services to be performed in accordance with this Amendment No. One, including all reimbursable items and subconsultant fees, in an amount not to exceed **One Million Dollars and 00/100 ($1,000,000.00)**.

2. INSURANCE

As of this Effective Date of this Amendment No. One, Exhibit C of the Agreement shall be deleted in its entirety and replaced with Exhibit C, attached hereto and incorporated herein by reference. Any reference to Exhibit C in the Agreement shall hereafter refer to Exhibit C attached hereto.

3. INTEGRATED CONTRACT

Except as expressly modified herein, all other provisions, terms, and covenants set forth in the Agreement shall remain unchanged and shall be in full force and effect.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have caused this Amendment No. One to be executed on the dates written below.

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE
Date: 10/23/25

By: _____
Aaron C. Harp
City Attorney

ATTEST:
Date: _____

By: _____
Lena Shumway
City Clerk

CITY OF NEWPORT BEACH,
a California municipal corporation
Date: _____

By: _____
Joe Stapleton
Mayor

CONTRACTOR: T.E. ROBERTS, INC., a California corporation
Date: 11-5-25

By: _____
Timothy E Roberts
Chief Executive Officer

Date: 11-5-25

By: _____
Justin M Roberts
Secretary

[END OF SIGNATURES]

Attachments: Exhibit C – Insurance Requirements

EXHIBIT C
INSURANCE REQUIREMENTS – MAINTENANCE/REPAIR/JANITORIAL SERVICES

1. Provision of Insurance. Without limiting Contractor's indemnification of City, and prior to commencement of Work, Contractor shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to City. Contractor agrees to provide insurance in accordance with requirements set forth here. If Contractor uses existing coverage to comply and that coverage does not meet these requirements, Contractor agrees to amend, supplement or endorse the existing coverage.

2. Acceptable Insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the City's Risk Manager.

3. Coverage Requirements.

   A. Workers' Compensation Insurance. Contractor shall maintain Workers' Compensation Insurance, statutory limits, and Employer's Liability Insurance with limits of at least one million dollars ($1,000,000) each accident for bodily injury by accident and each employee for bodily injury by disease in accordance with the laws of the State of California, Section 3700 of the Labor Code.

      Contractor shall submit to City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of City, its City Council, boards and commissions, officers, agents, volunteers and employees.

   B. General Liability Insurance. Contractor shall maintain commercial general liability insurance and, if necessary, umbrella liability insurance, with coverage at least as broad as provided by Insurance Services Office form CG 00 01, in an amount not less than two million dollars ($2,000,000) per occurrence, four million dollars ($4,000,000) general aggregate. The policy shall cover liability arising from premises, operations, products-completed operations, personal and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract).

   C. Automobile Liability Insurance. Contractor shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of Contractor arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or

rented vehicles, in an amount not less than one million dollars ($1,000,000) combined single limit each accident.

D. Umbrella or Excess Liability Insurance. Contractor shall obtain and maintain an umbrella or excess liability insurance policy with limits of not less than one million dollars ($1,000,000) that will provide bodily injury, personal injury and property damage liability coverage at least as broad as the primary coverages set forth above. Such policy or policies shall include the following terms and conditions:

- A drop down feature requiring the policy to respond in the event that any primary insurance limits are exhausted by paid claims;
- Pay on behalf of wording as opposed to reimbursement;
- Concurrency of effective dates with primary policies;
- Policies shall "follow form" to the underlying primary policies; and
- Insureds under primary policies shall also be insureds under the umbrella or excess policies.

E. Pollution Liability Insurance. If required, Contractor shall maintain a policy providing contractor's pollution liability ("CPL") coverage with a total limit of liability of no less than one million dollars ($1,000,000) per loss and two million dollars ($2,000,000) in the aggregate per policy period. Claims-made policies require a 5-year extended reporting period. The CPL policy shall include coverage for cleanup costs, third-party bodily injury and property damage, including loss of use of damaged property or of property that has not been physically injured or destroyed, resulting from pollution conditions caused by contracting operations. Coverage as required in this paragraph shall apply to sudden and non-sudden pollution conditions resulting from the escape or release of smoke, vapors, fumes, acids, alkalis, toxic chemicals, liquids, or gases, waste materials, or other irritants, contaminants, or pollutants. The CPL shall also provide coverage for transportation and off-Site disposal of materials. The policy shall not contain any provision or exclusion (including any so-called "insured versus insured" exclusion or "cross-liability" exclusion) the effect of which would be to prevent, bar, or otherwise preclude any insured or additional insured under the policy from making a claim which would otherwise be covered by such policy on the grounds that the claim is brought by an insured or additional insured against an insured or additional insured under the policy.

4. Other Insurance Requirements. The policies are to contain, or be endorsed to contain, the following provisions:

A. Waiver of Subrogation. All insurance coverage maintained or procured pursuant to this Agreement shall be endorsed to waive subrogation

against City, its City Council, boards and commissions, officers, agents, volunteers and employees or shall specifically allow Contractor or others providing insurance evidence in compliance with these requirements to waive their right of recovery prior to a loss. Contractor hereby waives its own right of recovery against City, and shall require similar written express waivers from each of its subcontractors.

B. Additional Insured Status. All liability policies including general liability, products and completed operations, excess liability, pollution liability, and automobile liability, if required, shall provide or be endorsed to provide that City, its City Council, boards and commissions, officers, agents, volunteers and employees shall be included as insureds under such policies.

C. Primary and Non Contributory. All liability coverage shall apply on a primary basis and shall not require contribution from any insurance or self-insurance maintained by City.

D. Notice of Cancellation. All policies shall provide City with thirty (30) calendar days notice of cancellation (except for nonpayment for which ten (10) calendar days notice is required) or nonrenewal of coverage for each required coverage.

5. Additional Agreements Between the Parties. The parties hereby agree to the following:

A. Evidence of Insurance. Contractor shall provide certificates of insurance to City as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation and other endorsements as specified herein for each coverage. Insurance certificates and endorsement must be approved by City's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with City at all times during the term of this Agreement. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15) days prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced, Contractor shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies. City reserves the right to require complete, certified copies of all required insurance policies, at any time.

B. City's Right to Revise Requirements. City reserves the right at any time during the term of the Agreement to change the amounts and types of insurance required by giving Contractor sixty (60) calendar days

advance written notice of such change. If such change results in substantial additional cost to Contractor, City and Contractor may renegotiate Contractor's compensation.

C. Right to Review Subcontracts. Contractor agrees that upon request, all agreements with subcontractors or others with whom Contractor enters into contracts with on behalf of City will be submitted to City for review. Failure of City to request copies of such agreements will not impose any liability on City, or its employees. Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that City is an additional insured on insurance required from subcontractors. For CGL coverage, subcontractors shall provide coverage with a format at least as broad as CG 20 38 04 13.

D. Enforcement of Agreement Provisions. Contractor acknowledges and agrees that any actual or alleged failure on the part of City to inform Contractor of non-compliance with any requirement imposes no additional obligations on City nor does it waive any rights hereunder.

E. Requirements not Limiting. Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the Contractor maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

F. Self-insured Retentions. Any self-insured retentions must be declared to and approved by City. City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these requirements unless approved by City.

G. City Remedies for Non-Compliance. If Contractor or any subcontractor fails to provide and maintain insurance as required herein, then City shall have the right but not the obligation, to purchase such insurance, to terminate this Agreement, or to suspend Contractor's right to proceed until proper evidence of insurance is provided. Any amounts paid by City shall, at City's sole option, be deducted from amounts payable to Contractor or reimbursed by Contractor upon demand.

H. Timely Notice of Claims. Contractor shall give City prompt and timely notice of claims made or suits instituted that arise out of or result from

Contractor's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve City.

I. Contractor's Insurance. Contractor shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the Work.

AMENDMENT NO. ONE TO ON-CALL MAINTENANCE/REPAIR SERVICES AGREEMENT WITH GCI CONSTRUCTION, INC. FOR ON-CALL WATER, WASTEWATER AND STORM DRAIN SERVICES

THIS AMENDMENT NO. ONE TO ON-CALL MAINTENANCE/REPAIR SERVICES AGREEMENT ("Amendment No. One") is made and entered into as of this 4th day of November, 2025 ("Effective Date"), by and between the CITY OF NEWPORT BEACH, a California municipal corporation and charter city ("City"), and GCI CONSTRUCTION, INC., a California corporation ("Contractor"), whose address is 1031 Calle Recodo, Suite D, San Clemente, CA 92673, and is made with reference to the following:

RECITALS

A. On May 23, 2023, City and Contractor entered into an On-Call Maintenance/ Repair Services Agreement (Contract No. C-9315-1) ("Agreement") to engage Contractor to perform on-call maintenance and/or repair services for water, wastewater and storm drains ("Project").

B. Since entering into the Agreement, Contractor was asked to perform a higher volume of Work than was originally anticipated.

C. The parties desire to enter into this Amendment No. One to increase the total compensation for the higher volume of work, and to update the insurance requirements.

NOW, THEREFORE, it is mutually agreed by and between the undersigned parties as follows:

1. COMPENSATION TO CONTRACTOR

Section 4.1 of the Agreement is amended in its entirety and replaced with the following: "City shall pay Contractor for the Services on a time and expense not-to-exceed basis in accordance with the provisions of this Section and the Letter Proposal and the Schedule of Billing Rates attached hereto as Exhibit B and incorporated herein by reference. Except as otherwise provided herein, no rate changes shall be made during the term of this Agreement without the prior written approval of the City's Utility Director or designee. Contractor's compensation for all Services performed in accordance with this Agreement, including all reimbursable items, shall not exceed **Two Million Five Hundred Thousand Dollars and 00/100 ($2,500,000.00)** without prior written amendment to the Agreement."

The total amended compensation reflects Contractor's additional compensation for additional Services to be performed in accordance with this Amendment No. One, including all reimbursable items and subconsultant fees, in an amount not to exceed **One Million Dollars and 00/100 ($1,000,000.00)**.

2. INSURANCE

As of this Effective Date of this Amendment No. One, Exhibit C of the Agreement shall be deleted in its entirety and replaced with Exhibit C, attached hereto and incorporated herein by reference. Any reference to Exhibit C in the Agreement shall hereafter refer to Exhibit C attached hereto.

3. INTEGRATED CONTRACT

Except as expressly modified herein, all other provisions, terms, and covenants set forth in the Agreement shall remain unchanged and shall be in full force and effect.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have caused this Amendment No. One to be executed on the dates written below.

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE
Date: 10/21/25

By: _____
Aaron C. Harp
City Attorney

ATTEST:
Date: _____

By: _____
Lena Shumway
City Clerk

CITY OF NEWPORT BEACH,
a California municipal corporation
Date: _____

By: _____
Joe Stapleton
Mayor

CONTRACTOR: GCI CONSTRUCTION, INC., a California corporation
Date: 11/05/2025

By: _____
Alan Aristondo
Chief Executive Officer

Date: 11/05/2025

By: _____
Richard Kay
Chief Financial Officer

[END OF SIGNATURES]

Attachments: Exhibit C – Insurance Requirements

EXHIBIT C
INSURANCE REQUIREMENTS – MAINTENANCE/REPAIR/JANITORIAL SERVICES

1. Provision of Insurance. Without limiting Contractor's indemnification of City, and prior to commencement of Work, Contractor shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to City. Contractor agrees to provide insurance in accordance with requirements set forth here. If Contractor uses existing coverage to comply and that coverage does not meet these requirements, Contractor agrees to amend, supplement or endorse the existing coverage.

2. Acceptable Insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the City's Risk Manager.

3. Coverage Requirements.

   A. Workers' Compensation Insurance. Contractor shall maintain Workers' Compensation Insurance, statutory limits, and Employer's Liability Insurance with limits of at least one million dollars ($1,000,000) each accident for bodily injury by accident and each employee for bodily injury by disease in accordance with the laws of the State of California, Section 3700 of the Labor Code.

      Contractor shall submit to City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of City, its City Council, boards and commissions, officers, agents, volunteers and employees.

   B. General Liability Insurance. Contractor shall maintain commercial general liability insurance and, if necessary, umbrella liability insurance, with coverage at least as broad as provided by Insurance Services Office form CG 00 01, in an amount not less than two million dollars ($2,000,000) per occurrence, four million dollars ($4,000,000) general aggregate. The policy shall cover liability arising from premises, operations, products-completed operations, personal and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract).

   C. Automobile Liability Insurance. Contractor shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of Contractor arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or

rented vehicles, in an amount not less than one million dollars ($1,000,000) combined single limit each accident.

D. Umbrella or Excess Liability Insurance. Contractor shall obtain and maintain an umbrella or excess liability insurance policy with limits of not less than one million dollars ($1,000,000) that will provide bodily injury, personal injury and property damage liability coverage at least as broad as the primary coverages set forth above. Such policy or policies shall include the following terms and conditions:

- A drop down feature requiring the policy to respond in the event that any primary insurance limits are exhausted by paid claims;
- Pay on behalf of wording as opposed to reimbursement;
- Concurrency of effective dates with primary policies;
- Policies shall "follow form" to the underlying primary policies; and
- Insureds under primary policies shall also be insureds under the umbrella or excess policies.

E. Pollution Liability Insurance. If required, Contractor shall maintain a policy providing contractor's pollution liability ("CPL") coverage with a total limit of liability of no less than one million dollars ($1,000,000) per loss and two million dollars ($2,000,000) in the aggregate per policy period. Claims-made policies require a 5-year extended reporting period. The CPL policy shall include coverage for cleanup costs, third-party bodily injury and property damage, including loss of use of damaged property or of property that has not been physically injured or destroyed, resulting from pollution conditions caused by contracting operations. Coverage as required in this paragraph shall apply to sudden and non-sudden pollution conditions resulting from the escape or release of smoke, vapors, fumes, acids, alkalis, toxic chemicals, liquids, or gases, waste materials, or other irritants, contaminants, or pollutants. The CPL shall also provide coverage for transportation and off-Site disposal of materials. The policy shall not contain any provision or exclusion (including any so-called "insured versus insured" exclusion or "cross-liability" exclusion) the effect of which would be to prevent, bar, or otherwise preclude any insured or additional insured under the policy from making a claim which would otherwise be covered by such policy on the grounds that the claim is brought by an insured or additional insured against an insured or additional insured under the policy.

4. Other Insurance Requirements. The policies are to contain, or be endorsed to contain, the following provisions:

A. Waiver of Subrogation. All insurance coverage maintained or procured pursuant to this Agreement shall be endorsed to waive subrogation

against City, its City Council, boards and commissions, officers, agents, volunteers and employees or shall specifically allow Contractor or others providing insurance evidence in compliance with these requirements to waive their right of recovery prior to a loss. Contractor hereby waives its own right of recovery against City, and shall require similar written express waivers from each of its subcontractors.

B. Additional Insured Status. All liability policies including general liability, products and completed operations, excess liability, pollution liability, and automobile liability, if required, shall provide or be endorsed to provide that City, its City Council, boards and commissions, officers, agents, volunteers and employees shall be included as insureds under such policies.

C. Primary and Non Contributory. All liability coverage shall apply on a primary basis and shall not require contribution from any insurance or self-insurance maintained by City.

D. Notice of Cancellation. All policies shall provide City with thirty (30) calendar days notice of cancellation (except for nonpayment for which ten (10) calendar days notice is required) or nonrenewal of coverage for each required coverage.

5. Additional Agreements Between the Parties. The parties hereby agree to the following:

A. Evidence of Insurance. Contractor shall provide certificates of insurance to City as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation and other endorsements as specified herein for each coverage. Insurance certificates and endorsement must be approved by City's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with City at all times during the term of this Agreement. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15) days prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced, Contractor shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies. City reserves the right to require complete, certified copies of all required insurance policies, at any time.

B. City's Right to Revise Requirements. City reserves the right at any time during the term of the Agreement to change the amounts and types of insurance required by giving Contractor sixty (60) calendar days

advance written notice of such change. If such change results in substantial additional cost to Contractor, City and Contractor may renegotiate Contractor's compensation.

C. Right to Review Subcontracts. Contractor agrees that upon request, all agreements with subcontractors or others with whom Contractor enters into contracts with on behalf of City will be submitted to City for review. Failure of City to request copies of such agreements will not impose any liability on City, or its employees. Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that City is an additional insured on insurance required from subcontractors. For CGL coverage, subcontractors shall provide coverage with a format at least as broad as CG 20 38 04 13.

D. Enforcement of Agreement Provisions. Contractor acknowledges and agrees that any actual or alleged failure on the part of City to inform Contractor of non-compliance with any requirement imposes no additional obligations on City nor does it waive any rights hereunder.

E. Requirements not Limiting. Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the Contractor maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

F. Self-insured Retentions. Any self-insured retentions must be declared to and approved by City. City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these requirements unless approved by City.

G. City Remedies for Non-Compliance. If Contractor or any subcontractor fails to provide and maintain insurance as required herein, then City shall have the right but not the obligation, to purchase such insurance, to terminate this Agreement, or to suspend Contractor's right to proceed until proper evidence of insurance is provided. Any amounts paid by City shall, at City's sole option, be deducted from amounts payable to Contractor or reimbursed by Contractor upon demand.

H. Timely Notice of Claims. Contractor shall give City prompt and timely notice of claims made or suits instituted that arise out of or result from

Contractor's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve City.

I. Contractor's Insurance. Contractor shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the Work.

GCI CONSTRUCTION Effective 7/1/2025 - 6/30/2026
EQUIPMENT OPERATED RATE SCHEDULE

DESCRIPTION	OPERATED		
FOREMAN PICK UP TRUCK	43.00	HOUR	
CREW TRUCK	55.00	HOUR	
STAKE BED TRUCK	64.00	HOUR	
10 WHEELER DUMP TRUCK	115.00	HOUR	
SUPER 10	120.00	HOUR	130/Hr for DIR Projects
BOTTOM/SEMI END DUMP	130.00	HOUR	130/Hr for DIR Projects
LOW BED RATE	218.00	HOUR	
SKIPLOADER	202.00	HOUR	
BOBCAT	190.00	HOUR	
446D BACKHOE/LOADER	220.00	HOUR	
KOMATSU WHEEL LOADER	226.00	HOUR	
CAT 950 G LOADER	230.00	HOUR	
JD 450 WITH BOARD	213.00	HOUR	
CAT 308 EXCAVATOR	207.00	HOUR	
CAT 314 EXCAVATOR	242.00	HOUR	
CAT 325 EXCAVATOR	265.00	HOUR	
CAT 321CLCR EXCAVATOR	265.00	HOUR	
KOBELCO SK300 LC1V EXCAVATOR	300.00	HOUR	
CAT 824C DOZER	269.00	HOUR	
CASE 865/CAT 140M MOTOR GRADER	284.00	HOUR	
VACTOR VACUME TRUCK	278.00	HOUR	
ASPHALT ZIPPER	272.00	HOUR	Plus Teeth
ARROWBOARD	100.00	DAY	300/WK
MESSAGE BOARD	185.00	DAY	600/WK
WATER TRUCK	220.00	DAY	
COMPACTION WHEEL	30.00	HOUR	
COMPRESSOR W/JACKHAMMER	300.00	DAY	
2000 MULTIQUIP TOWABLE GENERATOR	288.00	DAY	629/WK
HYDRAULIC BREAKER	60.00	HOUR	2000 LBS
LIGHT TOWER	138.00	DAY	
WACKER	138.00	DAY	
Zieman Trailer	30.00	HOUR	
4" trash pump & hoses	138.00	DAY	
6 x 16 Trench Box	110.00	DAY	293/WK
4 x 16 Trench Box	100.00	DAY	196/WK
8 x 24 Trench Box	66.00	DAY	638/WK

continued Page 2 ...

LABOR RATES:

	REGULAR	OVERTIME	DBL TIME
LABORER GRADING (GROUP I)	89.65	118.97	148.28
LABORER SEWER (GROUP I)	90.28	119.87	149.47
LABORER WATER (GROUP I)	89.63	118.93	148.23
PIPELAYER GRADING (GROUP IV)	93.00	123.98	154.96
PIPELAYER SEWER (GROUP IV)	93.65	124.94	156.22
PIPELAYER WATER (GROUP IV)	92.97	123.24	154.91
OPERATOR GRADING (GROUP VIII)	126.23	169.59	212.94
OPERATOR SEWER (GROUP VIII)	127.08	170.84	214.60
OPERATOR WATER (GROUP VIII)	126.19	169.53	212.87
FOREMAN GRADING (GROUP VIII)	128.84	173.51	218.18
FOREMAN SEWER (GROUP VIII)	129.72	174.80	219.88
FOREMAN WATER (GROUP VIII)	128.80	173.45	218.10
WATER TRUCK LABORER GRADING	103.92	138.90	173.89
WATER TRUCK LABORER SEWER	104.65	139.98	175.30
WATER TRUCK LABORER WATER	103.88	138.86	173.83

MARK UP ON LABOR 20%
MARK UP ON EQUIPMENT/MATERIAL 15%
MARK UP ON SUBCONTRACTOR 5%
BOND COST IS 2.4% OF THE TOTAL CONTRACT AMOUNT

DIR PROPOSED RATE INCREASE FOR JULY 2026 - JUNE 2027, TBD

CITY OF

NEWPORT BEACH

City Council Staff Report

December 9, 2025
Agenda Item No. 8

TO:	HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM:	David A. Webb, Public Works Director - 949-644-3311, dawebb@newportbeachca.gov
PREPARED BY:	John Salazar, Field Maintenance Superintendent - 949-718-3460, jsalazar@newportbeachca.gov
TITLE:	Award Services Agreement to Superior Pavement Markings for Street Striping and Sign Maintenance (Contract No. 9937-1)

ABSTRACT:

The Public Works Department utilizes on-call contract services to maintain and improve roadway striping, curb markings and signs. After a competitive Request For Bid (RFB) procurement process, staff requests City Council approval to award a $1,800,000 on-call contract to Superior Pavement Markings, LLC with a five-year term.

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; and

b) Award On-Call Maintenance and Repair Services Agreement with Superior Pavement Markings, LLC for Roadway Sign and Striping Maintenance, Repair, and Installation for a total contract amount of $1,800,000 and five-year term and authorize the Mayor and City Clerk to execute the contract.

DISCUSSION:

As a key part of its daily operation, the Public Works Department uses many different contract services to provide for the necessary construction, maintenance and repairs services necessary to keep City facilities and infrastructure in good working order. One of these key contract services is to provide roadway striping, markings and sign maintenance, which is an important component of maintaining and improving the safety and efficiency of City roadways, paths and trails.

This contracting service will paint/repaint stop bars, crosswalks, lane striping, painted curbs, pavement legends and markings. This service also assists staff in responding in a timely manner to vehicle roadway accidents that require repairs and/or replacement of guard rails, signs and posts. The City currently spends approximately $236,000 a year on contracted on-call striping and markings work.

Staff was recently notified that our current contractor, Orange County Striping, was closing down their business as of October 31, 2025. With this notice, staff solicited and received

two bids from contractors that specialize in this type of work. Based on a set amount of scheduled annual striping and marking work that is routinely required to repaint/refresh roadways (Base Bid), the lowest bidder was Superior Pavement Markings, Inc. A review of references for Superior Pavement Markings, Inc. shows satisfactory completion of similar contracts with other municipalities.

RANKING	BIDDER	TOTAL BASE BID AMOUNT
Low	Superior Pavement Markings, Inc.	$ 1,105,576
2nd	PCI	$ 1,176,067

Reviewing prior use history and projecting the need for additional on-call service work demand above the Base Bid, staff recommends adding an additional $694,424 ($138,884 per year) onto the 5 year Base Bid amount of $1,105,576 for a total not-to-exceed amount of $1,800,000 for on-call Striping and Sign Maintenance Services, and awarding a five-year contract to Superior Pavement Markings, Inc.

FISCAL IMPACT:

The adopted budget includes sufficient funding for the remaining current fiscal year. It will be expensed to the Contract Striping account in the Public Works Department, 0108061-811034. Additional funding for future years will be programmed during the 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).

ATTACHMENT:

Attachment A – Maintenance and Repair Services Agreement

ON-CALL MAINTENANCE/REPAIR SERVICES AGREEMENT WITH SUPERIOR PAVEMENT MARKINGS, LLC FOR ROADWAY SIGN & STRIPING MAINTENANCE, REPAIR, & INSTALLATION

THIS ON-CALL MAINTENANCE/REPAIR SERVICES AGREEMENT ("Agreement") is made and entered into as of this 9th day of December, 2025 ("Effective Date"), by and between the CITY OF NEWPORT BEACH, a California municipal corporation and charter city ("City"), and SUPERIOR PAVEMENT MARKINGS, LLC, a Delaware corporation ("Contractor"), whose address is 5312 Cypress Street, Cypress, CA 90630, and is made with reference to the following:

RECITALS

A. City is a municipal corporation duly organized and validly existing under the laws of the State of California with the power to carry on its business as it is now being conducted under the statutes of the State of California and the Charter of City.

B. City desires to engage Contractor to perform on-call maintenance and/or repair services for City ("Project").

C. Contractor possesses the skill, experience, ability, background, certification and knowledge to provide the maintenance and/or repair services described in this Agreement.

D. Contractor has examined the location of all proposed work, carefully reviewed and evaluated the specifications set forth by City for the Project, is familiar with all conditions relevant to the performance of services, and has committed to perform all work required for the compensation specified in this Agreement.

NOW, THEREFORE, it is mutually agreed by and between the undersigned parties as follows:

1. TERM

The term of this Agreement shall commence on the Effective Date, and shall terminate on November 17, 2030, unless terminated earlier as set forth herein.

2. SERVICES TO BE PERFORMED

2.1 Contractor shall perform the on-call services described in the Scope of Services attached hereto as Exhibit A and incorporated herein by reference ("Services" or "Work"). Upon written request from the Project Administrator as defined herein, Contractor shall provide a letter proposal for Services requested by the City (hereinafter referred to as the "Letter Proposal"). The Letter Proposal shall include the following:

2.1.1 A detailed description of the Services to be provided;

2.1.2 The position of each person to be assigned to perform the Services, and the name of the individuals to be assigned, if available;

2.1.3 The estimated number of hours and cost to complete the Services; and

2.1.4 The time needed to finish the specific project.

2.2 No Services shall be provided until the Project Administrator has provided written acceptance of the Letter Proposal. Once authorized to proceed, Contractor shall diligently perform the duties in the approved Letter Proposal.

3. TIME OF PERFORMANCE

3.1 Time is of the essence in the performance of Services under this Agreement and Contractor shall perform the Services in accordance with the schedule included in Exhibit A and the Letter Proposal. In the absence of a specific schedule, the Services shall be performed to completion in a diligent and timely manner. The failure by Contractor to strictly adhere to the schedule set forth in Exhibit A and the Letter Proposal, if any, or perform the Services in a diligent and timely manner may result in termination of this Agreement by City.

3.2 Notwithstanding the foregoing, Contractor shall not be responsible for delays due to causes beyond Contractor's reasonable control. However, in the case of any such delay in the Services to be provided for the Project, each party hereby agrees to provide notice within two (2) calendar days of the occurrence causing the delay to the other party so that all delays can be addressed.

3.3 Contractor shall submit all requests for extensions of time for performance in writing to the Project Administrator as defined herein, not later than two (2) calendar days after the start of the condition that purportedly causes a delay. The Project Administrator shall review all such requests and may grant reasonable time extensions for unforeseeable delays that are beyond Contractor's control.

3.4 For all time periods not specifically set forth herein, Contractor shall respond in the most expedient and appropriate manner under the circumstances, by fax, hand-delivery or mail.

4. COMPENSATION TO CONTRACTOR

4.1 City shall pay Contractor for the Services on a time and expense not-to-exceed basis in accordance with the provisions of this Section and the Letter Proposal and the Schedule of Billing Rates attached hereto as Exhibit B and incorporated herein by reference. Except as otherwise provided herein, no rate changes shall be made during the term of this Agreement without the prior written approval of City. Contractor's compensation for all Services performed in accordance with this Agreement, including all reimbursable items, shall not exceed **One Million Eight Hundred Thousand Dollars and 00/100 ($1,800,000.00)**, without prior written amendment to the Agreement.

4.2 Contractor shall submit monthly invoices to City describing the Work performed the preceding month. Contractor's bills shall include the name and/or classification of employee who performed the Work, a brief description of the Services performed and/or the specific task in the Scope of Services to which it relates, the date

the Services were performed, the number of hours spent on all Work billed on an hourly basis, and a description of any reimbursable expenditures. City shall pay Contractor no later than thirty (30) calendar days after approval of the monthly invoice by City staff.

4.3 City shall reimburse Contractor only for those costs or expenses specifically identified in Exhibit B to this Agreement and the Letter Proposal, or specifically approved in writing in advance by City.

4.4 Contractor shall not receive any compensation for Extra Work performed without the prior written authorization of City. As used herein, "Extra Work" means any Work that is determined by City to be necessary for the proper completion of the Project, but which is not included within the Scope of Services and which the parties did not reasonably anticipate would be necessary at the execution of this Agreement. Compensation for any authorized Extra Work shall be paid in accordance with Exhibit B and the Letter Proposal.

5. PROJECT MANAGER

5.1 Contractor shall designate a Project Manager, who shall coordinate all phases of the Project. This Project Manager shall be available to City at all reasonable times during the Agreement term. Contractor has designated Victor Bustamonte to be its Project Manager. Contractor shall not remove or reassign the Project Manager or any personnel listed in Exhibit A or assign any new or replacement personnel to the Project without the prior written consent of City. City's approval shall not be unreasonably withheld with respect to the removal or assignment of non-key personnel.

5.2 Contractor, at the sole discretion of City, shall remove from the Project any of its personnel assigned to the performance of Services upon written request of City. Contractor warrants that it will continuously furnish the necessary personnel to complete the Project on a timely basis as contemplated by this Agreement.

6. ADMINISTRATION

This Agreement will be administered by the Public Works Department. City's Director of Public Works or designee shall be the Project Administrator and shall have the authority to act for City under this Agreement. The Project Administrator shall represent City in all matters pertaining to the Services to be rendered pursuant to this Agreement.

7. CITY'S RESPONSIBILITIES

To assist Contractor in the execution of its responsibilities under this Agreement, City agrees to provide access to and upon request of Contractor, one copy of all existing relevant information on file at City. City will provide all such materials in a timely manner so as not to cause delays in Contractor's Work schedule.

8. TYPE AND INSTALLATION OF MATERIALS/STANDARD OF CARE

8.1 Contractor shall use only the standard materials described in Exhibit A in performing Services under this Agreement. Any deviation from the materials described

in Exhibit A shall not be installed or utilized unless approved in advance and in writing by the Project Administrator.

8.2 All of the Services shall be performed by Contractor or under Contractor's supervision. Contractor represents that it possesses the personnel required to perform the Services required by this Agreement, and that it will perform all Services in a manner commensurate with community professional standards and with the ordinary degree of skill and care that would be used by other reasonably competent practitioners of the same discipline under similar circumstances. All Services shall be performed by qualified and experienced personnel who are not employed by City. By delivery of completed Work, Contractor certifies that the Work conforms to the requirements of this Agreement, all applicable federal, state and local laws and legally recognized professional standards.

8.3 Contractor represents and warrants to City that it has, shall obtain and shall keep in full force and effect during the term hereof, at its sole cost and expense, all licenses, permits, qualifications, insurance and approvals of whatsoever nature that is legally required of Contractor to practice its profession. Contractor shall maintain a City of Newport Beach business license during the term of this Agreement.

8.4 Contractor shall not be responsible for delay, nor shall Contractor be responsible for damages or be in default or deemed to be in default by reason of strikes, lockouts, accidents, acts of God, or the failure of City to furnish timely information or to approve or disapprove Contractor's Work promptly, or delay or faulty performance by City, contractors, or governmental agencies.

9. RESPONSIBILITY FOR DAMAGES OR INJURY

9.1 City and all officers, employees and representatives thereof shall not be responsible in any manner for any loss or damage to any of the materials or other things used or employed in performing the Project or for injury to or death of any person as a result of Contractor's performance of the Services required hereunder; or for damage to property from any cause arising from the performance of the Project by Contractor, or its subcontractors, or its workers, or anyone employed by either of them.

9.2 Contractor shall be responsible for any liability imposed by law and for injuries to or death of any person or damage to property resulting from defects, obstructions or from any cause arising from Contractor's Work on the Project, or the Work of any subcontractor or supplier selected by Contractor.

9.3 To the fullest extent permitted by law, Contractor shall indemnify, defend and hold harmless City, its City Council, boards and commissions, officers, agents, volunteers, and employees (collectively, the "Indemnified Parties") from and against any and all claims (including, without limitation, claims for bodily injury, death or damage to property), demands, obligations, damages, actions, causes of action, suits, losses, judgments, fines, penalties, liabilities, costs and expenses (including, without limitation, attorneys' fees, disbursements and court costs) of every kind and nature whatsoever (individually, a Claim; collectively, "Claims"), which may arise from or in any manner relate (directly or indirectly) to any breach of the terms and conditions of this Agreement, any Work performed or Services provided under this Agreement including, without limitation,

defects in workmanship or materials or Contractor's presence or activities conducted on the Project (including the negligent and/or willful acts, errors and/or omissions of Contractor, its principals, officers, agents, employees, vendors, suppliers, consultants, subcontractors, anyone employed directly or indirectly by any of them or for whose acts they may be liable or any or all of them).

9.4 Notwithstanding the foregoing, nothing herein shall be construed to require Contractor to indemnify the Indemnified Parties from any Claim arising from the sole negligence or willful misconduct of the Indemnified Parties. Nothing in this indemnity shall be construed as authorizing any award of attorneys' fees in any action on or to enforce the terms of this Agreement. This indemnity shall apply to all claims and liability regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by Contractor.

9.5 Contractor shall perform all Work in a manner to minimize public inconvenience and possible hazard, to restore other work areas to their original condition and former usefulness as soon as possible, and to protect public and private property. Contractor shall be liable for any private or public property damaged during the performance of the Work by Contractor or its agents.

9.6 To the extent authorized by law, as much of the money due Contractor under and by virtue of the Agreement as shall be considered necessary by City may be retained by it until disposition has been made of such suits or claims for damages as aforesaid.

9.7 The rights and obligations set forth in this Section shall survive the termination of this Agreement.

10. INDEPENDENT CONTRACTOR

It is understood that City retains Contractor on an independent contractor basis and Contractor is not an agent or employee of City. The manner and means of conducting the Work are under the control of Contractor, except to the extent they are limited by statute, rule or regulation and the expressed terms of this Agreement. No civil service status or other right of employment shall accrue to Contractor or its employees. Nothing in this Agreement shall be deemed to constitute approval for Contractor or any of Contractor's employees or agents, to be the agents or employees of City. Contractor shall have the responsibility for and control over the means of performing the Work, provided that Contractor is in compliance with the terms of this Agreement. Anything in this Agreement that may appear to give City the right to direct Contractor as to the details of the performance of the Work or to exercise a measure of control over Contractor shall mean only that Contractor shall follow the desires of City with respect to the results of the Services.

11. COOPERATION

Contractor agrees to work closely and cooperate fully with City's designated Project Administrator and any other agencies that may have jurisdiction or interest in the Work to be performed. City agrees to cooperate with Contractor on the Project.

12. CITY POLICY

Contractor shall discuss and review all matters relating to policy and Project direction with City's Project Administrator in advance of all critical decision points in order to ensure the Project proceeds in a manner consistent with City goals and policies.

13. PROGRESS

Contractor is responsible for keeping the Project Administrator informed on a regular basis regarding the status and progress of the Project, activities performed and planned, and any meetings that have been scheduled or are desired.

14. INSURANCE

Without limiting Contractor's indemnification of City, and prior to commencement of Work, Contractor shall obtain, provide and maintain at its own expense during the term of this Agreement or for other periods as specified in this Agreement, policies of insurance of the type, amounts, terms and conditions described in the Insurance Requirements attached hereto as Exhibit C, and incorporated herein by reference.

15. BONDING

15.1 Contractor shall obtain, provide and maintain at its own expense during the term of this Contract both of the following: (1) a Faithful Performance Bond in the amount of one hundred percent (100%) of the total amount to be paid Contractor as set forth in this Contract in the form attached as Exhibit B and incorporated herein by reference; and (2) a Labor and Materials Payment Bond in the amount of one hundred percent (100%) of the total amount to be paid Contractor as set forth in this Contract and in the form attached as Exhibit A and incorporated herein by reference.

15.2 The Faithful Performance Bond and Labor and Materials Payment Bond shall be issued by an insurance organization or surety (1) currently authorized by the Insurance Commissioner to transact business of insurance in the State of California, (2) listed as an acceptable surety in the latest revision of the Federal Register Circular 570, and (3) assigned a Policyholders' Rating A- (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide: Property-Casualty.

15.3 Contractor shall deliver, concurrently with execution of this Contract, the Faithful Performance Bond and Labor and Materials Payment Bond, and a certified copy of the "Certificate of Authority" of the Insurer or Surety issued by the Insurance Commissioner, which authorizes the Insurer or Surety to transact surety insurance in the State of California.

16. PREVAILING WAGES

16.1 Pursuant to the applicable provisions of the Labor Code of the State of California, not less than the general prevailing rate of per diem wages including legal holidays and overtime Work for each craft or type of workman needed to execute the Work contemplated under the Agreement shall be paid to all workmen employed on the

Work to be done according to the Agreement by the Contractor and any subcontractor. In accordance with the California Labor Code (Sections 1770 et seq.), the Director of Industrial Relations has ascertained the general prevailing rate of per diem wages in the locality in which the Work is to be performed for each craft, classification, or type of workman or mechanic needed to execute the Agreement. A copy of said determination is available by calling the prevailing wage hotline number (415) 703-4774, and requesting one from the Department of Industrial Relations. The Contractor is required to obtain the wage determinations from the Department of Industrial Relations and post at the job site the prevailing rate or per diem wages. It shall be the obligation of the Contractor or any subcontractor under him/her to comply with all State of California labor laws, rules and regulations and the parties agree that the City shall not be liable for any violation thereof.

16.2 Unless otherwise exempt by law, Contractor warrants that no contractor or subcontractor was listed on the bid proposal for the Services that it is not currently registered and qualified to perform public work. Contractor further warrants that it is currently registered and qualified to perform "public work" pursuant to California Labor Code section 1725.5 or any successor statute thereto and that no contractor or subcontractor will engage in the performance of the Services unless currently registered and qualified to perform public work.

17. PROHIBITION AGAINST ASSIGNMENTS AND TRANSFERS

Except as specifically authorized under this Agreement, the Services to be provided under this Agreement shall not be assigned, transferred contracted or subcontracted out without the prior written approval of City. Any of the following shall be construed as an assignment: The sale, assignment, transfer or other disposition of any of the issued and outstanding capital stock of Contractor, or of the interest of any general partner or joint venturer or syndicate member or cotenant if Contractor is a partnership or joint-venture or syndicate or cotenancy, which shall result in changing the control of Contractor. Control means fifty percent (50%) or more of the voting power or twenty-five percent (25%) or more of the assets of the corporation, partnership or joint-venture.

18. SUBCONTRACTING

The subcontractors authorized by City, if any, to perform Work on this Project are identified in Exhibit A and the Letter Proposal. Contractor shall be fully responsible to City for all acts and omissions of any subcontractor. Nothing in this Agreement shall create any contractual relationship between City and any subcontractor nor shall it create any obligation on the part of City to pay or to see to the payment of any monies due to any such subcontractor other than as otherwise required by law. City is an intended beneficiary of any Work performed by the subcontractor for purposes of establishing a duty of care between the subcontractor and City. Except as specifically authorized herein, the Services to be provided under this Agreement shall not be otherwise assigned, transferred, contracted or subcontracted out without the prior written approval of City.

19. OWNERSHIP OF DOCUMENTS

Each and every report, draft, map, record, plan, document and other writing produced (hereinafter "Documents"), prepared or caused to be prepared by Contractor,

its officers, employees, agents and subcontractors, in the course of implementing this Agreement, shall become the exclusive property of City, and City shall have the sole right to use such materials in its discretion without further compensation to Contractor or any other party. Contractor shall, at Contractor's expense, provide such Documents to City upon prior written request.

20. CONFIDENTIALITY

All Documents, including drafts, preliminary drawings or plans, notes and communications that result from the Services in this Agreement, shall be kept confidential unless City expressly authorizes in writing the release of information.

21. RECORDS

Contractor shall keep records and invoices in connection with the Services to be performed under this Agreement. Contractor shall maintain complete and accurate records with respect to the costs incurred under this Agreement and any Services, expenditures and disbursements charged to City, for a minimum period of three (3) years, or for any longer period required by law, from the date of final payment to Contractor under this Agreement. All such records and invoices shall be clearly identifiable. Contractor shall allow a representative of City to examine, audit and make transcripts or copies of such records and invoices during regular business hours. Contractor shall allow inspection of all Work, data, Documents, proceedings and activities related to the Agreement for a period of three (3) years from the date of final payment to Contractor under this Agreement.

22. WITHHOLDINGS

City may withhold payment to Contractor of any disputed sums until satisfaction of the dispute with respect to such payment. Such withholding shall not be deemed to constitute a failure to pay according to the terms of this Agreement. Contractor shall not discontinue Work as a result of such withholding. Contractor shall have an immediate right to appeal to the City Manager or his/her designee with respect to such disputed sums. Contractor shall be entitled to receive interest on any withheld sums at the rate of return that City earned on its investments during the time period, from the date of withholding of any amounts found to have been improperly withheld.

23. CITY'S RIGHT TO EMPLOY OTHER CONTRACTORS

City reserves the right to employ other contractors in connection with the Project.

24. CONFLICTS OF INTEREST

24.1 Contractor or its employees may be subject to the provisions of the California Political Reform Act of 1974 (the "Act") and/or Government Code §§ 1090 et seq., which (1) require such persons to disclose any financial interest that may foreseeably be materially affected by the Work performed under this Agreement, and (2) prohibit such persons from making, or participating in making, decisions that will foreseeably financially affect such interest.

24.2 If subject to the Act and/or Government Code §§ 1090 et seq., Contractor shall conform to all requirements therein. Failure to do so constitutes a material breach and is grounds for immediate termination of this Agreement by City. Contractor shall indemnify and hold harmless City for any and all claims for damages resulting from Contractor's violation of this Section.

25. NOTICES

25.1 All notices, demands, requests or approvals, including any change in mailing address, to be given under the terms of this Agreement shall be given in writing, and conclusively shall be deemed served when delivered personally, or on the third business day after the deposit thereof in the United States mail, postage prepaid, first-class mail, addressed as hereinafter provided.

25.2 All notices, demands, requests or approvals from Contractor to City shall be addressed to City at:

Attn: Director of Public Works
Public Works Department
City of Newport Beach
100 Civic Center Drive
PO Box 1768
Newport Beach, CA 92658

25.3 All notices, demands, requests or approvals from City to Contractor shall be addressed to Contractor at:

Attn: Darren Veltz
Superior Pavement Markings, LLC
5312 Cypress Street
Cypress, CA 90630

26. CLAIMS

26.1 Unless a shorter time is specified elsewhere in this Agreement, before making its final request for payment under this Agreement, Contractor shall submit to City, in writing, all claims for compensation under or arising out of this Agreement. Contractor's acceptance of the final payment shall constitute a waiver of all claims for compensation under or arising out of this Agreement except those previously made in writing and identified by Contractor in writing as unsettled at the time of its final request for payment. Contractor and City expressly agree that in addition to any claims filing requirements set forth in the Agreement, Contractor shall be required to file any claim Contractor may have against City in strict conformance with the Government Claims Act (Government Code sections 900 et seq.).

26.2 To the extent that Contractor's claim is a "Claim" as defined in Public Contract Code section 9204 or any successor statute thereto, the Parties agree to follow the dispute resolution process set forth therein. Any part of such "Claim" remaining in dispute after completion of the dispute resolution process provided for in Public Contract Code section 9204 or any successor statute thereto shall be subject to the Government

Claims Act requirements requiring Contractor/Consultant to file a claim in strict conformance with the Government Claims Act. To the extent that Contractor's claim is not a "Claim" as defined in Public Contract Code section 9204 or any successor statute thereto, Contractor shall be required to file such claim with the City in strict conformance with the Government Claims Act (Government Code sections 900 et seq.).

27. TERMINATION

27.1 In the event that either party fails or refuses to perform any of the provisions of this Agreement at the time and in the manner required, that party shall be deemed in default in the performance of this Agreement. If such default is not cured within a period of two (2) calendar days, or if more than two (2) calendar days are reasonably required to cure the default and the defaulting party fails to give adequate assurance of due performance within two (2) calendar days after receipt of written notice of default, specifying the nature of such default and the steps necessary to cure such default, and thereafter diligently take steps to cure the default, the non-defaulting party may terminate the Agreement forthwith by giving to the defaulting party written notice thereof.

27.2 Notwithstanding the above provisions, City shall have the right, at its sole and absolute discretion and without cause, of terminating this Agreement at any time by giving no less than seven (7) calendar days' prior written notice to Contractor. In the event of termination under this Section, City shall pay Contractor for Services satisfactorily performed and costs incurred up to the effective date of termination for which Contractor has not been previously paid. On the effective date of termination, Contractor shall deliver to City all reports, Documents and other information developed or accumulated in the performance of this Agreement, whether in draft or final form.

28. LABOR

28.1 Contractor shall conform with all applicable provisions of state and federal law including, but not limited to, applicable provisions of the federal Fair Labor Standards Act ("FLSA") (29 USCA § 201, *et seq.)*.

28.2 Whenever Contractor has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of this Agreement, Contractor shall immediately give written notice to City, and provide all relevant information.

28.3 Contractor represents that all persons working under this Agreement are verified to be U.S. citizens or persons legally authorized to work in the United States.

28.4 To the fullest extent permitted by law, Contractor shall indemnify, defend, and hold harmless City, its City Council, boards and commissions, officers, agents, volunteers, and employees from loss or damage, including but not limited to attorneys' fees, and other costs of defense by reason of actual or alleged violations of any applicable federal, state and local labor laws or law, rules, and/or regulations. This obligation shall survive the expiration and/or termination of the Agreement.

29. STANDARD PROVISIONS

29.1 Recitals. City and Contractor acknowledge that the above Recitals are true and correct and are hereby incorporated by reference.

29.2 Compliance with all Laws. Contractor shall, at its own cost and expense, comply with all statutes, ordinances, regulations and requirements of all governmental entities, including federal, state, county or municipal, whether now in force or hereinafter enacted. In addition, all Work prepared by Contractor shall conform to applicable City, county, state and federal laws, rules, regulations and permit requirements and be subject to approval of the Project Administrator and City.

29.3 Waiver. A waiver by either party of any breach, of any term, covenant or condition contained herein shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant or condition contained herein, whether of the same or a different character.

29.4 Integrated Contract. This Agreement represents the full and complete understanding of every kind or nature whatsoever between the parties hereto, and all preliminary negotiations and agreements of whatsoever kind or nature are merged herein. No verbal agreement or implied covenant shall be held to vary the provisions herein.

29.5 Conflicts or Inconsistencies. In the event there are any conflicts or inconsistencies between this Agreement and the Scope of Services or any other attachments attached hereto, the terms of this Agreement shall govern.

29.6 Interpretation. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either party by reason of the authorship of the Agreement or any other rule of construction which might otherwise apply.

29.7 Amendments. This Agreement may be modified or amended only by a written document executed by both Contractor and City and approved as to form by the City Attorney.

29.8 Severability. If any term or portion of this Agreement is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall continue in full force and effect.

29.9 Controlling Law and Venue. The laws of the State of California shall govern this Agreement and all matters relating to it and any action brought relating to this Agreement shall be adjudicated in a court of competent jurisdiction in the County of Orange, State of California.

29.10 Equal Opportunity Employment. Contractor represents that it is an equal opportunity employer and it shall not discriminate against any subcontractor, employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical handicap, medical condition, marital status, sex, sexual orientation, age or any other impermissible basis under law.

29.11 No Attorneys' Fees. In the event of any dispute or legal action arising under this Agreement, the prevailing party shall not be entitled to attorneys' fees.

29.12 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original and all of which together shall constitute one (1) and the same instrument.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the dates written below.

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE
Date: 11/13/2025

By: Jose Montoya for
Aaron C. Harp
City Attorney

CITY OF NEWPORT BEACH,
a California municipal corporation
Date:_____

By:_____
Joe Stapleton
Mayor

ATTEST:
Date:_____

By:_____
Lena Shumway
City Clerk

CONTRACTOR:
SUPERIOR PAVEMENT MARKINGS, LLC, a Delaware corporation
Date:_____

By:_____
Darren Veltz
Managing Member

[END OF SIGNATURES]

Attachments:
Exhibit A – Scope of Services
Exhibit B – Schedule of Billing Rates
Exhibit C – Insurance Requirements
Exhibit D – Labor and Materials Payment Bond
Exhibit E – Faithful Performance Bond

EXHIBIT A
SCOPE OF SERVICES

City of Newport Beach
Public Works Department

Scope of Services

ON-CALL ROADWAY SIGN & STRIPING MAINTENANCE, REPAIR & INSTALLATION

Contract No. 9937-1

All work necessary for the completion of this contract shall be done in accordance with these Specifications.

INTENT

Consultant shall provide on-call roadway sign and striping maintenance, repair and installation services on an as-requested basis throughout the City.

DESCRIPTION OF WORK

- Furnish all materials, labor, tools, expendable equipment, traffic control, transportation and product handling, delivery and storage necessary to complete project(s) for the maintenance, repair and installation of roadway signs and striping as described herein including, but not limited to, the following:
    - Provide sign maintenance, repair and installation utilizing City or Contractor provided signs on existing or Contractor-installed posts or poles as specified by City;
    - Provide roadway striping maintenance, repair and installation using paint, thermoplastic, or other material as specified by City;
    - Provide pavement markings installation using paint, thermoplastic, pre-cut thermoplastic, or other material as specified by City;
    - Provide curb marking maintenance, repair and installation using paint or other material as specified by City; and
    - Provide installation of metal beam guardrails including end pieces and wooden posts and removal and disposal of damaged guardrail as specified by City.

WORKING HOURS

- Normal working hours shall be between the hours of 7:00 a.m. and 4:30 p.m., Monday through Friday. Work outside of normal working hours, including night, Saturday, Sunday, or holiday must be approved by the City prior to being scheduled; and
- Emergency work, as requested by City, may be exempt from the requirements listed above.

Repair Visits

Non-Emergency Work - All non-emergency work must be authorized by the contract manager through a signed letter proposal and billed in accordance with the cost file in this contract.

Emergency Repair Work - Emergency repairs may be authorized by the contract manager through verbal authorization when necessary and must be billed in accordance with the cost file outlined in this contract.

Service Proposal Requirements

When the need for service arises, the Contractor shall provide a written proposal, including:

- A detailed description of the services to be provided.
- The position of each person assigned to perform the services.
- The estimated number of hours and cost (including parts and material) to complete the services.
- The time needed to complete the specific project.

No services shall commence until the project manager has provided written acceptance of the proposal. Once authorized, the Contractor shall diligently perform the services in compliance with the contract terms. Should the proposal terms vary, the agreement terms will supersede.

Contractor Supplied Equipment

The Contractor shall supply all transportation, tools and equipment necessary for completing all work related to provided services, covered within the hourly labor cost (e.g., vehicles, fuel surcharge, delivery or equipment, miscellaneous materials needed for maintenance, tools of the trade, etc.). Rental equipment needed for on-call repairs must be approved prior to use and substantiated with rental receipts for invoicing (e.g., scissor lifts, boom lifts, cranes, etc.).

Replacement Equipment, Parts, Materials, and Equipment Rentals

All replacement equipment, parts, materials, and equipment rentals may be supplied by the Contractor at a contracted markup as shown in the Cost File. Receipts may be required at the time of invoicing to substantiate the percentage markup, with all charges at cost plus no more than a 15% markup. Labor rates for installation shall be charged at the standard labor rate specified in the Cost File.

Service calls will be initiated by City staff, with no guarantee or implication of any specific quantity of service call work during the contract term.

Invoicing

All invoices for on-call services must include:

- Brief description of the work performed
- Date the services were performed
- Number of hours spent on all work billed on an hourly basis
- Description of any reimbursable expenditures (materials, rental equipment, etc.)
- Contracted labor rate
- Shall include the name and the classification of the employee who performed the work
- Material percentage markup

Invoices shall be submitted monthly. Receipts may be required at the time of invoicing to substantiate percentage markup. All shall be charged at cost plus no more than a 15% markup. Labor rates shall include supplies (e.g. miscellaneous supplies, rags, tape, , personal protective equipment (PPE), and sundries). Labor rates shall be charged at the standard labor rate specified in the Cost File.

Response Requirements

- Call back within ninety (90) minutes after the initial request from the City for on-call services.
- Availability for same-day response, including after hours, weekends, and holidays.
- Contractor shall be available 24 hours a day, 7 days a week.
- Arrival within four (4) hours after initial call back.

Workmanship & Materials

- The Contractor shall provide all labor and materials required for the successful completion of a project or work.
- Labor rates shall include supplies (e.g. miscellaneous supplies, rags, tape, tools, personal protective equipment, and sundries).
- The City may reimburse the Contractor for materials procured, analyzed case-by-case, and agreed upon in the Contractor's proposal before work commences. Markup for materials is limited to cost plus a maximum of 15%.
- Receipts may be required for reimbursement for materials purchased for projects.
- The City reserves the right to specify the type of material and/or equipment purchased per project. All equipment and material purchases must be pre-approved by the Project Manager or designee.
- The City reserves the right to purchase materials directly and provide them to the Contractor. In such cases, the following conditions apply:
    - The Contractor shall conform to all City practices and procedures.
    - All City purchases are for the sole expressed use of and for the City.
    - The Contractor shall secure, store, inventory, distribute, and control all materials entrusted to the Contractor's representatives.
    - All materials and inventories shall be made available to the City upon request. The Contractor will reduce the unit cost for each maintenance task by the City's actual cost for the materials provided and used.
- The Contractor shall maintain work areas with a well-manicured, clean appearance, and all work shall be performed in a professional manner using quality equipment.
- The Contractor shall be responsible for any damages to public and/or private property caused during the course of the work.

- The Contractor shall recognize that during this Agreement, the City may have other contractors conducting other activities and/or operations in the immediate vicinity of requested work. Contractor shall make every effort to coordinate activities with existing operations. Other activities may include, but are not limited to, the following:
    - Landscape refurbishment
    - Modification or repair of existing facilities
    - Construction; and
    - Storm related operations
- All tools and materials shall always remain in Contractor's possession.
- All Contractor vehicles parked on site shall always be secure.
- Contractor shall ensure all precautions for safety are taken.
- Contractor shall obtain necessary building permits at no cost when required.
- As required, Contractor shall provide traffic control per the latest edition of the Manual on Uniform Traffic Control Devices (MUTCD) "Watch Manual."
- The Contractor is responsible for all underground service alerts prior to digging (DigAlert).

QUALITY OF WORK AND MATERIALS

- All materials and installation methods shall conform with the latest City Standard Specifications, California Manual of Uniform Traffic Control Devices (CA MUTCD), American Public Works Association (APWA) Specifications and Standard Plans, Caltrans Standard Plans/Specifications and/or other specifications as deemed appropriate by City;
- All material and equipment furnished by the Contractor shall be new, high grade, and free from defects and imperfections. Workmanship shall be in accord with the highest industry standards. Both materials and workmanship shall be subject to the approval of the City.
- All work shall meet with the approval of the City's representative. Any specific item which does not meet the conditions of the specifications set forth herein shall be called to the attention of the Contractor's Project Manager. Payment to the Contractor may be withheld by City until condition is corrected in a satisfactory manner as set forth in the specifications.

RESPONSIBILITY FOR DAMAGES

- Any damage by Contractor, including that which occurs outside the work area, shall be repaired or replaced as directed at no additional cost to the City.

RECORDS

- Contractor shall keep records and invoices in connection with the Services performed under the Agreement. Contractor shall maintain complete and accurate records with respect to the costs incurred under the Agreement and any Services, expenditures and disbursements charged to City, for a minimum period of three (3) years, or for any longer period required by law, from the date of final payment to Contractor under the Agreement. All such records and invoices shall be clearly identifiable. Contractor shall allow a representative of City to examine, audit and make transcripts or copies of such records and invoices during regular business hours. Contractor shall allow inspection of

all Work, data, Documents, proceedings and activities related to the Agreement for a period of three (3) years from the date of final payment to Contractor under this Agreement.

SAFETY REQUIREMENTS

- All work performed under this contract shall be performed in such a manner as to provide maximum safety to the public and where applicable comply with all safety standards required by CAL-OSHA. The City reserves the right to issue restraint or cease and desist orders to the Contractor when unsafe or harmful acts are observed or reported relative to the performance under this contract. All contractor employees shall have access to the latest revision of the Work Area Traffic Control Handbook (WATCH) at all times.
- Contractor's field personnel shall wear easily recognizable uniforms containing Contractor's name. Contractor shall be responsible for supplying all appropriate personal protective equipment. Contractor's employees shall be trained in health and safety per CALOSHA.
- The Contractor shall maintain all work sites free of hazards to persons and/or property resulting from his/her operations. Any hazardous condition noted by the Contractor, which is not a result of his/her operations, shall be immediately reported to the City.

ROAD CLOSURES, DETOURS AND TRAFFIC CONTROL

- Traffic control layout and devices shall conform with the latest revision of the Work Are Traffic Control Handbook (WATCH) and the California Manual of Uniform Traffic Control Devices (CA MUTCD).
- Contractor shall observe and maintain deployed traffic control devices during the work. Additional traffic control shall be deployed to encourage proper work area safety as needed and/or directed by City.
- If the Contractor fails to provide and install traffic control devices as required by this section, City may shut down Contractor's work or may have traffic control devices placed by others and charge the cost of the traffic control deployment against the Contract..
- Beacon lighting visible from behind the vehicle will be installed on vehicles working along City roadways.
- The schedule for any work requiring significant road closures or detours shall be coordinated with the City a minimum of 72 hours prior to the beginning of work.
- At the discretion of the City, Contractor may be required to furnish a traffic control plan for planned work. If requested, a traffic control plan shall be submitted to City ten (10) days prior to the start of work.
- At the discretion of City, work hours and or/traffic control layout may be changed to improve work area safety and/or reduce traffic delays/impacts to the traveling public.

TECHNICAL SPECIFICATIONS

- Traffic signs shall be installed per City Standard Plan STD-924-L;
- Underground Service Alert (USA) shall be contacted prior to installation of sign posts/poles and/or other below-grade item;
- Contractor-furnished signs shall be of standard size, construction, text and message per the CA MUTCD and State of California specifications, unless otherwise specified by City;
- All traffic stripes and markings shall conform with the CA MUTCD and State of California Standard Specifications and Plans in size, color, shape, and layout unless otherwise specified by City;
- Conflicting striping/pavement markings shall be removed by wet sandblasting or City-approved alternative;

- Reflectorized pavement markers shall be 3M Series 290 or have glass covered face and City-approved equivalent;
- Traffic striping paint shall be Pervo PTWB-01, #7004 or approved equivalent
- Traffic striping Thermoplastic shall be Pervo T-1000 or approved equivalent applied at 90 mil by an extrusion system
- Green bike lane and bike lane/sharrow legend background shall be MMAX Colored Lane Treatment – EF Green by Ennis-Flint or City-approved equivalent;
- Curb marking maintenance (same color as existing) may be painted over existing markings and shall be the same length as existing, unless otherwise specified by City;
- When curb markings are to be removed, existing paint shall be removed by wet sandblasting or other City-approved method.
- Curb marking Paint shall be American Traffic Products fast dry 180 series paint or approved equal. Colors shall be Red, White, Yellow, Green, Blue, Black and Light Grey; and
- Curb marking stencil shall be four inches in height.

EXHIBIT B
SCHEDULE OF BILLING RATES

Item #	Item Code	Type	Item Description	UOM	QTY	Unit Price	Line Total	Response	Comment
Striping							$489,976.00		
1			4-inch Double Yellow - (Repaint One Coat over Existing)	LF	1000	$0.28	$280.00	Yes	
2			4-inch Double Yellow - Install New (Thermoplastic)	LF	1000	$1.25	$1,250.00	Yes	
3			4 inch Broken Double Yellow - (Repaint One Coat over Existing)	LF	1000	$0.26	$260.00	Yes	
4			4 inch Broken Double Yellow - Install New (Thermoplastic)	LF	1000	$1.20	$1,200.00	Yes	
5			4-inch Skip Yellow - (Repaint One Coat over Existing)	LF	1000	$0.18	$180.00	Yes	
6			4-inch Skip Yellow - Install New (Thermoplastic)	LF	1000	$0.65	$650.00	Yes	
7			4-inch Solid Yellow - (Repaint One Coat over Existing)	LF	1000	$0.18	$180.00	Yes	
8			4-inch Solid Yellow - Install New (Thermoplastic)	LF	1000	$0.76	$760.00	Yes	
9			4-inch Skip White - (Repaint One Coat over Existing)	LF	1000	$0.12	$120.00	Yes	
10			4-inch Skip White - Install New (Thermoplastic)	LF	1000	$0.65	$650.00	Yes	
11			4-inch Solid White - (Repaint One Coat over Existing)	LF	1000	$0.12	$120.00	Yes	
12			4-inch Solid White - Install New (Thermoplastic)	LF	1000	$0.65	$650.00	Yes	
13			6-inch Double Yellow - (Repaint One Coat over Existing)	LF	50000	$0.26	$13,000.00	Yes	
14			6-inch Double Yellow - Install New (Thermoplastic)	LF	50000	$1.60	$80,000.00	Yes	
15			6 inch Broken Double Yellow - (Repaint One Coat over Existing)	LF	20000	$0.24	$4,800.00	Yes	
16			6 inch Broken Double Yellow - Install New (Thermoplastic)	LF	20000	$1.55	$31,000.00	Yes	
17			6-inch Skip Yellow - (Repaint One Coat over Existing)	LF	25000	$0.20	$5,000.00	Yes	
18			6-inch Skip Yellow - Install New (Thermoplastic)	LF	25000	$0.75	$18,750.00	Yes	
19			6-inch Solid Yellow - (Repaint One Coat over Existing)	LF	3500	$0.20	$700.00	Yes	
20			6-inch Solid Yellow - Install New (Thermoplastic)	LF	3500	$0.95	$3,325.00	Yes	
21			6-inch Solid White - (Repaint One Coat over Existing)	LF	10000	$0.20	$2,000.00	Yes	
22			6-inch Solid White - Install New (Thermoplastic)	LF	10000	$0.95	$9,500.00	Yes	
23			6-inch Skip White - (Repaint One Coat over Existing)	LF	100000	$0.15	$15,000.00	Yes	
24			6-inch Skip White - Install New (Thermoplastic)	LF	100000	$0.75	$75,000.00	Yes	
25			8-inch Skip White - (Repaint One Coat over Existing)	LF	2500	$0.30	$750.00	Yes	
26			8-inch Skip White - Install New (Thermoplastic)	LF	2500	$1.45	$3,625.00	Yes	
27			8-inch Solid White - (Repaint One Coat over Existing)	LF	30000	$0.30	$9,000.00	Yes	
28			8-inch Solid White - Install New (Thermoplastic)	LF	30000	$1.65	$49,500.00	Yes	
29			12-inch Solid Yellow - (Repaint One Coat over Existing)	LF	1000	$2.50	$2,500.00	Yes	
30			12-inch Solid Yellow - Install New (Thermoplastic)	LF	1000	$3.85	$3,850.00	Yes	
31			12-inch Solid White - (Repaint One Coat over Existing)	LF	20000	$2.50	$50,000.00	Yes	
32			12-inch Solid White - Install New (Thermoplastic)	LF	20000	$3.85	$77,000.00	Yes	
33			3-foot Yield Line (sharks-foot teeth) - (Repaint One Coat over Existing)	LF	50	$25.00	$1,250.00	Yes	
34			3-foot Yield Line (sharks-foot teeth) - Install New (Thermoplastic)	LF	50	$75.00	$3,750.00	Yes	
35			Single Line Parking Stall - (Repaint One Coat over Existing)	EA	1000	$1.20	$1,200.00	Yes	
36			Single Line Parking Stall - Install New (Thermoplastic)	EA	1000	$2.40	$2,400.00	Yes	
37			Double Line Parking Stall - (Repaint One Coat over Existing)	EA	2000	$2.40	$4,800.00	Yes	
38			Double Line Parking Stall - Install New (Thermoplastic)	EA	2000	$4.60	$9,200.00	Yes	
39			Remove Existing Striping (Wet Sandblast) - (Repaint One Coat over Existing)	LF	100	$8.88	$888.00	Yes	
40			Remove Existing Striping (Wet Sandblast) - Install New (Thermoplastic)	LF	100	$8.88	$888.00	Yes	
41			Striping Minimum*	MINIMUM	1	$5,000.00	$5,000.00	Yes	
Pavement Markings							$269,772.00		
42			12-foot Letter - (Repaint One Coat over Existing)	SF	1000	$15.00	$15,000.00	Yes	
43			12-foot Letter - Install New (Thermoplastic)	SF	1000	$30.00	$30,000.00	Yes	
44			8-foot Letter - (Repaint One Coat over Existing)	SF	7000	$3.64	$25,480.00	Yes	
45			8-foot Letter - Install New (Thermoplastic)	SF	7000	$12.72	$89,040.00	Yes	
46			Turn Arrows (Type I/IV/VII/VIII) - (Repaint One Coat over Existing)	SF	5000	$2.66	$13,300.00	Yes	
47			Turn Arrows (Type I/IV/VII/VIII) - Install New (Thermoplastic)	SF	5000	$4.66	$23,300.00	Yes	
48			Elongated Turn Arrows (Type II/III) - (Repaint One Coat over Existing)	SF	1000	$2.66	$2,660.00	Yes	

Item #	Item Code	Type	Item Description	UOM	QTY	Unit Price	Line Total	Response	Comment
49			Elongated Turn Arrows (Type II/III) - Install New (Thermoplastic)	SF	1000	$4.66	$4,660.00	Yes	
50			Bike Lane Arrow - (Repaint One Coat over Existing)	SF	500	$2.66	$1,330.00	Yes	
51			Bike Lane Arrow - Install New (Thermoplastic)	SF	500	$4.66	$2,330.00	Yes	
52			Handicap Symbol - (Repaint One Coat over Existing)	SF	100	$55.00	$5,500.00	Yes	
53			Handicap Symbol - Install New (Thermoplastic)	SF	100	$185.00	$18,500.00	Yes	
54			Bike Lane Legend & Arrow - (Repaint One Coat over Existing)	SF	500	$7.14	$3,570.00	Yes	
55			Bike Lane Legend & Arrow - Install New (Thermoplastic)	SF	500	$15.71	$7,855.00	Yes	
56			Shared Lane Marking (Sharrow) - (Repaint One Coat over Existing)	SF	500	$7.14	$3,570.00	Yes	
57			Shared Lane Marking (Sharrow) - Install New (Thermoplastic)	SF	500	$15.71	$7,855.00	Yes	
58			Green Bike Lane/Sharrow Background (MMA) - (Repaint One Coat over Existing)	SF	50	$20.00	$1,000.00	Yes	
59			Green Bike Lane/Sharrow Background (MMA) - Install New (Thermoplastic)	SF	50	$20.00	$1,000.00	Yes	
60			Speed Limit Number - (Repaint One Coat over Existing)	SF	100	$3.64	$364.00	Yes	
61			Speed Limit Number - Install New (Thermoplastic)	SF	100	$12.72	$1,272.00	Yes	
62			Continental Crosswalk - (Repaint One Coat over Existing)	SF	50	$2.50	$125.00	Yes	
63			Continental Crosswalk - Install New (Thermoplastic)	SF	50	$4.00	$200.00	Yes	
64			Ladder Crosswalk - (Repaint One Coat over Existing)	SF	50	$2.50	$125.00	Yes	
65			Ladder Crosswalk - Install New (Thermoplastic)	SF	50	$4.00	$200.00	Yes	
66			Diagonal Crosswalk - (Repaint One Coat over Existing)	SF	25	$2.50	$62.50	Yes	
67			Diagonal Crosswalk - Install New (Thermoplastic)	SF	25	$4.00	$100.00	Yes	
68			Speed Bump Markings - (Repaint One Coat over Existing)	SF	25	$11.50	$287.50	Yes	
69			Speed Bump Markings - Install New (Thermoplastic)	SF	25	$17.45	$436.25	Yes	
70			Additional Pavement Markings - (Repaint One Coat over Existing)	SF	25	$11.50	$287.50	Yes	
71			Additional Pavement Markings - Install New (Thermoplastic)	SF	25	$17.45	$436.25	Yes	
72			Green Thermoplastic LOOK Stencil - (Repaint One Coat over Existing)	SF	50	$18.00	$900.00	Yes	
73			Green Thermoplastic LOOK Stencil - Install New (Thermoplastic)	SF	50	$45.00	$2,250.00	Yes	
74			Remove Existing Pavement Marking (Wet Sandblast) - (Repaint One Coat over Existing)	SF	100	$8.88	$888.00	Yes	
75			Remove Existing Pavement Marking (Wet Sandblast) - Install New (Thermoplastic)	SF	100	$8.88	$888.00	Yes	
76			Pavement Marking Minimum*	MINIMUM	1	$5,000.00	$5,000.00	Yes	
Curb Marking							$310,120.00		
77			Curb Painting - (Repaint One Coat over Existing)	LF	45000	$2.10	$94,500.00	Yes	
78			Curb Painting - Install New (Thermoplastic)	LF	45000	$3.00	$135,000.00	Yes	
79			Curb Stencil Lettering - (Repaint One Coat over Existing)	Letters	8000	$3.75	$30,000.00	Yes	
80			Curb Stencil Lettering - Install New (Thermoplastic)	Letters	8000	$5.00	$40,000.00	Yes	
81			Curb Marking Removal (Wet Sandblast) - (Repaint One Coat over Existing)	LF	100	$28.10	$2,810.00	Yes	
82			Curb Marking Removal (Wet Sandblast) - Install New (Thermoplastic)	LF	100	$28.10	$2,810.00	Yes	
83			Weeding And Dewatering - (Repaint One Coat over Existing)	Hours	5	$250.00	$1,250.00	Yes	
84			Weeding And Dewatering - Install New (Thermoplastic)	Hours	5	$250.00	$1,250.00	Yes	
85			Curb Painting Minimum*	MINIMUM	1	$2,500.00	$2,500.00	Yes	
Pavement Markers (Each)							$3,933.00		
86			Reflective Pavement Markers - (Repaint One Coat over Existing)	EA	50	$7.55	$377.50	Yes	
87			Non-Reflective Pavement Markers - (Repaint One Coat over Existing)	EA	10	$5.55	$55.50	Yes	
88			Pavement Marker Minimum*	MINIMUM	1	$3,500.00	$3,500.00	Yes	
Sign & Post Installation (Each)							$17,025.00		
89			Sign Installed on Existing Post/Street Light Pole**	EA	25	$75.00	$1,875.00	Yes	
90			Sign Installed on Post/Pole**	EA	50	$75.00	$3,750.00	Yes	
91			Install New Sign Post and Base	EA	10	$350.00	$3,500.00	Yes	
92			Core Drilling Sidewalk for Sign Post	EA	10	$150.00	$1,500.00	Yes	
93			Relocate Existing Sign to New Post/Pole	EA	15	$115.00	$1,725.00	Yes	
94			Relocate Existing Sign to Existing Post/Pole	EA	5	$115.00	$575.00	Yes	
95			Relocate Existing Sign and Post	EA	5	$310.00	$1,550.00	Yes	

Item #	Item Code	Type	Item Description	UOM	QTY	Unit Price	Line Total	Response	Comment
96			Remove Existing Sign and Post	EA	5	$105.00	$525.00	Yes	
97			Remove Existing Sign Post	EA	5	$105.00	$525.00	Yes	
98			Sign & Post Installation Minimum*	MINIMUM	1	$1,500.00	$1,500.00	Yes	
Guardrail Services							$14,750.00		
99			Metal Beam Guardrail - (Repaint One Coat over Existing)	LF	120	$50.00	$6,000.00	Yes	
100			Wooden Post	EA	15	$250.00	$3,750.00	Yes	
101			Guardrail Installation Minimum*	MINIMUM	1	$5,000.00	$5,000.00	Yes	

Line Item Subtotals

Section Title		Line Total
Striping		**$489,976.00**
Pavement Markings		**$269,772.00**
Curb Marking		**$310,120.00**
Pavement Markers (Each)		**$3,933.00**
Sign & Post Installation (Each)		**$17,025.00**
Guardrail Services		**$14,750.00**
	Grand Total	**$1,105,576.00**

Superior Pavement Markings, LLC

ON CALL ROADWAY SIGN AND STRIPING MAINTENANCE, REPAIR AND INSTALLATION
On-Call Labor Cost File

On-Call Labor for Other Items not listed in the Bid				
Description	**Unit**	**Minimum Hours**	**Regular Hours Rate (M-F 7am-4:30pm)**	**After-Hours Rate (M-F 4:30pm-7am, Weekends & Holidays)**
Journeyman	Hourly	4	$121.63	$155.81
Apprentice	Hourly	4	$101.21	$128.76
Helper	Hourly	4	$101.21	$128.76
Parts, Materials, and Equipment Rentals **Markup % (Maximum 15%)**	15 %			

EXHIBIT C

INSURANCE REQUIREMENTS – MAINTENANCE/REPAIR/JANITORIAL SERVICES

1. Provision of Insurance. Without limiting Contractor's indemnification of City, and prior to commencement of Work, Contractor shall obtain, provide and maintain at its own expense during the term of this Contract, policies of insurance of the type and amounts described below and in a form satisfactory to City. Contractor agrees to provide insurance in accordance with requirements set forth here. If Contractor uses existing coverage to comply and that coverage does not meet these requirements, Contractor agrees to amend, supplement or endorse the existing coverage.

2. Acceptable Insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the City's Risk Manager.

3. Coverage Requirements.

   A. Workers' Compensation Insurance. Contractor shall maintain Workers' Compensation Insurance providing statutory benefits and Employer's Liability Insurance with limits of at least one million dollars ($1,000,000) each employee for bodily injury by accident and each employee for bodily injury by disease in accordance with the laws of the State of California. In addition, Contractor shall require each subcontractor to similarly maintain Workers' Compensation Insurance and Employer's Liability Insurance in accordance with California law for all of the subcontractor's employees. The insurer issuing the Workers' Compensation insurance shall amend its policy by endorsement to waive all rights of subrogation against City, its City Council, boards and commissions, officers, agents, volunteers, employees, and any person or entity owning or otherwise in legal control of the property upon which Contractor performs the Project and/or Services contemplated by this Contract. Contractor shall submit to City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of City, its City Council, boards and commissions, officers, agents, volunteers, employees, and any person or entity owning or otherwise in legal control of the property upon which Contractor performs the Project and/or Services contemplated by this Contract.

   B. General Liability Insurance. Contractor shall maintain commercial general liability insurance, and if necessary excess/umbrella liability insurance, with coverage at least as broad as provided by Insurance

Services Office form CG 00 01, in an amount not less than two million dollars ($2,000,000) per occurrence, four million dollars ($4,000,000) general aggregate and four million dollars ($4,000,000) completed operations aggregate. The policy shall cover liability arising from bodily injury, property damage, products-completed operations, personal and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract).

Contractor shall submit to the City, along with a certificate of insurance, any additional insurance requirements stated in Section Four.

C. Automobile Liability Insurance. Contractor shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of Contractor arising out of or in connection with Work to be performed under this Contract, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than two million dollars ($2,000,000) combined single limit for each accident.

Contractor shall submit to the City, along with a certificate of insurance, any additional insurance requirements stated in Section Four.

D. Excess/Umbrella Liability Insurance. If any Excess or Umbrella Liability policies are used to meet the limits of liability required by this contract, then said policies shall be "following form" of the underlying policy coverage, terms, conditions, and provisions and shall meet all of the insurance requirements stated in this contract, including, but not limited to, the additional insured and primary & non-contributory insurance requirements stated herein. No insurance policies maintained by the City, whether primary or excess, and which also apply to a loss covered hereunder, shall be called upon to contribute to a loss until the Contractor's primary and excess/umbrella liability policies are exhausted.

Contractor shall submit to the City, along with a certificate of insurance, any additional insurance requirements stated in Section Four.

4. Other Insurance Requirements. The policies are to contain, or be endorsed to contain, the following provisions:

A. Waiver of Subrogation. All insurance coverage maintained or procured pursuant to this Contract shall be endorsed to waive subrogation against City of City, its City Council, boards and commissions, officers, agents, volunteers, employees, and any person or entity owning or otherwise in legal control of the property upon which Contractor performs the Project and/or Services contemplated by this Contract or shall specifically allow Contractor or others providing insurance evidence in compliance with

these requirements to waive their right of recovery prior to a loss. Contractor hereby waives its own right of recovery against City, and shall require similar written express waivers and insurance clauses from each of its subcontractors.

B. Additional Insured Status. All liability policies including general liability, products-completed operations, excess/umbrella liability, and automobile liability, if required, shall provide or be endorsed to provide that City, its City Council, boards and commissions, officers, agents, volunteers, employees, and any person or entity owning or otherwise in legal control of the property upon which Contractor performs the Project and/or Services contemplated by this Contract shall be included as additional insureds under such policies.

C. Primary and Non Contributory. Contractor's insurance coverage shall be primary insurance and/or the primary source of recovery with respect to City, its City Council, boards and commissions, officers, agents, volunteers, employees, and any person or entity owning or otherwise in legal control of the property upon which Contractor performs the Project and/or Services contemplated by this Contract. Any insurance or self-insurance maintained by City shall be excess of Contractor's insurance and shall not contribute with it.

D. Notice of Cancellation. All policies shall provide City with thirty (30) calendar days' notice of cancellation or nonrenewal of coverage (except for nonpayment for which ten (10) calendar days' notice is required) for each quired coverage except Builders Risk Insurance, which shall contain an endorsement with said required notices.

E. Subcontractors. Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein. Subcontractors shall maintain commercial general liability in an amount not less than one million dollars ($1,000,000) per occurrence, two million dollars ($2,000,000) general aggregate and two million dollars ($2,000,000) completed operations aggregate.

5. Additional Agreements Between the Parties. The parties hereby agree to the following:

A. Evidence of Insurance. Contractor shall provide certificates of insurance to City as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation and other endorsements as specified herein for each coverage. All of the executed documents referenced in this Contract must be returned to City within ten (10) regular City business days after the date on the "Notification of Award". Insurance certificates and endorsements must

be approved by City's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with City at all times during the term of this Contract. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15) days prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced, Contractor shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies. City reserves the right to require complete, certified copies of all required insurance policies, at any time.

B. City's Right to Revise Requirements. The City reserves the right at any time during the term of the Contract to change the amounts and types of insurance required by giving Contractor ninety (90) calendar days' advance written notice of such change. If such change results in substantial additional cost to Contractor, City and Contractor may renegotiate Contractor's compensation.

C. Right to Review Subcontracts. Contractor agrees that upon request, all agreements with subcontractors or others with whom Contractor enters into contracts with on behalf of City will be submitted to City for review. Failure of City to request copies of such agreements will not impose any liability on City, or its employees. Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated in Section Four, including required coverage types, limits, endorsements, and notice provisions. Contractor shall ensure that City is an additional insured on insurance required from subcontractors. For CGL coverage, subcontractors shall provide coverage with a format at least as broad as CG 20 38 04 13.

D. Enforcement of Contract Provisions. Contractor acknowledges and agrees that any actual or alleged failure on the part of City to inform Contractor of non-compliance with any requirement imposes no additional obligations on City nor does it waive any rights hereunder.

E. Requirements not Limiting. Requirements of specific coverage features or limits contained in this Exhibit A are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the

Contractor maintains higher limits than the minimums shown above, the City requires and shall be entitled to coverage for higher limits maintained by the Contractor. Any available proceeds in excess of specified minimum limits of insurance and coverage shall be available to the City.

F. Self-Insured Retentions. Contractor agrees not to self-insure or to use any self-insured retentions on any portion of the insurance required herein and further agrees that it will not allow any indemnifying party to self-insure its obligations to City. If Contractor's existing coverage includes a self-insured retention, the self-insured retention must be declared to City. City may review options with Contractor, which may include reduction or elimination of the self-insured retention, substitution of other coverage, or other solutions. Contractor agrees to be responsible for payment of any deductibles on their policies.

G. City Remedies for Non Compliance. If Contractor or any subcontractor fails to provide and maintain insurance as required herein, then City shall have the right but not the obligation, to purchase such insurance, to terminate this Contract, or to suspend Contractor's right to proceed until proper evidence of insurance is provided. Any amounts paid by City shall, at City's sole option, be deducted from amounts payable to Contractor or reimbursed by Contractor upon demand.

H. Timely Notice of Claims. Contractor shall give City prompt and timely notice of claims made or suits instituted that arise out of or result from Contractor's performance under this Contract, and that involve or may involve coverage under any of the required liability policies. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve City.

I. Coverage not Limited. All insurance coverage and limits provided by Contractor and available or applicable to this Contract are intended to apply to the full extent of the policies. Nothing contained in this Contract or any other agreement relating to City or its operations limits the application of such insurance coverage.

J. Coverage Renewal. Contractor will renew the coverage required here annually as long as Contractor continues to provide any Work under this or any other Contract or agreement with City. Contractor shall provide proof that policies of insurance required herein expiring during the term of this Contract have been renewed or replaced with other policies providing at least the same coverage. Proof that such coverage has been ordered shall be submitted prior to expiration. A coverage binder or letter from Contractor's insurance agent to this effect is acceptable.

A certificate of insurance and/or additional insured endorsement as required in these specifications applicable to the renewing or new coverage must be provided to City with five (5) calendar days of the expiration of the coverages.

K. Maintenance of General Liability Coverage. Contractor agrees to maintain commercial general liability coverage for a period of ten (10) years after completion of the Project or to obtain coverage for completed operations liability for an equivalent period.

EXHIBIT D

CITY OF NEWPORT BEACH
BOND NO. _____
LABOR AND MATERIALS PAYMENT BOND

WHEREAS, the City of Newport Beach, State of California, has awarded to SUPERIOR PAVEMENT MARKINGS, LLC hereinafter designated as the "Principal," an agreement for maintenance and/or repair services, in the City of Newport Beach, in strict conformity with the Agreement on file with the office of the City Clerk of the City of Newport Beach, which is incorporated herein by this reference.

WHEREAS, Principal has executed or is about to execute the Agreement dated December 9, 2025 and the terms thereof require the furnishing of a bond, providing that if Principal or any of Principal's subcontractors, shall fail to pay for any materials, provisions, or other supplies used in, upon, for, or about the performance of the Work agreed to be done, or for any work or labor done thereon of any kind, the Surety on this bond will pay the same to the extent hereinafter set forth.

NOW, THEREFORE, We the undersigned Principal, and, _____ duly authorized to transact business under the laws of the State of California, as Surety, (referred to herein as "Surety") are held and firmly bound unto the City of Newport Beach, in the sum of One Million Eight Hundred Thousand Dollars and 00/100 ($1,800,000.00), lawful money of the United States of America, said sum being equal to 100% of the estimated amount payable by the City of Newport Beach under the terms of the Contract; for which payment well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors, or assigns, jointly and severally, firmly by these present.

THE CONDITION OF THIS OBLIGATION IS SUCH, that if the Principal or the Principal's subcontractors, fail to pay for any materials, provisions, or other supplies, implements or machinery used in, upon, for, or about the performance of the Work contracted to be done, or for any other work or labor thereon of any kind, or for amounts due under the Unemployment Insurance Code with respect to such work or labor, or for any amounts required to be deducted, withheld and paid over to the Employment Development Department from the wages of employees of the Principal and subcontractors pursuant to Section 13020 of the Unemployment Insurance Code with respect to such work and labor, then the Surety will pay for the same, in an amount not exceeding the sum specified in this Bond, and also, in case suit is brought to enforce the obligations of this Bond, a reasonable attorneys' fee, to be fixed by the Court as required by the provisions of Section 9554 of the Civil Code of the State of California.

The Bond shall inure to the benefit of any and all persons, companies, and corporations entitled to file claims under Section 9100 of the California Civil Code so as to give a right of action to them or their assigns in any suit brought upon this Bond, as required by and in accordance with the provisions of Sections 9500 *et seq.* of the Civil Code of the State of California.

And Surety, for value received, hereby stipulates and agrees that no change, extension of time, alterations or additions to the terms of the Agreement or to the Work to be performed thereunder shall in any wise affect its obligations on this Bond, and it does hereby waive notice of any such change, extension of time, alterations or additions to the terms of the Agreement or to the Work or to the specifications.

In the event that any principal above named executed this Bond as an individual, it is agreed that the death of any such principal shall not exonerate the Surety from its obligations under this Bond.

IN WITNESS WHEREOF, this instrument has been duly executed by the above named Principal and Surety, on the _____ day of _____, 20___.

_____	_____
Name of Contractor (Principal)	Authorized Signature/Title
_____	_____
Name of Surety	Authorized Agent Signature
_____	_____
Address of Surety	Print Name and Title
_____	
Telephone	

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE
Date:_____

By:_____
Aaron C. Harp
City Attorney

NOTARY ACKNOWLEDGMENTS OF CONTRACTOR AND SURETY MUST BE ATTACHED

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of _____} *ss.*
On _____, 20_____ before me, _____,
Notary Public, personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_____
Signature (seal)

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of _____} *ss.*
On _____, 20_____ before me, _____,
Notary Public, personally appeared _____,
proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_____
Signature (seal)

EXHIBIT E

CITY OF NEWPORT BEACH
BOND NO. _____
FAITHFUL PERFORMANCE BOND

KNOW ALL PERSONS BY THESE PRESENTS:

THAT WHEREAS, the City of Newport Beach, (hereinafter referred to as "City") has awarded to SUPERIOR PAVEMENT MARKINGS, LLC, (hereinafter referred to as the "Contractor") an agreement for the work necessary for the completion of this contract consists of the work set forth in Exhibit A to the Agreement (hereinafter referred to as the "Project").

WHEREAS, the work to be performed by the Contractor is more particularly set forth in the Contract Documents for the Project dated December 9, 2025, (hereinafter referred to as "Contract Documents"), the terms and conditions of which are expressly incorporated herein by reference; and

WHEREAS, the Contractor is required by said Contract Documents to perform the terms thereof and to furnish a bond for the faithful performance of said Contract Documents.

NOW, THEREFORE, we, the undersigned Contractor and _____ as Surety, a corporation organized and duly authorized to transact business under the laws of the State of California, are held and firmly bound unto the City in the sum of One Million Eight Hundred Thousand Dollars and 00/100 ($1,800,000.00), said sum being not less than one hundred percent (100%) of the total amount of the Contract, for which amount well and truly to be made, we bind ourselves, our heirs, executors and administrators, successors and assigns, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, that, if the Contractor, their or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and agreements in the Contract Documents and any alteration thereof made as therein provided, on its part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their intent and meaning; and shall faithfully fulfill all obligations including the one (1) year guarantee of all materials and workmanship; and shall indemnify and save harmless the City, their respective officials, officers, employees, and authorized volunteers, as stipulated in said Contract Documents, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

As a part of the obligation secured hereby and in addition to the face amount specified therefore, there shall be included costs and reasonable expenses and fees including reasonable attorney's fees, incurred by City in enforcing such obligation.

As a condition precedent to the satisfactory completion of the Contract Documents, unless otherwise provided for in the Contract Documents, the above obligation shall hold

good for a period of one (1) year after the acceptance of the work by City, during which time if Contractor shall fail to make full, complete, and satisfactory repair and replacements and totally protect the City from loss or damage resulting from or caused by defective materials or faulty workmanship. The obligations of Surety hereunder shall continue so long as any obligation of Contractor remains. Nothing herein shall limit the City's rights or the Contractor or Surety's obligations under the Contract, law or equity, including, but not limited to, California Code of Civil Procedure Section 337.15.

Whenever Contractor shall be, and is declared by the City to be, in default under the Contract Documents, the Surety shall remedy the default pursuant to the Contract Documents, or shall promptly, at the City's option:

i. Take over and complete the Project in accordance with all terms and conditions in the Contract Documents; or

ii. Obtain a bid or bids for completing the Project in accordance with all terms and conditions in the Contract Documents and upon determination by Surety of the lowest responsive and responsible bidder, arrange for a Contract between such bidder, the Surety and the City, and make available as work progresses sufficient funds to pay the cost of completion of the Project, less the balance of the contract price, including other costs and damages for which Surety may be liable. The term "balance of the contract price" as used in this paragraph shall mean the total amount payable to Contractor by the City under the Contract and any modification thereto, less any amount previously paid by the City to the Contractor and any other set offs pursuant to the Contract Documents.

iii. Permit the City to complete the Project in any manner consistent with California law and make available as work progresses sufficient funds to pay the cost of completion of the Project, less the balance of the contract price, including other costs and damages for which Surety may be liable. The term "balance of the contract price" as used in this paragraph shall mean the total amount payable to Contractor by the City under the Contract and any modification thereto, less any amount previously paid by the City to the Contractor and any other set offs pursuant to the Contract Documents.

Surety expressly agrees that the City may reject any contractor or subcontractor which may be proposed by Surety in fulfillment of its obligations in the event of default by the Contractor.

Surety shall not utilize Contractor in completing the Project nor shall Surety accept a bid from Contractor for completion of the Project if the City, when declaring the Contractor in default, notifies Surety of the City's objection to Contractor's further participation in the completion of the Project.

The Surety, for value received, hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Contract Documents or to the

Project to be performed thereunder shall in any way affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the Contract Documents or to the Project.

IN WITNESS WHEREOF, this instrument has been duly executed by the Principal and Surety above named, on the _____ day of _____, 20___.

_____	_____
Name of Contractor (Principal)	Authorized Signature/Title
_____	_____
Name of Surety	Authorized Agent Signature
_____	_____
Address of Surety	Print Name and Title
_____	
Telephone	

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE
Date:_____

By:_____
Aaron C. Harp
City Attorney

NOTARY ACKNOWLEDGMENTS OF
CONTRACTOR AND SURETY MUST BE ATTACHED

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of _____} *ss.*
On _____, 20_____ before me, _____,
Notary Public, personally appeared _____,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_____
Signature (seal)

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of _____} *ss.*
On _____, 20_____ before me, _____,
Notary Public, personally appeared _____,
proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_____
Signature (seal)

CITY OF

NEWPORT BEACH

City Council Staff Report

December 9, 2025
Agenda Item No. 9

TO:	HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM:	David A. Webb, Public Works Director - 949-644-3311, dawebb@newportbeachca.gov
PREPARED BY:	Andy Tran, Principal Civil Engineer - 949-644-3315, atran@newportbeachca.gov
TITLE:	Approval of Amendment No. Seven to Professional Services Agreement with Dokken Engineering for the West Coast Highway Intersection Improvements and Pedestrian Bridge - (Contract No. 8020-5)

ABSTRACT:

The City of Newport Beach has a Professional Services Agreement with Dokken Engineering to develop concepts and design for a potential pedestrian/bicycle bridge over West Coast Highway at Superior Avenue. The term of the agreement is set to expire on December 31, 2025. Staff requests City Council approval of Amendment No. Seven to extend the term of the agreement to December 31, 2027.

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; and

b) Approve Amendment No. Seven to Professional Services Agreement with Dokken Engineering for Superior Avenue overcrossing and parking lot project final design and engineering services (Contract No. 8020-5) to extend the term of the agreement to December 31, 2027, and authorize the Mayor and City Clerk to execute the amendment.

DISCUSSION:

In 2016, during the initial planning phase of the proposed improvements at the intersection of West Coast Highway and Superior Avenue, the proposed project scope included the following main components:

1. A new pedestrian bridge overcrossing Superior Avenue
2. A new larger public parking lot
3. Widening West Coast Highway to improve traffic flow through the intersection
4. A new pedestrian bridge overcrossing West Coast Highway

Due to permitting and grant funding constraints, the proposed improvements were split into two distinct projects. The first project, Superior Avenue Pedestrian/Bicycle Bridge and Parking Lot (Project No. 15T09), included constructing the pedestrian bridge overcrossing Superior Avenue and the new larger Sunset View Park public parking lot in addition to several other ancillary improvements. The construction of this project was substantially completed on September 27, 2024. Staff is currently developing the preliminary design for the second project, which is West Coast Highway Intersection Improvements and Pedestrian Bridge project (Project No. 21R16). The second project will include widening West Coast Highway at this intersection and a second pedestrian bridge overcrossing West Coast Highway.

The City entered into a Professional Services Agreement with Dokken Engineering on November 19, 2019, to prepare the construction documents for Project No. 15T09. Upon securing Orange County Measure M2 grant funding for Project No. 21R16, the City approved Amendment No. One on August 25, 2020, to complete the environmental and design services for the second project. Subsequently, the City approved amendments two through six to complete various design and construction support tasks for Project 15T09.

The term of this Professional Services Agreement with Dokken Engineering is set to expire on December 31, 2025. To avoid forfeiting the Orange County Measure M2 grant funding, staff recommends approving Amendment No. Seven to further extend the term of the agreement to December 31, 2027.

FISCAL IMPACT:

This proposed amendment is an extension of time only, no additional funding is being added to the contract.

ENVIRONMENTAL REVIEW:

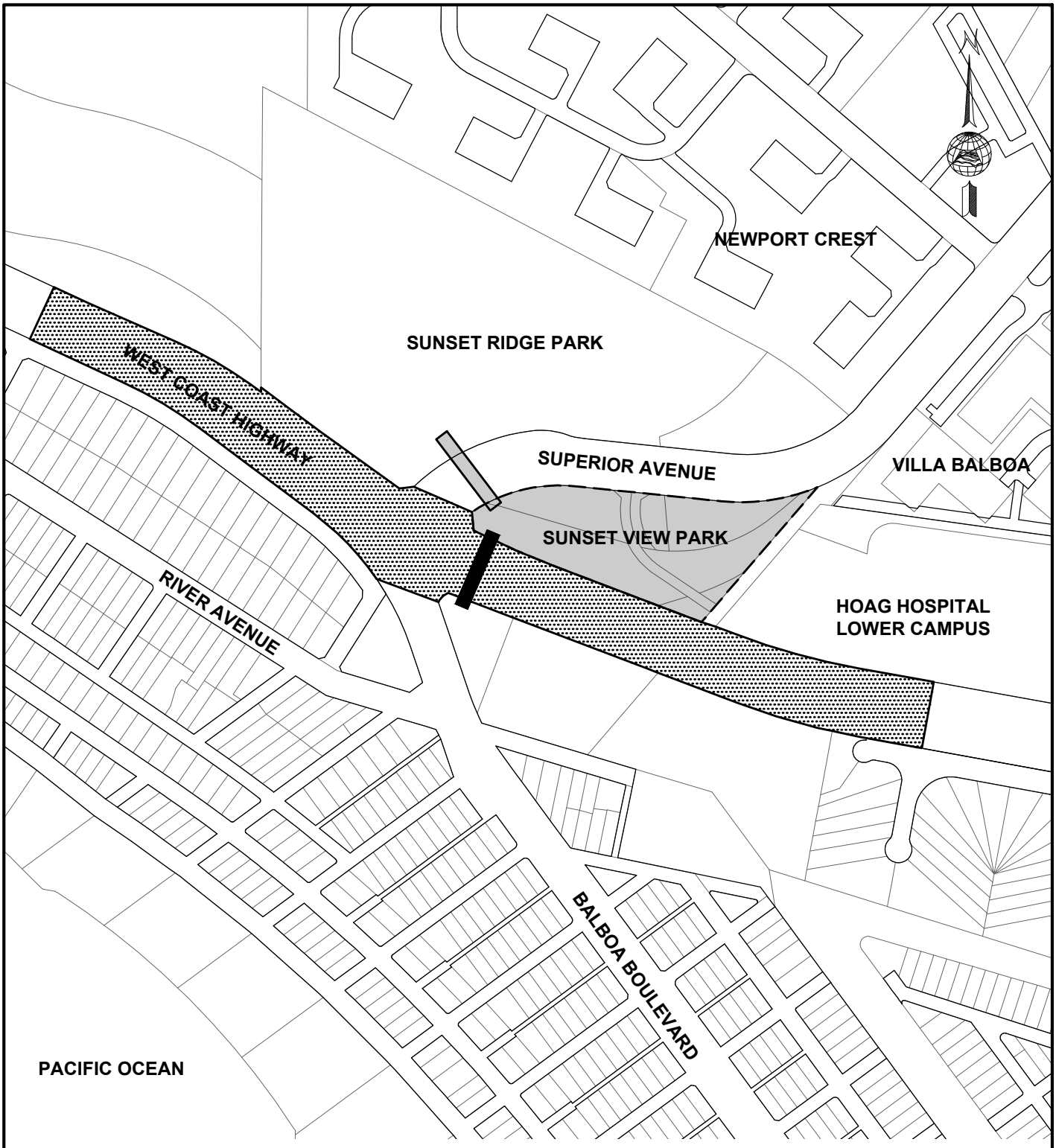
Staff recommends the City Council find this action is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a 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 – Location Map
Attachment B – Amendment No. 7



WEST COAST HIGHWAY INTERSECTION IMPROVEMENTS AND PEDESTRIAN BRIDGE LOCATION MAP	CITY OF NEWPORT BEACH PUBLIC WORKS DEPARTMENT		
	C-8020	21R16	12/9/2025

I:\Users\PBW\Shared\Contracts\FY25-26 CURRENT\200_STREET_DRAINW\CH Widening & Bridge 21R16\COUNCIL MEMOS\Location Map_8020.dwg 11/12/25 - 10:40am DJordan

AMENDMENT NO. SEVEN TO PROFESSIONAL SERVICES AGREEMENT WITH DOKKEN ENGINEERING FOR SUPERIOR AVENUE OVERCROSSING AND PARKING LOT PROJECT FINAL DESIGN AND ENGINEERING SERVICES

THIS AMENDMENT NO. SEVEN TO PROFESSIONAL SERVICES AGREEMENT ("Amendment No. Seven") is made and entered into as of this 9th day of December, 2025 ("Effective Date"), by and between the CITY OF NEWPORT BEACH, a California municipal corporation and charter city ("City"), and DOKKEN ENGINEERING, a California corporation ("Consultant"), whose address is 110 Blue Ravine Road, Suite 200, Folsom, CA 95630, and is made with reference to the following:

RECITALS

A. On November 19, 2019, City and Consultant entered into a Professional Services Agreement (Contract No. C-8020-5) ("Agreement") to provide final design and engineering services for the Superior Avenue Overcrossing and Parking Lot ("Project").

B. On January 14, 2020, the City adopted Resolution 2020-04 authorizing and approving the submittal of a funding application ("Application") for an intersection capacity enhancement project to the Orange County Transportation Authority ("OCTA") for funding under the Comprehensive Transportation Funding Program.

C. On May 11, 2020, OCTA approved the City's Application, in which the City received funds to conduct environmental review and design services for the West Coast Highway Widening and Pedestrian Bridge Project.

D. On August 25, 2020, City and Consultant entered into Amendment No. One to the Agreement ("Amendment No. One") to reflect additional Services to include the West Coast Highway Widening and Pedestrian Bridge Project (hereinafter collectively referred to as the "Project") not included in the Agreement, and to increase the total compensation.

E. On March 22, 2022, City and Consultant entered into Amendment No. Two to the Agreement ("Amendment No. Two") to reflect additional Services related to the Superior Avenue portion of the Project not included in the Agreement, as amended, and to increase the total compensation.

F. On November 29, 2022, City and Consultant entered into Amendment No. Three to the Agreement ("Amendment No. Three") to reflect additional Services related to project updates not included in the Agreement, as amended, to increase the total compensation, update Consultant's Project Manager, amend the Ownership of Documents section, and amend the insurance requirements.

G. On December 21, 2023, City and Consultant entered into Amendment No. Four to the Agreement ("Amendment No. Four") to reflect additional Services not included

in the Agreement, as amended, to extend the term of the Agreement to November 19, 2024, to increase the total compensation, and to update Consultant's Project Manager.

H. On July 23, 2024, City and Consultant entered into Amendment No. Five to the Agreement ("Amendment No. Five") to reflect additional Services not included in the Agreement, as amended, to extend the term of the Agreement to December 31, 2025, and to increase the total compensation.

I. On March 17, 2025, City and Consultant entered into Amendment No. Six to the Agreement ("Amendment No. Six") to reflect additional Services not included in the Agreement, as amended, and to amend the compensation.

J. The parties desire to enter into this Amendment No. Seven to extend the term of the Agreement to December 31, 2027, update the Notices Section, and update the insurance requirements.

NOW, THEREFORE, it is mutually agreed by and between the undersigned parties as follows:

1. TERM

Section 1 of the Agreement is amended in its entirety and replaced with the following: "The term of this Agreement shall commence on the Effective Date, and shall terminate on December 31, 2027, unless terminated earlier as set forth herein."

2. INSURANCE

As of this Effective Date of this Amendment No. Seven, Exhibit C of the Agreement shall be deleted in its entirety and replaced with Exhibit C, attached hereto and incorporated herein by reference. Any reference to Exhibit C in the Agreement shall hereafter refer to Exhibit C attached hereto.

3. NOTICES

Section 26.3 of the Agreement is amended in its entirety and replaced with the following:

"26.3 All notices, demands, requests or approvals from City to Consultant shall be addressed to Consultant at:

Attn: John Klemunes
Dokken Engineering
110 Blue Ravine Road, Suite 200
Folsom, CA 95630"

4. INTEGRATED CONTRACT

Except as expressly modified herein, all other provisions, terms, and covenants set forth in the Agreement shall remain unchanged and shall be in full force and effect.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have caused this Amendment No. Seven to be executed on the dates written below.

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE
Date: 11/7/25

By: Jose Montoya for
Aaron C. Harp
City Attorney

ATTEST:
Date:_____

By:_____
Lena Shumway
City Clerk

CITY OF NEWPORT BEACH,
a California municipal corporation
Date:_____

By:_____
Joe Stapleton
Mayor

CONSULTANT:
DOKKEN ENGINEERING, a California corporation
Date:_____

By:_____
John A. Klemunes Jr.
President

[END OF SIGNATURES]

Attachments: Exhibit C – Insurance Requirements

EXHIBIT C

INSURANCE REQUIREMENTS – PROFESSIONAL SERVICES

1. Provision of Insurance. Without limiting Consultant's indemnification of City, and prior to commencement of Work, Consultant shall obtain, provide and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to City. Consultant agrees to provide insurance in accordance with requirements set forth here. If Consultant uses existing coverage to comply and that coverage does not meet these requirements, Consultant agrees to amend, supplement or endorse the existing coverage.

2. Acceptable Insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the City's Risk Manager.

3. Coverage Requirements.

   A. Workers' Compensation Insurance. Consultant shall maintain Workers' Compensation Insurance, statutory limits, and Employer's Liability Insurance with limits of at least one million dollars ($1,000,000) each accident for bodily injury by accident and each employee for bodily injury by disease in accordance with the laws of the State of California, Section 3700 of the Labor Code.

   Consultant shall submit to City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of City, its City Council, boards and commissions, officers, agents, volunteers, employees and any person or entity owning or otherwise in legal control of the property upon which Consultant performs the Project and/or Services contemplated by this Agreement.

   B. General Liability Insurance. Consultant shall maintain commercial general liability insurance, and if necessary umbrella liability insurance, with coverage at least as broad as provided by Insurance Services Office form CG 00 01, in an amount not less than two million dollars ($2,000,000) per occurrence, four million dollars ($4,000,000) general aggregate. The policy shall cover liability arising from premises, operations, personal and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract).

   C. Automobile Liability Insurance. Consultant shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of Consultant arising out of or in connection with Work to be performed under this

Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than one million dollars ($1,000,000) combined single limit each accident.

D. Professional Liability (Errors & Omissions) Insurance. Consultant shall maintain professional liability insurance that covers the Services to be performed in connection with this Agreement, in the minimum amount of two million dollars ($2,000,000) per claim and four million dollars ($4,000,000) in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the Effective Date of this Agreement and Consultant agrees to maintain continuous coverage through a period no less than three years after completion of the Services required by this Agreement.

4. Other Insurance Requirements. The policies are to contain, or be endorsed to contain, the following provisions:

A. Waiver of Subrogation. All insurance coverage maintained or procured pursuant to this Agreement shall be endorsed to waive subrogation against City, its City Council, boards and commissions, officers, agents, volunteers, employees and any person or entity owning or otherwise in legal control of the property upon which Consultant performs the Project and/or Services contemplated by this Agreement or shall specifically allow Consultant or others providing insurance evidence in compliance with these requirements to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against City, and shall require similar written express waivers from each of its subconsultants.

B. Additional Insured Status. All liability policies including general liability, excess liability, pollution liability, and automobile liability, if required, but not including professional liability, shall provide or be endorsed to provide that City, its City Council, boards and commissions, officers, agents, volunteers, employees and any person or entity owning or otherwise in legal control of the property upon which Consultant performs the Project and/or Services contemplated by this Agreement shall be included as insureds under such policies.

C. Primary and Non Contributory. All liability coverage shall apply on a primary basis and shall not require contribution from any insurance or self-insurance maintained by City.

D. Notice of Cancellation. All policies shall provide City with thirty (30) calendar days' notice of cancellation (except for nonpayment for which ten (10) calendar days' notice is required) or nonrenewal of coverage for each required coverage.

5. Additional Agreements Between the Parties. The parties hereby agree to the following:

A. Evidence of Insurance. Consultant shall provide certificates of insurance to City as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation and other endorsements as specified herein for each coverage. Insurance certificates and endorsement must be approved by City's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with City at all times during the term of this Agreement. The certificates and endorsements for each insurance policy shall be signed by a person authorized by that insurer to bind coverage on its behalf. At least fifteen (15) days prior to the expiration of any such policy, evidence of insurance showing that such insurance coverage has been renewed or extended shall be filed with the City. If such coverage is cancelled or reduced, Consultant shall, within ten (10) days after receipt of written notice of such cancellation or reduction of coverage, file with the City evidence of insurance showing that the required insurance has been reinstated or has been provided through another insurance company or companies. City reserves the right to require complete, certified copies of all required insurance policies, at any time.

B. City's Right to Revise Requirements. City reserves the right at any time during the term of the Agreement to change the amounts and types of insurance required by giving Consultant sixty (60) calendar days' advance written notice of such change. If such change results in substantial additional cost to Consultant, City and Consultant may renegotiate Consultant's compensation.

C. Right to Review Subcontracts. Consultant agrees that upon request, all agreements with subcontractors or others with whom Consultant enters into contracts with on behalf of City will be submitted to City for review. Failure of City to request copies of such agreements will not impose any liability on City, or its employees. Consultant shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Consultant shall ensure that City is an additional insured on insurance required from subcontractors. For CGL coverage, subcontractors shall provide coverage with a format at least as broad as CG 20 38 04 13.

D. Enforcement of Agreement Provisions. Consultant acknowledges and agrees that any actual or alleged failure on the part of City to inform Consultant of non-compliance with any requirement imposes no additional obligations on City nor does it waive any rights hereunder.

E. Requirements not Limiting. Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If the Consultant maintains higher limits than the minimums shown above, the City requires and shall be

entitled to coverage for higher limits maintained by the Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

F. Self-insured Retentions. Any self-insured retentions must be declared to and approved by City. City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these requirements unless approved by City.

G. City Remedies for Non-Compliance. If Consultant or any subconsultant fails to provide and maintain insurance as required herein, then City shall have the right but not the obligation, to purchase such insurance, to terminate this Agreement, or to suspend Consultant's right to proceed until proper evidence of insurance is provided. Any amounts paid by City shall, at City's sole option, be deducted from amounts payable to Consultant or reimbursed by Consultant upon demand.

H. Timely Notice of Claims. Consultant shall give City prompt and timely notice of claims made or suits instituted that arise out of or result from Consultant's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve City.

I. Consultant's Insurance. Consultant shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the Work.

CITY OF

NEWPORT BEACH

City Council Staff Report

December 9, 2025
Agenda Item No. 10

TO:	HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM:	Grace K. Leung, City Manager - 949-644-3001, gleung@newportbeachca.gov
PREPARED BY:	Jason Al-Imam, Finance Director/City Treasurer - 949-644-3126, jalimam@newportbeachca.gov Jaime Murillo, Interim Community Development Director - 949-644-3209, jmurillo@newportbeachca.gov Avery Maglinti, IT Manager - 949-644-3091, amaglinti@newportbeachca.gov
TITLE:	Amendment No. Four to the Professional Services and Software License Agreement with Tyler Technologies, Inc. for the Land Management System (Contract No. 8399-1)

ABSTRACT:

In 2019, the City of Newport Beach (City) entered into a three-year agreement to implement and license the Tyler Enterprise Permitting Licensing (EPL) system, formerly named EnerGov. This agreement expired in June of 2023, and the licensing and support portion of the agreement has continued on an annual renewal basis. Staff is requesting approval to enter into a new five-year agreement with Tyler Technologies for the licensing and support of the EPL system. In addition to the licensing renewal, staff is requesting the purchase of additional EPL licensing, the implementation of Tyler Payments merchant services, the purchase of credit card terminal hardware, and the purchase of licensing for the EPL Decision Engine Product. For the City Council's consideration is an amendment to the software license agreement with Tyler Technologies, Inc.

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; and

b) Authorize the Mayor and City Clerk to execute Amendment No. 4 to Professional Services and Software License Agreement with Tyler Technologies, Inc. for Land Management System for $933,181.21, for a total not-to-exceed amount of $2,074,194.29.

DISCUSSION:

In 2019, the City entered into a three-year service and licensing agreement with Tyler Technologies for the implementation of the Tyler Enterprise Permitting and Licensing

(EPL) system. Tyler EPL was selected after an extensive and competitive selection process to replace a legacy permitting system. The system was implemented in three phases over the course of three years and was completed in 2023. The Tyler EPL system is critical to the daily operations of City departments that manage permitting, planning, inspections, licensing and code enforcement. It has helped streamline and automate many service-related processes throughout the organization.

Realized Benefits of the Enterprise Permitting and Licensing System

The implementation of the Tyler EPL system provided the City with several efficiency opportunities to streamline operations and communication between the public and staff. Some of the key benefits realized by implementing the EPL system include:

- Modernizes the permitting, planning, licensing and code enforcement workflows by consolidating all functions into a single, integrated platform used across Community Development, Public Works, Fire, Utilities, and Recreation
- Improves staff efficiency by reducing manual processes, duplication of work, and reliance on paper-based submittals or legacy systems
- Enhances interdepartmental coordination with unified data and real-time access to case information, documents, inspections, and approvals
- Provides mobile capability for field operations through Workforce Mobile, allowing inspectors and code enforcement officers to complete inspections, issue notices, and update cases directly from the field
- Enhances transparency for applicants and residents by offering self-service access to application status, permit history, and required documents
- Enables integrated online payments, allowing customers to pay fees conveniently online or in person via secure credit card terminals
- Improves financial reconciliation and reporting by linking payments directly to specific permits and cases within the system
- Provides improved reporting and analytics through configurable reports, dashboards, and data integrations, enabling departments to track performance, identify trends, and support data-driven decision-making

Items Contained in Amendment Four

This amendment to the City's existing agreement with Tyler Technologies expands and renews the City's Enterprise Permitting and Licensing (EPL) system, which supports the departments of Community Development, Public Works, Fire, Utilities, and Recreation. Including the operational functions of permitting, planning, licensing, and code enforcement. The amendment addresses four key areas:

1. **Expansion of Enterprise Permitting and Licensing (EPL) System Access**

   The amendment provides additional user licenses for the City's existing EPL system to accommodate new staff users and improve operational capacity. It also includes the addition of Workforce Mobile, a companion mobile application that

allows field staff, such as inspectors and code enforcement officers, to record and update data directly from the field using mobile devices. This enhancement improves efficiency, data accuracy, and real-time information sharing across departments.

2. **Implementation of Tyler Payments**

   The amendment adds Tyler Payments to provide a fully integrated payment processing solution with the EPL system. This service enables the City to accept and process credit card and electronic check payments for permit, planning, licensing, and code enforcement transactions. As part of this implementation, the City will deploy new credit card terminals at designated locations, allowing staff to process payments in person. Integrating payment processing directly into the permitting system will streamline fee collection, improve reconciliation, and enhance customer convenience.

3. **Addition of Decision Engine**

   Decision Engine is a web-based tool designed to simplify the online application experience for residents and businesses. It uses a guided question-and-answer format to help users identify the appropriate application type and navigate the required submittal steps. This feature will reduce confusion, minimize incomplete applications, and improve the overall customer experience for users interacting with the City's permitting portal.

4. **Renewal of Licensing Agreement**

   The amendment also establishes a five-year renewal of the City's licensing and support agreement for the EPL system and its associated products, ensuring continued access to software updates, technical support, and maintenance. This renewal provides long-term stability for the City's permitting platform and ensures continuity of service as the system continues to support community development operations.

The annual cost of the licensing and support agreement, including additional purchases, is $156,460.89, with an annual increase capped at 5 percent. There is an additional one-time cost of $41,456.00 for the purchase of the additional EPL user licensing, Tyler Payments Credit Card Terminals, and Decision Engine. Staff has also included a contingency of $27,180.04 to cover potential additional licensing costs during the term of this agreement. This translates to a total anticipated cost of $933,181.21 for the fully executed five-year licensing and support period, including additional purchases outlined in the agreement.

FISCAL IMPACT:

No additional General Funds are required. The adopted budget includes sufficient funding of $933,181.21 for this amendment. The software license renewal and support portion will be expensed to the Software License Renewal account in the City Manager's Office IT Division, 76420203 - 871017. The additional user license and Decision Engine purchase

will be expensed to the Software Licenses account in the City Manager's Office Permit System Replacement, 7657654 - 911003

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).

ATTACHMENT:

Attachment A – Amendment No. Four License Agreement with Tyler Technologies

AMENDMENT NO. FOUR TO PROFESSIONAL SERVICES AND SOFTWARE LICENSE AGREEMENT WITH TYLER TECHNOLOGIES, INC. FOR LAND MANAGEMENT SYSTEM

THIS AMENDMENT NO. FOUR TO PROFESSIONAL SERVICES AND SOFTWARE LICENSE AGREEMENT ("Amendment No. Four") is made and entered into as of this 9th day of December, 2025 ("Effective Date"), by and between the CITY OF NEWPORT BEACH, a California municipal corporation and charter city ("City"), and TYLER TECHNOLOGIES, INC., a Delaware corporation ("Tyler", "City" and "Tyler" may individually or collectively be referred to herein as "Party" or "Parties""), whose address is 5101 Tennyson Parkway, Plano, Texas 75024, and is made with reference to the following:

RECITALS

A. On April 23, 2019, City and Tyler entered into a Software License and Professional Services Agreement (Contract No. C8399-1) ("Agreement") for implementation of the Land Management System ("Project").

B. On December 15, 2020, City and Tyler entered into Amendment No. One ("Amendment No. One") to remove certain items from the Scope of Services and reduce the total compensation.

C. On January 19, 2022, City and Tyler entered into Amendment No. Two ("Amendment No. Two") to add a Project Schedule and eliminate software license fees for year two (2) of the Agreement.

D. On April 13, 2022, City and Tyler entered into Amendment No. Three ("Amendment No. Three") to extend the term of the contract.

E. The parties desire to enter into this Amendment No. Four ("Amendment No. Four") to extend the software license, add additional software licenses and services, and update the total compensation.

NOW, THEREFORE, it is mutually agreed by and between the undersigned parties as follows:

1. TERM

Section 1 to the Agreement is amended in its entirety and replaced with the following:

"The term of this Agreement shall commence on the Effective Date, and shall terminate on November 30, 2030, unless terminated earlier as set forth herein. Notwithstanding the failure to extend or renew the Term, the license for the Tyler software licensed to the City pursuant to this Agreement is irrevocable in nature (subject to City's

compliance with the Licenses as defined below) and shall not be subject to the limitations in term as set forth above."

2. SERVICES TO BE PERFORMED

Exhibit A to the Agreement shall be supplemented to include the Statement of Statement of Work, attached hereto as Exhibit A and incorporated herein by reference ("Services" or "Work"). Exhibit A to the Agreement and Exhibit A to this Amendment No. Four shall collectively be known as "Exhibit A." The City may elect to delete certain Services within the Scope of Services at its sole discretion.

3. COMPENSATION TO CONSULTANT

Exhibit B - Attachment 1 to the Agreement shall be supplemented to include the Compensation Schedule, attached hereto as Exhibit B - Attachment 1 and incorporated herein by reference. Exhibit B - Attachment 1 to the Agreement and Exhibit B - Attachment 1 to this Amendment No. 4 shall collectively be known as "Exhibit B - Attachment 1."

Section 4.1 of the Agreement is amended in its entirety and replaced with the following: "City shall pay Consultant for the Services on a not-to-exceed basis in accordance with the provisions of this Section and the Compensation Schedule attached hereto as Exhibit B-Attachment 1, and incorporated herein by reference. Consultant's compensation for all Work performed in accordance with this Agreement, including all reimbursable items and subconsultant fees, shall not exceed **Two Million Seventy Four Thousand One Hundred Ninety Four Dollars and 29/100 ($2,074,194.29),** without prior written authorization from City. No billing rate changes shall be made during the term of this Agreement without the prior written approval of City."

The total amended compensation reflects Consultant's additional compensation for additional Services to be performed in accordance with this Amendment No. Four, including all reimbursable items and subconsultant fees, in an amount not to exceed **Nine Hundred Thirty Three Thousand One Hundred Eighty One Dollars and 21/100 ($933,181.21).**

4. NOTICES

Section 26.3 of the Agreement is amended in its entirety and replaced with the following:

Attn: Chief Legal Officer
Tyler Technologies, Inc.
7701 College Boulevard
Overland Park, KS 66210

5. INTEGRATED CONTRACT

Except as expressly modified herein, all other provisions, terms, and covenants set forth in the Agreement shall remain unchanged and shall be in full force and effect.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties have caused this Amendment No. Four to be executed on the dates written below.

APPROVED AS TO FORM: CITY ATTORNEY'S OFFICE

Date: 11/26/25

By: Jose Montoya for
Aaron C. Harp
City Attorney 11.26.25 AS

ATTEST:

Date: _____

By: _____
Lena Shumway
City Clerk

CITY OF NEWPORT BEACH,
a California municipal corporation

Date: _____

By: _____
Joe Stapleton
Mayor

CONSULTANT: Tyler Technologies, Inc., a Delaware corporation

Date: _____

By: _____
Chris Webster
President – ERP & Civic Division

Date: _____

By: _____
Rob Kennedy-Jensen
Senior Director of Policy and Compliance – Legal

[END OF SIGNATURES]

Attachments: Exhibit A - Statement of Work
Exhibit B - Attachment 1 - Compensation Schedule

IN WITNESS WHEREOF, the parties have caused this Amendment No. Four to be executed on the dates written below.

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE

Date:_____

By: _____

Aaron C. Harp
City Attorney

ATTEST:

Date:_____

By:_____
Lena Shumway
City Clerk

CITY OF NEWPORT BEACH,
a California municipal corporation

Date: _____

By:_____
Joe Stapleton
Mayor

CONSULTANT: Tyler Technologies, Inc.,
a Delaware corporation

Date: 11/25/2025

By:_____
Chris Webster
President-ERP & Civic Division

Date: 11/25/25

By:_____
Rob Kennedy-Jensen
Senior Director of Policy and Compliance - Legal

[END OF SIGNATURES]

Attachments: Exhibit A - Statement of Work
Exhibit B - Attachment 1 - Compensation Schedule

EXHIBIT A
STATEMENT OF WORK

This amendment to the City's existing agreement with Tyler Technologies expands and renews the City's Enterprise Permitting and Licensing (EPL) system, which supports Community Development, Public Works, Fire, Utilities, and Recreation operations, including permitting, planning, licensing, inspections, and code enforcement. The amendment addresses four key areas:

1. Expansion of Enterprise Permitting and Licensing (EPL) System Access

The amendment provides additional user licenses for the City's existing EPL system to accommodate new staff users and improve operational capacity. It also includes the addition of Workforce Mobile, a companion mobile application that allows field staff such as inspectors and code enforcement officers to record and update data directly from the field using mobile devices. This enhancement improves efficiency, data accuracy, and real-time information sharing across departments.

2. Implementation of Tyler Payments

Tyler Payments is being added to provide a fully integrated payment processing solution within the EPL system. This service enables the City to accept and process credit card and electronic check payments for permit, planning, licensing, and code enforcement transactions. As part of this implementation, the City will deploy new credit card terminals at designated locations, allowing staff to process payments in person. Integrating payment processing directly into the permitting system will streamline fee collection, improve reconciliation, and enhance customer convenience.

3. Addition of Decision Engine

Decision Engine is a web-based tool designed to simplify the online application experience for residents and businesses. It uses a guided question-and-answer format to help users identify the appropriate application type and navigate the required steps for submittal. This feature will reduce confusion, minimize incomplete applications, and improve the overall customer experience for users interacting with the City's permitting portal. Tyler will ensure and troubleshoot the connection and provide application configuration training. The client is responsible to design

4. Renewal of Licensing Agreement

The amendment also establishes a five-year renewal of the City's licensing and support agreement for the EPL system and its associated products, ensuring continued access to software updates, technical support, and maintenance. This renewal provides long-term stability for the City's permitting platform and ensures continuity of service as the system continues to support community development operations.

Nothing in this Exhibit A expands or otherwise alters the warranties Tyler provides with respect to the Software or Services as set forth in the Agreement.

EXHIBIT "B" - ATTACHMENT 1
COMPENSATION SCHEDULE

The following details the Compensation Schedule for the Services to be delivered by Tyler under the Agreement and this Amendment No. 4. This Compensation Schedule is effective as of Amendment No. 4 Effective Date despite any expiration date in any Amendment Investment Summary that may have lapsed as of Amendment No. 4 Effective Date.

Service	Timeframe	Amount
Current EPL Renewal Pricing Items	12.1.25-11.30.26	$133,063.89
Current Workforce Mobile Maintenance	12.1.25-11.30.26	$6,077.00
New		
Workforce Mobile License (5 users)	One-time Purchase	$4995.00
Workforce Mobile Maintenance	12.1.25-11.30.26	$1,000.00
Community Development Add'l Users License	One-time Purchase	$29,990.00
Community Development Maintenance	12.1.25-11.30.26	$6,000.00
Payments Lane 7000	One-time Purchase	$3,771.00
Payments Lane 7000 Yearly PCI	12.1.25-11.30.26	$1,620.00
Decision Engine Annual Fee	12.1.25-11.30.26	$8,700.00
Decision Engine Prof. Services	One-time Purchase	$2,700.00
Annual Fee Totals Years 1-5 (Existing and New):		
Year 1	12.1.25-11.30.26	$156,460.89
Year 2 w/ 5% adjustment	12.1.26-11.30.27	$164,283.93
Year 3 w/ 5% adjustment	12.1.27-11.30.28	$172,498.13
Year 4 w/ 5% adjustment	12.1.28-11.30.29	$181,123.04
Year 5 w/ 5% adjustment	12.1.29-11.30.30	$190,179.19
Contingency:		$27,180.04
Total One-Time Fees:		$41,456.00
TOTAL		**$933,181.21**

Fees for year one of hardware maintenance will be invoiced as of the first day of the calendar month following the date the hardware is delivered and may be prorated to end coterminous with the Annual Support Maintenance term. Subsequent annual hardware maintenance fees shall be invoiced together with the Annual Support Maintenance term in accordance with the terms of the Agreement.

The basis for this Compensation Schedule is itemized below.

tyler technologies

Quoted By: Andrew Meyer
Quote Expiration: 11/1/25
Quote Name: Tyler Payments (PASS FEES) & Decision Engine

Sales Quotation For:
NEWPORT BEACH, CA CITY OF
100 CIVIC CENTER DR
NEWPORT BEACH CA 92660-3267

Tyler Software

Description	License	Users/Units	Module Total	Year One Maintenance
Enterprise Permitting & Licensing Extensions				
Workforce Mobile Maintenance	$ 0	1	$ 0	$ 6,077
TOTAL			$ 0	$ 6,077

Tyler Annual Software

Descripton	Monthly Fee	Users/Units	Annual Fee
Enterprise Permitting & Licensing Extensions			
Decision Engine	$ 725	1	$ 8,700
TOTAL:			$ 8,700

Professional Services

Description	Quantity	Unit Price	Extended Price	Maintenance
Professional Services				
Professional Implementation Services - Remote	8	$ 225	$ 1,800	$ 0
Project Management Services - Remote	4	$ 225	$ 900	$ 0
TOTAL:			**$ 2,700**	**$ 0**

Payments

	Use Case	List Price	Service %	Min	Basis Points	Rate	Cap	POS	Online	IVR
Payments - Payer Card Cost - Service Fees										
Enterprise Permitting & Licensing										
Enterprise Permitting & Licensing Payments	Code Enforcement		3.50%	$ 2.50				X	X	
Enterprise Permitting & Licensing Payments	Licenses		3.50%	$ 2.50				X	X	
Enterprise Permitting & Licensing Payments	Planning		3.50%	$ 2.50				X	X	
Enterprise Permitting & Licensing Payments	Permits		3.50%	$ 2.50				X	X	
Payments - Other Fees										
Payer eCheck Cost		$ 1.95								
Credit Card Chargebacks		$ 15.00								
eCheck Rejects		$ 5.00								

Payer Card Cost Per card transaction with Visa, MasterCard, Discover, and American Express.
Payer eCheck Cost Payer eCheck Cost - Per electronic check transaction.
eCheck Rejects eCheck Reject - When an eCheck Transaction comes back as declined (e.g bounced check)
Credit Card Chargebacks Credit Card Chargebacks – If a card payer disputes a transaction at the card issuing bank (e.g. stolen card)

Payments

Your use of Payments and any related items included on this order is subject to the terms found at: https://www.tylertech.com/terms/payment-card-processing-agreement. By signing this order or the agreement in which it is included, you agree you have read, understand, and agree to such terms. Please see attached Payments fee schedule.

Third-Party Hardware, Software and Services

Description	Qty	Unit Price	Unit Discount	Total Price	Unit Maint /SaaS	Unit Maint/SaaS Discount	Total Maint / SaaS
Third Party							
Payments PCI Service Fee (Per Device)	9	$ 0	$ 0	$ 0	$ 0	$ 0	$ 0
Hardware							
Payments Lane 7000 Terminal Purchase	9	$ 419	$ 0	$ 3,771	$ 0	$ 0	$ 0
TOTAL				**$ 3,771**			**$ 1,620**

Summary	**One Time Fees**	**Recurring Fees**
Total License Fees	$ 0	$ 6,077
Total Annual Software		$ 8,700
Total Services	$ 2,700	$ 0
Total Third-Party Hardware, Software, Services	$ 3,771	$ 1,620
Summary Total	**$ 6,471**	**$ 16,397**
Contract Total	**$ 22,868**	

Exhibit B - Attachment 1
Renewal Pricing

Renewal pricing follows this page. Fees are invoiced in accordance with the terms of the Agreement.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

tyler technologies

Empowering people who serve the public®

Remittance
Tyler Technologies, Inc.
(FEIN 75-2303920)
P.O. Box 203556
Dallas, TX 75320-3556

Questions
Tyler Technologies - Local Government
Phone: 1-800-772-2260 Press 2, then 2
Fax: 1-866-673-3274
Email: ar@tylertech.com

THIS IS NOT AN INVOICE
PROFORMA

Company	Order No.	Date	Page
025	214875	07/29/2025	1 of 2

To: CITY OF NEWPORT BEACH
ACCOUNTS PAYABLE
100 CIVIC CENTER DR
NEWPORT BEACH, CA 92660-3267
United States

Ship To: CITY OF NEWPORT BEACH
ACCOUNTS PAYABLE
100 CIVIC CENTER DR
NEWPORT BEACH, CA 92660-3267
United States

Customer Grp/No.	Customer PO#	Payment Terms	Currency Code	Ship Via	Salesperson Cd
1 48557		Net 30	USD	ELEC	

Contract Date	No. Item/ Description/ Comments	Quantity	U/M	Unit Price	Total Cost
Contract No.: Newport Beach, CA					
1 07/May/2019	Renewal: Software Support & Maintenance: Tyler GIS **Cycle Start: 12/01/2025, End: 11/30/2026; Term: 12 months**	1	EA	8,933.98	8,933.98
2 07/May/2019	Renewal: Software Support & Maintenance: EnerGov Community Development Suite **Cycle Start: 12/01/2025, End: 11/30/2026; Term: 12 months**	1	EA	68,025.80	68,025.80
3 07/May/2019	Renewal: Software Support & Maintenance: EnerGov CSS Portal - PLM **Cycle Start: 12/01/2025, End: 11/30/2026; Term: 12 months**	1	EA	7,657.69	7,657.69
4 07/May/2019	Renewal: Software Support & Maintenance: EnerGov Intelligent Objects **Cycle Start: 12/01/2025, End: 11/30/2026; Term: 12 months**	1	EA	0.00	0.00
5 07/May/2019	Renewal: Software Support & Maintenance: EnerGov Intelligent Automation Agent **Cycle Start: 12/01/2025, End: 11/30/2026; Term: 12 months**	1	EA	0.00	0.00
6 07/May/2019	Renewal: Software Support & Maintenance: Energov Content Management API **Cycle Start: 12/01/2025, End: 11/30/2026; Term: 12 months**	1	EA	1,276.29	1,276.29
7 07/May/2019	Renewal: Software Support & Maintenance: EnerGov Permitting & Land Management SDK **Cycle Start: 12/01/2025, End: 11/30/2026; Term: 12 months**	1	EA	1,914.42	1,914.42
8 07/May/2019	Renewal: Software Support & Maintenance: EnerGov Reporting Toolkit **Cycle Start: 12/01/2025, End: 11/30/2026; Term: 12 months**	1	EA	1,276.29	1,276.29

tyler technologies

Empowering people who serve the public®

Remittance
Tyler Technologies, Inc.
(FEIN 75-2303920)
P.O. Box 203556
Dallas, TX 75320-3556

Questions
Tyler Technologies - Local Government
Phone: 1-800-772-2260 Press 2, then 2
Fax: 1-866-673-3274
Email: ar@tylertech.com

THIS IS NOT AN INVOICE
PROFORMA

Company	Order No.	Date	Page
025	214875	07/29/2025	2 of 2

Contract Date	No.	Item/ Description/ Comments	Quantity	U/M	Unit Price	Total Cost
07/May/2019	9	Renewal: Software Support & Maintenance: Citizen Self Service -Tyler 311 & Click2Report **Cycle Start: 12/01/2025, End: 11/30/2026; Term: 12 months**	1	EA	0.00	0.00
22/Jun/2022	10	Renewal: Workforce Mobile **Cycle Start: 12/01/2025, End: 11/30/2026; Term: 12 months**	5	EA	231.53	1,157.63
22/Jun/2022	11	Renewal: Community Development Suite - Per User **Cycle Start: 12/01/2025, End: 11/30/2026; Term: 12 months**	10	EA	617.01	6,170.12
17/Aug/2022	12	Renewal: Community Development Suite - Per User **Cycle Start: 12/01/2025, End: 11/30/2026; Term: 12 months**	15	EA	647.86	9,717.91
16/Sep/2022	13	Renewal: Community Development Suite - Per User **Cycle Start: 12/01/2025, End: 11/30/2026; Term: 12 months**	15	EA	617.01	9,255.17
16/Sep/2022	14	Renewal: Enterprise Permitting & Licensing View Only Licenses (All Suites) **Cycle Start: 12/01/2025, End: 11/30/2026; Term: 12 months**	5	EA	162.07	810.34
20/Jan/2023	15	Renewal: Community Development Suite Additional User **Cycle Start: 12/01/2025, End: 11/30/2026; Term: 12 months**	10	EA	694.58	6,945.75
14/Feb/2024	16	Renewal: Community Development Suite Additional User **Cycle Start: 12/01/2025, End: 11/30/2026; Term: 12 months**	15	EA	661.50	9,922.50

Does not include any applicable taxes **Order Total:** 133,063.89

Comments: Upon acceptance please email your purchase order to PO@tylertech.com

CITY OF

NEWPORT BEACH

City Council Staff Report

December 9, 2025
Agenda Item No. 11

TO:	HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM:	David A. Webb, Public Works Director - 949-644-3311, dawebb@newportbeachca.gov
PREPARED BY:	Michael J. Sinacori, Assistant City Engineer - (949) 644-3342, Msinacori@Newportbeachca.gov
TITLE:	Amendment No. One to the Facilities Relocation Agreement with Southern California Edison

ABSTRACT:

At its February 13, 2019, meeting, the City Council approved a Facility Relocation Agreement (Agreement) with Southern California Edison (SCE) for the Uptown Newport undergrounding project along Jamboree Road, between Birch Street and MacArthur Boulevard. Since that time, implementation was delayed while the property owner and a major campus tenant (TowerJazz) resolved operational and shutdown-related issues associated with the power conversion. As a result of the delay and updated construction pricing, SCE's cost to complete the undergrounding has significantly increased. For the City Council's consideration is an approval of Amendment No. One to the Agreement to increase compensation to SCE to fully fund and complete the undergrounding work, using a combination of remaining bond proceeds and previously received contributions from the Uptown Newport property owner.

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 Budget Amendment No. 26-043 appropriating $1,918,000 in new revenue and expenditures from Uptown Newport Jamboree, LLC. to Account No. 53401-561076 and Account No. 53402-941032; and

c) Authorize the Mayor and City Clerk to Execute Amendment No. One To The Facilities Relocation Agreement with Southern California Edison for an increased not-to-exceed amount of $3,311,000.

DISCUSSION:

On February 13, 2019, the City Council approved the Agreement with SCE for the Uptown Newport undergrounding project. The project limits are on Jamboree Road south of Birch Avenue and north of Macarthur Boulevard along the frontage of Uptown Newport. The original project cost estimate in the agreement was $1,093,000. The payment for this

initial cost was provided through tax-exempt bonds issued for the public improvements included in the Uptown Newport Phase one development.

The undergrounding effort stalled due to issues between the property owner and the TowerJazz tenant on the Uptown Newport campus. TowerJazz requested compensation for the impacts to their computer chip making operation when the required power shut down for the undergrounding conversion was to take place. The cost to TowerJazz for even a short weekend power outage has millions of dollars of impact to shut down their operation and to bring it back on-line when power is restored. City staff were sensitive to those cost impacts and required the property owner to obtain permission for the shutdown. Agreements have been negotiated and are now in place between TowerJazz and the property owners, which will allow for the power shutdown.

The cost for SCE to implement the undergrounding greatly increased during this delay. SCE has requested additional compensation of $2,218,000 to complete the project, bringing the total project cost to $3,311,000. $300,000 of this additional amount has already been provided to SCE and the remaining amount of $1,918,00 is now due. Staff recommends approval of Amendment No. One to the Facility Relocation Agreement with SCE. Payment to SCE will be made with a combination of remaining construction bond proceeds and additional direct compensation from Uptown Newport Jamboree, which has already been received.

FISCAL IMPACT:

The Budget Amendment appropriates $1,918,000 in additional contribution revenue from Uptown Newport Jamboree, LLC. and $1,918,000 of increased expenditure appropriations. The revenue will be posted to the Shopoff Newport Uptown account in the Public Works Department, 53401-561076, and the $1,918,000 payment to SCE will be expensed to the AD Utility Construction account in the Public Works Department, 53402-941032. The Budget Amendment includes $1,469,353.27 in new direct contributions from Uptown Newport Jamboree, LLC and the final draw from the construction bonds of $448,646.73 issued for the public park improvements and undergrounding project in the Phase 1 Uptown Newport development.

ENVIRONMENTAL REVIEW:

On February 13, 2019 the City Council determined the project exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15302(d) of the CEQA Guidelines (conversion of overhead electric utility distribution facilities to underground where surface is restored to the existing condition prior to undergrounding);

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 the Facility Relocation Agreement with SCE
Attachment B – Budget Amendment 26-043

AMENDMENT NO. 1
TO THE FACILITIES RELOCATION AGREEMENT
(RELOCATION UNDER SCE TARIFF RULE 20B-APPLICANT TO INSTALL DUCTS/SUBSTRUCTURES)

This Amendment No. 1 to the Facilities Relocation Agreement ("Agreement"), is made and entered into this 9th day of December, 2025, ("Effective Date") by and between the City of Newport Beach (the "Applicant") and Southern California Edison Company, a California corporation ("SCE"). The Applicant and SCE are hereinafter collectively referred to as the "Parties."

RECITALS

WHEREAS, on or about December 13, 2018, the Agreement was entered into and executed between the Applicant and SCE for the Rule 20B relocation of certain transmission facilities located along Jamboree Blvd. and Uptown Newport Drive; and

WHEREAS, pursuant to the provisions set forth in Section 6 of the Agreement, the relocation cost was an estimate, and subject to change; and

WHEREAS, for the reasons set forth herein, the Applicant and SCE desire to enter into this Amendment No. One [1], as set forth below.

AMENDMENT

NOW, THEREFORE, in consideration of the mutual covenants, promises and agreements set forth herein, it is agreed the aforesaid Agreement, a copy of which is attached hereto as Exhibit A-1, and incorporated herein by reference, shall remain in full force and effect except as otherwise hereinafter provided. The amounts set forth herein are estimates only and are subject to change. Applicant agrees to pay any overage above and beyond the estimate amount upon being presented with a final bill.

SECTION 2. RELOCATION PLANS

The Relocation Plans approved per the Agreement have been modified and are now reflected in the plans attached hereto as a revised Exhibit "B-1" to the Agreement.

SECTION 4. RELOCATION WORK

SCE shall not proceed with final cut over work from its overhead system to the new underground system which requires turning off power to Tower Jazz located at 4321 Jamboree Road, Newport Beach, Ca 92660, without written City authorization prior to the required shutdown. City will not unreasonably withhold approval and understands that it will incur all costs incurred by SCE due to compliance with this requirement.

Except as provided in the above sentence, all other provisions of Section 4 of the Agreement remain in full force and effect.

SECTION 6. INITIAL COST ESTIMATE, PAYMENT(S) AND RECONCILIATION

Section 6(a) is hereby amended to read in its entirety as follows:

a. Initial Cost Estimate. The total estimated cost for the Relocation Work for which the Applicant is responsible is $1,093,000 (the "Initial Cost Estimate").

The Initial Cost Estimate does not include an Income Tax Component of Contribution ("ITCC") based on SCE's understanding that this project is exempt from ITCC charges. In the event that the Internal Revenue Service, state, city, and/or local governmental taxing authority determines that this project is taxable, the Applicant will reimburse SCE for the full amount of the tax liability, plus interest, penalties, fees, and related costs. Such amounts will be paid to SCE within 60 days after notification of such event by SCE to the Applicant. By execution of this document, the Applicant hereby acknowledges that this project is funded by the Applicant.

Section 6(b) is hereby amended to read in its entirety as follows:

a. Prior Advances; Outstanding Balance. SCE has previously received an engineering advance from the Applicant in the amount of $144,000 and amount for long lead time items of $200,000 and project payment of $749,000, and an additional project payment of $300,000, which have been applied toward the total Initial Cost Estimate owed by the Applicant. Per this Amendment and revisions to the plans, the Initial Cost Estimate has been increased by $2,218,000 for a total new Initial Cost Estimate of $3,311,000. Thus, the total remaining balance due to SCE at this time is $1,918,000 (the "Outstanding Balance")

b. Payment of Outstanding Balance. Concurrent with the Applicant's execution and delivery of this Agreement, the Applicant shall pay to SCE the Outstanding Balance. The Outstanding Balance shall be delivered to SCE at the address shown on the attached invoice and shall reference the following SCE Project File Number: Project #747. Notwithstanding any provision herein to the contrary, the Applicant acknowledges and agrees that SCE will not begin the Relocation Work unless and until SCE has received the Outstanding Balance.

c. Reconciliation. The Parties acknowledge that the Initial Cost Estimate is valid only for a period of 90 days following the Effective Date, and that the costs associated with SCE's performance of the Relocation Work could increase prior to SCE's completion of the Relocation Work. Upon completion of the Relocation Work (or the cancellation of the Project or termination of this Agreement), the Applicant will be responsible for paying the total costs and expenses actually incurred by SCE for which the Applicant is responsible under this Agreement in relation to implementation of the Relocation Plans. Thus, at the completion of the Relocation Work (or upon the cancellation of the Project or termination of this Agreement), SCE will calculate the total actual costs and expenses for which the Applicant is responsible hereunder, and the Applicant will be provided with a final invoice identifying said costs and expenses. The Applicant will be billed or refunded, as applicable, for any difference between the amounts paid by the Applicant hereunder and the actual costs and expenses incurred by SCE. Any amount owed to SCE shall be due no later than 30 days after the Applicant's receipt of the final invoice. Similarly, any amount owed by SCE to the Applicant shall be refunded by SCE to the Applicant within 30 days following SCE's preparation and delivery of the final invoice.

If the Applicant fails to pay the final invoice within 30 days of receipt, the Applicant is responsible for paying to SCE, in addition to the invoiced amount, any and all costs incurred by SCE to collect the past due amount, including but not limited to, collection agency fees and court costs, but excluding attorneys' fees.

The Agreement as amended herein remains in full force and effect.

IN WITNESS WHEREOF, this Agreement and each and every term herein is agreed to by and between the undersigned.

CITY OF NEWPORT BEACH
a California Municipal Corporation

DATED: _____

BY_____
Joe Stapleton
Mayor

ATTEST:

DATED: _____

BY_____
Lena Shumway
City Clerk

APPROVED AS TO FORM
CITY ATTORNEY'S OFFICE

DATED: _____

BY_____
Aaron C. Harp
City Attorney

SOUTHERN CALIFORNIA EDISON COMPANY,
a California corporation

DATED: _____

BY_____
Anthony Montoya
Director-Distribution Program & Project Mgmt

EXHIBIT A-1

FACILITY RELOCATION AGREEMENT (RELOCATION UNDER SCE TARIFF RULE 20B-APPLICANT TO INSTALL DUCTS/SUBSTRUCTURES)

Exhibit A-1

FACILITIES RELOCATION AGREEMENT (RELOCATION UNDER SCE TARIFF RULE 20B - APPLICANT TO INSTALL DUCTS/SUBSTRUCTURES)

This Facilities Relocation Agreement ("Agreement") is made and entered into this 13 day of December, 2018 (the "Effective Date") by and between Southern California Edison Company, a California corporation ("SCE"), and the City of Newport Beach (the "Applicant"). SCE and the Applicant are sometimes individually referred to herein as a "Party" and collectively as the "Parties".

RECITALS

WHEREAS, the Applicant, as a public entity, is coordinating with the developer of a Residential project (the "Project") within that area generally depicted in the attached Exhibit A (the "Project Location").

WHEREAS, SCE currently operates and maintains certain transmission, facilities (collectively the "SCE Facilities") within and proximate to the Project Location.

WHEREAS, the Applicant has determined that implementation of the Project will require the relocation of portions of the SCE Facilities and, to that end, the Applicant has requested that SCE relocate some or all of the SCE Facilities.

WHEREAS, subject to the terms and provisions set forth herein, SCE is willing and able to relocate the identified SCE Facilities in order to accommodate the Project.

NOW, THEREFORE, IT IS MUTUALLY AGREED BY AND BETWEEN THE APPLICANT AND SCE AS FOLLOWS:

AGREEMENT

1. SCOPE OF WORK

The Project will require that certain of SCE's overhead transmission, facilities be relocated underground ("the Relocation"). The Applicant hereby represents that the area to be undergrounded includes both sides of a street for at least one block or 600 feet, whichever is lesser, and all existing overhead communication and electric distribution facilities within the area will be removed. The Relocation will be performed in accordance with SCE's Tariff Rule 20: Replacement of Overhead with Underground Electric Facilities, Section B ("Rule 20B"), which is incorporated herein by this reference. The Scope of Work for the Relocation is as follows:

Rule 20B conversion of overhead to underground relocation, which includes, but not limited to; two (2) TSP risers and two (2) vaults and removal of power poles on Jamboree Rd in conflict with development west side of Jamboree Blvd@ Fairchild Rd in the City of Newport Beach.

2. RELOCATION PLANS

a. Approved Relocation Plans. In furtherance of the Applicant's request, SCE has prepared certain plans/designs that identify (i) the SCE Facilities that will be impacted by the Project and (ii) the relocation areas for the affected SCE Facilities (the "Relocation Plans"). Copies of the Relocation Plans are attached hereto as Exhibit B. The Applicant expressly acknowledges that (a) it has reviewed and approved the Relocation Plans and (b) the Relocation Plans do not present any conflicts with the Applicant's development plans for the Project, nor

do the Relocation Plans conflict with any other non-SCE utilities that are located, or will be located, in the Project Location. It is the Applicant's sole responsibility to ensure that no conflicts exist between the Relocation Plans and the Applicant's development plans or other non-SCE utilities, and to timely inform SCE of the need for any refinements, modifications, or revisions to the Relocation Plans to resolve any such conflicts that may later arise, all in accordance with subsections (b) - (d) below.

b. Refinements to Plans. Depending upon the design status of the Project as of the Effective Date, the Parties acknowledge that refinements and/or adjustments to portions of the Relocation Plans may be required in order to eliminate minor conflicts. In such instance, SCE shall prepare such refinements to the Relocation Plans as may be necessary in order to address/eliminate said conflicts. The refined Relocation Plans shall be presented to the Applicant for review and approval; SCE shall not commence the Relocation Work (*see* Section 4, below) unless and until the Applicant has reviewed and approved the refined Relocation Plans. The Applicant shall be responsible for all costs and expenses reasonably incurred by SCE in relation to SCE's refinement of the Relocation Plans.

c. Revised Plans. In the event that modifications/revisions to the Relocation Plans are required in order to accommodate changes to the Project (including the elimination of conflicts with the Applicant's development plans), to resolve conflicts with other non-SCE utilities within the Project area, or to address other changed circumstances, then SCE shall prepare such modifications/revisions as are necessary to address said changes and shall present same to the Applicant for review and approval. The Applicant shall be responsible for all costs and expenses reasonably incurred by SCE in relation to SCE's preparation of the modifications/revisions to the Relocation Plans.

d. Potential Project Delays. The Applicant expressly acknowledges that the preparation of refined, modified and/or revised Relocation Plans may cause delays in SCE's performance of the Relocation Work, and that said delays could impact the development schedule for the Project. The Parties agree that SCE shall not have any liability or obligation to the Applicant (or others) in the event that the preparation of refined, modified and/or revised Relocation Plans results in delays in the Project.

3. ACQUISITION OF LAND RIGHTS

The Applicant shall be responsible for securing all land rights required by SCE to allow SCE to relocate, construct and permanently operate and maintain the SCE Facilities on the areas depicted in the Relocation Plans (the "Relocation Areas"). The land rights acquired by the Applicant (the "SCE Land Rights") shall be in a form prescribed by SCE (the "SCE Land Rights Form"); SCE shall provide the SCE Land Rights Form to the Applicant.

The SCE Land Rights shall also include permanent rights of ingress/egress that allow SCE to gain reasonable, unimpeded and non-escorted access to and from the Relocation Areas and the SCE Facilities (whether over lands owned by the Applicant or otherwise). In connection with the acquisition of the SCE Land Rights, the Applicant shall be responsible for clearing all encumbrances identified by SCE that could interfere with the Relocation Work and the exercise of the SCE Land Rights on/about the Relocation Areas (including access thereto/therefrom). Unless otherwise agreed (in writing) by SCE, the SCE Land Rights shall be granted directly to SCE. Notwithstanding any provision herein to the contrary, SCE will not begin the Relocation Work unless and until all required SCE Land Rights have been executed, in writing, and presented to and approved by SCE.

4. RELOCATION WORK

Following (i) the Parties' confirmation of the finality of the Relocation Plans and (ii) the Applicant's acquisition (and SCE's approval) of the SCE Land Rights, SCE shall cause the SCE Facilities to be removed and relocated to the Relocation Areas in accordance with the Relocation Plans (the "Relocation Work"). SCE and the Applicant shall perform the Relocation Work in accordance with all applicable laws, rules and regulations.

a. Work to Be Performed by SCE

1. SCE shall procure and install all materials related to its electrical system - for example: cable, transformers, switches, capacitors, meters, and connectors - except the ducts and substructures as defined in Rule 20B.2.a, which are to be procured and installed by the Applicant. SCE shall provide all engineering work related to the relocation of said electrical facilities.

2. SCE shall inspect and approve all ducts and substructures procured and installed by the Applicant before SCE begins the installation of the underground facilities.

3. SCE shall, at no cost to the Applicant, remove its overhead electrical facilities after the underground facilities have been installed, energized, and placed into permanent service.

4. Except as stated in Section 9 below, SCE and the Applicant shall each separately be responsible for obtaining all permits required to complete the portion of the work for which each Party is responsible under this Agreement, unless the Parties agree otherwise in writing.

b. Work to Be Performed by Applicant

1. The Applicant, at no cost to SCE, is responsible for providing SCE with any required street improvement or site plans reflecting the location of all existing and proposed underground and/or overhead structures and/or facilities.

2. The Applicant, at no cost to SCE, shall procure and install the pads and vaults for transformers and associated equipment, conduits, ducts, boxes, and poles bases, and perform other work related to structures and substructures including breaking of pavement, trenching, backfilling, and repaving in connection with the installation of the underground system, all in accordance with the Relocation Plans, subject to inspection and approval by SCE.

3. The Applicant shall notify SCE 48 hours prior to construction or installation of the ducts and substructures so that SCE can schedule the required inspection.

4. The Applicant shall provide SCE with "As-Built" drawings.

5. The Applicant, at no cost to SCE and subject to SCE's approval and acceptance, will grant SCE, in writing, ownership of all ducts and substructures installed pursuant to this Agreement. The Applicant warrants and represents that the ownership of the installed ducts and substructures, and each and every component thereof, as approved by SCE, will pass to SCE free and clear of any

and all liens and encumbrances.

6. After the Applicant has completed installation of all ducts and substructures, and the ducts and substructures have been inspected and approved by SCE, the Applicant shall furnish to SCE a schedule of all costs incurred in the construction of the ducts and substructures. The purpose of this information is to allow SCE to calculate the amount of Income Tax Component of Contribution ("ITCC") that will be charged on the ducts and substructures installed by the Applicant. SCE must have this information before SCE energizes the underground facilities and de-energizes the overhead facilities. As part of the project reconciliation, SCE will provide a statement of ITCC for the project, which includes the ITCC charged on the ducts and substructures installed by the Applicant.

5. COST ALLOCATION

Applicant is exclusively responsible for all costs and expenses associated with SCE's implementation of the Relocation Plans including, but not limited to, the costs and expenses associated with (i) SCE's preparation of the Relocation Plans (and any revisions thereto and refinements thereof), (ii) SCE's performance of the Relocation Work and (iii) the Applicant's acquisition of the SCE Land Rights SCE may provide Applicant with credits with respect to the Relocation as required by its applicable Tariff Rules of service.

Applicant shall reimburse SCE for costs and expenses incurred by SCE in accordance with the provisions of Section 6, below.

6. INITIAL COST ESTIMATE, PAYMENT(S) AND RECONCILIATION

a. Initial Cost Estimate. The total estimated cost for the Relocation Work for which the Applicant is responsible is $1,093,000 (the "Initial Cost Estimate").

The Initial Cost Estimate does not include an Income Tax Component of Contribution ("ITCC") based on SCE's understanding that this project is exempt from ITCC charges. In the event that the Internal Revenue Service, state, city, and/or local governmental taxing authority determines that this project is taxable, the Applicant will reimburse SCE for the full amount of the tax liability, plus interest, penalties, fees, and related costs. Such amounts will be paid to SCE within 60 days after notification of such event by SCE to the Applicant. By execution of this Agreement, the Applicant hereby acknowledges that this project is funded by the Applicant.

b. Prior Advances; Outstanding Balance. SCE has previously received an engineering advance from the Applicant in the amount of $144,000 and an amount for long lead time items of $200,000, which have been applied toward the total Initial Cost Estimate owed by the Applicant. Thus, the total remaining balance due to SCE at this time is $749,000 (the "Outstanding Balance").

c. Payment of Outstanding Balance. Concurrent with the Applicant's execution and delivery of this Agreement, the Applicant shall pay to SCE the Outstanding Balance. The Outstanding Balance shall be delivered to SCE at the address shown in Section 12.b, below, and shall reference the following SCE Project File Number: 747 Notwithstanding any provision herein to the contrary, the Applicant acknowledges and agrees

that SCE will not begin the Relocation Work unless and until SCE has received the Outstanding Balance.

d. Reconciliation. The Parties acknowledge that the Initial Cost Estimate is valid only for a period of 90 days following the Effective Date, and that the costs associated with SCE's performance of the Relocation Work could increase prior to SCE's completion of the Relocation Work. Upon completion of the Relocation Work (or the cancellation of the Project or termination of this Agreement), the Applicant will be responsible for paying the total costs and expenses actually incurred by SCE for which the Applicant is responsible under this Agreement in relation to implementation of the Relocation Plans. Thus, at the completion of the Relocation Work (or upon the cancellation of the Project or termination of this Agreement), SCE will calculate the total actual costs and expenses for which the Applicant is responsible hereunder, and the Applicant will be provided with a final invoice identifying said costs and expenses. The Applicant will be billed or refunded, as applicable, for any difference between the amounts paid by the Applicant hereunder and the actual costs and expenses incurred by SCE. Any amount owed to SCE shall be due no later than 30 days after the Applicant's receipt of the final invoice. Similarly, any amount owed by SCE to the Applicant shall be refunded by SCE to the Applicant within 30 days following SCE's preparation and delivery of the final invoice.

If the Applicant fails to pay the final invoice within 30 days of receipt, the Applicant is responsible for paying to SCE, in addition to the invoiced amount, any and all costs incurred by SCE to collect the past due amount, including but not limited to, collection agency fees and court costs, but excluding attorneys' fees.

7. PROJECT SCHEDULING

The Parties acknowledge and agree that completion of the Relocation Work is contingent upon mutually acceptable schedules, which, among other things, limit impacts on customers of SCE, available resources, the timely obtaining of permits, licenses, real property rights, and other documents, outages or other key items and not being delayed by those forces described in Section 8, below. The Parties shall work cooperatively and in good faith to timely meet all mutually-acceptable schedules and to minimize delays or impacts on customers of SCE; however, the Applicant expressly acknowledges and agrees that SCE offers no guarantees or warranties regarding the completion date for the Relocation Work.

8. NO RESPONSIBILITY FOR DELAYS

SCE shall not be responsible or liable to the Applicant (or others) for any delay in its performance hereunder, or for any delays in the Project, due to any reason including, but not limited to: shortage of labor or materials, delivery delays, major equipment breakdown, load management, strikes, labor disturbances, war, riot, insurrection, civil disturbance, weather conditions, epidemic, quarantine restriction, sabotage, act of public enemy, earthquake, governmental rule, regulation or order, including orders of judgments of any court or commission, requirement of additional or separate Environmental Impact Reports requested by the California Public Utilities Commission ("CPUC"), delay in receiving a Certificate of Public Convenience and Necessity from the CPUC, delay in obtaining necessary rights of way, act of God, or any cause or conditions beyond the control of SCE or the Applicant. The Applicant expressly waives and releases any and all claims for damages against SCE arising out of any delays in the Project unless due to SCE's sole negligence or willful misconduct.

9. COMPLIANCE WITH CEQA AND OTHER ENVIRONMENTAL LAWS

The Applicant, at no cost to SCE, but with SCE's reasonable cooperation, shall comply with the requirements of the California Environmental Quality Act ("CEQA") and other environmental

laws, as applicable, and shall prepare any and all Negative Declarations, Mitigated Negative Declarations and/or Environmental Impact Reports which may be required by any agency or entity having jurisdiction over the Project and the Relocation Work. The Applicant expressly acknowledges that SCE is relying upon the Applicant's representations that the Relocation Work is covered by the environmental documentation, clearances and permits issued (or to be issued) in relation to the Project, and that the Applicant is responsible for satisfying all mitigation requirements and conditions attendant to SCE's performance of the Relocation Work. Notwithstanding any provision herein to the contrary, the Applicant acknowledges and agrees that SCE will not begin the Relocation Work unless and until all environmental permits, approvals, certifications and authorizations have been issued in relation to the Project and the Relocation Work.

10. COOPERATION BY BOTH PARTIES; TIMELY COMMUNICATION

The Parties shall work cooperatively and in good faith to timely implement their respective duties and obligations set forth herein. To that end, the Parties shall timely communicate with one another regarding the status of the Project, the status of the Relocation Work, and ways that the Parties may work together to facilitate the completion of this Agreement. Notwithstanding any provision herein to the contrary, failure by the Applicant to timely respond to requests for information by SCE shall be considered a default of this Agreement.

11. INDEMNIFICATION

The Applicant agrees, for itself, and for its agents, contractors, and employees, to save harmless, defend, and indemnify SCE, its officers, agents, contractors, and employees, and its successors and assigns, from and against all claims, loss, damage, actions, causes of action, expense and/or liability arising from or growing out of loss or damage to property, including SCE's own personal property, or injury to or death of persons, including employees of SCE, resulting in any manner whatsoever, directly or indirectly, by reason of the Applicant's Project necessitating the subject work. Applicant's duty to indemnify SCE includes, without limitation, claims against SCE regarding approvals given by Applicant for SCE's plans, claims against SCE pertaining to the location and/or underlying real property rights for SCE's facilities in new locations (as may be applicable), and claims against SCE for the removal and/or remediation of pre-existing environmental contamination (provided such contamination was not caused by SCE). Applicant shall not be excused of its duty to indemnify for SCE's ordinary negligence, but shall be excused to the extent claims, losses, or damages are attributable to SCE's sole negligence, gross negligence, or willful misconduct.

SCE agrees, for itself, and for its agents, contractors, and employees, to save harmless, defend, and indemnify Applicant, its officers, agents, contractors, and employees, and its successors and assigns, from and against all claims, loss, damage, actions, causes of action, expense and/or liability arising from or growing out of loss or damage to property, including Applicant's own personal property, or injury to or death of persons, including employees of Applicant, resulting directly from the performance of SCE's construction and/or relocation work under this Agreement. SCE shall not be excused of its duty to indemnify for Applicant's ordinary negligence, but shall be excused to the extent claims, losses, or damages are attributable to Applicant's sole negligence, gross negligence, or willful misconduct.

12. NOTICES, CORRESPONDENCE, AND PAYMENT ADDRESS

a. Notices and Correspondence. Any notices and correspondence provided for in this Agreement, ***other than payments***, to be given by either Party hereto to the other shall be deemed to have been duly given when made in writing and deposited in the United States mail, registered or certified and postage prepaid, addressed as follows:

To SCE:

Ryann Higashi
Project Manager (Transmission)
Southern California Edison
1444 E. McFadden Ave, Bldg D
Santa Ana, CA 92705

To City of Newport Beach:

3300 Jamboree Rd.
Newport Beach, CA 92663
Attention: Mike Sinacori

b. Payments: Any payments provided for in this Agreement shall be forwarded to the addresses below.

To SCE:

Southern California Edison Company
P.O. Box 800
Rosemead, California 91771-0001
Attention: Accounts Receivable

To City of Newport Beach:

3300 Jamboree Rd.
Newport Beach, CA 92663
Attention: Mike Sinacori

13. TERMINATION

a. Applicant's Right to Terminate Agreement. The Applicant shall have the right to terminate this Agreement at any time upon written notice to SCE. If this Agreement is terminated by the Applicant, the Applicant shall be responsible to SCE for all costs and expenses actually incurred by SCE in connection with SCE's preparation of the Relocation Plans, performance of the Relocation Work, and any other actions/activities under this Agreement, notwithstanding the cost allocation provisions in Section 5, above. Additionally, Applicant shall be responsible for any additional costs and expenses incurred by SCE as a result of the termination, including but not limited to, restoring the SCE Facilities to a permanent operational state; all costs for equipment and/or materials; and all costs or expenses related to the cancellation of contracts, purchase orders, or other commitments or agreements entered into up to and including the date of the notice of termination, between SCE and all parties furnishing labor, materials, and services in connection with this Agreement. SCE shall prepare and deliver to the Applicant an invoice that describes/identifies the costs and expenses thus incurred by SCE. Within 30 days following SCE's delivery of said invoice, the Applicant shall pay to SCE the amounts specified in the invoice.

b. Termination Due to Applicant's Default. If the Applicant is in default of any of the terms, provisions, conditions, limitations and covenants of this Agreement, SCE may give the Applicant written notice of default ("Default Notice"). If the Applicant does not cure

such default within the time specified in the Default Notice, SCE has the right, but not the obligation, to terminate this Agreement upon 30 days written notice to the Applicant (or such lesser time as may be appropriate under the circumstances). Except as otherwise provided, should SCE exercise such right of termination, SCE shall be entitled to payment for all costs and expenses for materials, services, labor, overhead, and any other expenses related to the performance of this Agreement thus incurred by SCE, up to and including the date of termination, notwithstanding the cost allocation provisions in Section 5, above. SCE shall also be entitled to payment for all costs and expenses required to effect the termination of this Agreement, including but not limited to: all costs and expenses pertaining to the restoration of the SCE Facilities to a permanent operational state; all costs for equipment and/or materials; and all costs and expenses related to the cancellation of contracts, purchase orders, commitments or other agreements entered into up to and including the date of the notice of termination, between SCE and all parties furnishing labor, materials, and services in connection with this Agreement. SCE shall prepare and deliver to the Applicant an invoice that describes/identifies the costs and expenses thus incurred by SCE. Within 30 days following SCE's delivery of said invoice, the Applicant shall pay to SCE the amounts specified in the invoice.

14. JURISDICTION OF PUBLIC UTILITIES COMMISSION

This Agreement shall at all times be subject to such changes or modifications as the California Public Utilities Commission may, from time to time, direct in the exercise of its jurisdiction pursuant to the authority conferred upon it by law.

15. AMENDMENTS

The provisions of this Agreement shall not be altered or amended by any representations or promises of any Party unless consented to in a writing executed by all Parties.

16. GOVERNING LAW

This Agreement shall be subject to and construed according to the laws of the State of California.

17. HEADINGS

The captions and headings used in this Agreement are strictly for convenience and are not intended to and shall not affect the Parties' rights and obligations, or the construction or interpretation of this Agreement.

18. THIRD PARTY BENEFICIARIES

Nothing herein is intended to create any third party benefit.

19. NO AGENCY, PARTNERSHIP OR JOINT VENTURE

Nothing contained herein shall be deemed or construed as creating the relationship of principal and agent or of partnership or of joint venture by and between the Parties hereto.

20. WAIVER

No waiver of any default or breach hereunder shall be implied from any omission to take action on account thereof, notwithstanding any custom and practice or course of dealing. No waiver by any Party of any provision under this Agreement shall be effective unless in writing and

signed by such Party, and no waiver shall affect any default other than the default specified in the waiver and then said waiver shall be operative only for the time and to the extent therein stated. Waivers of any covenant shall not be construed as a waiver of any subsequent breach of the same.

21. DUPLICATE ORIGINALS AND ELECTRONIC SIGNATURES

This Agreement may be executed in duplicate originals, each of which, when so executed and delivered, shall be an original but such counterparts shall together constitute one instrument and agreement. The exchange of copies of this Agreement and of signature pages by facsimile transmission, Portable Document Format (*i.e.*, PDF) or by other electronic means constitutes effective execution and delivery of this Agreement as to the Parties and may be used in lieu of the original Agreement for all purposes. This Agreement may be executed by way of an electronic signature, in which case, said electronic signature shall have the same force and effect as a written signature.

[***THIS SPACE INTENTIONALLY LEFT BLANK; SIGNATURES TO FOLLOW***]

IN WITNESS WHEREOF, this Agreement and each and every term herein is agreed to by and between the undersigned.

DATED: ~~01-~~13-19

CITY OF NEWPORT BEACH, a
California Municipal Corporation

BY: _____
Diane B. Dixon
Mayor

ATTEST:

DATED: 2.13.19

_____
Leilani I. Brown, City Clerk

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE

DATED: 2/13/19

_____ for
Aaron C. Harp, City Attorney

DATED: 3-26-19

SOUTHERN CALIFORNIA EDISON COMPANY,
a California corporation

BY: _____
~~Jennifer Ward signing on Behalf~~ of
~~Ryann Higashi~~ Principal Manager Delivery
~~Project Manager~~ Transmission Project

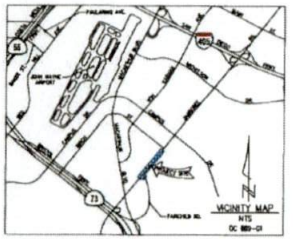
EXHIBIT A

Description of the Project Location

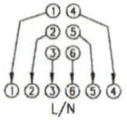
EXHIBIT B

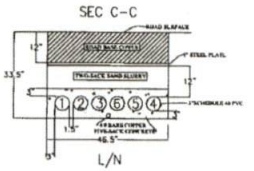
APPROVED RELOCATION PLANS

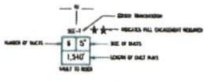
Please See Attached



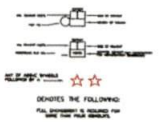
SEC C-C WILL ONLY BE USED IF STANDARD DUCT CONFIGURATION WILL NOT ALLOW FOR PROPER CLEARANCE FROM EXISTING UTILITIES







LEGEND OF CONDUIT SYMBOLS
(CONVENTIONAL U.G.)



NOTES:

1. GENERAL SPECIFICATIONS — SEE DWG. UGS-01 001
2. LOCATION OF OBSTRUCTIONS — THE CONTRACTOR IS RESPONSIBLE FOR DETERMINING THE LOCATION OF OBSTRUCTIONS PER UGS-01 001 PAR. 2.1
3. STARTING NOTIFICATION — THE CONTRACTOR SHALL NOTIFY SCE UG TRANSMISSION ESTIMATOR 48 HOURS PRIOR TO THE START OF CONSTRUCTION. REFERENCE INSTRUCTIONS TO BIDDERS for CONTACT TELEPHONE NUMBER.
4. REFERENCE DRAWINGS — UGS & TUG DRAWINGS CAN BE OBTAINED FROM SCE TRANSMISSION UPON REQUEST.
5. QUANTITIES — FOOTAGES AND OTHER QUANTITIES SHOWN ARE APPROXIMATE ONLY.
6. BACKFILL — BACKFILL SHALL BE SAND SLURRY CONTAINING A MINIMUM OF 100 POUNDS CEMENT PER CUBIC YARD.
7. WATERTIGHT STRUCTURES — ALL DUCT RUNS AND VAULTS SHALL BE WATERTIGHT.
8. REPAVING — TRAFFIC INTERFERENCE, INCLUDING PEDESTRIAN TRAFFIC SHALL BE KEPT TO A MINIMUM. THE CONTRACTOR SHALL ESTABLISH A PROGRAM OF REPAVING, ACCEPTABLE TO SCE AND TO THE AGENCY WITHIN WHOSE JURISDICTION THE WORK IS PERFORMED. PAVING SHALL BE INSTALLED IN ACCORDANCE WITH THE REQUIREMENTS OF THAT AGENCY.
9. DUCTS & DUCT LINES — SEE DETAILS, THIS DRAWING.
   - A. SIZE & TYPE — 5" O.D. 100 – 5" SCH. 40 IN BORES. SPACERS SHALL BE USED PER TYPICAL SECTION
   - B. NORMAL ARRANGEMENT — 2 WIDE X 3 HIGH AS SHOWN IN TYPICAL SECTION ON THIS DRAWING.
   - C. AT VAULT ENTRANCES — AT VAULT ENTRANCES, DUCT LINES ARE TO BE "ROLLED" FROM 2 WIDE X 3 HIGH TO 1 WIDE X 6 HIGH AS SHOWN ON THIS DWG.
   - D. ENCASEMENT — ALL DUCT RUNS SHALL BE FULLY ENCASED IN CONCRETE CONTAINING A MINIMUM CEMENT CONTENT OF 470 POUNDS PER CUBIC YARD.
   - E. COVER — 36" MINIMUM UNLESS OTHERWISE SPECIFIED. (SEE SECTION B OF THIS DRAWING)
   - F. GROUND WIRE — A 4/0 COPPER GROUND WIRE SHALL BE INSTALLED AT THE BOTTOM OF ALL DUCT LINES AND EXTENDED 36' INTO VAULTS. THE 4/0 GROUND SHALL BE ONE CONTINUOUS PIECE, VAULT TO VAULT WITH NO SPLICES.
   - G. PULL WIRES — PULL ROPE SHALL BE INSTALLED IN ALL DUCT RUNS WITH NO SPLICES IN ROPE, THEY SHALL BE 3/8" POLYPROPYLENE OR POLYETHYLENE – BRAIDED ONLY. SEE UGS-12 040 FOR APPROVED SUPPLIERS.
   - H. INSTALLATION — DUCTS AND DUCT LINES SHALL BE INSTALLED IN ACCORDANCE WITH UGS-12100 THROUGH UGS-12122.
10. VAULTS — SEE UGS-VH100 & TUG-300.
    - A. SIZE — 10' WIDE X 20' LONG X 9'-6" HIGH, INSIDE DIMENSIONS.
    - B. APPROVED TYPES — 1. JENSEN PRECAST, MODEL #X8209T-FW14-11, 14221 SAN BERNARDINO AVE. FONTANA, CA. 92335; OLD CASTLE PRECAST, MODEL EDISON 1020-114, 10050 HEMLOCK AVE. FONTANA, CA. 92337, (909) 428-3700 or (800) 626-3060
    - C. RACKS & INSERTS — UNISTRUT RACKS AND PULLING INSERTS SHALL BE PROVIDED AS SHOWN IN TUG 300-1 and 300-7.
    - D. VAULT COVERS — VAULTS SHALL BE PROVIDED WITH A 48" X 60" OPENING AND COVER PER UGS-FD041. MANHOLE COVER SHALL BE 30" DIAMETER.
    - E. NECK — VAULTS SHALL BE INSTALLED WITH A 18" MINIMUM NECK, OR AS REQUIRED BY GOVERNMENT AGENCY.
    - F. OTHER ACCESSORIES — NO VENTS OR LADDERS ARE REQUIRED.
11. RISER POLE FOOTINGS:
    - A. APPROVED CONTRACTORS — FOUNDATIONS FOR STEEL RISER POLES SHALL BE INSTALLED BY "APPROVED" SUB-CONTRACTORS. CONTACT SOUTHERN CALIFORNIA EDISON CO. PROCUREMENT DIVISION FOR LATEST LIST OF APPROVED POLE FOOTING CONTRACTORS.

CONSTRUCTION NOTES:

Unless otherwise specified on the working drawing under Notes 1 part of the specifications, the Contractor/Developer shall furnish the following items at no cost to the Edison Company.

Southern California Edison Company has attempted to correctly show all existing utilities and construction in the vicinity of this work, but does not guarantee there are no other substructures in the area. Failure of SCE to show all substructures in their correct location will not be a basis for a claim for extra work, and the contractor shall be responsible for all damages to substructures whether shown or not.

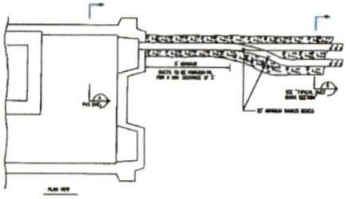
1. FOR GENERAL SPECIFICATIONS SEE UGS-01 001.
2. DUCTS:
   a. Minimum cover in street or pathway is 30" unless grade prevents unless noted otherwise.
   b. Minimum cover on private property is 30" unless otherwise noted, unless noted otherwise.
   c. Contractor is to furnish and install equipment as called for in Edison specifications per UGS 12 100 thru 122, 140 and 150.
   d. For line type of conduit to be used, see UGS 03 1A2.
   e. Number of risers per UGS 03 100, 101, 102 and 104.
   f. Size of conduits available per UGS 03 110 and various standards per UGS 03 120.
   g. Bend radius for conduit risers per UGS 03 130 and various standards per UGS 03 120, 121, 122, 123, 124 per UGS 03 100 & UGS 03 1A2.
   h. Sealed pull rope in all conduit runs. Pull rope to be 1/4" polypropylene or polyethylene rope, braided or twisted. For specifications, approved makes, and suppliers, see UGS 12 040.
   i. All conduit must be encased with the approved material UGS 03 107.
3. CONDUIT BEND REQUIREMENTS:
   a. Bend radius for conduit risers are:
      - 12" for conduits 2" in diameter or smaller
      - 24" for conduits 3" and 4" in diameter
      - 36" for 5" diameter conduit

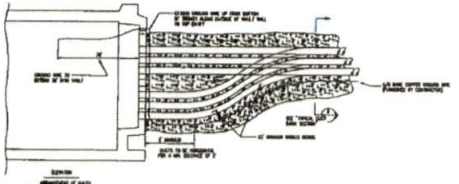
   In the minimum radius for all changes of all conduits available in 20' (unless noted otherwise).
4. EXCAVATION AND BACKFILL:
   a. Work area shall be kept cleaned and rough graded to within four inches of final grade prior to installation of Edison conduit or structures.
   b. All excavation shall be in accordance with the California State Construction Safety Orders (when applicable), Edison specifications, and all governing local ordinances.
   c. Each street to be a uniform width before final grade prior to installation of Edison conduit or structures.
   d. Trench bottom shall be free of rocks and other hard objects for a minimum of 3" cushion. Backfill material shall be free from rocks and other hard objects greater than 3" in diameter.
   e. Backfill, per Edison specifications, shall be compacted to 90% relative compaction per ASTM D1557 or equivalent per UGS 03 1A2, another 3/4 inch crushed rock will suffice. Jetting shall not be permitted.
   f. Backfill per Edison specifications, and immediately before conduit or substructure installation. All no base shall consist to soft material over 24 layers.
   g. No rocks are allowed within 12" bottom of street-resisted cables or any conduit without manufacturer's approval.
   h. Trench bottom shall be compacted through a 12" layer and have a hard, even surface shall be smoothed by an "Earth Hog" or similar machine. Trench bottom shall be compacted through a 12" layer, grade irregularities over 3" below and 12" above Edison conduits. After this point, no more heavy equipment shall be used over the trench.
   i. All conduit shall be encased in sand or screened base of other requirements. It shall be placed in a manner that will not damage the conduit or substructure or alter future adjustments of the trench or alignment.
5. PAVING:
   Repaving, where required, shall be placed in such a manner that interference with traffic, including pedestrian traffic, will be kept to a minimum. The Contractor shall establish a program of repaving acceptable to the Permitting Agency or other authority having jurisdiction and shall be acceptable to Edison.
6. STRUCTURES:
   a. All substructures shall be constructed or installed to Edison specifications.
   b. All cast iron/plastic surfaces per UGS 03 200 when required to cross equipment to traffic, per Edison inspector.
   c. All precast, three and concrete, bolted substructures shall be water tight.
   d. All governing structures shall be furnished and installed by the Contractor.
7. MECHANICAL SPLICES:
   Where mechanical splicing cable shall be provided by the Developer. Splice are required wherever grade does more than 15 inches above the elevation of 24" above the rail surface at a distance of 5 feet from the curve, or where the grade exceeds 5%. Splices are installed in accordance with local building ordinances. Refer to Edison Standard for typical splice requirements.
8. POWER:
   All permits necessary for construction shall be provided by the Contractor/Developer.
9. ACCESS:
   Heavy truck access shall be maintained to equipment locations. Structures must be clear of all apparatus and must construct the loading or unloading of equipment.
10. SERVICES:
    a. Meters and services shall comply with Edison Electrical Services Requirements.
    b. Meters shall not be installed on structures with applicable local ordinances and approved by local inspection Authorities.
11. LOCATION:
    a. The location of transformers and attendance for Edison shall be as shown on the working drawing. An installation from the planned locations will be permitted unless approved by the Edison inspector. See UGS 01 001, another U.G.
    b. Actual location of distribution, where poles, and/or other facility additions to be the responsibility of the Contractor. See UGS 01 001, another U.G.
12. Contractor is to verify location and validity of all utilities and drawings prior to actual field installation. See UGS 03 1A2, UGS 03 1A3 and UGS 03 1A4.
13. SURVEY:
    Surveying of street improvements, property corners, lot lines, finished grade, etc., necessary for the installation of underground facilities must be completed and markers or stakes placed prior to the start of the installation. The Contractor, Developer and engineer during the installation and inspection by Edison. Grade and property line stakes must show any offset measurements.
14. CONSTRUCTION AND INSPECTION:
    The Contractor shall provide construction and post-installation surveys the various contractors working within the development in order to prevent damage to Edison facilities. He is responsible for the cost of repairs, replacement, relocation, or other corrections to Edison facilities made necessary by his failure to provide adequate protection or to otherwise comply with these specifications.
15. TELEPHONE AND OTHER UTILITY REQUIREMENTS:
    The planning prepared for this job may also cover the facilities to be installed by the telephone company and/or other utility. Any questions concerning details of their installation should be referred to the company involved.
16. OWNERSHIP:
    Developer is to deed to the Edison Company all structures shown hereon except those shown as customer owned.
17. WARRANTY:
    Applicants expressly represent and warrant that all work performed and all material used in meeting Applicants obligations herein are free from defects in workmanship and are in workmanlike with Southern California Edison Company's requirements. Any warranty and representation given or made by Applicants or Company's final acceptance of the work shall not relieve Applicants of any liability for defects in workmanship or materials. Applicants agree to promptly correct to the Company's satisfaction any defects in workmanship or materials. Jurisdiction and to Applicant's expense any breach of this warranty which may become apparent through inspection or operation of underground electric system by Company during this warranty period.
18. INSPECTION:
    Inspection is required during the construction period. A 48 hour advance notice of intent to start construction is required from the contractor to the Southern California Edison Company. Standards of Edison construction requirements are available upon request.

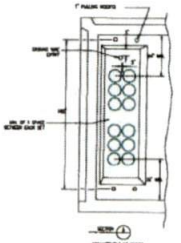
Duct and Structure Inspector: Phone:
Cabling Construction Coordinator: Phone:

PROJECT REQUIREMENTS (Y/N)

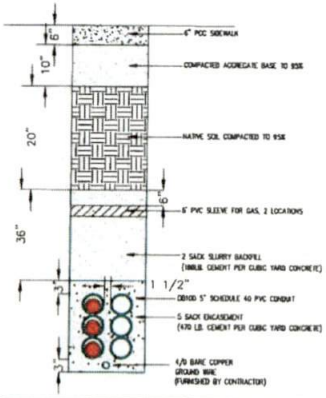
EDISON EASEMENT REQUIRED	(N)
PWRD 88 REQUIRED	(N)
PERMIT REQUIRED	(N)
PERMIT TYPE:	
OUTAGE REQUIRED	(N)
OUTAGE DATE: TIME:	
TRAFFIC CONTROL REQUIRED	(N)
PED. TRAFFIC CONTROL REQ'D	(N)
CONVEYANCE LETTER REQ'D	(N)
ENVIRONMENTAL SCREENING REQ'D	(N)
CSD 140 (FLM) REQ'D	(N)







Double Circuit Arrangement



LEGEND OF DRAFTING SYMBOLS

TRENCH:

STRUCTURES:

RUN NUMBER CALL-OUTS AS FOLLOWS:

- (1) – (99) MAINLINE CONDUIT
- (100) – (199) SERVICE CONDUIT
- (400) – (499) STREET LIGHT CONDUIT

CONNECTING TO EXISTING SCE STRUCTURES

- For SCE requirements, customers are not allowed to enter, transact or tie-in to existing SCE structures, equipment or conductors. This work will only be performed by SCE. Contact the appropriate SCE inspector to schedule an appointment. Customers may connect to an existing duct also without a SCE inspector present.
- For CPUC/SCE's Rule 15 (U.G.) and Rule 16 (O.H.), the customer will provide all necessary accommodations (with the exception of construction under pools and privacy walls fences) required (including conduit and structures) and assessment, to be utilized in the interconnect/tie-in process.
- The customer must adhere to all applicable Cal-OSHA, local, city, state and federal regulations, (including, but not limited to, all necessary shoring and trench safety) in order to perform the interconnect/tie-in work by SCE's underground and overhead crew(s).
- Interconnect/tie-in work must be coordinated with SCE's and contractors through the Division Inspector/QCM to limit exposure of overhead/ug. Customer is responsible for installing conductor(s).

WARNING

THE EXCAVATOR MUST FIND ALL UTILITIES PRECISELY BEFORE EXCAVATION BEGINS. THE EXCAVATOR MUST CONTACT ALL UTILITIES DECLARED BY THEIR OWNERS AND OPERATORS TO HAVE FACILITIES WITHIN THE AREA OF EXCAVATION AND MUST ALSO USE ALL OTHER REASONABLE MEANS TO LOCATE ANY UNDERGROUND FACILITIES WHETHER OR NOT THEIR OWNERS ARE MEMBERS OF A REGIONAL NOTIFICATION CENTER. THE EXCAVATOR IS RESPONSIBLE FOR ANY DAMAGE TO UNDERGROUND FACILITIES, AS WELL AS ANY CONSEQUENTIAL DAMAGES CAUSED BY SUCH DAMAGE, WHETHER OR NOT THE FACILITIES ARE PROPERLY MARKED. THE EXCAVATOR MUST ALSO PRESERVE ALL MARKINGS UNTIL THE WORK IN THE AREA IS COMPLETED. IF THE EXCAVATOR DAMAGES OR DISTURBS ANY MARKINGS, HE MUST REMARK THE FACILITIES BEFORE BACKFILLING. THE EXCAVATOR MUST ALSO EXPOSE UNDERGROUND FACILITIES AT CROSSINGS AND ADJACENT TO ANY EXCAVATION WORK AREA SUFFICIENTLY TO DETERMINE THE EXACT LOCATION OF THE FACILITIES. THE EXCAVATOR MUST ALSO NOTIFY THE OWNERS OF ANY UNDERGROUND FACILITIES WHEN ANY DEVIATION OF MORE THAN TWO FEET IS REQUIRED IN THE PLANNED EXCAVATION OF THE MARKED LOCATIONS OF EDISON UNDERGROUND FACILITIES. ALL METHODS, AND RELATED TO BE ADEQUATE. HOWEVER, THE FINAL DETERMINATION OF EXACT LOCATIONS AND THE COST OF REPAIR TO DAMAGED FACILITIES IS THE RESPONSIBILITY OF THE EXCAVATOR.

WHERE CONDUITS ARE PICKED UP OR INTERCEPTED, CONDUIT SHALL BE MANDRELLED AND PULL ROPE INSTALLED FROM TERMINAL TO TERMINAL.

CONTRACTOR _____
COST PLUS ☐ FIRM ☐ DEV. ☐
INCLUDES PERM. PAVING YES ☐ NO ☐
PERMIT NUMBER _____
DATE STARTED _____
DATE COMPLETED _____
INSPECTOR _____
PRECISION _____ CONDUIT _____

UNDERGROUND SERVICE ALERT
Dial 811
Call USA
For Underground Locating
2 Working Days Before You Dig

INSTALL METHOD:
☐ EDISON
☐ APPLICANT

THIS PLAN APPROVED AS TO LOCATION AND TYPE OF ELECTRIC SUBSTRUCTURES
Developer: _____
Attn: _____
Address: _____
Telephone: _____
FAX: _____

Dwg./Rev.	Developer's Signature	Date
Original		
Rev.		
Rev.		
Rev.		

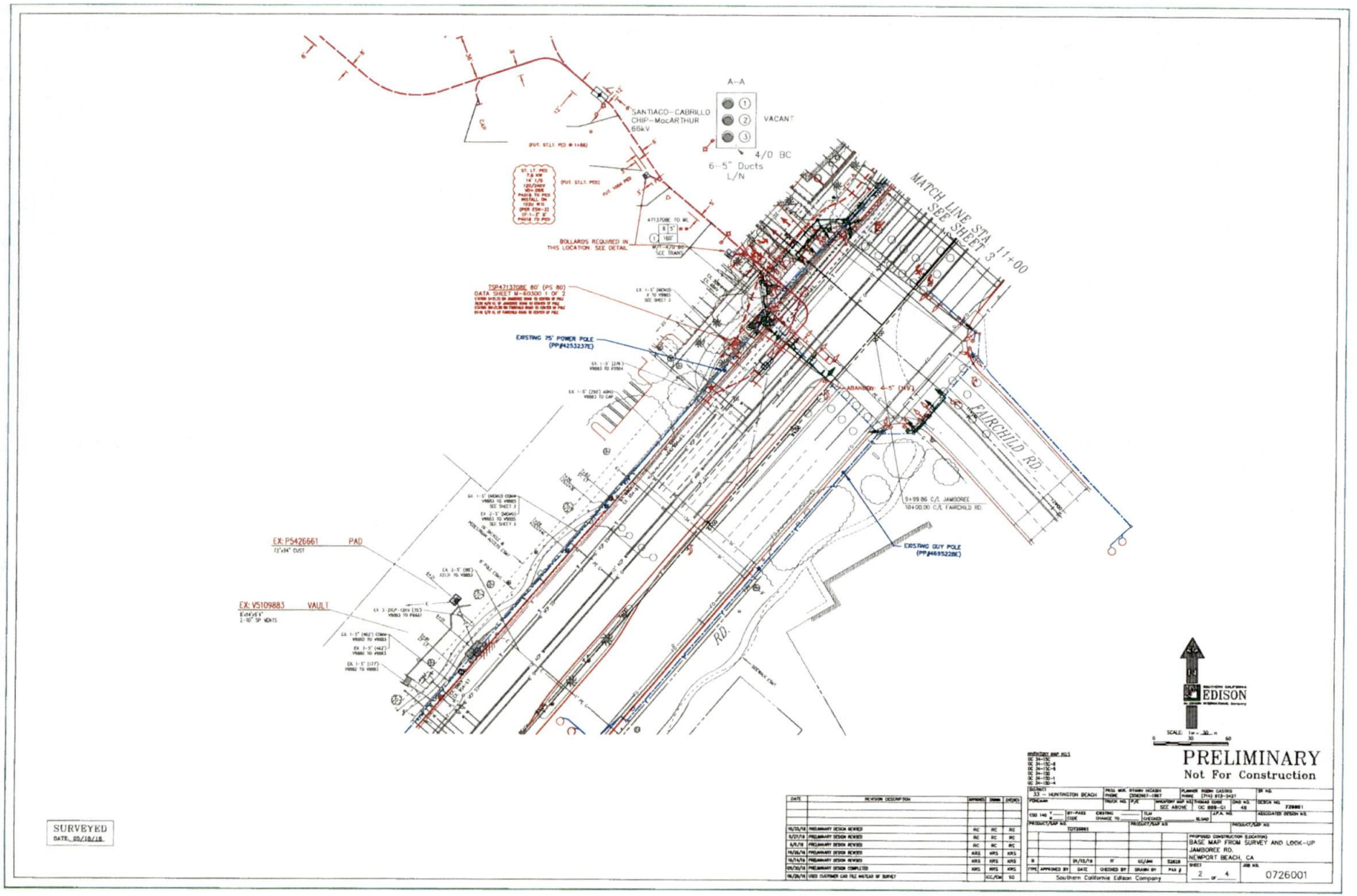
CHANGES IN THESE PLANS WILL REQUIRE AN ADDITIONAL 3 TO 4 WEEKS AND CUSTOMER WILL BE CHARGED IN ADVANCE FOR REQUESTED CHANGES.

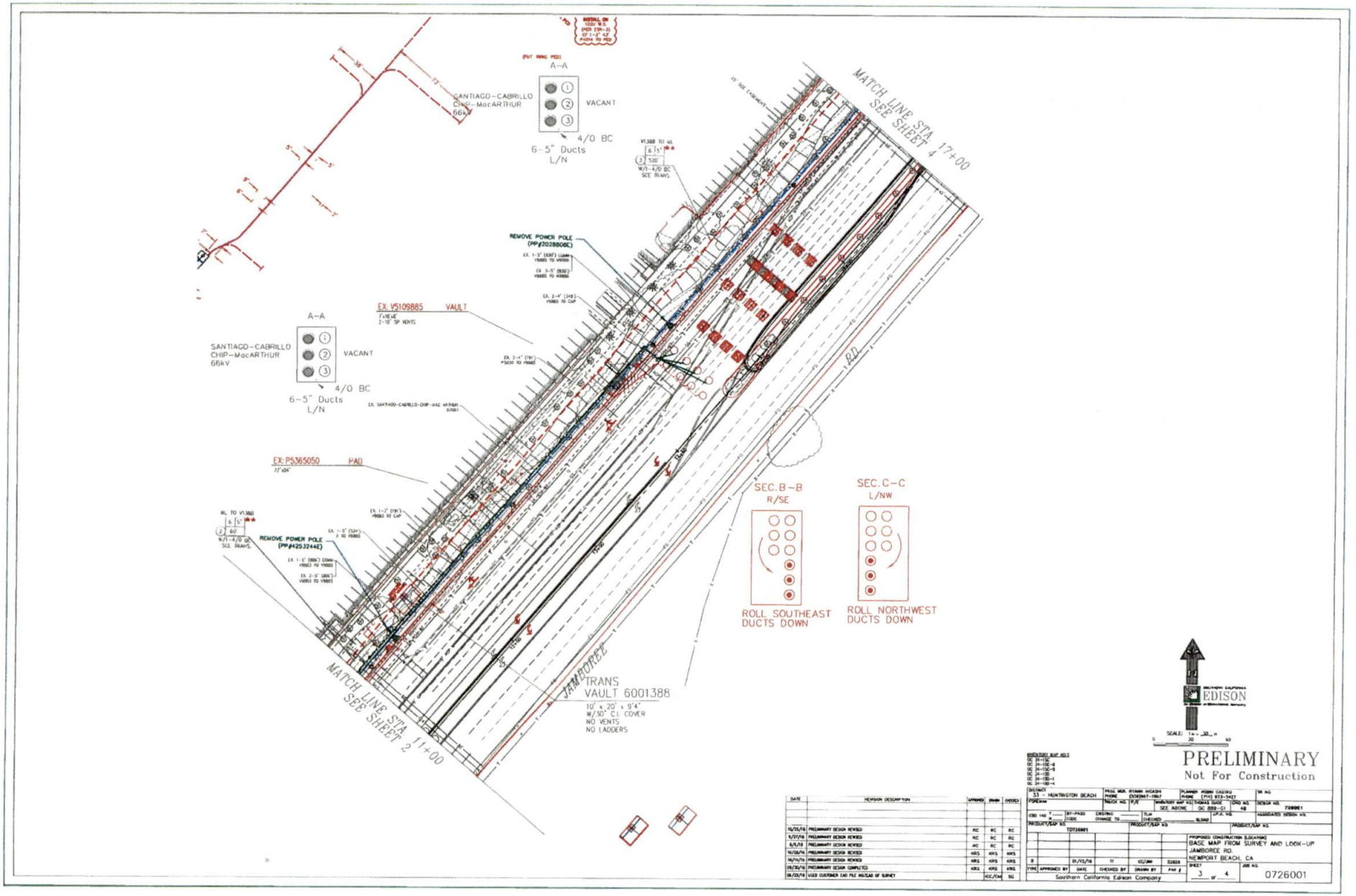
FINAL

DATE	REVISION DESCRIPTION	APPROVED	DRAWN	CHECKED
10/25/16	PRELIMINARY DESIGN REVISED	RIC	RIC	RIC
8/27/16	PRELIMINARY DESIGN REVISED	RIC	RIC	RIC
6/6/16	PRELIMINARY DESIGN REVISED	RIC	RIC	RIC
10/28/14	PRELIMINARY DESIGN REVISED	KRS	KRS	KRS
10/1/14	PRELIMINARY DESIGN REVISED	KRS	KRS	KRS
09/30/14	PRELIMINARY DESIGN COMPLETED	KRS	KRS	KRS
06/20/14	USED DISTORTED CAD FILE INSTEAD OF SURVEY		KRS/DM	SG

DISTRICT: 33 HUNTINGTON BEACH
FIELD MGR. RYANN HIGASHI PHONE: 909-357-1917
PLANNER ROBIN CALKINS PHONE: 800-655-8560
DESIGN NO. 726001
PROJECT/MAP NO.
PROPOSED CONSTRUCTION (LOCATION): BASE MAP FROM SURVEY AND LOOK-UP JAMBOREE RD. NEWPORT BEACH, CA
SHEET 1 OF 4
JOB NO. 0726001

Southern California Edison Company


A–A
SANTIAGO–CABRILLO CHIP–MacARTHUR 66kV
VACANT
4/0 BC
6–5" Ducts
L/N
MATCH LINE STA 11+00 SEE SHEET 3
BOLLARDS REQUIRED IN THIS LOCATION SEE DETAIL
TSP47137ORE 80' (PS 80)
EXISTING 75' POWER POLE (PP#4253237E)
ABANDON 4–5" (197)
FAIRCHILD RD.
9+99.86 C/L JAMBOREE
10+00.00 C/L FAIRCHILD RD.
EXISTING GUY POLE (PP#4495228E)
EX: P5426661 PAD
EX: V5109883 VAULT
RD.
SURVEYED
DATE 05/18/18
EDISON
SCALE: 1in = 30 ft
PRELIMINARY
Not For Construction
PROPOSED CONSTRUCTION (LOCATION)
BASE MAP FROM SURVEY AND LOOK–UP
JAMBOREE RD.
NEWPORT BEACH, CA
Southern California Edison Company
0726001
287


A-A
SANTIAGO-CABRILLO
CHIP-MacARTHUR
66kV
VACANT
4/0 BC
6-5" Ducts
L/N
MATCH LINE STA 17+00
SEE SHEET 4
REMOVE POWER POLE
(PP#2028808E)
EX: V5109885 VAULT
7'x15'x8'
2-18" SP VENTS
EX: P5365050 PAD
11'x24'
REMOVE POWER POLE
(PP#4253244E)
SEC. B-B
R/SE
SEC. C-C
L/NW
ROLL SOUTHEAST
DUCTS DOWN
ROLL NORTHWEST
DUCTS DOWN
JAMBOREE
TRANS
VAULT 6001388
10' x 20' x 9'4"
W/30" CI COVER
NO VENTS
NO LADDERS
MATCH LINE STA 11+00
SEE SHEET 2
EDISON
PRELIMINARY
Not For Construction
BASE MAP FROM SURVEY AND LOOK-UP
JAMBOREE RD.
NEWPORT BEACH, CA
Southern California Edison Company
0726001

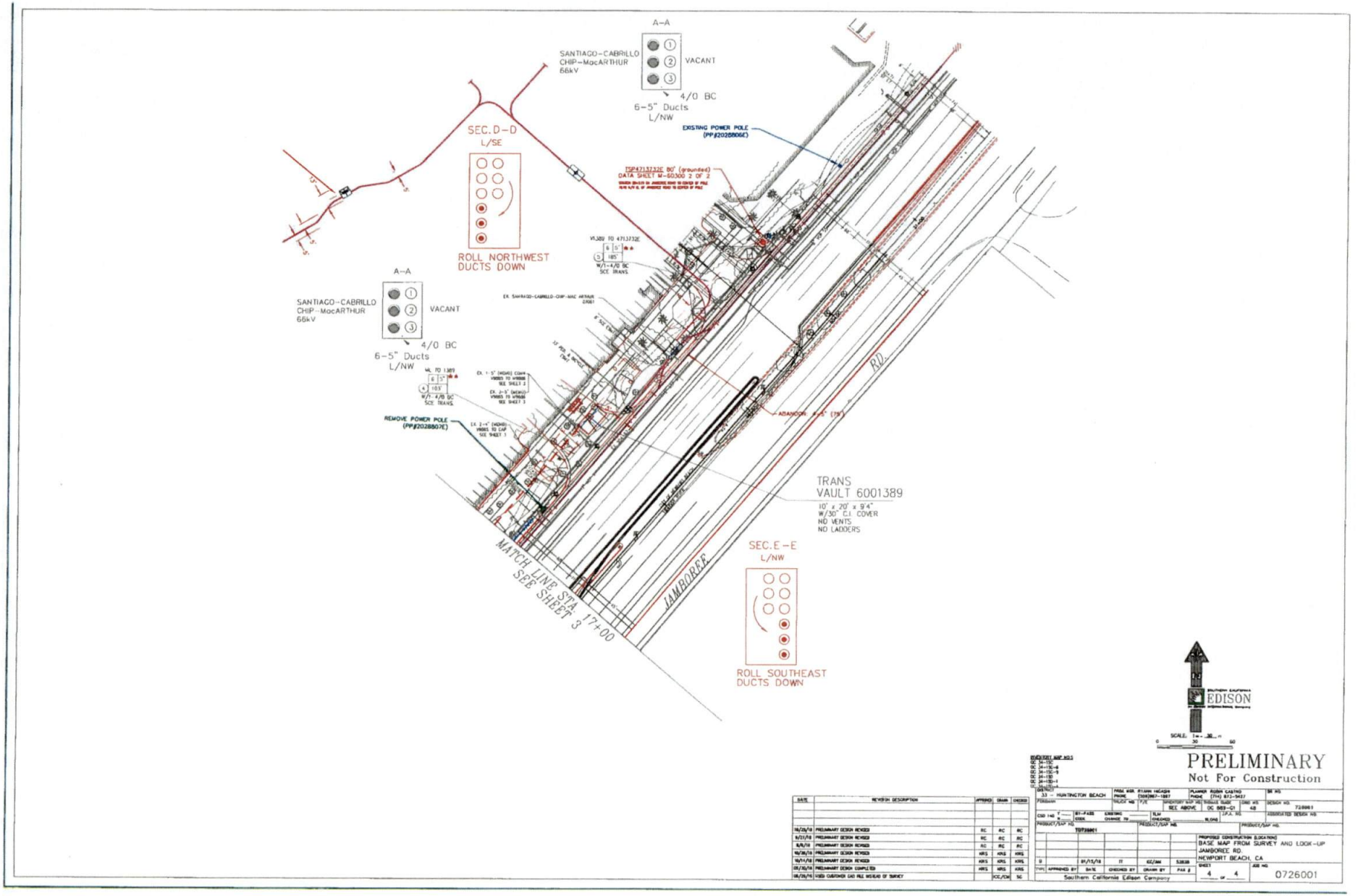
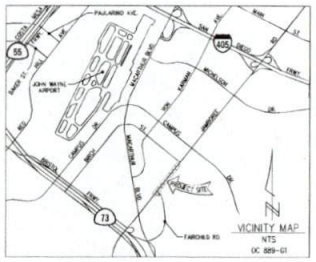
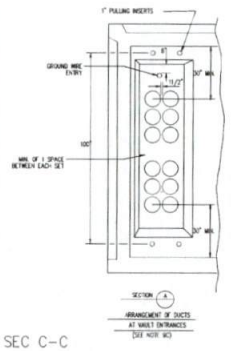
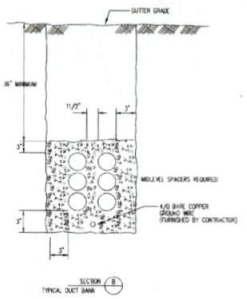

A–A
SANTIAGO–CABRILLO
CHIP–MacARTHUR
66kV
VACANT
4/0 BC
6–5" Ducts
L/NW
SEC. D–D
L/SE
ROLL NORTHWEST
DUCTS DOWN
EXISTING POWER POLE
(PP#2028806E)
TSP4713732E 80' (grounded)
DATA SHEET M–60300 2 OF 2
W1389 TO 4713732E
W/1–4/0 BC
SEE TRANS
A–A
SANTIAGO–CABRILLO
CHIP–MacARTHUR
66kV
VACANT
4/0 BC
6–5" Ducts
L/NW
W1 TO 1389
W/1–4/0 BC
SEE TRANS
REMOVE POWER POLE
(PP#2028807E)
ASANDON
TRANS
VAULT 6001389
10' x 20' x 9'4"
W/30" C.I. COVER
NO VENTS
NO LADDERS
SEC. E–E
L/NW
ROLL SOUTHEAST
DUCTS DOWN
MATCH LINE STA 177+00
SEE SHEET 3
JAMBOREE
RD.
EDISON
PRELIMINARY
Not For Construction
33 – HUNTINGTON BEACH
BASE MAP FROM SURVEY AND LOOK–UP
JAMBOREE RD.
NEWPORT BEACH, CA
0726001
Southern California Edison Company

EXHIBIT B-1

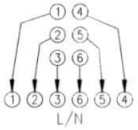
APPROVED RELOCATION PLANS

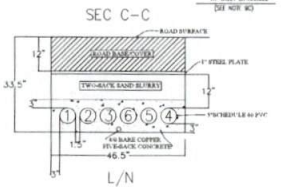


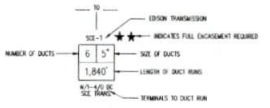




SEC C-C WILL ONLY BE USED IF STANDARD DUCT CONFIGURATION WILL NOT ALLOW FOR PROPER CLEARANCE FROM EXISTING UTILITIES

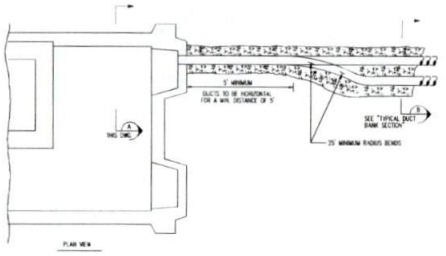




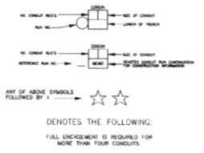


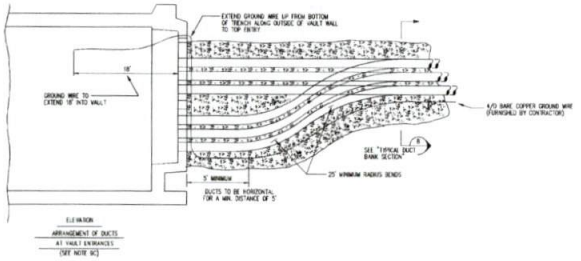
LEGEND OF SYMBOLS ON WORKING DRAWINGS

TYPICAL WOOD POLE RISER DUCT ARRANGEMENT



LEGEND OF CONDUIT SYMBOLS
(CONVENTIONAL U.G.)





NOTES:

1. GENERAL SPECIFICATIONS: SEE DWG. UGS-1
2. LOCATION OF OBSTRUCTIONS: THE CONTRACTOR IS RESPONSIBLE FOR DETERMINING THE LOCATION OF OBSTRUCTIONS PER UGS-1 PAR. 2.3.
3. STARTING NOTIFICATION: THE CONTRACTOR SHALL NOTIFY SCE UG TRANSMISSION (714) 973-5414 48 HOURS PRIOR TO THE START OF CONSTRUCTION.
4. REFERENCE DRAWINGS: UGS & UCT DRAWINGS CAN BE OBTAINED FROM SCE TRANSMISSION UPON REQUEST.
5. QUANTITIES: FOOTAGES AND OTHER QUANTITIES SHOWN ARE APPROXIMATE ONLY.
6. BACKFILL: BACKFILL SHALL BE SAND SLURRY CONTAINING A MINIMUM OF 188 POUNDS CEMENT PER CUBIC YARD.
7. WATERTIGHT STRUCTURES: ALL DUCT RUNS AND VAULTS SHALL BE WATERTIGHT.
8. REPAVING: TRAFFIC INTERFERENCE, INCLUDING PEDESTRIAN TRAFFIC SHALL BE KEPT TO A MINIMUM. THE CONTRACTOR SHALL ESTABLISH A PROGRAM OF REPAVING, ACCEPTABLE TO SCE AND TO THE AGENCY WITHIN WHOSE JURISDICTION THE WORK IS PERFORMED. PAVING SHALL BE INSTALLED IN ACCORDANCE WITH THE REQUIREMENTS OF THAT AGENCY.
9. DUCTS & DUCT LINES: SEE DETAILS, THIS DRAWING.
   - A. SIZE & TYPE: 5" I.D. (TYPE I) - "S" SCH. 40 IN BORES. MIDLEVEL SPACERS REQUIRED.
   - B. NORMAL ARRANGEMENT: 2 WIDE X 3 HIGH AS SHOWN IN TYPICAL SECTION ON THIS DRAWING.
   - C. AT VAULT ENTRANCES: AT VAULT ENTRANCES, DUCT LINES ARE TO BE "ROLLED" FROM 2 WIDE X 3 HIGH TO 1 WIDE X 6 HIGH AS SHOWN ON THIS DWG.
   - D. ENCASEMENT: ALL DUCT RUNS SHALL BE FULLY ENCASED IN CONCRETE CONTAINING A MINIMUM CEMENT CONTENT OF 470 POUNDS PER CUBIC YARD.
   - E. COVER: 36" MINIMUM UNLESS OTHERWISE SPECIFIED. (42" IN STREET)
   - F. GROUND WIRE: A 4/0 7 STR. COPPER GROUND WIRE SHALL BE INSTALLED AT THE BOTTOM OF ALL DUCT LINES AND EXTENDED 18' INTO VAULTS, ONE CONTINUOUS PIECE VAULT TO VAULT, AND NO SPLICES.
   - G. PULL WIRES: PULL ROPE SHALL BE INSTALLED IN ALL DUCT RUNS WITH NO SPLICES IN ROPE. THEY SHALL BE 3/8" POLYPROPYLENE OR POLYETHYLENE - BRAIDED ONLY. SEE UGS-4G FOR APPROVED SUPPLIERS.
   - H. INSTALLATION: DUCTS AND DUCT LINES SHALL BE INSTALLED IN ACCORDANCE WITH UGS-100 THROUGH UGS-122.
10. VAULTS: SEE UGS-400 & TUG-300 (REV. 4-01).
    - A. SIZE: 8' WIDE X 20' LONG X 9'-6", INSIDE DIMENSIONS.
    - B. APPROVED TYPES: 1. BROOKS PRODUCTS INC., 1850 PARCO AVE., ONTARIO, CA 91761, (909) 947-7470 — MODEL 8076 FVT14-ED77
    - C. RACKS & INSERTS: UNISTRUT RACKS AND PULLING INSERTS SHALL BE PROVIDED AS SHOWN ON TUG-300-B (REV. 4-01). UNISTRUT SHALL BE HORIZONTAL IN SPLICE BAY.
    - D. VAULT COVERS: VAULTS SHALL BE PROVIDED WITH A 48" X 60" OPENING AND COVER PER UGS-641. MANHOLE COVER SHALL BE 30" DIAMETER.
    - E. NECK: VAULTS SHALL BE INSTALLED WITH A 18" MINIMUM NECK, OR AS REQUIRED BY GOVERNMENT AGENCY.
    - F. OTHER ACCESSORIES: NO VENTS OR LADDERS ARE REQUIRED.
11. RISER POLE FOOTINGS: FOUNDATIONS FOR STEEL RISER POLES SHALL BE INSTALLED BY "APPROVED" SUB-CONTRACTORS.
    - A. APPROVED CONTRACTORS: CONTACT SOUTHERN CALIFORNIA EDISON CO. PROCUREMENT DIVISION FOR LATEST LIST OF APPROVED POLE FOOTING CONTRACTORS.

Where conduits are picked up or intercepted, contractor to mandrel and install pull rope from terminal to terminal.

Existing structures shown on this drawing contain energized cable and equipment. Entering structure or breaking thru wall to be done ONLY under supervision of Edison Co. personnel.

UNDERGROUND SERVICE ALERT
1-800-422-4133
1-800-227-2600
Call USA
For Underground Locating
2 Working Days Before You Dig

PLAN SHOWING PROPOSED ELECTRIC UNDERGROUND LAYOUT FOR CUSTOMER INSTALLATION

Exhibit B-1

WHERE CONDUITS ARE PICKED UP OR INTERCEPTED, CONDUIT SHALL BE MANDRELLED AND PULL ROPE INSTALLED FROM TERMINAL TO TERMINAL

UG INVENTORY MAP NO'S
OC 34-15C-8
OC 34-15C-9
OC 34-15D-1
OC 34-15D-4

PRELIMINARY
NOT FOR CONSTRUCTION

RED = PROPOSED
GREEN = REMOVAL
BLUE = EXISTING
TRENCH
OVERHEAD

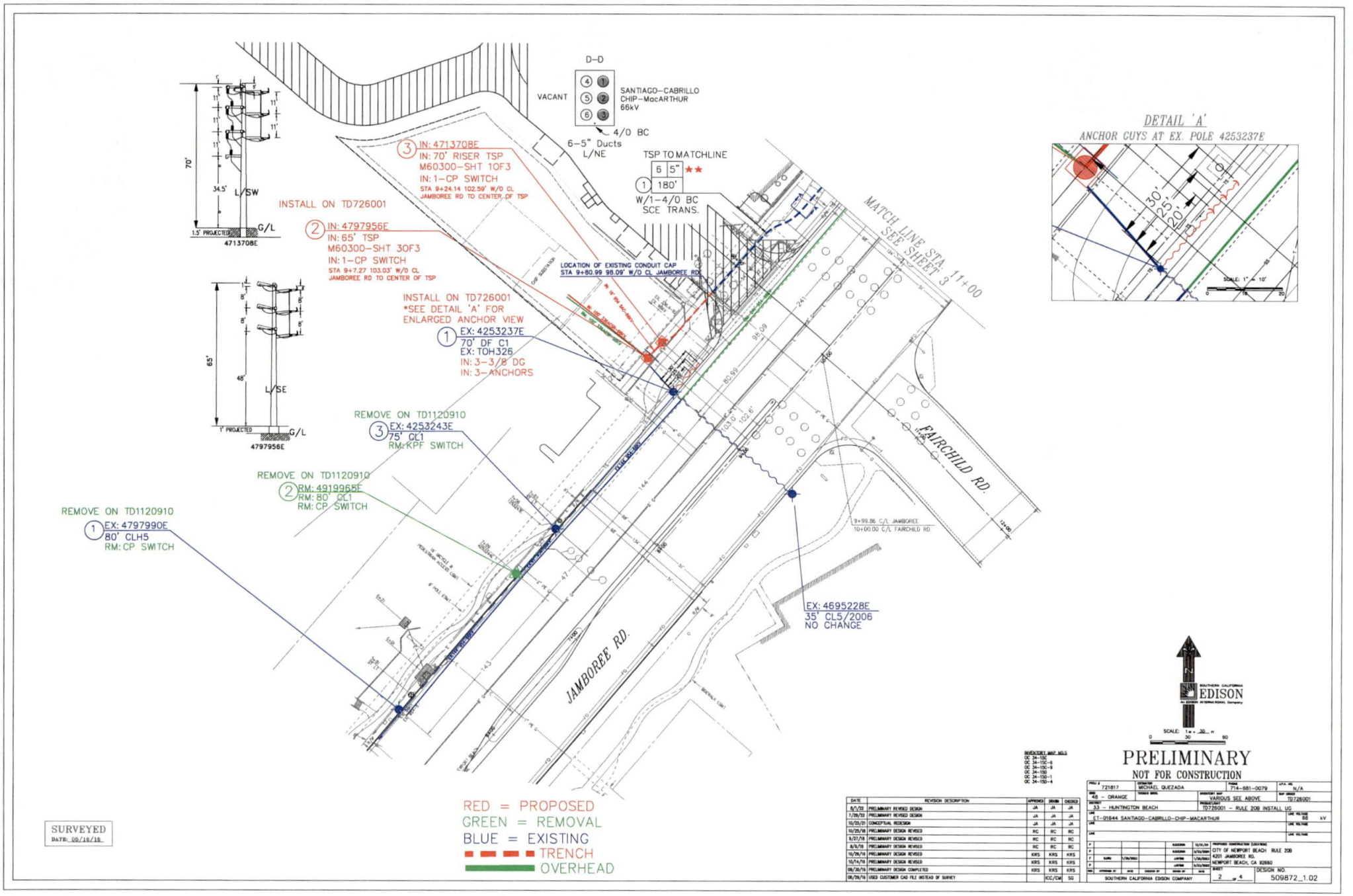
By this signature I accept and approve this SCE Plan of Reduction on behalf of the organization I represent and declare my authority.

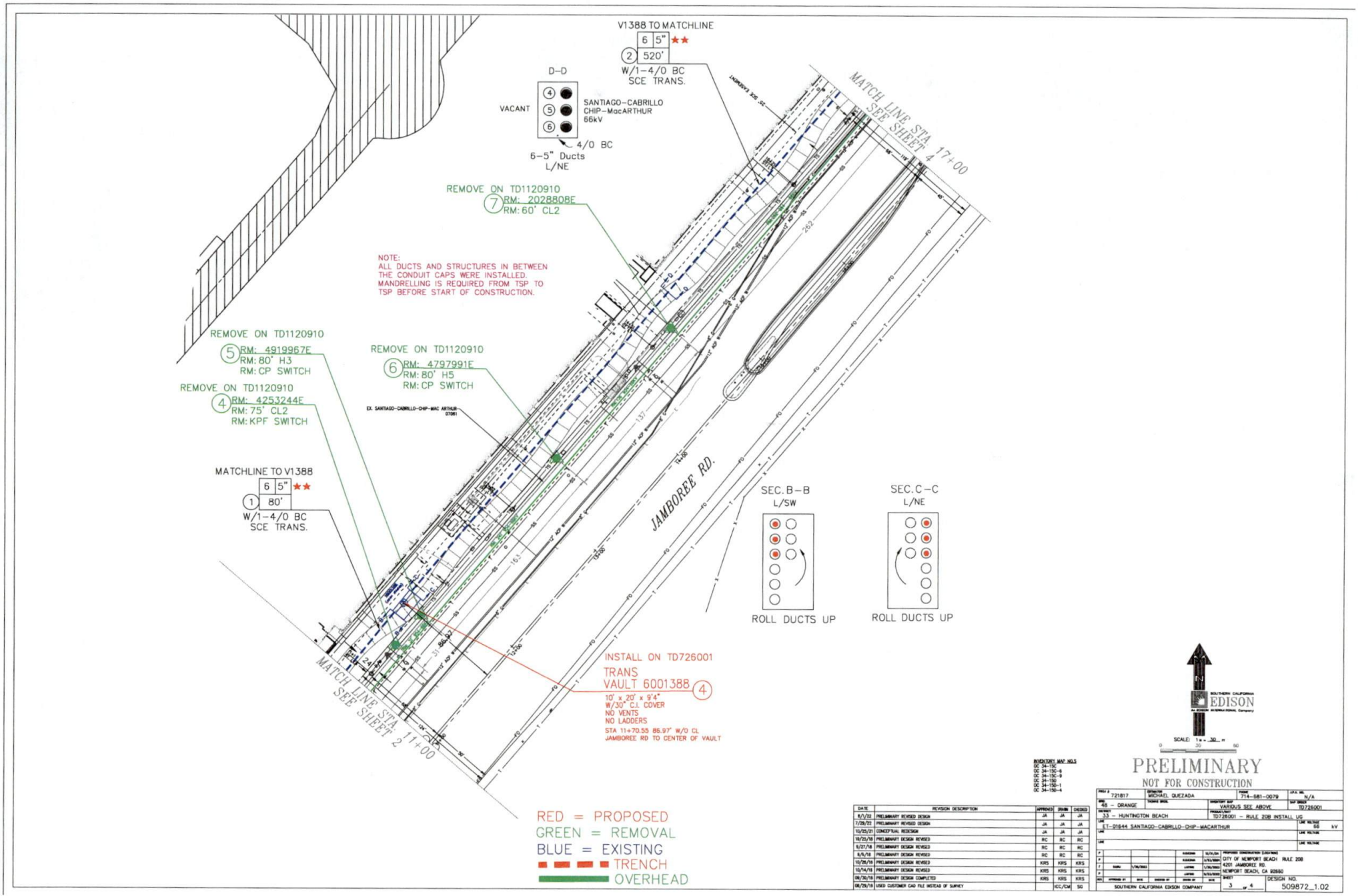
Michael J. Sinacori, P.E.	Assistant City Engineer
Name	Title
City of Newport Beach	
Organization	
Michael J. Sinacori	2-19-2025
Signature	Date

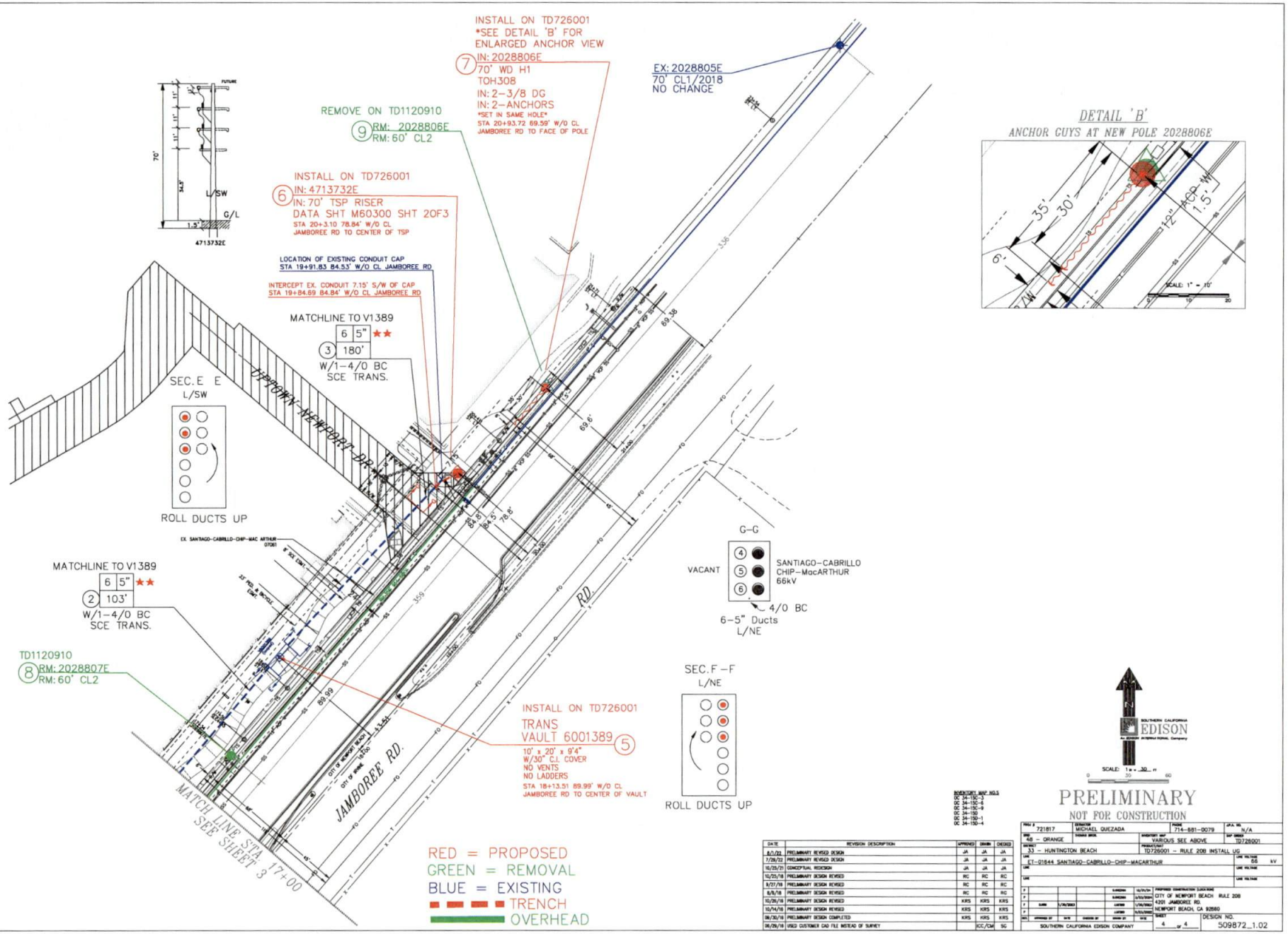
DATE	REVISION DESCRIPTION	APPROVED	DRAWN	CHECKED
8/1/22	PRELIMINARY REVISED DESIGN	JA		JA
7/29/22	PRELIMINARY REVISED DESIGN	JA	JA	JA
10/25/21	CONCEPTUAL REDESIGN	JA	JA	JA
10/23/18	PRELIMINARY DESIGN REVISED	RC	RC	RC
8/27/18	PRELIMINARY DESIGN REVISED	RC	RC	RC
8/8/18	PRELIMINARY DESIGN REVISED	RC	RC	RC
10/28/16	PRELIMINARY DESIGN REVISED	KRS	KRS	KRS
10/14/16	PRELIMINARY DESIGN REVISED	KRS	KRS	KRS
09/30/16	PRELIMINARY DESIGN COMPLETED	KRS	KRS	KRS
06/29/16	USED CUSTOMER CAD FILE INSTEAD OF SURVEY		CC/DM	SG

PROJ #	721817
ESTIMATOR	MICHAEL QUEZADA
PHONE	714-681-0079
J.O. NO.	N/A
DIST	12
COUNTY	ORANGE
DIST/COUNTY	12 - ORANGE
INVENTORY MAP	VARIOUS SEE ABOVE
SAP ORDER	TD726001
LINE	33 - HUNTINGTON BEACH
PROJECT	TD726001 - RULE 20B INSTALL UG
LINE	ET-01644 SANTIAGO-CABRILLO-CHIP-MACARTHUR
LINE VOLTAGE	66 kV
LINE	
LINE VOLTAGE	
PROPOSED CONSTRUCTION (LOCATION)	CITY OF NEWPORT BEACH HULL 208 4201 JAMBOREE RD. NEWPORT BEACH, CA 92660
APPROVED BY	
DATE	
DRAWN BY	
CHECKED BY	
SHEET	1 OF 4
DESIGN NO.	509872_1.02

SOUTHERN CALIFORNIA EDISON COMPANY


D-D
VACANT
SANTIAGO-CABRILLO
CHIP-MacARTHUR
66kV
4/0 BC
6-5" Ducts
L/NE
TSP TO MATCHLINE
6 5"
1 180'
W/1-4/0 BC
SCE TRANS.
3 IN: 4713708E
IN: 70' RISER TSP
M60300-SHT 1OF3
IN: 1-CP SWITCH
STA 9+24.14 102.59' W/O CL
JAMBOREE RD TO CENTER OF TSP
INSTALL ON TD726001
2 IN: 4797956E
IN: 65' TSP
M60300-SHT 3OF3
IN: 1-CP SWITCH
STA 9+7.27 103.03' W/O CL
JAMBOREE RD TO CENTER OF TSP
LOCATION OF EXISTING CONDUIT CAP
STA 9+80.99 98.09' W/O CL JAMBOREE RD
MATCH LINE STA. 11+00
SEE SHEET 3
INSTALL ON TD726001
*SEE DETAIL 'A' FOR
ENLARGED ANCHOR VIEW
1 EX: 4253237E
70' DF C1
EX: TOH326
IN: 3-3/8 DG
IN: 3-ANCHORS
REMOVE ON TD1120910
3 EX: 4253243E
75' CL1
RM: KPF SWITCH
REMOVE ON TD1120910
2 RM: 4919965E
RM: 80' CL1
RM: CP SWITCH
REMOVE ON TD1120910
1 EX: 4797990E
80' CLH5
RM: CP SWITCH
70'
34.5'
L/SW
1.5' PROJECTED
G/L
4713708E
65'
48'
L/SE
1' PROJECTED
G/L
4797956E
FAIRCHILD RD.
JAMBOREE RD.
9+99.86 C/L JAMBOREE
10+00.00 C/L FAIRCHILD RD
EX: 4695228E
35' CL5/2006
NO CHANGE
DETAIL 'A'
ANCHOR GUYS AT EX. POLE 4253237E
30'
25'
20'
SCALE: 1" = 10'
RED = PROPOSED
GREEN = REMOVAL
BLUE = EXISTING
TRENCH
OVERHEAD
SURVEYED
DATE: 09/16/16
SCALE: 1in = 30 ft
PRELIMINARY
NOT FOR CONSTRUCTION
DESIGN NO.
509872_1.02


V1388 TO MATCHLINE
6 5" ★★
2 520'
W/1-4/0 BC
SCE TRANS.
D-D
VACANT
SANTIAGO-CABRILLO
CHIP-MacARTHUR
66kV
4/0 BC
6-5" Ducts
L/NE
MATCH LINE STA 17+00
SEE SHEET 4
REMOVE ON TD1120910
7 RM: 2028808E
RM: 60' CL2
NOTE:
ALL DUCTS AND STRUCTURES IN BETWEEN
THE CONDUIT CAPS WERE INSTALLED.
MANDRELLING IS REQUIRED FROM TSP TO
TSP BEFORE START OF CONSTRUCTION.
REMOVE ON TD1120910
5 RM: 4919967E
RM: 80' H3
RM: CP SWITCH
REMOVE ON TD1120910
6 RM: 4797991E
RM: 80' H5
RM: CP SWITCH
REMOVE ON TD1120910
4 RM: 4253244E
RM: 75' CL2
RM: KPF SWITCH
EX. SANTIAGO-CABRILLO-CHIP-MAC ARTHUR-07061
MATCHLINE TO V1388
6 5" ★★
1 80'
W/1-4/0 BC
SCE TRANS.
JAMBOREE RD.
SEC. B-B
L/SW
ROLL DUCTS UP
SEC. C-C
L/NE
ROLL DUCTS UP
INSTALL ON TD726001
TRANS
VAULT 6001388 4
10' x 20' x 9'4"
W/30" C.I. COVER
NO VENTS
NO LADDERS
STA 11+70.55 86.97' W/O CL
JAMBOREE RD TO CENTER OF VAULT
MATCH LINE STA 11+00
SEE SHEET 2
RED = PROPOSED
GREEN = REMOVAL
BLUE = EXISTING
TRENCH
OVERHEAD
SCALE: 1" = 30'
SOUTHERN CALIFORNIA EDISON
PRELIMINARY
NOT FOR CONSTRUCTION
INVENTORY MAP NO.S
OC 34-15C
OC 34-15C-6
OC 34-15C-9
OC 34-15D
OC 34-15D-1
OC 34-15D-4
PROJ # 721817
DRAWN BY MICHAEL QUEZADA
PHONE 714-581-0079
U.P.A. NO. N/A
MAP GRID TD726001
AREA 65 - ORANGE
DISTRICT 33 - HUNTINGTON BEACH
INVENTORY MAP VARIOUS SEE ABOVE
PROJECT TD726001 - RULE 20B INSTALL UG
LINE ET-21644 SANTIAGO-CABRILLO-CHIP-MACARTHUR
LINE VOLTAGE 66 kV
LINE VOLTAGE
LINE VOLTAGE
PROPOSED CONSTRUCTION (SOLID LINES)
EXISTING CONSTRUCTION (DASHED LINES)
CITY OF NEWPORT BEACH RULE 20B
4201 JAMBOREE RD.
NEWPORT BEACH, CA 92660
SOUTHERN CALIFORNIA EDISON COMPANY
SHEET 3 OF 4
DESIGN NO. 509872_1.02
DATE | REVISION DESCRIPTION | APPROVED | DRAWN | CHECKED
6/1/12 | PRELIMINARY REVISED DESIGN | JA | JA | JA
7/29/12 | PRELIMINARY REVISED DESIGN | JA | JA | JA
10/25/21 | CONCEPTUAL REDESIGN | JA | JA | JA
10/25/18 | PRELIMINARY DESIGN REVISED | RC | RC | RC
8/27/18 | PRELIMINARY DESIGN REVISED | RC | RC | RC
8/5/18 | PRELIMINARY DESIGN REVISED | RC | RC | RC
10/26/18 | PRELIMINARY DESIGN REVISED | KRS | KRS | KRS
10/14/18 | PRELIMINARY DESIGN REVISED | KRS | KRS | KRS
08/30/18 | PRELIMINARY DESIGN COMPLETED | KRS | KRS | KRS
08/29/18 | USED CUSTOMER CAD FILE INSTEAD OF SURVEY | | ICC/CM | SG


INSTALL ON TD726001
*SEE DETAIL 'B' FOR ENLARGED ANCHOR VIEW
7 IN: 2028806E
70' WD H1
TOH308
IN: 2-3/8 DG
IN: 2-ANCHORS
SET IN SAME HOLE
STA 20+93.72 69.59' W/O CL
JAMBOREE RD TO FACE OF POLE
EX: 2028805E
70' CL1/2018
NO CHANGE
REMOVE ON TD1120910
9 RM: 2028806E
RM: 60' CL2
INSTALL ON TD726001
6 IN: 4713732E
IN: 70' TSP RISER
DATA SHT M60300 SHT 2OF3
STA 20+3.10 78.84' W/O CL
JAMBOREE RD TO CENTER OF TSP
LOCATION OF EXISTING CONDUIT CAP
STA 19+91.83 84.53' W/O CL JAMBOREE RD
INTERCEPT EX. CONDUIT 7.15' S/W OF CAP
STA 19+84.69 84.84' W/O CL JAMBOREE RD
MATCHLINE TO V1389
6 5" ★★
3 180'
W/1-4/0 BC
SCE TRANS.
SEC. E E
L/SW
ROLL DUCTS UP
MATCHLINE TO V1389
6 5" ★★
2 103'
W/1-4/0 BC
SCE TRANS.
TD1120910
8 RM: 2028807E
RM: 60' CL2
G-G
VACANT
4
5
6
SANTIAGO-CABRILLO
CHIP-MacARTHUR
66kV
4/0 BC
6-5" Ducts
L/NE
SEC. F-F
L/NE
ROLL DUCTS UP
INSTALL ON TD726001
TRANS
VAULT 6001389 5
10' x 20' x 9'4"
W/30" C.I. COVER
NO VENTS
NO LADDERS
STA 18+13.51 89.99' W/O CL
JAMBOREE RD TO CENTER OF VAULT
JAMBOREE RD.
MACARTHUR BLVD.
MATCH LINE STA 17+00
SEE SHEET 3
RED = PROPOSED
GREEN = REMOVAL
BLUE = EXISTING
TRENCH
OVERHEAD
DETAIL 'B'
ANCHOR GUYS AT NEW POLE 2028806E
35'
30'
6'
12" ACSR-W
1.5'
SCALE: 1" = 10'
SCALE: 1" = 30'
PRELIMINARY
NOT FOR CONSTRUCTION
SOUTHERN CALIFORNIA EDISON
CITY OF NEWPORT BEACH RULE 20B
4201 JAMBOREE RD.
NEWPORT BEACH, CA 92660
DESIGN NO.
509872_1.02

City of Newport Beach
BUDGET AMENDMENT
2025-26

BA#: 26-043

Department: Public Works

Requestor: Theresa Schweitzer

ONE TIME: ☑ Yes ☐ No

☐ **CITY MANAGER'S APPROVAL ONLY**

☑ **COUNCIL APPROVAL REQUIRED**

Approvals		
City Clerk:		**Date**
Finance Director:	Jason Al Enerym	**Date** 11/24/25
Budget Manager:		**Date** 11/24/25

EXPLANATION FOR REQUEST:

To increase revenue and expenditure appropriations to fund the Facility Relocation Agreement with Southern California Edison for the Uptown Newport undergrounding project.

☐ from existing budget appropriations
☑ from additional estimated revenues
☑ from unappropriated fund balance

REVENUES

Fund #	Org	Object	Project	Description	Increase or (Decrease) $
534	53401	561076		NP UPTOWN UNDERGROUNDING - SHOPOFF NEWPORT UPTOWN	1,918,000.00
				-	
				-	
				-	
				Subtotal	$ 1,918,000.00

EXPENDITURES

Fund #	Org	Object	Project	Description	Increase or (Decrease) $
534	53402	941032		NP UPTOWN UNDERGROUNDING - AD UTILITY CONSTRUCTION	1,918,000.00
				-	
				-	
				-	
				-	
				-	
				Subtotal	$ 1,918,000.00

FUND BALANCE

Fund #	Object	Description	Increase or (Decrease) $
534	300000	NEWPORT UPTOWN UNDERGROUNDING - FUND BALANCE CONTROL	-
		-	-
		-	
		Subtotal	$ -

No Change In Fund Balance

CITY OF

NEWPORT BEACH

City Council Staff Report

December 9, 2025
Agenda Item No. 12

TO:	HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM:	Grace K. Leung, City Manager - 949-644-3001, gleung@newportbeachca.gov
PREPARED BY:	Tara Finnigan, Assistant City Manager - tfinnigan@newportbeachca.gov, 949-644-3035
TITLE:	Amendment No. Two to Memorandum of Understanding Between the Cities of Costa Mesa and Newport Beach for the Costa Mesa Bridge Shelter

ABSTRACT:

The Cities of Costa Mesa and Newport Beach entered into a Memorandum of Understanding (MOU) in December 2020 to share the cost of developing and operating the Costa Mesa Bridge Shelter (Bridge Shelter). The MOU was amended in June 2023 to provide for more beds for each city's use. With the term of the MOU set to expire on December 15, 2025, representatives of each city met to discuss and negotiate the terms of a second amendment. If approved, Amendment No. Two would extend the term of the MOU to June 30, 2026, reduce the number of beds allocated to Newport Beach's exclusive use from 25 to 20, continue the provision that allows Newport Beach to use up to five of Costa Mesa's allocated beds at a daily rate of $163 per bed when beds are available, and increase the annual cost for each of the 20 allocated beds to $59,494.

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; and

b) Authorize the Mayor and City Clerk to execute Amendment No. Two to the Memorandum of Understanding Between the City of Costa Mesa and the City of Newport Beach for the Costa Mesa Bridge Shelter.

DISCUSSION:

Background

On December 15, 2020, the Cities of Costa Mesa and Newport Beach entered into an MOU to share some of the costs of developing and operating the 72-bed Costa Mesa Bridge Shelter. The MOU (Attachment C) provided the City of Newport Beach exclusive use of 20 beds at a cost of $50,000 per bed per year, subject to annual Consumer Price Index (CPI) increases. In June 2023, the Costa Mesa City Council approved the Bridge

Shelter Capacity Project which added 15 beds to the facility. That same month, both cities agreed to amend the MOU to allocate 11 of the new beds to Costa Mesa and five additional beds to Newport Beach. Further, under the amendment, up to five of Costa Mesa's allocated beds would be available for optional use by Newport Beach for a daily fee, once Costa Mesa had exhausted its waiting list of interested parties. Newport Beach agreed to pay $55,000 per bed per year for each of its five allocated new beds and a fee of $155 per bed per day when and if it used any of Costa Mesa's beds (both fees were also subject to annual Consumer Price Index increases). Thus, Amendment No. One to the MOU (Attachment B) guaranteed Newport Beach access to 25 beds at the Bridge Shelter and the ability to utilize up to five additional beds, when available.

Proposed Amendment No. Two

In the nearly 2 1/2 years since the two cities agreed to amend the MOU and allocate additional beds, Newport Beach has had a significant reduction – of more than 80 percent – in the community's homeless population. Staff attributes this to the passage of Ordinance 2024-19 in August 2024, which updated the Newport Beach Municipal Code and had the desired effect of getting service-resistant individuals that were experiencing homelessness to agree to accept services and begin the process of being housed. Further, in late 2024, the Newport Beach Police Department changed its outreach staffing model from one homeless liaison officer (HLO) to a "quality of life" team that includes four HLOs. The specially trained HLOs conduct outreach, provide shelter referrals, and coordinate case management with the City's social services provider. Further, in July 2024, the City of Costa Mesa assumed responsibility for the housing navigation service provided at the Bridge Shelter. This resulted in more focused attention being paid to shelter guests' housing plans and individuals being housed or reunified with family more quickly.

Consequently, Newport Beach has not used all 25 of its allocated Bridge Shelter beds at any time this calendar year. The City's daily occupied bed count is usually in the range of 15-18. Thus, when it came time to discuss extending the MOU with Costa Mesa, Newport Beach staff communicated the City's desire to reduce its number of allocated beds and extend the MOU for one year, rather than five years, to allow the City time to see if the occupied bed count would remain steady or further decrease. Newport Beach also asked for the price per bed to remain at the lower rate.

Costa Mesa agreed with some, but not all of Newport Beach's requested terms. The proposed terms for Amendment No. Two (Attachment A) are as follows.

1. The initial term will commence with the execution of the amendment and expire on June 30, 2026.

    a. During the initial term, Newport Beach will have exclusive use of 20 shelter beds at an annual operational cost per bed of $59,494.

    b. Also during the initial term, Newport Beach will have the ability to use up to five of Costa Mesa's beds, when beds are available, for a daily use fee of $163 per bed.

2. The secondary term will commence on July 1, 2026, and expire on December 31, 2026. During this term, Newport Beach will no longer have exclusive use of 20 beds, but will have continued access to Costa Mesa's beds, when available, at a daily per-bed cost to be determined once Costa Mesa has executed Shelter and Kitchen Operator agreements.

Staff has initiated conversations about obtaining shelter beds from other cities in the Central Service Planning Area and will return to the City Council when more information is available.

The Costa Mesa City Council voted to approve Amendment No. 2 at the December 2, 2025, meeting with two modifications;

1) Section 4.7 was amended to provide that Newport Beach pay the $163/day cost for use of additional beds. This revision is not a substantive change; rather, it merely reiterates the language provided in Section 1.b above.

2) Section 4.9 was amended to require Newport Beach to be responsible for housing or relocating Newport Beach residents who are at the Shelter as of the expiration of the agreement.

FISCAL IMPACT:

The adopted budget includes sufficient funding to cover the costs associated with the amended MOU. Costs be expensed to the Contract Services – Other Agency Fees account in the City Manager's Office, #0102041-841060.

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 – Proposed Amendment No. Two
Attachment B – Amendment No. One
Attachment C – Memorandum of Understanding

AMENDMENT NO. TWO TO MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF COSTA MESA AND THE CITY OF NEWPORT BEACH

This AMENDMENT NO. TWO TO **MEMORANDUM OF UNDERSTANDING** ("Amendment No. Two") is dated as of December 2, 2025 ("Effective Date of Amendment No. Two"), and entered into by and among the City of Costa Mesa, a municipal corporation organized and existing under California law ("Costa Mesa") and the City of Newport Beach, which is a California charter city ("Newport Beach"), (cumulatively the "Parties," and at times individually a "Party"), with reference to and in consideration of the following:

RECITALS

A. On December 15, 2020, Newport Beach and Costa Mesa entered into a Memorandum of Understanding ("Agreement") for the provision of temporary housing, and the provision of certain services to individuals experiencing homelessness located within the boundaries of the Parties at the property located at 3175 Airway Avenue, in the City of Costa Mesa ("Property");
B. On July 1, 2023, Newport Beach and Costa Mesa executed Amendment No. One, amending certain aspects of the Agreement;
C. Newport Beach is currently allocated twenty-five (25) beds and Costa Mesa is allocated seventy-five (75) beds for use by individuals experiencing homelessness in Newport Beach and Costa Mesa, respectively;
D. Newport Beach intends to reduce their number of allocated beds from twenty-five (25) to twenty (20), with up to five (5) of Costa Mesa's allocated beds optionally available for use by Newport Beach as provided for herein;
E. The Parties desire to enter into this Amendment No. Two to decrease Newport Beach's allocation from twenty-five (25) to twenty (20) beds, memorialize availability and cost of up to five (5) Costa Mesa beds for use by Newport Beach and, accordingly, adjust Newport Beach Operations Payment to cover the associated costs.

AGREEMENT

Section 3.1 of the Agreement shall be amended in its entirety and replaced with the following:

"3.1 Initial Term and Secondary Term. This amendment will have two (2) terms. The Initial Term will be effective upon execution of Amendment No. 2 and expire

on June 30, 2026. The Secondary Term will begin on July 1, 2026, and shall expire on December 31, 2026. There shall be no extensions of this MOU."

Section 4.3 of the Agreement shall be amended in its entirety and replaced with the following:

"4.3 Newport Beach Annual Contribution for Operational Costs. Upon execution of this Amendment No. 2, Newport Beach shall be obligated to pay a monthly operational cost of Ninety-Nine Thousand One Hundred Fifty-Six Dollars and Sixty-Seven Cents ($99,156.67) ("Newport Beach Operations Payment"), which is specifically to provide for the operational costs of Fifty-Nine Thousand Four Hundred Ninety-Four Dollars ($59,494.00) per each of the twenty (20) beds of which Newport Beach has use rights as provided herein, for the Initial Term of the Agreement. Further, during the Initial Term, Newport Beach's cost shall be $163.00 per bed, per day, for use of each Costa Mesa bed made available to Newport beach as provided for in Section 4.7.

In addition, upon initiation of the Secondary Term, as provided for in Section 4.7 hereof, Newport Beach shall no longer have exclusive access for up to twenty (20) beds at the Bridge Shelter, but it shall have continued access to Costa Mesa beds, as available, and shall pay a cost equal to Costa Mesa's actual daily per-bed cost (to be determined by Costa Mesa at a later date, subsequent to the execution of updated Shelter and Kitchen Operator Agreements) for the use by Newport Beach referrals. Newport Beach shall be billed monthly for the use of these Costa Mesa beds."

Section 4.4 (**"CPI Increases")** is deleted in its entirety since the Agreement ends after one year.

Section 4.7 of the Agreement shall be amended in its entirety and replaced with the following:

"4.7 Allocation of Beds. Newport Beach will work collaboratively with Costa Mesa to ensure the Central SPA cities are coordinating with the County and that the shelter beds addressed in this Agreement are prioritized to meet the greatest needs of both Parties. During the Initial Term, Costa Mesa will have exclusive access to eighty (80) beds and Newport Beach will have exclusive access to twenty (20) beds for its referrals. However, at Costa Mesa's sole discretion, and only after exhausting the Wait List for Costa Mesa interested parties, up to five (5) of Costa Mesa's beds may be made available to person(s) referred by Newport Beach at the rate provided in section 4.3.

During the Secondary Term, Newport Beach will no longer have exclusive access to beds at the Bridge Shelter. However, Newport Beach will have continued access to Costa Mesa beds, as available, at a daily per-bed cost to be determined later, subsequent to the performance of an updated cost per bed analysis.

The Parties expressly agree that it is the Parties' intent to transition Shelter Residents to long-term stable housing and Newport Beach's consent shall be required to continue to house any person referred by Newport Beach at the shelter for more than six (6) months."

Section 4.8 of the Agreement shall be amended in its entirety and replaced with the following:

"**4.8 No Subletting.** Subletting of Beds will not be allowed. Newport Beach shall be allocated use of twenty (20) beds during the Initial Term for Newport Beach to refer homeless individuals deemed by Newport Beach to be highest priority persons referred to the Project by Newport Beach over time."

Section 4.9 shall be added and state the following:

"**4.9 Relocation of Newport Beach Residents.** Costa Mesa will make a good faith effort to relocate Newport Beach Shelter clients to alternative housing accommodations prior to expiration of the Initial Term. Newport Beach shall be solely responsible for housing or relocating any Newport Beach residents who remain at the Shelter at the expiration of this Agreement.

INTEGRATED AGREEMENT

Except as expressly modified herein, all other provisions, terms, and covenants set forth in the Agreement and Amendment No. One shall remain unchanged and shall be in full force and effect.

[SIGNATURE PAGE(S) TO FOLLOW]

IN WITNESS WHEREOF, the Parties to the Agreement have caused this Amendment No. Two to be executed by each of their duly authorized officers as follows:

Dated: December __, 2025

CITY OF COSTA MESA

By:_____
Cecilia Gallardo Daly
City Manager

APPROVED AS TO FORM

_____
Kimberly Hall Barlow
City Attorney

ATTEST

_____
Brenda Green
City Clerk

Dated: December 9, 2025

CITY OF NEWPORT BEACH

By:_____
Grace Leung
City Manager

APPROVED AS TO FORM

_____
Aaron C. Harp
City Attorney

ATTEST

_____
Lena Shumway
City Clerk

C-8041-1

AMENDMENT NO. ONE TO MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF COSTA MESA AND THE CITY OF NEWPORT BEACH

This AMENDMENT NO. ONE TO **MEMORANDUM OF UNDERSTANDING** ("Amendment No. One") is dated as of July 1, 2023 ("Effective Date of Amendment No. One"), and entered into by and among the City of Costa Mesa, a municipal corporation organized and existing under California law ("Costa Mesa") and the City of Newport Beach, which is a California charter city ("Newport Beach"), (cumulatively the "Parties," and at times individually a "Party"), with reference to and in consideration of the following:

RECITALS

A. On December 15, 2020, Newport Beach and Costa Mesa entered into a Memorandum of Understanding ("Agreement") for the provision of temporary housing, and the provision of certain services to individuals experiencing homeless located within the boundaries of the Parties at the property located at 3175 Airway Avenue, in the City of Costa Mesa ("Property");

B. Newport Beach is currently allocated twenty (20) beds and Costa Mesa is allocated forty-nine (49) beds for use by individuals experiencing homelessness in Newport Beach and Costa Mesa, respectively;

C. Costa Mesa intends to add sixteen (16) beds to increase the total number of beds available to the Parties from sixty-nine (69) to eighty-five (85), of which, eleven (11) beds are allocated for exclusive use by Costa Mesa, five (5) beds are allocated for exclusive use by Newport Beach, with up to five (5) of Costa Mesa's allocated beds optionally available for use by Newport Beach as provided for herein;

D. The Parties desire to enter into this Amendment No. One to increase Newport Beach's allocation from twenty (20) to twenty-five (25) beds, memorialize availability and cost of up to five (5) Costa Mesa beds for use by Newport Beach and, accordingly, increase Newport Beach FF&E Payment and Newport Beach Operations Payment to cover the associated costs.

AGREEMENT

Section 4.2 of the Agreement shall be amended in its entirety and replaced with the following:

"**4.2 Newport Beach Contribution for Furniture, Fixtures and Equipment.** Newport Beach shall make a one-time contribution of Two Hundred Thousand Dollars ($200,000) (ten thousand dollars [$10,000] per bed to which it has use rights as provided for herein) ("Newport Beach FF&E Payment") for the purpose of purchasing furniture, fixtures and equipment including, beds, desks, mattresses, linens, indoor and outdoor storage equipment, office equipment, tables, chairs, kitchen supplies, and the like ("FF&E"). Additionally, within thirty (30) days of the Effective Date of Amendment No. One, Newport Beach shall make a one-time Newport Beach FF&E Payment of Fifty Thousand Dollars ($50,000) towards the five (5) additional beds allocated to Newport Beach. Costa Mesa shall be solely responsible for paying all other costs for any and all FF&E, as may be necessary or desirable for the Project or provision of Services."

City of Newport Beach

Section 4.3 of the Agreement shall be amended in its entirety and replaced with the following:

"**4.3 Newport Beach Annual Contribution for Operations Costs.** Upon Project Commencement, Newport Beach shall be obligated to pay an annual operational cost of One Million Dollars ($1,000,000) ("Newport Beach Operations Payment"), with Newport Beach Operations Payment to be made in four quarterly installments, within thirty (30) days of the end of each quarter, prorated for the first operational quarter, which is specifically to provide for operational costs of Fifty Thousand Dollars ($50,000) per bed for the twenty (20) beds originally provided in the Agreement, to which Newport Beach has use rights as provided for herein, for the initial Term of the Agreement, and optional term extensions, if mutually agreed to by the Parties, subject to annual increases as provided in Section 4.4 hereof. Additionally, on the Effective Date of Amendment No. One, Newport Beach shall be obligated to pay an additional annual operational cost of Two Hundred Seventy-Five Thousand Dollars ($275,000) ("Newport Beach Additional Operations Payment"), with the Newport Beach Additional Operations Payment to be made in four quarterly installments, within thirty (30) days of the end of each quarter, prorated for the first operational quarter, which is specifically to provide for operational costs of Fifty-Five Thousand Dollars ($55,000) per bed for the five (5) additional beds allocated to Newport Beach. Lastly, on the Effective Date of Amendment No. One, as provided for in Section 4.7 hereof, Newport Beach shall pay a cost of One Hundred Fifty-Five Dollars ($155) per bed, per day for the actual use of each of the five (5) Costa Mesa beds which may be made available, in Costa Mesa's sole discretion, for use by a Newport Beach referral. Billing for Newport Beach's use of these Costa Mesa beds shall coincide with Newport Beach Operations Payment schedule outlined above. The Parties expressly agree that Newport Beach shall not be liable for any operational costs prior to the date the Shelter is fully operational and open to Newport Beach for the housing of Shelter Residents. Newport Beach shall be obligated to make its annual Newport Beach Operations Payment regardless of the level of use of the beds to which it has use rights."

Section 4.4 of the Agreement shall be amended in its entirety and replaced with the following:

"**4.4 CPI Increase.** Commencing one year following the approval date of this Agreement and at the sole discretion of the Costa Mesa City Manager, there shall be an option to increase the Newport Beach Operations Payment by the percentage increase in the Consumer Price Index for the preceding twelve-month period. For purposes hereof "Consumer Price Index" shall mean the Los Angeles-Long Beach-Anaheim Consumer Price Index for All Urban Consumers (CPI-U); provided, however, any increase to the annual contribution shall be a minimum of 2% and a maximum of 4%."

Section 4.7 of the Agreement shall be amended in its entirety and replaced with the following:

"**4.7 Allocation of Beds.** Newport Beach will work collaboratively with Costa Mesa to ensure the Central SPA cities are coordinating with the County and that the shelter beds addressed in this Agreement are prioritized to meet the greatest needs of both Parties, with sixty (60) beds for Costa Mesa's exclusive use and twenty-five (25) beds for Newport Beach's exclusive use for its referrals. However, at Costa Mesa's sole discretion, and only after exhausting the Wait List for Costa Mesa interested parties, up to five (5) of Costa Mesa's beds may be made available to person(s) referred by Newport Beach. The Parties expressly agree that it is the Parties' intent to transition Shelter Residents to long-term stable housing and Newport Beach's consent shall be required to continue to house any person referred by Newport Beach at the Shelter for more than six (6) months."

City of Newport Beach

Section 4.8 of the Agreement shall be amended in its entirety and replaced with the following:

"**4.8 No Subletting.** Subletting of Beds will not be allowed. Newport Beach shall be allocated use of twenty-five (25) beds for Newport Beach to refer homeless individuals deemed by Newport Beach to be highest priority persons referred to the Project by Newport Beach over time."

INTEGRATED CONTRACT

Except as expressly modified herein, all other provisions, terms, and covenants set forth in the Agreement shall remain unchanged and shall be in full force and effect.

[SIGNATURE PAGE(S) TO FOLLOW]

City of Newport Beach

IN WITNESS WHEREOF, the Parties to this Agreement have caused the same to be executed by each of their duly authorized officers as follows:

Dated: June __, 2023

CITY OF COSTA MESA

By: _____
Lori Ann Farrell Harrison
City Manager

APPROVED AS TO FORM

_____
Kimberly Hall Barlow
City Attorney

ATTEST:

_____
Brenda Green
City Clerk

Dated: ~~June~~ July 19, 2023

CITY OF NEWPORT BEACH

By: _____
Grace Leung
City Manager

APPROVED AS TO FORM.

_____
Aaron C. Harp
City Attorney

06.21.23

ATTEST:

_____
Leilani I. Brown
City Clerk

6.29.2023

City of Newport Beach

MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF COSTA MESA AND THE CITY OF NEWPORT BEACH

This **MEMORANDUM OF UNDERSTANDING** ("Agreement") is dated as of December 15, 2020 ("Effective Date"), and entered into by and among the City of Costa Mesa, a municipal corporation organized and existing under California law ("Costa Mesa") and the City of Newport Beach, which is a California charter city ("Newport Beach"), (cumulatively the "Parties," and at times individually a "Party"), with reference to and in consideration of the following:

WHEREAS, like many other regions in California, the County of Orange ("County") has seen a rapid growth in the homeless population over the past several years, a condition that has been difficult to address given the high cost of housing and property in the area;

WHEREAS, as a result, local jurisdictions throughout the County have experienced increased incidents of unlawful camping and loitering activities in and upon portions of public property including, but not limited to, public rights-of-way, parks, and other public facilities ("Public Property") in violation of local ordinances including, but not limited to, anti-camping, anti-loitering, and/or park closure ordinances and regulations ("Anti-Camping Ordinances");

WHEREAS, the use of Public Property in this manner creates health and safety risks to homeless persons due to traffic hazards, exposure to weather, inadequate sanitation, and other conditions detrimental to their wellbeing, and negatively impacts the health, safety, and general welfare of the community by degrading the environmental and physical condition of such Public Property, increasing risks associated with public health issues, and impacting the public purpose for which such Public Property is dedicated;

WHEREAS, on a broader scale, the County is a complex jurisdiction of interconnected systems, many of which have been impacted by the homeless crisis in the region, including, but not limited to, health care, criminal justice, social services, public transportation, as well as economic, social, legislative and political systems;

WHEREAS, in efforts to address this crisis, the County established an integrated System of Care to guide homeless individuals and families through a comprehensive array of services and housing designed to prevent and end homelessness;

WHEREAS, to better coordinate access points, assessments, resources, and programs serving persons experiencing homelessness, the System of Care divided the County into three (3) geographic "Service Planning Areas" (or "SPAs"), with the "Central Service Planning Area" ("Central SPA") including the cities of Costa Mesa, Garden Grove, Fountain Valley, Santa Ana, Seal Beach, Westminster, Newport Beach, Huntington Beach, and Tustin;

WHEREAS, on September 4, 2018, the United States Court of Appeals for the Ninth Circuit issued its decision in *Martin v. City of Boise* ("Boise Decision"), holding "[t]hat . . . as long as there is no option of sleeping indoors, the government cannot criminalize indigent, homeless people for sleeping outdoors, on public property, on the false premise they had a choice

City of Newport Beach

in the matter.";

WHEREAS, on January 29, 2018, a legal action captioned *Orange County Catholic Worker et al. v. Orange County et al.*, was filed in United States District Court, Central District of California as Case No. 8:18-cv-00155 (the "Action"), against the County, the City of Anaheim, Costa Mesa, and the City of Orange (cumulatively "Defendants"), alleging that, pursuant to the Boise Decision, Defendants' enforcement of their local Anti-Camping Ordinances against homeless persons was unconstitutional given the lack of accessible overnight shelter beds available to serve the homeless population within their respective jurisdictions;

WHEREAS, on March 4, 2019, Costa Mesa entered into a settlement agreement in the Action by which it committed to create 62 shelter beds in the City of Costa Mesa ("Settlement Agreement");

WHEREAS, on April 5, 2019, Costa Mesa opened a temporary shelter at the Lighthouse Church with 50 beds, which combined with 12 crisis stabilization unit beds at College Hospital in the City of Costa Mesa met Costa Mesa's obligations under the Settlement Agreement;

WHEREAS, on April 9, 2019, Costa Mesa closed escrow on real property at 3175 Airway Avenue, in the City of Costa Mesa ("the Property" as more fully described in section 2.10) for $6,925,000 for the purpose of developing a permanent shelter in the City of Costa Mesa ("the Shelter");

WHEREAS, Costa Mesa has allocated $1.9 million of CDBG funds to the Shelter Capital Improvement Program ("CIP") Project and has submitted a grant proposal to County of Orange Continuum of Care ("CoC") in response to a Request for Information in February 2020 for the Homeless Housing Assistance Program (HHAP) State funding - CoC allocation in the amount of $2,529,126. Costa Mesa anticipates that this application may not be funded at the amount of the full request;

WHEREAS, Costa Mesa has processed the necessary entitlements and permitting, including compliance with the California Environmental Quality Act ("CEQA"), designed and awarded a contract to construct improvements required to redevelop the Property into a permanent 70 bed homeless shelter ("Project"). Day-to-day operations have been contracted out to an experienced third party service provider ("Operator");

WHEREAS, 12,285 square feet of the structure located on the Property will be used for the Shelter, which is currently under construction;

WHEREAS, Costa Mesa intends for the Shelter to provide temporary shelter and social services assistance with a "housing first" model of operation. The goal is to assist individuals experiencing homelessness by providing them with temporary shelter while working with a client case manager to create and follow through on a housing plan that seeks to find permanent supportive housing as soon as possible;

City of Newport Beach

WHEREAS, in furtherance of the health, safety, and well-being of all their residents, to return and preserve Public Property for its intended purpose, the Parties, located within the Central SPA, have worked together cooperatively and in good-faith towards developing a regional solution to the current homeless crisis;

WHEREAS, Newport Beach is committed to a regional solution to address homelessness and, as such, has expressed a desire to partner with Costa Mesa to provide funding to develop and operate the Shelter and to support Costa Mesa in seeking funding to assist in financing the acquisition, construction, and operation of the Shelter, as provided herein, in exchange for use of up to 20 beds in the Shelter;

WHEREAS, the Parties desire to memorialize the terms and conditions by which Newport Beach will provide funding to support the build out and operation of the Shelter and to agree on how Shelter beds will be accessible for Newport Beach; certain aspects of Shelter governance; how the Parties will share access to the capacity provided by the Shelter; how the Parties will share the costs and responsibilities associated with the acquisition, construction, operation, and maintenance of the Shelter; and other related matters in furtherance of their common purpose;

WHEREAS, in addition to addressing the needs of homeless persons through the provision of overnight shelter, the Parties are committed to increasing the inventory of long-term affordable and supportive housing units, such that homeless persons receiving services under this Agreement may transition from emergency shelter facilities, and into long-term and stable housing solutions; and

WHEREAS, each Party has caused this Agreement to be duly approved by its respective governing body, and by so doing, has found and determined that this Agreement furthers the health, safety, and general welfare of their respective residents.

NOW THEREFORE, in consideration of the mutual covenants and conditions contained herein, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

AGREEMENT

1. PURPOSE

This Agreement establishes a memorandum of understanding for establishing, constructing, developing, maintaining, providing, operating, and facilitating the provision of temporary housing in the Shelter, and the provision of certain services to homeless and chronically homeless adults located within the boundaries of the Parties. This Agreement defines the respective rights and responsibilities of the Parties with respect to the financing, implementing, operating, and the provision of Services, as defined in Section 2.14, at the Shelter.

City of Newport Beach

2. DEFINITIONS

In addition to the other terms and phrases defined elsewhere in this Agreement, the following key capitalized terms and phrases used throughout this Agreement shall have the meaning assigned in this Section.

2.1. "Case Management Plan" shall mean the individual plan for each Shelter Resident that, among other things, sets forth details how the Shelter Resident can reach the goal of obtaining long-term stable housing.

2.2. "FF&E" shall have the meaning ascribed in Section 4.2.

2.3. "Management and Operations Plan" shall mean and refer to the plan approved by Costa Mesa and the Shelter Operator, which details the terms, conditions, and standards by which Services are made available to Shelter Residents at the Shelter and shall require Services to meet or exceed industry standards.

2.4. "Newport Beach Capital Payment" shall have the meaning ascribed in Section 4.1.

2.5. "Newport Beach FF&E Payment" shall have the meaning ascribed in Section 4.2.

2.6. "Operating Agreement" shall mean and refer to the contract between Costa Mesa and the Shelter Operator for the operation of the Shelter.

2.7. "Party Representative" shall mean and refer to the highest-ranking appointed executive official for each of the Parties, or his/or her duly authorized designee.

2.8. "Program" shall mean and refer to the Parties' cooperative financing and planning for the acquisition, construction, operation and the provision of Services at the Shelter.

2.9. "Program Area" shall mean and refer to the Central Service Planning Area of Orange County, California.

2.10. "Property" shall mean the approximately 29,816 square foot building on a 1.34 acre parcel, located at 3175 Airway Avenue, Costa Mesa, CA (A.P.N. 427-091-12).

2.11. "Project" shall have the meaning ascribed in the Recitals above.

2.12. "Project Commencement" shall mean when the Project is fully operational such that all Services are being offered and available for Residents referred to the Project by both Parties.

2.13. "Resident Transportation" shall mean the means by which each Party shall arrange for its respective Shelter Residents to be transported from and to the Shelter and for appointments related to their Case Management Plan.

City of Newport Beach

2.14. "Services" shall mean and refer to the provision of overnight shelter and other sanitation, nutritional, health, educational, supportive, and/or basic human services at the Shelter, as described in the Management and Operations Plan.

2.15. "Service Commencement Deadline" shall mean December 31, 2021, the deadline for the Shelter to be fully operational.

2.16. "Shelter Advisory Committee" shall mean any committee formed with local stakeholders to provide review of Shelter operations, enhance community relations, and provide information to the neighborhood surrounding the Shelter, local businesses, the Parties' respective staff or City Council of either Party, and Shelter Operator and service providers.

2.17. "Shelter Operator" shall mean and refer to an experienced and qualified third-party contracted by Costa Mesa to provide comprehensive and "turnkey" day-to-day management and operation of the Shelter.

2.18. "Shelter Residents" shall mean and refer to homeless and chronically homeless adults located within the Program Area who receive services and reside at the Shelter.

2.19. "Up-Front Costs" shall mean the Newport Beach Capital Payment and Newport Beach FF&E Payment.

3. TERM

3.1. General Term. This Agreement shall be effective as of the date which the last of the Parties has executed the same, which shall be inserted as the Effective Date in the first paragraph above, and shall remain in full force and effect for five (5) years, until December 15, 2025, with two optional extension terms of five (5) years each ("the Term"). Options to extend shall be implemented at least 90 days prior to the then-scheduled expiration date by mutual agreement of the Parties in writing, which extension may be approved by the authority of the City Manager of each Party; provided there is no material change of terms for such extended Term. This Agreement may be earlier terminated in accordance with the provisions of this Agreement.

3.2. Termination by Parties. If either of the following occur: (i) a Judge determines that Newport Beach cannot enforce any Anti-Camping Ordinances in its jurisdiction because providing shelter to persons experiencing homelessness in Costa Mesa, pursuant to the terms of this Agreement, does not provide credit to Newport Beach for the provision of twenty (20) shelter beds, or (ii) the Project Commencement does not occur by the Service Commencement Deadline, except as provided in Section 9.4 hereof, and Costa Mesa has not cured this default after having been provided notice thereof and an opportunity to cure, then Newport Beach may, in its sole discretion, terminate this Agreement by giving ninety (90) days written notice to Costa Mesa of its intent to terminate the Agreement. If the Agreement is terminated during the initial five (5) year term under Subsection 3.2 (i), Newport Beach shall recoup a pro rata share of its Up-Front Costs paid pursuant to Sections 4.1 and 4.2 below. If the Agreement is terminated under Subsection 3.2 (ii) of this provision, Newport Beach shall recoup all of its Up-Front Costs paid pursuant to Sections 4.1 and 4.2 below. If such termination occurs after the initial five (5) year

City of Newport Beach

Term, no Up-Front Costs will be refunded to Newport Beach.

3.3. Termination for Default. Upon the occurrence of any default, and following written notice and expiration of the time to cure as provided in Section 7.1 herein, the non-defaulting Party may, at its option declare this Agreement null and void with respect to the defaulting Party, in which case the defaulting party shall not be entitled to the benefits and privileges of this Agreement or the Program following termination. Nothing herein shall be construed as the non-defaulting Party's exclusive remedy for the remediation of default by a Party, and the non-defaulting Party reserves the right to pursue any and all available rights and remedies at law or in equity.

3.4. Liquidated Damages. If the defaulting Party is Newport Beach, Costa Mesa shall retain all of the funds paid by Newport Beach up to the date of Termination for Default as liquidated damages. If the defaulting Party is Costa Mesa, Costa Mesa shall refund to Newport Beach any and all funds contributed by Newport Beach for any time period in which Newport Beach was unable to use its allocation of Shelter beds due to Costa Mesa's default; and, if the Termination for Default occurs in the initial five (5) year Term, Newport Beach will also be entitled to: (i) a pro rata refund for any of its Up-Front Costs paid in connection with this Agreement, if the Shelter is open by the Service Commencement Deadline; or (ii) all Up-Front Costs paid in connection with this Agreement if the Shelter is not open by the Service Commencement Deadline, except as provided in Section 9.4 hereof, and Costa Mesa has not cured this default after having been provided notice thereof and an opportunity to cure. The Parties acknowledge and agree that the retention and refunding of funds provided for in this Section shall constitute liquidated damages and not penalties and are in addition to all other rights of the Parties, including the right to call a default of this Agreement. The Parties further acknowledge that: (i) the amount of loss, costs, or damages likely to be incurred by the Parties resulting from a Party's default which leads to terminating this Agreement before the end of the Term, is incapable or is difficult to precisely estimate; (ii) the funds to be paid to or retained by the non-defaulting Party bears a reasonable relationship to, and is not plainly or grossly disproportionate to, the probable losses or costs likely to be incurred by the other Party by virtue of a Party's default leading to termination of this Agreement before the end of the Term; (iii) one of the reasons for the Parties reaching an agreement as to such amounts is the uncertainty regarding the question of actual losses, costs, or damages to be incurred by the Parties in such event; and (iv) the Parties are sophisticated business parties, have been represented by sophisticated and able legal counsel, and have negotiated this Agreement at arm's length.

3.5. Continuing Enforceability. Following the effective date of termination, the Parties shall have no further obligations or rights with respect to this Agreement, except as expressly provided otherwise herein.

4. NEWPORT BEACH'S OBLIGATIONS.

4.1 Newport Beach Capital Contribution. Newport Beach shall contribute One Million Four Hundred Thousand Dollars ($1,400,000) ("Newport Beach Capital Payment") in Capital Improvement Costs on a one time basis to support the development of the Project. Newport Beach shall pay to Costa Mesa the Newport Beach Capital Payment within thirty (30) days of the Effective Date. This Newport Beach Capital Payment is not contingent upon the outcome of the

City of Newport Beach

Costa Mesa HHAP grant application/award; provided that Costa Mesa shall not be relieved of its obligations under this Agreement if the HHAP grant or any other grant sought by Costa Mesa is delayed, not funded in its entirety or denied.

4.2 Newport Beach Contribution for Furniture, Fixtures and Equipment. Newport Beach shall make a one-time contribution of Two Hundred Thousand Dollars ($200,000) (ten thousand dollars [$10,000] per bed to which it has use rights as provided for herein) ("Newport Beach FF&E Payment") for the purpose of purchasing furniture, fixtures and equipment including, beds, desks, mattresses, linens, indoor and outdoor storage equipment, office equipment, tables, chairs, kitchen supplies, and the like ("FF&E"). Costa Mesa shall be solely responsible for paying all other costs for any and all FF&E, as may be necessary or desirable for the Project or provision of Services.

4.3 Newport Beach Annual Contribution for Operations Costs. Upon Project Commencement, Newport Beach shall be obligated to pay an annual operational cost of One Million Dollars ($1,000,000) ("Newport Beach Operations Payment"), with Newport Beach Operations Payment to be made in four quarterly installments, within thirty (30) days of the end of each quarter, prorated for the first operational quarter, which is specifically to provide for operational costs of Fifty Thousand Dollars ($50,000) per bed to which Newport Beach has use rights as provided for herein, for the initial Term of the Agreement, and optional term extensions, if mutually agreed to by the Parties, subject to annual increases as provided in Section 4.4 hereof. The Parties expressly agree that Newport Beach shall not be liable for any operational costs prior to the date the Shelter is fully operational and open to Newport Beach for the housing of Shelter Residents. Newport Beach shall be obligated to make its annual Newport Beach Operations Payment regardless of the level of use of the beds to which it has use rights.

4.4 CPI Increase. Commencing one year following the approval date of this Agreement, there shall be an annual increase in the Newport Beach Operations Payment. The annual Newport Beach Operations Payment will be increased following the month of the one year anniversary of this Agreement, and each year of the Term thereafter, by the percentage increase in the Consumer Price Index for the preceding twelve month period. For purposes hereof "Consumer Price Index" shall mean the Los Angeles-Long Beach-Anaheim Consumer Price Index for All Urban Consumers (CPI-U); provided, however, the annual contribution shall increase by a minimum of 2% and a maximum of 4%.

4.5 Newport Beach Outreach. Newport Beach shall assign a designated staff member as the main point of contact for all Shelter related items, who will participate in the monthly Homeless Solutions Collaborative meetings. Newport Beach reserves the right to amend the designated staff member; provided Newport Beach shall give Costa Mesa prior written notice of any new designee. Newport Beach outreach providers shall provide potential client referrals to Costa Mesa's Neighborhood Improvement Manager/Shelter Operator to confirm bed availability and acceptance. Newport Beach will coordinate outreach within its jurisdiction and provide transportation to the shelter.

4.6 Resident Transportation. Unless the Parties expressly agree on an alternative plan for the provision of Resident Transportation to Shelter Residents referred by Newport Beach, Newport Beach shall separately provide for all Resident Transportation for Shelter Residents

City of Newport Beach

referred by Newport Beach for the duration of their stay at the Shelter and for their departure from the Shelter. Newport Beach shall be responsible for maintaining contact with the Shelter Operator to ensure appropriate transportation for Newport Beach referrals is provided timely to assist in working toward satisfaction of their Case Management Plan.

4.7 Allocation of Beds. Newport Beach will work collaboratively with Costa Mesa to ensure the Central SPA cities are coordinating with the County and that the shelter beds addressed in this Agreement are prioritized to meet the greatest needs of both Parties, with 50 beds for Costa Mesa's use and 20 beds for Newport Beach's exclusive use for its referrals. The Parties expressly agree that it is the Parties' intent to transition Shelter Residents to long-term stable housing and Newport Beach's consent shall be required to continue to house any person referred by Newport Beach at the Shelter for more than six (6) months.

4.8 No Subletting. Subletting of Beds will not be allowed. Newport Beach shall be allocated use of 20 beds for Newport Beach to refer homeless individuals deemed by Newport Beach to be highest priority persons referred to the Project by Newport Beach over time.

5.0 COSTA MESA OBLIGATIONS

5.1 Acquisition, Construction and Furnishing Shelter. Costa Mesa has or will pay for all costs associated with acquisition of the Property, construction to reconfigure the Property for use, including but not limited to removal of the existing improvements, design/entitlements/permits required and for construction of all improvements, as well as obtaining and installing all FF&E. Notwithstanding any of Newport Beach's contributions or payments as provided for in this Agreement, Costa Mesa shall own the Property, all improvements, the Shelter and all FF&E installed therein. The Shelter itself shall be utilized exclusively for purposes consistent with this Agreement, and/or the terms and conditions of the Community Development Block Grant ("CDBG") or other funding which may be used by Costa Mesa for the Shelter or the Program.

5.2 Operation of Shelter. Costa Mesa shall act as the lead agency with respect to the operation of the Shelter. Costa Mesa shall provide to Newport Beach a copy of the Operating Agreement and Management and Operations Plan, which provides the Standards of Care for the Program, which meet or exceed industry standards. Costa Mesa shall ensure that Shelter Residents referred to the Shelter by either Costa Mesa or Newport Beach shall receive the same level of Services, as provided for in the Operating Agreement and Management and Operations Plan, except where expressly excluded in this Agreement such as the obligation of Newport Beach to provide Resident Transportation to Shelter Residents it refers to the Project.

5.3 Intake. Costa Mesa shall maintain oversight of the Shelter intake clearance process for a reservation at the Shelter, which requires clearance by either Party's Police Department or the Neighborhood Improvement Manager/Designee. Entry will not be approved for individuals with an active felony warrant, who are a registered sex offender and/or have been convicted of any arson offense, as reflected on their background check, as confirmed by Costa Mesa Police Department or Newport Beach Police Department prior to entry.

City of Newport Beach

5.4 Shelter Resident Outcomes. The Parties agree to cooperate to build a system where outcomes related to family unification, employment opportunities, affordable housing placement and services for subpopulations (veterans, domestic violence, seniors and youth) are addressed through connections to the broader Countywide System of Care. The Parties agree that such system shall include provisions to exclude all non-emancipated minors from utilizing any of the Services or being housed at the Shelter.

5.5 Modifications to Shelter. Prior to commencement of construction of any future significant modifications or improvements to the Shelter, Newport Beach will be provided a reasonable opportunity to review and provide input on the proposed design and amenities of the modifications or improvements, and Costa Mesa will, in good faith, consider the input of Newport Beach in finalizing the same; provided that if Newport Beach contributes funding for such future modifications or improvements, Newport Beach shall retain authority to approve the design and amenities of the modification or improvements.

5.6 Service Contracts. Costa Mesa will be the "contracting party" to any written agreements with qualified professional(s), service providers, and/or licensed contractor(s) ("Consultant") necessary for the development or operation of the Shelter consistent with this Agreement.

5.7 Procurement Practices. Costa Mesa shall follow its own procedural formalities and requirements for services, purchases and acquisitions relating to the Property and the Shelter.

5.8 Provision of Documents. Costa Mesa agrees to provide all relevant documents related to the Operating Agreement, Management and Operations Plan, and operating costs of the Shelter, within forty five (45) days of request from Newport Beach. With respect to any additional documents, besides the aforementioned, each request will be evaluated on a case by case basis and may be provided at an additional administrative cost.

6. JOINT OBLIGATIONS

6.1 Grants and other Third Party Funding. The parties shall work together in regional alignment on any applications for local, state, and federal funding. As the permanent Shelter on the Property is owned and operated by Costa Mesa, Costa Mesa will serve as the lead agency, working in concert with Newport Beach, on all applications, requests and solicitations for federal, state and/or county funding and grant opportunities, loans, and subsidies related to all costs associated with the Shelter. Newport Beach agrees to cooperate in the grant application process by providing any data necessary to improve the chances of securing grant funding. The Parties will work together cooperatively to augment shelter operational enhancements whenever advantageous, with Costa Mesa as lead applicant endorsing grant applications and partnerships.

For future Operating Grants and/or Funding Opportunities: If any of the aforementioned jointly solicited grants or funds are received to help reimburse or subsidize annual recurring shelter operational costs, each Party's costs will be reduced by a commensurate pro rata share (71.43% to Costa Mesa and 28.57% to Newport Beach).

City of Newport Beach

For Capital Grants and/or Funding Opportunities: If any of the aforementioned jointly solicited grants or funds are received for payment or reimbursement of property acquisition and/or tenant improvement costs associated with the Shelter, each Party will be reimbursed and participate on a GAAP FIFO accounting basis (First In, First Out), with Newport Beach receiving a proportionate share of reimbursement/funding for the Newport Beach Capital Payment only after all prior capital expenditures incurred by Costa Mesa, as described in the recitals hereof have been fully reimbursed.

Costa Mesa must participate, support and approve grant funding sources applied to Shelter operations or costs associated with this Agreement.

This section shall not apply to funds which are allocated individually to the Parties under Senate Bill No. 2, CDBG or other grants allocated to individual cities or funding commitments secured independently by a Party.

6.2 Security. Costa Mesa shall ensure that adequate security measures and policies are incorporated into the operation of the Project. This includes the requirement that entry to the Shelter is controlled by referral only, with no walk-up admission. Both Parties shall ensure their outreach staff provide clear direction to potential Shelter Residents on requirements for accessing the Shelter and its services, including the prohibition of walk-ups. Newport Beach will abide by any reasonable intake procedures and protocols established by Costa Mesa.

6.3 Resident Transportation. Unless the Parties expressly agree on a plan for the provision of joint Resident Transportation of Shelter Residents per Section 4.6, each Party shall arrange for Resident Transportation of its respective Shelter Residents. Newport Beach shall be responsible to provide all security with respect to its Resident Transportation.

6.4 Coordination with Central SPA Cities. The Parties agree to work together to engage other Central SPA Cities in coordinated outreach that refers homeless persons to the best resources to meet their needs based on residency. The cities within the Central SPA which have shelters include: Santa Ana, Tustin, Huntington Beach, and Costa Mesa. The County Yale Shelter will also serve the Central SPA Cities.

6.5 Long Term Housing. Consistent with the purposes of this Agreement, Newport Beach agrees to cooperate with Costa Mesa in providing for a regional solution to the unsheltered homeless population within the Program Area, with the goal of transitioning Shelter Residents from the emergency shelter to long-term housing.

6.6 Community Coordination and Communication. The Parties are committed to communication with neighbors on an ongoing basis. During the Term, the Parties and the Shelter Operator will work together cooperatively and in good faith to facilitate the Shelter Advisory Committee, generate educational or outreach materials, and engage in similar activities to promote or further the purposes of the Program. The goal of such efforts will be to provide members of the community with opportunities to ask questions and receive information about the Shelter and the Program. Any printed or published materials relating to the Program shall be subject to approval by the Party Representatives.

City of Newport Beach

a) Complaints / Inquiries. Any community complaints and/or inquiries about the Program should be recorded and forwarded to the appropriate Party, or its designated point of contact, for prompt investigation. The Party Representatives and Shelter Operator shall work together to facilitate appropriate responses to customer service requests and prompt resolution of community complaints.

b) Visitors / Tours. Visits by members of the community and tours of the Shelter should be made reasonably available by Costa Mesa and will be coordinated by and through Costa Mesa outreach staff and the Shelter Operator.

c) Coordination of Government Agencies. The Program will be operated for the public good, and successful implementation will require the partnership of various stakeholders including the Parties, the Shelter Operator, local school districts, and other local political subdivisions and community organizations. The Parties are, and the Shelter Operator shall be, committed to working cooperatively with numerous stakeholders to serve Shelter Residents in the Program Area. The Parties and the Operator will communicate and work collaboratively with local healthcare, housing, social services, and public safety departments through all stages of Program implementation, including but not limited to the implementation of the Management Operations Plan and Operating Agreement, including ensuring compliance with intake and security procedures, implementation of Case Management Plans and placement in long term housing; however, Newport Beach shall have no obligations related to the Program not specifically addressed in the Operating Agreement, Management and Operations Plan and/or in this Agreement, unless expressly agreed to by Newport Beach.

6.7 Cooperation. The Parties agree to cooperate to the extent necessary in connection with ongoing administrative, grant funding, regulatory, and/or litigation proceedings, other than the Action, and similar matters which affect both Parties to this Agreement.

7. DEFAULTS, AND REMEDIES

7.1 Defaults.

a) Notice and Time to Cure. The failure by any Party to perform any of its obligations set forth in this Agreement shall constitute a default, except as provided in Section 9.4 hereof. Except as required to protect against further damages, the non-defaulting Party may not institute legal proceedings against the Party in default until the non-defaulting Party has provided the defaulting Party notice of the default and the cure period has expired. The cure period for any default shall be thirty (30) calendar days after the defaulting Party's receipt of written notice from the non-defaulting Party that such obligation was not performed. In the case of a default which cannot be cured within the cure periods set forth in this Section, the defaulting Party shall commence efforts to cure within such time periods and shall diligently thereafter pursue to cure the default to completion within a reasonable period of time.

City of Newport Beach

b) Cooperative Resolution. During the cure period set forth in paragraph (a), and prior to pursing any remedies described in this Section, the Parties will attempt, in good faith, to find a mutually agreeable resolution through communicating with each other and attempting to resolve any substantive problems arising under this Agreement, including challenges arising from funding difficulties, and/or any difficulty with effectively implementing the responsibilities detailed in this Agreement. Communication and attempts to resolve such problems and difficulties prior to pursing remedies under this Agreement include, but are not limited to, meeting together, amending this Agreement, and/or seeking the assistance of a jointly agreed upon mediator.

7.2 Remedies. Upon the occurrence of any default, and following written notice and expiration of the time to cure, the non-defaulting Party may, at its option: declare this Agreement null and void with respect to the defaulting Party, in which case the defaulting party shall not be entitled to the benefits and privileges of this Agreement or the Program; or pursue damages or specific performance or other legal and equitable remedies the injured Parties may have against the non-defaulting Party in accordance with applicable law. Nothing herein shall be construed as the non-defaulting Party's exclusive remedy for the remediation of default by a Party, and the non-defaulting Party reserves the right to pursue any and all available rights and remedies at law or in equity.

7.3 Non-refund of Contributions. The payments made by all Parties pursuant to this Agreement shall be used for the Program in the manner described herein, and all Parties acknowledge and agree that the development, administration, and operation of the Program, including development of the Shelter, provides an immediate benefit to each Party and that no payments made pursuant to this Agreement shall be refunded for any reason other than as specifically authorized herein.

8. INDEMNITY AND INSURANCE

8.1. Indemnity / Hold Harmless. Each Party shall hold harmless, indemnify, and defend the other Party, and its officers, employees, and agents, from and against any and all claims, suits, or actions of every kind brought for or on account of injuries to or death of any person or damage to any property of any kind whatsoever and to whomsoever belonging to the extent caused by a Party's failure to fulfill any obligation of such Party arising pursuant to the performance or nonperformance of the Party's covenants and obligations under this Agreement, and/or which result from the negligent or wrongful act of the Party, or its officers, employees, or agents. This provision requiring a Party to hold harmless, indemnify, and defend the other Party shall expressly not apply to claims, losses, liabilities, or damages arising solely from actions or omissions, negligent or otherwise, of any independent contractor providing services pursuant to a contract with any other Party. In the event of concurrent negligence of the Parties, their respective officers, or employees, then the liability for any and all claims for injuries or damages to persons and/or property or any other loss or cost which arises out of the terms, conditions, covenants or responsibilities of this Agreement shall be apportioned in any dispute or litigation according to the California theory of comparative negligence. Costa Mesa, in contracting following the effective date of this Agreement with third parties for design, development, construction, equipping, maintenance and repair of the Property, and operation of any aspect of the Project, shall require full indemnification and hold harmless clauses naming all Parties as provided for herein below. Newport Beach, in contracting following the effective date of this

City of Newport Beach

Agreement with any third parties relating to operation of any aspects of the Project, including, but not limited to, street outreach and transportation of Newport Beach referrals to and from the Shelter, shall require full indemnification and hold harmless clauses naming all Parties as provided for hereinbelow.

8.2. Insurance. Costa Mesa shall insure the Property and the Project, and shall require any Consultants, contractors or subcontractors operating or performing work at the Property, or for the Project, to hold policies of insurance with coverage and limits commensurate with industry standards and practices, which shall be agreed to by the Risk Managers of the Parties. Both Parties and their respective officers, employees and agents shall be named insureds on any liability coverage. Each Party shall provide for Workers' Compensation coverage for its own employees. Each party shall obtain endorsements from its workers' compensation insurer waiving subrogation rights under its workers' compensation insurance policy against the other and their respective officers, agents, employees, and volunteers arising from this Agreement and to require each of its subcontractors, if any, to do likewise under their workers' compensation insurance policies.

8.3. Insurance for Consultants. Each Party shall require any Consultants engaged by them in conjunction with this Agreement to obtain, maintain, and keep in full force and effect during the life of this Agreement all of the following minimum scope of insurance coverages with an insurance company admitted to do business in California, rated "A," Class X, or better in the most recent Best's Key Insurance Rating Guide, and approved by each Party's Risk Manager:

a) Commercial general liability, including premises-operations, products/completed operations, broad form property damage, blanket contractual liability, independent contractors, personal injury or bodily injury with a policy limit of not less than One Million Dollars ($1,000,000.00), combined single limits, per occurrence. If such insurance contains a general aggregate limit, it shall apply separately to this Agreement or shall be twice the required occurrence limit.

b) Business automobile liability for owned vehicles, hired, and non-owned vehicles, with a policy limit of not less than One Million Dollars ($1,000,000.00), combined single limits, per occurrence for bodily injury and property damage.

c) Workers' compensation insurance as required by the State of California. Consultants shall be required to waive, and to obtain endorsements from their workers' compensation insurer(s) waiving subrogation rights under their workers' compensation insurance policy(ies) against each Party, its officers, agents, employees, and volunteers arising from work performed by Consultant for the Party and to require each of its subcontractors, if any, to do likewise under their workers' compensation insurance policies.

d) Professional errors and omissions ("E&O") liability insurance with policy limits of not less than One Million Dollars ($1,000,000.00), combined single limits, per occurrence and aggregate. Architects' and engineers' coverage shall be endorsed to include contractual liability. If the policy is written as a "claims made" policy, the retro date shall be prior to the start of the contract work. Consultants shall obtain and maintain, said E&O liability insurance during the life of the Agreement and for three years after completion of the work thereunder.

City of Newport Beach

e) In addition, the Shelter Operator shall be required to provide Sexual abuse/molestation coverage with limits of not less than One Million Dollars ($1,000,000.00) per occurrence and Two Million Dollars ($2,000,000.00) in the aggregate and Cyber liability insurance with policy limits of not less than One Million Dollars ($1,000,000.00) per occurrence and Two Million Dollars ($2,000,000.00) in the aggregate covering: (i) all acts, errors, omissions, negligence, infringement of intellectual property; (ii) network security and privacy risks including, but not limited to, unauthorized access, failure of security, breach of privacy perils, wrongful disclosure, collection, or negligence in the handling of confidential information, privacy perils including coverage for related regulatory defense and penalties; and (iii) data breach expenses payable whether incurred by the Parties or Shelter Operator including, but not limited to, consumer notification, whether or not required by law, computer forensic investigations, public relations and crisis management firm fees, credit file or identity monitoring or remediation services in the performance of services for Costa Mesa and/or Newport Beach.

f) Endorsements. Unless otherwise agreed to by the Parties, all insurance referred to in this section 8.3 shall contain or be endorsed to contain the following provisions:

(i) Additional insureds: "The City of Costa Mesa and the City of Newport Beach and their elected and appointed boards, officers, officials, agents, employees, and volunteers are additional insureds with respect to: liability arising out of activities performed by or on behalf of the Consultant pursuant to its contract with the respective city; products and completed operations of the Consultant; premises owned, occupied or used by the Consultant; automobiles owned, leased, hired, or borrowed by the Consultant." This endorsement requirement does not apply to Professional Errors and Omissions insurance required by subsection (d) of this section 8.3.

(ii) Notice: "Said policy shall not terminate, be suspended, or voided, nor shall it be cancelled, nor the coverage or limits reduced, until thirty (30) days after written notice is given to the City of Costa Mesa and City of Newport Beach."

(iii) Other insurance: "The Consultant's insurance coverage shall be primary insurance as respects the City of Costa Mesa, the City of Newport Beach and their officers, officials, agents, employees, and volunteers. Any other insurance maintained by the City of Costa Mesa or the City of Newport Beach shall be excess and not contributing with the insurance provided by this policy."

g) Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to Costa Mesa, Newport Beach, or their respective officers, officials, agents, employees, and volunteers.

h) The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

i) Deductible or Self Insured Retention. If any of such policies provide for a deductible or self-insured retention to provide such coverage, the amount of such deductible or self-insured retention shall be approved in advance by the contracting Party. No policy of insurance issued as

City of Newport Beach

to which the Parties are an additional insured shall contain a provision which requires that no insured except the named insured can satisfy any such deductible or self-insured retention.

8.4. Certificates of Insurance. Consultants shall be required to provide to each Party certificates of insurance showing the insurance coverages and required endorsements described above, in a form and content approved by the Parties, prior to performing any services under the agreement. The certificates of insurance shall be attached to any Consultant agreement.

8.5. Non-limiting. Nothing in this Section shall be construed as limiting in any way, the indemnification provision contained in this Agreement, or the extent to which any Consultants contracted by either Party may be held responsible for payments of damages to persons or property.

9. MISCELLANEOUS

9.1. Approval by Party Representatives. Any term or provision of this Agreement that calls for the direction, approval, or consent of the Parties or Party Representatives, shall mean and refer to the direction, approval, or consent of both of the Party Representatives; provided that, notwithstanding anything contrary in this Agreement, Costa Mesa shall have sole discretion to approve or disprove any such action that: directly relates to the operation, management, capacity, construction, location, design, or scale of the Shelter, so long as Newport Beach's ability to use its allocated beds is not unreasonably impaired thereby; or any other action that, in Costa Mesa's reasonable discretion, will have a reasonably foreseeable negative material impact on residents, business, or public facilities in the area surrounding the Shelter, materially increase the intensity of Shelter use or capacity, or materially increase burdens on public services provided to said area. Except as specifically provided herein, all actions reasonably necessary to effectuate the purpose of this Agreement and the Program may be performed by the Party Representatives except as may otherwise be prohibited by state or federal law.

9.2. Notice. Any notice, demand, request, document, consent, approval, or communication either Party desires or is required to give to the other Party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail to the person(s) at the address below. Either Party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated at the time personally delivered or in seventy-two (72) hours from the time of mailing if mailed as provided in this Section.

CITY OF COSTA MESA

Lori Ann Farrell Harrison
City Manager
77 Fair Drive
Costa Mesa, CA 92626

CITY OF NEWPORT BEACH

Grace K. Leung
City Manager
100 Civic Center Drive
Newport Beach, CA 92660

City of Newport Beach

With a copy to:

Kimberly Hall Barlow
City Attorney
3777 N. Harbor Blvd.
Fullerton, CA 92835

Aaron C. Harp
City Attorney
100 Civic Center Drive
Newport Beach, CA 92660

9.3. Parties as Independent Contractors. Each Party is, and at all times shall be deemed to be, an independent contractor as to the other Party. Nothing herein is intended or shall be construed as creating the relationship of employer and employee, or principal and agent, between any Party, or any Party's agents or employees. Each Party shall retain all authority for rendition of services, standards of performance, control of personnel, and other matters incident to the performance of the Program pursuant to this Agreement. Each Party, and its agents and employees, shall not be considered to be employees of any other Party.

9.4. Force Majeure. In no event shall either Party be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond the control of the party obligated, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, epidemic, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Parties shall each use reasonable efforts to resume performance as soon as practicable under the circumstances.

9.5. Survival of Terms at Termination. The provisions of sections 3.4, 7.1-7.3, 8.1, 8.2, 8.5, 9.2, 9.4-9.10, and 9.12 shall survive the termination of this Agreement.

9.6. Governing Law and Venue. This Agreement has been negotiated and executed in the State of California and shall be governed by and construed under the laws of the State of California. In the event of any legal action to enforce or interpret this Agreement, the sole and exclusive venue shall be a court of competent jurisdiction, located in Orange County, California, and the Parties agree to and hereby submit to the jurisdiction of such court, notwithstanding Code of Civil Procedure Section 394. Furthermore, the Parties specifically agree to waive any and all rights to request that an action be transferred for trial to another county.

9.7. Amendments / Entire Agreement. Amendments to this Agreement must be in writing and approved by the governing body of each Party. This Agreement, and the various Exhibits referenced herein which are incorporated fully by this reference, is the entire agreement among the Parties with respect to the subject matter hereof, and it supersedes any prior written or oral agreements with respect to the subject matter.

9.8. Severability. If any section, subsection, paragraph, term, or provision of this Agreement, or the application thereof, is held by a court of competent jurisdiction to be invalid, void or unenforceable, such section, subsection, paragraph, term, or provision, to the extent the same is valid and enforceable, and all other remaining provisions hereof, shall remain in full force and effect, to the fullest extent possible, and shall in no way be affected, impaired or invalidated thereby to the extent such are not rendered impractical to perform taking into consideration the purposes of this Agreement.

City of Newport Beach

9.9. Interpretation. This Agreement has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with in this Agreement. In addition, each Party has been represented by experienced and knowledgeable independent legal counsel of its own choosing or has knowingly declined to seek such counsel despite being encouraged and given the opportunity to do so. Each Party further acknowledges that is has not been influenced to any extent whatsoever in executing this Agreement by the other Parties, or by any person representing the other Parties, or both. Accordingly, any rule or law (including Civil Code Section 1654) or legal decision that would require interpretation of any ambiguities in this Agreement against the Party that has drafted it is not applicable and is waived. The provisions of this Agreement shall be interpreted in a reasonable manner to affect the purpose of the Parties and this Agreement.

9.10. Non-Waiver of Rights and Remedies. No term or provision of this Agreement shall be deemed waived and no breach excused, unless such waiver or consent shall be in writing and signed by the Party claimed to have waived or consented. Any consent by any Party to, or waiver of, a breach by the other, whether express or implied, shall not constitute consent to, waiver of, or excuse for any other different or subsequent breach.

9.11. Authority. The Parties represent and warrant that this Agreement has been duly authorized by their respective governing boards, and executed by a duly authorized representative thereof, and constitutes the legally binding obligation of their respective Party, enforceable in accordance with its terms.

9.12. Assignment. Except as otherwise expressly provided for herein, no Party shall assign any of its obligations or rights hereunder without the consent of the other Party, and any such assignment without consent shall be null and void.

9.13. Execution in Counterparts. This Agreement may be executed in counterparts, each of which, when the Parties have signed this Agreement, shall be deemed to be an original, and such counterparts shall constitute one and the same instrument.

[SIGNATURE PAGE(S) TO FOLLOW]

City of Newport Beach

IN WITNESS WHEREOF, the Parties to this Agreement have caused the same to be executed by each of their duly authorized officers as follows:

Dated: November __, 2020

CITY OF COSTA MESA

By:_____

APPROVED AS TO FORM.

_____
Kimberly Hall Barlow
City Attorney

Dated: ~~November~~ December 7, 2020

CITY OF NEWPORT BEACH

By: _____
Will O'Neill
Mayor

APPROVED AS TO FORM.

_____
Aaron C. Harp
City Attorney

ATTEST:

_____
Leilani I. Brown
City Clerk

City of Newport Beach

IN WITNESS WHEREOF, the Parties to this Agreement have caused the same to be executed by each of their duly authorized officers as follows:

Dated: ~~November~~ December 15, 2020

CITY OF COSTA MESA

By: _____

APPROVED AS TO FORM.

_____
Kimberly Hall Barlow
City Attorney

Dated: ~~November~~ December 7, 2020

CITY OF NEWPORT BEACH

By: _____
Will O'Neill
Mayor

APPROVED AS TO FORM.

_____
Aaron C. Harp
City Attorney

ATTEST:

_____
Leilani I. Brown
City Clerk

City of Newport Beach

EXHIBIT A.
Legal Description

Parcel 4, in the City of Costa Mesa, County of Orange, State of California, as per map filed in book 34, page 13 of parcel maps, in the office of the county recorder of said county.

Except therefrom the minerals, oil, gas, and other hydrocarbon substances lying below the surface of said land.

APN/Parcel ID(s): 427-091-12

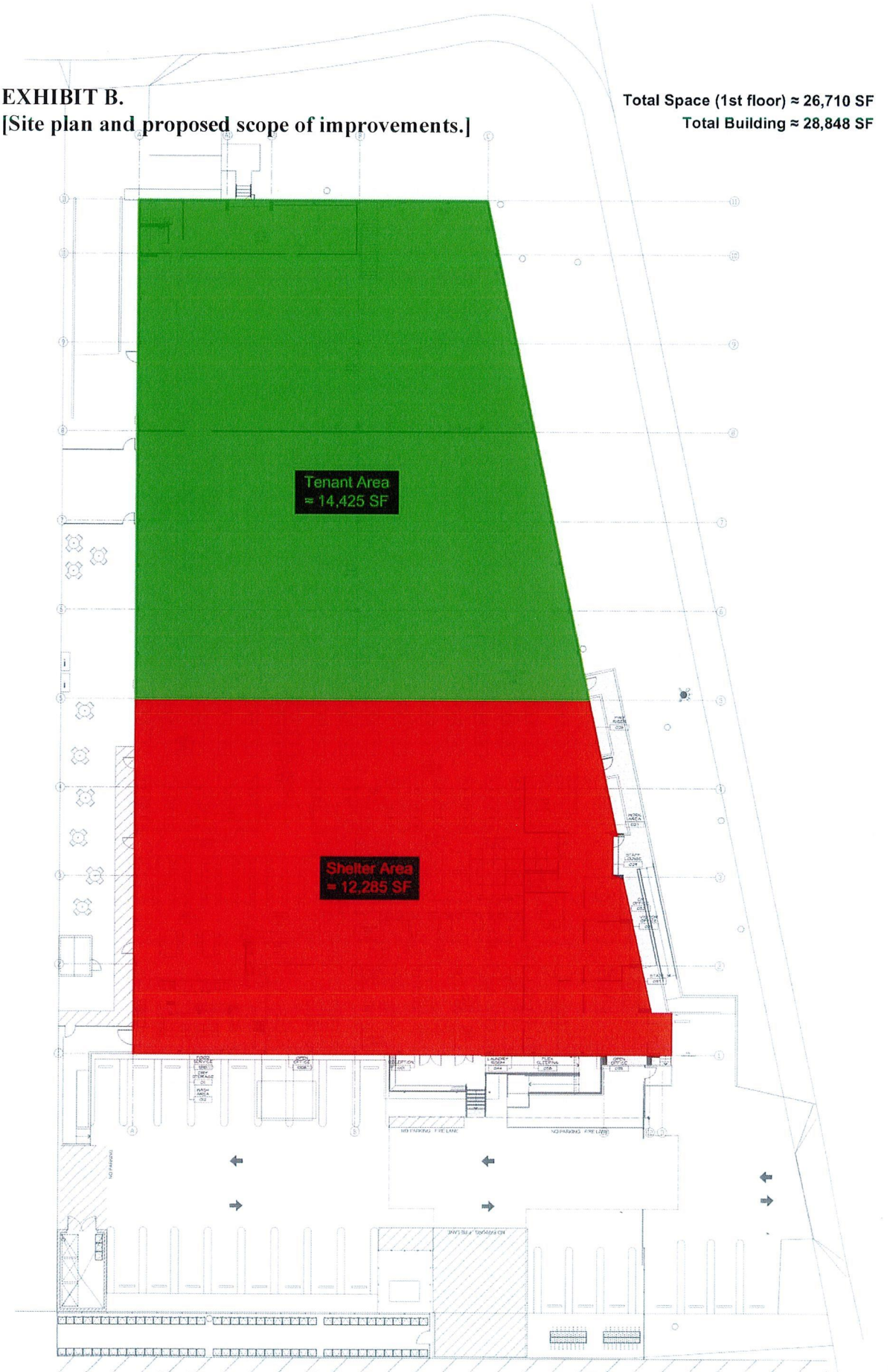
Commonly known as 3175 Airway Ave, Costa Mesa, California

Photographic depiction of the Property

City of Newport Beach

EXHIBIT B.
[Site plan and proposed scope of improvements.]

Total Space (1st floor) ≈ 26,710 SF
Total Building ≈ 28,848 SF



City of Newport Beach

CITY OF

NEWPORT BEACH

City Council Staff Report

December 9, 2025
Agenda Item No. 13

TO:	HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM:	Seimone Jurjis, Assistant City Manager - 949-644-3001, sjurjis@newportbeachca.gov
PREPARED BY:	Lorig Yaghsezian, Management Analyst - 949-644-3028, lyaghsezian@newportbeachca.gov
TITLE:	Organizational Restructuring and Changes to Budgeted Positions

ABSTRACT:

Charter Section 601 provides that the City Council shall establish the number, titles, qualifications, powers, duties, and compensation of all City of Newport Beach (City) officers and employees. As part of ongoing efforts to ensure operational efficiency and reduce costs, the city manager periodically evaluates the City's organizational structure. Following the most recent review, the city manager is proposing to create two new departments: (i) a Municipal Operations Department, which would assume some responsibilities currently assigned to the Public Works Department, and (ii) an Administrative Services Department, which would oversee functions previously managed by the Human Resources and Finance Departments. Additionally, risk management services currently housed within the Human Resources Department would be reassigned to the City Attorney's Office. If approved by the City Council, the recommended actions would implement the revised organizational structure and update the City's budgeted staffing allocations accordingly.

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) Introduce Ordinance No. 2025-37, *An Ordinance of the City Council of the City of Newport Beach, California, Amending Various Provisions of the Newport Beach Municipal Code to Reflect Organizational Restructuring to the City Attorney, Finance, Human Resources, and Public Works Departments;*

c) Adopt Resolution No.2025-87, *A Resolution of the City Council of the City of Newport Beach, California, Amending Various Provisions of the Newport Beach City Council Policies to Reflect Organizational Restructuring to the City Attorney, Finance, Human Resources, and Public Works Departments;*

d) Adopt Resolution No.2025-88, *A Resolution of the City Council of the City of Newport Beach, California, Approving a Revised Salary Schedule and New Classifications for the Key & Management Group;*

e) Approve the following changes to employee positions and assignments: (i) add one administrative services director and one municipal operations director; (ii) eliminate one finance director and one human resources director; (iii) convert one part-time human resources intern to one part-time human resources specialist; (iv) convert one public works crew chief to one management analyst; (v) convert two part-time library clerk II positions to two support services aides; (vi) reassign the positions/personnel as detailed in this staff report, including the transfer of 9.5 full-time equivalent Human Resources Department positions to the Administrative Services Department, 37.45 full-time equivalent Finance Department positions to the Administrative Services Department, 62.5 Public Works Department / Municipal Operations Division positions to the Municipal Operations Department, and three Human Resources positions to the City Attorney's Office;

f) Approve the Job Descriptions for the administrative services director and municipal operations director in this staff report and authorize the administrative services director to approve new job descriptions consistent with the new positions and departmental changes approved by the City Council;

g) Authorize the city manager, city attorney, administrative services director, and municipal operations director to execute amendments to existing agreements, as necessary, to implement the organizational changes described herein, including transferring (i) the administration of all agreements related to workers' compensation, insurance and risk management previously administered by the Human Resources Department to the City Attorney's Office; (ii) all remaining agreements entered into by the Human Resources Department to the Administrative Services Department; (iii) all agreements entered into by the Finance Department to the Administrative Services Department; and all agreements entered into by the Public Works Department that pertain to municipal operations to the new Municipal Operations Department; and

h) Approve Budget Amendment No. 26-045, appropriating $14,856 in additional expenditures from the General Fund's unappropriated fund balance to fund the costs associated with the recommended position reclassifications.

DISCUSSION:

Municipal Operations

In 2018, the City eliminated its Municipal Operations Department (MOD) and transferred the "general services" maintenance functions and personnel to the Public Works Department.

The Municipal Operations Division is currently responsible for providing general services such as beach maintenance and cleaning, street maintenance, facilities and equipment maintenance, park and landscaping maintenance, refuse collection; City tree maintenance; and graffiti removal. The Public Works Department's engineering division is responsible for City infrastructure planning, engineering and construction; traffic and transportation engineering and operations; public right-of-way / property management;

development review and permitting; water quality; and Capital Improvement Program (CIP) development and management.

In recent years, the City's CIP, a plan for public improvements, special projects, and on-going maintenance programs, has grown in size and complexity, requiring more of Public Works' staff time and resources. At the same time, the City continues to strive to maintain public property and infrastructure throughout the community at a "platinum level," which also requires focused attention, staff time, and resources. To better manage these responsibilities, staff recommends re-establishing a stand-alone Municipal Operations Department, with the municipal operations director reporting to the city manager. The proposed department's responsibilities are listed in the proposed changes to NBMC Title Two (included with Attachment A). The changes would enable the Public Works Department's director and staff to better concentrate their time and expertise on managing and completing the large number of projects and programs in the CIP and engineering services.

Should the City Council approve this change, 62.5 staff positions will be transferred from the Public Works Department to the new Municipal Operations Department. The positions are listed in Attachment D.

Administrative Services

The City's Human Resources and Finance Departments provide a range of internal services to support the operations of every City department. Human Resources is responsible for recruitment and selection, employee benefits, risk management, employee relations, labor relations, training and development, and workers' compensation. The Finance Department is responsible for the City's budget and financial planning, accounting, purchasing and revenue management.

To better align internal services, staff recommends creating a new Administrative Services Department, combining all divisions of the Finance Department with key service areas of the Human Resources Department. The change would improve coordination among staff and strengthen service delivery across the organization.

In addition, staff recommends transferring the risk management and workers' compensation service areas from the Human Resources Department to the City Attorney's Office. This would consolidate the City's claims, liability and loss-prevention functions, streamlining claims handling, strengthening coordination with legal counsel, and supporting proactive risk reduction — ultimately protecting employees, minimizing costs to taxpayers, and safeguarding City resources.

If approved, three staff positions will be transferred from the current Human Resources Department to the City Attorney's Office, and 9.5 full-time equivalent positions will be transferred from the Human Resources Department to the Administrative Services Department. In addition, 37.45 full-time equivalent Finance Department positions will be

transferred to the Administrative Services Department. The proposed position transfers are shown Attachment D.

Revised responsibilities for the administrative services director and the municipal operations director are reflected in Attachment F.

Library Services

Separate from the organizational restructuring, staff is proposing a change to two budgeted positions in the Library Services Department. Staff recommends converting two part-time library clerk II positions to two part-time support services aide positions to better meet the operational needs of the department (Attachment G). If approved, there would be a modest increase in pay rate and the cost is reflected in the proposed budget amendment (Attachment E).

Summary of Recommended City Council Actions

In short, staff recommends that the City Council approve the following:

- An organizational restructuring of City departments that includes the establishment of the Administrative Services & Finance Departments and the Municipal Operations Department, the disestablishment of the Human Resources and Finance Departments and the transfer of risk management and workers' compensation services to the City Attorney's Office

- Ordinance No. 2025-37 which would update the NBMC to reflect the organizational restructuring and references to the new departments and service area changes throughout the Municipal Code

- Resolution No. 2025-87which would update certain City Council policies to reflect the organizational changes

- Resolution No.2025-88, to revise the salary schedule and include new classifications in the Key and Management compensation Plan.

FISCAL IMPACT:

The personnel-related changes outlined in this staff report total $14,856 and include the following position conversions:

- Conversion of one full-time finance director position to one full-time administrative services director position, resulting in no additional cost.
- Conversion of one full-time human resources director position to one full-time municipal operations director position, resulting in no additional cost.
- Conversion of one full-time public works crew chief to a full-time management analyst, resulting in an added cost of $2,616.
- Conversion of one part-time human resources intern to a part-time human resources specialist, resulting in an added cost of $8,677.
- Conversion of two part-time library clerk II positions to two part-time support services aide positions, resulting in an added cost of $3,563.

In addition, there will be costs associated with relocating staff and with the future buildout of workspaces. These costs are expected to fall within the City Manager's contract authority, and existing budget savings can be used to cover them.

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 – Ordinance No. 2025-37
Attachment B –Resolution No. 2025-87
Attachment C- Resolution No. 2025-88
Attachment D- Budgeted Positions per Department
Attachment E- Budget Amendment
Attachment F- Job Descriptions
Attachment G- Summary of New Department Personnel

ORDINANCE NO. 2025-37

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NEWPORT BEACH, CALIFORNIA, AMENDING VARIOUS PROVISIONS OF THE NEWPORT BEACH MUNICIPAL CODE TO REFLECT ORGANIZATIONAL RESTRUCTURING TO THE CITY ATTORNEY, FINANCE, HUMAN RESOURCES, AND PUBLIC WORKS DEPARTMENTS

WHEREAS, the City of Newport Beach ("City") is a charter City, governed by a charter adopted by the citizens of the City;

WHEREAS, Article XI, Section 5 of the Constitution of the State of California ("State") authorizes charter cities to enact ordinances with respect to their municipal affairs;

WHEREAS, Section 200 of the City Charter vests the City Council with the authority to make and enforce all laws, rules and regulations with respect to municipal affairs subject only to the restrictions and limitations contained in the Charter and the State Constitution, and the power to exercise, or act pursuant to any and all rights, powers, and privileges, or procedures granted or prescribed by any law of the State;

WHEREAS, the City Council approved a restructuring of various departments within the City including establishment of the Municipal Operations Department and Administrative Services Department as well as consolidating Risk Management within the City Attorney's Office;

WHEREAS, amendments to the NBMC are needed to reflect the structural reorganization; and

WHEREAS, the City Council held a public meeting on December 9, 2025, in the Council Chambers located at 100 Civic Center Drive, Newport Beach, California. A notice of time, place and purpose of the hearing was given in accordance with California Government Code Section 54950 et seq. ("Ralph M. Brown Act"). Evidence, both written and oral, was presented to, and considered by, the City Council at this meeting.

NOW THEREFORE, the City Council of the City of Newport Beach ordains as follows:

Section 1: The various provisions of the Newport Beach Municipal Code are amended as set forth in Exhibit "A" which is attached hereto and incorporated herein by reference.

Section 2: The recitals provided in this ordinance are true and correct and are incorporated into the substantive portion of this ordinance.

Section 3: If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

Section 4: The City Council finds the introduction and adoption of this ordinance 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, Division 6, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

Section 5: Except as expressly modified in this ordinance, all other sections, subsections, terms, clauses and phrases set forth in the Newport Beach Municipal Code shall remain unchanged and shall be in full force and effect.

Section 6: The Mayor shall sign and the City Clerk shall attest to the passage of this ordinance. The City Clerk shall cause the ordinance, or a summary thereof, to be published pursuant to City Charter Section 414. This ordinance shall be effective thirty (30) calendar days after its adoption.

This ordinance was introduced at a regular meeting of the City Council of the City of Newport Beach held on the 9th day of December, 2025, and adopted on the 13th day of January, 2026, by the following vote, to-wit:

AYES: _____

NAYS: _____

ABSENT: _____

_____
, Mayor

ATTEST:

_____
Lena Shumway, City Clerk

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE

_____
Aaron C. Harp, City Attorney

Attachment – Exhibit A – Newport Beach Municipal Code Amendments

EXHIBIT "A"

NEWPORT BEACH MUNICIPAL CODE AMENDMENTS

Title 1
GENERAL PROVISIONS

Chapter 1.05
ADMINISTRATIVE CODE ENFORCEMENT PROGRAM

1. Subsection (G) of Section 1.05.020 (Authority and Administrative Citation Fines) of the Newport Beach Municipal Code is amended to read as follows:

1.05.020 Authority and Administrative Citation Fines.

G. All fines imposed under this section shall be due and payable to the City's Administrative Services Department within thirty (30) days from the service of an administrative citation.

2. Subsection (F) of Section 1.05.050 (Administrative Costs Recovery) of the Newport Beach Municipal Code is amended to read as follows:

1.05.050 Administrative Costs Recovery.

F. Request for an Appeal on Administrative Costs. A responsible person who receives a summary of administrative costs shall have the right to an administrative hearing before a Hearing Officer on their objections to the summary of administrative costs.

1. Request for an Appeal. A request for an appeal shall be filed with the City's Administrative Services Department within thirty (30) days of the service of the summary of administrative costs on a form provided by the Administrative Services Department.

2. Hearing. Within sixty (60) days of the filing of a request for an appeal, and on ten (10) days' prior written notice to the responsible person, a Hearing Officer shall hold a hearing on the objections to the summary of administrative costs.

3. Factors to Be Considered by a Hearing Officer. The Hearing Officer shall consider whether the costs identified in the summary of administrative costs are reasonable under the circumstances of the enforcement action including the following:

a. Whether the responsible person created the violation;

b. Whether there is a present ability to correct the violation;

c. Whether the responsible person acted promptly to correct the violation; and

d. The degree of cooperation provided by the responsible person.

4. The failure of any responsible person to appear at the administrative hearing before the Hearing Officer on the summary of administrative costs shall be deemed a failure to exhaust the responsible person's administrative remedies with regard to the summary of administrative costs.

3. Section 1.05.060 (Appeal of Administrative Citation) of the Newport Beach Municipal Code is amended to read as follows:

1.05.060 Appeal of Administrative Citation.

A. Any recipient of an administrative citation may contest that there was a violation of this Code or that he or she is the responsible person by completing a request for hearing form and returning it to the City's Administrative Services Department within twenty-one (21) days from the date of service of the administrative citation, together with an advance deposit of the fine or a notice that a request for an advance deposit hardship waiver pursuant to subsection (B) of this section has been filed. Any administrative citation fine which has been deposited shall be refunded if it is determined, after a hearing, that the person charged in the administrative citation was not responsible for the violation(s) or that there was no violation(s) as charged in the administrative citation.

B. Any responsible person who requests a hearing to contest that there was a violation of this Code or that he or she is the responsible person for the violation and who is financially unable to make the advance deposit of the fine as required may file a request for an advance deposit hardship waiver within fifteen (15) days from the date of service of the citation. The failure of any person to timely file a written request for an advance deposit hardship waiver with the City's Administrative Services Director shall be deemed a failure to exhaust the person's administrative remedies with regard to the advance deposit hardship waiver.

1. The request for an advance deposit hardship waiver shall be in writing and describe with particularity the responsible person's actual financial inability demonstrating why all or a part of the fine cannot be paid. Further, the written request for an advance deposit hardship waiver must be accompanied by a sworn affidavit, together with any supporting documents or materials, demonstrating to the satisfaction of the City's Administrative Services Director the responsible person's actual financial inability that necessitates an advance deposit hardship waiver. The City's Administrative Services Director is entitled to request additional documentation and information from the responsible person to fully assess the waiver request. The failure of any responsible person to timely submit all requested additional documentation and information to the City's Administrative Services

Director as requested shall be deemed a failure to exhaust the responsible person's administrative remedies with regard to the advance deposit hardship waiver.

2. Once a complete written request for an advance deposit hardship waiver is filed with the City's Administrative Services Director, the requirement of depositing the full amount of the fine shall be stayed until the City's Administrative Services Director determines whether to grant, grant in part, or deny the request. The written determination of the City's Administrative Services Director shall be served on the person requesting the advance deposit hardship waiver as provided for in this Code. The written determination of the Administrative Services Director shall be final.

3. If the City's Administrative Services Director grants the advance deposit hardship waiver, the responsible person shall not be required to deposit the fine in advance of the hearing.

4. If the City's Administrative Services Director grants in part the advance deposit hardship waiver, the responsible person shall remit that amount of the fine as a deposit that the City's Administrative Services Director determines the responsible person has the ability to pay within ten (10) days of that decision or twenty-one (21) days from service of the administrative citation, whichever is later.

5. If the City's Administrative Services Director denies the request for an advance deposit hardship waiver, the responsible person shall remit the full amount of the fine as a deposit to the City within ten (10) days of that decision or twenty-one (21) days from service of the administrative citation, whichever is later.

6. The granting, or granting in part, of any request for an advance deposit hardship waiver shall not excuse or discharge any continuation or repeated occurrence of any violation of this Code, nor shall it bar further enforcement action by the City.

7. The granting, or granting in part, of any request for an advance deposit hardship waiver shall not excuse the responsible person from paying the full amount of the fine if the administrative citation is upheld by the Hearing Officer following an administrative hearing.

Chapter 1.08
RULES OF CONSTRUCTION

4. Section 1.08.120 (Definitions) of the Newport Beach Municipal Code is amended to add "Administrative Services Director" and "Municipal Operations Director" and modify the definitions of "City Attorney," "City Treasurer," "Finance Director," "Human Resources Director," "Revenue Division," and "Risk Manager" to read as follows:

1.08.120 Definitions.

Administrative Services Director. The term "Administrative Services Director" means the individual who manages and directs the Administrative Services Department. For all purposes including, but not limited to, those powers, obligations and duties set forth in the City Charter, the Municipal Code, or any, contract, rule, or regulation, the Administrative Services Director shall be the City's Finance and Human Resources Director.

City Attorney. The term "City Attorney" means the official appointed by the City Council to serve as the City Attorney and who manages the City Attorney's Office.

City Treasurer. The term "City Treasurer" means the individual serving as the City's Administrative Services Director.

Finance Director. The term "Finance Director" means the individual serving as the Administrative Services Director.

Human Resources Director. The term "Human Resources Director" means the individual serving as the Administrative Services Director.

Municipal Operations Director. The term "Municipal Operations Director" means the individual appointed to manage and direct the City's Municipal Operations Department.

Revenue Division. The term "Revenue Division" means the City's Administrative Services Department Revenue Division.

Risk Manager. The term "Risk Manager" means the individual appointed as the City Attorney.

Chapter 1.12
CITATIONS AND WARRANTS

5. Subsection (B) of Section 1.12.020 (Authority of Public Officers or Employees to Issue Citations) of the Newport Beach Municipal Code is amended to read as follows:

1.12.020 Authority of Public Officers or Employees to Issue Citations.

B. The following designated public officers and employees shall have the power to issue citations for violations of the following provisions of this Code:

1. The Fire Chief and other employees holding positions in the Fire Department designated by the Fire Chief shall have the power to issue citations for any violation of Titles 5,9, 11 and 17, Chapters 7.04, 7.16, 7.20, and 7.30, and Sections 6.04.050, 6.04.190 and 10.06.010.

2. The Revenue Manager and other employees holding positions in the Administrative Services Department designated by the Administrative Services Director shall have the power to issue citations for any violations of Titles 3, 5, 6 and 10, Chapters 12.62 and 12.63, and Section 12.40.060.

3. The Building Official, and other employees holding positions in the Building Division designated by the Building Official, shall have the power to issue citations for any violation of Title 15.

4. Park Patrol Officers shall have the power to issue citations for violations of Chapters 11.03 and 11.04 and for violations of any provision of this Code occurring in parks or parking violations occurring in parking lots servicing parks and other City facilities.

5. The City Clerk shall have the power to issue administrative citations for violations of Chapter 1.28.

Chapter 1.20
UNCLAIMED PROPERTY

6. Section 1.20.020 (Holding and Disposal of Unclaimed Property) of the Newport Beach Municipal Code is amended to read as follows:

1.20.020 Holding and Disposal of Unclaimed Property.

Such property shall be stored in a safe place for a period of at least three months, and such money shall be deposited with the Administrative Services Director for a period of not less than three months, unless sooner claimed by the true owner, and shall be deemed to be unclaimed property or unclaimed money, subject to disposal as provided in this chapter.

7. Section 1.20.030 (True Owner May Claim Property or Money) of the Newport Beach Municipal Code is amended to read as follows:

1.20.030 True Owner May Claim Property or Money.

During such time as any such property or money is so held, it may be delivered or paid to the true owner. Such property shall be delivered upon proof of ownership satisfactory to the Chief of Police after ten (10) days' notice by mail to any others who have asserted a claim of ownership, at any address given by such persons. Such money shall be paid to the true owner upon written order to the Administrative Services Director from the Chief of Police. The Chief of Police shall make such order upon the same proof of ownership and with the same notice as prescribed in the case of property. If ownership cannot be determined to the satisfaction of the Chief of Police, he or she may refuse to deliver such

property or order the payment of such money to anyone until ordered to do so by a court of competent jurisdiction.

8. Section 1.20.080 (Proceeds to be Deposited in General Fund) of the Newport Beach Municipal Code is amended to read as follows:

1.20.080 Proceeds to be Deposited in General Fund.

After such auction is completed, the proceeds of the auction shall be delivered to the Administrative Services Director for deposit in the general fund.

Title 2
ADMINISTRATION AND PERSONNEL

9. The Table of Contents of Chapter 2.12 (Administrative Departments) of the Newport Beach Municipal Code is renumbered and amended to read as follows:

Chapter 2.12
ADMINISTRATIVE DEPARTMENTS*

Sections:

2.12.010 Departments Designated.
2.12.020 Authority of City Manager.
2.12.030 Administrative Services Department.
2.12.040 Community Development Department.
2.12.050 Fire Department.
2.12.060 Harbor Department.
2.12.070 Library Services Department.
2.12.080 Municipal Operations Department.
2.12.090 Police Department.
2.12.100 Public Works Department.
2.12.110 Recreation and Senior Services Department.
2.12.120 Utilities Department.

10. Section 2.12.010 (Departments Designated) of the Newport Beach Municipal Code is amended to read as follows:

2.12.010 Departments Designated.

The administrative functions of the City is divided into the following departments:

Administrative Services Department

Community Development Department

Fire Department

Harbor Department

Library Services Department

Municipal Operations Department

Police Department

Public Works Department

Recreation and Senior Services Department

Utilities Department

11. Section 2.12.030 (Community Development Department) of the Newport Beach Municipal Code is renamed and amended to read as follows:

2.12.030 Administrative Services Department.

The Administrative Services Department shall be under the supervision of the Administrative Services Director, who shall have charge of financial and human resources affairs of the City. The functions of the Administrative Services Department, in addition to those duties imposed on the Finance Director and the City Treasurer by the City Charter, shall include:

A. Enforcement of the City's business license and transient occupancy tax regulations;

B. Management of the City's finances, financial statements, audits, revenue collection and billing, financial management system budget, payroll, accounting, cashiering, treasury and investments;

C. Purchase of supplies, equipment, training, and services used by City departments;

D. Disposal of obsolete and surplus City property;

E. Management of the City's parking program, including meters and lots;

F. Establishment and maintenance of the City's personnel policies, employee classifications and compensation policies and other conditions of employment to assist the City Manager in carrying out the provisions of Chapters 2.24 and 2.28;

G. Advise and liaison to the Civil Service Board; and

H. Such other functions as may be delegated by the City Manager or the City Council.

12. Section 2.12.040 (Finance Department) of the Newport Beach Municipal Code is renamed and amended to read as follows:

Section 2.12.040 Community Development Department.

The Community Development Department shall be under the supervision of the Community Development Director. The functions of the Community Development Department shall include:

A. Administration and enforcement of the provisions of this Code relating to planning, zoning and subdivisions, nuisance abatement and code enforcement, and advising and assisting the Planning Commission in such administration vested in that Commission;

B. Administration and enforcement of the building, electrical, plumbing and mechanical codes, including grading and swimming pool regulations;

C. Administration and enforcement of State regulations governing energy conservation and sound transmission;

D. Preparation and presentation of reports to the City Council and the Planning Commission on various aspects of city planning;

E. Preparation and maintenance of the General Plan;

F. Advising the public on zoning and planning matters;

G. Receipt and processing of subdivision maps; and

H. Such other functions as may be delegated by the City Manager or the City Council.

13. Section 2.12.060 (Human Resources Department) of the Newport Beach Municipal Code is renamed and amended to read as follows:

2.12.060 Harbor Department.

The Harbor Department shall be under the supervision of the Harbormaster who shall serve as the head of the Department. The functions of the Harbor Department shall include:

A. Management of the City's resources in Newport Harbor, including administration of Title 17;

B. Operation of a headquarters at Marina Park or other location selected by the City Manager;

C. Patrol of Newport Harbor;

D. Provision of code enforcement on the waters of Newport Harbor;

E. Management of the City's marinas, moorings, docks, wharfs and visitor-serving harbor facilities and amenities;

F. Promotion of harbor and boating safety;

G. Addressing inquiries from residents and visitors regarding Newport Harbor;

H. Management of City-owned marinas;

I. Providing staff to act as the liaison to the City's Harbor Commission;

J. Management of a pollution prevention program in Newport Harbor; and

K. Such other functions as may be delegated by the City Manager.

14. Section 2.12.080 (Utilities Department) of the Newport Beach Municipal Code is renamed and amended to read as follows:

2.12.080 Municipal Operations Department.

A. The Municipal Operations Department shall be under the supervision of the Administrative Municipal Operations Director. The functions of the Municipal Operations Director shall include:

B. Street and beach maintenance and cleaning;

C. Administration and enforcement of State regulations and provisions of this Code related to the collection, transport, diversion and disposal of solid waste;

D. Maintenance and repair of streets, alleys, curbs, sidewalks, bridges, piers, bulkheads and floats;

E. Maintenance and repair of City equipment;

F. Signage and carpentry;

G. Maintenance of street striping, barricade, curb, crosswalk, and parking stall painting;

H. Street name and regulation sign posting maintenance;

I. Custodial maintenance and repair services for City buildings and facilities;

J. Landscaping and maintenance of City parks, parkway trees, and planted areas on City-owned property, easements and rights-of-way; and

K. Such other functions as may be delegated by the City Manager or the City Council.

15. Section 2.12.100 (Public Works Department) of the Newport Beach Municipal Code is amended to read as follows:

2.12.100 Public Works Department.

The Public Works Department shall be under the supervision of the Public Works Director who shall also be the City Engineer Pro Tem. The functions of the Public Works Department shall include:

A. Planning, installation, design, preparation, review and approval of plans, specifications and working details, operations and maintenance, and administration of contracts for the construction of public works, including streets, storm drains, water quality sewers, water, harbors, street lighting, traffic signals and other public facilities;

B. Right-of-way acquisition;

C. Subdivision engineering and development services;

D. Traffic engineering services;

E. Engineering services for other City departments;

F. Engineering planning for water, sewer and electrical systems;

G. Water quality inspections and reporting as required by law;

H. Activities over and management of the City's tidelands assets in Upper and Lower Newport Bay;

I. Street striping, and barricade, curb, crosswalk, parking stall, and pavement painting; and

J. Such other functions as may be delegated by the City Manager or the City Council.

16. Section 2.12.120 (Harbor Department) of the Newport Beach Municipal Code is renamed and amended to read as follows:

2.12.120 Utilities Department.

The Utilities Department shall be under the supervision of the Utilities Director. The functions of the Utilities Department shall include:

A. Maintenance and operation of the City water system;

B. Maintenance and operation of the City sewer system;

C. Maintenance and operation of the City's street sweeping program;

D. Maintenance and operation of the City's storm drain system;

E. Maintenance and operation of the City street lighting system;

F. Maintenance of backup electrical equipment in City buildings;

G. Management of the City's oil and gas operations;

H. Management of the regulations found in Title 14; and

I. Such other functions as may be delegated by the City Manager or the City Council.

17. The Table of Contents of Chapter 2.14 (City Attorney's Office) of the Newport Beach Municipal Code is added to read as follows:

Chapter 2.14
CITY ATTORNEY'S OFFICE

Sections:

2.14.010 City Attorney's Office.

18. Section 2.14.010 (City Attorney's Office) is added to Chapter 2.14 (City Attorney's Office) of the Newport Beach Municipal Code to read as follows:

2.14.010 City Attorney's Office.

The City Attorney's Office shall be under the supervision of the City Attorney. The functions of the City Attorney's Office, in addition to those duties imposed by the City Charter, shall include:

A. Advise the City Council, boards and commissions, and City staff on all legal issues pertaining to municipal operations;

B. Represent the City Council, staff, and the City as an institution either directly or through special counsel in all proceedings and actions before administrative bodies and tribunals;

C. Enforce either directly or through special counsel the City of Newport Beach Municipal Code;

D. Manage all claims, subrogation matters, writs, actions, lawsuits, worker's compensation, and other legal or equitable proceedings in which the City, its elected officials, officers or employees are involved in their official capacity or as workers' compensation claimants;

E. Provide risk management, assessment, planning and develop procedures to address loss prevention, loss reduction, and the purchase and provision of insurance;

F. Administer the legal business affairs of the City through managing in-house legal services and outside counsel relationships; and

G. Such other functions as may be delegated by the City Council.

Chapter 2.16
OFFICERS' BONDS

19. Section 2.16.010 (Bonds of City Officials) of the Newport Beach Municipal Code is amended to read as follows:

2.16.010 Bonds of City Officials.

Official bonds shall be provided for all officials and employees of the City hereinafter designated, and for such additional classes or employees as may be authorized or required by the City Council, to indemnify the City of Newport Beach against loss by reason of such officer's or employee's failure to faithfully perform the duties of his office or employment as the same exist or may subsequently be imposed. The amount of coverage shall be as authorized or required by the City Council and as hereinafter specified for the following named positions, and may be provided by one or more individual or blanket coverage bonds or a combination of individual and blanket coverage bonds.

Administrative Services Director	$100,000.00
City Manager	$50,000.00
Purchasing Agent	$25,000.00

Any such bond shall be executed by a surety company licensed by the State of California to do business as surety, which shall be jointly and severally liable to the City of Newport Beach up to the principal amount of any such bond or bonds executed by it.

All such bonds shall be delivered to the City and shall be in a form approved by the City Attorney and the same shall be filed with the City Clerk.

Title 3
REVENUE AND FINANCE

Chapter 3.12
PROPERTY DEVELOPMENT TAX

20. Section 3.12.070 (Tax Liability—Enforcement) of the Newport Beach Municipal Code is amended to read as follows:

3.12.070 Tax Liability—Enforcement.

The taxes imposed by this chapter are due from the person by or on behalf of whom a residential, commercial or industrial unit or building or a mobilehome park is constructed, whether such person is the owner or a lessee of the land upon which the construction is to occur. The Administrative Services Director shall collect the tax and any penalty and interest due hereunder. The full amount due under this chapter shall constitute a debt to the City of Newport Beach. An action for the collection thereof may be commenced in the name of the City in any court having jurisdiction of the cause.

21. Section 3.12.100 (Refunds) of the Newport Beach Municipal Code is amended to read as follows:

3.12.100 Refunds.

Any tax, penalty or interest paid to the City under this chapter for any building or unit of a building or mobile home park which is not constructed shall be refunded upon application of the taxpayer and a showing to the satisfaction of the Administrative Services Director that the building or unit has not been constructed or construction commenced and that the building permit issued for the building or unit has been canceled or surrendered or otherwise does not authorize the construction of the building or unit.

Chapter 3.16

UNIFORM TRANSIENT OCCUPANCY TAX*

22. The definition of "City Collector" set forth in Section 3.16.020 (Definitions) of the Newport Beach Municipal Code is amended to read as follows:

3.16.020 Definitions.

City Collector. The term "City Collector" shall mean the Administrative Services Director.

23. Section 3.16.030 (Tax Imposed) of the Newport Beach Municipal Code is amended to read as follows:

3.16.030 Tax Imposed.

For the privilege of occupancy in any hotel, each transient is subject to and shall pay a tax in the amount of nine percent of the rent charged by the operator. The tax constitutes a debt owed by the transient to the City, which is extinguished only by payment to the operator or to the City. The transient shall pay the tax to the operator of the hotel at the time the rent is paid. If the rent is paid in installments, a proportionate share of the tax shall be paid with each installment. The unpaid tax shall be due when the transient ceases to occupy space in the hotel. If for any reason the tax due is not paid to the operator of the hotel, the Administrative Services Director may require that such tax shall be paid directly to the Administrative Services Director.

24. Section 3.16.040 (Exemptions) of the Newport Beach Municipal Code is amended to read as follows:

3.16.040 Exemptions.

No tax shall be imposed upon:

A. Any person as to whom, or any occupancy as to which, it is beyond the power of the City to impose the tax specified in this chapter, and only when in the performance of official duties thereof;

B. Any officer or employee of a foreign government who is exempt by reason of express provision of Federal law or international treaty;

C. A transient occupying a hotel pursuant to a qualifying rental agreement entered into prior to the first day of occupancy;

D. An employee of an airline company who is occupying a hotel room in the course of his or her employment, but only when the room is rented by the airline employer pursuant to a qualifying rental agreement that has been preapproved by the Administrative Services Director;

E. Any person or transient occupying a hotel room provided without rent charged (complimentary) to the person or transient by the operator, including but not limited to:

1. Rooms provided to charitable organizations;

2. Rooms provided to meeting planners who may book future hotel rooms and provide business and conferencing opportunities for the economic benefit of the City;

3. Rooms provided to displeased guests; and/or

4. Rooms provided to hotel employees;

F. No exemption shall be granted except pursuant to an application filed when the rent is collected and under penalty of perjury upon a form prescribed by the Administrative

Services Director. It is the transient's responsibility to provide necessary proof of the exemption.

25. Subsections (C) and (D) of Section 3.16.050 (Operator's Collection Duties) of the Newport Beach Municipal Code are amended to read as follows:

3.16.050 Operator's Collection Duties.

C.1. The operator shall file with the Administrative Services Director a statement of each special package on a form ("special package application") provided by the Administrative Services Director. The special package application shall detail the benefits of the special package and an itemization of that portion of the special package that is rent and tax and each of the benefits. The operator shall provide written evidence to establish the claimed fair market value of each benefit other than rent and tax. The Administrative Services Director shall mark the date of receipt on the special package application and review the submitted information to determine if sufficient information is provided to verify the value of the benefits, rent and tax. The operator shall designate a specific name or number to the special package as part of the special package application. The special package application shall not be accepted unless accompanied by a fee for processing that has been established by resolution of the City Council.

2. The name or number designated on the special package application shall appear on all receipts and books of record whenever the special package is sold.

3. If the special package application is deemed incomplete, the Administrative Services Director will advise the operator of any required changes within fourteen (14) City business days. The operator must either make the required changes and resubmit the special package application or comply with subsection (A) of this section.

4. The Administrative Services Director shall approve, conditionally approve or disapprove the special package within fourteen (14) days of receipt of a complete special package application. In the event of disapproval the Administrative Services Director shall give the operator written notice of the reasons for disapproval. The effective date of the special package rate shall be the date on which the Administrative Services Director receives a complete special package application that is approved. A new special package application shall be submitted whenever the operator changes the rent or benefits of any previously approved special package.

D. The tax shall apply only to the amount of rent identified in the special package that has been approved by the Administrative Services Director.

26. Section 3.16.060 (Registration of Hotel) of the Newport Beach Municipal Code is amended to read as follows:

3.16.060 Registration of Hotel.

Within thirty (30) days after commencing business each operator of any hotel renting occupancy to transients shall register the hotel with the Administrative Services Director and obtain a "transient occupancy registration certificate" to be at all times posted in a conspicuous place on the premises. The certificate shall, among other things, state the following:

A. The name of the operator;

B. The address of the hotel;

C. The date upon which the certificate was issued; and

D. The following statement:

Transient occupancy registration certificate signifies that the person named on the certificate has fulfilled the requirements of the Uniform Transient Occupancy Tax Ordinance (Chapter 3.16 of this Code) by registering with the Administrative Services Director for the purpose of collecting the tax from transients and remitting the tax to the Administrative Services Director. This certificate does not authorize any person to conduct any unlawful business, to conduct any lawful business in an unlawful manner or to operate a hotel without strictly complying with all local laws, including those requiring a permit from any board, commission, department or office of the City. This certificate does not constitute a permit.

The requirements of this section shall not apply to the operator of a hotel required to obtain a short term lodging permit pursuant to Section 5.95.020.

27. Section 3.16.070 (Reporting and Remitting) of the Newport Beach Municipal Code is amended to read as follows:

3.16.070 Reporting and Remitting.

A. Each operator shall, on a form provided by the City, make a return to the Administrative Services Director of the total rents charged and received, the amount of tax collected for transient occupancies, the number of rental units available on the premises, and such other information as the Administrative Services Director may reasonably require. The return shall be made on or before the last day of the month following the close of each calendar quarter or on the day specified by the Administrative Services Director if a different reporting period has been established. Returns are considered made and taxes paid only upon receipt of the tax return and the tax by the City. At the time the return is filed, the full amount of the tax collected shall be remitted to the Administrative Services Director. The Administrative Services Director may establish either shorter or longer reporting periods for any individual certificate holder or category

of certificate holders if the Administrative Services Director deems it necessary or desirable in order to insure collection of the tax or to increase the efficiency of its administration. Returns and payments are due immediately upon cessation of business for any reason. All taxes collected by operators pursuant to this chapter shall be held in trust for the account of the City until payment is made to the Administrative Services Director.

B. The filing of a return shall not preclude the City from collecting by appropriate action any tax actually due and payable pursuant to this chapter or taking any other action to enforce the provisions of this chapter. Each return shall be subject to audit and verification by the Administrative Services Director or authorized agents of the City, who are authorized to examine, audit and inspect such books and records of any operator as may be necessary in their judgment to verify or ascertain the amount of tax due. The Administrative Services Director or agent of the City shall not have right of access to, nor examine, records that are not pertinent to ascertaining the amount of tax due unless the operator fails to provide City with the means of verifying information relevant to the obligations imposed by this chapter.

28. Subsection (A) of Section 3.16.075 (Duty of Successor of Operator) of the Newport Beach Municipal Code is amended to read as follows:

3.16.075 Duty of Successor of Operator.

A. If an operator who is liable for any tax or penalties under this chapter sells or otherwise disposes of the hotel operation, his/her successor shall notify the Administrative Services Director of the date of sale at least thirty (30) days before the date of sale, or if the decision to sell was made less than thirty (30) days prior to the actual sale, then immediately, and shall upon withhold a sufficient portion of the purchase price to equal the amount of any unpaid taxes or penalty until the selling operator produces a receipt from the Administrative Services Director showing that the tax or penalty has been paid or a tax clearance certificate from the Administrative Services Director stating that no tax or penalty is due. If the seller does not present a receipt or tax clearance certificate within thirty (30) days after such successor commences to conduct business, the successor shall deposit the withheld amount with the Administrative Services Director pending settlement of the account of the seller.

29. Subsection (B) of Section 3.16.085 (False and Fraudulent Reports—Penalties) of the Newport Beach Municipal Code is amended to read as follows:

3.16.085 False and Fraudulent Reports—Penalties.

B. If the Administrative Services Director determines that the nonpayment of any remittance (tax and/or penalty) due under this chapter is due to fraud, a penalty of twenty-

five (25) percent of the amount of the tax shall be added thereto in addition to any penalties stated in Section 3.16.080.

30. Section 3.16.090 (Enforcement Proceedings—Appeal) of the Newport Beach Municipal Code is amended to read as follows:

3.16.090 Enforcement Proceedings—Appeal.

A. If any operator shall fail or refuse to collect the tax or to make, within the time provided in this chapter, any report and remittance of the full amount of the tax required by this chapter, the Administrative Services Director shall use his/her best efforts to obtain information on which to base an estimate of the tax due. The Administrative Services Director shall, upon making a determination of the estimated tax or other violation, provide the operator with written notice of the determination and the factual basis for the estimated tax or other violation. The written notice of determination shall be served on the operator personally or by deposit in the United States mail, postage prepaid, addressed to the operator at the last known place of address. The operator may, within ten (10) days after service of written notice of determination, appeal the determination by filing a written appeal with the Administrative Services Director specifying the basis of the appeal and amount of tax or nature of violation contested.

B. If the operator fails to timely appeal a determination by the Administrative Services Director, the determination shall be final and conclusive and the tax, interest and penalties shall become immediately due and payable by the operator and/or the violation shall be deemed established.

C. If the operator files a timely appeal of the determination, the Administrative Services Director shall appoint a hearing officer and give the operator not less than fifteen (15) days' written notice of the hearing on the appeal. The operator shall have the right to present evidence relevant to the determination and the hearing shall be conducted in accordance with the general rules applicable to any administrative hearing. The hearing officer shall submit to the City Manager a transcript of the hearing together with recommended findings of fact and conclusions of law. The City Manager shall consider the material submitted by the hearing officer and render a decision within fifteen (15) days after submission. The decision of the City Manager shall be final as to the City but subject to judicial review pursuant to California Code of Civil Procedure Section 1094.5.

31. Section 3.16.110 (Records) of the Newport Beach Municipal Code is amended to read as follows:

3.16.110 Records.

It shall be the duty of every operator liable for the collection and remittance to the City of any tax imposed by this chapter to keep and preserve, for a period of not less than four

years, all records necessary to determine the amount of tax the operator was required to collect and remit to the City. All retained records shall be subject to audit as provided in Section 3.16.070. The Administrative Services Director shall have the right to inspect and/or audit these records at any time during normal business hours on twenty-four (24) hours' written notice. The records shall be maintained at the operator's premises or at a location convenient to the Administrative Services Director. The records shall include at least the following:

A. Daily summaries of room occupancies;

B. A record of each occupancy charge for which exemption is claimed, the City-provided form of exemption, if applicable, including the name of the individual occupying the room, dates of occupancy and reasons for exemption;

C. All qualifying rental agreements.

32. Section 3.16.120 (Refunds) of the Newport Beach Municipal Code is amended to read as follows:

3.16.120 Refunds.

A. Claim Required. Whenever the amount of any tax, interest or penalty has been overpaid, paid more than once or has been erroneously or illegally collected or received by the City, the tax may be refunded as provided in subsections (B) and (C) of this section; provided, that a written claim for refund is filed with the Administrative Services Director. The claim for refund must be filed within one year of the date of payment, be made on forms furnished by the Administrative Services Director and be signed by the operator under penalty of perjury.

B. Claim by Operator. An operator may claim a refund, or take as credit against taxes collected and remitted, the amount overpaid, paid more than once or erroneously or illegally collected or received when it is established in a manner prescribed by the Administrative Services Director that the person from whom the tax has been collected was not a transient. However, neither a refund nor a credit shall be allowed unless the amount of the tax collected has either been refunded to the transient or credited to rent subsequently payable by the transient to the operator.

C. Claim by Transient. A transient may obtain a refund of taxes overpaid or paid more than once or erroneously or illegally collected or received by the City by filing a claim in the manner provided in subsection (A) of this section, but only when the tax was paid by the transient directly to the Administrative Services Director, or when the transient, having paid the tax to the operator, establishes to the satisfaction of the Administrative Services Director that the transient has been unable to obtain a refund from the operator who collected the tax.

D. Evidence. No refund shall be paid under the provisions of this section unless the claimant establishes his/her right by written evidence and to the satisfaction of the Administrative Services Director.

33. Section 3.16.140 (Penalty for Violations) of the Newport Beach Municipal Code is amended to read as follows:

3.16.140 Penalty for Violations.

No operator or other person shall willfully: (A) fail or refuse to register as required by this chapter; (B) fail to make any return required by this chapter; (C) fail or refuse to furnish a supplemental return or other data required by the Administrative Services Director; or (D) make a false or fraudulent return or claim.

Chapter 3.28

VISITOR'S SERVICE FEE*

34. The definition of "City Collector" set forth in Section 3.28.010 (Definitions) of the Newport Beach Municipal Code is amended to read as follows:

3.28.010 Definitions.

City Collector. The term "City Collector" shall mean the Administrative Services Director.

35. Section 3.28.035 (Exemptions) of the Newport Beach Municipal Code is amended to read as follows:

3.28.035 Exemptions.

No fee shall be imposed upon:

A. Any person as to whom, or any occupancy as to which, it is beyond the power of the City to impose the fee specified in this chapter, and only when in the performance of official duties thereof;

B. Any officer or employee of a foreign government who is exempt by reason of express provision of Federal law or international treaty;

C. A transient occupying a hotel pursuant to a qualifying rental agreement entered into prior to the first day of occupancy;

D. An employee of an airline company who is occupying a hotel room in the course of his or her employment, but only when the room is rented by the airline employer pursuant to a qualifying rental agreement that has been preapproved by the Administrative Services Director;

E. Any person or guest occupying a hotel room provided without rent charged (complimentary) to the person or guest by the operator, including but not limited to:

1. Rooms provided to charitable organizations;

2. Rooms provided to meeting planners who may book future hotel rooms and provide business and conferencing opportunities for the economic benefit of the City;

3. Rooms provided to displeased guests; and/or

4. Rooms provided to hotel employees;

F. No exemption shall be granted except pursuant to an application filed when the rent is collected and under penalty of perjury upon a form prescribed by the Administrative Services Director. It is the guest's responsibility to provide necessary proof of the exemption.

36. Section 3.28.050 (Records) of the Newport Beach Municipal Code is amended to read as follows:

3.28.050 Records.

It shall be the duty of every operator liable for the collection and payment to the City of any fee imposed by this chapter to keep and preserve, for a period of not less than four years, all records necessary to determine the amount of fees the operator was required to collect and pay to the City. All retained records shall be subject to audit as provided in Section 3.16.070. The Administrative Services Director shall have the right to inspect and/or audit these records at any time during normal business hours on twenty-four (24) hours' written notice. The records shall be maintained at the operator's premises or at a location convenient to the Administrative Services Director. The records shall include at least the following:

A. Daily summaries of room occupancies;

B. A record of each occupancy charge for which exemption is claimed, the City provided exemption form, if applicable, including the name of the individual occupying the room, dates for occupancy and reasons for exemption; and

C. All qualifying rental agreements.

37. Section 3.28.055 (Enforcement Procedures—Appeal) of the Newport Beach Municipal Code is amended to read as follows:

3.28.055 Enforcement Procedures—Appeal.

The Administrative Services Director shall enforce any failure or refusal of any operator to collect the fee, or make any report or remittance of the fee, required by this chapter in

the same manner and subject to the same conditions and procedures as provided in Section 3.16.090.

38. Subsection (A) of Section 3.28.060 (Duty of Successor of Operator) of the Newport Beach Municipal Code is amended to read as follows:

3.28.060 Duty of Successor of Operator.

A. If an operator who is liable for any fee or penalties under this chapter sells or otherwise disposes of the hotel operation, his/her successor shall notify the Administrative Services Director of the date of sale at least thirty (30) days before the date of sale, or, if the decision to sell was made less than thirty (30) days prior to the actual sale, shall then immediately upon the sale withhold a sufficient portion of the purchase price to equal the amount of any unpaid fees or penalty until the selling operator produces a receipt from the Administrative Services Director showing that the fees or penalties have been paid or a clearance certificate from the Administrative Services Director stating that no fee or penalty is due. If the seller does not present a receipt or clearance certificate within thirty (30) days after such successor commences to conduct business, the successor shall deposit the withheld amount with the Administrative Services Director pending settlement of the account of the seller.

39. Section 3.28.070 (Refunds) of the Newport Beach Municipal Code is amended to read as follows:

3.28.070 Refunds.

A. Claim Required. Whenever the amount of any fee, interest or penalty has been overpaid or paid more than once or has been erroneously or illegally collected or received by the City under this chapter, it may be refunded as provided in subsections (B) and (C) of this section; provided, that a claim in writing therefor, stating under penalty of perjury the specific grounds upon which the claim is founded, is filed with the Administrative Services Director within one year of the date of payment. The claim shall be on forms furnished by the Administrative Services Director.

B. Claim by Operator. An operator may claim a refund, or take as credit against visitor service fees collected and remitted, the amount overpaid, paid more than once or erroneously or illegally collected or received when it is established in a manner prescribed by the Administrative Services Director that the person from whom the fee has been collected was not a guest; provided, however, that neither a refund nor a credit shall be allowed unless the amount of the fee so collected has either been refunded to the guest or credited to rent subsequently payable by the guest to the operator.

C. Claim by Guest. A guest may obtain a refund of visitor service fees overpaid or paid more than once or erroneously or illegally collected or received by the City by filing a claim

in the manner provided in subsection (A) of this section, but only when the fee was paid by the guest directly to the Administrative Services Director, or when the guest, having paid the fee to the operator, establishes to the satisfaction of the Administrative Services Director that the guest has been unable to obtain a refund from the operator who collected the fee.

D. Evidence. No refund shall be paid under the provisions of this section unless the claimant establishes his right thereto by written records showing entitlement thereto.

40. Section 3.28.085 (Penalty for Violations) of the Newport Beach Municipal Code is amended to read as follows:

3.28.085 Penalty for Violations.

No operator or other person shall willfully: (A) fail or refuse to register as required by this chapter; (B) fail to make any return required by this chapter; (C) fail or refuse to furnish a supplemental return or other data required by the Administrative Services Director; or (D) make a false or fraudulent return or claim.

Chapter 3.30
AIR QUALITY IMPROVEMENT TRUST FUND

41. Subsection (G) of Section 3.30.010 (Findings) of the Newport Beach Municipal Code is amended to read as follows:

3.30.010 Findings.

G. For cities and counties located within the jurisdiction of the SCAQMD that comply with Section 44243 of the California Health and Safety Code, forty cents ($0.40) of every dollar collected under California Health and Safety Code Section 44223 shall be distributed to the cities and counties on the basis of the jurisdiction's prorated share of population as defined by the State Administrative Services Department.

42. The definition of "Fee Administrator" set forth in Section 3.30.030(B) (Definitions) of the Newport Beach Municipal Code is amended to read as follows:

3.30.030 Definitions.

B. "Fee Administrator" shall mean the Administrative Services Director of the City.

Chapter 3.32
SPECIAL IMPROVEMENT DISTRICT FINANCING CODE

43. Section 3.32.320 (Establishment or Changing Appropriations Limit—Election on Proposition—Adjustment) of the Newport Beach Municipal Code is amended to read as follows:

3.32.320 Establishment or Changing Appropriations Limit—Election on Proposition—Adjustment.

The City Council may submit a proposition to establish or change the appropriations limit, as defined by subdivision (h) of Section 8 of Article XIII B of the California Constitution, of a special improvement district to the qualified electors of a proposed or established district. The proposition establishing or changing the appropriations limit shall become effective if approved by the qualified electors voting on the proposition and shall be adjusted for changes in the cost of living and changes in populations, as defined by California Government Code Sections 7901(b) and (c), except that the change in population may be estimated by the City Council in the absence of an estimate by the Administrative Services Department, and in accordance with Section 1 of Article XIII B of the California Constitution. For purposes of adjusting for changes in population, the population of the district shall be deemed to be at least one person during each calendar year.

44. Section 3.32.890 (Signatures on Bonds or Coupons—Place Bonds Are Payable) of the Newport Beach Municipal Code is amended to read as follows:

3.32.890 Signatures on Bonds or Coupons—Place Bonds Are Payable.

The bonds shall be signed by a signatory authorized to so sign by the City Council and shall be countersigned by a signatory authorized to so countersign by the City Council. All signatures on the bonds may be printed, lithographed, or engraved. If any officer whose signature appears on the bonds ceases to be that officer before the delivery of the bonds, his or her signature is as effective as if he or she had remained in office. All bonds shall be payable at the office of the Director of Administrative Services or at the office of any agent designated by the City.

Chapter 3.34
MARINE CHARTER PASSENGER TAX

45. Subsection (A) of Section 3.34.060 (Reporting and Remitting) of the Newport Beach Municipal Code is amended to read as follows:

3.34.060 Reporting and Remitting.

A. Each marine activities permittee, owner or operator shall, on or before the last day of the month following the close of the reporting period, as established by the Administrative Services Director, file a return with the Revenue Manager on forms provided by the City, listing the total number of passengers carried during the reporting period and the total tax collected by the permittee. The full amount of the tax collected shall be remitted to the Revenue Manager at the time the return is filed. Returns and tax payments shall be due immediately upon cessation of business for any reason. All taxes collected by permittees shall be held in trust for the account of the City until payment thereof is made to the Revenue Manager.

Chapter 3.36
COST RECOVERY FOR USER SERVICES

46. Subsection (E) and Exhibit "A" of Section 3.36.030 (Cost Recovery Percentages) of the Newport Beach Municipal Code are amended to read as follows:

3.36.030 Cost Recovery Percentages.

E. Fees for service established in the fee resolution may be waived by:

1. The City Council;

2. The City Manager, up to an amount not to exceed one thousand dollars ($1,000.00), per occurrence, for fees imposed on nonprofit organizations for nonprofit sponsored events; or

3. The City Manager or the Administrative Services Director up to an amount not to exceed five thousand dollars ($5,000.00), per occurrence, if the City Manager or Administrative Services Director determines that the imposition of the fee would exceed the actual cost to the City or would result in duplicative fees for services rendered.

Exhibit A

The City's cost of providing the following services shall be recovered through direct fees charged for services. Exhibit "A" limits cost recovery fees to the percentages or dollar amounts indicated below.

Service	Percentage of Cost or Amount to Be Recovered from Direct Fees
All Departments	
Appeals—For Any User Services Appeal Not Otherwise Specified—Appellant Successful	0%
Appeals—For Any User Services Appeal Not Otherwise Specified—Appellant Unsuccessful	50%
Community Development Department	
Chapter 17.65 Appeal—Appellant Successful	0%
Chapter 17.65 Appeal to City Council or Harbor Commission—Appellant Unsuccessful	50%
Building	
Appeals Board Hearing—Appellant Successful	0%
Appeals Board Hearing—Appellant Unsuccessful	50%
Harbor Construction	50%
Preliminary Plan Review	First Two Hours Free, Full Cost Thereafter
Planning	
Appeals to City Council or Planning Commission—Appellant Successful	0%
Appeals to City Council or Planning Commission—Appellant Unsuccessful	50%
Coastal Development Permit Application Appeals from Zoning Administrator to Planning Commission	0%

Service	Percentage of Cost or Amount to Be Recovered from Direct Fees
General Plan Maintenance Fee	12%
Reasonable Accommodation	0%
Administrative Services Department	
Admin. Cite Hearings	0%
Parking Hearings	0%
Short Term Lodging Permit Suspension or Revocation Hearing—Appellant Successful	0%
Short Term Lodging Permit Suspension or Revocation Hearing—Appellant Unsuccessful	50%
Zero Bill Reprint	0%
Fire Department	
Emergency Medical Services	
Advanced Life Support (ALS)—Nontransport	$400
Basic Life Support (BLS)—Nontransport	$400
ALS First Responder Fee	$400
BLS First Responder Fee	$400
Harbor Department	
Chapter 17.65 Appeal—Appellant Successful	0%
Chapter 17.65 Appeal to City Council or Harbor Commission—Appellant Unsuccessful	50%

Service	Percentage of Cost or Amount to Be Recovered from Direct Fees
Deposit/Late Cancellation Fee for Use of Human Lift—Marina Park	0%
Deposit/Late Cancellation Fee for Use of Human Lift—Balboa Marina PD	0%
Library Services Department	
Black and White Copies from Self-Service Copier or Printer	$0.15
Color Copies from Self-Service Copiers or Printers	$0.45
Use Fees—Materials	$1
Inter-Library Loan	$5
Police Department	
Bike Licenses	0%
Citation Sign-off	$10
Fingerprinting—City Portion	$25
Secondhand/Pawn Dealer Tag Check	0%
Registrant—Narcotics	0%
Registrant—Sex	0%
Animal Shelter	
Adoption Fee—Puppies	$225

Service	Percentage of Cost or Amount to Be Recovered from Direct Fees
Adoption Fee—Senior Dog—Animal Over Eight (8) Years Old	$70
Adoption Fee—Dog—All Other	$150
Adoption Fee—Kittens	$110
Adoption Fee—Senior Cat—Animal Over Eight (8) Years Old	$70
Adoption Fee—Cat—All Other	$90
Adoption Fee—Small Animals	$45
Boarding Fee (per day)—Animals	$25
Boarding Fee (per day)—Small Animals	$10
Owner Turn-In Fee— Altered Animal	$100
Owner Turn-In Fee—Unaltered Animal	$200
Impound Fee—Dogs, Cats, Small Animals	$62
Public Works Department	
Chapter 17.65 Appeal—Appellant Successful	0%
Chapter 17.65 Appeal to City Council or Harbor Commission—Appellant Unsuccessful	50%
RGP Dredging Permit	100%
Recreation and Senior Services Department	
Adult Sports	50%—95%

Service	Percentage of Cost or Amount to Be Recovered from Direct Fees
Administrative Processing Fee	$5
Badge Replacement	$5
After School/Camp Programs	
Camps	20%—50%
After-School/Teen Program	20%—50%
Preschool Program	20%—50%
Aquatics	20%—50%
Contract Classes	50%—95%
Class Refunds	
$74 or less	$10
$75 or more	$20
Youth Sports	20%—50%
Special Events—Levels 1, 2, and 3	
Resident, Level 1 and Late Fees for Level 1	0%—20%
Resident, Levels 2—3 and Late Fees for Levels 2—3	20%—50%
Nonresident, Levels 1—2 and Late Fees for Level 1	20%—50%
Nonresident, Level 3 and Late Fees for Levels 2—3	50%—95%
Appeal to City Council—Appellant Successful	0%

Service	Percentage of Cost or Amount to Be Recovered from Direct Fees
Appeal to City Council—Appellant Unsuccessful	50%—95%
Natural Resources Programs	0%—20%
Senior Services	
OASIS Transportation	$1—$3 each way
Contract Classes	20%—50%
Fitness Center	50%—95%
Utilities Department	
Construction Water Meter Establishment	50%
Fats, Oils, and Grease (FOG) Annual Permit	0%
City Council, Board, Commission, Committee or Any Individual Member Thereof When Acting Within the Scope of Their Official Duties	
Review from a Lower Body or Official	$0

Title 5
BUSINESS LICENSES AND REGULATIONS*

Chapter 5.04
GENERAL PROVISIONS*

47. The definition of "Gross Receipts" set forth in Section 5.04.010(D) (Definitions) of the Newport Beach Municipal Code is amended to read as follows:

5.04.010 Definitions.

D. "Gross receipts" shall mean the total amounts actually received or receivable from sales and the total amounts actually received or receivable for the performance of any

act or service, of whatever nature it may be, for which a charge is made or credit allowed, whether or not such act or service is done as a part of or in connection with the sale of materials, goods, wares or merchandise. Included in "gross receipts" shall be all receipts, cash, credits, and property of any kind or nature without any deduction therefrom on account of the cost of the property sold, the cost of materials used, labor or service cost, interest paid or payable, or losses or other expenses whatsoever. Excluded from "gross receipts" shall be the following:

1. Cash discounts allowed or taken on sales.

2. Credit allowed on property accepted as part of the purchase price and which property may later be sold, at which time the sales price shall be included as "gross receipts."

3. Any tax required by law to be included in or added to the purchase price and collected from the consumer or purchaser.

4. Such part of the sale price of property returned by purchasers upon rescission of a contract of sale as is refunded either in cash or by credit.

5. Receipts of refundable deposits, except that such deposits when forfeited and taken into income of the business shall not be excluded.

6. Amounts collected for others where the business is acting as an agent or trustee to the extent that such amounts are paid to those for whom collected, provided the agent or trustee has furnished the Administrative Services Director with the names and addresses of the others and the amounts paid to them. This exclusion shall not apply to any fees, percentages, or other payments retained by the agent or trustee.

7. Cash value of sales, trades or transactions between departments or units of the same business.

8. Transactions between a partnership and its partners.

9. Receipts from services or sales in transactions between affiliated corporations. An affiliated corporation is a corporation:

a. Devoting a nonvoting stock of which is owned at least eighty (80) percent by such other corporation with which such transaction is had; or

b. Which owns at least eighty (80) percent of the voting and nonvoting stock of such other corporation; or

c. At least eighty (80) percent of the voting and nonvoting stock of which is owned by a common parent corporation which also has such ownership of the corporation with which transaction is had.

10. Receipts from investments where the holder of the investment receives only interest and/or dividends.

11. Receipts derived from the occasional sale of used, obsolete or surplus trade fixtures, machinery or other equipment used by the licensee in the regular course of the licensee's business.

48. Section 5.04.025 (Hardship) of the Newport Beach Municipal Code is amended to read as follows:

5.04.025 Hardship.

In the case of financial, medical or other hardship, the Administrative Services Director may establish a payment plan allowing additional time for repayment of any tax or penalty due. A person's failure to comply with the payment plan may result in all amounts, and any penalties, immediately due and payable to the City.

The City Manager may, in his or her discretion in cases of hardship, waive the tax and/or penalty payment requirements of this chapter.

49. Section 5.04.040 (Evidence of Doing Business) of the Newport Beach Municipal Code is amended to read as follows:

5.04.040 Evidence of Doing Business.

When any person shall by use of digital media, signs, circulars, cards, telephone book, newspapers, or other format, advertise, hold out, or represent that he or she is in business in the City, or when any person holds an active license or permit issued by a governmental agency indicating that he or she is in business in the City, and such person fails to deny by a sworn statement given to the Administrative Services Director that he or she is not conducting a business in the City, after being requested to do so by the Administrative Services Director, then these facts shall be considered prima facie evidence that he or she is conducting a business in the City.

50. Section 5.04.050 (Constitutional Apportionment) of the Newport Beach Municipal Code is amended to read as follows:

5.04.050 Constitutional Apportionment.

None of the license taxes provided for by this title shall be so applied as to occasion an undue burden upon interstate commerce or be violative of the equal protection and due process clauses of the Constitutions of the United States and the State of California.

In any case where a license tax is believed by a licensee or applicant for a license to place an undue burden upon interstate commerce or be violative of such constitutional clauses, he or she may apply to the Administrative Services Director for an adjustment of

the tax. Such application may be made before, at, or within six months after payment of the prescribed license tax. The applicant shall, by sworn statement and supporting testimony, provide any information as the Administrative Services Director may deem necessary in order to determine the extent, if any, of such undue burden or violation. The Administrative Services Director shall then conduct an investigation, and, after having first obtained the written approval of the City Attorney, shall fix as the license tax for the applicant an amount that is reasonable and nondiscriminatory, or if the license tax has already been paid, shall order a refund of the amount over and above the license tax so fixed. The Administrative Services Director is hereby authorized to adopt such reasonable rules and regulations as may be necessary to guide him or her in determining proper apportionment of the business license tax hereunder so as to not place an undue burden on interstate commerce or be violative of such constitutional clauses.

51. Section 5.04.060 (Exemptions—Exempt by Federal or State Law) of the Newport Beach Municipal Code is amended to read as follows:

5.04.060 Exemptions—Exempt by Federal or State Law.

Nothing in this chapter shall be deemed or construed to apply to any person transacting and carrying on any business exempt by virtue of the Constitution or applicable statutes of the United States or of the State from the payment of such taxes as are herein prescribed.

Any person claiming an exemption pursuant to this section shall file a sworn statement with the Administrative Services Director stating the facts upon which exemptions are claimed, and in the absence of such statement substantiating the claim, such person shall be liable for the payment of the taxes imposed by this title.

The Administrative Services Director shall, upon a proper showing contained in the sworn statement, issue a license to such person claiming exemption under this section without payment to the City of the license tax required by this title.

The Administrative Services Director, after giving notice and a reasonable opportunity for hearing to a licensee, may revoke any license granted pursuant to the provisions of this section upon information that the licensee is not entitled to the exemption as provided herein. The Administrative Services Director's determination shall be final as to the City but subject to judicial review pursuant to California Code of Civil Procedure Section 1094.5.

52. Section 5.04.090 (Minor's Exemptions) of the Newport Beach Municipal Code is amended to read as follows:

5.04.090 Minor's Exemptions.

Any person under eighteen (18) years of age, whose annual gross receipts from any business done within the City are within the earned income threshold pursuant to Internal Revenue Service regulations, shall be exempt from the requirements of this chapter.

Within thirty (30) days of a request by the Administrative Services Director, any person claiming an exemption pursuant to this section shall submit to the Administrative Services Director documents requested by the Administrative Services Director that show the person is a minor and that the annual gross receipts from any business done within the City are within the earned income threshold set forth in the Internal Revenue Service regulations. If the Administrative Services Director determines additional evidence is necessary, the Administrative Services Director shall notify the person seeking the exemption of the date and time of a hearing regarding the exemption. After the hearing, the Administrative Services Director shall make a determination as to whether the exemption applies, and that determination shall be final as to the City but subject to judicial review pursuant to California Code of Civil Procedure Section 1094.5.

53. Section 5.04.100 (Exemption for Artists and Art Exhibits) of the Newport Beach Municipal Code is amended to read as follows:

5.04.100 Exemption for Artists and Art Exhibits.

A business license shall not be required of individual artists for the exhibition or display of paintings, sculpture, photographs, handmade jewelry or other fine arts. Any artist shall be exempt from the requirements of this title if the sales of his or her artwork within the City do not result in annual gross receipts in excess of four thousand nine hundred dollars ($4,900.00), automatically adjusted annually to reflect the percentage change in the cost of doing business as measured by the Consumer Price Index and rounded to the nearest dollar.

Within thirty (30) days of a request by the Administrative Services Director, any person claiming an exemption pursuant to this section shall submit to the Administrative Services Director documents requested by the Administrative Services Director that show the person's annual gross receipts from any business done within the City are less than the amount to qualify for the exemption. If the Administrative Services Director determines additional evidence is necessary, the Administrative Services Director shall notify the person seeking the exemption of the date and time of a hearing regarding the exemption. After the hearing, the Administrative Services Director shall make a determination as to whether the exemption applies, and that determination shall be final as to the City but subject to judicial review pursuant to California Code of Civil Procedure Section 1094.5.

54. Section 5.04.140 (Application for Business License) of the Newport Beach Municipal Code is amended to read as follows:

5.04.140 Application for Business License.

Before any business license is issued to any person, such person shall make an application to the Administrative Services Director. Applicant must state the name of the party to whom the license is to be issued; the nature of the trade or business to be pursued; the place where such business will be conducted and such other information as may be necessary for the enforcement of the provisions of this title.

A business license application may be denied if the Administrative Services Director determines that the applicant failed to complete all portions of the license application or has failed to comply with one or more of the provisions of this chapter.

55. Section 5.04.160 (Processing of Application) of the Newport Beach Municipal Code is amended to read as follows:

5.04.160 Processing of Application.

Upon application and tender of the required license fee, the Administrative Services Director shall process the application. Applications for new businesses, or as may be deemed necessary by the Administrative Services Director, may be submitted to other departments as necessary, including the Health Officer if health and sanitation may be affected, to determine whether the business and premises to be occupied meet the requirements of applicable law.

56. Section 5.04.170 (Issuance of License—Contents) of the Newport Beach Municipal Code is amended to read as follows:

5.04.170 Issuance of License—Contents.

Upon processing the application and receipt of the appropriate license fee, the Administrative Services Director shall prepare and issue the license showing upon the face of each license the following:

A. Name of business and location;

B. Business license number;

C. Type of business by code;

D. Date of issuance;

E. Date of expiration; and

F. Term of license.

57. Section 5.04.200 (Duplicate License) of the Newport Beach Municipal Code is amended to read as follows:

5.04.200 Duplicate License.

The Administrative Services Director shall charge a fee as set forth by resolution of the City Council for each duplicate license issued to replace any license issued under the provisions of this title which has been lost or destroyed, upon reasonable proof thereof.

58. Section 5.04.205 (Business Closure) of the Newport Beach Municipal Code is amended to read as follows:

5.04.205 Business Closure.

Any business which has ceased operating and conducting business in this City shall inform the Administrative Services Director in writing of the date the business has ceased conducting business, and having done such, the license shall be closed and no further license taxes or penalties shall accrue. In the event of any such closure, there shall be no rebate of any portion of the tax or fee paid by such licensee and, in any application for a new license, there shall be no proration of the required tax or fee.

59. Section 5.04.210 (License Nontransferable) of the Newport Beach Municipal Code is amended to read as follows:

5.04.210 License Nontransferable.

Each license granted or issued under any provisions of this title shall authorize the licensee to transact or carry on the business therein named, at the place therein designated and at no other place and the license shall not be assignable or transferable. A change of location shall be allowed to the holder of the license upon the payment, set forth by resolution of the City Council, to the Administrative Services Director within thirty (30) days of such change taking place.

60. Subsection (C) of Section 5.04.220 (Posting and Keeping a License) of the Newport Beach Municipal Code is amended to read as follows:

5.04.220 Posting and Keeping a License.

C. Whenever identifying stickers, tags, plates or symbols have been issued for each vehicle, device, machine or other piece of equipment included in the measure of a license tax, the person to whom such stickers, tags, plates or symbols have been issued shall keep firmly affixed upon each vehicle, device, machine, or other piece of equipment the identifying sticker, tag, plate or symbol which has been issued therefor at such locations as are designated by the Administrative Services Director. Such sticker, tag, plate or symbol shall not be removed from any vehicle, device, machine, or piece of equipment kept in use, during the period for which the sticker, tag, plate or symbol is issued.

61. Subsection (B) of Section 5.04.230 (Payment, Term of License and Notice of Billings) of the Newport Beach Municipal Code is amended to read as follows:

5.04.230 Payment, Term of License and Notice of Billings.

B. The Administrative Services Director is not required to send a notice or a bill to any business subject to the provisions of this chapter and the failure to send or receive such notice or bill shall not affect the validity of any tax or penalty due or the duty of such business to pay the required tax or penalty due.

62. Section 5.04.260 (Penalties for Delinquency) of the Newport Beach Municipal Code is amended to read as follows:

5.04.260 Penalties for Delinquency.

For failure to pay a license tax when due, unless Administrative Services Director has provided a payment plan pursuant to Section 5.04.025, the Administrative Services Director shall add a penalty of twenty-five (25) percent of said license tax on the last day of each month after the due date thereof, providing that the amount of such penalty to be added shall in no event exceed fifty (50) percent of the amount of the license tax due.

63. Section 5.04.280 (Refunds) of the Newport Beach Municipal Code is amended to read as follows:

5.04.280 Refunds.

The Administrative Services Director may refund any license fee, tax or penalty which he or she determines was erroneously collected, but no license fee, tax or penalty shall be refunded if, prior to his or her application for a license, the applicant has engaged in the business for which the license is sought.

64. Subsections (A) and (B) of Section 5.04.290 (Enforcement—Right of Entry) of the Newport Beach Municipal Code are amended to read as follows:

5.04.290 Enforcement—Right of Entry.

A. Enforcement. It shall be the duty of the Administrative Services Director to enforce each and all of the provisions of this title, and the Chief of Police shall render such assistance in its enforcement as may from time to time be required by the Administrative Services Director.

B. Right of Entry. The Administrative Services Director and any police officer or City employee whose job includes the inspection of the business license shall have the power and authority to enter, free of charge, and during regular business hours, any place of business required to be licensed and demand an exhibition of its license certificate. No person having such license certificate issued in the person's possession or under the person's control shall willfully fail to exhibit the same on demand.

65. Section 5.04.300 (Examination of Books, Records, Witnesses, Information Confidential) of the Newport Beach Municipal Code is amended to read as follows:

5.04.300 Examination of Books, Records, Witnesses, Information Confidential.

The Administrative Services Director, or any authorized employee, is hereby authorized to examine the books, papers and records of any person subject to this chapter, who has made the election to pay a gross receipts tax, for the purpose of verifying the accuracy of any return made, or, if no return is made, to ascertain the license fees due under this title. Every licensee or supposed licensee is hereby directed and required to furnish to the Administrative Services Director the means, facilities and opportunity for making such examination and investigation as are hereby authorized. The Administrative Services Director is hereby authorized to examine any person, under oath, for the purpose of verifying the accuracy of any return made, or, if no return is made, to ascertain the license fees due under this title, and for this purpose may compel the production of books, papers and records and the attendance of all persons before him or her, whether as parties or witnesses, whenever he or she believes such persons have knowledge of such matters.

The refusal of such examination by any employer or person subject or presumed to be subject to the license fees shall be deemed a violation of this chapter and be subject to administrative citation as provided in Chapter 1.05.

All information obtained by the Administrative Services Director under this section shall be confidential, as provided in Section 5.04.310.

66. Section 5.04.320 (Extension of Time) of the Newport Beach Municipal Code is amended to read as follows:

5.04.320 Extension of Time.

In addition to all other power conferred upon him or her, the Administrative Services Director shall have the power, for good cause shown, to extend the time for filing any required sworn statement or application for a period not to exceed thirty (30) days and, in such case, to waive any penalty that would otherwise have accrued.

67. Section 5.04.330 (Appeal) of the Newport Beach Municipal Code is amended to read as follows:

5.04.330 Appeal.

Any person aggrieved by any decision of the Administrative Services Director with respect to the issuance or refusal to issue such license may appeal to the City Manager by filing a notice of appeal with the City Clerk. The City Manager shall thereupon fix a time and place for hearing such appeal. The City Clerk shall give notice to such person of the time and place of the hearing by serving the notice in the manner provided in Section 1.08.080. The City Manager shall have authority to determine all questions raised on such appeal. No such determination shall conflict with any substantive provision of this chapter. After the hearing, the City Manager shall make a determination, and that

determination shall be final as to the City but subject to judicial review pursuant to California Code of Civil Procedure Section 1094.5.

Chapter 5.12
VEHICLES FOR HIRE*

68. Section 5.12.030 (Application for Certificate) of the Newport Beach Municipal Code is amended to read as follows:

5.12.030 Application for Certificate.

An application for a certificate shall be filed with the Administrative Services Director upon forms provided by the City. The application must be signed by the applicant and be accompanied by a fee as established by resolution of the City Council, and shall contain or be accompanied by the following information:

A. The name and address of the applicant, and, if the same be a corporation, the names of its principal officers, or, if the same be a partnership, association or fictitious company, the names of the partners or persons comprising the association or company, with the address of each.

B. A complete schedule of the rates proposed to be charged for each type of vehicle.

C. A description of every vehicle which the applicant proposes to use, including trade name, motor or serial number, State license number and body style.

D. The location of the business and the place where the applicant proposes to keep such vehicles described in this chapter while not actually engaged.

E. The distinct color scheme, name, monogram and insignia which shall be used on each vehicle.

F. The name of the legal and registered owner of each such vehicle.

G. The experience of the applicant in the business or businesses for which the person is seeking a certificate or certificates.

H. Any facts which the applicant believes would tend to prove the public convenience and necessity requiring the granting of a certificate.

I. Such further information as the Administrative Services Director may require.

Chapter 5.15
REGULATION OF NEWPORT BEACH POLICE OFFICIAL TOW SERVICES*

69. Section 5.15.040 (Tow Truck Service Specifications) of the Newport Beach Municipal Code is amended to read as follows:

5.15.040 Tow Truck Service Specifications.

The City Clerk shall be authorized to advertise for bids. Notice inviting bids shall be published in the official newspaper at least ten (10) days before the time for opening bids. Notice shall list the date, time and location for receiving sealed bids and the time at which the bids will be opened. Bids shall be submitted on forms obtained from the Administrative Services Department. The bid proposal shall be consistent with the tow truck service specifications, contain information indicating compliance with Section 5.15.100, and provide a tow rate schedule for the following:

A. Standard tow rate;

1. Light duty towing,

2. Medium duty towing,

3. Heavy duty towing,

B. Dolly;

C. Go jacks;

D. Remove and replace drive shaft;

E. Roll-over and winching;

F. Hourly rate for extended service;

G. Open after hours for releasing of vehicles;

H. Storage rates:

1. Inside: cars and trucks,

2. Outside: cars and trucks,

3. Motorcycle,

I. On-site release.

70. Subsection (K) of Section 5.15.110 (Standard Rules of Operation) of the Newport Beach Municipal Code is amended to read as follows:

5.15.110 Standard Rules of Operation.

K. Upon request, official police towing services shall submit a report to the Chief of Police and the Administrative Services Director, which may include any of the following:

1. Total police impounds;

2. Number of times dispatched by the Police Department;

3. Number of these calls resulting in impounds;

4. Number of vehicles sold on lien sale under authority of the California Civil Code, and reporting such lien sales as per authority of the California Vehicle Code;

5. Number of vehicles sold under authority of California Civil Code Section 3073;

6. Names and addresses of buyers and description of vehicles when sold;

7. Number of calls answered which took more than one hour to handle.

71. Subsection (B) of Section 5.15.130 (Liability Insurance) of the Newport Beach Municipal Code is amended to read as follows:

5.15.130 Liability Insurance.

B. All insurance policies shall be submitted to the Risk Manager for approval prior to the provider's designation as one of the City's official police tow service providers. Satisfactory evidence that such insurance is at all times in force and effect shall be furnished to the Risk Manager and the Administrative Services Director.

Chapter 5.90
ESCORT SERVICE

72. Subsection (A) of Section 5.90.035 (Application for Employee Permit) of the Newport Beach Municipal Code is amended to read as follows:

5.90.035 Application for Employee Permit.

A. Any person desiring an employee permit shall file a written application on the required form with the Administrative Services Director who shall refer all such applications to the Chief of Police for investigation. The applicant shall accompany the application with the appropriate filing fee set by resolution of the City Council.

73. Section 5.90.045 (Change of Business) of the Newport Beach Municipal Code is amended to read as follows:

5.90.045 Change of Business.

Every escort service permit holder shall report immediately to the Chief of Police any and all changes of ownership or management of the escort service including but not limited to changes of manager or other persons principally in charge, stock holders holding more than ten percent of the stock of the corporation, officers, directors, and partners, any and all changes of name, style or designation under which the business is to be conducted, and all changes of address or telephone numbers of the escort service business. A change of location of any premises may be approved by the Chief of Police and

the Administrative Services Director provided that there is compliance with all applicable regulations of the City of Newport Beach.

Chapter 5.95
SHORT TERM LODGING PERMIT

74. The definition of "Finance Director" set forth in Subsection (E) of Section 5.95.010 (Definitions) of the Newport Beach Municipal Code is renamed and amended to read as follows:

5.95.010 Definitions.

For the purpose of this chapter, the following definitions shall apply:

E. "Administrative Services Director" shall mean the Administrative Services Director of the City or his or her designee.

75. Section 5.95.030 (Application for Permit) of the Newport Beach Municipal Code is amended to read as follows:

5.95.030 Application for Permit.

An application for an annual short term lodging permit, renewal of a short term lodging permit, reinstatement of a short term lodging permit or transfer of a short term lodging permit shall be filed with the Administrative Services Director upon forms provided by the City.

A. An application for a new permit, renewal permit, the reinstatement of a permit or the transfer of a permit shall contain the following information:

1. The name, address and telephone number of the owner of the unit for which the short term lodging permit is to be issued.

2. The name, address and telephone number of the agent, if any, of the owner of the unit.

3. Evidence of a valid business license issued by the City for the separate business of operating a short term lodging unit or units.

4. The number of bedrooms in the lodging unit.

5. The gross floor area of the lodging unit.

6. The number of parking spaces available on site and a description indicating the location and size of each parking space.

7. A nuisance response plan, which sets forth the owner's plan for handling disruptive transient users.

8. A certification that the applicant has reviewed the covenants, conditions and restrictions, if any, and a short term use is permitted at the location pursuant to the terms of the covenants, conditions and restrictions, if any.

9. Acknowledgment of receipt and inspection of a copy of all regulations pertaining to the operation of a short term lodging unit.

10. Such other information as the Administrative Services Director deems reasonably necessary to administer this chapter.

B. An application for the renewal of a short term lodging permit shall be filed within thirty (30) calendar days of the short term lodging permit's expiration, or the short term lodging permit shall be deemed abandoned.

C. An application for the reinstatement of a short term lodging permit closed by the Administrative Services Director pursuant to Section 5.95.080 shall be filed within thirty (30) calendar days of the date the permit was closed by the Administrative Services Director, or the short term lodging permit shall be deemed abandoned.

D. An application for the reinstatement of a previously suspended short term lodging permit shall be filed within thirty (30) calendar days of the end of the suspension period, or the short term lodging permit shall be deemed abandoned.

E. If any application is deemed incomplete, which shall be determined in the sole discretion of the Administrative Services Director, the application shall be completed within thirty (30) calendar days of the service of notice that the application is incomplete, which shall be served in accordance with Section 1.08.080, or the application and any associated permit shall be deemed abandoned.

F. If good causes exist, as determined in the sole discretion of the Administrative Services Director, the Administrative Services Director may extend the deadlines set forth in subsections (B) through (E) of this section.

G. For purposes of calculating the maximum number of permits under Section 5.95.042, a short term lodging permit shall be deemed valid until the applicable permit has been deemed abandoned.

76. Section 5.95.035 (Denial of Permit) of the Newport Beach Municipal Code is amended to read as follows:

5.95.035 Denial of Permit.

If permits are available for issuance, no timely application filed by an owner for an annual permit, renewal of a permit, reinstatement of a permit or transfer of a permit for a unit eligible to be used as a short term lodging unit, as provided for in Section 5.95.015 and this Code, shall be denied unless: the owner does not have a current valid business

license; the owner has failed to pay transient occupancy tax, the visitor service fee, a penalty, a fine or inspection cost, due and owing to the City; the nuisance response plan is deemed inadequate by the Administrative Services Director; or the short term lodging permit for the same unit and issued to the same owner has been revoked.

77. Subsection (D) of Section 5.95.042 (Maximum Number of Permits) of the Newport Beach Municipal Code is amended to read as follows:

5.95.042 Maximum Number of Permits.

D. If the City has issued the maximum number of permits available, the City shall maintain a waiting list. An application for placement on the waiting list shall be submitted to the Administrative Services Director, on a form approved by the Administrative Services Director, and shall be accompanied by a fee established by resolution of the City Council. In the event a short term lodging permit becomes available, the Administrative Services Director shall notify the person or persons next in order on the waiting list. The notice shall specify that applications will be accepted for ten (10) calendar days after the date of the notice, and that failure to apply within the ten (10) calendar-day period shall result in removal of the person or persons receiving notice from the waiting list. The Administrative Services Director may extend the deadline to apply if the Administrative Services Director determines that good cause has been shown to extend the deadline. Notice shall be deemed given when deposited in the United States mail, with the first-class postage prepaid, and addressed as specified by the person or persons on the waiting list. The City shall not be liable for a failure to notify any person or persons on the waiting list since placement on the list does not create any property right in any person or persons on the list nor any contractual obligation on the part of the City.

78. Subsection (B) of Section 5.95.043 (Transfer of Permit) of the Newport Beach Municipal Code is amended to read as follows:

5.95.043 Transfer of Permit.

B. The deadlines set forth in subsection (A) of this section are established for purposes of setting deadlines for the transfer of a valid permit that has not been deemed abandoned in accordance with Sections 5.95.030(B) through (F). The deadlines set forth in subsection (A) of this section shall not extend the deadlines set forth in or in accordance with Sections 5.95.030(B) through (F). Authorization to transfer a valid short term lodging permit shall be deemed waived and the permit abandoned if an application is not filed to transfer a permit in accordance with the deadlines set forth in subsection (A) this section, unless the Administrative Services Director determines that good cause has been shown for extending the deadline.

79. Section 5.95.045 (Conditions) of the Newport Beach Municipal Code is amended to read as follows:

5.95.045 Conditions.

A. All permits issued pursuant to this chapter are subject to the following standard conditions:

1. The owner shall prohibit a lessee of a lodging unit from renting the lodging unit to a transient user for a short term and from home-sharing.

2. The owner shall not rent a lodging unit to a transient user that is under the age of twenty-five (25).

3. The owner shall enter into a written agreement with the transient user that requires:

a. All persons residing in the short term lodging unit to live together as a single housekeeping unit; and

b. Limits the overnight occupancy of the short term lodging unit to the maximum permitted by the building code and fire code.

4. The owner shall ensure that the transient user complies with all terms of the written agreement set forth in subsection (A)(3) of this section.

5. The owner shall use best efforts to ensure that the transient user, occupants and/or guests of the short term lodging unit do not create unreasonable noise or disturbances, engage in disorderly conduct, or violate provisions of this Code or any state or federal law pertaining to noise, disorderly conduct, the consumption of alcohol, or the use of illegal drugs.

6. The owner shall, upon notification that any transient user, occupant and/or guest of his or her short term lodging unit has created unreasonable noise or disturbances, engaged in disorderly conduct or committed violations of this Code or any state or federal law pertaining to noise, disorderly conduct, the consumption of alcohol or the use of illegal drugs, promptly use best efforts to prevent a recurrence of such conduct by any transient user, occupant or guest.

7. The owner of the short term lodging unit shall use best efforts to ensure compliance with all the provisions of Title 6.

8. The owner of the short term lodging unit shall provide the transient user with a copy of Sections 5.95.047, 10.28.007, 10.28.010, 10.28.020, 10.58.030, and 10.66.020.

9. The owner of the short term lodging unit shall provide the transient user with a copy of the good neighbor policy created by the City and available on the City website, post a copy of the short term lodging permit and post a copy of the conditions set forth in this subsection in a conspicuous place within the unit. The notice shall be in substantial

compliance with a template created by the City, which shall be available on the City website, and contain the following:

a. The name of the local contact person(s) and phone number at which that person(s) may be reached on a twenty-four (24) hour basis. The local person(s) must be located within twenty-five (25) miles of the unit and shall respond to any call related to the unit within thirty (30) minutes;

b. The number and location of on-site parking spaces;

c. The street sweeping schedule for all public rights-of-way within three hundred (300) feet of the unit;

d. The trash collection schedule for the unit, and the Code rules and regulations concerning the timing, storage and placement of trash containers and recycling requirements;

e. Notification that no amplified sound or reproduced sound is allowed outside or audible from the property line between the hours of 10:00 p.m. and 10:00 a.m.; and

f. Notification that any transient user, occupant or guest is responsible for all activities occurring on the property and that any transient user, occupant or guest may be cited and fined for creating a disturbance or violating any provision of this Code.

10. With respect to any short term lodging unit that is located in any safety enhancement zone, the owner of the unit and any agent retained by the owner shall take immediate action during the period that the safety enhancement zone is in effect to prevent any transient user, occupant or guest from engaging in disorderly conduct or committing violations of this Code or state or federal law pertaining to noise, disorderly conduct, the consumption of alcohol or the use of illegal drugs.

11. The owner shall:

a. Ensure that all transient occupancy taxes and visitor service fees are collected and remitted to the City and otherwise comply with all transient occupancy tax and visitor service fee requirements, as set forth in Chapters 3.16 and 3.28.

b. If the owner uses an agent to collect and remit the transient occupancy tax and the visitor service fee, either voluntarily or as directed by the City, the owner shall be responsible for ensuring that the agent collects and remits the transient occupancy tax and the visitor service fee to the City pursuant to the requirements set forth in this chapter and Chapters 3.16 and 3.28.

c. If the Administrative Services Director directs, in writing, a hosting platform to collect and remit the transient occupancy tax and the visitor service fee, the owner shall: (i) be responsible for ensuring that the hosting platform collects and remits the transient

occupancy tax and the visitor service fee to the City in accordance with this chapter; and (ii) when filing a return in accordance with Sections 3.16.070 and 3.28.040, the owner shall provide the City with a copy of all receipts showing the date the short term lodging unit was rented, the name of the hosting platform, the amount of transient occupancy tax and visitor service fee collected by the hosting platform, and proof that the transient occupancy tax and visitor service fee was remitted to the City.

12. The owner shall provide the City with the name and twenty-four (24) hour phone number of a local contact person(s) (who resides within twenty-five (25) miles of the property) who shall respond to contacts from the answering service, respond to any call related to the unit within thirty (30) minutes, and ensure compliance with this chapter in a timely manner. The owner or agent must provide a new local contact person and his or her phone number within five business days, if there is a change in the local contact person(s).

13. The owner shall ensure that all available parking spaces on site, which may include garage, carport, and driveway spaces as well as tandem parking, are available for the transient user, occupant or guest of the short term lodging unit. The owner shall disclose the number of parking spaces available on site and shall inform the transient user, occupant and/or guest that street parking may not be available.

14. The owner shall maintain a valid business license and short term lodging permit when engaging in short term lodging.

15. The owner shall include the City issued short term lodging permit number on all advertisements for the rental of the short term lodging unit and shall ensure the transient user is informed of the amount of the transient occupancy tax and visitor service fee prior to completion of the booking transaction.

16. The owner shall ensure that a permitted short term lodging unit is only used for residential purposes and not used for nonresidential uses, including, but not limited to, large commercial or non-commercial gatherings, commercial filming and/or nonowner wedding receptions.

17. The owner shall ensure that no amplified sound or reproduced sound is used outside or audible from the property line between the hours of 10:00 p.m. and 10:00 a.m. and that the transient user does not violate the requirements set forth in this chapter and Chapters 10.28, 10.58 and 10.66.

18. The owner shall comply with the nuisance response plan submitted with the application for a short term lodging permit and approved by the Administrative Services Director.

19. The owner shall allow the City to inspect the short term lodging unit to confirm the number of bedrooms, gross floor area, and number/availability of parking spaces, seven calendar days after the City serves the owner with a request for inspection in accordance with Section 1.08.080. If, based on the inspection, it is determined that the information submitted to the City in accordance with Section 5.95.030 was false, in addition to any other remedy set forth in this chapter, the owner agrees that the owner shall be liable for the cost of conducting the inspection.

20. The owner shall provide the City with a copy of any written rental agreement(s) and the good neighbor policy, within seven calendar days after the City serves the owner with a notice of request for written rental agreements and the good neighbor policy in accordance with Section 1.08.080.

21. Neither an owner nor the owner's agent shall rent, let, advertise for rent, or enter into an agreement for the rental of any lodging unit, for less than two consecutive nights.

22. The owner shall:

a. Require every transient user and guest of the transient user to comply with all State and local laws that regulate parking while staying at or visiting the short term lodging unit;

b. Require every transient user to provide the owner with the license plate number for all vehicles which are used by the transient user or the transient user's guest while staying at or visiting the short term lodging unit; and

c. Provide the City with the vehicle license plate number(s) for every vehicle which was used by the transient user or the transient user's guest while staying at or visiting the short term lodging, within seven calendar days after the City serves the owner with a notice of request for the vehicle license plate number(s) in accordance with Section 1.08.080.

23. The owner shall ensure that any transient user or transient user's guest complies with all State and local laws that regulate parking while the transient user or transient user's guest is staying at or visiting the short term lodging unit. For purposes of this condition, a transient user or transient user's guest shall be presumed to be staying at or visiting a short term lodging unit if a parking citation is issued to the transient user or the transient user's guest within one hundred (100) feet of the property line of the short term lodging unit during the time the transient user is renting the short term lodging unit.

B. The City Manager shall have the authority to impose additional standard conditions, applicable to all short term lodging units, as necessary to achieve the objectives of this chapter.

C. The City Manager shall have the authority to impose additional conditions on any permit in the event of any violation of the conditions to the permit or the provisions of this chapter subject to compliance with the procedures specified in Section 5.95.065.

80. Subsection (A) of Section 5.95.050 (Agents and Hosting Platform Responsibilities) of the Newport Beach Municipal Code is amended to read as follows:

5.95.050 Agents and Hosting Platform Responsibilities.

A. If directed to do so by the Administrative Services Director, in writing, agents or hosting platforms shall:

1. Collect all applicable transient occupancy taxes and visitor service fees that are imposed on the transient, pursuant to Chapters 3.16 and 3.28, from the transient, or from the person paying for such rental, at the time payment for such rental is made; and

2. Remit to the City any transient occupancy taxes or visitor service fees collected by the hosting platform or agent to the City before the last day of the month following the close of each calendar quarter or on the day specified by the Administrative Services Director if a different reporting period has been established.

Hosting platforms shall not collect or remit such taxes unless expressly authorized to do so by the Administrative Services Director, in writing. Nothing in this subsection shall be deemed to relieve an operator, as that term is defined in Sections 3.16.020 and 3.28.010, from complying with the requirements set forth in Chapters 3.16 and 3.28, or to interfere with the ability of an agent or hosting platform and an owner to enter into an agreement regarding fulfillment of the requirements of this subsection.

81. Subsections (B) and (E) of Section 5.95.065 (Suspensions and Revocations) of the Newport Beach Municipal Code are amended to read as follows:

5.95.065 Suspensions and Revocations.

B. Permits shall be suspended or revoked only in the manner provided in this section.

1. The Administrative Services Director shall investigate whenever he or she has reason to believe that an owner has submitted an application that contains false information or committed a violation of a permit condition, this Code, State or Federal law related to a permitted unit. Such investigation may include, but is not limited to, on-site property inspections. Should the investigation reveal substantial evidence to support a finding that warrants a suspension or revocation of the short term lodging permit, the Administrative Services Director shall issue written notice of intention to suspend or revoke the short term lodging permit. The written notice shall be served on the owner in accordance with Section 1.08.080, and shall specify the facts which, in the opinion of

the Administrative Services Director constitute substantial evidence to establish grounds for imposition of the suspension and/or revocation, and specify the proposed time the short term lodging permit shall be suspended and/or that the short term lodging permit shall be revoked within thirty (30) calendar days from the date the notice is given, unless the owner files with the Administrative Services Director, before the suspension or revocation becomes effective, a request for hearing before a hearing officer, who shall be retained by the City, and pays the fee for the hearing established by resolution of the City Council. Subject to subsection (E) of this section, failure to file a timely request for a hearing and pay all applicable fees shall result in the suspension or revocation of the permit.

2. If the owner requests a hearing and pays the hearing fee, established by resolution of the City Council, within the time specified in subsection (B)(1) of this section, the Administrative Services Director shall serve written notice on the owner, pursuant to Section 1.08.080, setting forth the date, time and place for the hearing. The hearing shall be scheduled not less than fifteen (15) calendar days, nor more than sixty (60) calendar days, from the date on which notice of the hearing is served by the Administrative Services Director. The hearing shall be conducted according to the rules normally applicable to administrative hearings. At the hearing, the hearing officer will preside over the hearing, take evidence and then submit proposed findings and recommendations to the City Manager. The City Manager shall suspend or revoke the short term lodging permit only upon a finding that a violation has been proven by a preponderance of the evidence, and that the suspension or revocation is consistent with the provisions of this section. The City Manager shall render a decision within thirty (30) calendar days of the hearing and the decision shall be final.

E. The Administrative Services Director may extend the deadlines set forth in this section if the Administrative Services Director determines that good cause has been shown to extend the deadline.

82. Section 5.95.080 (License and Permit Closure) of the Newport Beach Municipal Code is amended to read as follows:

5.95.080 License and Permit Closure.

A. Any owner that has ceased operating a short term lodging unit shall inform the Administrative Services Director in writing of the date of the last rental, and having done such, the short term lodging permit shall be closed. The City will send a final transient occupancy tax and visitor service fee bill, which will be due and payable thirty (30) days from the date of the invoice.

B. The Administrative Services Director shall close any permit that has no short term lodging activity for a period of two consecutive years as evidenced by remitting zero

dollars ($0.00) on the required transient occupancy tax and visitor service fee forms or has failed to return the transient occupancy and visitor service forms. After any permit closure pursuant to this subsection, the owner may reapply for reinstatement of the short term lodging permit which shall be processed in accordance with Section 5.95.030.

Chapter 5.97
SIDEWALK VENDING PROGRAM

83. Section 5.97.030 (Permit Required) of the Newport Beach Municipal Code is amended to read as follows:

5.97.030 Permit Required.

A. No person, either for themselves or any other person, shall engage in any sidewalk vendor activities within the City without first applying for and receiving a permit from the Administrative Services Director under this chapter.

B. A written application for a sidewalk vendor permit shall be filed with the Administrative Services Director on a form provided by the City, and shall contain the following information:

1. The name, address, and telephone number of the person applying to become a sidewalk vendor;

2. The name, address, and telephone number of the person who will be in charge of any roaming sidewalk vendors, sidewalk vending activity and/or be responsible for the person(s) working at the sidewalk vending receptacle;

3. The name, address, and telephone number of all persons that will be employed as roaming sidewalk vendors or at a sidewalk vending receptacle;

4. The number of sidewalk vending receptacles the sidewalk vendor will operate within the City under the permit;

5. The location(s) in the City where the sidewalk vendor intends to operate;

6. The day(s) and hours of operation the sidewalk vendor intends to operate at such location(s);

7. Whether the vendor intends to operate as a stationary sidewalk vendor or a roaming sidewalk vendor and, if roaming, the intended path of travel;

8. The dimensions of the sidewalk vendor's sidewalk vending receptacle(s), including a picture of each sidewalk vending receptacle operating under the permit and any signs that will be affixed thereto;

9. Whether the sidewalk vendor will be selling food, merchandise, or both;

10. If the sidewalk vendor is selling food, a description of the type of food to be sold, whether such foods are prepared on site, whether such foods will require a heating element inside or on the sidewalk vending receptacle for food preparation, and the type of heating element, if any;

11. If the vendor is selling merchandise, a description of the merchandise to be sold;

12. A copy of the health permit required for any sidewalk vendors selling food, as required by Chapter 6.08;

13. Proof the person possesses a valid California Department of Tax and Fee Administration seller's permit which notes the City as a location or sublocation, which shall be maintained for the duration of the sidewalk vendor's permit;

14. An acknowledgment that the sidewalk vendor will comply with all other generally applicable local, State, and Federal laws;

15. A certification that, to their knowledge and belief, the information contained within the application is true;

16. An agreement to indemnify the City, as approved by the City Attorney;

17. An acknowledgement that use of public property is at the sidewalk vendor's own risk, the City does not take any steps to ensure public property is safe or conducive to the sidewalk vending activities, and the sidewalk vendor uses public property at their own risk;

18. An acknowledgement that the sidewalk vendor will obtain and maintain throughout the duration of any permit issued under this chapter any insurance required by the Risk Manager;

19. If the sidewalk vendor has operated in the City in the past, proof of prior sales tax allocation to the City; and

20. Any other relevant information required by the Administrative Services Director.

C. Each application for a sidewalk vendor permit shall be accompanied by a nonrefundable application fee as established by resolution of the City Council. The application and permit is only applicable to the individual(s) named on the application. If said permit is approved, it shall not be necessary for the permittee to obtain a City business license to carry on the activities authorized by said permit, unless such permittee maintains a permanent place of business within the City.

84. Section 5.97.040 (Issuance of Permit) of the Newport Beach Municipal Code is amended to read as follows:

5.97.040 Issuance of Permit.

A. Within thirty (30) days of receiving a complete application, the Administrative Services Director may issue a sidewalk vendor permit, with appropriate conditions, as provided for herein, if he or she finds based on all of the relevant information that:

1. The conduct of the sidewalk vendor will not unduly interfere with traffic or pedestrian movement, or tend to interfere with or endanger the public peace or rights of nearby residents to the quiet and peaceable enjoyment of their property, or otherwise be detrimental to the public peace, health, safety or general welfare;

2. The conduct of the sidewalk vendor will not unduly interfere with normal governmental or City operations, threaten to result in damage or detriment to public property, or result in the City incurring costs or expenditures in either money or personnel not reimbursed in advance by the vendor;

3. The conduct of such sidewalk vending activity will not constitute a fire hazard, and all proper safety precautions will be taken;

4. The conduct of such sidewalk vending activity will not require the diversion of police officers to properly police the area of such activity as to interfere with normal police protection for other areas of the City;

5. The sidewalk vendor has paid all previous administrative fines, completed all community service, and completed any other alternative disposition associated in any way with a previous violation of this chapter;

6. The sidewalk vendor has not had a permit revoked within the past twelve (12) months;

7. The sidewalk vendor's application contains all required information;

8. The sidewalk vendor has not made a materially false, misleading or fraudulent statement of fact to the City in the application process;

9. The sidewalk vendor has satisfied all the requirements of this chapter;

10. The sidewalk vendor has paid all applicable fees as set by City Council resolution;

11. The sidewalk vendor's sidewalk vending receptacle and proposed activities conform to the requirements of this chapter;

12. The sidewalk vendor has adequate insurance coverage to protect the City from liability associated with the sidewalk vendor's activities, as determined by the Risk Manager; and

13. The sidewalk vendor has satisfactorily provided all information requested by the Administrative Services Director to consider the vendor's application.

B. A sidewalk vendor permit is nontransferable. Any change in ownership or operation of a sidewalk vendor or sidewalk vending receptacle requires a new permit under this chapter.

C. All permits issued under this chapter shall expire twelve (12) months from date of issuance.

85. Subsections (B) and (D) of Section 5.97.070 (Penalties) of the Newport Beach Municipal Code are amended to read as follows:

5.97.070 Penalties.

B. If a sidewalk vendor violates any portion of this chapter and cannot present the citing officer with a proof of a valid permit, the sidewalk vendor shall be assessed administrative fines in the following amounts:

1. An administrative fine not exceeding two hundred fifty dollars ($250.00) for a first violation;

2. An administrative fine not exceeding five hundred dollars ($500.00) for a second violation within one year of the first violation;

3. An administrative fine not exceeding one thousand dollars ($1,000.00) for each additional violation within one year of the first violation;

D. The Administrative Services Director may revoke a permit issued to a sidewalk vendor for the term of that permit upon the fourth violation or subsequent violations within one year of the first violation.

86. Section 5.97.080 (Appeals) of the Newport Beach Municipal Code is amended to read as follows:

5.97.080 Appeals.

A. Administrative citations shall be appealed in the following manner:

1. Any recipient of an administrative citation may request an ability-to-pay determination, contest that there was a violation of this Code, and/or that he or she is the responsible person, by completing a request for hearing form and returning to the City's Administrative Services Department in accordance with Section 1.05.060(A). Notwithstanding the time limits set forth in Section 1.05.060(A), any person requesting a hearing and ability-to-pay determination may file the request within the time frames set forth in California Government Code Section 51039(f)(1).

2. Any recipient of an administrative citation may file for a hardship waiver in accordance with Section 1.05.060(B), or any successor section;

3. All appeals of administrative citations shall be heard by a Hearing Officer designated pursuant to Section 1.05.070(A), or any successor section, and the Hearing Officer may be disqualified as provided in Section 1.05.070(B), or any successor section;

4. In addition to the powers set forth in Section 1.05.070(C)(1) through (4) and (6) through (7), or any successor section, the Hearing Officer shall have the power to:

a. Reduce the fine based upon the person's ability to pay the fine;

b. If the Hearing Officer finds the person meets the criteria described in California Government Code Section 68632(a) or (b), the Hearing Officer shall order the City to accept, in full satisfaction, twenty (20) percent of the administrative fine imposed pursuant to this chapter;

c. The Hearing Officer may allow the person to complete community service in lieu of paying the total administrative fine, may waive the administrative fine, or may offer an alternative disposition;

5. All appeals of administrative citations shall be conducted in accordance with Section 1.05.080, or any successor section;

6. After considering all of the testimony and evidence submitted at the hearing, the Hearing Officer shall issue a written decision within ten (10) days of the hearing and shall list in the decision the reasons for that decision:

a. The Hearing Officer may uphold or deny the administrative citation or take any other action within the Hearing Officer's power;

b. If the Hearing Officer determines that the administrative citation should be upheld and a fine assessed, then the amount of the fine assessed that is on deposit with the City shall be retained by the City and any remainder on deposit with the City, if any, shall be promptly returned;

c. If the Hearing Officer determines that the administrative citation should be denied, or imposes an alternative disposition, and the fine was deposited with the City, then the City shall promptly refund the amount of the deposited fine;

d. The decision of the Hearing Officer shall be final as to the City but subject to judicial review pursuant to California Government Code Section 53069.4; and

e. The recipient of the administrative citation shall be served with a copy of the Hearing Officer's written decision in the manner provided in Section 1.08.080.

B. Decisions of the Administrative Services Director to revoke a permit shall be appealed in the following manner:

1. Appeals shall be initiated within fifteen (15) days of service of notice of the decision in the manner provided in Section 1.08.080;

2. Appeals of decisions shall be made in writing on forms provided by the City;

3. Decisions that are appealed shall not become effective until the appeal is resolved;

4. All appeals of decisions shall be heard by a Hearing Officer designated pursuant to Section 1.05.070(A), and the Hearing Officer may be disqualified as provided in Section 1.05.070(B);

5. The Hearing Officer shall have the powers set forth in Sections 1.05.070(C)(1) through (4) and (6);

6. A hearing before the Hearing Officer may be set for a date that is not less than fifteen (15) and not more than sixty (60) days from the date that the request for hearing is filed in accordance with the provisions of this chapter. The responsible person requesting the hearing shall be notified of the time and place set for the hearing at least ten (10) days prior to the date of the hearing. The City and responsible person may mutually agree to waive, modify or change the date of the proceeding;

7. All appeals of decisions shall be conducted in accordance with Sections 1.05.080(B), (D), (F), and (G), and shall comply with the following additional procedures:

a. At least ten (10) days prior to the hearing, the responsible person requesting the hearing shall be provided with copies of the citations, reports and other documents or evidence submitted or relied upon by the Administrative Services Director;

b. No other discovery is permitted. Formal rules of evidence shall not apply. Administrative hearings are intended to be informal in nature. Any relevant evidence shall be admitted if it is the type of evidence on which reasonable persons are accustomed to rely in the conduct of serious affairs, regardless of the existence of any common law or statutory rules, which might make improper the admission of such evidence over objection in civil actions in courts of competent jurisdiction in this State. Irrelevant and unduly repetitious evidence shall be excluded;

c. The failure of any responsible person who has filed an appeal to appear at the hearing shall constitute a failure to exhaust their administrative remedies;

8. After considering all the testimony and evidence submitted at the hearing, the Hearing Officer shall issue a written decision within ten (10) days of the hearing and shall list in the decision the reasons for that decision:

a. The Hearing Officer may uphold or deny the decision and the decision of the Hearing Officer shall be final as to the City but subject to judicial review pursuant to California Code of Civil Procedure Section 1094.5; and

b. The responsible person who has filed an appeal shall be served with a copy of the Hearing Officer's written decision, by the City Clerk, in the manner provided in Section 1.08.080.

Title 6

HEALTH AND SANITATION

Chapter 6.04

GARBAGE, REFUSE AND CUTTINGS

87. Subsection (E)(3) of Section 6.04.060 (Collection of Solid Waste and Divertible Materials) of the Newport Beach Municipal Code is amended to read as follows:

3. The immediate removal by any person of solid waste, food scraps, and other divertible material which the Health Officer, Code Enforcement Supervisor, City Manager, Fire Chief, Building Official, Municipal Operations Director, or their agents have determined to constitute a nuisance or an immediate threat to the public health, safety and welfare;

88. Section 6.04.160 (Public Solid Waste and Public Recyclable Material Containers) of the Newport Beach Municipal Code is amended to read as follows:

6.04.160 Public Solid Waste and Public Recyclable Material Containers.

The City Manager or designated representative shall procure, place and maintain at suitable places on certain business sidewalks, the public beaches, piers and bay and ocean front street ends a sufficient number of public solid waste and public recyclable material containers to receive and hold solid waste and divertible material generated by the general public at those locations. The Municipal Operations Director shall at all times keep public solid waste and public recyclable material containers in a clean and sightly condition and in good order and repair; provided, that the failure of the Municipal Operations Director to furnish and provide such containers shall not be held or construed to relieve any person from the penalties of this code.

89. Section 6.04.190 (Tampering with Public Solid Waste or Public Recyclable Material Containers) of the Newport Beach Municipal Code is amended to read as follows:

6.04.190 Tampering with Public Solid Waste or Public Recyclable Material Containers.

No person shall remove, without lawful authority, any public solid waste or public recyclable material container from the place where it is placed and maintained by the Municipal Operations Director, or willfully deface, injure, damage or destroy, or use any

public solid waste container or public recyclable material container for any purpose other than the authorized placing of solid waste or divertible material therein by the general public.

90. Subsection (B) of Section 6.04.200 (Prohibited Disposal) of the Newport Beach Municipal Code is amended to read as follows:

6.04.200 Prohibited Disposal.

B. On Own Property. No owner of real property shall throw, deposit or leave, or knowingly permit another to throw, deposit or leave, solid waste or divertible material on such real property, nor shall he or she fail, neglect or refuse to wholly remove solid waste or divertible material from such real property, within three days after receipt of written notice by the Code Enforcement Supervisor or Municipal Operations Director to do so.

Chapter 6.06

STATE MANDATED MUNICIPAL SOLID WASTE DIVERSION PROGRAMS

91. The definition of "Director" as set forth in Section 6.06.010 (Definitions) of the Newport Beach Municipal Code is amended to read as follows:

6.06.010 Definitions.

"Director" means the Director of the Municipal Operations Department.

92. Subsection (A)(1) of Section 6.06.150 (Enforcement) of the Newport Beach Municipal Code is amended to read as follows:

6.06.150 Enforcement.

A. Process for Enforcement.

1. The Municipal Operations Director will monitor compliance with this chapter randomly and through compliance reviews, route reviews, investigation of complaints, and an inspection program. Section 6.06.080 establishes the City's right to conduct inspections and investigations.

Title 7
ANIMALS

Chapter 7.04
DOGS*

93. Subsection (G) of Section 7.04.070 (Vaccinations) of the Newport Beach Municipal Code is amended to read as follows:

7.04.070 Vaccinations.

G. Duties of Health Department. In furtherance of the program of the City for vaccination of dogs against rabies, the Orange County Health Department is authorized to:

1. Approve of such vaccine or vaccines as it may find suitable for such use, promulgate its findings and approval, and file a statement of such findings and approval in the office of the City Administrative Services Department as a public record.

2. Change such findings and approval when as a result of experience, research, practice or tests it finds that a new or different vaccine or vaccines are suitable for such use, and file a statement of such findings and approval in the office of the City Administrative Services Department as a public record.

3. Prescribe the form of certificate to be used by duly licensed veterinarians under the provisions hereof and to distribute such form of certificate to duly licensed veterinarians practicing in this City upon request.

Title 10
OFFENSES AND NUISANCES*

Chapter 10.08
USE OF PUBLIC PROPERTY AND INTERFERENCE WITH PUBLIC ACCESS*

94. Subsection (E) of Section 10.08.030 (Use of Public Property for Commercial Purposes) of the Newport Beach Municipal Code is amended to read as follows:

10.08.030 Use of Public Property for Commercial Purposes.

E. If any person violates this section, the City may impound the person's equipment, goods, materials, merchandise and property. The City may also impound these items if it reasonably appears a person abandoned these items on public property.

1. The impoundment may be done by any City employee authorized to enforce this section.

a. At the time of impoundment from a person, the City employee shall issue a receipt to the person that includes the date and time of the impoundment, a description of the items seized, instructions on how to reclaim the impounded items, and the process to appeal the impoundment.

b. The City may immediately dispose of impounded goods or materials that cannot be safely stored or that are perishable.

c. The person may recover the impounded items after thirty (30) days if the person pays an impound fee, if any, along with showing proper proof of ownership.

d. If the items are not reclaimed after sixty (60) days from impoundment, the impounded items will be deemed abandoned and forfeited to the City. The abandoned items may be disposed of at the City's sole discretion.

e. The City Council may by resolution adopt impound fees, which shall reflect the City's enforcement, investigation, storage, and impound costs.

2. Any person who has equipment, goods, materials, merchandise or property impounded under this section shall have the right to file a request for an administrative hearing to appeal the impoundment.

a. An appeal shall be filed with the City's Administrative Services Department, in writing, on forms provided by the Department within ten (10) days from the date of impoundment.

b. The provisions related to Hearing Officers set forth in Section 1.05.070 shall apply. The person requesting the hearing shall be notified of the time and place set for the hearing at least ten (10) days prior to the date of the hearing. After considering all the testimony and evidence submitted at the hearing, the Hearing Officer shall issue a written decision within ten (10) days of the hearing. If the person's appeal is upheld, the person shall have any items that were not disposed of in accordance with subsection (E)(1)(b) of this section returned to the person, and the person shall not be required to pay any impound fee.

c. The person who has filed an appeal shall be served with a copy of the Hearing Officer's written decision in the manner prescribed by Section 1.08.080. The decision of the Hearing Officer shall be final as to the City and take effect on the date it is signed by the Hearing Officer. The Hearing Officer's decision shall be subject to judicial review pursuant to Cal. Code Civ. Proc. Section 1094.5.

Chapter 10.32
SOUND-AMPLIFYING EQUIPMENT*

95. Section 10.32.020 (Permit Required) of the Newport Beach Municipal Code is amended to read as follows:

10.32.020 Permit Required.

No person shall use or cause to be used any sound-amplifying equipment or sound truck with its sound-amplifying equipment in the City without first having applied for and obtained a permit from the Administrative Services Director as provided in this chapter.

96. The introductory paragraph of Section 10.32.030 (Application for Permit) of the Newport Beach Municipal Code is amended to read as follows:

10.32.030 Application for Permit.

Applications for permits for the use of sound-amplifying equipment or sound trucks shall be filed with the Administrative Services Department on forms supplied by the City. The application shall contain the following information:

97. Section 10.32.040 (Issuance of Permit) of the Newport Beach Municipal Code is amended to read as follows:

10.32.040 Issuance of Permit.

A. Upon receiving a complete application for a permit for the use of sound-amplifying equipment or a sound truck, the Administrative Services Director shall conduct an investigation within ten (10) days of receipt of a complete application to determine whether to approve the application. Unless the application is denied pursuant to subsection (B) of this section, the Administrative Services Director shall approve or conditionally approve the application for a permit if it is determined that all the requirements of this chapter are met and if it appears from the information contained in the application and such additional information as may be presented to the Administrative Services Director that the proposed use of the sound-amplifying equipment or sound truck complies with the regulations contained in Section 10.32.060. The permit shall be nontransferable and valid for a period not to exceed six months.

B. Denial of Application. An application for a permit for the use of sound-amplifying equipment or a sound truck may be denied under any of the following circumstances:

1. The City has revoked a permit obtained by the applicant pursuant to Section 10.32.080 within eighteen (18) months of the date of the application for a permit under this chapter;

2. The applicant has received a citation for violating Chapter 10.28, this chapter or Chapter 10.66 within eighteen (18) months of the date of the application for a permit under this chapter; or

3. The City has issued a citation under Chapter 10.28, this chapter or Chapter 10.66 to the address or location where the sound-amplifying equipment or sound truck is sought to be used by the applicant within eighteen (18) months of the date of the application for a permit under this chapter.

C. Specification of Hours. If a permit is granted, the Administrative Services Director shall specify the hours during which the sound-amplifying equipment or sound truck may be used after considering the needs of the applicant, the area or areas in which the sound will be emitted, and the effects of such use on the public's health, safety and welfare.

D. Appeals. Actions by the Administrative Services Director may be appealed by any interested party to the City Manager by filing a written statement with the City Clerk setting forth the facts and circumstances regarding the action by the Administrative Services

Director. The City Manager shall notify the appellant and applicant in writing of the time and place of the hearing on the appeal. The hearing on appeal shall be heard and determined by the City Manager within ten (10) days of receipt of a written appeal. The decision of the City Manager shall be final as to the City but subject to judicial review pursuant to California Code of Civil Procedure Section 1094.5.

98. Section 10.32.080 (Revocation of Permit) of the Newport Beach Municipal Code is amended to read as follows:

10.32.080 Revocation of Permit.

A. The Administrative Services Director may revoke any permit issued pursuant to this chapter on any of the following grounds:

1. The sound-amplifying equipment or sound truck has been used contrary to the regulations contained in Section 10.32.060 or the terms of the permit;

2. The applicant has made a misrepresentation of a material fact in the application;

3. The use of the sound-amplifying equipment or sound truck results in traffic congestion, or threatens public traffic safety.

B. Notice of the revocation shall be given to the permit holder in writing. If the notice is personally served upon the permit holder, it shall be effective immediately upon service. If the notice of revocation is delivered by mailing, it shall be effective on the third day following the deposit of the notice in the United States mail. The permit holder may appeal the action of the Administrative Services Director to the City Manager by filing a notice of appeal with the City Clerk within ten (10) days after the effective date of the revocation. If a notice of appeal is not filed within the ten (10) day period, the revocation shall become final.

Chapter 10.58
POLICE SERVICES AT LARGE PARTIES, GATHERINGS OR EVENTS ON PRIVATE PROPERTY

99. Subsection (A) of Section 10.58.040 (Procedures for Imposition of Civil Fines) of the Newport Beach Municipal Code is amended to read as follows:

10.58.040 Procedures for Imposition of Civil Fines.

Civil fines for special security assignments, as authorized by Section 10.58.030(B), shall be imposed, in the manner provided in this section.

A. For all violations of Section 10.58.030 where substantial evidence in support of a violation exists, and a special security assignment occurs, the Administrative Services Director shall issue written notice of civil fines imposed in accordance with the resolution

of the City Council. The written notice shall be served on the person responsible for the party and the owner, if different. The notice shall specify the facts which, in the opinion of the Administrative Services Director, constitute substantial evidence to establish grounds for imposition of the fines, and specify that the fines are effective thirty (30) days from the date the notice is given unless an appeal is filed in writing before the fine becomes effective.

Chapter 10.66
LOUD AND UNRULY GATHERINGS

100. Subsections (F) and (G) of Section 10.66.060 (Violation—Penalty—Civil Fine) of the Newport Beach Municipal Code are amended to read as follows:

10.66.060 Violation—Penalty—Civil Fine.

F. All civil fines imposed under this chapter shall be due and payable to the City's Administrative Services Department within the earlier of thirty (30) days from the issuance of a citation or service of the notice of violation.

G. Any owner or responsible person who intends to request an administrative hearing pursuant to Section 10.66.070 may request an advance deposit hardship waiver pursuant to Section 1.05.060(B). An owner or responsible person who is unable to pay all or a part of the civil fine due to the person's actual financial inability may file a written request for a civil fine waiver with the Administrative Services Director within fifteen (15) days from the date of service of the citation or notice, whichever is earlier. The failure of any owner or responsible person to timely file a written request for a civil fine waiver with the Administrative Services Director shall be deemed a failure to exhaust the owner's or responsible person's administrative remedies with regard to the same.

1. The written request for a civil fine waiver shall be in writing and describe with particularity the owner's or responsible person's actual financial inability demonstrating why all or a part of the fine should be waived. Further, the written request for a civil fine waiver must be accompanied by a sworn affidavit and demonstrate to the satisfaction of the Administrative Services Director the owner's or responsible person's actual financial inability that necessitates a waiver of all or a part of the civil fine amount. The Administrative Services Director is entitled to request additional documentation and information from the owner or responsible person in order to fully assess the owner's or responsible person's actual financial inability. The failure of any owner or responsible person to timely submit all requested additional documentation and information to the Administrative Services Director as requested shall be deemed a failure to exhaust the owner's or responsible person's administrative remedies with regard to the same.

2. Once a complete written request for a civil fine waiver is filed with the Administrative Services Director the requirement to pay the civil fine shall be stayed until the Administrative Services Director determines whether to grant or deny the request.

3. If the Administrative Services Director grants the written request for a civil fine waiver, the owner or responsible person shall not be required to pay the civil fine. If the Administrative Services Director determines that the owner or responsible person has the financial ability to pay all or a part of the civil fine on a reasonable payment plan, the Administrative Services Director shall so notify the owner or responsible person and the owner or responsible person shall execute any agreements required by the Administrative Services Director to establish the payment plan.

4. The granting of any request for a civil fine waiver or payment plan shall not excuse or discharge any continuation or repeated occurrence of any violation of this chapter, nor shall it bar further enforcement action by the City.

5. If the Administrative Services Director denies the written request for a civil fine waiver the civil fine must be paid within ten (10) days from the date of service of the Administrative Services Director's determination.

6. The Administrative Services Director's determination shall be (a) made within fifteen (15) days of the date of receipt of the complete request or any additional information as requested by the Administrative Services Director; (b) in writing; and (c) served either by personal delivery on the owner or responsible person or by deposit in the mail for delivery by the United States Postal Service, in a sealed envelope, postage prepaid, addressed to such owner or responsible person. The decision of the Administrative Services Director shall be final as to the City but subject to judicial review pursuant to California Code of Civil Procedure Section 1094.5.

101. Subsection (A) of Section 10.66.070 (Administrative Hearing, Appeal) of the Newport Beach Municipal Code is amended to read as follows:

10.66.070 Administrative Hearing, Appeal.

A. Any owner or responsible person who, pursuant to this chapter, is (1) subject to a civil fine; or (2) has had their residential unit posted with a notice concerning a loud or unruly gathering, shall have the right to file a request for an administrative hearing to appeal the imposition of the civil fine and/or the posting of the premises. Any such request shall be submitted to the City's Administrative Services Department in writing on the form required by the City within thirty (30) days from the date of service of the citation, notice of violation or posting of the premises, whichever is earlier. The written request for an administrative hearing shall be submitted to the City with an advance deposit of the civil fine unless a request for a civil fine waiver or an advance deposit hardship waiver has been filed pursuant to Sections 10.66.060(G) and 1.05.060(B). No administrative hearing

before a Hearing Officer shall be held unless and until a request for hearing form has been completed and submitted, and the fine has been deposited in advance or an advance deposit hardship waiver has been issued.

Title 12
VEHICLES AND TRAFFIC*

Chapter 12.63
SOLID WASTE MANAGEMENT*

102. Section 12.63.020 (Definitions) of the Newport Beach Municipal Code is amended to add the definition of "Director" to read as follows:

12.63.020 Definitions.

"Director" shall mean the Director of the Municipal Operations Department.

103. Section 12.63.050 (Applications for Franchise) of the Newport Beach Municipal Code is amended to read as follows:

12.63.050 Application for Franchise.

A. Required Forms. An application for a franchise shall be filed in the office of the Municipal Operations Department in writing on forms prescribed by the Municipal Operations Director.

B. Required Information and Materials. The application for a franchise shall contain the following information and materials:

1. The name and address of the applicant;

2. If the applicant is a partnership, the name and address of each partner shall be set forth in the application. If the applicant is a corporation, the application shall state the names and addresses of the corporation's directors, date and place of incorporation, main offices, major stockholders and associates, and the names and addresses of the parent and subsidiary companies;

3. A list of all vehicles, including license plate numbers and vehicle identification numbers, to be used in connection with the commercial solid waste handling services;

4. Evidence that the applicant has or can provide all required insurance and affirmation of indemnification;

5. Evidence that the applicant maintains books of account, income statements, tonnage reports and supporting documents and all other documents that relate in any way to

commercial solid waste handling services or the conduct of a solid waste enterprise in a manner acceptable to the City;

6. A report of solid waste handling activities for the prior calendar year to include tonnage collected by activity, as specified by City, and the corresponding revenue for each activity; the tonnage recycled or caused to be recycled by the applicant's collection, transportation, and/or disposition of materials collected and categorized by method of recycling, material type recycled, and the tonnage disposed by facility utilized;

7. Such further information as the Municipal Operations Director may reasonably require to evaluate and process the application.

C. Verification. Application for a franchise shall be verified and signed by a person or persons authorized to execute documents on behalf of the entity.

D. Fees. Applications for a franchise shall be accompanied by a fee as established by resolution of the City Council.

E. Waivers. The Municipal Operations Director may waive the submission of items deemed unnecessary.

104. Section 12.63.060 (Municipal Operations Department Review) of the Newport Beach Municipal Code is amended to read as follows:

12.63.060 Municipal Operations Department Review.

A. Time Limits and Notification. Within thirty (30) calendar days of the filing of an application, the Municipal Operations Department shall determine whether the application is complete and notify the applicant in writing if the application is determined to be incomplete.

B. Incomplete Applications. If the application is determined not to be complete, the Municipal Operations Department shall notify the applicant in writing and shall specify those parts of the application which are incomplete and shall indicate the manner in which they can be made complete, including a list and thorough description of the specific information or materials needed to complete the application. Upon the receipt of the information or materials needed to complete the application, or any resubmittal of the application, a new thirty (30) day review period shall begin to determine the completeness of the application.

C. Extension of Time Limits. Extensions of the time limits of the review period are permitted when mutually agreed upon by the Municipal Operations Department and the applicant.

105. Section 12.63.070 (Processing the Application) of the Newport Beach Municipal Code is amended to read as follows:

12.63.070 Processing the Application.

Upon receiving an application that contains all of the information described in this chapter which is both complete and in a form acceptable to the Municipal Operations Director, the Municipal Operations Director shall process the application in accordance with the provisions of this chapter and Article XIII of the City Charter for consideration by the City Council.

106. Subsection (C) of Section 12.63.090 (Franchise Fees and Environmental Liability Fund Fees) of the Newport Beach Municipal Code is amended to read as follows:

12.63.090 Franchise Fees and Environmental Liability Fund Fees.

C. Franchise fees and environmental liability fund fees shall be due and payable on the thirtieth (30th) day of the month following the end of each quarter. The franchisee shall pay the required fees to the City and deliver the payment to the City's Administrative Services Director. Each payment shall be accompanied by a written statement, verified by the franchisee or a duly authorized representative of the franchisee, showing in such form and detail as the Administrative Services Director may prescribe, the calculation of the fees payable by the franchisee and such other information as may be required as material to a determination of the amount due.

107. Section 12.63.130 (City Inspection Authority) of the Newport Beach Municipal Code is amended to read as follows:

12.63.130 City Inspection Authority.

Any franchisee providing commercial solid waste handling services or conducting a solid waste enterprise in the City shall keep and maintain books of account, income statements, tonnage reports and supporting documents and all other documents that relate in any way to business transactions conducted by the person in the City for a period of three years after said service was provided and shall make these records and documents available to the City upon request by the City Manager, Municipal Operations Director or Administrative Services Director.

108. Subsection (B) of Section 12.63.140 (Termination) of the Newport Beach Municipal Code is amended to read as follows:

12.63.140 Termination.

B. A notice of intent to terminate a nonexclusive franchise shall be personally delivered or mailed, at the discretion of the Municipal Operations Director, to the franchisee at the franchisee's address of record, shall state grounds for suspension or termination and shall give the franchisee notice of the time, date and place of a hearing before the City Council,

which shall be convened not less than fifteen (15) days and no more than sixty (60) days after the date of notice, subject to continuance with the consent of the parties.

Chapter 12.68
RESIDENTS' PREFERENTIAL PARKING

109. Subsections (A) and (B) of Section 12.68.040 (Preferential Parking Privileges—Issuance of Permits) of the Newport Beach Municipal Code are amended to read as follows:

12.68.040 Preferential Parking Privileges—Issuance of Permits.

A. Issuing Authority. The Administrative Services Director shall issue permits for preferential parking. Applicants for such permits may be required to present such proof as may be required by the Administrative Services Director of residence adjacent to the area designated as a preferential parking zone. Any combination of permanent and visitor permits, up to a total of three per unit, shall be issued for each qualified dwelling unit to any qualified applicant.

B. Fees. The Administrative Services Director shall collect a fee set forth by resolution of the City Council for each permit issued pursuant to this section, whether permanent or visitor.

Title 13
STREETS, SIDEWALKS AND PUBLIC PROPERTY

Chapter 13.05
STREET IMPROVEMENTS AND DEDICATIONS

110. Subsection (B) of Section 13.05.060 (Improvement Procedure) of the Newport Beach Municipal Code is amended to read as follows:

13.05.060 Improvement Procedure.

B. Cash money deposited with the Administrative Services Director.

Chapter 13.08

PLANTING*

111. Section 13.08.010 (Jurisdiction and Authority) of the Newport Beach Municipal Code is amended to read as follows:

13.08.010 Jurisdiction and Authority.

Subject to the administrative control established by the City Charter, any applicable City Council policy, and the provisions of this chapter, the Municipal Operations Department shall exercise jurisdiction and control over the planting, maintenance, and removal of

trees, shrubs, and plants in all public areas under the control of the City, and shall have the authority and duties prescribed in this chapter.

112. Section 13.08.020 (Official Tree List) of the Newport Beach Municipal Code is amended to read as follows:

13.08.020 Official Tree List.

The City Council shall adopt an official tree list which shall set out the names of the streets in the City and the species of tree or trees that may be planted on each such street or portion thereof. The list shall be adopted by resolution and provided to the public by the Municipal Operations Department upon request.

113. Subsection (D) of Section 13.08.050 (Prohibited Activities) of the Newport Beach Municipal Code is amended to read as follows:

D. Attaching Electrical Apparatus. No person shall attach any electric wires or any device for holding electric wires to any tree, plant or shrub growing in any public street right-of-way or other public property under the control of the City without approval of the City Council. No person shall, without written permission from the Municipal Operations Director, trim, cut or break any part of such tree, shrub, or plant to make passage for electric wires.

Title 14
WATER AND SEWERS*

Chapter 14.12
WATER RATES AND CHARGES*

114. Subsection (B) of Section 14.12.010 (Service Fees) of the Newport Beach Municipal Code is amended to read as follows:

14.12.010 Service Fees.

B. The installation fee for a water service shall be the City's costs including all labor and materials. The installation fee shall be as established by the Utilities Department, and the cost shall be paid to the Administrative Services Department by the person applying for such installation before the work of connecting the main with the property is begun.

115. Subsection (B) of Section 14.12.085 (Establishing Service) of the Newport Beach Municipal Code is amended to read as follows:

14.12.085 Establishing Service.

B. An application for water service, as provided by the Revenue Division of the Administrative Services Department, shall be used for the purpose of establishing water service into a new customer's name. Property owners may enter into a continuous

service agreement which will authorize the transfer of water service into the name of the property owner upon a tenant's notice to discontinue service. Property owners shall be responsible for all water service charges at their premises. Water service will not be established in the name of a customer other than the property owner without the written authorization of the owner, or the owner's authorized representative.

116. Section 14.12.095 (Customer Requests) of the Newport Beach Municipal Code is amended to read as follows:

14.12.095 Customer Requests.

Except for the discontinuation of water service for failure to abide by the terms of an alternative payment arrangement, as provided in Section 14.12.090(A)(5), any residential customer who has initiated a complaint or requested an investigation up to the calendar day prior to scheduled date of service discontinuation, as stated in the delinquent notice required by Section 14.12.110, or who has, before discontinuance of service, made a request for extension of the payment period of a bill asserted to be beyond the means of the customer to pay in full within the normal period for payment, shall be given an opportunity for review of the complaint, investigation, or request by the City. The review shall include consideration of whether the customer shall be permitted to defer payment on the bill for thirty (30) days or participate in an alternative payment arrangement where the unpaid balance of the delinquent account is paid back monthly, over a period not to exceed twelve (12) months.

Any customer whose complaint or request for an investigation has resulted in an adverse determination by the City's Revenue Division may appeal the determination to the Administrative Services Director.

117. Section 14.12.125 (Delinquent Water Service Restoration) of the Newport Beach Municipal Code is amended to read as follows:

14.12.125 Delinquent Water Service Restoration.

A. Service that has been discontinued may not be restored until payment of all delinquent water service charges, including the restoration charge and a fine of one hundred dollars ($100.00), have been received by the Administrative Services Department.

1. Upon payment, service shall be restored during regular or nonregular working hours.

2. The restoration charge for meter turn on during regular and nonregular work hours is identified by Council resolution.

3. For a residential customer who demonstrates that their household income is below two hundred (200) percent of the Federal poverty line, such restoration charge shall not

exceed the lesser of fifty dollars ($50.00) or the cost of services during regular work hours; or exceed the lesser of one hundred fifty dollars ($150.00) or the cost of services during nonregular work hours. Effective January 1st of each year, such charges shall automatically adjust annually to reflect changes in the Consumer Price Index for the preceding twelve (12) months, rounded down to the nearest dollar.

4. Regular work hours are Monday through Thursday, 7:00 a.m. to 4:30 p.m., and Friday, 7:00 a.m. to 3:30 p.m.

118. Section 14.12.140 (Customer Request for Service Discontinuance) of the Newport Beach Municipal Code is amended to read as follows:

14.12.140 Customer Request for Service Discontinuance.

A. Whenever a customer desires to discontinue service, the customer shall give not less than two working days' (forty-eight (48) hours) written notice thereof to the Revenue Division of the Administrative Services Department.

B. In accordance with such notice, the City shall read the water meter, prepare a closing statement of all unpaid bills for water furnished by the City to the customer up to that time and, unless a current continuous service agreement with the property owner is in place, shut off the water to the premises. If the customer has a deposit with the City, the Administrative Services Department will return the balance, after deducting any unpaid charges.

Title 15
BUILDINGS AND CONSTRUCTION*

Chapter 15.38
FAIR SHARE TRAFFIC CONTRIBUTION ORDINANCE

119. Section 15.38.060 (Payment of Contribution) of the Newport Beach Municipal Code is amended to read as follows:

15.38.060 Payment of Contribution.

No building or grading permit or any other form of entitlement issued by the City to construct on or change the use of a building or property shall be issued, and no construction shall be commenced, for any project not exempt from this chapter unless all contributions required pursuant to this chapter have been deposited with the City Administrative Services Director.

Title 17
HARBOR CODE*

Chapter 17.05
GENERAL PROVISIONS

120. Section 17.05.120 (Payment of Fees) of the Newport Beach Municipal Code is amended to read as follows:

17.05.120 Payment of Fees.

A. Date of Payment. All permit fees required to be paid under this title shall be due and payable on a schedule established by the Administrative Services Director. Any permit holder who fails to pay any permit fee or renewal fee required by this title after the same is due shall be subject to late fees and charges in the amount established by resolution of the City Council in accordance with Section 3.36.040. Failure to pay the permit fee or renewal fee, plus any late fees and charges, within one hundred twenty (120) days of when the permit fee or renewal fee was due shall constitute grounds for revocation of the permit by the responsible review authority.

B. Revenue. The revenue resulting from the administration of this title shall be accounted for separately and used exclusively for the purposes authorized to be used for public trust lands.

RESOLUTION NO. 2025-87

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEWPORT BEACH, CALIFORNIA, AMENDING VARIOUS PROVISIONS OF THE NEWPORT BEACH CITY COUNCIL POLICIES TO REFLECT ORGANIZATIONAL RESTRUCTURING TO THE CITY ATTORNEY, FINANCE, HUMAN RESOURCES, AND PUBLIC WORKS DEPARTMENTS

WHEREAS, the City of Newport Beach ("City") is a charter City, governed by a charter adopted by the citizens of the City;

WHEREAS, Section 200 of the City Charter vests the City Council with the authority to make and enforce all laws, rules and regulations with respect to municipal affairs subject only to the restrictions and limitations contained in the Charter and the State Constitution, and the power to exercise, or act pursuant to any and all rights, powers, and privileges, or procedures granted or prescribed by any law of the State;

WHEREAS, the City Council approved a restructuring of various departments within the City including establishment of the Municipal Operations Director and Administrative Services Director as well as consolidating Risk Management within the City Attorney's Office;

WHEREAS, amendments to the Newport Beach City Council Policies ("Council Policies") are needed to reflect the structural reorganization; and

WHEREAS, the City Council held a public meeting on December 9, 2025, in the Council Chambers located at 100 Civic Center Drive, Newport Beach, California. A notice of time, place and purpose of the hearing was given in accordance with California Government Code Section 54950 et seq. ("Ralph M. Brown Act"). Evidence, both written and oral, was presented to, and considered by, the City Council at this meeting.

NOW THEREFORE, the City Council of the City of Newport Beach ordains as follows:

Section 1: The various provisions of the Newport Beach Council Policies are amended as set forth in Exhibits "A" through "X" which are attached hereto and incorporated herein by reference.

Section 2: The recitals provided in this resolution are true and correct and are incorporated into the substantive portion of this resolution.

Section 3: If any section, subsection, sentence, clause or phrase of this resolution is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this resolution. The City Council hereby declares that it would have passed this resolution and each section, subsection, sentence, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

Section 4: The City Council finds the adoption of this resolution 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, Division 6, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

Section 5: This resolution shall take effect immediately upon its adoption by the City Council, and the City Clerk shall certify the vote adopting the resolution.

ADOPTED this 9th day of December, 2025.

_____
Joe Stapleton, Mayor

ATTEST:

_____
Lena Shumway, City Clerk

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE

_____
Aaron C. Harp, City Attorney

Attachments:

Exhibit A –	Newport Beach Council Policy A-12
Exhibit B –	Newport Beach Council Policy A-14
Exhibit C –	Newport Beach Council Policy B-7
Exhibit D –	Newport Beach Council Policy B-8
Exhibit E –	Newport Beach Council Policy B-12
Exhibit F –	Newport Beach Council Policy B-17
Exhibit G –	Newport Beach Council Policy D-1
Exhibit H –	Newport Beach Council Policy D-4
Exhibit I –	Newport Beach Council Policy E-1
Exhibit J –	Newport Beach Council Policy F-1
Exhibit K –	Newport Beach Council Policy F-3
Exhibit L –	Newport Beach Council Policy F-6
Exhibit M –	Newport Beach Council Policy F-8
Exhibit N –	Newport Beach Council Policy F-9
Exhibit O –	Newport Beach Council Policy F-11
Exhibit P –	Newport Beach Council Policy F-12
Exhibit Q –	Newport Beach Council Policy F-13
Exhibit R –	Newport Beach Council Policy F-14
Exhibit S –	Newport Beach Council Policy F-15
Exhibit T –	Newport Beach Council Policy F-25
Exhibit U –	Newport Beach Council Policy G-1
Exhibit V –	Newport Beach Council Policy G-3
Exhibit W –	Newport Beach Council Policy G-6
Exhibit X –	Newport Beach Council Policy L-21

Exhibit A

Newport Beach Council Policy A-12

DISCRETIONARY GRANTS

It shall be the policy of the City Council that the City of Newport Beach's ("City") budget specifically allows the City Council to, at any time during the year, direct revenue towards worthy projects or programs which the City Council deems beneficial to Newport Beach's resident's quality of life. The City Council notes that it has multiple tools at its discretion to assist non-profit agencies, community groups, community events, or enhancement projects within the City. These tools are:

A. Community Programs Grants from the General Fund;

B. Special Event Grants from the General Fund;

C. "District Discretionary Grant Account" from the General Fund;

D. Culture and Arts Grant pursuant to Council Policy I-10; and

E. Federal Community Development Block Grant (CDBG) Social Service Funds.

These funds shall be provided in the following manner:

(CDBG) Social Services funds shall be allocated according to standards set by the federal government and appropriated at least once each year. The level of funding offered for social services in Newport Beach shall be based upon federal formulas and the specific amount of CDBG revenue allocated to the City in any one fiscal year. The Community Development Department shall administer these funds after City Council approval of the funds' expenditure.

Community Programs Grants shall be expended from the General Fund in the amount of $75,000 each fiscal year. The City Manager's Office shall review all requests for Community Programs Grants and shall forward recommendations for funding to the City Council for final approval. At the time of the City Manager's presentation of any Community Programs Grant award proposals to the City Council, the City Manager shall show which entities, if any, have received funds from the Community Programs Grant, Special Event Grant, District Discretionary Grant, Culture and Arts Grant, or CDBG Social Services Fund during the same fiscal year.

The City Manager or designee shall follow these priorities when recommending Community Programs Grants:

A. Local groups located within the City and offering programs to City residents;

B. Regional groups located in Orange County and offering programs to City residents;

C. Groups located in California and offering programs to City residents; and

D. Groups that have not received funding from any City source for three (3) consecutive years or more.

Groups not offering programs or services to local residents shall not be eligible for support from the City.

Special Events Grants are intended to allow meritorious community, social or athletic events to offset some or all of their City fees for their event. Doing so should decrease costs to the event organizer so that beneficiaries can see even greater benefit from any fundraising associated with the events. The City Manager or designee shall, in consultation with the City Council, establish a threshold amount for the proposed City budget that reflects adequate support for these events. The City Manager shall establish an administrative policy for these grants. The City Manager may divide the funding into more than one category to ensure that different types of events are fairly measured with peer events. The City Council shall consider and approve the Special Event Grant allocations by recipient.

The City reserves the right to audit the expenditure of these funds within a year of receipt.

District Discretionary Grant Accounts. At the start of the fiscal year, the City Manager shall provide an account for each Council District within the City Council's Budget division known as the District Discretionary Grant Accounts. The City Council shall set a funding level of these Accounts during the budget process preceding the June adoption of the City's budget. Each City Council Member shall have, at his or her discretion, the ability to allocate their District's funding to uses, projects, or community entities that benefit the City as a whole or the City Council Member's district specifically. Any expenditure from these Accounts must have an identifiable public benefit.

Requests to expend these funds should be directed by each City Council Member to the Director of Administrative Services. Expenditures will be reported to the City Council annually. The report will include a brief description and the public benefit associated with each expenditure.

At the conclusion of the fiscal year in which the District Discretionary Grant Accounts received appropriation, all unencumbered funds in the Accounts shall be deposited in the City's General Fund Reserve Account.

History
Adopted F-22 - 7-8-1985
Amended F-22 - 10-28-1991
Amended F-22 - 1-24-1994 (changed to A-12)
Amended A-12 - 5-22-2001
Amended A-12 - 6-22-2010
Amended A-12 - 9-27-2011
Amended A-12 - 5-12-2015
Amended A-12 - 4-9-2019
Amended A-12 - 12-9-2025

Exhibit B

Newport Beach Council Policy A-14

RESTRICTIONS ON COMMUNICATIONS INITIATED BY CITY OFFICIALS OR CITY STAFF WITH CIVIL SERVICE BOARD MEMBERS

Purpose

To establish a City Council policy that ensures contacts and communications made by the City Council or City staff with the Civil Service Board do not interfere with an employee's right to a fair and impartial hearing.

Background

The Civil Service Board was created by the City Charter to, among other things, hear appeals filed by City employees who have been suspended, demoted or discharged. The purpose of this City Council policy is to ensure that communications initiated by the City Council or City staff with members of the Civil Service Board do not interfere with an employee's right to a fair and impartial hearing. This policy also restricts the dissemination of records presented to the Civil Service Board during any hearing related to a personnel matter.

Policy

A. City officials, employees and employee representatives shall not contact Civil Service Board members to discuss any information pertaining to a past, pending or prospective hearing involving employee discipline or grievances.

B. All documents presented to the Civil Service Board prior to, or during, an employee disciplinary hearing or grievance hearing shall be considered confidential. No City Council member, City employee or employee representative shall release any such document to any person without the prior written approval of the applicant's representative and the Secretary for the Civil Service Board.

C. A Civil Service Board decision shall be considered confidential and shall not be released to any person without the prior written approval of the applicant's representative and the Secretary for the Civil Service Board.

D. Documents pertaining to a pending hearing that are transmitted to one or more members of the Civil Service Board shall be transmitted to all Board members by the Administrative Services Director unless circumstances indicate that the document has already been transmitted to all Board members.

History

Adopted A-14 - 1-27-1997
Amended A-14 - 5-12-2015
Amended A-14 - 12-9-2025

Exhibit C

Newport Beach Council Policy B-7

SPECIAL EVENT PERMIT REQUEST PROCESSING

Purpose

To set forth City policy concerning administration and control of special events. Special events include activities as defined in Chapter 11.03 of Title 11 of the Newport Beach Municipal Code. Requests that include activities for which the Municipal Code requires a permit to be obtained may be included in the special event permit process.

Policy

It is the policy of the City Council to ensure that the numerous special event activities permitted by the City do not negatively affect the community, that requests for permits are efficiently processed by staff, that City liability is eliminated, that all appropriate insurance requirements are met, and that costs for municipal services provided are kept at a reasonable level and recovered from the event sponsors. Affected City departments shall be notified of special event permit requests in accordance with the schedule attached and provide recommendations on how to conduct the event safely, lawfully and with a minimum negative impact on the community.

It is the responsibility of the Recreation and Senior Services Director to coordinate the administration of special events and to be the central contact point for residents or other event sponsors, as well as the various City Departments having influence or control over aspects of any given event. Requests for special event permit applications will be received by a special event supervisor in the Recreation and Senior Services Department and routinely routed to appropriate departments for investigation. Each department will investigate the proposed event and make a recommendation for approval or denial of the event. If recommended for approval, recommended conditions for approval will also be presented.

Events that include the following activities or aspects shall be additionally reviewed by the departments indicated:

Activity	Reviewing Department
Fireworks	Fire Department Police Department City Manager

Tents and Canopies	Fire Department Building Division
Requests on the Harbor	Harbor Department Orange County Sheriff's Harbor Patrol Bureau
Requests on the Balboa Pier	Public Works Department
Requests on McFadden Plaza	Public Works Department
Requests on the Newport Pier	Public Works Department
Requests on Public Beaches	Harbor Department Public Works Department Fire Department
Requests in a Public Park	Recreation and Senior Services Department Public Works Department
Requests to Deviate from Use Permit	Community Development Department
Requests at a Commercial Location	Community Development Department
Signs and Banners on Private Property	Community Development Department
Signs and Banners on Public Property	Public Works Department
Amplified Sound at a Commercial Location	Community Development Department Police Department
Amplified Sound at a Residential Location	Police Department Revenue Division
Temporary Street or Sidewalk Closures	Public Works Department
Sidewalk Sales	Public Works Department Community Development Department
Use of Public Property	Administrative Services Department

Public Food Service	Orange County Health Care Agency
Use of Back Bay Drive	California Department of Fish and Wildlife Public Works Department County of Orange

If each department reviewing a special event permit application recommends approval of issuance of the permit, a permit will be issued to the applicant listing the conditions provided by each department. The City Council may authorize approval of any request for special event permit when:

A. Required by Municipal Code.

B. When a Level 3 Special Event Permit has been denied and the applicant chooses to appeal the denial.

Residency Requirements

For purposes of this City Council Policy, there are two types of special event permit applicants: (1) a business or organization; or (2) a natural person. The determination between the two types of applicants is determined by who is financially and legally responsible for all components of the event, including permitting, providing liability insurance, attending meetings, conducting event correspondence with the City, and paying all event related fees as well as retaining the profits generated by the event. For purposes of this City Council Policy and for special event permit fees, a "resident" is defined as:

1. A business or organization which owns or leases property within the City and is registered, incorporated or conducts its business from the owned or leased property within the City; or

2. A person that lives permanently or on a long-term basis in the City.

Post Office Boxes do not qualify a business, organization, or individual for residency status under this City Council Policy or special event permit fees.

History

Adopted I-7 - 1-24-1994
Amended I-7 - 2-24-1997
Amended I-7 - 5-8-2001
Amended I-7 - 4-8-2003 (changed to B-7)
Amended B-7 - 4-13-2004
Amended B-7 - 9-13-2005
Amended B-7 - 8-11-2009
Amended B-7 - 5-12-2015
Amended B-7 - 8-8-2017
Amended B-7 - 11-14-2023
Amended B-7 - 12-9-2025

Exhibit D

Newport Beach Council Policy B-8

BIKE, FOOT RACE AND SURF CONTEST EVENT POLICY

The purpose of this policy regarding the use of City Public Property and beaches for conducting bicycle events, running events, surf contests and other athletic contests is to minimize the inconvenience to City residents, and to eliminate any potential City liability for injuries resulting from the event. All bicycle events, running events, surf contests or events and similar athletic contests/events shall be required to secure a Special Event Permit, comply with all of the conditions to the permit, and comply with the provisions of this Policy. Races, running events, walking events and other athletic contests/events using City public property shall not be conducted during the summer (June 15 through September 15). No more than twelve (12) such events shall be permitted during any calendar year and not more than four (4) in one geographical area in one year.

The person or entity primarily responsible for administering the event must prove their ability to pay for all required City safety and maintenance services prior to issuance of any permit. Proof of ability to pay for these services shall be in the form of a cash deposit, bond, or similar instrument. The permittee shall, prior to the event, provide the City with evidence of insurance, with the City named as an additionally insured, with minimum coverage of one (1) million dollars per occurrence unless the City Attorney determines that due to the circumstances surrounding the event, more insurance coverage is necessary.

No permit shall be issued for any race, running event, surf contest or athletic contest/event which is sponsored or financially supported by a tobacco or alcohol company and no alcohol or tobacco shall be permitted to be dispensed or available in the event there are participants under the age of 21. Nor will any signage promoting alcohol or tobacco company be allowed to be displayed at the contest/event.

As stewards of public access to the coast it is the City's policy to keep the beaches open to the general public and not permit exclusive use or events unless sponsored or organized by the City. Surf, surf-related and sandcastle contests are the only events permitted using City beaches and shall not be conducted during Memorial Day weekend or summer (June 15 - September 15).

Surf Contests and League Competitions

No more than eight (8) surf or surf related commercial events and/or events determined to need a Special Event Permit shall be permitted on or near the beach during any calendar year and events shall be scheduled at least three (3) weeks apart. All Surf

competitions, no matter what the size, are required to register with the Recreation & Senior Services Department a minimum of one month prior to the scheduled event in order to receive approval for use of the requested location and event dates.

Non-commercial, low impact surf contests put on by non-profit groups and/or local schools can apply for event approval by completing a Surf Contest/Activity Registration Form. There is no fee for registration of a surf contest, only for the Special Event Permit, if needed. All responsible parties must be able to provide upon request proof of a valid registration approval during the hours of the surf contest. Only non-profit groups will be considered.

Surf contest permits will be granted for specific dates only. No more than one surf contest will be scheduled per day. Surf contest permits do not allow for the exclusive use of the ocean or contest area and are always subject to blackball rules and regulations. There can only be a maximum of six (6) commercial contests at any one location per calendar year. The Fire Department determines acceptable locations for surf contests.

Local surf league competitions are required to submit a Contest/Activity Registration Form a minimum of one month prior to the scheduled match. Schools are to coordinate and agree to league competition dates prior to submittal collectively by June 1 each year to be considered for priority. League competitions are limited up to two (2) pre-season and five (5) league "home" competition events, with one home league competition per week per school. Up to seven (7) total per school per year.

No more than two surf league competitions per week will be considered, with emphasis placed on coordinating schedules to hold one per week when possible. If two surf league competitions are scheduled in the same week, they must be at different locations on the beach. Schools shall make every effort to coordinate alternating home league competitions to achieve this. League competitions are limited to the morning hours of 6:30-8:30 a.m. and shall not be conducted during Memorial Day weekend or summer (June 15 -September 15).

History

Adopted I-21 - 2-14-1983
Amended I-21 - 11-14-1983
Amended I-21 - 9-22-1986
Amended I-21 - 1-24-1994 (changed to I-8)
Amended I-8 - 7-25-2000
Amended I-8 - 4-8-2003 (changed to B-8)
Amended B-8 - 4-13-2004
Amended B-8 - 9-13- 2005
Amended B-8 - 9-27-2011
Amended B-8 - 11-14-2023
Amended B-8 - 12-9-2025

Exhibit E

Newport Beach Council Policy B-12

CO-SPONSORSHIP OF ANNUAL FIREWORKS EVENTS

The City of Newport Beach recognizes that the annual Independence Day fireworks event, provided by the private resort operated within the lower Back Bay, is a worthwhile event benefiting many City residents. Moreover, the fireworks display is enjoyed by the citizens as a community and family event.

Therefore, when fireworks events are scheduled at this location by the private resort in commemoration of Independence Day, the City Council may annually budget an amount between $20,000 and $40,000 for the fireworks events, provided that (1) City residents have free access to the event, with the exception of parking fees; (2) the City is recognized as a co-sponsor of the event in all publicity and promotional materials for the fireworks display; and (3) the applicant provides evidence of insurance with the City named as an additional insured, the amount of coverage determined by the City Manager and the City Attorney.

History
Adopted I-24 - 3-9-1998
Amended I-24 - 4-8-2003 (changed to B-12)
Amended B-12 - 8-11-2009
Amended B-12 - 12-9-2025

Exhibit F

Newport Beach Council Policy B-17

PARKS, FACILITIES, AND RECREATION PROGRAM DONATIONS

Purpose

The City Council recognizes the need to promote community involvement and active participation in quality of life components throughout the community, and the need to establish a fair, equitable, and uniform procedure by which gifts may be donated to the City. This policy establishes criteria for donations to assure area compatibility, attractiveness, usefulness, and sustainability of maintenance. Each donation considered for inclusion in the City's parks and streets system will be subject to established limitations and guidelines for each particular area.

Policy

A. Acceptance of Donations

1. Based on the value of the donation, appropriate City staff will review the acceptability of any donation and determine if the benefits to be derived warrant acceptance of the donation.

2. Criteria for evaluation includes consideration of any initial expenditure required in order to accept the donation, the potential and extent of the City's obligation to maintain the donation for a minimum of 10 years, and the community benefit to be derived from the donation. After 10 years, or at the end of the donated item's useful life, the donated item may be removed or replaced by the City.

3. The cost of a tangible donation shall also include a maintenance fee equal to 50% of the estimated 10-year maintenance cost of the donated item, paid for in full by the donor at the time of the donation, and at renewal if the donor elects to renew the donation as part of the first right of refusal process, per section G. This maintenance fee is in addition the cost and installation of the donated item.

B. Types of Donations

Donations may only be received in the form of a check. Restricted donations are those donations that the donor specifies for a particular City location or purpose. Unrestricted donations are those donations that are given to the City for unspecified use.

1. Trees

Donations for trees add beauty to City parks and facilities. Donations for trees may be used to install a tree or trees at parks recommended by the

Municipal Operations Director and approved by the Parks, Beaches and Recreation Commission. Depending on availability, the minimum cost of tree donations must be equal to the price of a 48" boxed container plus maintenance costs, unless waived by the Commission. Tree donations are limited to specific species that match the landscape in park locations.

2. Benches

Donations for a bench will be used to install a bench in different areas including parks, streets, along the beachfront, within villages, commercial districts, neighborhoods, on a specific island, etc. The Parks, Beaches, and Recreation Commission, with the assistance of Municipal Operations Department staff, shall designate the type, style, design, and placement of City-owned benches on City property.

a. An inventory of designated benches and available bench locations will be maintained by the City.

b. Donation requests must be submitted to the Municipal Operations Department and meet the following requirements:

i. Bench donations along a city street, beachfront or other public right of way will require the approval of the Municipal Operations Director.

ii. Donations for a bench within a commercial district will require notification of, and an endorsement from, the local business association, if applicable.

iii. Donations for a bench to be located at a park or facility within a residential community will require notification of residents and any established homeowners association or common interest development, when applicable, within 300 feet of the proposed location for placement.

iv. Donations for three types of benches, and any exception to the following, must be approved by the Parks, Beaches and Recreation Commission. Donors can choose from the following:

1) Huntington Beach Style - Standard Concrete Park Bench;

2) Victoria Style - Backless Standard Concrete Park Bench; or

3) Infinity Style - Standard Park Bench with metal legs and composite bench slats. Comes in standard or backless.

3. Park, Public Improvement, and Street Amenities

Donations for other amenities such as drinking fountains, tables, and other equipment that will improve public places in parks, in and/or around public buildings, streets, walkways, and trails may be offered to the City.

a. Donations for other amenities will be identified and approved by City Staff.

b. Donation of funds for public amenities valued at or below the amount set forth in City Council Policy F-3 may be accepted by the City Manager.

c. Donation of funds for public amenities valued at the amount set forth in City Council Policy F-3, and above, requires City Council approval.

d. Donations of funds for public amenities to be installed on public sidewalks shall meet the criteria described in Policy L-6 Encroachments in Public Rights-of-Way and be approved by the Municipal Operations Director.

C. Naming Rights

Donors may receive naming rights on capital improvement projects for which any donation matches or exceeds 75% of the total budgeted cost for the area benefiting from the donation. All such donations will be submitted to the City Council for acceptance of the donation and the name to be applied to the project in keeping with City Council Policy B-9 -*Naming of City Parks & Facilities.*

D. Sponsorships

Special Events are recognized as fundraising activities. Where donations or sponsorship of a special event will require some form of recognition, and, in order to provide recreational opportunities, corporate or organizational sponsors may be recognized by use of logos and name on event banners and signage. Signs and literature at all such special events is at the discretion of the appropriate Department Director. The size, scale and location of corporate logos and names should not dominate the event facilities or area. Corporate logos and/or names should not be displayed in a manner that would, in any way, suggest the endorsement of the Department or the City. All signs must comply with the City's existing sign code and Council Policies B-3 and B-8.

E. Right to Decline

The City of Newport Beach reserves the right to decline any donation if, upon review, acceptance of the donation is determined to not be in the best interest of the City.

F. Special Privileges

Making a donation or co-sponsoring a special event does not entitle a sponsor/donor to any special privileges other than those stated in this policy such as recognition or displays at events, unless otherwise agreed upon and approved by the Department Director or the City Council when appropriate.

G. Timeliness

All donations are limited to a period of 10 years or until the end of the useful life of the item. After 10 years, or the end of the useful life of the item, whichever comes first, reasonable effort will be made to contact the original donor (City will attempt to make contact for no more than 30 days if donor is unable to be reached) for a right of first refusal to keep the donation in their name. If denied, or the donor is unable to be reached, the location may become available for a new donation.

H. Acknowledgements

1. Letter of acceptance of donation will be sent to the donor.
2. In some cases, recognition of donations may be given at Commission or Council Meetings.
3. A donor will receive a certificate of acknowledgement for the donation and their name will be placed on the GIS Donation map, with coordinates of the location of their donation.
4. Donations are not eligible for donation plaques, however the donor will be provided with a certificate acknowledging the donation and the location of the donated item.

History

Adopted I-15 - 7-22-1991 ("Park Improvement Donations")
Amended I-15 - 1-24-1994 (changed to G-5)
Amended G-5 - 6-27-1994
Amended G-5 - 6-24-1996
Adopted B-17 - 5-9-2006 ("Park, Facilities, and Recreation Program Donations", and incorporating G-5)
Amended B-17 - 2-24-2009
Amended B-17 - 6-26-2012
Amended B-17 - 8-8-2017
Amended B-17 - 9-10-2019
Amended B-17 - 11-14-2023
Amended B-17 – 12-9-2025

Exhibit G

Newport Beach Council Policy D-1

MEDIA RELATIONS

Purpose

A continuing responsibility of the City of Newport Beach is to provide timely, accurate and factual information to residents, businesses and visitors. To meet that responsibility, the City must work in partnership with the news media. To ensure that the City communicates effectively with media representatives, the following procedures shall be followed and adhered to by all City employees, consultants, and members of boards, commissions, and committees.

A. Print and Broadcast Media Spokespersons

1. Designated Spokespersons

The City Manager, City Attorney, Assistant City Manager, Assistant City Attorney, Department Directors, Public Information Manager, Fire or Police Public Information Officers, designated departmental representatives (such as on-duty Watch Commander), or City Manager designee, may handle routine requests from the media that are within their area of expertise. Except to the extent authorized by Council Policy or law, no other persons may disseminate official information on behalf of the City, and should refer the reporter to the Department Director, Public Information Office or designated department representative.

2. Potential Controversial Issues

The City Manager, City Attorney, Assistant City Manager, Assistant City Attorney, and Department Directors may address questions from the media on sensitive issues relating to their area of expertise, including topics that may affect City policy and/or matters that may ultimately result in Council action.

B. Release of Information

1. Approval

News releases shall be prepared and routed to the Public Information Office for review before they are released to the media. The City Manager or Assistant City Manager will have final approval on all news releases except announcements regarding special events and routine activities.

Exception. Fire and Police responses to emergencies in the community may be reported directly to the media by a designated department spokesperson with the approval of the Fire or Police Chief or their designee.

Investigations and routine community relations activities may also be reported directly to the media by the designated Fire or Police Department spokespersons. All news releases should also be copied to the City Manager and the City's Public Information Office.

2. Format

All City representatives shall use standard City of Newport Beach news release stationery and follow City news release format and writing style to distribute information to the media. Electronic distribution of news releases shall utilize City email addresses, and where applicable, City Digital Communication Platforms as defined in City Council Policy D-5. News releases shall include the name of and contact information for the designated spokesperson to contact for additional information. Personal stationery, personal email addresses, and personal Digital Communication Platforms shall not be utilized for the dissemination of official news releases.

3. City Council Notification

All news releases shall be distributed to the Mayor and members of the City Council prior to release to the media if practical, or immediately thereafter.

4. Staff Notification

All information – written or spoken – released to the media by a member of the City staff will be immediately communicated via e-mail to the City Manager, appropriate Department Head and Public Information Office. The e-mail should contain a brief synopsis of the information communicated, the name and phone number of the person interviewed, the reporter's name, the name of the media outlet, and when the story is expected to appear.

5. Release of Reports

Reports prepared by City staff for submission to the City Council shall be made available to the media or the general public at the same time as the agenda packets are delivered to the City Council.

6. Confidential Information

News Releases shall not contain information, which is confidential pursuant to provisions of state or federal statutory or decisional law, or which has been received by the City pursuant to a representation of confidentiality. Documents or information exempt from disclosure pursuant to provisions of the California Public Records Act shall not be contained in any news release without City Attorney approval. No City representative will release public information contrary to the provisions of the California Public Records Act, the Brown Act, the California Penal Code, cases interpreting those statutes, or City of Newport Beach policy. Any questions related to Public Records Act requests should be directed to the City Clerk's Office and the City Attorney's Office.

C. Guidelines

1. Litigation, Personnel, Election Issues

Due to legal and privacy concerns, any request for information related to litigation, personnel or election issues must be handled by the appropriate department. This information includes: private employee information, employee disciplinary actions, matters considered in closed sessions of City Council, certain law enforcement records, certain Fire and EMS records, matters related to internal and external security, privileged communication records and work products of the City Attorney or special legal counsel, draft correspondence or documents, and records pertaining to litigation where the City is a party.

- Media inquiries regarding pending or ongoing litigation should be referred to the City Attorney's Office.

- Questions regarding personnel issues or matters should be referred to the Administrative Services Department.

- Any inquiries regarding election or campaign issues should be referred to the City Clerk's Office.

In all cases, especially if there is any question as to which department should respond to the inquiry, the department should notify the City Manager and the Public Information Office about the inquiry.

2. Personal Points of View

City employees and consultants and members of boards, committees and commissions (BCC) have a right to their personal points of view and the freedom to express their opinions. Any City employee, consultant or BCC member that identifies themselves as an employee, consultant or BCC member of the City of Newport Beach must indicate that said opinions do not represent those of the City, but are the City employee's, consultant's, or BCC member's personal opinions (*i.e.*, views expressed are my own). In addition, media contact made as a private citizen may not be communicated or prepared on City time, stationery, equipment or in any way at City expense.

3. General or Routine Media Requests (events, meetings, etc.)

Routine media requests may be handled by any employee if the information provided is of a factual, incidental or inconsequential nature such as confirming a meeting time or providing scheduling, location or other routine information about a City event or activity.

4. City-initiated Media Contacts/Information Distribution

Proactive media contacts should be made by the Public Information Manager (or the City Manager's designee) or the Police and Fire Public Information Officers. This includes issuing news releases and media advisories and making proactive, personal contact with news reporters or editors requesting coverage. All staff, including the designated spokespersons identified in Section A-1 of this policy, must work through the Public Information Office or the Police and Fire Public Information Officers in initiating media contact.

5. Errors in Reporting

Reporting errors should be brought to the attention of the Public Information Office. The Public Information Manager, in conjunction with the City Manager or the appropriate Department Head, will determine if the reporter should be contacted about the error.

6. Crisis or Emergency Issues

During a crisis or an emergency as defined in Newport Beach Municipal Code Section 2.20.020, or any successor section, all media relations will follow the guidelines specified in the City's emergency operations plan.

[Attachment - Exhibit A]

History
Adopted G-3 – 11-23-1992
Amended G-3 – 1-24-1994 (changed to D-1)
Amended D-1 – 2-26-1996
Amended D-1 – 4-23-2002
Amended D-1 – 10-14-2008
Amended D-1 – 8-8-2017
Amended D-1 – 5-14-2024
Amended D-1 – 12-9-2025

CITY OF
NEWPORT BEACH

NEWS RELEASE
Date

Contact: Name
Title
Phone
Email

Headline Goes Here

NEWPORT BEACH, Ca. – News release content goes here.

###

Exhibit H –

Newport Beach Council Policy D-4

CITY OF NEWPORT BEACH INNOVATION/IMPROVEMENT INCENTIVE PROGRAM

Purpose

To establish a method for employees to submit suggestions to improve City business practices. The objective of the program is to achieve efficiencies in City operations by providing employees an opportunity and incentive to contribute their ideas. Ideas resulting in measurable cost savings, increased efficiency or increased revenue to the City will be given priority over intangible suggestions.

Policy

Review Committee. The City Manager's Office shall designate an Innovation/Improvement Incentive Program coordinator in addition to a five member review committee made up of three members of the management team, and one standing advisory member from both the City Manager's Office and Administrative Services Department. The review board will review each idea submitted.

Application Period. Employee suggestions will be accepted by the Innovation/ Improvement Incentive Program coordinator year-round.

Submittal and Review. Procedure Employee suggestions will be submitted on the IIIP form to their Department Director for signature. Once approved by the Department Director, the form is forwarded to the Innovation/Improvement Incentive Program coordinator. All ideas will be acknowledged upon receipt. The Innovation/Improvement Incentive Program Committee will forward a copy of any approved idea to the appropriate department(s) for evaluation. After review by the affected department(s), a written response signed by the department director(s) shall be returned to the Innovation/Improvement Incentive Program Committee with a recommendation. The affected department(s) shall provide a summary of projected cost or operational benefit to the City for suggestions recommended for adoption. The committee will make a determination to adopt, reject or defer the matter for further investigation. The decision of the committee shall be communicated directly to the employee. If the committee adopts the suggestion, a pilot study may be conducted to determine the actual savings/revenue or cost avoidance.

Employee Award Eligibility. All current City of Newport Beach full time and part time employees, actively in the workplace, are eligible to receive awards with the exception of Department Directors, members of the City Council, members of appointed advisory boards or commissions, and members of the Innovation/Improvement Incentive Program Committee.

Subject Matter Eligibility. All areas of activity within the City of Newport Beach are eligible for Innovation/Improvement Incentive Program submission with the following exceptions:

A. Personnel grievances

B. Matters within the scope of collective bargaining

C. Suggestions awarded in the prior three years

D. Matters that are a result of assigned or contracted audits, studies, surveys, review, or other research projects

E. Enforcement of existing federal, state, or local rules, regulations and laws including printed City policies, rules and procedures

F. Recommendations for purchase or replacement of parts from a different source at a lesser price

G. Suggestions that would result in increased fees or costs to the City of Newport Beach residents

H. Matters which are considered part of the normal job duties of the employee

Time Period Eligibility. Any employee who submits a suggestion retains the right to any award during the period of time that the suggestion is being evaluated, plus an additional twelve months from the date of notification that the idea was rejected or deferred for further investigation.

Criteria for Judging Suggestions. Suggestions that result in one of the following outcomes will have the greatest likelihood of adoption:

A. Measurable Cost Savings

B. Improved Customer Service

C. Increased Efficiency

D. Improved Work Environment

E. Improved Safety and Health

F. Increased Employee Morale

Awards. If a suggestion is adopted, the amount of the award will depend on whether the idea is one which results in tangible or intangible savings as determined by the committee. Suggestions involving work environment, employee morale, customer service or safety may fall in the intangible category.

Tangible Suggestion. Awards are given for implemented suggestions for which monetary savings can be precisely determined. Cost avoidance awards are given for suggestions that are implemented that reduce time required for an existing process or avoid future cost increases without reducing current level of service. The amount of these awards is 1% of savings or avoided costs capped at $1,000.

Intangible Suggestion. Awards are given for suggestions implemented which improve customer service, work environment, result in a change in procedures, revision of forms, or improvement in employee morale, health or safety. The minimum award for recognition of these suggestions should have a minimum value of $25 with a maximum not to exceed $500.

Group Suggestion. Awards for a suggestion presented by a group of employees shall be determined on the same basis as if the suggestion had been submitted by one employee. The amount of the award shall be equally divided among those employees submitting the suggestion.

Special Awards. The City Manager, upon recommendation of the Innovation/Improvement Incentive Program Committee, may determine a special award for a submitted suggestion. Special awards will be considered only for unusual suggestions that result in superior savings, and/or innovative safety or customer service improvements.

Decision of the City Shall Be Final. The decision by the Innovation/Improvement Incentive Program Committee, the City Manager or the City Council regarding any action governed by this policy shall be at the sole discretion of such decision making authority and shall be final and binding. Nothing contained in this policy shall be deemed to create any contract or other legally binding obligation upon the City to adopt any suggestion submitted. Submittal of a suggestion shall constitute a waiver of all claims against the City with regard to such idea and an agreement by the employee to be bound by the decision of the City.

History

Adopted J-3 - 1-24-1994
Amended J-3 - 3-22-1999 (changed to D-4)
Amended D-4 - 5-14-2013
Amended D-4 - 5-12-2015
Amended D-4 - 12-9-2025

Exhibit I

Newport Beach Council Policy E-1

PUBLIC RECORDS ACT POLICY

PURPOSE

The purpose of this policy is to ensure a prompt and appropriate response to all Public Records Act ("PRA") requests.

POLICY

This Policy applies to all requests for City of Newport Beach ("City") records pursuant to provisions of the PRA found in Sections 7920.000 *et. seq.* of the Government Code of the State of California. The PRA applies to records that are paper (hard copy) or electronic (computerized) prepared, owned, used, or retained by the City. Generally, the PRA requires disclosure of City records within ten (10) calendar days unless there is a statutory basis for non-disclosure, "unusual circumstances" justify an extension of time, or the City determines that the public interest in non-disclosure significantly outweighs the public interest in disclosure.

To facilitate a prompt and appropriate response, all PRA requests shall be processed as follows:

A. Each Department Director shall designate one (1) staff member, and one (1) alternate staff member to serve as the PRA representatives for their department ("PRA Staff"). The City Clerk shall maintain a list of PRA Staff. Department Directors shall periodically review the PRA Staff list to ensure it contains the most current information.

B. Any City employee, officer, or Department Director (collectively, "Employee(s)") receiving a written PRA request for City records shall, on the day of receipt, deliver a copy of the request to their respective PRA Staff.

C. Any Employee receiving a verbal PRA request for City records should ask the requester to confirm the request in writing and, if the requester declines, prepare a written record of the request. The Employee shall then deliver a copy of the request to their respective PRA Staff on the day of receipt.

D. Requests for City records must sufficiently describe the records sought so that identification, location and retrieval can be accomplished. When a request to inspect/copy a City record is received, and the request does not describe a

reasonably identifiable record, Employees are responsible to assist the requesting party as reasonably necessary to identify the records they are seeking.

E. City records may be inspected at any time during regular office hours. However, as a practical matter, the City may need to locate the requested records, gather multiple records, or redact exempt information prior to inspection. As soon as possible but not more than two (2) business days after receiving a request for a City record, PRA Staff shall review the request and proceed as follows:

1. If the request seeks a City record that is easily identifiable, locatable, and disclosable (e.g., contracts, staff reports, City Council Policies, etc.), PRA Staff shall respond directly to the requester with the City record(s) sought; or

2. If the request seeks a City record that is not easily identifiable, that relates to pending or anticipated litigation, involves multiple departments, requires more than two (2) business days to compile responsive documents, is not disclosable (e.g., personnel records, legal correspondence, confidential informant information, etc.), or raises a question as to whether the record is disclosable, the request shall be forwarded to the City Clerk's PRA Staff, with a "cc" to the City Attorney's PRA Staff.

F. Within two (2) business days of receiving a request from PRA Staff, the City Clerk or his/her designee shall review the request and proceed as follows:

1. If the request seeks a City record that is retained by the City Clerk's Office the City Clerk or his/her designee shall respond directly to the requester with the City record(s) sought; or

2. If the request seeks City records retained by a department or multiple departments the City Clerk or his/her designee shall forward the request to the responsible PRA Staff within each department with directions on how to proceed. The City Clerk or his/her designee may designate one (1) department's PRA Staff as the lead department to respond to the request or may retain lead responsibility for a response within the City Clerk's Office, in which case the City Clerk's Office will gather all responsive documents and respond directly to the requester with the City records sought. If a department's PRA Staff is designated with lead responsibility the department shall gather all responsive City records from its own department and other departments, if any, and shall respond directly to the requestor with the City record(s) sought; or

3. If the request seeks City records that relate to pending or anticipated litigation, City records that may not be disclosable, or City records that raise a legal question, the City Clerk or his/her designee shall contact the City Attorney's Office for assistance.

G. The City Attorney's Office is available to assist the City Clerk's Office with any questions or issues that may arise regarding a PRA request. The City Attorney's Office shall evaluate all record requests referred by the City Clerk's Office and recommend an appropriate response.

H. All PRA requests shall be responded to within ten (10) calendar days after the request is received by the City unless "unusual circumstances", as defined in California Government Code Section 7922.535(c) or any successor statute, require additional time not exceeding fourteen (14) calendar days. The City Attorney's Office shall be copied on all written requests for additional time.

I. Once a request is made to inspect a City record and the records identified are located in the electronic communication system, the Employee having control of the electronic communication shall use his/her best efforts, to temporarily preserve the record until it is determined if the record is subject to preservation, public inspection, or production.

J. All PRA requests for electronic communications should be handled in accordance with this Policy, and departmental policy and direction. All electronic communications that constitute an identifiable City record and that are not privileged or exempt from disclosure shall be disclosed in compliance with the applicable provisions of the PRA.

K. The City is obligated to produce disclosable City records upon payment of fees covering direct costs of duplication or a statutory fee, if applicable (a fee is not applicable to a request to inspect documents). The City is not entitled to recover costs associated with searching for or retrieving the record unless specifically authorized by State law. The requestor should be referred to the Administrative Services Department for payment of the costs of duplication prior to release of the records.

L. An Employee is authorized not to disclose City records pursuant to a PRA request when:

1. The request does not reasonably describe an identifiable record after the City makes a reasonable effort to elicit additional clarifying information to help identify the record(s);

2. The request requires the City to compile data, perform research or create new records not currently in existence;

3. The request seeks records which are privileged or exempt from disclosure; or

4. The request seeks records that cannot be reasonably separated from records which are exempt from disclosure.

Any questions related to the applicability of a particular exemption shall be referred to the City Clerk's Office and, if necessary, the City Clerk's Office will refer the question to the City Attorney's Office (e.g., a request for a document regarding a City Council communication, etc.). Any legal questions regarding a request may be referred directly to the City Attorney's Office.

M. The City Clerk, with assistance from the City Attorney, will monitor compliance with this Policy and State law regulating the PRA.

History

Adopted E-1 - 1-24-1994
Amended E-1 - 4-23-2002
Amended E1 - 1-24-2012
Amended E1 - 8-8-2017
Amended E1 - 1-10-2023
Amended E1 – 12-9-2025

Exhibit J

Newport Beach Council Policy F-1

STATEMENT OF INVESTMENT POLICY

Purpose

The City Council has adopted this Investment Policy (the Policy) in order to establish the scope of the investment policy, investment objectives, standards of care, authorized investments, investment parameters, reporting, investment policy compliance and adoption, and the safekeeping and custody of assets.

This Policy is organized in the following sections:

A. Scope of Investment Policy
   1. Pooling of Funds
   2. Funds Included in the Policy
   3. Funds Excluded from the Policy
B. Investment Objectives
   1. Safety
   2. Liquidity
   3. Yield
C. Standards of Care
   1. Prudence
   2. Ethics and Conflicts of Interest
   3. Delegation of Authority
   4. Internal Controls
D. Banking Services
E. Broker/Dealers
F. Safekeeping and Custody of Assets
G. Authorized Investments
   1. Investments Specifically Permitted
   2. Investments Specifically Not Permitted
   3. Exceptions to Prohibited and Restricted Investments
H. Investment Parameters
   1. Diversification
   2. Maximum Maturities
   3. Credit Quality
   4. Competitive Transactions
I. Portfolio Performance
J. Reporting
K. Investment Policy Compliance and Adoption
   1. Compliance
   2. Adoption

A. SCOPE OF INVESTMENT POLICY

1. Pooling of Funds

   All cash shall be pooled for investment purposes. The investment income derived from the pooled investment shall be allocated to the contributing funds, net of all banking and investing expenses, based upon the proportion of the respective average balances relative to the total pooled balance. Investment income shall be distributed to the individual funds not less than annually.

2. Funds Included in the Policy

   The provisions of this Policy shall apply to all financial assets of the City as accounted for in the City's Comprehensive Annual Financial Report, including;

   a) General Fund
   b) Special Revenue Funds
   c) Capital Project Funds
   d) Enterprise Funds
   e) Internal Service Funds
   f) Trust and Agency Funds
   g) Permanent Endowment Funds
   h) Any new fund created unless specifically exempted

   If the City invests funds on behalf of another agency and, if that agency does not have its own investment policy, this Policy shall govern the agency's investments.

3. Funds Excluded from the Policy

   Bond Proceeds – Investment of bond proceeds will be made in accordance with applicable bond indentures.

B. INVESTMENT OBJECTIVES

The City's funds shall be invested in accordance with all applicable City policies and codes, State statutes, and Federal regulations, and in a manner designed to accomplish the following objectives, which are listed in priority order:

1. Safety

   Preservation of principal is the foremost objective of the investment program. Investments of the City shall be undertaken in a manner that

seeks to ensure the preservation of capital in the overall portfolio. The objective shall be to mitigate credit risk and interest rate risk. To attain this objective, the City shall diversify its investments by investing funds among several financial institutions and a variety of securities offering independent returns.

a) Credit Risk

The City shall minimize credit risk, the risk of loss due to the failure of the security issuer or backer, by:

- Limiting investments in securities that have higher credit risks, pre-qualifying the financial institutions, broker/dealers, intermediaries, and advisors with which the City will do business
- Diversifying the investment portfolio so as to minimize the impact any one industry/investment class can have on the portfolio

b) Interest Rate Risk

To minimize the negative impact of material changes in the market value of securities in the portfolio, the City shall:

- Structure the investment portfolio so that securities mature concurrent with cash needs to meet anticipated demands, thereby avoiding the need to sell securities on the open market prior to maturity
- Invest in securities of varying maturities

2. Liquidity

The City's investment portfolio shall remain sufficiently liquid to enable the City to meet all operating requirements which might be reasonably anticipated without requiring a sale of securities. Since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets. A portion of the portfolio also may be placed in money market mutual funds or LAIF which offer same-day liquidity for short-term funds.

3. Yield

The City's investment portfolio shall be designed with the objective of attaining a benchmark rate of return throughout budgetary and economic cycles, commensurate with the City's investment risk constraints and the

liquidity characteristics of the portfolio. Return on investment is of secondary importance compared to the safety and liquidity objectives described above. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed.

C. STANDARDS OF CARE

1. Prudence

The standard of prudence to be used for managing the City's investment program is California Government Code Section 53600.3, the prudent investor standard, which states that "when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency."

The City's overall investment program shall be designed and managed with a degree of professionalism that is worthy of the public trust. The City recognizes that no investment is totally without risk and that the investment activities of the City are a matter of public record. Accordingly, the City recognizes that occasional measured losses may occur in a diversified portfolio and shall be considered within the context of the overall portfolio's return, provided that adequate diversification has been implemented and that the sale of a security is in the best long-term interest of the City.

The Administrative Services Director and authorized investment personnel acting in accordance with established procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that deviations from expectations are reported in a timely fashion to the City Council and appropriate action is taken to control adverse developments.

2. Ethics and Conflicts of Interest

Elected officials and employees involved in the investment process shall refrain from personal business activity that could conflict with proper

execution of the City's investment program or could impair or create the appearance of an impairment of their ability to make impartial investment decisions. Employees and investment officials shall subordinate their personal investment transactions to those of the City. In addition, City Council members, the City Manager, and the Administrative Services Director shall file a Statement of Economic Interests each year as required by California Government Code Section 87203 and regulations of the Fair Political Practices Commission.

3. Delegation of Authority

Authority to manage the City's investment program is derived from the Charter of the City of Newport Beach section 605 (j). The Administrative Services Director shall assume the title of and act as City Treasurer and with the approval of the City Manager appoint deputies annually as necessary to act under the provisions of any law requiring or permitting action by the City Treasurer. The Administrative Services Director may then delegate the authority to conduct investment transactions and to manage the operation of the investment portfolio to other specifically authorized staff members. No person may engage in an investment transaction except as expressly provided under the terms of this Policy.

The City may engage the support services of outside investment advisors with respect to its investment program, so long as it can be demonstrated that these services produce a net financial advantage or necessary financial protection of the City's financial resources. Such companies must be registered under the Investment Advisors Act of 1940, be well-established and exceptionally reputable. Members of the staff of such companies who will have primary responsibility for managing the City's investments must have a working familiarity with the special requirements and constraints of investing municipal funds in general and this City's funds in particular. These firms must insure that the portion of the portfolio under their management complies with various concentration and other constraints specified herein, and contractually agree to conform to all provisions of governing law and the collateralization and other requirements of this Policy. Selection and retention of broker/dealers by investment advisors shall be at their sole discretion and dependent upon selection and retention criteria as stated in the Uniform Application for Investment Advisor Registration and related Amendments (SEC Form ADV 2A).

4. Internal Controls

The Administrative Services Director is responsible for establishing and maintaining a system of internal controls. The internal controls shall be designed to prevent losses of public funds arising from fraud, employee error, and misrepresentation by third parties, unanticipated changes in financial markets, or imprudent action by City employees and officers. The internal structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

D. BANKING SERVICES

Banking services for the City shall be provided by FDIC insured banks approved to provide depository and other banking services. To be eligible, a bank shall qualify as a depository of public funds in the State of California as defined in California Government Code Section 53630.5 and shall secure deposits in excess of FDIC insurance coverage in accordance with California Government Code Section 53652.

E. BROKER/DEALERS

In the event that an investment advisor is not used to purchase securities, the City will select broker/dealers on the basis of their expertise in public cash management and their ability to provide service to the City's account.

Each approved broker/dealer must possess an authorizing certificate from the California Commissioner of Corporations as required by Section 25210 of the California Corporations Code.

To be eligible, a firm must meet at least one of the following criteria:

1. Be recognized as Primary Dealers by the Federal Reserve Bank of New York or have a primary dealer within their holding company structure, or
2. Report voluntarily to the Federal Reserve Bank of New York, or
3. Qualify under Securities and Exchange Commission (SEC) Rule 15c3-1 (Uniform Net Capital Rule).

F. SAFEKEEPING AND CUSTODY OF ASSETS

The Administrative Services Director shall select one or more banks to provide safekeeping and custodial services for the City. A Safekeeping Agreement approved by the City shall be executed with each custodian bank prior to utilizing that bank's safekeeping services.

Custodian banks will be selected on the basis of their ability to provide services for the City's account and the competitive pricing of their safekeeping related services.

The purchase and sale of securities and repurchase agreement transactions shall be settled on a delivery versus payment basis. All securities shall be perfected in the name of the City. Sufficient evidence to title shall be consistent with modern investment, banking and commercial practices.

All investment securities, except non-negotiable Certificates of Deposit, Money Market Funds and local government investment pools, purchased by the City will be delivered by book entry and will be held in third-party safekeeping by a City approved custodian bank, its correspondent bank or its Depository Trust Company (DTC) participant account.

All Fed wireable book entry securities owned by the City shall be held in the Federal Reserve system in a customer account for the custodian bank which will name the City as "customer."

All DTC eligible securities shall be held in the custodian bank's DTC participant account and the custodian bank shall provide evidence that the securities are held for the City as "customer."

G. AUTHORIZED INVESTMENTS

All investments and deposits of the City shall be made in accordance with California Government Code Sections 16429.1, 53600-53609 and 53630-53686. Any revisions or extensions of these code sections will be assumed to be part of this Policy immediately upon being enacted. The City has further restricted the eligible types of securities and transactions. The foregoing list of authorized securities and transactions shall be strictly interpreted. Any deviation from this list must be pre-approved by resolution of the City Council. In the event an apparent discrepancy is found between this Policy and the Government Code, the more restrictive parameter(s) will take precedence.

Where this section specifies a percentage limitation or minimum credit rating for a particular security type, that percentage or credit rating minimum is applicable only at the date of purchase.

1. Investments Specifically Permitted

a) United States Treasury bills, notes, or bonds with a final maturity not exceeding five years from the date of trade settlement. There is no limitation as to the percentage of the City's portfolio that may be invested in this category.

b) Federal Instrumentality (government-sponsored enterprise) debentures, discount notes, callable and step-up securities, with a final maturity not exceeding five years from the date of trade settlement. There is no limitation as to the percentage of the portfolio that can be invested in this category. No more than thirty percent (30%) of the portfolio may be invested in any single Federal Instrumentality/GSE issuer. The maximum percentage of callable Federal Instrumentality/GSE securities in the portfolio will be twenty percent (20%).

c) Federal Agency Obligations for which the full faith and credit of the United States are pledged for the payment of principal and interest and which have a final maturity not exceeding five years from the date of trade settlement. There is no limitation as to the percentage of the portfolio that can be invested in this category.

d) Mortgage-backed Securities, Collateralized Mortgage Obligation (CMO) and Asset-backed Securities from issuers not defined sections a, b and c of the Investments Specifically Permitted section of this investment policy are limited to bonds with a final maturity not exceeding five years from the date of trade settlement. The security itself shall be rated at least "AAA" or the equivalent by an NRSRO. No more than five percent (5%) of the City's total portfolio shall be invested in any one issuer of mortgage-backed and asset-backed securities listed above, and the aggregate investment in mortgage-backed and asset-backed securities shall not exceed twenty percent (20%) of the City's total portfolio.

e) Medium-Term Notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States, with a final maturity not exceeding five years from the date of trade settlement, and rated in at least the "A" category or the equivalent by an NRSRO. No more than five percent (5%) of the City's total portfolio shall be invested in any one issuer of medium-term notes, and the aggregate investment in medium-term notes shall not exceed thirty percent (30%) of the City's total portfolio.

f) Municipal Bonds including bonds issued by the City of Newport Beach, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the City or by a department, board, agency, or authority of the City.

State of California registered warrants or treasury notes or bonds, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the state or by a department, board, agency, or authority of the state.

Registered treasury notes or bonds of any of the other 49 states in addition to California, including bonds payable solely out of the revenues from a revenue producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 states, in addition to California.

Bonds, notes, warrants, or other evidences of indebtedness of a local agency within California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by the local agency, or by a department, board, agency, or authority of the local agency.

In addition, these securities must be rated in at least the "A" category or the equivalent by a NRSRO with maturities not exceeding five years from the date of trade settlement. No more than five percent (5%) of the City's total portfolio shall be invested in any one municipal issuer. In addition, the aggregate investment in municipal bonds may not exceed thirty percent (30%) of the portfolio.

g) Non-negotiable Certificates of Deposit and savings deposits with a maturity not exceeding two years from the date of trade settlement, in FDIC insured state or nationally chartered banks or savings banks that qualify as a depository of public funds in the State of California as defined in California Government Code Section 53630.5. Deposits exceeding the FDIC insured amount shall be secured pursuant to California Government Code Section 53652. No one issuer shall exceed more than five percent (5%) of the portfolio, and investment in negotiable and nonnegotiable certificates of deposit shall be limited to thirty percent (30%) of the portfolio combined.

h) Negotiable Certificates of Deposit only with a nationally or state-chartered bank, a savings association or a federal association (as defined by Section 5102 of the Financial Code), a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank whose senior long-term debt is rated in at least the "A" category, or the equivalent, or short-term debt is rated at least "A-1" or the equivalent by an NRSRO and having assets in excess of $10 billion, so as to ensure security and a large, well-established secondary market. Ease of subsequent marketability should be further ascertained prior to initial investment by examining currently quoted bids by primary dealers and the acceptability of the issuer by these dealers. No one issuer shall exceed more than five percent (5%) of the portfolio, and maturity shall not exceed two years. Investment in negotiable and non- negotiable certificates of deposit shall be limited to thirty percent (30%) of the portfolio combined.

i) Prime Commercial Paper with a maturity not exceeding 270 days from the date of trade settlement that is rated "A-1", or the equivalent, by an NRSRO. The entity that issues the commercial paper shall meet all of the following conditions in either sub- paragraph i. or sub-paragraph ii. below:

i. The entity shall (1) be organized and operating in the United States as a general corporation, (2) have total assets in excess of $500,000,000 and (3) have debt other than commercial

paper, if any, that is rated in at least the "A" category or the equivalent by an NRSRO.

ii. The entity shall (1) be organized within the United States as a special purpose corporation, trust, or limited liability company, (2) have program wide credit enhancements, including, but not limited to, over collateralization, letters of credit or surety bond and (3) have commercial paper that is rated at least "A-1" or the equivalent, by an NRSRO.

iii. No more than five percent (5%) of the City's total portfolio shall be invested in the commercial paper of any one issuer, and the aggregate investment in commercial paper shall not exceed twenty-five percent (25%) of the City's total portfolio. Under a provision sunsetting on January 1, 2026, no more than forty percent (40%) of the portfolio may be invested in commercial paper if the City's assets under management are greater than $100,000,000.

j) Eligible Banker's Acceptances with a maturity not exceeding 180 days from the date of trade settlement, drawn on and accepted by a commercial bank whose senior long-term debt is rated in at least the "A" category or the equivalent by an NRSRO at the time of purchase. Banker's Acceptances shall be rated at least "A-1", or the equivalent at the time of purchase by an NRSRO. If the bank has senior debt outstanding, it must be rated in at least the "A" category or the equivalent by an NRSRO. The aggregate investment in banker's acceptances shall not exceed forty percent (40%) of the City's total portfolio, and no more than five percent (5%) of the City's total portfolio shall be invested in banker's acceptances of any one bank.

k) Repurchase Agreements and Reverse Repurchase Agreements with a final termination date not exceeding 30 days collateralized by U.S. Treasury obligations or Federal Instrumentality securities listed in items 1 and 2 above with the maturity of the collateral not exceeding ten years. For the purpose of this section, the term collateral shall mean purchased securities under the terms of the City's approved Master Repurchase Agreement. The purchased securities shall have a minimum market value including accrued interest of one hundred and two percent (102%) of the dollar value of the funds borrowed.

Collateral shall be held in the City's custodian bank, as safekeeping agent, and the market value of the collateral securities shall be marked-to-the-market daily.

Repurchase Agreements and Reverse Repurchase Agreements shall be entered into only with broker/dealers and who are recognized as Primary Dealers with the Federal Reserve Bank of New York, or with firms that have a Primary Dealer within their holding company structure. Primary Dealers approved as Repurchase Agreement counterparties shall have a short-term credit rating of at least "A-1" or the equivalent and a long-term credit rating of at least "A" or the equivalent. Repurchase agreement counterparties shall execute a City approved Master Repurchase Agreement with the City. The Administrative Services Director shall maintain a copy of the City's approved Master Repurchase Agreement and a list of the broker/dealers who have executed same.

In addition, the City must own assets for more than 30 days before they can be used as collateral for a reverse repurchase agreement. No more than ten percent (10%) of the portfolio can be involved in reverse repurchase agreements.

l) State of California's Local Agency Investment Fund (LAIF), pursuant to California Government Code Section 16429.1.

m) California Asset Management Trust Cash Reserve Portfolio (CAMP): Investments in CAMP shall not exceed the same maximum limit established for LAIF.

n) Mutual Funds and Money Market Mutual Funds registered under the Investment Company Act of 1940, provided that:

i. MUTUAL FUNDS that invest in the securities and obligations as authorized under California Government Code, Section 53601 (a) to (k) and (m) to (q) inclusive and that meet either of the following criteria:

1) Attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or

2) Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations authorized by California Government Code, Section 53601 and with assets under management in excess of $500 million.

3) No more than 10% of the total portfolio may be invested in shares of any one mutual fund.

ii. MONEY MARKET MUTUAL FUNDS registered with the Securities and Exchange Commission under the Investment Company Act of 1940 and issued by diversified management companies and meet either of the following criteria:

1) Have attained the highest ranking or the highest letter and numerical rating provided by not less than two (2) NRSROs; or

2) Have retained an investment adviser registered or exempt from registration with the Securities and Exchange Commission with not less than five years' experience managing money market mutual funds with assets under management in excess of $500 million.

3) No more than 20% of the total portfolio may be invested in Money Market Mutual Funds.

iii. No more than 20% of the total portfolio may be invested in these securities.

o) Supranationals which are United States dollar denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by the International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC), or Inter-American Development Bank (IADB), with a maximum

remaining maturity of five years or less from the date of trade settlement, and eligible for purchase and sale within the United States. Investments under this paragraph shall be rated in the "AA" category, its equivalent, or better by at least one NRSRO.

No more than ten percent (10%) of the City's total portfolio shall be invested in any one issuer of supranational obligations. Purchases of supranational obligations shall not exceed twenty percent (20%) of the investment portfolio of the City.

2. Investments Specifically Not Permitted

Any security type or structure not specifically approved by this policy is hereby prohibited. Security types, which are thereby prohibited include, but are not limited to: "exotic" derivative structures such as range notes, dual index notes, inverse floating rate notes, leveraged or de-leveraged floating rate notes, interest only strips that are derived from a pool of mortgages and any security that could result in zero interest accrual if held to maturity, or any other complex variable or structured note with an unusually high degree of volatility risk.

Under a provision sunsetting on January 1, 2026, securities backed by the U.S. Government that could result in a zero or negative interest accrual if held to maturity are permitted.

The City shall not invest funds with the Orange County Pool.

The purchase of a security with a forward settlement date exceeding 45 days from the time of the investment is prohibited.

3. Exceptions to Prohibited and Restricted Investments

The City shall not be required to sell securities prohibited or restricted in this policy, or any future policies, or prohibited or restricted by new State regulations, if purchased prior to their prohibition and/or restriction. Insofar as these securities provided no notable credit risk to the City, holding of these securities until maturity is approved. At maturity or liquidation, such monies shall be reinvested as provided by this policy.

H. INVESTMENT PARAMETERS

1. Diversification

The City shall diversify its investments to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions or maturities. As such, no more than five percent (5%) of the City's portfolio may be invested in the instruments of any one issuer, except governmental issuers, supranationals, investment pools, mutual funds and money market funds, or unless otherwise specified in this investment policy. This restriction does not apply to any type of Federal Instrumentality or Federal Agency Security listed in Sections G1 b and G1 c above. Nevertheless, the asset allocation in the investment portfolio should be flexible depending upon the outlook for the economy, the securities markets and the City's anticipated cash flow needs.

2. Maximum Maturities

To the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities. The City will not invest in securities maturing more than five years from the date of trade settlement, unless the City Council has by resolution granted authority to make such an investment at least three months prior to the date of investment.

3. Credit Quality

Each investment manager will monitor the credit quality of the securities in their respective portfolio. In the event a security held by the City is downgraded to a level below the requirements of this policy, making the security ineligible for additional purchases, the following steps will be taken:

- Any actions taken related to the downgrade by the investment manager will be communicated to the Administrative Services Director in a timely manner.
- If a decision is made to retain the security, the credit quality will be monitored and reported to the City Council.

4. Competitive Transactions

Investment advisors shall make best effort to price investment transactions on a competitive basis with broker/dealers selected consistent with their practices disclosed in form ADV 2A filed with the SEC. Where possible, at least three broker/dealers shall be contacted for each transaction and their bid or offering prices shall be recorded. If there is no other readily available competitive offering, the investment advisor shall make their best efforts to document quotations for comparable or alternative securities. If qualitative

characteristics of a transaction, including, but not limited to, complexity of the transaction, or sector expertise of the broker, prevent a competitive selection process, investment advisors shall use brokerage selection practices as described above.

I. PORTFOLIO PERFORMANCE

The investment portfolio shall be designed to attain a market rate of return throughout budgetary and economic cycles, taking into account prevailing market conditions, risk constraints for eligible securities, and cash flow requirements. The performance of the City's investments shall be compared to the total return of a benchmark that most closely corresponds to the portfolio's duration, universe of allowable securities, risk profile, and other relevant characteristics. When comparing the performance of the City's portfolio, its rate of return will be computed consistent with Global Investment Performance Standards (GIPS).

J. REPORTING

Monthly, the Administrative Services Director shall produce a treasury report of the investment portfolio balances, transactions, risk characteristics, earnings, and performance results of the City's investment portfolio available to City Council and the public on the City's Website. The report shall include the following information:

1. Investment type, issuer, date of maturity, par value and dollar amount invested in all securities, and investments and monies held by the City;
2. A description of the funds, investments and programs;
3. A market value as of the date of the report (or the most recent valuation as to assets not valued monthly) and the source of the valuation;
4. A statement of compliance with this Policy or an explanation for non-compliance.

K. INVESTMENT POLICY COMPLIANCE AND ADOPTION

1. Compliance

   Any deviation from the policy shall be reported to Finance Committee as soon as practical, but no later than the next scheduled Finance Committee meeting. Upon recommendation of the Finance Committee, the Administrative Service Director shall review deviations from policy with the City Council.

2. Adoption

The Administrative Services Director shall review the Investment Policy with the Finance Committee at least annually to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its relevance to current law and financial and economic trends.

The Administrative Services Director shall review the Investment Policy with City Council at a public meeting if there are changes recommended to the Investment Policy.

History

Adopted F-1 - 4-6-1959
Reaffirmed F-1 - 8-15-1966
Reaffirmed F-1 - 11-12-1968
Reaffirmed F-1 - 3-9-1970
Amended F-1 - 11-9-1970
Reaffirmed F-1 - 2-8-1971
Reaffirmed F-1 - 2-14-1972
Reaffirmed F-1 - 12-10-1973
Amended F-1 - 2-11-1974
Amended F-1 -2-9-1981
Amended F-1 -10-27-1986
Rewritten F-1 - 10-22-1990
Amended F-1 - 1-28-1991
Amended F-1 - 1-24-1994
Amended F-1 - 1-9-1995
Amended F-1 - 4-22-1996
Corrected F-1 - 1-27-1997
Amended F-1 - 2-24-1997
Amended F-1 - 5-26-1998
Reaffirmed F-1 - 3-22-1999
Reaffirmed F-1 - 3-14-2000
Amended and Reaffirmed F-1 - 5-8-2001
Amended and Reaffirmed F-1 - 4-23-2002
Amended and Reaffirmed F-1 - 4-8-2003
Amended and Reaffirmed F-1 - 4-13-2004
Amended and Reaffirmed F-1 - 9-13-2005
Amended F-1 - 8-11-2009
Amended and Reaffirmed F-1 - 8-10-2010
Amended and Reaffirmed F-1 - 9-28-2010
Reaffirmed F-1 - 6-28-2011
Amended and Reaffirmed F-1 - 10-9-2012
Amended F-1 - 8-13-2013
Amended F-1 - 9-8-2015
Amended F-1 - 3-28-2017
Amended F-1 - 1-28-2020
Amended F-1 - 9-28-2021
Amended F-1 - 10-10-2023
Amended F-1 - 4-9-2024
Amended F-1 - 10-22-2024
Amended F-1 - 12-9-2025

GLOSSARY OF INVESTMENT TERMS

AGENCIES. Shorthand market terminology for any obligation issued by *a government-sponsored entity (GSE)*, or a *federally related institution*. Most obligations of GSEs are not guaranteed by the full faith and credit of the US government. Examples are:

FFCB. The Federal Farm Credit Bank System provides credit and liquidity in the agricultural industry. FFCB issues discount notes and bonds.

FHLB. The Federal Home Loan Bank provides credit and liquidity in the housing market. FHLB issues discount notes and bonds.

FHLMC. Like FHLB, the Federal Home Loan Mortgage Corporation provides credit and liquidity in the housing market. FHLMC, also called "FreddieMac" issues discount notes, bonds and mortgage pass-through securities.

FNMA. Like FHLB and FreddieMac, the Federal National Mortgage Association was established to provide credit and liquidity in the housing market. FNMA, also known as "FannieMae," issues discount notes, bonds and mortgage pass-through securities.

GNMA. The Government National Mortgage Association, known as "GinnieMae," issues mortgage pass-through securities, which are guaranteed by the full faith and credit of the US Government.

PEFCO. The Private Export Funding Corporation assists exporters. Obligations of PEFCO are not guaranteed by the full faith and credit of the US government.

TVA. The Tennessee Valley Authority provides flood control and power and promotes development in portions of the Tennessee, Ohio, and Mississippi River valleys. TVA currently issues discount notes and bonds.

ASKED. The price at which a seller offers to sell a security.

ASSET BACKED SECURITIES. Securities supported by pools of installment loans or leases or by pools of revolving lines of credit.

AVERAGE LIFE. In mortgage-related investments, including CMOs, the average time to expected receipt of principal payments, weighted by the amount of principal expected.

BANKER'S ACCEPTANCE. A money market instrument created to facilitate international trade transactions. It is highly liquid and safe because the risk of the trade transaction is transferred to the bank which "accepts" the obligation to pay the investor.

BENCHMARK. A comparison security or portfolio. A performance benchmark is a partial market index, which reflects the mix of securities allowed under a specific investment policy.

BID. The price at which a buyer offers to buy a security.

BROKER. A broker brings buyers and sellers together for a transaction for which the broker receives a commission. A broker does not sell securities from his own position.

CALLABLE. A callable security gives the issuer the option to call it from the investor prior to its maturity. The main cause of a call is a decline in interest rates. If interest rates decline since an issuer issues securities, it will likely call its current securities and reissue them at a lower rate of interest. Callable securities have reinvestment risk as the investor may receive its principal back when interest rates are lower than when the investment was initially made.

CERTIFICATE OF DEPOSIT (CD). A time deposit with a specific maturity evidenced by a certificate. Large denomination CDs may be marketable.

CERTIFICATE OF DEPOSIT ACCOUNT REGISTRY SYSTEM (CDARS). A private placement service that allows local agencies to purchase more than $250,000 in CDs from a single financial institution (must be a participating institution of CDARS) while still maintaining FDIC insurance coverage. CDARS is currently the only entity providing this service. CDARS facilitates the trading of deposits between the California institution and other participating institutions in amounts that are less than $250,000 each, so that FDIC coverage is maintained.

COLLATERAL. Securities or cash pledged by a borrower to secure repayment of a loan or repurchase agreement. Also, securities pledged by a financial institution to secure deposits of public monies.

COLLATERALIZED MORTGAGE OBLIGATIONS (CMO). Classes of bonds that redistribute the cash flows of mortgage securities (and whole loans) to create securities that have different levels of prepayment risk, as compared to the underlying mortgage securities.

COMMERCIAL PAPER. The short-term unsecured debt of corporations.

COST YIELD. The annual income from an investment divided by the purchase cost. Because it does not give effect to premiums and discounts which may have been included in the purchase cost, it is an incomplete measure of return.

COUPON. The rate of return at which interest is paid on a bond.

CREDIT RISK. The risk that principal and/or interest on an investment will not be paid in a timely manner due to changes in the condition of the issuer.

CURRENT YIELD. The annual income from an investment divided by the current market value. Since the mathematical calculation relies on the current market value rather than the investor's cost, current yield is unrelated to the actual return the investor will earn if the security is held to maturity.

DEALER. A dealer acts as a principal in security transactions, selling securities from and buying securities for his own position.

DEBENTURE. A bond secured only by the general credit of the issuer.

DELIVERY VS. PAYMENT (DVP). A securities industry procedure whereby payment for a security must be made at the time the security is delivered to the purchaser's agent.

DERIVATIVE. Any security that has principal and/or interest payments which are subject to uncertainty (but not for reasons of default or credit risk) as to timing and/or amount, or any security which represents a component of another security which has been separated from other components ("Stripped" coupons and principal). A derivative is also defined as a financial instrument the value of which is totally or partially derived from the value of another instrument, interest rate, or index.

DISCOUNT. The difference between the par value of a bond and the cost of the bond, when the cost is below par. Some short-term securities, such as T-bills and banker's acceptances, are known as discount securities. They sell at a discount from par, and return the par value to the investor at maturity without additional interest. Other securities, which have fixed coupons, trade at a discount when the coupon rate is lower than the current market rate for securities of that maturity and/or quality.

DIVERSIFICATION. Dividing investment funds among a variety of investments to avoid excessive exposure to any one source of risk.

DURATION. The weighted average time to maturity of a bond where the weights are the present values of the future cash flows. Duration measures the price sensitivity of a bond to changes in interest rates. (See Modified Duration).

FEDERAL FUNDS RATE. The rate of interest charged by banks for short-term loans to other banks. The Federal Reserve Bank through open-market operations establishes it.

FEDERAL OPEN MARKET COMMITTEE. A committee of the Federal Reserve Board that establishes monetary policy and executes it through temporary and permanent changes to the supply of bank reserves.

LEVERAGE. Borrowing funds in order to invest in securities that have the potential to pay earnings at a rate higher than the cost of borrowing.

LIQUIDITY. The speed and ease with which an asset can be converted to cash.

LOCAL AGENCY INVESTMENT FUND (LAIF). A voluntary investment fund open to government entities and certain non-profit organizations in California that is managed by the State Treasurer's Office.

LOCAL GOVERNMENT INVESTMENT POOL. Investment pools that range from the State Treasurer's Office Local Agency Investment Fund (LAIF) to county pools, to Joint Powers Authorities (JPAs). These funds are not subject to the same SEC rules applicable to money market mutual funds.

MAKE WHOLE CALL. A type of call provision on a bond that allows the issuer to pay off the remaining debt early. Unlike a call option, with a make whole call provision, the issuer makes a lump sum payment that equals the net present value (NPV) of future coupon payments that will not be paid because of the call. With this type of call, an investor is compensated, or "made whole."

MARGIN. The difference between the market value of a security and the loan a broker makes using that security as collateral.

MARKET RISK. The risk that the value of securities will fluctuate with changes in overall market conditions or interest rates.

MARKET VALUE. The price at which a security can be traded.

MARKING TO MARKET. The process of posting current market values for securities in a portfolio.

MATURITY. The final date upon which the principal of a security becomes due and payable. An investment's term or remaining maturity is measured from the settlement date to final maturity.

MEDIUM TERM NOTES. Unsecured, investment-grade senior debt securities of major corporations which are sold in relatively small amounts on either a continuous or an intermittent basis. MTNs are highly flexible debt instruments that can be structured to respond to market opportunities or to investor preferences.

MODIFIED DURATION. The percent change in price for a 100 basis point change in yields. Modified duration is the best single measure of a portfolio's or security's exposure to market risk.

MONEY MARKET. The market in which short-term debt instruments (T-bills, discount notes, commercial paper, and banker's acceptances) are issued and traded.

MORTGAGE PASS-THROUGH SECURITIES. A securitized participation in the interest and principal cash flows from a specified pool of mortgages. Principal and interest payments made on the mortgages are passed through to the holder of the security.

MUNICIPAL SECURITIES. Securities issued by state and local agencies to finance capital and operating expenses.

MUTUAL FUND. An entity which pools the funds of investors and invests those funds in a set of securities which is specifically defined in the fund's prospectus. Mutual funds can be invested in various types of domestic and/or international stocks, bonds, and money market instruments, as set forth in the individual fund's prospectus. For most large, institutional investors, the costs associated with investing in mutual funds are higher than the investor can obtain through an individually managed portfolio.

NATIONALLY RECOGNIZED STATISTICAL RATING ORGANIZATION (NRSRO). A credit rating agency that the Securities and Exchange Commission in the United States uses for regulatory purposes. Credit rating agencies provide assessments of an investment's risk. The issuers of investments, especially debt securities, pay credit rating agencies to provide them with ratings. The three most prominent NRSROs are Fitch, S&P, and Moody's.

NEGOTIABLE CD. A short-term debt instrument that pays interest and is issued by a bank, savings or federal association, state or federal credit union, or state-licensed branch of a foreign bank. Negotiable CDs are traded in a secondary market.

PREMIUM. The difference between the par value of a bond and the cost of the bond, when the cost is above par.

PREPAYMENT SPEED. A measure of how quickly principal is repaid to investors in mortgage securities.

PREPAYMENT WINDOW. The time period over which principal repayments will be received on mortgage securities at a specified prepayment speed.

PRIMARY DEALER. A financial institution (1) that is a trading counterparty with the Federal Reserve in its execution of market operations to carry out U.S. monetary policy, and (2) that participates for statistical reporting purposes in compiling data on activity in the U.S. Government securities market.

PRUDENT PERSON (PRUDENT INVESTOR) RULE. A standard of responsibility which applies to fiduciaries. In California, the rule is stated as "Investments shall be managed with the care, skill, prudence and diligence, under the circumstances then prevailing, that a prudent person, acting in a like capacity and familiar with such matters, would use in the conduct of an enterprise of like character and with like aims to accomplish similar purposes."

REALIZED YIELD. The change in value of the portfolio due to interest received and interest earned and realized gains and losses. It does not give effect to changes in market value on securities, which have not been sold from the portfolio.

REGIONAL DEALER. A financial intermediary that buys and sells securities for the benefit of its customers without maintaining substantial inventories of securities and that is not a primary dealer.

REPURCHASE AGREEMENT. Short-term purchases of securities with a simultaneous agreement to sell the securities back at a higher price. From the seller's point of view, the same transaction is a reverse repurchase agreement.

SAFEKEEPING. A service to bank customers whereby securities are held by the bank in the customer's name.

STRUCTURED NOTE. A complex, fixed income instrument, which pays interest, based on a formula tied to other interest rates, commodities or indices. Examples include inverse floating rate notes which have coupons that increase when other interest rates are falling, and which fall when other interest rates are rising, and "dual index floaters," which pay interest based on the relationship between two other interest rates - for example, the yield on the ten-year Treasury note minus the Libor rate. Issuers of such notes lock in a reduced cost of borrowing by purchasing interest rate swap agreements.

SUPRANATIONAL. A Supranational is a multi-national organization whereby member states transcend national boundaries or interests to share in the decision making to promote economic development in the member countries.

TOTAL RATE OF RETURN. A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains, and losses in the portfolio.

U.S. TREASURY OBLIGATIONS. Securities issued by the U.S. Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk, and are the benchmark for interest rates on all other securities in the US and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

TREASURY BILLS. All securities issued with initial maturities of one year or less are issued as discounted instruments, and are called Treasury bills. The Treasury currently issues three- and six-month T-bills at regular weekly auctions. It also issues "cash management" bills as needed to smooth out cash flows.

TREASURY NOTES. All securities issued with initial maturities of two to ten years are called Treasury notes, and pay interest semi-annually.

TREASURY BONDS. All securities issued with initial maturities greater than ten years are called Treasury bonds. Like Treasury notes, they pay interest semi-annually.

VOLATILITY. The rate at which security prices change with changes in general economic conditions or the general level of interest rates.

YIELD TO MATURITY. The annualized internal rate of return on an investment which equates the expected cash flows from the investment to its cost.

Exhibit K

Newport Beach Council Policy F-3

BUDGET ADOPTION AND ADMINISTRATION

PURPOSE

To establish the policy for the preparation, adoption, and administration of the City's Annual Budget.

POLICY

A. Budgeting Philosophy.

The City shall prepare and adopt an annual budget by June 30, of each year, as required by Section 1104 of the City Charter. To the extent practicable, the budget shall be prepared to generate a surplus in most years by conservatively estimating projected revenues and liberally estimating projected expenses. Surpluses will be allocated by the City Council pursuant to Policy F-5 or as otherwise determined by the City Council.

The City has a wide variety of obligations associated with its activities and shall establish appropriate reserves for such obligations based upon the best available information at the time each budget is prepared. The City Council shall direct and control the planned use of reserves through the budget appropriation process. Appropriations for operating expenditures shall generally be balanced with current revenue sources and absent compelling, unexpected circumstances, will generally not rely on one-time revenue sources or reserves. However, this constraint is not intended to limit the periodic use of financial resources that were accumulated over time for a specific purpose or use of reserves consistent with their intended purpose.

The City Council shall maintain a contingency reserve that shall be a "safety net" to address exigent circumstances consistent with Council Policy F-2 section E. 1. This reserve will generally not be used for other purposes. The contingency reserve will be invested in short-term readily liquid assets so they can be utilized on short notice.

The budget may be developed with one or more contingency plans to protect against volatility or unexpected events. When significant uncertainty exists concerning revenue volatility or threatened/pending obligations, the City Council and City Manager reserve the right to impose any special fiscal control measures, including a personnel hiring freeze, and other spending controls, whenever

circumstances warrant. The City Council may authorize the use of contingency reserves for any purpose as set forth by Council Policy F-2.

B. Organization of the Budget.

The Budget shall consist of two volumes: the Budget Detail and the Capital Improvement Program (CIP).

The Budget Detail is an Operating Budget, which shall also provide historical trends of summary level information and contains line-by-line detail regarding operating expenditures and revenue estimates for the prior year, current year and budget year. Operating expenditures are categorized into five classifications within the Operating Budget. These are Salaries and Benefits, Maintenance and Operations, Capital Outlay, Debt Services and Interfund Transfers.

The CIP document provides a summary of current and future planned projects, basic descriptions of each project, the anticipated funding source and the scope of work to be performed. CIP improvements are generally major facility or infrastructure improvement projects managed by the Public Works Department. The Finance Committee generally will not make a recommendation on the CIP Budget because it is within the purview of the City Council alone to determine how best to spend the City's resources. However, to the extent needed capital improvements or repairs come to the attention of the Finance Committee and the failure to construct those improvements or make those repairs may expose the City to financial risk, the Finance Committee may make a recommendation that such improvements be installed in the coming fiscal year(s). Because of the nature and scope of the CIP improvements, in most instances, the construction of such improvements will take place over more than one fiscal year.

The final and complete versions of both budget volumes will be published and available on the City's website by no later than September 30th.

C. Budget Process.

In November of each year, the Administrative Services Department will prepare a budget calendar and issue budget instructions to each department for use in preparing the budget. During December of each year, the Administrative Services Department will prepare updated revenue estimates and fund balance projections for the current year and prepare preliminary revenue projections for the next fiscal year. Included in these instructions will be budget guidelines and, if deemed necessary, appropriation targets for each department. These guidelines will be

developed by the Administrative Services Director and approved by the City Manager.

After further refinements of revenue estimates and the completion of Department proposed expenditure appropriation requests, the Administrative Services Department will summarize department requests for review by the City Manager. After the City Manager has reviewed and amended the Department Directors requests, the Administrative Services Department will prepare the City Manager's proposed budget for the next fiscal year and shall submit it to the City Council and to the Finance Committee. The Finance Committee should have the opportunity to question staff and discuss the Budget Detail on at least two occasions.

The City Council shall hold as many budget study sessions as it deems necessary. The City Council and the Finance Committee should have a joint meeting (which may be in a Study Session) not later than the second Council meeting in May to discuss the Budget Detail. After the joint meeting, the Finance Committee shall make a recommendation to the City Council on the Budget Detail. Such recommendation need not include any recommendation on items on the Proposed Budget Revisions unless the Finance Committee is specifically asked to do so by the City Council.

All proposed Council changes to the City Manager's proposed budget shall be itemized in a document referred to as the Proposed Budget Revisions. The City Council shall hold a budget hearing and adopt the proposed budget with any desired Proposed Budget Revisions on or before June 30 by formal budget resolution. When adopted, the proposed budget as supplement by the finalized Proposed Budget Revisions shall become the final budget.

D. Long-Range Financial Forecast (LRFF).

Strategic planning begins with determining the City's fiscal capacity based upon long-term financial forecasts of recurring available revenues and future financial obligations. Prior to the adoption of the annual budget, the Administrative Services Department will prepare and present to the Finance Committee a Long-Range Financial Forecast that evaluates known internal and external issues impacting the City's financial condition. The LRFF is intended to help the City achieve the following:

1. The City can attain and maintain financial sustainability;

2. The City has sufficient long-term information to guide financial decisions;

3. The City has sufficient resources to provide programs and services for the stakeholders;

4. Identify potential risks to on-going operations in the long-term financial planning process and communicate these risks on an annual basis;

5. Establish mechanisms to identify early warning indicators; and

6. Identify changes in expenditure or revenue structures needed to deliver services or to meet the goals adopted by the City Council.

The LRFF will forecast revenues, expenditures, and the financial position of the General Fund Contingency Reserve at least five years into the future or longer where specific issues call for a longer time horizon. The LRFF will identify issues that may challenge the continued financial health of the City, and the plan will identify possible solutions to those challenges. Planning decisions shall be made primarily from a long-term perspective and structural balance is the goal of the planning process.

E. Administration of the Annual Budget.

During the budget year, Department Directors and their designated representatives may authorize only those expenditures that are based on appropriations previously approved by City Council action, and only from accounts under their organizational responsibility. Any unexpended appropriations, except valid encumbrances such as commitments already made, expire at fiscal year-end unless specifically reappropriated by the City Council for expenditure during the ensuing fiscal year. Department Directors shall not authorize expenditures above budget appropriations in any given expenditure Classification within their purview, without additional appropriation or transfer as specified below. Appropriations may be transferred, amended or reduced subject to the following limitations:

1. New Appropriations. During the Budget Year, the City Council may appropriate additional funds, as it deems appropriate, by a City Council Budget Amendment. The City Manager has authority to approve requests for budget increases not to exceed $10,000 in any Budget line item or activity or Capital Project. The ability of the City Manager to approve such requests must be specifically included in each year's Budget Resolution to remain valid.

2. Grants & Donations. The City Manager may accept grants or donations of up to $30,000 on behalf of the City, but shall refer any such grant or donation to the City Council for consideration if a condition of such grant or donation entails any duty of the City to contribute and/or expend a sum in excess of $10,000 not covered by such grant or donation, or that carries a future obligation to maintain and/or insure any improvement. The City Council will be formally notified of all grants or donations on a quarterly basis by way of a "receive and file" or other Council meeting agenda item. This ability of the City Manager to accept grants or donations must be specifically included in each year's Budget Resolution to remain valid.

   Additionally, grant related appropriations approved by City Council may be carried forward to the following fiscal year(s) as long as the grant terms remain valid, the expenditures are consistent with the previous Council authorization, and the funds would otherwise need to be returned to the granting or donor agency. Also, see Council Policy F-25 for specific grant acceptance and administration procedures.

   Grant agreements and restricted donations in excess of $30,000 must be specifically approved by the City Council. Occasionally, the terms and conditions of a grant are approved by City Council in a year prior to when the program activity will take place and therefore, the funds are not appropriated to carry out the grant at that time. In such cases, the City Manager may appropriate the funds when they are received, provided the expenditures clearly meet the amount, terms, nature and intent of the grant or donation previously approved by City Council.

3. Assessment District Appropriation. Assessment district projects are typically funded by property owner contributions and bond financing secured by property assessments. City staff will initially seek appropriation to advance City resources for the assessment engineering and the design work related to a proposed assessment district. Since the City's advance is at risk until a district is formed at a public hearing, the appropriation related to advanced resources shall be subject to the normal budget policies. However, once the district has been formed at a public hearing, the City Council will adopt a "project-length" budget for the assessment district and City staff will be allowed to roll the appropriations forward into future fiscal years without rebudgeting the project through the formal CIP process.

   When assessment bonds are issued to finance the improvements, the bond issuance costs will be estimated at the maximum amount that would be

required to complete the improvements because it is not known how many property owners will opt to pay the assessment in full during the cash collection period, thereby reducing the size of the bond. Administrative Services Department staff will also have the authority to reduce Council appropriations (related to bond issuance costs) after bonds are resized and sold. Money advanced by the City will be included in the assessment amount and be reimbursed to the City when the assessment district is formed except to the extent otherwise agreed to by City Council resolution.

4. Transfers within Departments. During the fiscal year, actual expenditures may exceed budget appropriations for specific expenditure line items within departmental budgets. If a departmental budget within a specific Classification is not exceeded, the Administrative Services Director has the authority to transfer funds elsewhere within that Classification and Department to make the most efficient use of those funds appropriated by the City Council.

5. Transfers between Departments. Further, funds may be realigned between one Department and another, within the same Classification, with City Manager approval. For example, if a Fire Department function and the employee who accomplishes it are replaced by a slightly different function assigned to the Police Department, the City Manager may authorize the transfer of appropriated funds to support this function.

6. Transfers between Expenditure Categories. Any reprogramming of funds (i.e. movement) of funds among the five Classifications within the General or other Fund(s) requires the City Manager's approval. Any budget revision that changes the total amount budgeted for any fund (other than the minor provisions contained in paragraphs E.1. and E.7.b.) must be approved by the City Council.

7. Transfers between Capital Improvement Projects (CIP). Budget Transfers between Capital Improvement Projects shall be subject to the following parameters:

   a. Excess Project Appropriations or savings should be closed out and returned to the project's fund balance. Funds may then be reappropriated to a new or existing project with the approval of City Council.

b. Excess Project Appropriations may also be transferred from one CIP project to another, if the projects utilize the same funding source and are for substantially the same project purpose and physical location. Project appropriation transfers of this nature shall require the approval of the City Manager.

All proposed budget amendments and transfers will be submitted to the Administrative Services Director for review and processing prior to City Manager or Council authorization.

All unexpended and unencumbered appropriations for the operating budget will be canceled on June 30 of each fiscal year. All appropriations in the Capital Improvement Budget for projects currently underway and remaining unexpended at June 30th, as approved by the City Manager, will be appropriated to those projects in the following fiscal year CIP Budget. Incomplete projects may be reappropriated by the City Council during the Budget process or by separate Council action.

F. Management Authorization and Responsibilities. Once the final Budget has been approved by the City Council, specific City Council approval to make expenditures consistent with the Budget will not be required except as provided by other Council Policies and Administrative Procedures. It is the responsibility of the City Manager and management to administer the City's budget within the framework of policy and appropriation as approved by the City Council.

1. The Administrative Services Director is responsible for checking purchase requests against availability of funds and authorization as per the approved Budget.

2. Unless otherwise directed, routine filling of vacancies in staff positions authorized within the Budget will not require further City Council approval. However, new positions, not addressed by the adopted budget shall require City Council approval.

3. At fiscal year end, the Administrative Services Director is authorized to record accruals and transfers between funds and accounts in order to close projects or the books of accounts of the City in accordance with generally accepted governmental accounting principles as established by the Government Accounting Standards Board, Government Finance Officers Association, and other appropriate accounting pronouncements. Any net shortage within a Fund will be recorded as a decrease in Fund Balance. Any

net excess will be recorded as an increase to one or more appropriate Reserve Accounts as recommended by the Administrative Services Director and approved by the City Manager or as is otherwise dictated by Council Reserve Policy (F-2). The net change in fund balances will be reported to City Council through various documents including Quarterly Financial Reports, the Comprehensive Annual Financial Report (CAFR), Budget Documents and other financial presentations. Funds that exceeded appropriations during the year or ended the year with a deficit fund balance are reported annually in the CAFR notes to the financial statements. (Information regarding the policy parameters and administration of City Reserves is contained in City
Council Policy F-2.)

History

Adopted - January 24, 1994
Amended - February 27, 1995
Corrected - February 26, 1996
Amended - May 13, 1996
Amended - May 26, 1998
Amended - August 8, 2000
Amended – May 8, 2001
Amended – April 23, 2002
Amended – April 8, 2003
Amended – April 13, 2004
Amended – September 13, 2005
Amended - October 10, 2006
Amended – August 11, 2009
Amended – September 27, 2011
Amended – February 12, 2019
Amended – December 9, 2025

Formerly F-10, F-11, F-12, and F-21

Exhibit L

Newport Beach Council Policy F-6

DEBT MANAGEMENT POLICY

A. PURPOSE

The purpose of this Debt Management Policy ("Policy") is to establish guidelines and parameters for the effective governance, management and administration of the debt of the City of Newport Beach ("City"). This Policy is intended to comply with California Government Code Section 8855(i), and any successor statute, and shall govern all debt which is contemplated or incurred by the City.

The City hereby recognizes that a fiscally prudent Policy is required to:

1. Maintain the City's sound financial position;
2. Ensure the City has the flexibility to respond to changes in future service priorities, revenue levels, and operating expenses;
3. Protect the City's creditworthiness;
4. Ensure that all debt is structured to protect both current and future taxpayers, ratepayers and constituents of the City; and
5. Ensure that the City's debt is consistent with the City's planning goals, objectives, capital improvement program, and/or budget.

B. BACKGROUND

The City is committed to fiscal sustainability by employing long-term financial planning efforts, maintaining appropriate reserves levels and employing prudent practices in governance, management, budget administration and financial reporting.

Debt levels and their related annual costs are important long-term obligations that must be managed within available resources. A disciplined, thoughtful approach to debt management includes policies that provide guidelines for the City to manage its debt consistent with available and reasonably anticipated resources. Therefore, the objective of this Policy is to provide written guidelines concerning the amount and type of debt which may be issued by the City and the ongoing management of debt obligations.

This Policy is intended to make all relevant information readily available to decision-makers and the public to improve the quality of decisions, provide justification for the structure of debt issuances, identify policy goals and demonstrate a commitment to long-term financial planning, including a multi-year capital plan. Adherence to a Policy signals to rating agencies and the capital markets that the City is well managed and able to meet its obligations in a timely manner.

C. RELATIONSHIP OF DEBT TO CAPITAL IMPROVEMENT PROGRAM AND BUDGET

The City has established long-term plans for replacing aging physical infrastructure. The City strives to maintain a level funding plan that will minimize the peaks and valleys in General Fund support levels and allows the funding of projects over time. The City utilizes debt obligations only after giving due consideration to all available funding sources, including but not limited to available cash reserves in the City's Facilities Financial Plan ("FFP"), Harbor and Beaches Master Plan ("HBMP"), other strategic savings programs, available current revenues, potential future revenue sources, existing and potential grants, and all other financial sources legally available to be used for such purposes. When and if deemed an appropriate alternative, the City may issue debt for the purposes stated in this Policy to implement policy decisions incorporated in the FFP, HBMP, and/or Capital Improvement Program.

The City shall strive to fund the upkeep and maintenance of its infrastructure and facilities due to normal wear and tear through the expenditure of available operating revenues. To the extent practicable in the circumstances, the City will avoid the use of debt to fund infrastructure and facilities improvements that are the result of normal wear and tear. Rather, those readily anticipated infrastructure and facilities repairs and replacements should be funded through reserve policies.

The City shall coordinate its debt issuances with the goals of its Capital Improvement Program by timing the issuance of debt to ensure that projects are available when needed in furtherance of the City's public purposes.

The City shall seek to issue debt in a timely manner to avoid having to make unplanned expenditures for capital improvements or equipment from its General Fund.

D. POLICY GOALS RELATED TO PLANNING GOALS AND OBJECTIVES

The City is committed to long-term financial planning, maintaining appropriate reserve levels, and employing prudent practices in governance, management, and budget administration. The City intends to issue debt only for the purposes stated in this Policy and to implement policy decisions incorporated in the FFP, HBMP, and/or Capital Improvement Program. Adoption of this Policy will help ensure that debt is issued and managed in a manner that protects the public interest.

It is a policy goal of the City to protect taxpayers, ratepayers (if applicable) and constituents by utilizing conservative financing methods and techniques so as to obtain the highest practical credit ratings (if applicable) and the lowest practical borrowing costs.

The City shall comply with applicable state and federal law as it pertains to debt and the procedures for levying and imposing related taxes, assessments, rates, or charges.

E. CONDITIONS AND PURPOSES OF DEBT ISSUANCE

1. Acceptable Conditions for the Use of Debt

The City believes that prudent amounts of debt can be an effective means of financing major infrastructure and capital project needs of the City. Debt will be considered to finance such projects if:

a) It meets the City's goal of distributing costs of the asset over its useful life so that benefits more closely match costs for both current and future residents.
b) It is the most cost-effective funding means available to the City, taking into account cash flow needs, maintenance of prudent reserves and other funding alternatives.
c) It is fiscally prudent and meets the guidelines of this Policy, the City's Municipal Code, and the City's Charter. Any consideration of debt financing shall consider financial alternatives, including pay-as-you-go funding, proceeds derived from development or redevelopment of existing land and capital assets owned by the City, and use of existing or future cash reserves, or any combination thereof.

2. Purposes for Which Debt May Be Issued

The City may consider financing for the acquisition, substantial refurbishment, replacement or expansion of physical assets, including land improvements. The primary purpose of debt would be to finance one or more of the following:

a) Acquisition and or improvement of land, right-of-way, leaseholds or long-term easements.
b) Acquisition of equipment or a capital asset with a useful life of three (3) or more years.
c) Construction or reconstruction of a facility.
d) Refunding, refinancing, or restructuring debt, subject to refunding objectives and parameters discussed herein.
e) Although not the primary purpose of the financing effort, project reimbursable costs that include project planning, design, engineering and other

preconstruction efforts; project-associated furniture, fixtures and equipment; capitalized interest, original issuer's discount, underwriter's discount and other costs of issuance.

f) Interim or cash flow financing, such as tax, revenue or bond anticipation notes.

3. Prohibited Uses of Debt

Prohibited uses of debt include the following:

a) Financing of operating costs except for anticipation notes with a term of less than one year.
b) Debt issuance used to address budgetary deficits.
c) Debt issued for periods exceeding the useful life of the asset or projects to be financed.

4. Approval Process for the Issuance of Debt

Any issuance of debt, either through a public sale of securities, private placement or direct purchase is subject to the formal approval of the City Council as a non-consent item on a City Council agenda. As part of the City Council approval, a formal resolution authorizing the issuance of a specific form of debt shall be required as part of the authorizing documents. The resolution shall include, at a minimum, the following:

a) The specific project(s) for which the debt is being incurred;
b) The maximum principal amount to be borrowed;
c) The maximum term, which will be no greater than the useful life of the project(s), equipment, or capital asset, whichever is applicable and longer;
d) The maximum interest rate or true interest cost;
e) The maximum annual debt service;
f) Call Provisions, including specifically identifying any deviation from Section F(9) below;
g) Estimated Costs of Issuance;
h) Maximum Underwriter's Discount; and
i) A list of all consultants hired for the issuance including, at a minimum, bond counsel, disclosure counsel, municipal advisor and underwriter(s).

In addition to the authorizing resolution, the City Council shall be provided copies of the various financing documents including indentures, purchase agreements and preliminary official statements. For any sale of securities, the City shall be required to retain an Independent Registered Municipal Advisor ("IRMA") to serve as the City's fiduciary on every sale. The IRMA will provide independent analysis of all financing

scenarios considered with a specific recommendation to the City Council supported by the analysis. The written recommendation of the IRMA shall be provided to City Council as an attachment to the City's Staff Report.

F. STRUCTURE OF DEBT (Fixed Rate)

1. **Term of Debt –** Unless financially beneficial to do otherwise, debt shall be structured with the goal of spreading payments for the project, equipment, or capital asset over its useful life so that benefits more closely match costs for both current and future residents. The duration of borrowings by the City shall not exceed the useful life of the project, equipment, or capital asset it finances. The standard term of long-term borrowing is typically fifteen to thirty years.

2. **Pace of Debt Payment –** Accelerated repayment schedules reduce debt burden faster and reduce total borrowing costs. Debt repayment shall be amortized through the most financially advantageous debt structure and, if applicable, to match the City's projected cash flow to the anticipated debt service payments, to the extent possible. "Backloading" of debt service should be considered only when one or more of the following occur:

    a) Natural disasters or extraordinary or unanticipated external factors make payments on the debt in early years impractical.
    b) The benefits derived from the debt issuance can clearly be demonstrated to be greater in the future than in the present.
    c) Such structuring is beneficial to the City's aggregate overall debt payment schedule or achieves measurable interest savings.
    d) Such structuring will allow debt service to more closely match project revenues during the early years of the project's operation.

3. **Level Payment –** To the extent practical, bonds will be amortized on a level repayment basis, and revenue bonds will be amortized on a level repayment basis considering the forecasted available pledged revenues to achieve the lowest rates possible. Bond repayments should not increase on an annual basis in excess of two percent (2%) without a dedicated and supporting revenue-funding stream.

4. **Serial Bonds, Term Bonds, and Capital Appreciation Bonds –** For each issuance, the City shall select serial bonds or term bonds, or both. On the occasions where circumstances warrant, Capital Appreciation Bonds ("CAB") may be used. The decision to use term, serial, or CAB bonds shall be based on market conditions.

5. **Reserve Funds –** The City shall strive to maintain a fund balance in the FFP or other designated reserve at a level equal to or greater than the maximum annual debt service of existing obligations.

6. **Capitalized Interest -** The City shall seek to avoid the use of capitalized interest, which defers debt service by increasing the size of a debt issue to fund interest. On occasion, capitalized interest may be considered to the extent that the City wishes to defer the beginning of debt service until project completion, to match project revenues with debt service.

7. **Discount Bonds -** While discount and deep discount bonds may reduce the interest cost of the bonds below that of par or premium bonds, they should only be used in limited situations as they reduce the potential for future savings from refunding of the bonds.

8. **Premium Bonds -** Premium bonds may provide for a lower overall interest cost compared to par or discount bonds. An analysis should be prepared comparing the yield to maturity and yield to call of the premium bond structure compared to alternative couponing. This comparison should be done on maturity-by-maturity basis. The value of the call option of the higher coupon with respect to the future ability to refund should be reviewed as well.

9. **Call Provisions** - In general, the City's debt obligations should include an optional redemption feature at par that arises not later than ten (10) years after the issuance of the debt. However, if market conditions exist where a call option at par arising later than ten (10) years after issuance of debt, or a "make-whole" call would benefit the City, the authorizing bond resolution must explicitly provide staff the authorization to negotiate these options. The City Council should set parameters that guide staff's negotiations. Alternatively, since decisions on pricing of debt and financial consequences of call or make whole provisions can arise in a very compressed timeframe with the potential for unanticipated market conditions, in connection with approving an authorizing bond resolution, the City Council should designate a date for pricing and call and notice a special or regular meeting of the City Council for that date in the event the alternatives available to the staff are outside the parameters set by the City Council. It is the City's intent to maximize prepayment flexibility on all bond issues. Shorter call provisions may be considered on a case-by-case basis.

G. USE OF ALTERNATIVE DEBT INSTRUMENTS

The City recognizes that there are numerous types of financing structures and funding sources available, each with specific benefits, risks, and costs. All potential funding sources shall be reviewed by management within the context of this Policy and the overall portfolio to ensure that any financial product or structure is consistent with the City's objectives. Regardless of what financing structure(s) is utilized, due-diligence review must be performed for each transaction, including the quantification of potential risks and benefits, and analysis of the impact on City creditworthiness and debt affordability and capacity. Because fixed rate debt transfers most financial risks to bondholders, fixed rate debt should be considered the preferred method of financing long-term capital needs. Therefore, while permitted for consideration, the following instruments are disfavored:

1. Variable Rate Debt

Variable rate debt affords the City the potential to achieve a lower cost debt depending on market conditions. However, the City shall seek to limit the use of variable-rate debt due to the potential risks of such instruments.

a) Purpose

The City may consider the use of variable rate debt for the purposes of:

i. Reducing the costs of debt issues.
ii. Increasing flexibility for accelerating principal repayment and amortization (often variable rate debt may be prepaid without penalty).
iii. Enhancing the management of assets and liabilities (matching short-term "priced debt" with the City's short-term investments).
iv. Diversifying interest rate exposure.
v. As a short-term source of construction or acquisition financing, (*i.e.*, commercial paper, to reduce interest cost).

b) Considerations and Limitations on Variable-Rate Debt

The City may consider the use of all alternative structures and modes of variable rate debt to the extent permissible under State law and shall make determinations among different types of modes of variable-rate debt based on cost, benefit, and risk factors. The Administrative Services Director shall consider the following factors in considering whether to recommend variable rate debt:

i. Any long-term issuance of variable rate debt should not exceed twenty percent (20%) of total City General Fund supported debt.
ii. Any long-term issuance of variable rate debt should not exceed the expected future FFP reserves in the medium term or then current unrestricted General Fund reserve levels.

iii. Whether interest cost and market conditions (including the shape of the yield curves and relative value considerations) are unfavorable for issuing fixed rate debt.
iv. The likelihood of projected debt service savings when comparing the cost of fixed rate bonds.
v. Costs, implementation and administration are quantified and considered.
vi. Cost and availability of liquidity facilities (lines of credit necessary for variable rate debt obligations and commercial paper in the event that the bonds are not successfully remarketed) are quantified and considered.
vii. The ability to convert debt to a fully amortizing fixed rate or the permissibility to redeem at par at any time.
viii. The findings of a thorough risk management assessment.

c) Risk Management

Any issuance of variable rate debt shall require a rigorous risk assessment, including, but not limited to factors discussed in this section. Variable rate debt subjects the City to additional financial risks (relative to fixed rate bonds), including interest rate risk, tax risk, and certain risks related to providing the necessary liquidity required for variable rate debt.

The City shall properly manage risks associated with variable rate debt as follows:

i. ***Interest Rate Risk and Tax Risk*** – The risk that market interest rates increase on variable-rate debt because of market conditions, changes in taxation of municipal bond interest, or reductions in tax rates. ***Mitigation*** – Limit total variable rate exposure per the defined limits and match the variable rate liabilities with short-term assets.
ii. ***Liquidity/Remarketing Risk*** – The risk that holders of variable rate bonds exercise their "put" option, tender their bonds, and the bonds cannot be remarketed requiring the bond liquidity facility provider to repurchase the bonds. This will result in the City paying a higher rate of interest to the facility provider and the potential rapid amortization of the repurchased bonds.
Mitigation - Limit total direct variable-rate exposure. Seek liquidity facilities, which allow for longer (5-10 years) amortization of any draws on the facility. Secure credit support facilities that result in bond ratings of the highest short-term ratings and long-term ratings not less than AA. If the City's bonds are downgraded below these levels as a result of the facility provider's ratings, a replacement provider shall be sought.

iii. ***Liquidity/Rollover Risk*** – The risk that arises due to the shorter term of most liquidity provider agreements (1-5 years) relative to the longer-term amortization schedule of the City's variable-rate bonds. In particular, (1) the City may incur higher renewal fees when renewal agreements are negotiated and (2) the liquidity bank market constricts such that it is difficult to secure third party liquidity at any interest rate.

iv. ***Mitigation*** – Negotiate longer terms on provider contracts to minimize the number of rollovers.

2. Derivatives

The use of certain derivative products to hedge variable rate debt, such as interest rate swaps, may be considered to the extent the City has such debt outstanding or under consideration. The City shall exercise extreme caution in the use of derivative instruments for hedging purposes, and may consider their utilization only when sufficient understanding of the products and sufficient expertise for their appropriate use has been developed. A comprehensive derivative policy shall be adopted by the City prior to any utilization of such instruments.

H. REFUNDING GUIDELINES

The Administrative Services Director shall monitor at least annually all outstanding City debt obligations for potential refinancing opportunities. The City should consider refinancing of outstanding debt to achieve annual savings. Absent a compelling economic reason or financial benefit to the City, any refinancing should not result in any increase to the weighted average life of the refinanced debt.

The City will generally seek to achieve debt service savings that on a net present value basis are at least three percent (3%) of the current debt being refinanced. Any potential refinancing executed more than ninety (90) calendar days in advance of the outstanding debt optional call date shall require at least a three percent net present value savings threshold. If there is negative arbitrage in an advance refunding, the interest efficiency should at least be fifty percent (50%). Under any savings scenario, the net present value assessment shall factor in all costs, including the total cost of issuance, escrow, and foregone interest earnings of any contributed funds on hand. Any potential refinancing shall additionally consider whether an alternative refinancing opportunity with higher savings can be reasonably expected in the future.

Consideration of this method of refinancing shall place greater emphasis on determining whether an alternative refinancing opportunity with higher savings is reasonably expected in the future.

I. COMMUNICATION, ADMINISTRATION AND REPORTING, AND INTERNAL CONTROL PROCEDURES

1. **Rating Agency Relations and Annual or Ongoing Surveillance** – The Administrative Services Director shall be responsible for maintaining the City's relationships with Standard & Poor's Ratings Services, Fitch Ratings and Moody's Investor's Service. The City is committed to maintaining or improving its existing rating levels. In addition to general communication, the Administrative Services Director shall:

    a) Ensure the rating agencies are provided updated financial information of the City as it becomes publicly available.
    b) Communicate with credit analysts at each agency at least once each year, or as may be requested by the agencies.
    c) Prior to each proposed new debt issuance, schedule meetings or conference calls with agency analysts and provide a thorough update on the City's financial position, including the impacts of the proposed debt issuance.

2. **Council and Finance Committee Communication –** The Administrative Services Director should report feedback from rating agencies to the City Council and/or Finance Committee, when and if available, regarding the City's financial strengths and weaknesses and recommendations for addressing any weaknesses as they pertain to maintaining the City's existing credit ratings.

3. **Debt Issue Record-Keeping –** A copy of all debt-related records shall be retained at the City's offices. At minimum, these records shall include all official statements, bond legal documents/transcripts, resolutions, trustee statements, leases, and title reports for each City financing (to the extent available).

4. **Compliance** - When issuing debt, in addition to complying with the terms of this Policy, the City shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and the investment of bond proceeds in accordance with applicable bond indentures and City Administrative Procedures (AP-009), concerning tax compliance with tax exempt bonds and Build America Bonds. Without limiting the generality of the foregoing, the City shall periodically review the requirements of and will remain in compliance with the following:

    a) **Continuing Disclosure** – The City shall comply with federal securities law, including any continuing disclosure undertakings entered into by the City in accordance with Securities and Exchange Commission Rule 15c2-12. The City

shall file its annual financial statements and other financial and operating data for the benefit of its bondholders within 270 days of the close of the fiscal year, or as required in any such agreement for any debt issue. The City shall maintain a log or file evidencing that all continuing disclosure filings have been timely made.

b) **Arbitrage Rebate** – The use of bond proceeds and their investments shall be monitored by the Administrative Services Director to ensure compliance with all Internal Revenue Code Arbitrage Rebate Requirements. The Administrative Services Director shall ensure that all bond proceeds and investments are tracked in a manner that facilitates accurate calculation; and, if a rebate payment is due, such payment is made in a timely manner.
c) **Annual Reporting** – California Government Code Section 8855(k), or any successor statute, and the annual reporting requirements therein.
d) **Other Compliance** - Other compliance requirements imposed by regulatory bodies.

5. **Proceeds Administration -** Proceeds of debt will be held either (a) by a third-party trustee or fiscal agent, which will disburse such proceeds to or upon the order of the City upon the submission of one or more written requisitions by the City Manager (or his or her written designee), or (b) by the City, to be held and accounted for in a separate fund or account, the expenditure of which will be carefully documented by the City. On a quarterly basis, the Administrative Services Director shall monitor the proceeds and the disposition of unexpended proceeds.

J. CREDIT RATINGS

The City shall consider published ratings agency guidelines regarding best financial practices and guidelines for structuring its capital funding and debt strategies to maintain the highest possible credit ratings consistent with its current operating and capital needs.

K. LEGAL DEBT LIMIT

Newport Beach City Charter Section 1109 provides that "The City shall not incur an indebtedness evidenced by general obligation bonds which shall in the aggregate exceed the sum of fifteen percent of the total assessed valuation, for purposes of City taxation, of all the real and personal property within the City." While this limit defines the absolute maximum legal debt limit for the City, it is not an effective indicator of the City's affordable debt capacity.

L. AFFORDABILITY

Prior to the issuance of debt to finance a project, the City shall carefully consider the overall long-term affordability of the proposed debt issuance. The City shall not assume more debt without conducting an objective analysis of the City's ability to assume and support additional debt service payments. The City shall consider its long-term revenue and expenditure trends, the impact on operational flexibility and the overall debt burden on the tax payers. The evaluation process shall include a review of generally accepted measures of affordability and will strive to achieve and or maintain debt levels consistent with its current operating and capital needs. The Administrative Services Director shall review benchmarking results of other California cities of comparable size with the City Council prior to any significant project financing.

1. **General Fund-Supported Debt –** General Fund Supported Debt generally include Certificates of Participation ("COPs") and Lease Revenue Bonds ("LRBs") which are lease obligations that are secured by an installment sale or by a lease-back arrangement between the City and another related public entity. The general operating revenues of the City are pledged to pay the lease payments, which are, in turn, used to pay debt service on the LRBs or COPs. These obligations do not constitute indebtedness under the state constitutional debt limitation and, therefore, are not subject to voter approval.

   Payments to be made under valid leases are payable only in the year in which use and occupancy of the leased property is available, and lease payments may not be accelerated. Lease financing requires the fair market rental value of the leased property to be equal to or greater than the required debt service or lease payment schedule. The City as lessee is obligated to place in its Annual Budget the rental payments that are due and payable during each fiscal year the City has use of the leased property.

   The City should strive to maintain its net General Fund-backed debt service at or less than eight percent (8%) of annually budgeted General Fund revenue. This ratio is defined as the City's annual debt service requirements on COPs and LRBs compared to total General Fund Revenues. This ratio, which pertains to only General Fund backed debt, is often referred to as "lease burden."

2. **Revenue Bonds –** Long-term obligations payable solely from specific pledged sources, in general, are not subject to a debt limitation. Examples of such long-term obligations include those which achieve the financing or refinancing of projects provided by the issuance of debt instruments that are payable from restricted revenues or user fees (Enterprise Revenues) and revenues generated from a project.

In determining the affordability of proposed revenue bonds, the City shall perform an analysis comparing projected annual net revenues from pledged sources to estimated annual debt service on revenue bonds. The City should strive to maintain a debt service coverage ratio of at least 125% using historical and/or projected net revenues to cover annual debt service for bonds. The City may require a revenue rate increase or reduce operating costs so that revenues cover both operations and debt service costs, and create debt service reserve funds to maintain the required coverage ratio.

3. **Special Districts Financing –** The City's Special Districts primarily consist of Community Facilities Districts ("CFDs") and 1913/1915 Act Assessment Districts ("Assessment Districts"). The City may consider requests for Special District formation and debt issuance when such requests address a public need or provide a public benefit. Each application shall be considered on a case-by-case basis as long as the City assumes no obligation under, or in connection with, such debt issuance. The Administrative Services Department shall not recommend a financing if it is determined that the financing could be indirectly detrimental to the financial standing of the City or such financing would otherwise not be in the best interests of the City.

4. **Conduit Debt –** Conduit financing provides for the issuance of securities by a government agency to finance a project of a third party, such as a non-profit organization or other private entity. The City may sponsor conduit financings for those activities that have a general public purpose and are consistent with the City's overall service and policy objectives. Unless a compelling public policy rationale exists, such conduit financings will not in any way obligate the City or otherwise pledge the City's faith and credit.

History
Adopted – May 14, 2013
Amended – May 22, 2018
Amended – December 9, 2025

Exhibit M

Newport Beach Council Policy F-8

CITY TRAVEL POLICY STATEMENT

PURPOSE

To set forth the policy for official City travel for reimbursement of expenses incurred by City Council members, appointed officials, members of special boards, commissions, committees, and employees while traveling overnight on official City business. This policy will not apply for commuter (local) training seminars and local City business expenses, nor is it intended to supersede Police Officer Standard Training reimbursable travel policies established by the State of California or the Newport Beach Police Department. The governing rule for all City travel expenses will be availability, economy, convenience, and propriety.

TRAVEL POLICY

A. The City will provide reimbursement for expenses directly related to attendance at approved conferences, seminars, meetings, and other official functions/ purposes.

B. Official travel is planned, approved, and budgeted at the Department level.

C. All official travel must be approved prior to the time of the travel by the Administrative Services Director.

D. The City Manager will adopt and enforce administrative procedures that assure that all City authorized travel is:

1. Paid directly by the City or reimbursed to the traveler based on actual, itemized expenses or should be covered by per diem payment.

2. The City's per diem rate for Meals and Incidental Expenses (M&IE) will be equal to the U.S. General Services Administration's (GSA) M&IE rates. (www.GSA.gov).

PROCEDURE

A. Each Department Director will include all planned trips in the Department's annual budget requests. The Travel Authorization Form will be used as a planning/cost estimation guide. For unbudgeted, unplanned travel, the same form will be prepared at the time travel is requested.

B. All requests for travel advances will include the original Travel Authorization Form signed by the Department Director.

C. The Travel Expense Claim Form will be used to file the final travel claim with the Administrative Services Director. A copy of the Travel Authorization Form must be attached.

SPECIAL REIMBURSEMENT RULES RELATED TO LEGISLATIVE BODIES INCLUDING CITY COUNCIL, APPOINTED OFFICIALS, MEMBERS OF SPECIAL BOARDS, COMMISSIONS AND COMMITTEES

The California Government Code Section 53232 *et seq.* provides restrictions on expense reimbursements paid to members of legislative bodies, which include members of the City Council, appointed officials and members of special boards, commissions and committees created by charter, ordinance, resolution, or formal action of the City Council. Members of a legislative body may only be reimbursed for actual and necessary expenses incurred in the performance of official duties and their travel claims must be accompanied by the receipts documenting each expense.

CONTINUITY OF CITY GOVERNMENT POLICY

With the advent of different modes of rapid transportation, there is the possibility of accidents injuring or killing several people simultaneously. Since Council Members are required to attend conferences, conventions and meetings outside City Hall, it is desirous to require that whenever possible, no more than three members of the City Council use the same transportation at the same time.

When it comes to the Council's attention that a conference, convention, or meeting in which transportation is required, Council Members shall make an effort to arrange their itinerary so that no more than three members of the City Council use the same transportation. The City Clerk will be utilized to provide alternate travel arrangements where necessary in order to comply with this policy.

This policy will help ensure that there will be a continuity of City government and that there is always a majority of Council members capable of fulfilling the responsibilities placed upon them by the City.

In addition, the City Manager, Department Directors and other key personnel should use the same guidelines in traveling separately on official business whenever practicable.

History
Adopted - June 8, 1992
Amended - January 24, 1994
Amended - February 26, 1996
Amended – April 23, 2002
Amended – October 10, 2006
Amended – August 11, 2009
Amended – September 27, 2011
Amended – February 12, 2019
Amended – May 25, 2021
Amended – December 9, 2025

Formerly F-25

Exhibit N

Newport Beach Council Policy F-9

CITY VEHICLE/EQUIPMENT REPLACEMENT GUIDELINES

PURPOSE

To establish a policy to provide a funding mechanism to ensure that the full service life of each City vehicle or item of equipment is utilized to its fullest potential, provide for funding timelines and implement uniform guidelines among all departments.

POLICY

The Municipal Operations Department shall inspect the equipment annually after the vehicle/equipment has reached its useful life - to determine the appropriateness of replacing each piece of equipment in conjunction with the assigned Department. All non-emergency vehicles shall be replaced based on, but not limited to, the following factors; expected service life, lifecycle maintenance costs, fuel efficiency, purchase price (cost), environmental rating etc. The City will actively seek opportunities to use cleaner burning fuels and higher efficiency vehicles when possible.

Should the expected life of the equipment be less than expected, the Municipal Operations Department in conjunction with the Administrative Services Department and the assigned Department will make a recommendation to the City Manager or his designee on the disposition and replacement of equipment.

It shall be the policy of the City that the funding and replacement of all motor vehicles shall be normally based on the expected service life and condition of the vehicle described on the following schedule:

Vehicle/Equipment	Schedule for Replacement
Police Patrol /Traffic Vehicles	75,000 miles or 4 years
Police Motorcycles	75,000 miles or 5 years
Police Detective / Plain Vehicles	80,000 miles or 8 years
Beach Vehicles / ATVs	4 years
Sedans / Station Wagons / SUVs	120,000 miles or 12 years
Pickup Trucks (1/4 to 3/4 Ton)	100,000 miles or 10 years
Vans	100,000 miles or 10 years
Ambulances (commercial chassis)	100,000 miles or 8 years
Ambulances - Reserve	4 years
Heavy Trucks (1 Ton and larger)	120,000 miles or 12 years
Beach Cleaners	8 years
Street Sweepers	10 years
Small Boats / Personal Watercraft	10 years

Large Emergency Boats	25 years
Heavy Equipment	10 years or 5,000 hours
Trailers	10 years
Vactors /Sewer Rodders	10 years
Welders, Saws, Pumps	13 years
Transfer Equipment (Radios/ Beacons)	10 years
Fire Engines - Frontline	13 years
Fire Trucks - Frontline	15 years
Fire Engine - Reserve	5-7 years
Fire Truck – Reserve	10-15 years

Fire engines, trucks and ambulances are placed within stations as frontline vehicles when they are purchased. They will remain in a frontline status until the expected useful life is over. At that time, the engines and trucks will be placed in reserve status for an additional period of time as described above.

History

Adopted – December 14, 1992
Amended – January 24, 1994
Amended – March 27, 1995
Amended – May 8, 2001
Amended – October 27, 2015
Amended – February 9, 2016
Amended – December 9, 2025

Formerly F-26

Exhibit O

Newport Beach Council Policy F-11

CUSTODY AND DISPOSAL OF CONTROLLED PROPERTY

PURPOSE

To set forth the City's policy concerning custody and disposal of controlled property.

DEFINITION

Controlled Property is generally defined as City-owned materials, equipment, tools and furniture subject to theft, loss or misuse. Conversely, major capital assets with no potential for theft, such as buildings, land and other infrastructure assets affixed to the earth are exempted from this policy. For further discussion of "Controlled Property" and property control procedures, see Administrative Procedures concerning Controlled Property.

PROPERTY CONTROL RESPONSIBILITIES

The Administrative Services Director shall establish and maintain citywide property acquisition and disposal procedures. However, the ultimate accountability for Controlled Property, along with the responsibility for maintaining reasonable safeguards to secure Controlled Property, lies with the Director of the Department that acquired the property until such time the item has been formally transferred to another Department or has been formally approved by the Administrative Services Department for sale/ disposal. Procedures for acquisition, transfer, sale/ disposal of controlled property vary by property type and value and are addressed through Administrative Procedures. As property custodians, Departments Directors are also responsible for a periodic inventory of their Controlled Property in accordance with Administrative Procedures. At the discretion of the Administrative Services Director, material losses or discrepancies in Controlled Property will be reported to the Finance Committee.

History

Adopted - January 24, 1994
Corrected - February 26, 1996
Amended - August 12, 1996
Amended -April 23, 2002
Amended -April 13, 2004
Amended — September 27, 2011
Amended – February 12, 2019
Amended – December 9, 2025

Exhibit P

Newport Beach Council Policy F-12

TAXICAB REGULATIONS

1. APPLICATION

1.1. These Regulations apply to all Taxicab Businesses that are Substantially Located in the City, and its affiliated Drivers and Taxicabs.

1.2. These Regulations are supplemental to Chapter 5.17 of the Municipal Code.

2. DEFINITIONS

2.1. "ASE" means the National Institute for Automotive Service Excellence.

2.2. "Advertisement" means the issuance of any card, sign, or device to any person, the causing, permitting, or allowing the placement of any sign or marking on or in any building or structure, or in any media form, including newspaper, magazine, radiowave, satellite signal, or any electronic transmission, or in any directory soliciting Taxicab services subject to these Regulations.

2.3. "BAR" means the Bureau of Automotive Repair.

2.4. "City" means the City of Newport Beach.

2.5. "DOJ" means the Department of Justice of the United States of America.

2.6. "Driver" means a person who drives or controls the movements of a taxicab.

2.7. "DMV" shall mean the California Department of Motor Vehicles.

2.8. "DOT" shall mean the U.S. Department of Transportation.

2.9. "Municipal Code" means the City of Newport Beach Municipal Code.

2.10. "Owner" means a person who is registered with the DMV as the owner of a vehicle used as a taxicab, or who has a legal right to possession or control of such vehicle pursuant to a lease or other agreement. The act of any driver of a vehicle used as a taxicab shall be deemed an act of the owner.

2.11. "Permittee" means a Person that holds a valid Taxicab Business Permit, and includes its officers, management, employees, drivers, volunteers, agents, leaseholders, and owner-operators, jointly and severally.

2.12. "Person" means any natural person, firm, association, organization, partnership, business, trust, corporation or public entity.

2.13. "Prearranged Trip" means a trip using an online enabled application, dispatch, or Internet website.

2.14. "Regulations" means these regulations.

2.15. "Regulatory Authority" means the County of Orange and any city within Orange County where a taxicab business is substantially located.

2.16. "Substantially Located" means either of the following: the city or county where a Taxicab Business is primary located; or, the city or county where the total number of prearranged and non-prearranged trips that originate account for the largest share of the Taxicab Business's total number of trips over the previous calendar year as determined annually.

2.17. "Taxicab" means a vehicle capable of carrying not more than eight persons, excluding the driver, and used to carry passengers for hire. The term shall exclude a vehicle operating as a charter party carrier licensed as such by any state agency, including the California Public Utilities Commission, a rideshare as defined in Vehicle Code §522, or any other vehicle operating under the authority of any state agency, including the California Public Utilities Commission.

2.18. "Taxicab Business" means any enterprise, whether carried on for profit or otherwise, that operates Taxicabs.

2.19. "Taxicab Business Permit" means a valid permit issued by the City authorizing a Person to operate a Taxicab Business.

2.20. "Taxicab Driver's Permit" means a valid permit issued by the City authorizing a person to drive or control the movements of a Taxicab.

2.21. "Taxicab Vehicle Permit" means a valid permit issued by the City authorizing a particular vehicle to be operated as a Taxicab.

2.22. "Taximeter" means a fully operational device with current and intact seals or technology approved by the Division of Measurement Standards to calculate fares, including the use of Global Positioning System metering, that complies with Business and Professions Code §12500.5 and with all regulations established pursuant to Business and Professions Code §12107.

3. GENERAL RULES AND REQUIREMENTS

3.1. Permittee. A Permittee shall:

3.1.1. Be responsible for all Taxicabs under its possession, custody control, or driven on Permittee's behalf or for its benefit;

3.1.2. Be responsible for the acts or omissions of all Drivers while they operate a Taxicab on Permittee's behalf, under its authority, or for its benefit;

3.1.3. Ensure all Taxicabs are driven only by Persons with a Taxicab Driver's Permit;

3.1.4. Notify the City within two (2) calendar days of an affiliated Driver who becomes unqualified or unauthorized to drive a

Taxicab, or upon termination of employment or affiliation with a Driver;

3.1.5. Maintain all programs and requirements for receiving a Taxicab Business Permit;

3.1.6. Verify the continuous enrollment of affiliated Drivers in Permittee's drug and alcohol testing program and DMV Pull Notice program;

3.1.7. Cooperate fully with City staff and law enforcement;

3.1.8. Notify the City within two (2) calendar days when vehicles are removed from service and surrender Taxicab Vehicle Permits in accordance with these Regulations;

3.1.9. Maintain reasonable financial responsibility to conduct Taxicab transportation services in accordance with these regulations;

3.1.10. Maintain a safety education and training program in effect for all Drivers, whether employees or contractors;

3.1.11. Maintain a disabled access education and training program to instruct Drivers on compliance with the federal Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12101 et seq.) and amendments thereto, and state disability rights laws, including making clear that it is illegal to decline to serve a person with a disability or who has a service animal;

3.1.12. Disclose fares, fees, and rates to the customer on its internet website, mobile telephone application, or telephone orders and upon request;

3.1.13. Maintain and keep records, logs, or receipts of vehicle maintenance for all Taxicabs issued a Taxicab Vehicle Permit, showing that the Taxicab is maintained in accordance with the service standards recommended by the vehicle manufacturer, and making such records available to the City upon request;

3.1.14. Collect data that demonstrates the total number of prearranged and nonprearranged trips that originate within a particular local jurisdiction for the purpose of determining where that taxicab company is substantially located, and provide that data promptly and in a format acceptable to the City upon request during regular business hours; and

3.1.15. Ensure compliance of its Taxicab Business with all applicable federal, state, and local laws, rules and regulations.

3.2. Drivers. A Driver shall:

3.2.1. Be responsible for the operation of a Taxicab under its possession, custody, or control;

3.2.2. Possess and display at all times while a Taxicab is in operation a valid Taxicab Driver's Permit issued to that Driver which identifies the Permittee;

3.2.3. Display its Taxicab Driver's Permit on the passenger side area of the dashboard of the Taxicab in a manner that is easily viewable from inside or outside of the Taxicab, except that the Driver's DMV driver's license number may be covered by a removable label, if desired;

3.2.4. Affix its Taxicab Driver's Permit to the Taxicab in a way that makes it easily removable by the Driver to provide to law enforcement or code enforcement upon request;

3.2.5. Maintain its Taxicab Driver's Permit free from alterations, defacement or damage, excepting normal wear and tear that does not render it illegible;

3.2.6. Not display another Person's driver's permit, whether issued by the City or other Regulatory Authority, nor allow another Person to use their Taxicab Driver's Permit;

3.2.7. Not operate a Taxicab without a valid Taxicab Vehicle Permit issued for that Taxicab;

3.2.8. Not operate a Taxicab that does not meet all requirements of these Regulations;

3.2.9. Not carry more passengers in the Taxicab than authorized by the manufacturer's recommendations;

3.2.10. Ensure operational seat belts are available for all passengers;

3.2.11. Not leave the Taxicab to solicit passengers;

3.2.12. Maintain the passenger compartment in a clean and sanitary condition;

3.2.13. Not charge fares higher than those disclosed to the customer, and not in contravention of these Regulations or in an amount that exceeds the maximum established by the City;

3.2.14. Only carry a passenger to the destination by the most direct and accessible route;

3.2.15. Provide a receipt for the amount charged upon request of the person paying the fare, which contains the Driver's name and

Taxicab Driver's Permit number, telephone number, Permittee's name, charge amount, date, and time of transaction;

3.2.16. Comply with the minimum requirements for the mandatory exchange of information established in Vehicle Code §16025 in the event of an automobile accident;

3.2.17. Continuously operate the Taximeter at any time that the Driver is carrying a customer;

3.2.18. Cooperate with the Permittee, code enforcement, and law enforcement to ensure compliance with law, including random testing of Drivers and Taxicab inspections; and

3.2.19. Operate the Taxicab in accordance with all applicable law, including these Regulations, and with due regard for the safety, comfort, and convenience of passengers and the general public.

3.3. Taxicabs. An Owner, Driver, and Permittee shall be jointly and severally responsible to ensure that a Taxicab:

3.3.1. Displays its Taxicab Vehicle Permit as required by these Regulations at all times while the Taxicab is being operated;

3.3.2. Meets the requirements of the a Vehicle Code, including, but not limited to, Vehicle Code §24000, et seq;

3.3.3. Equals or exceed the standards set forth in these Regulations at all times;

3.3.4. Carries at all times evidence of financial responsibility pursuant to Vehicle Code §§16020 through 16028;

3.3.5. Carries at all times valid and current vehicle registration pursuant to Vehicle Code §4462, showing that the Taxicab is registered as a commercial vehicle pursuant to Vehicle Code §260;

3.3.6. Displays the Permittee's name and logo, if any, in an area visible from the interior and exterior of the Taxicab at all times while in service and when soliciting passengers on behalf of Permittee;

3.3.7. Displays the Permittee's name and logo, and the number by which the taxicab is designated, conspicuously on the outside of each taxicab by print, stamp, or stencil;

3.3.8. Be equipped to seat no more than eight (8) passengers, excluding the Driver; and

3.3.9. For on-demand (flagged) trips, possess a fully operational Taximeter.

4. FARES

4.1. Maximum Fare. A Permittee may set fares or charge a flat rate for Prearranged Trips. The metered rates for on-demand (flagged) trips shall not exceed those rates established by resolution of the City Council.

4.2. Calculating Fares. A Permittee may use any type of device or technology approved by the Division of Measurement Standards to calculate fares, including the use of Global Positioning System metering, provided that the device or technology complies with Business and Professions Code §12500.5, and with all regulations established pursuant to Business and Professions Code §12107.

4.3. Disclosure of Fares. A Permittee shall disclose fares, fees, or rates to the customer. A Permittee may satisfy this requirement by disclosing fares, fees, or rates on its Internet Web site, mobile telephone application, or telephone orders upon request by the customer.

4.4. Notification of Rate. A Permittee shall ensure the applicable rate is disclosed to a passenger prior to the passenger accepting a ride for walkup rides and street hails. The rate may be provided on the exterior of the Taxicab, within an application of a mobile telephone, device, or other Internet-connected device, or be clearly visible in either print or electronic form inside the Taxicab.

5. FEES

5.1. Fees. The City shall recover its costs incurred in the administration of these Regulations by the adoption of a schedule of fees included in the City's Schedule of Rents, Fines, and Fees.

5.2. Refund Policy. There shall be no refund of any portion of the fees described in these Regulations.

6. TAXICAB BUSINESS PERMITS

6.1. Permit Required. No Person shall operate a Taxicab Business that is Substantially Located in the City without having first obtained a Taxicab Business Permit.

6.2. Term. A Taxicab Business Permit shall expire two (2) years from its effective date, unless renewed or revoked.

6.3. Issuance. A Taxicab Business Permit shall be issued by the City if all of the following requirements have been satisfied, and none of the grounds for denial are apply.

6.3.1. Submission of a complete application package.

6.3.2. Submission of a copy of a drug and alcohol policy that complies with 49 CFR Part 40 (Section 40.1 et seq.) and Part 382 (Section 382.101 et seq.) and Government Code §53075.5 for all Drivers and meeting the following requirements:

6.3.2.1. A contract with a drug and alcohol program administrator and authorized lab certified by the DOT;

6.3.2.2. Procedures in substantial compliance with Part 40 of Title 49 of the Code of Federal Regulations, for preemployment or pre-licensing and licensing renewal;

6.3.2.3. Procedures in substantial compliance with Part 382 of Title 49 of the Code of Federal Regulations for rehabilitation, return-to-duty and follow up testing;

6.3.2.4. Procedures and components for random testing following DOT guidelines, annual minimum random testing rates, and additional tests as required following accidents, rehabilitation, return-to-service, and other circumstances providing reasonable suspicion to test;

6.3.2.5. When requested, random testing reports to be made available to the City by the program administrator;

6.3.2.6. The applicant's and program administrator's records shall be made available to the City upon request within two (2) calendar days;

6.3.2.7. The test results must be provided to the City by the testing facility; and

6.3.2.8. Drivers must show a valid California driver license at the time and place of testing.

6.3.3. Submission of proof of insurance in the type and amounts, including endorsements and waivers, as may be required by the City Attorney or established by resolution of the City Council, but in no event less than the minimum coverage required by Government Code §16500, as may be amended.

6.3.4. Submission of a DMV Pull Notice Program Requester Code Number issued to applicant, as defined in Vehicle Code §1808.1, continuous enrollment in the Pull Notice program, and the following:

6.3.4.1. All Drivers must be enrolled in the program within seven (7) calendar days from inception of the program or date of affiliation;

6.3.4.2. Notify the City upon receipt of a DMV Pull Notice for any Driver that indicates an action that disqualifies the Driver for a Taxicab Driver's Permit;

6.3.4.3. Require the Driver to immediately cease operation and surrender their Taxicab Driver's Permit, and return the Taxicab Driver's Permit to the City within two (2) calendar days of a DMV Pull Notice receipt; and

6.3.4.4. DMV Pull Notice records shall be made available to the City within two (2) calendar days of request.

6.3.5. Submission of proof of current DMV registration for each Taxicab listed in the Taxicab Business Permit application, which complies with the registration requirements set forth in these Regulations.

6.3.6. Submission of proof of completion of a DOJ background check with Live Scan fingerprinting at an approved DOJ finger printing agency for each owner, partner, or principal of the applicant, the results of which shall not contravene the requirements of these Regulations.

6.3.7. Submission of proof of enrollment in the DOJ subsequent arrest notification program.

6.3.8. Submission of a list of all Drivers authorized to operate Permittee's Taxicabs.

6.3.9. Payment of all applicable fees.

6.3.10. Identify the principal place of business from which Taxicab Business is, or will be, conducted.

6.3.11. There are no grounds for denial of a Taxicab Business Permit as outlined in these Regulations.

6.4. Denial. A Taxicab Business Permit application shall be denied on any of the grounds set forth in this section, or for lack of compliance with the conditions for issuance set forth in these Regulations.

6.4.1. The applicant is less than 18 years of age.

6.4.2. The applicant falsifies material information on its application.

6.4.3. The applicant does not meet the additional eligibility standards in Section 9 of these Regulations.

6.4.4. The applicant fails to fully satisfy any court judgment entered against it arising from liability for operating a Taxicab Business, including, but not limited to, judgments related to collisions or operating without the requisite insurance, within ten (10) years from the date that the judgment was originally entered pursuant to Code of Civil Procedure §683.020 and §683.030, or if the judgment has been renewed, within ten (10) years from the date that the application for renewal of judgment is filed pursuant to Code of Civil Procedure §683.120.

6.5. Suspension or Revocation.

6.5.1. A Taxicab Business Permit may be suspended or revoked for any of the following reasons:

6.5.1.1. Providing late, false, or inaccurate information in the application;

6.5.1.2. Allowing operation of a Taxicab by a Person not possessing a valid Taxicab Driver's Permit;

6.5.1.3. Charging fares at a rate higher than the maximum authorized;

6.5.1.4. Failure to cooperate in good faith with law enforcement officers, code enforcement officers, or City staff;

6.5.1.5. Failure to maintain insurance as required by these Regulations;

6.5.1.6. Failure to comply with the drug and alcohol policy required by these Regulations;

6.5.1.7. Failing to fully satisfy any court judgment entered against the Permittee arising from liability for operating Taxicabs, including, but not limited to, judgments related to collisions or operating without the requisite insurance, within ten (10) years from the date that the judgment was originally entered pursuant to Code of Civil Procedure §683.020 and §683.030 or, if the judgment has been renewed, within ten (10) years from the date that the application for renewal of judgment is filed pursuant to Code of Civil Procedure §683.120;

6.5.1.8. Circumstances providing grounds for denial of a Taxicab Business Permit as outlined in these Regulations;

6.5.1.9. Violating Government Code §53075.9 pertaining to advertising; and

6.5.1.10. Failure to comply with these Regulations.

6.5.2. The period of suspension shall be up to six (6) months from the date all operation of Taxicab Business Substantially Located in the City have ceased in compliance with the suspension. If the suspended Taxicab Business Permit is allowed to expire during the term of any suspension without being renewed in accordance with these Regulations, a Person shall be ineligible to apply for a new Taxicab Business Permit until the period of suspension has elapsed.

6.5.3. A Person whose Taxicab Business Permit is revoked shall be ineligible to apply for a Taxicab Business Permit for two (2) years from the date all operations of a Taxicab Business Substantially Located in the City have ceased in compliance with the revocation.

6.5.4. It shall be the duty of the Taxicab Business to notify the City when operations have ceased in compliance with a suspension or revocation, or after the period of suspension or revocation has elapsed, provide adequate proof to the satisfaction of the City of the date that operations ceased in compliance with the suspension or revocation.

7. TAXICAB DRIVER'S PERMITS

7.1. Permit Required. No person shall operate a Taxicab on behalf of a Taxicab Business that is Substantially Located in the City unless that person is operating on behalf of a Permittee and possesses a Taxicab Driver's Permit.

7.2. Term. A Taxicab Driver's Permit shall expire two (2) years from its effective date, unless renewed or revoked.

7.3. Restrictions. A Taxicab Driver's Permit is only valid for the Driver to operate a Taxicab for the Permittee indicated on the Taxicab Driver's Permit. Reproduction of a Taxicab Driver's Permit is strictly prohibited, except that a Permittee may copy a Taxicab Driver's Permit for recordkeeping purposes. A Taxicab Driver's Permit shall list the name of the Permittee.

7.4. Issuance. A Taxicab Driver's Permit shall be issued if all of the following requirements have been satisfied, and none of the grounds for denial apply:

7.4.1. Submission of a complete application, including signature of the Permittee the Driver is employed, has an offer of employment, or on whose behalf the Driver intends to operate a Taxicab;

7.4.2. Submission of proof of a valid California driver license (Class C);

7.4.3. Submission of a DMV K4 driver record report, or other equivalent DMV issued driver record report, which is no older than thirty (30) days prior to submission of the application for a Taxicab Driver's Permit, showing that the Driver is in compliance with these Regulations;

7.4.4. A negative drug and alcohol screening test administered by a Permittee's program administrator within the previous thirty (30) days in compliance with Government Code §53075.5(b)(3);

7.4.5. Proof of enrollment in a Permittee's current and active random drug and alcohol program;

7.4.6. Submission of proof of completion of a DOJ background check with Live Scan fingerprinting at an approved DOJ finger printing agency, the results of which shall not contravene the requirements of these Regulations;

7.4.7. Submission of proof of enrollment in the DOJ subsequent arrest notification program;

7.4.8. Payment of all applicable fees; and

7.4.9. There are no grounds for denial of a Taxicab Driver's Permit as set forth in these Regulations.

7.5. Denial. A Taxicab Driver's Permit application shall be denied on any of the grounds set forth in this section, or for lack of compliance with the conditions for issuance set forth in these Regulations:

7.5.1. The applicant is less than 18 years of age;

7.5.2. The applicant does not possess a valid Class C California driver license;

7.5.3. The applicant fails to enroll in the required random drug and alcohol program;

7.5.4. The applicant failed a drug and/or alcohol test required by these Regulations within the prior twelve (12) months;

7.5.5. The applicant falsifies, or fails to disclose, material information on the application for a Taxicab Driver's Permit;

7.5.6. The applicant does not meet the additional eligibility standards in Section 9 of these Regulations; and

7.5.7. A DMV K4 report shows convictions in contravention of these Regulations, or shows a pattern of reckless or dangerous driving that poses an unreasonable risk to the health and safety of the public.

7.6. Suspension or Revocation.

7.6.1. A Taxicab Driver's Permit may be suspended or revoked for any of the reasons set forth below:

7.6.1.1. Revocation or suspension of a California driver license;

7.6.1.2. Notification received by the City that the Driver is no longer an authorized driver for its designated Permittee;

7.6.1.3. Testing positive on a drug and alcohol screening, or failure to submit to a random drug and alcohol testing program;

7.6.1.4. Not enrolled or active in the required random drug and alcohol program;

7.6.1.5. Failure to cooperate with law enforcement officers, code enforcement officers, or City staff;

7.6.1.6. Circumstances providing grounds for denial of a Taxicab Driver's Permit as set forth in these Regulations; and

7.6.1.7. Failure to comply with the applicable provisions of these Regulations.

7.6.2. The period of suspension shall be up to six (6) months from the date the Person has ceased all operations as a Driver for any Permittee in compliance with the suspension. If the suspended Taxicab Driver's Permit is allowed to expire during the term of any suspension without being renewed in accordance with these Regulations, a Person shall be ineligible to apply for a new Taxicab Driver's Permit until the period of suspension has elapsed.

7.6.3. A Person whose Taxicab Driver's Permit is revoked shall be ineligible to apply for a Taxicab Driver's Permit for two (2) years from the date the Person has ceased all operations as a Driver for any Permittee in compliance with the revocation.

7.6.4. It shall be the duty of the Driver or a Permittee to notify the City when the Driver has ceased operation of any Taxicab for a Permittee that is Substantially Located in the City in compliance

with a suspension or revocation, or after the period of suspension or revocation has elapsed, provide adequate proof to the satisfaction of the City of the date that the Driver ceased operation of any Taxicab for a Permittee that is Substantially Located in the City in compliance with the suspension or revocation.

7.7. Transfer.

7.7.1. A Driver may request a transfer of its Taxicab Driver's Permit to a different Permittee if the following requirements have been met:

7.7.1.1. Submission of the required forms to transfer a Taxicab Driver's Permit which have been signed by an authorized representative of the prospective Permittee;

7.7.1.2. Payment of a Taxicab Driver's Permit transfer fee, if any;

7.7.1.3. Proof of possession of a valid Class C California driver license;

7.7.1.4. Possession of a valid Taxicab Driver's Permit to be transferred; and

7.7.1.5. Proof of verification of enrollment in the prospective Permittee's current and active random drug and alcohol program.

7.7.2. A Driver shall not operate a Taxicab on behalf of a different Permittee until the Taxicab Driver's Permit is transferred to the intended Permittee, the new Taxicab Driver's Permit is in possession of the Driver, and the new Taxicab Driver's Permit is displayed as required by these Regulations.

7.7.3. Transfer of a Taxicab Driver's Permit shall not extend the term of the permit.

8. TAXICAB VEHICLE PERMITS

8.1. Permit Required. No person shall operate a Taxicab on behalf of a Taxicab Business that is Substantially Located in the City without a Taxicab Vehicle Permit.

8.2. Term. A Taxicab Vehicle Permit shall expire one (1) year from its effective date, unless renewed or revoked.

8.3. Display. A Taxicab Vehicle Permit must be displayed in the left-hand corner of the rear window of the Taxicab for which the Taxicab Vehicle Permit is issued.

8.4. Non-Transferrable. A Taxicab Vehicle Permit is nontransferable, and shall be issued only for one vehicle.

8.5. Issuance. A Taxicab Vehicle Permit shall be issued for a vehicle if the following criteria are met, and none of the grounds for suspension or revocation apply:

8.5.1. The applicant for the Taxicab Vehicle Permit is a Permittee;

8.5.2. Submission of proof that the vehicle passed inspection at an ASE-certified or BAR-registered facility, no older than thirty (30) days prior to the application, signed by the inspecting facility, and showing that the vehicle has met all inspection standards;

8.5.3. Submission of proof of financial responsibility pursuant to Vehicle Code §§16020 through 16028 that covers the vehicle; and

8.5.4. The vehicle is not designed or equipped to seat more than eight (8) passengers.

8.6. Suspension or Revocation.

8.6.1. A Taxicab Vehicle Permit may be suspended or revoked for any of the following reasons:

8.6.1.1. The Vehicle is determined by a law enforcement officer, code enforcement officer, or qualified City staff not to be in a safe operating condition, or in compliance with the Vehicle Code;

8.6.1.2. The Vehicle is subject to impound or removal by law enforcement pursuant to state law;

8.6.1.3. Failure to cooperate with law enforcement officers, code enforcement officers, or City staff in the inspection of the Vehicle;

8.6.1.4. Failure to provide proof upon request by law enforcement, code enforcement, or City staff of financial responsibility pursuant to Vehicle Code §§16020 through 16028 that covers the vehicle; and

8.6.1.5. Failure to comply with the applicable provisions of these Regulations.

8.6.2. The period of suspension shall be until satisfactory proof is presented to the City that the Taxicab successfully passed a new

inspection as required by these Regulations, and that none of the reasons for suspension exist.

8.6.3. In the event a Taxicab cannot successfully pass inspection or cure any of the reasons for suspension, then the Taxicab Vehicle Permit shall be permanently revoked.

9. ADDITIONAL ELIGIBILITY STANDARDS

9.1. A Person shall not be eligible for a Taxicab Business Permit or a Taxicab Driver's Permit if the Person is convicted, pleads guilty, or nolo contendere in any state to any of the offenses listed in this section or their equivalent.

9.1.1. Penal Code. Penal Code violations including homicide, mayhem, kidnapping, hostages, robbery, attempted murder, assault with intent to commit a felony, false imprisonment, human trafficking, assault and battery (Pen. Code §§187-248); rape, abduction, carnal abuse of children, pandering, pimping, and seduction (Pen. Code §§261-269); child abduction (Pen. Code §§277-280); forgery or counterfeiting (Pen. Code §§470-483.5); false personation or cheats (Pen. Code §§528-539); or is required to register as a sex offender (Pen. Code §§290-294).

9.1.2. Vehicle Code Violations. Vehicle Code violations including disregard for safety of persons or property (Veh. Code §§2800.2); flight from peace officer causing death or bodily injury (Veh. Code §2800.3); and violation of the duty to stop at scene of accident resulting in death or injury (Veh. Code §20001).

9.1.3. Felony Conviction for Controlled Substances. Any felony based on the manufacture, use, sale, possession, or transportation of controlled substances, including marijuana (Health & Saf. Code §§11000-11651).

9.1.4. Felony Conviction for Weapon Offenses. Any felony based on the manufacture, use, sale, possession, or transportation of weapons, firearms or ammunition.

9.1.5. Other Felony Convictions in the Past Eight Years. Any felony conviction within the past eight (8) years other than those felonies expressly identified in this Section 9.

9.1.6. Other Vehicle Code Violations in the Past Five Years: Vehicle Code violations within the past five (5) years including reckless driving (Veh. Code §23103); driving under the influence of intoxicating liquors or drugs (Veh. Code §23152-23229.1); flight from peace officer (Veh. Code §2800.1); violation of duty to stop

at the scene of an accident not resulting in death or injury (Veh. Code §20001); violation of duty to stop at the scene of an accident where property is damaged (Veh. Code §20002); and violation of duty to give personal information when involved in an accident resulting in injury or death (Veh. Code §20003).

9.1.7. Misdemeanor Conviction Relevant to Fitness for a Taxicab Driver's Permit or Taxicab Business Permit in the Past Five Years. Any misdemeanor conviction in the past five (5) years substantially related to the fitness, qualifications, functions or responsibilities of a Taxicab Driver or Permittee.

10. ADVERTISING

10.1. Permittee. A Permittee shall ensure that its Taxicab Business Permit number is conspicuously visible in all Advertisements, as required by Government Code §53075.9. The Taxicab Business Permit number shall be displayed as "Newport Beach Taxicab Business Permit #XXX" or similar designation as may be issued by the City. Advertisements must use the Permittee's name as it is listed on its Taxicab Business Permit.

10.2. Driver. Every Driver shall comply with Government Code §53075.9 and include, in every Advertisement for Taxicab services, the name of the Permittee, the Permittee's Taxicab Business Permit number, and the Taxicab Driver's Permit number.

11. PERMITS GENERALLY

11.1. Renewal of Permit.

11.1.1. An application for renewal of a permit subject to these Regulations shall be submitted to the City at least thirty (30) days prior to the expiration of the permit. Acceptance of late applications for renewal shall be at the City's discretion.

11.1.2. A permit that is more than thirty (30) days expired shall be ineligible for renewal.

11.1.3. A permit that is renewed shall continue for an additional period equal to the term of the original permit, commencing upon the expiration of the immediately preceding term.

11.1.4. A permit may be renewed if the following conditions are met:

11.1.4.1. Submission of the required forms for renewal of the permit;

11.1.4.2. Payment of fees applicable for renewal, if any;

11.1.4.3. The Person or Vehicle that is the subject of the permit is eligible for issuance of the permit pursuant to these Regulations;

11.1.4.4. Renewal of a Taxicab Business Permit requires the applicant to provide documentation of trip data in the format required by the City reflecting the total number of prearranged and nonprearranged trips, when each trip took place, and where each trip originated;

11.1.4.5. Renewal of a Taxicab Driver's Permit requires proof that the Person has passed a drug and alcohol screening within the prior twelve (12) months, unless the Person has failed a test more recently that the prior twelve (12) months, in which case proof of passing a drug and alcohol screening within the prior seven (7) days; and

11.1.4.6. Renewal of a Taxicab Vehicle Permit shall require proof, no older than thirty (30) days prior to the application, that the vehicle has passed inspection at an ASE-certified or BAR-registered facility.

11.1.5. A Person may apply for renewal of their permit during the period that it is suspended. A renewed permit shall not be reinstated or returned to the Person until the conditions for reinstatement of a suspended permit set forth in these Regulations has been satisfied.

11.1.6. The term of a suspended or surrendered permit shall not be extended by the period of suspension or surrender.

11.2. Replacement of Permit. A replacement for a lost or damaged permit issued pursuant to these Regulations may be obtained from the City upon payment of any applicable fees established by resolution of the City Council. Issuance of a replacement permit shall not extend the term of the permit.

11.3. Surrender of Permit. The following permits shall be immediately invalid and shall be surrendered to the City within two (2) calendar days if any of the following occurs:

11.3.1. A Taxicab Business Permit, Taxicab Driver's Permit, or Taxicab Vehicle Permit expires, is suspended, or revoked;

11.3.2. A Taxicab Business Permit, and all affiliated Taxicab Driver's Permits and Taxicab Vehicle Permits if a Permittee sells, dissolves, or terminates its Taxicab Business;

11.3.3. A Taxicab Driver's Permit if the Driver's employment or affiliation with a Permittee terminates and is not transferred pursuant to these Regulations;

11.3.4. A Taxicab Driver's Permit if the Driver becomes ineligible for issuance of a Taxicab Driver's Permit under these Regulations;

11.3.5. A Taxicab Vehicle Permit if the corresponding Taxicab is permanently removed from service; and

11.3.6. A Taxicab Vehicle Permit if the corresponding Taxicab has been removed from the Permittee's approved insurance policy.

11.4. Reinstatement of a Suspended or Surrendered Permit.

11.4.1. A Person whose permit was suspended or surrendered may request return and reinstatement of the permit for the remaining balance of the unexpired term, provided that the following conditions have been satisfied:

11.4.1.1. All applicable fines and fees have been paid;

11.4.1.2. All terms and conditions of any administrative or judicial decision have been fulfilled;

11.4.1.3. Any period of suspension has passed;

11.4.1.4. The Person or Vehicle that is the subject of the permit is eligible to be issued the permit pursuant to these Regulations; and

11.4.1.5. The permit remains otherwise valid, has not expired, been revoked, and is not suspended.

11.4.2. The term of a suspended or surrendered permit shall not be extended by the period of suspension or surrender.

12. REPORTING VIOLATIONS

12.1. Investigation. The City may investigate for violations of these Regulations and take any appropriate actions necessary to ensure compliance, including but not limited to, administrative actions, citations, fines, and other remedies for enforcement.

12.2. Reporting Violations. Reports alleging illegal Taxicab operation or violation of these Regulations shall require all of the following information be provided in order to warrant investigation by the City:

12.2.1. Date, time and location;

12.2.2. Description of activity; and

12.2.3. Vehicle's license plate number, color, make and model, and any distinctive characteristics.

12.3. Advertising Violations. Reports alleging a violations pertaining to Advertising must provide a copy or sample of the Advertisement (such as the sign, business card, advertising display, webpage, electronic recording or phone directory) evidencing non-compliance with these Regulations or state law.

13. ENFORCEMENT

13.1. Citations. Compliance with the provisions of these Regulations may be secured under the provisions of Chapter 1.05 of the City of Municipal Code, and the schedule of fines set forth therein.

13.2. Cumulative. In lieu of, or in addition to, the remedies set forth herein and in Chapter 1.05 of the Municipal Code, the City may suspend or revoke any permit based on the grounds set forth in these Regulations.

13.3. Not Exclusive. The foregoing remedies shall not be exclusive, but shall be in addition to any other remedy available to the City at law or in equity.

14. ADMINISTRATIVE APPEALS

14.1. Appeal of Administrative Citation. Appeals of administrative citations issued to enforce the provisions of these Regulations shall follow the procedures and time limits set forth in Municipal Code Chapter 1.05, including Section 1.05.030 Service Procedures, Section 1.05.040 Contents of Administrative Citation, Section 1.05.060 Appeal of Administrative Citation, Section 1.05.070 Hearing Officer, Section 1.05.080 Hearing Procedure, Section 1.05.090 Hearing Officer's Decision, Section 1.05.100 Failure to Pay Fines, Penalties, Costs or Fees, and Section 1.05.110 Right to Judicial Review of Hearing Officer's Decision on Administrative Citation.

14.2. Appeal of Administrative Decision or Action. Appeals of denials of issuance or renewal of a permit, or for administrative action to suspend or revoke a permit, shall follow the procedures and time limits set forth in Municipal Code Chapter 1.05, including Section 1.05.030 Service Procedures, Section 1.05.060 Appeal of Administrative Citation, Section 1.05.070 Hearing Officer, Section 1.05.080 Hearing Procedure, Section 1.05.090 Hearing Officer's Decision, Section 1.05.100 Failure to Pay Fines, Penalties, Costs or Fees, and Section 1.05.110 Right to Judicial Review of Hearing Officer's Decision on Administrative Citation.

14.3. Stay. If an appeal is properly submitted to the City in accordance with City Municipal Code Chapter 1.05.060, the citation, decision, or action shall be stayed pending the final determination of the appeal, unless the City notifies the appellant in writing that the action is not stayed during the

appeal because the continued operation of the affected Taxicab, Driver, or Taxicab Business, as applicable, would pose a risk to the health or safety of the public.

15. CONFLICTS

15.1. Severability. If any term or portion of these Regulations is held to be invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions of these Regulations shall continue in full force and effect.

15.2. California Law. All references to statutes contained in these Regulations refer to the statutes of the State of California except as otherwise indicated.

16. ADMINISTRATIVE POLICIES AND PROCEDURES

16.1. The City Manager may adopt administrative policies and procedures to supplement and carry out these Regulations.

History

Adopted November 14, 2023
Amended December 9, 2025

Exhibit Q

Newport Beach Council Policy F-13

DISTRIBUTION OF PUBLIC INFORMATION IN MUNICIPAL SERVICES STATEMENTS AND BUSINESS LICENSE RENEWALS

PURPOSE

The purpose of this Policy is to establish guidelines for the distribution of written materials with the Municipal Services Statement and Business License Tax Renewal forms.

Periodically, material is distributed to residents through the Municipal Services Statement and Business License Renewal form. This material shall be approved by the Administrative Services Director using the guidelines below as criteria for approval. Material not completely consistent with the guidelines below will not be distributed with Municipal Services Statements or Business License Tax Renewal forms without specific Council authorization. All costs associated with the inclusion of such material must be paid by the Department submitting the request for inclusion.

Mailing may include the following:

A. Notification of schedules or procedures affecting City services.
B. Notification of any changes in procedure or process affecting business license holders.
C. Information on the availability and scope of City services and facilities.
D. Information concerning the functions and responsibilities of City departments and financial aspects of City operations.
E. Information on municipal projects or future programs where a reaction from the community, business, or a neighborhood is desired.
F. Information on recommended courses of action to protect the public or property from fire, theft, damage, and related hazards.
G. Other materials which are designed to keep the public informed on the activities of its government.

Mailings shall not contain information: of a commercial nature; from a commercial entity; or that promotes political candidates or causes. Mailings may include factual financial information except if the topic of such financial information pertains to a ballot measure in an upcoming election unless otherwise determined by the City Council.

With the approval of the City Manager, information from community based, noncommercial organizations may be included in the Municipal Services Statement and Business License Renewal. The primary purpose of any such material should be to provide information of a public service nature. The material must not contain direct solicitation for contributions or promotions of events whose primary purpose is fund raising (such as $200 per plate dinners). However, announcements of other events are generally appropriate, even if a nominal fee or "bake sale" type activity is an incidental

part of the function. All costs associated with the inclusion of such material must be paid by the non-commercial organization.

The Municipal Services Statement subscribers list shall not be made available for any private or organizational use. The City Manager may authorize exceptions to this restriction.

History

Adopted - December 9, 1968
Amended - October 25, 1977
Amended - May 13, 1991
Amended - January 24, 1994
Amended - February 27, 1995
Corrected - February 26, 1996
Amended - April 13, 2004
Amended - September 27, 2011
Amended – February 12, 2019
Amended – December 9, 2025

Formerly G-2

Exhibit R

Newport Beach Council Policy F-14

CONTRACT PROCUREMENT AND AUTHORITY TO CONTRACT

Purpose

This policy sets forth requirements for contract procurement and City Council's delegation of authority for entering into contracts. "Entering into a contract" or "executing a contract" is synonymous with the awarding and signing of a contract and means the formal approval of the contract terms and intent to be bound thereby. "Contracts" includes all agreements, purchase orders, and purchase requisitions, which is applicable regardless of whether the City is expending or receiving funds. The types of contracts covered by this policy include, but are not limited to, settlements, right of entry agreements, cost sharing agreements, joint defense agreements, cooperative agreements, reimbursement agreements, grant agreements, professional services agreements, former employee services agreements , independent instruction and recreation contracts, public works contracts, and "as-needed" or "on-call" services agreements.

Background

The City shall not be bound by any contract or amendment thereto, unless the same shall be made in writing, approved by the City Council or employee designated by the City Council; signed on behalf of the City by (i) the Mayor or by such other employees designated by the City Council, (ii) the City Clerk, and (iii) the City Attorney (Charter § 421). The City Attorney shall approve the form of all contracts made by the City and amendments thereto and all bonds given to the City, endorsing his or her approval thereon in writing (Charter § 602(e)).

Delegation of Authority to Enter Into and Amend Contracts

The City Council hereby delegates its authority to contract to the City Manager and through him or her to the Assistant City Manager, Department Directors, and to the City Attorney as set out below. The City Manager has final authority to approve any contract within the City Manager's approval limit.

All formalities required under the provisions of the Charter shall be applied to these contracts.

The City Manager may make exceptions to the City's standard contract terms, including but not limited to, insurance and indemnification requirements, based on operational considerations and weighing the particular risks involved. When deciding

whether to modify standard contract terms, the City Manager shall consult with the City Attorney and Department Directors, as necessary. This authority shall not be delegated below the Assistant City Manager level.

Contracts may not be written to circumvent any of the authority limits described herein.

The City Manager shall, in consultation with the City Attorney, adopt and enforce administrative procedures that ensure: (1) all contracts are entered into at a reasonable, fair and competitive price to the City; (2) all necessary formalities are followed and the requirements of federal, state, and local laws, including Council policies, are met; (3) best accounting practices are followed; and (4) the contracting process of the City is open and transparent, and provides accountability.

A. Authority to Enter into Contracts

The authority to enter into original contracts is delegated as set out below.

1. The City Manager

The City Manager is authorized to execute all contracts without prior Council approval, in an amount that shall not exceed $120,000. For contracts involving expenditure of funds, the services and the funds must have been approved by the City Council as part of the annual approved budget. Execution of contracts for grants and donations shall be in accordance with City Council Policies F-3, F-25 and B-17. This authority shall not be delegated below the Assistant City Manager level.

2. Department Directors

Department Directors, including the City Attorney and City Clerk, are authorized to execute contracts without prior City Manager or Council approval in an amount not in excess of $75,000. For contracts involving expenditure of funds, the services and funds must have been approved by the City Council or City Manager as part of the annual approved budget. This authority may not be delegated below the Assistant or Deputy Director level. The City Manager has authority to approve requests for budget increases without City Council approval at the level set forth in Policy F-3, Section E-1 ("Administration of the Annual Budget, New Appropriations").

3. City Attorney

The City Attorney is authorized to execute contracts for all services for outside counsel, investigators, and experts related directly to and necessary for prosecution and defense of pending litigation as defined in the Brown Act, and for services for outside counsel, investigators, and experts necessary to address other pending or potential legal claims or legal issues so long as funds for outside counsel, investigators, experts and related legal services were approved by the City Council as part of the approved annual budget. The City Attorney shall keep Council informed regarding any such expense that exceeds $120,000 on not less than a quarterly basis and shall seek budget updates, if needed, within a timely fashion. Additionally, the City Attorney shall have authority to enter into contracts to resolve claims, litigation and other legal disputes where the City is receiving or expending an amount not in excess of $75,000.

B. Authority to Amend Contracts

If circumstances arise that were not reasonably foreseeable by the parties at the time of contracting which make extra work or material necessary for the proper completion of the service originally contracted for, a contract amendment and corresponding increase in total contract amount may be necessary. Under those circumstances, the City Manager, Department Directors, City Clerk and City Attorney are authorized to amend contracts as set out below. For purposes of this policy, "total contract amount" is defined as the total consideration paid over the term of the agreement, including any previous amendments to the contract. "Original contract amount" is defined as either the amount of compensation agreed upon when the contract was first entered into or the amount of compensation most recently approved by the City Council by amendment, whichever is greater.

1. City Manager

Contracts within the City Manager's Contracting Authority

The City Manager may execute any contract amendment, including but not limited to amendments to extend the term of a contract, so long as the

total contract amount as amended does not exceed $120,000 and the term extension does not exceed the maximum allowable contract term.

Contracts approved by City Council

The City Manager may execute any contract amendment, including but not limited to amendments to extend the term of a contract, so long as the total contract amount does not exceed 125 percent of the original contract amount or the original contract amount plus an additional $120,000, whichever amount is less, and the term extension does not exceed the maximum allowable contract term.

2. Department Directors

The Department Director, including the City Clerk and City Attorney, who entered into the contract or whose department is designated as the contract administrator, may execute any contract amendment, including but not limited to amendments to extend the term of a contract, so long as the total contract amount as amended does not exceed $75,000 and the term extension does not exceed the maximum allowable contract term.

3. Amendments in Cases of Possible Work Stoppage or Undesirable Delay

The City Manager is authorized to execute a contract amendment that increases the total contract amount up to 150 percent of the original contract amount in cases where a work stoppage or other undesirable consequence will result if approval of the amendment is delayed until the next City Council meeting. Within twenty-four (24) hours, the City Manager shall notify the City Council Members of any such amendment.

4. Amendments Necessary to Address Emergency Situations

In the event of emergency work requiring an amendment to an existing contract, the emergency contracting policy outlined below may be followed.

Special Requirements

Competitive proposals should be obtained for service contracts whenever possible before resorting to negotiated awards.

A. Professional Services Contracts

Services of a professional nature shall be obtained through a qualifications based selection process based on demonstrated competence and qualifications for the types of services to be performed and with the objective of selecting the most qualified consultant at a fair, reasonable and verifiably appropriate cost. The procedures for achieving this goal shall be adopted and applied by the City Manager in the Administrative Procedures Manual.

B. Services Contracts (Non-Professional)

The City shall select services contractors though a Request for Proposal (RFP) or a Request for Bid (RFB) process, whichever serves the City's best interest. Contracts through the RFB process shall be awarded based solely on pricing and minimum qualifications to determine the most responsive and responsible bidder. Contracts through the RFP process shall be awarded based on both qualifications and pricing to determine the best value to the City.

C. Maintenance and Repair Service Contracts

A service contract for maintenance or repair work that is fixed or of a definite nature (not on-call) and over the formal bid dollar amount in Charter Section 1110 must be requisitioned as a formal public works contract. For contracts not exceeding the formal bid dollar amount, the City may select services contractors though the RFP or RFB process, whichever serves the City's best interest based on the service to be provided.

D. Public Works Contracts

Contracts for public works where the total expenditures for the project exceed the formal bid dollar amount shall be awarded consistent with the provisions of Charter Section 1110 and relevant provisions of the California Public Contract Code.

E. Procurements and Contracts Involving Federal or Pass-Through Funding

Procurements expending funds from federal grants or awards received directly by the City or from a pass-through agency, such as the State of California, must comply with the provisions of Title 2 of the Code of Federal Regulations ("CFR")

Sections 200.318 through 200.326. To ensure the City's adherence to the Federal guidelines related to these procurements and contracts, the City Manager has adopted procurement procedures for such projects in the Administrative Procedures Manual.

F. Independent Instruction and Recreation Contractors

Department Directors are authorized to execute contracts with independent contractors for instructional, educational, cultural, or recreational purposes ("Instruction and Recreation contracts") where the fees paid by the City are based upon either a percentage of fees collected by City for a program or on a flat rate basis for tasks performed by the contractor.

Instruction and Recreation contracts shall not exceed five (5) years in duration and shall include a termination clause granting the City the right, at its sole discretion and with or without cause, to terminate the contract at any time by giving seven (7) calendar days' prior written notice.

Should fees paid under an Instruction and Recreation contract exceed $75,000 during the term of the contract, the Department Director shall provide written notice to the City Manager identifying the program and independent contractor. The City Manager shall give written notice to the City Council should fees paid exceed $120,000.

G. On-Call Contracts for Services (Professional or Non-Professional)

The City Manager and Department Directors are authorized to enter into on-call ("as-needed") agreements for obtaining services, including but not limited to professional services and maintenance and repair services, where the need for services is contingent, does not have a set timeframe, or where the size of the job does not warrant the expense of entering into individual agreements for each service.

On-call services contracts shall not exceed five (5) years and shall include a termination clause granting the City the right, at its sole discretion and with or without cause, to terminate the contract at any time by giving prior written notice of seven (7) calendar days. The City Manager is authorized to extend an on-call services contract for up to six (6) months if work has been authorized or encumbered during the initial term but not completed.

City Council approval is required for: (1) an on-call contract that exceeds $120,000, and (2) on-call contracts to multiple contractors stemming from a single procurement where the combined amount of the contracts exceeds $120,000.

On-call contracts may not be used to perform maintenance or repair work in contravention of Charter Section 1110. For example, a project, task, job, or work order in an amount in excess of the formal bid dollar amount in Charter Section 1110 cannot be performed under an on-call maintenance or repair services contract but must be requisitioned as a public works project.

H. Emergencies

Services contracts obtained for purposes of responding to an emergency (as defined in Newport Beach Municipal Code Section 2.20.020) that exceed the signing authority of the City Manager or Department Director as authorized in this policy shall be brought to the City Council at its next regularly scheduled meeting for review and authorization.

I. Contracts with Former Council Members and City Employees

City Council approval is required for the following when not more than five (5) years have passed since a person who is a former Council Member or City employee has left service with the City:

1. All professional services contracts with former Council Member or City employees;
2. All professional services contracts with a corporation or other business entity owned or operated by a former Council Member or City employee or that employs a former Council Member or City employee.

J. Exceptions to Competitive Procurement Requirements

Certain commodities and service types are unique or otherwise not amenable to traditional procurement and bidding procedures. The City Manager shall prescribe in the Administrative Procedures Manual alternative procedures and methods for the procurement of such items, e.g. cooperative agreements and piggyback agreements, and ensure that the pricing involved in the procurements is competitive to the greatest extent possible.

General Procedures

A. Contract Retention

The City Clerk shall retain all original executed contracts in accordance with the City's current adopted Records Retention Schedule. Contracts shall be posted into the City's electronic document database in order to maintain transparency in contracting.

B. Insurance

All contracts shall be accompanied by proof of the appropriate level of insurance at the time of execution. The insurance level required shall be in accordance with the City's published Contract Templates (or as otherwise approved by the City Manager or City Attorney).

C. Reporting

At least once annually, the City Manager shall report to the Council the summary of all contracts entered into by the City Manager and Department Directors. The summary shall include the vendor, the department responsible that will oversee the contract, the purpose of the contract, and the contract amount.

Future Amendments to Policy

Any future changes in the provisions of this policy shall be made by resolution of the City Council.

History

Adopted F-14 – 09-22-1969 (Purchase Authority for Goods & Materials)
Reaffirmed F-14 – 03-09-1970
Reaffirmed F-14 – 02-14-1972
Amended F-14 – 11-11-1974
Amended F-14 – 11-24-1975
Amended F-14 – 12-08-1975
Amended F-14 – 11-24-1986
Amended F-14 – 05-26-1987
Adopted F-14 – 01-24-1994 (new F-14) (Authority for Contracts)

Amended F-14 – 01-24-1994 (old F-14) (changed to F-5)
Amended F-5 – 02-26-1996
Amended J-1 – 11-10-1997 (Contracts with Former Employees)
Amended J-1 – 03-09-1998
Amended J-1 – 03-22-1999 (changed to F-20)
Amended F-5 – 03-14-2000
Amended F-20 – 04-08-2003
Amended F-14 – 04-13-2004
Amended F-5 – 11-22-2005
Amended F-14 – 05-09-2006
Amended F-14 & F-5 – 01-25-2011
Amended F-14 – 05-12-2015
Amended F-14 – 02-23-2016 (incorporating F-5 & F-20 and renaming "Authority to Contract")
Amended F-14 – 06-26-2018
Amended F-14 – 02-12-2019
Amended F-14 – 12-13-2022
Amended F-14 – 12-9-2025

Exhibit S

Newport Beach Council Policy F-15

EXTERNAL FINANCIAL AND COMPLIANCE REPORTING DISCLOSURE & ANNUAL AUDITS

PURPOSE

To establish City policy regarding external financial reporting, financial disclosure filings and contracting for annual audit services by an external accounting firm.

POLICY

Accounting standards boards and regulatory agencies set the minimum standards and disclosure requirements for annual financial reports and continuing disclosure requirements associated with municipal securities. The City places a high value on transparency and full disclosure in all matters concerning the City's financial position and results of operations. To this end, the City endeavors to make superior disclosure in the City's Comprehensive Annual Financial Report and Continuing Disclosure filings by going above and beyond the minimum reporting requirements including certificate of achievement programs and voluntary event disclosure filings.

The City prepares its financial statements in conformance with Generally Accepted Accounting Principles (GAAP). Responsibility for the accuracy and completeness of the financial statements rests with the City. However, the City retains the services of an external accounting firm to audit the financial statements on an annual basis. The primary point of contact for the auditor is the Administrative Services Director, but the auditors will have direct access to the City Manager, City Attorney, Finance Committee or City Council on any matters they deem appropriate.

The financial statement audit and compliance audits will be conducted in accordance with the United States Generally Accepted Auditing Standards (GAAS), standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller of the United States, and standards set by regulatory agencies if applicable.

After soliciting and receiving written proposals from qualified independent accounting firms, the Administrative Services Director shall submit a recommendation to the Finance Committee and City Council. Under the premise that multiyear audit agreements are more cost efficient, allow for greater continuity and reduce audit disruption, the City may engage auditors in multi-year contracts, but the term of each contract shall not exceed five years. Generally, the City will request proposals for audit services every five years. However, the Finance Committee may make an exception to the competitive proposal requirement if extraordinary circumstances exist and a change in auditors may not be prudent. If the City Council is satisfied with the performance of the auditors, the independent accountant firm may submit additional proposals through

a competitive selection process, but it is the City's policy to require mandatory audit firm rotation after ten years of consecutive service.

After audit results have been communicated to the City, the Administrative Services Department is then responsible for responding to all findings within six months to the Finance Committee and appropriate regulatory agencies, if applicable.

History

Adopted - January 24, 1994
Amended - February 27, 1995
Corrected - February 26, 1996
Amended - September 13, 2005
Amended - September 27, 2011
Amended - February 12, 2019
Amended – December 9, 2025

Formerly A-14

Exhibit T

Newport Beach Council Policy F-25

GRANT ADMINISTRATION

PURPOSE

To establish guidelines for the application, acceptance, administration, and financial reporting of grants including, but not limited to federal, state, local, and restricted donations (also considered grants for the purpose of this policy).

POLICY

A. Grant Application and Responsibility

Individual departments are encouraged to investigate sources of funding relevant to their respective departmental activities.

The individual Department applying for a grant or receiving a restricted donation will generally be considered the Program Administrator of the grant. The Financial Planning Division in the Administrative Services Department may assist in the financial administration and reporting of the grant, but the Program Administrator is ultimately responsible for meeting all terms and conditions of the grant, ensuring that only allowable costs are charged to the grant program and is responsible for adhering to City budgeting and fiscal procedures. Individual Departments and Program Administrators are not authorized to execute grant contracts. Grant contracts shall be reviewed by the City Attorney's office and executed by the City Manager and/ or the Mayor on behalf of the City Council.

B. Grant Acceptance & Appropriation by City Council

Even though the funding source for an activity may be provided by a grantor/ donor, only City Council can appropriate funds for official City activities except as authorized by Council Policy F-3 (Budget Adoption and Administration). Therefore, prior to the acceptance of a grant, the City Manager or City Council, as provided for in Council Policy F-3, will:

1. Approve the terms and conditions of the proposed grant including the specific City obligations that may be created by the grant contract in terms of required City matching expenditures or staff activities, even if the expenditures were previously appropriated through the budget adoption process.

2. Approve budget appropriations for the grant expenditures and City matching expenditures unless previously appropriated through the budget adoption process.

3. Approve and execute the Grant Contract(s).

City Council review and approval of items 1 and 3 are not required if the grant is under $30,000, however, Council expenditure appropriation is required for all new appropriations in excess of $10,000 or as otherwise specified by Council Policy F-3. If the grant or gift terms require that the City spend money and seek reimbursement from the grant or gift, the City will need to appropriate the expenditure and then seek reimbursement or draw-downs in accordance with the terms of the grant or gift.

Any budget amendments requested by the Program Administrator or operating Department will be reviewed by the Financial Planning Division of the Administrative Services Department and submitted as a staff report to the Council for its review and approval. The Financial Planning Division of the Administrative Services Department along with the Program Administrator will determine the proper amount of the appropriation request during the current and future fiscal year(s).

C. Timely Reimbursement

The Program Administrator is responsible and should pursue and/or request grant reimbursements or draw-downs on a timely basis. If requested, the Financial Planning Division of the Administrative Services Department will assist with grant reimbursements or draw-downs. All checks will be made payable to the City of Newport Beach.

Grant checks must be forwarded to the Revenue Division of the Administrative Services Department for immediate deposit and include supporting documentation.

The Program Administrator will keep the Financial Planning Division of the Administrative Services Department apprised of the annual estimated grant revenues and expenditures and a tentative schedule of cash-flows for the grant program. Whenever practicable, the Program Administrator shall seek to receive the grant or gift funds prior to the expenditure of any sums by the City.

D. Financial and Grant Reporting

Grant reporting requirements vary widely by grant and sometimes include monthly, quarterly, and or annual reporting. Subsequent to the approval of a grant application, and during the project period, any required reports will be the responsibility of the Program Administrator, or if requested by the Program Administrator, the Financial Planning Division of the Administrative Services Department. Program Administrators submitting their own reports will forward a copy of each report to the Financial Planning Division of the Administrative Services Department.

E. Grants Containing Direct Federal Assistance and/or Federal "Pass-Through" Funds

Program Administrators acknowledge that Federal Funds or Federal Funds that "pass-through" state and local programs are required to be reported on the City's Schedule of Expenditures of Federal Awards and included in the City's annual Single Audit (compliance audit of all Federal Funds). Program Administrators will identify and keep the Financial Planning Division of the Administrative Services Department apprised of those grant programs that contain direct Federal Funding or Federal pass-through funds identifying the Catalog of Federal Domestic Assistance (CFDA) number when at all possible.

F. Record Keeping & Retention Requirements

For the purpose of Grantor inquiries and grant specific compliance audits, Program Administrators are responsible for maintaining adequate records as evidence that program activities and expenditures met the terms and conditions of the grant and that all grant reporting requirements were met timely. Record retention requirements vary by grant, but it is recommended that original grant records should be maintained in a manner and duration consistent with the City's Records Retention Policy, unless otherwise specified by the grant contract.

G. Documents to be forwarded to the Administrative Services Department:

Information received from a granting or donor agency or private party or entity that is pertinent to the terms, conditions, approval, extension, denial, revocation, and administration of a grant will be forwarded to the Financial Planning Division of the Administrative Services Department including but not limited to:

Grant Award Notification
Expenditure Authorization Date (if applicable)
Grant Contracts
Grant Extension Letters
Grant Termination Letter
Program and or Financial Reports
Notices of Questioned Costs or instances of non-compliance
Any Document setting or modifying terms and conditions of the grant

History

Adopted - September 13, 2005
Amended - September 27, 2011
Amended - February 12, 2019
Amended – December 9, 2025

Exhibit U

Newport Beach Council Policy G-1

RETENTION, REMOVAL, AND MAINTENANCE OF CITY TREES

Goal of Policy

To establish and maintain appropriate diversity in tree species and age classes to provide a stable and sustainable urban forest with an inventory that the City can reasonably maintain in a healthy and safe condition through the efficient use of City resources. To require that in approving any tree removal or reforestation request, the Parks, Beaches and Recreation Commission ("Commission") shall find that the tree removal request will not adversely impact the overall inventory, diversity and age of the City's Urban Forest. To educate the public of the protections of the City's Urban Forest and guide, in a user-friendly way, the mechanisms in place for tree replacements.

Purpose

The purpose of this policy is to establish definitive standards for the retention, removal, maintenance, reforestation, tree trimming standards, and supplemental trimming of City trees. City trees are an important part of the character and charm of the entire City and provide environmental benefits as well. Regular care, trimming, root pruning, maintenance, and programmed replacement are necessary to preserve this charm while at the same time protecting public views consistent with City Council Policy G-3, providing personal safety, and preventing public and private property damage and providing a sustainable urban forest.

The City classifies public trees in one of three categories: Special City Trees, Problem City Trees, and Standard City Trees.

I. SPECIAL CITY TREES

It is the City's policy to retain Special City Trees ("Special Trees") categorized as Landmark, Dedicated, or Neighborhood trees, because they have historical significance, and/or contribute to, and give character to, a location or to an entire neighborhood. Landmark, Dedicated, and Neighborhood trees are identified by species in Exhibit A and shall hereinafter be collectively referred to as Special Trees. Trees within these three categories shall be identified, mapped, recorded and administered by staff for the Commission. When staff proposes modifications, the Commission shall review the Special Tree list and forward recommendations for additions or deletions to the City Council for approval.

Landmark Trees are identified as those individual Special Trees that possess historical significance by virtue of their size, age, location, or species.

Dedicated Trees are Special Trees donated in the memory of specific individuals or organizations. Updates will be made annually to the City tree inventory system that correspond to the amended B-17 Policy: Parks, Facilities, and Recreation Program Donations. Exhibit A of this Policy will be updated annually to reflect updates.

Neighborhood Trees are Special Trees that by their unusual size, number, species, or location lend a special character to a residential, commercial, or business area.

All Special Trees shall be retained unless there are overriding problems which will require their removal such as death, disease, interference with infrastructure, or the creation of a hazardous situation. Prior to considering the removal of any Special Tree(s), the Municipal Operations Director, or designee, shall prepare a Tree Inspection Report, with a Tree Risk Assessment, identifying and implementing specific mitigation measures to retain the tree(s). For Landmark Tree(s), the Tree Risk Assessment shall include Level 3 Testing: Advanced Techniques to confirm the presence of any potential risks, unless waived by the City Council in advance. Where Tree Risk Assessment and Level 3 Testing: Advanced Techniques are required, the full costs of such testing and associated report will be the sole responsibility of the applicant. If the specific mitigation measures are unsuccessful or impractical in retaining a tree(s), then a full staff report shall be made to the Commission before any further action considering removal is taken. The reports shall also be provided to the Councilperson of the district in which the Special Tree is located. Prior to any removal of Special Tree(s), the City must comply with the noticing and appeal provisions set forth in Section IV.A (Removal of Special City Trees), unless a Special Tree is considered so hazardous as to necessitate an emergency removal. In the case of emergency removals, the Landscape Manager or the City Arborist shall have the authority to direct the removal of a hazardous tree.

Long term, most trees reach maturity and decline, and will be replaced one-for-one with the same species or the closest equivalent wherever possible. An alternate species may be recommended by Staff if the same species is unavailable and will be subject to approval by the Commission.

During normal sidewalk, curb, and street repair activity requiring root pruning, all steps shall be taken to retain Special Trees. If tree roots are to be pruned in association with sidewalk, curb, and gutter improvements, sufficient timing in advance must be planned to ensure that pruning will not destabilize or kill the tree. If both sides of a Special Tree's roots are to be pruned, one side should be pruned at minimum two years in advance of the other side depending upon the species and other related factors. If root pruning methods are not practical and/or critical to the health of the tree, then alternate or special hardscape improvements should be considered by the City in order to retain the tree providing that these measures are practical, costs are reasonable, and that they comply with Americans with Disabilities Act (ADA) standards. All proposed root pruning or other tree treatment shall be evaluated and approved by the City Arborist.

Special Trees may be considered for removal in conjunction with a City Council-approved beautification project utilizing the Removal of City Trees procedures as noted in Section IV.A. of this Policy.

II. PROBLEM CITY TREES

A Problem City Tree ("Problem Tree") is defined as a tree that by virtue of its species is known to cause excessive hardscape or utility damage due to its excessive root system. The following trees are defined as Problem Trees:

- Ficus nitida (Indian Laurel Fig)
- Ficus rubiginosa (Rusty Leaf Fig)
- Ficus benjamina (Weeping Fig)
- Fraxinus uhdei (Shamel Ash)
- Cupaniopsis anacardioides (Carrotwood)
- Liquidambar styraciflua (American Sweet Gum)
- Schinus terebinthifolius (Brazilian Pepper)

Problem Trees shall not be designated as City parkway trees on the Street Designation Tree List of City Council Policy G-6 unless they are Special Trees.

Problem Trees that are not designated Special Trees may be removed for the following reasons:

A. The Problem Tree has had a repeated history of damaging public or private sewers, water mains, roadways, sidewalks, curbs, walls, fences, underground utilities, or foundations based on City records or other competent and reliable authority. Water or sewer blockage that results from tree roots and causes significant documented private property damage (greater than $1,000.00) may be sufficient criterion for tree removal; or

B. The Problem Tree has had a repeated history of significant interference with street or sidewalk drainage, despite specific treatment by the City to alleviate repeated damage; or

C. The Problem Tree has created, in the opinion of the City Arborist, a view impediment that cannot be resolved by normal nor alternative tree trimming procedures.

Problem Trees may be proposed for removal by either staff or private property owners. The City Arborist has the authority to remove Problem Trees. No more than 50 Problem Trees may be removed per year by staff under the above criteria without special approval of the Commission. Replacement trees of a minimum 36-inch box size shall be planted if funding, availability, and growth space permits.

Staff is responsible for notifying the adjacent property owner, the legally established homeowners association, if applicable, and the Councilperson of the district where the removal is proposed, of the intent to remove a Problem Tree.

The decision by the City Arborist to remove a problem tree is final unless called up by at least one Councilperson. The City Arborist shall report the removal of Problem Trees under the above criteria on a monthly basis to the Commission. The cost to remove and replace Problem Trees will be the sole responsibility of the City based on funding, availability, and growth space, except for Category C (view).

III. STANDARD CITY TREES

A City tree which is located on City real property (parkways, parks, other City-owned property) and not designated as a Special or Problem Tree is designated as a Standard City Tree ("Standard Tree"). It is the City's policy to retain Standard Trees unless removal is necessary for one of the following reasons:

A. The City tree has had a repeated history of damaging public or private sewers, water mains, roadways, sidewalks, curbs, walls, fences, underground utilities, or foundations based on City records or other competent and reliable authority. Water or sewer blockage that results from City tree roots and causes significant public or private property damage (greater than $1,000.00) may be sufficient criterion for tree removal; or

B. The City tree has had a repeated history of significant interference with street or sidewalk drainage; or

C. The City tree is dead, diseased, dying, or hazardous, and presents a liability to the City. A dead tree is one that has been assessed by the City Arborist and found to have deceased. Diseased trees are defined as those trees that cannot be cured by current arboricultural methods, are in an advanced state of decline, and have no prospect of recovery. Dying trees are those that have no prospect of recovery. Hazardous trees are defined as those that are defective, have a potential to fail, and would cause damage to persons and property upon failure. The City Arborist will perform a Level 2: Basic, Tree Risk Assessment whenever a tree is identified as hazardous. The assessment will identify: structural defects of the tree, parts of the tree most likely to fail, targets where imminent personal injury or property damage may result with tree failure, and procedures or actions necessary to mitigate the hazard. After assessment, the City Arborist will expeditiously convey his written findings and recommendations to the Landscape Manager for evaluation. In the case of imminent tree failure, the Landscape Manager or the City Arborist shall have the authority to direct the emergency removal of a hazardous tree without further approvals; or

D. The tree(s) have been requested to be removed in conjunction with a City Council-approved City, commercial, neighborhood, or homeowners association beautification program; or

E. The tree(s) have been requested to be removed in conjunction with a commercial or residential project. Approval will only be granted if the City tree unreasonably impedes the planned construction. In these cases, the applicant will coordinate and assume all costs for the removal and replacement. Replacements will be a minimum of 36-inch box size, but larger sizes may be required at the Landscape Manager's discretion; or

F. The City Manager, upon the advice of the Municipal Operations Director, City Attorney or the Traffic Engineer, shall have the authority to remove individual Problem or Standard Trees to resolve claims or safety issues.

IV. REMOVAL OF CITY TREES

A flowchart detailing tree removal procedures is available on the Municipal Operations Department's website: www.newportbeachca.gov/government/departments/public-works/municipal-operations

The initiation to remove City tree(s) may be made by the staff of the Municipal Operations Department, a homeowners association, or a private property owner by submitting an application to the City Arborist, utilizing the City Tree Removal form available on the Municipal Operations Department website: www.newportbeachca.gov/government/departments/public-works/municipal-operations

The City will replace all trees removed in accordance with the Standard Trees removal criteria on a one for one basis, as funding, availability, and growth space permits. Replacement trees will be a minimum of a 36-inch boxed size. If 36-inch boxed trees are not available or if funding or space constraints prevent planting of a 36-inch boxed tree, then the largest tree available for the space available will be planted. The full costs of removal and replacement of all City Tree(s) will be the sole responsibility of the City, unless an applicant voluntarily pays for a new tree(s), or desires to upgrade to a box size larger than a 36-inch box as a replacement (if available), then the resident will be responsible for the difference in price.

A. Removal of Special City Trees

- Special Trees, other than Landmark Trees, may be considered for removal under the same criteria as Standard Trees in Section III if a full staff report, prepared by the Municipal Operations Director and approved by the City Manager, is provided to the Commission detailing the necessity of removal and any specific previous treatment of the tree.

- Removal of a Special Tree(s) is initiated by submitting an application utilizing the City Tree Removal form.

- After receipt of the application, a Tree Inspection Report shall be prepared by the City Arborist to determine if the tree(s) meets the criteria for consideration for removal outlined in Section III. The City Arborist shall determine whether in his/her judgment additional specific mitigation measures can be initiated to retain the tree provided the costs are reasonable.

- Private property owners, residential communities, neighborhoods, or business organizations who apply for a Special Tree removal(s) must submit a petition signed by a minimum of 60% of City of Newport Beach property owners within a radius of 500 feet from the location of the proposed tree removal. The petition content must be approved and dated by City staff prior to distribution by the applicant. The staffapproved petition must be distributed by the applicant to all private property owners within the 500-foot radius. Signatures by non-property owners are not acceptable for petition purposes, and there may be no more than one signature per property. All petition signatures shall be verified by City staff for property owner status of the person(s) signing the petition.

- Private property owners represented by a homeowners association with mandatory membership and within the 500-foot radius must, instead of the above petition procedure, submit a petition through their association. The association shall submit a resolution of the Board of Directors formally requesting a Special Tree removal(s)

with a statement that all members of the homeowners association affected have been officially notified and given an appropriate opportunity to respond before the Board voted on the request.

- The City Arborist shall also provide a notice of the proposed tree removal to the adjacent property owner (if not the applicant), the private property owners immediately adjacent to the applicant's property, and the appropriate homeowners association if applicable (not applicable to the emergency removal of hazardous trees under Section I (Special Trees)).

- Once a recommendation is made by the City Arborist and the Landscape Manager to the Municipal Operations Director or designee and the Deputy Director concurs, then the applicant, and private property owners within a 500-foot radius of the tree location, and a homeowners association if applicable, shall be notified via postcard of the recommendation at least 30 days before the Commission meeting. The postcard will include the date, time, and location of the Commission meeting and a City contact number. A homeowners association is responsible for notification of all association members pursuant to their established procedure.

- An 8" x 5" placard will be posted on the Special Tree(s) considered for removal at least 30 days before the Commission meeting. The placard will include the following information: the date of its posting, the date, time and location of the Commission meeting, and a City contact number.

- The Municipal Operations Director, or a designee, shall prepare a full staff report for a regularly scheduled Commission meeting of all trees recommended for removal, except for the emergency removal of hazardous trees in Section I (Special City Trees) of this Policy.

- Following Commission approval for removal of a Special Tree(s), the tree(s) will be posted with a new 8" x 5" placard at least 30 days prior to the removal notifying the public that they have the right to appeal. The placard shall also note a Staff contact number and a date on which it was posted.

- Any appeal to the Council regarding a Commission tree decision must be received by the Municipal Operations Director no later than 30 calendar days following the date of the above reposting after the Commission decision. The Municipal Operations Director will delay any tree removals until the appeal period has expired or until the Council has acted upon the appeal.

- The full costs of removal and replacement of a Special Tree(s) will be the sole responsibility of the City, unless an applicant voluntarily pays for a new tree(s).

B. Removal of Problem City Trees

- Problem Trees may be proposed for removal by either City staff, a homeowners association, or private property owners by written application utilizing the City Tree Removal form. The City Arborist has the authority to remove Problem Trees.

- If there are no removal criteria other than it being a Problem Tree species, then no more than 50 Problem Trees may be removed per year by staff without special approval of the Commission.

- If there are no removal criteria other than it being a Problem Tree species, then no more than one of three problem parkway trees in a continuous row may be removed in a one-year period unless part of a reforestation approved by the Commission. Replacement trees of a 36" boxed size shall be planted if funding, availability, and growth space permits.

- Staff is responsible for providing advance written notification, as applicable, to the adjacent property owner, the legally established homeowners association, and the Councilperson of the district where the removal is proposed of the intent to remove or retain a Problem Tree.

- Except for those trees categorized as Item C (dead, diseased, or dying trees) or Item F (claims and safety issues) in Section III

(Standard City Trees), all Problem Tree removal(s) shall be posted with a minimum 8" x 5" placard at least 14 calendar days prior to the scheduled removal. The placard shall also note a Staff contact number and a date on which it was posted. Unless deemed an emergency, posting for the removal of dead, diseased, or hazardous trees shall be at least 72-hours prior to the scheduled removal.

- The decision by the Landscape Manager to remove a problem tree is final unless called up by at least one Councilperson. The City Arborist shall report the removal of Problem Trees on a monthly basis to the Commission.

- The cost to remove and replace Problem Trees will be the sole responsibility of the City based on availability of funding, with the exception of Category C (view) in Section II, which is the sole responsibility of the applicant.

C. Removal of Standard City Trees

- The initiation to remove a Standard Tree(s) may be made by the staff of the Municipal Operations Department, a homeowners association, or a private property owner by submitting an application to the Landscape Manager, utilizing the City Tree Removal form.

- After receipt of the application, a Tree Inspection Report shall be prepared by the City Arborist to determine if the tree(s) meets the criteria for consideration for removal as outlined in the above Section III (Standard City Trees). The City Arborist shall determine whether in his/her judgment additional specific mitigation can be initiated to retain the tree provided the costs are reasonable.

- Once a recommendation is made by the City Arborist to the Landscape Manager, or designee, and the Manager agrees with the recommendation, the City may remove the tree(s). The authority to remove Standard Trees rests with the Landscape Manager.

- Staff is responsible for providing advance written notification, as applicable, to the adjacent property owner, the legally established homeowners association, and the Councilperson of the district where the removal is proposed of the intent to remove or retain a Standard Tree.

- Except for those trees categorized as Item C (dead, diseased, or dying trees) or Item F (claims and safety issues) in Section III (Standard City Trees), all Standard Tree removal(s) shall be posted with a minimum 8" x 5" placard at least 14 calendar days prior to the scheduled removal. The placard shall also note a Staff contact number and a date on which it was posted. Unless deemed an emergency, posting for the dead, diseased, or hazardous trees shall be at least 72-hours prior to the scheduled removal.

- Any appeal to the Commission regarding a tree decision must be received by the Municipal Operations Director no later than 14 calendar days following the date of posting or notice of intent. The Municipal Operations Director will delay any tree removals until the appeal period has expired or until the Commission has acted upon an appeal.

- The City will replace all trees removed in accordance with the Standard Trees removal criteria on a one for one basis. Replacement trees will be a minimum of a 36" boxed size. If 36" boxed trees are not available, or funding or space constraints prevent planting of a 36-inch box tree, then the largest tree available for the space available will be planted. If resident/applicant desires to upgrade to a 48-inch boxed tree or larger, the resident/applicant will be responsible for the difference in price.

- The full costs of removal and replacement of a Standard Tree(s) will be the sole responsibility of the City, unless an applicant voluntarily pays for a new tree(s) or desires to upgrade to box size larger than 36-inch planted as a replacement, then the applicant will be responsible for the difference in price.

V. REFORESTATION OF CITY TREES

A. Description of Reforestation

Reforestation is defined as the concept of systematically replacing Problem or Standard Trees which are creating hardscape and/or view problems and cannot be properly trimmed, pruned or modified to alleviate the problem(s) they create; or those which have reached their full life and are declining in health; or are simply the wrong species of trees for the planted location.

It is recognized and acknowledged that many City trees were planted years ago and in some cases were planted with specific species that when fully mature cause damage to curb, gutter, sidewalk, or underground utilities. Within the geographical boundaries of certain view neighborhoods, City street trees may encroach into blue water views from public and private property depending on the length of time since the trees were last trimmed, or the age and height of the trees. In other cases, the wrong species of tree was planted originally and simply does not conform to the current treescape or may represent a safety hazard. The City Street Tree Designation List and the City Parkway Tree Designation List attached to City Council Policy G-6 reflect an effort by the City to designate appropriate tree species that will not cause future problems.

The City understands the importance of trees and the beauty they bring to a community, and desires to continually improve the urban forest through reforestation. In areas where City trees have been removed through City initiation, the City will endeavor to replace the trees one for one with the appropriate street tree.

B. Application for Reforestation

Reforestation requests shall be made by submitting an application to the Landscape Manager for consideration by the Commission. Requests shall comply with the following requirements:

- The proposed area must have clearly defined contiguous geographical boundaries that include the tree(s) proposed for

removal and replacement, street address(es), block number(s), or other geographical information.

- Submission of a petition signed by the owners of a minimum of 60% of the properties within a radius of 500 feet from the location of the proposed reforestation. The petition content must be approved and dated by City staff prior to distribution by the petitioner. Signatures by non-property owners shall be invalid and only one signature per property shall be counted towards the 60% threshold. The 60% threshold is based on the number of properties, not the number of property owners. All petition signatures shall be verified by City staff for property owner status of the person(s) signing the petition.

- Private property owners who are mandatory members of a homeowners association must submit reforestation requests through their association. The request shall include a resolution of the Board of Directors formally requesting a reforestation with a statement that all members of the homeowners association have been officially notified and given an appropriate opportunity to respond before the Board voted on the request. The homeowners association is responsible for notification of the outcome of the Board's vote to all association members, pursuant to their established procedure.

- The requestor agrees, in writing, to pay 100% of the costs of the removal and replacement of the public tree(s) in advance of any removal activity. The actual removal and replacement work will be performed by a City contractor coordinated by the Municipal Operations Department. The total costs for removal and replacement work shall include only the contractor's costs and be paid in advance of any removal actions.

C. Action Upon Application

- Petitions that are submitted more than 90 days past the date stamped by staff before distribution shall be invalid and the request shall not be forwarded to the Commission for consideration. The Landscape Manager may extend this timeframe at his or her discretion.

- City staff shall post the tree(s) proposed for reforestation with an 8" x 5" placard at least 14 calendar days prior to the scheduled Commission meeting. The placard will include the date it was posted, the date, time and location of the Commission meeting and a City contact number.

- For requests from a homeowners association: City staff shall notify private property owners within a 500-foot radius of the tree(s) requested for reforestation via postcard at least 14 calendar days prior to the Commission meeting. The postcard will include the date, time and location of the Commission meeting and a City contact number.

- In hearing reforestation requests, the Commission may consider any and all relevant circumstances, including but not limited to the following:

    - Health or overall condition of the tree(s)
    - Degree of verifiable public or private property damage from the tree(s) o
    - Degree of verifiable view impairment from the tree(s)
    - If the tree species is a Problem City Tree (Section II)
    - The level of community support and/or opposition
    - The value of the existing tree(s) versus the value of the replacement tree(s)
    - Whether the tree species is inappropriate for the location or does not conform to the current treescape
    - Efforts made to ensure adequate notification

- The decision of the Commission shall be final unless called up by a Councilmember.

D. Reforestation Work

- The replacement tree(s) shall be an appropriate tree(s) that meets the criteria of the City's Street Tree Designation List or the City Parkway Tree Designation List as identified in City Council Policy G-6, or the requestor must obtain approval from the Commission of the

designation of a different tree species other than the designated street tree, or an appropriate species based on the City Tree Designation Lists.

- There shall be a minimum of a one-for-one replacement of all trees. Replacement trees shall be a minimum size of 36-inch boxed trees, unless the parkway space will not accommodate a 36-inch boxed tree or a tree cannot be planted due to planting restrictions contained in City Council Policy G-6. Per the Landscape Manager's discretion, a larger sized box tree may be planted if it is replacing a tree of significant size or value in the City's inventory and ample planting space is available. If there is not room for the replacement tree(s) at a specific site as designated by City Council Policy G-6, then the replacement tree(s) shall be planted in a public area in the same neighborhood at the option of the requestor.

- The requestor shall be responsible for the watering and fertilizing of replacement trees to ensure their proper growth and development as outlined in City Council Policy G-6. Section 13.09.030 of the Municipal Code also requires property owners to water and fertilize parkway trees adjacent to their property.

VI. TREE MAINTENANCE

The City will endeavor to fund the care of the Urban Forest to the highest level possible through the efficient use of regular tree trimming, root pruning, root barrier and pesticide programs in accordance with City Council Policy G-6. Section 13.08.040 of the Municipal Code prohibits any person from tampering with City trees.

VII. ENCROACHMENT AND DEMOLITION PERMITS

All encroachment permits (permits for private property development which are proposed to install improvements in the City right of way) or demolition permits that involve the removal or replacement of City tree(s) must be specifically noticed by the property owner to City staff prior to the building and/or demolition permit process whenever possible. The proposed construction plans must indicate preservation of existing City trees wherever possible (except trees that are dead,

dying, or in an advanced state of decline). If the proposed development requires the removal of City trees (that are not dead, dying or in decline), the property owner must submit a tree removal form to the Landscape Manager, pay for all related tree removal and one-for-one replacement costs, and meet all provisions of City Council Policies L-2 and L-6 and City Municipal Code Sections 13.08 and 13.09, or any successor policies or sections. Approval or disapproval of all tree removal/ replacement requests associated with encroachment and demolition permits will be the responsibility of the Municipal Operations Director or a designee.

VIII. TREE TRIMMING STANDARDS

The City Council has adopted tree trimming cycles for trees of different ages and species. Tree trimming cycles and trimming standards shall represent the maximum feasible frequency given current fiscal conditions. Except as provided in the Supplemental Trimming Section below, trimming shall be in accordance with the standards of the International Society of Arboriculture (ISA). In those communities with a homeowners association, periodic tree trimming with an emphasis on crown reduction or vista trimming will be considered by the City Arborist upon written request by the association.

IX. SUPPLEMENTAL TREE TRIMMING

The City will consider requests to trim certain trees more frequently or to trim trees consistent with practices applied prior to the adoption of ISA standards (to enhance public and private views, preserve required sight/distance standards, or other public purposes) which are submitted by affected private property owners or the board of a homeowners association and the request is accompanied by a completed "Supplemental Tree Trimming Form" and full payment for the requested tree trimming. However, since these practices often require 'topping' or possible disfiguring of a tree(s) and are often aesthetically displeasing and injurious to a tree, reforestation shall be considered when supplemental tree trimming is impractical or infeasible as determined by the City Arborist.

The Landscape Manager shall establish procedures to implement the supplemental trimming provisions of this Policy. In areas with an active homeowners association, approval must be obtained from a legally established

association by the requestor of supplemental tree trimming if the requested trimming is to be undertaken within the association boundaries.

[Attachment - Exhibit A Special City Trees]

History

Adopted 1-9 - 5-9-1966
Reaffirmed 1-9 - 8-30-1966
Amended 1-9 - 8-14-1967
Reaffirmed 1-9 - 11-12-1968
Reaffirmed 1-9 - 3-9-1970
Reaffirmed 1-9 - 2-14-1972
Amended 1-9 - 11-9-1976
Amended 1-9 - 11-12-1985
Amended 1-9 - 11-28-1988
Amended 1-9 - 3-14-1994
(changed to G-1)
Amended G-1 - 4-11-1994
Amended G-1 - 2-26-1996
Amended G-1 - 7-14-1997
Amended G-1
(Administratively) - 11-24-1997
Amended G-1 - 8-10-1998
Amended G-1 - 1-25-1999
Amended G-1 - 2-22-2000
Amended G-1 - 4-23-2002
Amended G-1 - 4-27-2004
Amended G-1 - 10-11-2011
Amended G-1 - 9-8-2015
Amended G-1 - 8-8-2017
Amended G-1 - 2-9-2021
Amended G-1 - 5-9-2023
Amended G-1 - 11-14-2023
Amended G-1 - 12-9-2025

EXHIBIT A
SPECIAL CITY TREES

Landmark Trees:

Location	Type
Balboa Boulevard Median	Araucaria heterophylla (1)
Balboa Library	Eucalyptus globulus (3)
Balboa Library	Phoenix canariensis (1)
Bob Henry Park	Ficus rubiginosa (1)
Castaways Park	Phoenix canariensis (1)
Lido Hotel Site	Ficus microcarpa 'Nitida' (2)
Dover Drive east of Irvine Avenue	Erythrina caffra (1)
Dover Drive at Westcliff	Liquidambar styraciflua (4)
John Wayne Park	Erythrina caffra (1)
Lido Isle Medians	Pinus pinea (4)
Main Street	Ficus microcarpa 'Nitida' (1)
Marine Avenue (Balboa Island)	Eucalyptus (Various Species) (47)
Ocean Blvd. Corona del Mar	Phoneix canariensis (5)
Wedge Area	Myoporum laetum (2)
West Jetty View Park (near Historical Marker)	Phoenix canariensis (2)
Westcliff & Dover (Groves) Bike Trail	Eucalyptus globulus (49)

Donated Trees:

Location	Type	Donated By
Bayside Park	Pyrus calleryana	(Newport-Irvine Rotary Club)
Bayview Park	Cinnamomum camphora	(Gene Atherton)
Bayview Park	Cassia leptophylla	(Thomas Edward Mansfield and Owen Thomas Vatter)
Begonia Park	Bauhinia blakeana	(Dr. Leo V. Turgeon)
Begonia Park	Prunus cerasifera	(Cheryl Bailey Ringwald)
Bob Henry Park	Ficus rubiginosa	(Bob Henry)
Bonita Canyon Sports Park	Melaluca linariifolia	(Elaine Linhoff)
Buffalo Hills Park	Erythrina caffra	(Fern Pirkle) (Bahia Community Earth Day Celebration)
Buffalo Hills Park	Stenocarpus sinuatus	(N. Beach Sunrise Rotary Club)
Castaways Park	Pinus torreyana	(Kevin Murphy)
Castaways Park	Platanus racemosa	(Mary Louise Romine) (Joe Clarkson) (Michael F. Gustin) (Arthur Grant Kidman Junior) (Grover Stephens, PH.D.) (Arthur C. Wahlstedt, Jr.)

Castaways Park	Quercus agrifolia	(John D. Woodruff)
		(Nancy Bergeson)
		(Logan David Burley)
		(Sawyer Dean Burley)
		(Sawyer Dean Burley)
		(Bob & Susan Caustin)
		(Joe Clarkson)
		(Yen Chu Kuo)
		(Ryan Lemmon)
		(Virginia Najera)
		(Eva Victoria Najera)
		(David Rapp)
		(Nancy & Jack Skinner)
		(Staycee Stone)
		(Jason Stradtman)
		(Robert T. Talbot)
		(Jan Vandersloot)
		(Jean Watt)
Castaways Park	Quercus kelloggii	(Gregory Courteau)
Cliff Drive Park	Bauhinia blakeana	(Susan Benz)
Cliff Drive Park	Cassia leptophylla	(Francis P. Hemenway)
Cliff Drive Park	Quercus agrifolia	(Gary Lovell)
		(Dr. Vandersloot)
Coastal Peak Park	Quercus agrifolia	(Jared Romine)
Eastbluff Park	Hymenosporum flavum	(Lucy Huntsman)
Eastbluff Park	Ficus macrophylla	(Billy Covert)
Galaxy View Park	Cupaniopsis anacardioides	(Trey Hunter)
Galaxy View Park	Metrosideros excelsa	(Dylan Ayres)
Galaxy View Park	Cassia leptophylla	(Virgina Herberts)
Grant Howald Park	Cassia leptophylla	(Jean & Coalson Morris)
Grant Howald Park	Hymenosporum flavum	(Skipper Mark Howes)
Grant Howald Park	Metrosideros excelsus	(Mark Munro)
		(Pete Munro)
Grant Howald Park	Spathodea campanulata	(Cara Lee)
Irvine Terrace Park	Platanus racemose	(Beckett Glyer)
Irvine Terrace Park	Platanus racemosa	(U.S. Bicentennial Freedom Tree)
Irvine Terrace Park	Pinus pinia	(Calif. Bicentennial)
Irvine Terrace Park	Liquidambar styraciflua	(Dana Harmon)
Irvine Terrace Park	Pinus nigra	(Sister City of Okazaki)
L Street Park	Cassia leptophylla	(Tim Van Ostenbridge)
Las Arenas Park	Melaleuca linarifolia	(Ed Healy)
M Street median	Pinus pinea	(Walter Knott)
Mariners Park	Bauhinia variegata	(Sierra Beth)
Mariners Park	Cedrus deodara	(Dr. Anthony & Madeline DeCarbo)
Mariners Park	Pinus halepensis	(Isy Pease)
Mariners Park	Pinus eldarica	(Christopher & Marisha Thomposn)
		(Meghan & Camielle Thompson)
Mariners Park	Pinus radiata	(Frank Tallman)

Mariners Park	Stenocarpus sinuatus	(N. Beach Sunrise Rotary Club)
Mariners Park	Magnolia 'Little Gem'	(Graci Lee Henry)
Mariners Park	Bauhinia variegata	(Susana Lee Niederhaus)
No. Mariners Park	Pinus radiata	(Marcie Schrauder)
Newport Pier/ 24th Street Bike Path	Chamaerops humilis	(Marie "Maxine" Louchis)
Old School Park	Bauhinia variegata	(Mary Jo Tyler)
Old School Park	Cassia leptophylla	(Jean & Coalson Morris)
Peninsula Park	Chamaerops humilis	(Gray Lunde Tree)
Peninsula Park	Ravenea rivularis	(Don Perdue)
San Miguel Park	Schinus molle	(Jon Walters)
Spyglass Hill Park	Acacia baileyana	(Dennis George Brice) (Edith Mary Brice)
Veterans Park	Lagenstroemia indica fauriei	(Rosemary Rae Hill Hansen)
WCH & Superior Ave City Parking Lot	Cassia leptophylla	(Louise Greeley)
West Newport Park	Erythrina caffra	(Russell Marc Beaumont) (Jeff Steven Reinker)
West Newport Park	Spathodea campanulata	(Brownie Girl Scout Troop 2072)
Various locations: Castaways Park and Cliff Drive Park slopes	Quercus agrifolia	(Dr. Jan David Vandersloot & Family)

Neighborhood Trees:

Location	Type
Along Avon Avenue	Eucalyptus globulus (8)
Buena Vista and Lindo Avenue	Erythrina caffra (1)
Candlestick Lane (Baycrest)	Eucalyptus citriodora (17)
Clay Street (Irvine Ave to St. Andrews Road)	Ficus microcarpa 'Nitida' (21)
Cliff Drive (north side, west of Dover Drive)	Agathus robusta (4)
Cliff Drive Park (Scout House)	Ficus benjamina (1)
Commodore Road	Eucalyptus citriodora (2)
Corona del Mar State Beach	Washingtonia robusta (74)
601 Dover Drive	Eucalyptus ficifolia (1)
Dover Drive (Mariners to Irvine)	Eucalyptus globulus
Eastbluff Park	Ficus macrophylla (6)
Glenwood Lane	Eucalyptus citriodora (10)
Goldenrod Avenue (Ocean Blvd to Fifth Ave)	Washingtonia robusta (144)
Heliotrope Avenue (Corona del Mar)	Pinus radiata (2)
Irvine Avenue (17th St. to Dover)	Phoenix dactylifera (Date palm) (30)
Irvine Avenue (17th St. to Dover)	Spathodea campanulate (African tulip) (39)
128 Kings Road	Roystonea regia (1)
128 Kings Road	Pseudobombax ellipticum (1)

L Street Park	Quercus suber (39)
Leeward Lane	Fraxinus uhdei "Tomlinson" (39)
M Street Park	Pinus pinea (1)
Margaret Drive Median	Erythrina caffra (1)
Marguerite Avenue (Ocean Blvd to Fifth Ave)	Phoenix canariensis (79)
Mariners Drive	Jacaranda mimosifolia (52)
Newport Center Drive	Washingtonia robusta (363)
Poppy Avenue(Corona del Mar)	Eucalyptus rudis (40)
Rhine Wharf Park	Archontophoenix cunninghamiana (12)
Along Riverside Avenue (adjacent to Cliff Drive Park)	Schinus terebinthefolius (11)
725 St. James Road	Eucalyptus ficifolia (1)
Sandalwood Lane	Eucalyptus citriodora (3)
Santa Ana Avenue	Eucalyptus robusta (38)
Seaview Avenue (Corona del Mar)	Pinus radiata (5)
Shorecliffs Entrance	Erythrina caffra (40)
Starlight Circle	Eucalyptus citriodora (10)
Via Lido Bridge	Eucalyptus globulus (14)
Vista Del Oro Median	Erythrina caffra (6)
Waterfront Drive (Avocado Ave to Acacia Ave)	Schinus molle (16)
West Newport Park	Metrosideros excelsus(55)

Exhibit V

Newport Beach Council Policy G-3

PRESERVATION OF VIEWS

The purpose of this policy is to identify the importance of views lost to excessive plant growth. The objectives of this policy are to:

A. Preserve and promote the aesthetic and environmental benefits provided by trees and the preservation of views of the surrounding locale, recognizing views can be enhanced and framed by properly maintained trees.

B. By example, City will endeavor to maintain all City-owned plants in a manner to maximize public and private view planes. Exceptions can be trees that in themselves enhance either the overall beauty of the area or are included in Preservation of Special Trees list of Council Policy G-1 (Retention or Removal of City Trees). Special requests for view trimming of City trees shall not be honored to protect the tree trimming cycle/ schedule unless deemed necessary by the Municipal Operations Director or the resident complies with the provisions of the Tree Trimming Standards/Supplemental Trimming section of Council Policy G-1.

C. Tree trimming shall be in accordance with the standards of the International Society of Arboriculture (ISA) or with standards applied to a particular area prior to the adoption of the ISA standards in the City. These standards may include practices to enhance public views as necessary. However, since these practices often require "topping" or possible disfiguring of a tree(s) and are often aesthetically displeasing and injurious to a tree, reforestation shall be considered when tree trimming is impractical or infeasible as determined by the City Arborist.

D. City trees are not affected by nor subject to the terms and conditions under a Homeowner's Association or a private neighborhood's CC&R's.

In an effort to preserve views in the 200 blocks of Carnation, Jasmine, Larkspur, Marigold, and Orchid Avenues, the planting of parkway trees is prohibited.

Definitions to clarify this policy are:

A. Unreasonable Obstruction of View. A tree, shrub, hedge or other vegetation should be maintained on public property in the City in such a manner as to not unreasonably obstruct the view from other property.

B. Views. "View" means a range of sight including pleasing vistas or prospects or scenes. Views include, but are not limited to, the sight of geologic features, bays, oceans, skylines, bridges and parks.

History

Adopted 1-12 - 9-14-1987 ("Obstruction of Views by Trees)
Amended 1-12-11-28-1988
Adopted 1-12-7-22-1991 (renaming to "Preservation of Views")
Amended 1-12-1-24-1994 (changed to G-3)
Amended G-3 - 3-14-2000
Amended G-3- 8-8-2017
Amended G-3 - 2-9-2021
Amended G-3 - 12-9-2025

Exhibit W

Newport Beach Council Policy G-6

MAINTENANCE AND PLANTING OF PARKWAY TREES

The City Council is vitally interested in beautification of City parkways. Public cooperation in helping to develop and maintain healthy and attractive parkway trees is encouraged.

I. MAINTENANCE OF PARKWAY TREES

The Municipal Operations Department will trim the parkway trees on a rotation schedule. An effort will be made to trim the parkway trees on less than a three-year cycle. More frequent trimming will be performed on approved trees and in approved view areas. Public safety issues such as low branches and heavy foliage will be given priority over view-type trimming. An effort will be made to trim parkway trees located in heavy summer traffic areas during the fall and winter months. Annual trimming of certain species of trees prone to wind damage will be done prior to the winter season.

II. TREE DESIGNATION LISTS

The City Council has adopted an official street tree list, the Street Tree Designation List (Exhibit A), which will be used by the Municipal Operations Department, to determine species for replacement of trees removed from established parkways and for planning purposes in all new subdivisions and commercial developments. A second list, the Parkway Tree Designation List (Exhibit B), has been added as a species palette for residents to choose approved, new and replacement, trees based on the size of parkway available for planting. The Eastbluff Community Association has its own City approved street tree list (Exhibit C).

The Municipal Operations Director, or designee, will have the authority to add species to the Street and Parkway Tree Designation Lists, which will be updated on an as-needed basis by the Municipal Operations Department staff and reviewed by the Parks, Beaches and Recreation Commission ("Commission") for approval before adoption by the City Council.

III. STANDARDS AND SPECIFICATIONS FOR PLANTING PARKWAY TREES

This Section is intended for planting parkway trees related to new construction, in accordance with City Code 13.09.010.

General Requirements

1. 72-hour notification shall be given to the Municipal Operations Department staff by permittees prior to the initial installation of parkway trees for approval of species, material quality, and planting supervision. Inspection

requests by permittees shall be scheduled 24-hours in advance using the Public Works inspection request line or via the City website as required.

2. Position of parkway trees is subject to approval by the Municipal Operations Department, and any tree not properly placed will be relocated by permittees at no cost to the City. In the interest of public safety, unless an exception is granted by the City Arborist, trees shall be planted not less than:

- 15 feet back of beginning of curb returns at intersections.
- 10 feet from lamp standards.
- 10 feet from fire hydrants.
- 5 feet from service walks or driveways.
- 10 feet from meters and sewers.
- 25 feet from stop signs.

3. Trees shall be a minimum container size of 36" size box, if growth space allows.

- Condition: Plants shall be symmetrical, typical for variety and species, healthy, vigorous, free from plant disease, insect pests and shall have healthy, normal root system free from being root bound. Trees shall not be pruned nor topped prior to delivery.
- Inspection: All plant material shall be subject to inspection and approval by the Municipal Operations Department, Municipal Operations Department staff prior to planting. The City has the right to reject any item offered in its sole and absolute discretion.
- Parkway Tree Planting: Per City Standards as found in the Tree Planting Detail available on the City's website.

4. Newly planted trees shall be irrigated with an automated system tied to the property under construction.

5. GUARANTEES

- 36" boxed trees shall be guaranteed as to growth and health for a period of one year after final acceptance by the Municipal Operations Department staff.

- Trees that fail to grow or are injured or damaged during planting operations shall be replaced within 15 days after notification. Replacement material shall be guaranteed to be specified as original guaranteed material.

IV. ESTABLISHED PARKWAYS

1. For all City tree planting in established parkways (not permit related), adjacent property owners and/or applicants must:

   - Choose from the species listed on the Street Tree Designation List where it applies, or from the Parkway Tree Designation List for all other areas for planting new and replacement trees.
   - Accept responsibility for watering and fertilizing new trees.
   - Contact the City Arborist by sending a written request for one or more parkway trees or questions regarding this Policy to: Attn: City Arborist, P. 0. Box 1768, Newport Beach, California 92659-1768. Email is also available at pwinfo@newportbeachca.gov

2. The City will:

   - Approve species, location, and spacing of tree planting.
   - Furnish, install, stake, and initially fertilize new trees (exception would be trees planted in accordance with City Code 13.09.010).
   - Prune and spray tree as required.
   - Approve type of root barriers for installation.
   - Assume trimming responsibilities.

V. PARKWAYS IN ESTABLISHED RETAIL COMMERCIAL/OFFICE CENTERS

Parkway street trees that are removed because they are diseased or have damaged property may be replaced with the same species of trees (or a species other than the designated street tree) provided
(a) the parkway street tree is located adjacent to or within an established retail commercial/office development; (b) replacement with the same species will maintain the appearance of the streetscape and/or ensure consistency with an established landscape master plan adopted by the adjoining landowner; (c) the parkway street trees have a history of little or no hardscape damage nor injury claims related to hardscape damage caused by the tree; and (d) the property owner has agreed in writing to repair or pay the cost of repair/and or replacement of hardscape or underground utilities damaged by the new trees.

[Attachment - Exhibit A]
[Attachment - Exhibit B]
[Attachment - Exhibit C]

History

Adopted I-19 - 11-22-1982
Amended I-19- 11-14-1983
Amended I-19- 10-22-1990
Amended I-19- 10-22-1992
Amended I-19 - 1-24-1994 (changed to G-6)
Amended G-6- 7-23-2002
Amended G-6 - 4-13-2004
Amended G-6 - 8-24- 2004
Amended G-6 - 9-8-2015
Amended G-6 - 8-8-2017
Amended G-6 - 2-9-2021
Amended G-6 - 11-14-2023
Amended G-6 - 11-14-2023
Amended G-6 12-9-2025

Exhibit A
Street Tree Designation List

STREET **TREE DESIGNATION LIST**						
	ID	**HOA**	**FROM**	**TO**	**BOTANICAL NAME**	**COMMON NAME**
ANACAPADR		Fashion Island	1300	1300	*Ficus rubiKi,nosa*	**1.** Rusty Leaf Fig
BALBOA BLVD E			600	2100	*Svaf?Tlls romanzo{fiana*	1. Queen Palm
BALBOA BLVD W			1000	1500	*Arbutus unedo* *Cassia leptophylla* *Washingtonia robusta*	1. Strawberry Tree 2. Gold Medallion Tree 3. Mexican Fan Palm
BALBOA BLVD W	Median		1000	3200	*Washin}Ztonia robusta*	1. Mexican Fan Palm
BLUE KEY		Harbor View Hills South	3600	3734	*Magnolia grandiflora 'Little Gem'*	l.Magnolia,Little Gem
BLUE WATER DR		Broadmoor	2501	2825	*Magnolia grandiflora 'St Mary'*	1. Magnolia, St. Marv's
BOMBEROST		Fashion Island	800	800	*Ficus rubiKi,nosa*	1. Rusty Leaf Fig
BRIGHTON RD		Cameo Shores	4501	4651	*Bauhinia varie}Zata*	1. Purple Orchid
BUCK GULLY DR		Harbor View Hills South	4000	4001	*Magnolia grandijl.ora 'Little Gem'*	1. Magnolia, Little Gem
CAMDENDR	Parkway	Cameo Shores	4501	4699	*Bauhinia varie}Zata*	1. Purple Orchid
CAMDEN DR	Slope	Cameo Shores	4500	4599	*Bauhinia varie}Zata*	1. Purple Orchid
CAMEO HIGHLANDS DR		Cameo Highlands	500	735	*Bauhinia variegata*	1. Purple Orchid
CAMEO SHORES RD	Parkway	Cameo Shores	101	346	*Bauhinia variegata*	1. Purple Orchid
CAMEO SHORES RD	Slope	Cameo Shores	100	350	*Bauhinia variegata*	1. Purple Orchid

Exhibit A
Street Tree Designation List

CATAMARAN DR		Harbor View Hills South	3400	3630	*M(lgnolia grandijlora 'Little Gem'*	1. Magnolia, Little Gem
COASTHWYE			1600	1600	*1. Bauhinia blakeana* 2. *Archontophoenix c11nninglza111iana*	1. Hong Kong Orchid 2. King Palm
COASTHWYE			2200	3934	*1. B(luhinia blakeana* 2. *Arclwntophoeni x cunninghamirma*	1. HongKong Orchid 2. King Palm
COASTHWYE			4001	4401	*1. Bnuhinia blakeana* 2. *Arc/1011topl10eni x cunninghamirma*	1. Hong Kong Orchid 2. King Palm
COASTHWYE			4104	4400	*1. Bauhinia blakeana* 2. *Archontophoeni x cunninglumiiana*	1.HongKong Orchid 2. King Palm
COASTHWYE	Median		300	2100	*1. Spathode(l cmnpanulata* 2. *Archontoplweni x cunnin,>?hamim1(l*	1. African Tulip Tree 2. King Palm
CORTLAND DR		Cameo Highlands	4500	4839	*Bauhinia variegata*	**1.** Purple Orchid
CROWN DR	Even	Harbor View Hills	2720	2740	*M(lgnoli(l gmndiflom 'Little Gem'*	1. Magnolia, Little Gem
CROWN DR	Parkway	Harbor View Hills	2501	2735	*M(lgnolia grandiflora 'Little Gem'*	1. Magnolia, Little Gem
DEANZADR					*Magnolia grandijlom 'culti'uar'*	

Exhibit A
Street Tree Designation List

DORCHESTER RD		Cameo Highlands	4500	4833	*Bauhinia variegata*	1. Purple Orchid
EBBTIDERD	Even	Harbor View Hills	2700	2700	*Magnolia grandiflora 'Little Gem'*	1. Magnolia, Little Gem
EBBTIDERD	Parkway	Harbor View Hills	1100	2915	*Magnolia grandiflora 'Little Gem'*	**1.** Magnolia, Little Gem
EVENING CANYON RD			301	365	*Erythrina caffra*	1. Coral Tree
FAIRFIELD DR	Parkway	Cameo Shores	4501	4645	*Bauhinia variexata*	1. Purple Orchid
FAIRFIELD DR	Slope	Cameo Shores	4500	4500	*Bauhinia variexata*	1. Purple Orchid
FARALLONDR		Fashion Island	1900	2101	*Ficus rubiginosa*	1. Rusty Leaf Fig
GARRETT DR	Parkway	Cameo Highlands	501	725	*Bauhinia variegata*	1. Purple Orchid
GARRETIDR	Slope	Cameo HiQ"hlands	500	500	*Bauhinia variegata*	1. Purple Orchid
GOLDENROD AVE			200	721	*Washin□tonia robusta*	1. Mexican Fan Palm
GOLDENROD AVE		Harbor View Hills	900	1133	*Magnolia grandiflora 'Little Gem'*	**1.** Magnolia, Little Gem
HAMPDEN RD	Even	Cameo Shores	4500	4700	*Bauhinia variexata*	1. Purple Orchid
HAMPDEN RD	Parkway	Cameo Shores	4501	4717	*Bauhinia varief!,ata*	1. Pl.lll)le Orchid
HARBOR VIEW DR	Parkway	Harbor View Hills	2500	3007	*Magnolia grandiflora 'Little Gem'*	1. Magnolia, Little Gem
HARBOR VIEW DR	Slope	Harbor View Hills	2800	3101	*Magnolia grandiflora 'Little Gem'*	1.Magnolia,Little Gem

Exhibit A
Street Tree Designation List

HELIOTROPE AVE *7			200	721	1. *Magnolia gmndiflom 'Little Gem'* 2. *Howea Fosteriana*	1. Magnolia, Little Gem 2. Kentia Palm
HERONWAY		Harbor View Hills South	1300	1325	*Magnolia grandifl.ora 'Little Gem'*	1. Magnolia, Little Gem
INLET ISLE DR		Harbor View Hills South	3701	4012	*Magnolia gmndiflom 'Little Gem'*	1. Magnolia, Little Gem
IRVINEAVE	Median				*1. Phoenix dacbJlifern* 2. *Spathoden cmnpanulatn*	1. Date palm 2. African tulip
ISLAND VIEW DR		Broadmoor	2501	2727	*1. Magnolia, Little fl.om 'Little Gem'* 2. *Howen Fosteriann*	1. Magnolia, St.flora 'Little Gem' 2. Howea Fosteriana
JAMBOREE RD			500	600	*1. Tnbebuia avellnnedne* 2. *Liquidnmbnr shJracifl.ua 'Rotundiloba'*	1. Lavendar Trumpet 2. Roundleaf Sweet Gum
JAMBOREE RD	Median		800	900	*1. Tabelmin 11vell111ed11e* 2. *Liquidmnbar shpncifl11a 'Rotundiloba'*	1.. Lavendar Trumpet 2. Roundleaf Sweet Gum
JAMBOREE RD	Median		1100	1500	*1. Tabebuia avellanedne* 2. *Liquidmnbar styraciflua 'Rotundiloba'*	1. Lavendar Trumpet 2. Roundleaf Sweet Gum
KEEL DR		Harbor View Hills South	1200	1537	*Mag1Zoli11 gmndifl.om 'Little Gem'*	1. Magnolia, Little Gem

Exhibit A
Street Tree Designation List

KEYBAY	Harbor View Hills South	3800	3930	*Magnolia grandiflora 'Little Gem'*	**1.** Magnolia, Little Gem
KEY VIEW	Harbor View Hills South	1436	1456	*Magnolia grandiflom 'Little Gem'*	1. Magnolia, Little Gem
KEYWEST	Harbor View Hills South	1200	1224	*Magnolia grandiflom 'Little Gem'*	**1.** Magnolia, Little Gem
LIGHTHOUSE LN	Broadmoor	2500	2828	*Magnolia grandiflom 'St Mary'*	1. Magnolia, St. Mary's
MACARTHUR BLVD				*1. Magnolia grandiflom 'Little Gem'* 2. *Liquidambar stymcifiua 'Rotundiloba'*	1. Magnolia, Little Gem 2. Roundleaf Sweet Gum
MARGUERITE AVE		200	721	*Arclwntopoenix cu1ming/1mnimw*	1. King Palm
MARGUERITE AVE		1600	1740	*Archontopoenix cunnin!(hamiana*	1. King Palm
MARGUERITE AVE Even		1520	1520	*Archontopoenix cunninghnmiana*	1. King Palm
MILFORD DR	Cameo Shores	101	345	*Bauhinia variegata*	1. Purple Orchid
MORNING CANYON RD		318	342	*En;thrina cnffra*	1. Coral Tree
NEWPORT BLVD		100	600	*1. Tipuana tipu* 2. *Tristani laurina* 3. *Washingtonia robusta*	1. Tipu 2. Tristania Laurina 3. Mexican Fan Palm

Exhibit A
Street Tree Designation List

NEWPORT BLVD			2600	3300	*1. Tipuana tipu* *2. Tristani laurina* *3. Washingtonia robusta*	1. Tipu 2. Tristania Laurina 3. Mexican Fan Palm
NEWPORT CENTER DR			100	900	*Washingtonia robusta*	**1.** Mexican Fan Palm
NEWPORT CENTER DR			1000	1200	*Washingtonia robusta*	1. Mexican Fan Palm
NEWPORT CENTER DR	Median		100	900	*Washingtonia robusta*	**1.** Mexican Fan Palm
NEWPORT CENTER DR	Median		1000	1200	*Washingtonia robusta*	1. Mexican Fan Palm
ORRINGTON RD	Parkway	Cameo Shores	4500	4645	*Bauhinia varie!(ata*	1. Purple Orchid
ORRINGTON RD	Slope	Cameo Shores	4510	4510	*Bauhinia varie!(ata*	1. Purple Orchid
OUTRIGGER DR		Harbor View Hills South	1200	1430	*Magnolia grandifk,ra 'Little Gem'*	1. Magnolia, Little Gem
PARK GREEN DR		Harbor View Hills South	3601	3907	*Magnolia grandiflora 'Little Gem'*	1. Magnolia, Little Gem
PEARLAVE		Balboa Island	100	132	*Magnolia grandiflora 'Samuel Sommers'*	1. Magnolia, Samuel Sommers
PEBBLE DR	Parkway	Harbor View Hills	2700	2921	*Magnolia grandiflora 'Little Gem'*	1. Magnolia, Little Gem
PEBBLE DR	Slope	Harbor View Hills	2800	2800	*Magnolia grandijlora 'Little Gem'*	1. Magnolia, Little Gem
PERHAM RD	Parkway	Cameo Shores	4501	4645	*Bauhinia varie!(ata*	1. Purple Orchid
PERHAM RD	Slope	Cameo Shores	4500	4500	*Bauhinia varie!(ata*	1. Purple Orchid
POPPY AVE			200	352	*Tristania Iaurina*	1.WaterGum

Exhibit A
Sh·eet Tree Designation List

					Spathodea campmwlata	2.African Tulip Tree
QUIET COVE			3400	3449	*Geijera pan1ifiora*	1. Australian Willow
ROCKFORD PL		Cameo Highlands	500	521	*Bl111hinia variegata*	1. Purple Orchid
ROCKFORD RD		Cameo I-lighlands	500	721	*Bauhinia variegata*	1. Purple Orchid
ROXBURY RD		Cameo Shores	4500	4646	*Bm1hinia rnriegata*	1. Purple Orchid
SALT AIR CIR		Broadmoor	2501	2601	*Magnolia grandiflom 'St Mary'*	1. Magnolia, St. Mary's
SALT AIR DR	Odd	Broadmoor	1301	1301	*M11g1wlia grmzdiflom 'St Mary'*	1. Magnolia, St. Mary's
SALT AIR DR	Slope	Broadmoor	1300	1320	*Magnolia grandiflora 'St Ma11!'*	1. Magnolia, St. Marv's
SAN CLEMENTE DR		Fashion Island	850	901	*Firns mbigi110s11*	1. Rusty Leaf Fig
SAN MIGUEL DR		Fashion Island	300	366	*Ficus rubi>[inosa*	1. Rusty Leaf Fig
SAN MIGUEL DR		Fashion Island	1600	2601	*Ficus rubi>[inosa*	1. Rusty Leaf Fig
SAN NICOLAS DR		Fashion Island	500	567	*Ficus rubi>[inosa*	1. Rusty Leaf Fig
SAND KEY		Harbor View Hills South	1200	1235	*Mag110/ia grandiflom 'Litl/e Gem'*	1. Magnolia, Little Gem
SANDCASTLE DR		Harbor View Hills South	850	1555	*Magnolia gmndiflora 'Little Gem'*	1. Magnolia, Little Gem
SANDPIPER DR	Parkway	Harbor View Hills	1010	1106	*Mag11olia gmndifiom 'Litile Gem'*	1. Magnolia, Little Gem

Exhibit A
Street Tree Designation List

SANDPIPER DR	Slope	Harbor View Hills	1015	1101	*Magnolia grandiflom 'Little Gem'*	1. Magnolia, Little Gem
SANDUNELN		Harbor View Hills South	3800	3930	*Magnolia gmndiflorn 'Little Gem'*	1. Magnolia, Little Gem
SANTA BARBARA DR		Fashion Island	870	1001	*Ficus rubiginosa*	1. Rusty Leaf Fig
SANTA CRUZ DR		Fashion Island	800	901	*Ficus rubiginosn*	1. Rusty Leaf Fig
SANTA MARIA RD		Fashion Island			*Ficus ntbiginosn*	1. Rusty Leaf Fig
SANTA ROSA DR		Fashion Island	1500	1501	*Ficus mbiginosa*	1. Rustv Leaf Fig
SAUSALITO DR		Harbor View Hills South	3400	3621	*Magnolia grandiflom 'Little Gem'*	1. Magnolia, Little Gem
SEALN		Harbor View Hills	900	950	*Mag110/ia gmndiflorn 'Li/tie Gel}}'*	1. Magnolia, Little Gem
SEABREEZE LN		Harbor View Hills South	3400	3631	*Magnolia gmndiflom 'Little Gem'*	1. Magnolia, Little Gem
SEACREST DR		Harbor View Hills South	1200	1533	*Magnolia grnndiflom 'Little Gem'*	1. Magnolia, Little Gem
SETTING SUN DR	Parkway	Harbor View Hills	2701	3007	*Magnolia grandiflora 'Little Gem'*	1. Magnolia, Little Gem
SETTING SUN DR	Slope	Harbor View Hills	2700	3000	*Magnolia gmndiflom 'Little Ge111'*	1. Magnolia, Little Gem
SURFVIEWLN		Harbor View Hills South	3500	3620	*Magnolia gmndiflom 'Lillle Gem'*	1. Magnolia, Little Gem
SURREY DR		Cameo Highlands	4500	4824	*BlllliiiJ1in variegala*	1. Purple Orchid

Exhibit A
Street Tree Designation List

TILLER WAY		Harbor View Hills South	900	1039	*Magnolia gmndiflora 'Little Gem'*	1. Magnolia, Little Gem
TOPSIDELN		Harbor View Hills South	3798	4015	*Magnolia gmndiflom 'Little Gent'*	1. Magnolia, Little Gem
TREMONTLN	Slope	Cameo Shores	4500	4600	*Bauhinin varie_atn*	1. Purple Orchid
WATERFRONT DR			2200	2220	*Sc/lillus Molle*	California Pepper
WAYNE RD		Cameo Highlands	4500	4621	*Bnuhinin vnriegata*	1. Purple Orchid
WHITE SAILS WAY		Harbor View Hills	1000	1133	*M11g110/ia gmndiflora 'Li/tie Gem'*	1. Magnolia, Little Gem

Exhibit B

City of Newport Beach Parkway Tree Designation List										
Pkwy Size	**Botanical Name**	**Common Name**	**Height**	**Spread**	**Type**	**Water Needs ***	**24" Avail.**	**36" Avail.**	**48" Avail.**	**Notes**
2'+	Acacia baileyana	**Bailey Acacia**	25	15	Evergreen	L	Yes	No	No	
2'+	Archontophoenix cunninghamiana	**King Palm**	40	20	Evergreen	**M**	Yes	Yes	Yes	
2'+	Chionanthus retusus	**Chinese Fringe Tree**	20	15	Deciduous	**M**	Yes	Yes	No	
2'+	Heteromeles arbutifolia	**California Holly**	20	15	Evergreen	L	No	No	No	Available-15 Gal
2'+	Ligustrum lucidum	**Glossy Privet**	25	15	Evergreen	L	Yes	Yes	No	
2'+	Melaleuca nesophila	**Pink Melaleuca**	25	15	Evergreen	L	Yes	No	No	
2'+	Photinia x fraseri	**Fraser Photinia**	20	10	Evergreen	M	Yes	Yes	No	
2'+	Prunus cerasifera 'Newport'	**Newport Plum**	15	10	Deciduous		Yes	No	No	
2'+	Prunus cerasifera 'Purple Pony'	Dwarf **Purple Leafed Plum**	15	10	Deciduous		Yes	No	No	

ExhibitB

City of Newport Beach Parkway Tree Desiimation List										
Pkwy Size	**Botanical Name**	**Common Name**	**Height**	**Spread**	**Type**	**Water Needs ''**	**24" Avail.**	**36" Avail.**	**48" Avail.**	**Notes**
2'+	Rhaphiolepis x 'Montie'	**Indian Hawthorne**	15	10	Evergreen	**M**	Yes	Yes	No	
2'+	Tecoma stans	**Yellow Bells**	20	15	Evergreen	**M**	Yes	No	No	
2'+	Trachycarpus fortunei	**Windmill Palm**	30	10	Evergreen	**M**	Yes	Yes	Yes	
2'+	Tristaniopsis laurina	**Water Gum**	20	10	Evergreen	**M**	Yes	Yes	No	
3'+	Betula pendula	**European White Birch**	40	25	Deciduous	H	Yes	Yes	Yes	
3'+	Brahea armata	**Mexican Blue Palm**	30	15	Evergreen	L	Yes	No	No	
3'+	Brahea edulis	**Guadalupe Palm**	30	10	Evergreen	L	No	Yes	No	
3'+	Cercis canadensis 'Forest Pansy'	**Forest Pansy Redbud**	15	10	Deciduous	M	Yes	Yes	No	
3'+	Cercis occidentalis	**Western Redbud**	15	10	Deciduous	L	Yes	Yes	No	
3'+	Chitalpa tashkentensis	**Chitalpa**	25	25	Deciduous	L	Yes	Yes	No	

Exhibit B

City of Newport Beach Parkway Tree Desil!llation List										
Pkwy Size	**Botanical Name**	**Common Name**	**Height**	**Spread**	**Type**	**Water Needs**	**24" Avail.**	**36" Avail.**	**48" Avail.**	**Notes**
3'+	Duranta repens	**Golden Dewdrop**	20	15	Evergreen	**M**	Yes	No	No	
3'+	Eryobotrya deflexa	**Bronze Loquat**	25	25	Evergreen	**M**	Yes	Yes	No	
3+	Handroanthus chrysotricha	**Yellow Trumpet Tree**	25	20	Deciduous	**M**	Yes	No	No	
3'+	Heteromeles arbutifolia	**Toyon Tree**	15	10	Evergreen	L	No	No	No	Available-15 Gal
3'+	Howea forsteriana	**Kentia Palm**	35	20	Evergreen	**M**	Yes	Yes	No	
3'+	Hymenesporu flavum	**Sweetshade**	40	20	Evergreen	**M**	No	No	No	Available-15 Gal
3'+	Lagerstroernia indica 'Indian Tribes'	**Crape Myrtle**	25	20	Deciduous	**M**	Yes	Yes	Yes	Natchez(white), Dynamite(vibrant red), Tuscarora(pink), Muskogee(purple)
3'+	Livistona chinensis	**Chinese Fountain Palm**	20	10	Evergreen	M	Yes	No	No	

Exhibit B

City of Newport Beach Parkway Tree Deshmation List										
Pkwy Size	**Botanical Name**	**Common Name**	**Height**	**Spread**	**Type**	**Water Needs**	**24" Avail.**	**36" Avail.**	**48" Avail.**	**Notes**
3'+	Livistona decora	**Fountain Palm**	20	10	Evergreen	**M**	Yes	No	No	
3'+	Magnolia grandiflora 'Little Gem'	**Little Gem Magnolia**	20	15	Evergreen	**M**	Yes	Yes	Yes	
3'+	Maytenus boaria	**Mayten Tree**	20	15	Evergreen	M	Yes	Yes	Yes	
3'+	Rhus integrifolia	**Lemonade Berry**	10	10	Evergreen	VL	No	No	No	Available-IS Gal
3'+	Syagrus romanzoffiana	**Queen Palm**	50	20	Evergreen	**M**	Yes	Yes	Yes	
3'+	Washingtonia robusta	**Mexican Fan Palm**	90	20	Evergreen	L	Yes	Yes	No	
3'+	Wodyetia bifurcata	**Foxtail Palm**	40	20	Evergreen	**M**	Yes	No	No	
4'+	Arbutus 'Marina'	**StrawberryTree**	20	20	Evergreen	L	Yes	Yes	Yes	
4'+	Brachychiton populeneus	**Bottle tree**	50	40	Evergreen	L	Yes	Yes	No	
4'+	Cassia leptophylla	**Gold Medallion tree**	25	20	Evergreen	M	Yes	Yes	No	
4'+	Geijera parvifolia	**AustralianWillow**	40	25	Evergreen	L	Yes	Yes	Yes	

Exhibit B

City of Newport Beach Parkway Tree Desiimation List										
Pkwy Size	**Botanical Name**	**Common Name**	**Height**	**Spread**	**Type**	**Water Needs**	**24" Avail.**	**36" Avail.**	**48" Avail.**	**Notes**
4'+	Laurus noblis	**Grecian Laurel**	40	30	Evergreen	L	Yes	Yes	Yes	
4'+	Laurus 'Saratoga'	**Saratoga Laurel**	40	30	Evergreen	L	Yes	No	No	
4'+	Melaleuca citrinus	**Lemon Bottlebrush**	25	20	Evergreen	L	Yes	Yes	No	
4'+	Melaleuca viminalis	**Weeping Bottlebrush**	25	20	Evergreen	**M**	Yes	Yes	No	
4'+	Rhus lancea	**African Sumac**	25	20	Evergreen	L	Yes	No	No	
4'+	Spathodea campanulata	**African Tulip Tree**	30	20	Evergreen	**M**	Yes	Yes	No	
4'+	Stenocarpus sinuatus	**Firewheel Tree**	25	15	Evergreen	**M**	Yes	No	No	
5'+	Agonis flexuosa	**PeppermintTree**	35	35	Evergreen	L	Yes	No	Yes	
5'+	Agonis flexuosa 'Afterdark'	**Afterdark PeppermintWillow**	35	35	Evergreen	L	Yes	No	No	
5'+	Albizia julibrissin	**Silk Tree**	40	40	Deciduous	M	Yes	Yes	No	

Exhibit B

City of Newport Beach Parkway Tree Deshmation List										
Pkwy Size	**Botanical Name**	**Common Name**	**Height**	**Spread**	**Type**	**Water Needs ***	**24" Avail.**	**36" Avail.**	**48" Avail.**	**Notes**
5'+	Bauhinia variegata	**Purple Orchid Tree**	30	20	Deciduous	M	Yes	Yes	No	
5'+	Brachychiton acerfolius	**Flame Tree**	40	30	Evergreen	L	Yes	Yes	No	
5'+	Calodendron capense	**Cape Chestnut**	40	40	Deciduous	**M**	Yes	No	No	
5'+	Erythrina americana (E. coralloides)	**Naked Coral Tree**	30	30	Deciduous	L	Yes	Yes	No	
5'+	Fraxinus oxycarpa 'Ravwood'	**Raywood Ash**	35	30	Deciduous	**M**	Yes	Yes	Yes	
5'+	Ginkgo biloba 'Fruitless'	**Maidenhair Tree**	60	40	Deciduous	**M**	Yes	Yes	Yes	
5'+	Handroanthus heptaphylla	**Pink Trumpet Tree**	30	30	Deciduous	**M**	Yes	Yes	Yes	
5'+	Jacaranda mimosifolia	**Jacaranda**	40	50	Deciduous	**M**	Yes	Yes	Yes	
5'+	Koelreuteria paniculata	**Goldenrain Tree**	25	25	Deciduous	L	Yes	Yes	Yes	
5'+	Lophostemon confertus	**Brisbane Box**	60	40	Evergreen	M	Yes	Yes	Yes	

Exhibit B

City of Newport Beach Parkway Tree Desiimation List										
Pkwy Size	**Botanical Name**	**Common Name**	**Height**	**Spread**	**Type**	**Water Needs ***	**24" Avail.**	**36" Avail.**	**48" Avail.**	**Notes**
5'+	Lyonothamnus floribundus	**Catalina Ironwood**	50	30	Evergreen	VL	Yes	No	No	
5'+	Magnolia grandiflora 'Majestic Beauty'	**Majestic Beauty Magnolia**	40	20	Evergreen	M	Yes	Yes	Yes	
5'+	Magnolia grandiflora 'Russett'	**Russett Magnolia**	20	15	Evergreen	**M**	Yes	Yes	Yes	
5'+	Magnolia grandiflora 'Saint Mary'	**Saint Mary Magnolia**	25	20	Evergreen	**M**	Yes	Yes	Yes	
5'+	Magnolia grandiflora 'Samuel Sommer'	**Samuel Sommer Magnolia**	40	30	Evergreen	**M**	Yes	Yes	Yes	
5'+	Melaleuca linnarifolia	**Flaxleaf Paperbark**	30	30	Evergreen	L	Yes	No	No	
5'+	Metrosederos excelsa	**New Zealand Christmas Tree**	40	40	Evergreen	**M**	Yes	No	No	

Exhibit B

City of Newport Beach Parkway Tree Desi1mation List										
Plewy Size	**Botanical Name**	**Common Name**	**Height**	**Spread**	**Type**	**Water Needs**	**24" Avail.**	**36" Avail.**	**48" Avail.**	**Notes**
5'+	Parkinsonia x 'Desert Museum'	**Desert Museum Palo Verde**	30	35	Semi	L	Yes	Yes	Yes	
5'+	Pinus brutia	**Afghan Pine**	60	50	Evergreen	L	Yes	Yes	Yes	
5'+	Pistachia chinensis	**Chinese Pistache**	40	40	Deciduous	**M**	Yes	Yes	Yes	
5'+	Podocarpus macrophyllus	**Yew Pine**	50	50	Evergreen	M	Yes	No	No	
5'+	Prunus ilicifolia subsp. lyonii	**Catalina Cherry**	30	30	Evergreen	VL	No	No	No	Available-15 Gal
5'+	Pyrus betulaefolia 'Southworth'	**Dancer Pear**	25	20	Deciduous		Yes	Yes	No	
5'+	Pyrus calleryana 'Aristocrat'	**Aristocrat Pear**	30	40	Deciduous	**M**	Yes	Yes	Yes	
5'+	Pyrus calleryana 'Chanticleer'	**Chanticleer Pear**	35	20	Deciduous	**M**	Yes	Yes	Yes	

Exhibit B

City of Newport Beach Parkway Tree Desiimation List										
Pkwy Size	**Botanical Name**	**Common Name**	**Height**	**Spread**	**Type**	**Water Needs**	**24" Avail.**	**36" Avail.**	**48" Avail.**	**Notes**
5'+	Pyrus calleryana 'Redspire'	**Redspire Pear**	35	25	Deciduous	M	Yes	Yes	Yes	
5'+	Pyrus kawakamii	**Evergreen Pear**	35	25	Deciduous	M	Yes	Yes	No	
5'+	Quercus douglasii	**Blue Oak**	50	50	Deciduous	VL	Yes	Yes	No	
5'+	Quercus ilex	**Holly Oak**	50	50	Evergreen	L	Yes	Yes	Yes	
5'+	Sapium sebiferum	**Chinese Tallow Tree**	40	35	Deciduous	**M**	Yes	Yes	No	
5'+	Sophora japonica 'Regent'	**Chinese Scholar Tree**	40	40	Deciduous	M	Yes	Yes	No	
8'+	Afrocarpus falcatus	**Fern Pine**	60	60	Evergreen		Yes	Yes	Yes	
8'+	Araucaria heterophylla	**Norfolk Island Pine**	80	30	Evergreen	M	Yes	Yes	No	
8'+	Brachychiton discolor	**Pink Flame Tree**	70	50	Semi	L	No	No	No	Available-15 Gal
8'+	Cinnamomum camphora	**Camphor Tree**	50	60	Evergreen	**M**	Yes	Yes	Yes	

Exhibit B

City of Newport Beach Parkway Tree Desienation List										
Pkwy Size	**Botanical Name**	**Common Name**	**Height**	**Spread**	**Type**	**Water Needs**	**24" Avail.**	**36" Avail.**	**48" Avail.**	**Notes**
8'+	Erythrina caffra	**Kaffirboom Coral Tree**	40	40	Evergreen	L	Yes	Yes	No	
8'+	Fraxinus velutina 'Modesto'	**Modesto Ash**	50	30	Deciduous	**M**	Yes	Yes	Yes	
8'+	Koelreuteria bipinnata	**Chinese Flame Tree**	50	50	Deciduous	**M**	Yes	Yes	Yes	
8'+	Pinus canariensis	**Canary Island Pine**	80	50	Evergreen	L	Yes	Yes	Yes	
8'+	Pinus pinea	**Italian Stone Pine**	60	40	Evergreen	L	Yes	Yes	Yes	
8'+	Pinus torreyana	**Torrey Pine**	70	40	Evergreen	L	Yes	Yes	No	
8'+	Platanus x hispanica	**London Plane Tree**	70	40	Deciduous	**M**	Yes	Yes	No	
8'+	Platanus mexicana	**Mexican Sycamore**	60	40	Evergreen	**M**	Yes	Yes	No	
8'+	Platanus racemosa	**California Sycamore**	60	40	Deciduous	M	Yes	Yes	Yes	

Exhibit B

City of Newport Beach Parkway Tree Desiimation List										
Pkwy Size	**Botanical Name**	**Common Name**	**Height**	**Spread**	**Type**	**Water Needs**	**24" Avail.**	**36" Avail.**	**48" Avail.**	**Notes**
8'+	Quercus agrifolia	**Coast Live Oak**	70	80	Evergreen	L	Yes	Yes	Yes	
8'+	Quercus engelmannii	**Engleman Oak**	60	80	Evergreen	L	Yes	Yes	No	
8'+	Quercus lobata	**Valley Oak**	70	50	Deciduous	L	Yes	Yes	No	
8'+	Quercus virginiana	**Southern Live Oak**	60	80	Evergreen	M	Yes	Yes	Yes	
8'+	Roystonea regia	**Cuban Royal Palm**	80	40	Evergreen	**M**	Yes	Yes	No	
8'+	Schinus molle	**California Pepper**	40	50	Evergreen	VL	Yes	Yes	Yes	
8'+	Tipuana tipu	**Tipu Tree**	50	60	Semi	**M**	Yes	Yes	Yes	
8'+	Ulmus parvifolia 'Drake'	**"Drake" Chinese Elm**	60	60	Semi	**M**	Yes	Yes	Yes	
8'+	Zelkova serrata	**Sawleaf Zelkova**	40	40	Deciduous	L	Yes	Yes	No	

ExhibitC

Eastbluff Community Association Street Tree Designation List										
Plewy Size	**Botanical Name**	**Common Name**	**Height**	**Spread**	**Type**	**Water Needs**	**24" Avail**	**36" Avail**	**48" Avail**	**Notes**
2'+	Tabebuia chrysotricha	**Yellow Trumpet Tree**	25	20	Deciduous	**M**	Yes	No	No	
3'+	Cercis canadensis 'Forest Pansy'	**Forest Pansy Redbud**	15	10	Deciduous	**M**	Yes	Yes	No	
3'+	Cercis occidentalis	**Western Redbud**	15	10	Deciduous	L	Yes	Yes	No	
3'+	Chitalpa tashkentensis	**Chitalpa**	25	25	Deciduous	L	Yes	Yes	No	
3'+	Eryobotrya deflexa no fruit	**Bronze Loquat**	25	25	Evergreen	**M**	Yes	Yes	No	
3'+	Lagerstroemia indica 'Indian Tribes'	**Crape Myrtle**	25	20	Deciduous	**M**	Yes	Yes	Yes	
3'+	Magnolia grandiflora 'Little Gem'	**Little Gem Magnolia**	20	15	Evergreen	**M**	Yes	Yes	Yes	
3'+	Rhus lancea	**African Sumac**	25	20	Evergreen	L	Yes	No	No	

Exhibit C

Eastbluff Community Association Street Tree Designation List										
Pkwy Size	**Botanical Name**	**Common Name**	**Height**	**Spread**	**Type**	**Water Needs**	**24" Avail**	**36" Avail**	**48" Avail**	**Notes**
4'+	Arbutus unedo	**Strawberry Tree**	20	20	Evergreen	L	Yes	Yes	Yes	
4'+	Cassia Ieptophylla	**Gold Medallion tree**	25	20	Evergreen	**M**	Yes	Yes	No	
4'+	Geijera parvifolia	**Australian Willow**	40	25	Evergreen	L	Yes	Yes	Yes	
4'+	Spathodea campanulata	**African Tulip Tree**	30	20	Evergreen	M	Yes	Yes	No	
5'+	Agonis flexuosa	**PeppermintTree**	35	35	Evergreen	L	Yes	No	Yes	
5'+	Albizia julibrissin	**Silk Tree**	40	40	Deciduous	**M**	Yes	Yes	No	
5'+	Bauhinia variegata (purpurea)	**Purple Orchid Tree**	30	20	Deciduous	**M**	Yes	Yes	No	
5'+	Brachychiton acerfolius	**Flame Tree**	40	30	Evergreen	L	Yes	Yes	No	
5'+	Calodendron capense	**Cape Chestnut**	40	40	Deciduous	M	Yes	No	No	
5'+	Fraxinus oxycarpa 'Raywood'	**Raywood Ash**	35	30	Deciduous	M	Yes	Yes	Yes	
5'+	Ginkgo biloba 'Fruitless'	**MaidenhairTree**	60	40	Deciduous	M	Yes	Yes	Yes	

ExhibitC

Eastbluff Community Association Street Tree Designation List										
Plewy Size	**Botanical Name**	**Common Name**	**Height**	**Spread**	**Type**	**Water Needs**	**24" Avail.**	**36" Avail**	**48" Avail**	**Notes**
5'+	Jacaranda mimosifolia	**Jacaranda**	40	50	Deciduous	M	Yes	Yes	Yes	
5'+	Koelreuteria paniculata	**GoldenrainTree**	25	25	Deciduous	L	Yes	Yes	Yes	
5'+	Lyonothamnus floribundus	**Catalina Ironwood**	50	30	Evergreen	VL	Yes	No	No	
5'+	Magnolia grandiflora 'Russett'	**Russett Magnolia**	20	15	Evergreen	M	Yes	Yes	Yes	
5'+	Magnolia grandiflora 'Saint Marv'	**Saint Mary Magnolia**	25	20	Evergreen	M	Yes	Yes	Yes	
5'+	Magnolia grandiflora 'Samuel Sommer'	**Samuel Sommer Magnolia**	40	30	Evergreen	M	Yes	Yes	Yes	
5'+	Magnolia grandiflora. 'Majestic Beauty'	**Majestic Beauty Magnolia**	40	20	Evergreen	**M**	Yes	Yes	Yes	
5'+	Melaleuca linnarifolia	**Flaxleaf Paperbark**	30	30	Evergreen	L	Yes	No	No	
5'+	Melaleuca quinquinerva (viridifolia)	**Cajeput Tree**	40	20	Evergreen	M	Yes	Yes	Yes	

Exhibit C

Eastbluff Community Association Street Tree Designation List										
Pkwy Size	**Botanical Name**	**Common Name**	**Height**	**Spread**	**Type**	**Water Needs**	**24" Avail**	**36" Avail**	**48" Avail**	**Notes**
5'+	Metrosideros excelsa	**New Zealand Christmas Tree**	40	40	Evergreen	**M**	Yes	No	No	
5'+	Pistachia chinensis	**Chinese Pistache**	40	40	Deciduous	**M**	Yes	Yes	Yes	
5'+	Prunus ilicifolia subsp. lyonii	**Catalina Cherry**	30	30	Evergreen	VL	No	No	No	Available -15 Gal
5'+	Quercus dou_glasii	**Blue Oak**	50	50	Deciduous	VL	Yes	Yes	No	
5'+	Quercus ilex	**Holly Oak**	50	50	Evergreen	L	Yes	Yes	Yes	
5'+	Tabebuia avellanedae(Ipe)	**Pink Trumpet Tree**	30	30	Deciduous	**M**	Yes	Yes	Yes	
8'+	Brachychiton discolor	**Pink Flame Tree**	70	50	Semi	L	No	No	No	Available -15 Gal
8'+	Cinnamomum camphora	**Camphor Tree**	50	60	Evergreen	**M**	Yes	Yes	Yes	
8'+	Fraxinus velutina 'Modesto'	**Modesto Ash**	50	30	Deciduous	M	Yes	Yes	Yes	
8'+	Lophostemon confertus	**Brisbane Box**	60	40	Evergreen	M	Yes	Yes	Yes	
8'+	Platanus acerifolia	**London Plane Tree**	70	40	Deciduous	**M**	Yes	Yes	No	

Exhibit C

Eastbluff Community Association Street Tree Designation List										
Pkwy Size	**Botanical Name**	**Common Name**	**Height**	**Spread**	**Type**	**Water Needs ***	**24" Avail**	**36" Avail**	**48" Avail**	**Notes**
8'+	Podocarpus gracilior (Afrocarpus gracilior)	**Fem Pine**	60	60	Evergreen		Yes	Yes	Yes	
8'+	Schinus molle	**California Pepper**	40	50	Evergreen	VL	Yes	Yes	Yes	
8'+	Tipuana tipu	**Tipu Tree**	50	60	Semi	M	Yes	Yes	Yes	
8'+	Ulmus parvifolia	**"Drake" Chinese Elm**	60	60	Semi	M	Yes	Yes	Yes	

Exhibit X

Newport Beach Council Policy L-21

SIDEWALK CAFE STANDARDS AND PROCEDURES

Purpose

These standards and procedures are adopted pursuant to Municipal Code Chapter 13.18, and any successor chapter, to encourage appropriate outdoor activities in the public right-of-way, to ensure that the space used for outdoor dining in the public sidewalk shall serve a public purpose, to ease the process of obtaining permission to operate an outdoor dining facility, and to ensure adequate space for pedestrians on the sidewalk adjacent to sidewalk cafes.

Definitions

Sidewalk Café. An outdoor dining area on a public sidewalk where patrons may consume food and/or beverages provided by an abutting food service establishment. Such establishments may either provide table service in the outdoor dining areas or sell take-out items to be consumed in the outdoor dining area.

These regulations do not apply to outdoor dining on private property.

General Provisions

A. Encroachment Permit required. Outdoor dining on a public sidewalk may occur only pursuant to a Sidewalk Cafe License Encroachment Permit (hereinafter "Encroachment Permit").

B. Sidewalk Cafes shall be prohibited in Shared Bicycle/Pedestrian Facilities. Locations of Shared Bicycle/Pedestrian Facilities where sidewalk cafes are prohibited shall include the following:

Campus Drive - south side	Von Karman Ave. to Jamboree Rd.
Irvine Avenue - east side	Orchard Ave. to Bristol St.
Jamboree Road - west side	Eastbluff Dr. North to Campus Dr.
MacArthur Boulevard - east side	Jamboree Rd. to Campus Dr.
Ocean Front	F St. to McFadden Place & westerly line of Ocean Front parking lot to 36th St.

Riverside Avenue – north side	Cliff Dr. to 150 feet north of Avon Ave.
San Joaquin Hills Road – south side	MacArthur Blvd. to Marguerite Ave.
San Miguel Drive – west side	Port Sutton Dr. to San Joaquin Hills Rd.
San Miguel Drive – both sides	San Joaquin Hills Rd. to Avocado Ave.

C. Encroachment Permit transfer. An Encroachment Permit may be transferred to a subsequent operator of the same establishment subject to approval by the Public Works Director and payment of an Encroachment Permit transfer fee established by resolution of the City Council. Prior to approval of the transfer the Public Works Director may modify the terms of the Encroachment Permit as deemed appropriate to protect public health, safety and welfare.

D. Zoning requirements. Outdoor dining on a public sidewalk shall be subject to the requirements provided in Municipal Code Section 20.48.090 (Eating and Drinking Establishments. An Encroachment Permit may be processed concurrently with any permits required by the Zoning Code.

E. Authority of the Public Works Director; Appeal. The location and configuration of any sidewalk cafe shall be subject to approval by the Public Works Director, who shall consider public safety issues unique to the pedestrian and vehicular needs of the specific location when reviewing Encroachment Permit applications.

F. Inspection. The Public Works Department may inspect improvements within the public right-of-way at any time without notice to the Permittee.

G. Conditions of approval. The Public Works Director shall have the authority to apply conditions to the approval of Encroachment Permits as appropriate to ensure compliance with the provisions of this policy. The following standard conditions of approval shall be included in the Encroachment Permit:

1. Indemnification. The Encroachment Permit shall contain a condition requiring the Permittee to defend, indemnify and hold the City and its employees harmless from and against any loss or damage arising from the use or existence of the improvements or encroachment authorized under an

Encroachment Permit, which language shall be approved by the City Attorney.

2. Insurance. The Encroachment Permit shall contain a condition requiring the Permittee to obtain and maintain insurance, which types and amounts shall be determined by the City Attorney.

3. Encroachment Permit limitations. Issuance of the Encroachment Permit does not imply that all governmental agency requirements for starting a new restaurant or expanding an existing one have been satisfied. Business owners are responsible for securing and complying with all required licenses and permits from other agencies including the state Alcoholic Beverage Control Board, the County Health Department, and the City. Sale of alcoholic beverages in outdoor dining areas shall comply with Newport Beach Municipal Code Section 10.04.010 and Council Policy K-7 (Determination of Convenience and Necessity of Alcoholic Beverage Premises).

4. No alterations. The floor of the outdoor dining area shall be maintained at the same level as the sidewalk, and no alterations to the sidewalk or coverings on the sidewalk (e.g., borings for recessed sleeves) shall be installed unless expressly approved by the Public Works Director.

5. Disabled access. The outdoor dining area shall be accessible to the disabled, and buildings adjacent to these dining areas shall maintain building egress as defined by the latest adopted editions of Title 24 of the California Code of Regulations, Disabled Access Standards.

6. Management. Restaurant management shall operate the outdoor dining areas in compliance with the terms and conditions of the Encroachment Permit and shall not delegate or assign the responsibility. The Permittee shall ensure that sidewalk café patrons do not disturb persons on the adjacent right-of-way by loud, boisterous, and unreasonable noise, offensive words, or disruptive behavior.

7. Maintenance. Restaurant management shall keep the outdoor dining area clear of litter, food scraps, greases and oils, and soiled dishes and utensils at all times. Trash receptacles shall be provided in outdoor dining areas used for consuming take-out items unless public trash receptacles located nearby are determined to be adequate by the Public Works Director. At the

end of each business day, establishments are required to clean (sweep and wash) the entire sidewalk in and around the outdoor dining area (including street and gutter areas) and remove debris to a closed receptacle. No debris shall be swept, washed, or blown into the sidewalk, gutter or street. If disposable materials are used, the establishment shall comply with all applicable City recycling programs. Awnings and umbrellas shall be washed whenever they are dirty and, in any event, no less than two times each year. Private trash receptacles shall be emptied daily.

8. Furniture removal. When the establishment stops serving for the day and patrons already seated in it leave, further seating in the outdoor dining area shall be prohibited and the outdoor dining furniture shall be removed from the right-of-way unless otherwise approved in the Encroachment Permit.

9. Plans and permits. All City-approved plans and permits for the outdoor dining area shall be kept on the premises for inspection at all times when the establishment is open for business.

10. Abatement. In the event that the Permittee fails to abide by the terms and conditions of the Encroachment Permit, the Public Works Director may summarily abate any prohibited improvements and the Permittee shall pay all costs incurred by the City to abate the prohibited improvements.

11. Termination. Upon termination of the Encroachment Permit, the Permittee shall immediately remove the barriers around the outdoor dining area, return the sidewalk to its original condition, and remove all personal property, furnishings, and equipment from the sidewalk. Any personal property remaining on the premises shall be removed pursuant to the laws of the State of California and the City.

Application Procedure

A. An Encroachment Permit shall be required for all encroaching furniture and improvements. The application shall be filed with the Public Works Department on a form provided by the Public Works Department. The application shall be signed by the owner of the property, or his authorized agent. Authorized agents shall submit written authorization. The application shall be accompanied by a site plan, drawn to scale and fully dimensioned, which accurately depicts the location,

height, nature and extent of all proposed improvements and objects within the encroachment zone. All fixed features such as tree wells, signposts, parking meters, fire hydrants, news racks, etc. within twenty (20) feet of the encroachment zone shall be depicted on the site plan.

B. Prior to issuance of the Encroachment Permit the applicant shall provide both the Certificate of Insurance and the completed standard Special Endorsement in a form meeting the approval of the Public Works Director and the City Attorney.

Term

Valid Encroachment Permits shall remain in effect until modified or revoked.

Sidewalk Cafe Development Standards

A. Horizontal clearance. A clear, continuous pedestrian path not less than six (6) feet in width shall be required for pedestrian circulation outside of the outdoor dining area, provided that the Public Works Director may require more than six (6) feet if necessary to protect the public safety. Areas with heavy pedestrian traffic shall be required to maintain a minimum of eight (8) feet clear width on the sidewalk. As used herein, pedestrian path means a continuous obstruction-free sidewalk area, paved to City standards, between the outside boundary of the dining area and any obstruction, including but not limited to parking meters, street trees, landscaping, street lights, bus benches, public art, and curb lines. These requirements may be modified at the discretion of the Public Works Director in locations where unusual circumstances exist and where public safety would not be jeopardized.

B. Allowable uses. An outdoor dining area may incorporate street trees or street furniture, provided that the required pedestrian path is maintained outside of the outdoor dining area.

C. Setbacks from corners, streets and alleys. When an outdoor dining area is located at a street corner, a ten (10) foot setback from the corner of the building shall be maintained along both frontages. When an outdoor dining area is located adjacent to a driveway or an alley, a five (5) foot setback shall be maintained from the driveway or alley. These requirements may be modified at the discretion of the Public Works Director in locations where unusual circumstances exist and where public safety would not be jeopardized (e.g., the sidewalk adjacent to the proposed outdoor dining area is wider than usual or the perimeter of the building has an unusual configuration).

D. Extension to adjacent properties. Subject to approval of the Public Works Director and the limitations of Newport Beach Municipal Code Section 20.48.090(D), an outdoor dining area may extend onto the sidewalk in front of an adjacent business with the written consent of both the adjacent business owner and property owner.

Design Standards

A. Barriers.

1. No barrier shall be required if the applicant proposes to limit the outdoor dining area to one row of table and chairs abutting the wall of the establishment and if no alcohol shall be served.

2. Establishments that serve alcoholic beverages in the outdoor dining area shall provide a physical barrier that meets the requirements of this policy and of the Alcoholic Beverage Control Board.

3. Barriers should complement the building facade as well as any street furniture and be somewhat transparent (such as wrought iron) and shall be able to withstand inclement weather. Barriers must be seventy percent (70%) transparent and shop drawings showing the design must be submitted to the Public Works Department for approval upon request.

4. Barriers shall conform to the Public Works Department installation standards and be removable. Barriers and furniture shall be removed at the end of each business day unless otherwise approved by the Public Works Department. Barriers shall be designed to be sectional in nature and easily removed by no more than two people. Barriers may be anchored through the use of recessed sleeves and posts, by wheels that can be locked into place, or weighted bases, however, when they are removed, the resulting surface must be flush with the sidewalk.

5. The height of any barrier shall not exceed three (3) feet six (6) inches.

B. Awnings and Umbrellas. The use of awnings over the outdoor dining area and removable table umbrellas may be permitted, provided they do not interfere with street trees. No portion of an awning shall be less than eight (8) feet above the sidewalk and no portion of an umbrella shall be less than seven (7) feet above the sidewalk. Awnings may extend up to five (5) feet from the building front or cover

up to fifty percent (50%) of the outdoor dining area, whichever is less. Awnings shall have no support posts located within the public right-of-way. A building permit must be obtained prior to installation of an awning. Heaters, electrical lighting, and/or planting shall not be attached to the awning structure.

C. Lighting. Outdoor lighting fixtures shall compliment the style of the building. Lighting fixtures shall not be glaring to motorists or pedestrians on the adjacent right-of-way, and shall illuminate only the outdoor dining area. Outdoor lighting may be installed on the facade of the building. Electrical fixtures shall not be permitted in the public right-of-way. Lighting shall be installed by a licensed electrician under an electrical permit from the Building Department. Battery operated lamps or candles shall be permitted.

D. Design. The design, material, and colors used for chairs, tables, umbrellas, awnings and other fixtures shall compliment the architectural style and colors of the building facade and street furniture.

E. Signs. Notwithstanding any other provision in the Newport Beach Municipal Code, signs and logos shall be permitted on umbrellas in outdoor dining areas.

F. Heaters. Portable propane heaters shall be allowed within the outdoor dining area.

G. Landscaping. Any landscaped pots or planters, if desired, shall be placed within the permitted barrier. Such planters shall be portable and not line the barrier in a continuous fashion. The height of planter and plantings shall not exceed forty-two (42) inches. Barriers and awnings shall not be planted with vines. All planters and pots shall be placed on the interior of the barrier.

Plants shall be properly maintained and stressed or dying plants shall be promptly replaced. Because plant fertilizers contain materials that can stain the pavement, water drainage from any plants onto the adjacent sidewalk shall not be allowed. Potted plants shall have saucers or other suitable systems to retain seepage and be elevated to allow for air flow of at least one (1) inch between saucers and sidewalk.

Fees

A. Application fee. An application fee established by resolution of the City Council shall be paid at the time an Encroachment Permit application is submitted to the Public Works Department.

B. Transfer fee. A transfer fee established by resolution of the City Council shall be paid at the time an Encroachment Permit transfer application is submitted to the Public Works Department.

C. Annual use fee. An annual use fee established by resolution of the City Council shall be paid upon annual renewal of an Encroachment Permit. No use fee shall be charged during the first year of operation.

Violation/Remedy

The Public Works Director may revoke the Encroachment Permit at any time if it is determined that continued operation of the sidewalk café is detrimental to the public interest, or the Permittee is in violation of the conditions set forth in the Encroachment Permit.

If a Permittee fails to abide by the provisions of this policy or the terms and conditions of an Encroachment Permit, the Public Works Director may summarily abate any encroachment or improvement that is in violation of this policy or the terms and conditions of an Encroachment Permit. The Permittee or property owner shall pay all costs incurred by the City in abating the encroachment or improvement.

The Permittee or property owner may appeal to the City Manager the decision of the Public Works Director to revoke an Encroachment Permit or the cost incurred to abate an encroachment/improvement, within ten (10) days of receiving notice of the revocation or demand for payment of the abatement costs. The determination of the City Manager with respect to the appeal shall be final as to the City but subject to judicial review pursuant to Cal. Code Civ. Proc. 1094.5.

History

Adopted L-19 – 3-11-1996
Amended L-19 – 5-28-1996 (changed to L-21)
Amended L-21 – 3-22-1999
Amended L-21 – 4-23-2002
Amended L-21 – 8-14-2018
Amended L-21 – 11-14-2023
Amended L-21 – 12-9-2025

RESOLUTION 2025-88

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEWPORT BEACH, CALIFORNIA, APPROVING A REVISED SALARY SCHEDULE AND NEW CLASSIFICATIONS FOR THE KEY & MANAGEMENT GROUP

WHEREAS, the City of Newport Beach ("City") has employees who are not represented by an exclusively recognized collective bargaining unit and therefore are not covered by a collective bargaining memorandum of understanding/agreement;

WHEREAS, the City Council of the City of Newport Beach ("City Council") has previously established and recognized the unrepresented Key & Management ("K&M") employees, consisting of certain safety and non-safety management, professional and confidential classifications;

WHEREAS, the City promotes effective communication and collaborative working relationships with its K&M employees to foster positive relations while balancing good management practices;

WHEREAS, on July 22, 2025, the City Council adopted Resolution 2025-45 which outlined the wages, hours, fringe benefits and other terms of employment of K&M employees for the time period July 12, 2025, through June 30, 2028 ("K&M Compensation Plan");

WHEREAS, the City Council intends to approve an amendment to the K&M Compensation Plan and salary schedule to establish/remove classifications/positions from Key & Management Compensation Plan and the City's salary schedule, which are set forth in Exhibit A and B and incorporated herein by this reference;

WHEREAS, City of Newport Beach Charter Section 601 requires the City Council to provide the number, titles, qualifications, powers, duties and compensation of all officers and employees of the City;

WHEREAS, Newport Beach Municipal Code Section 2.28.010 (Establishment of Classification and Salary Ranges) provides, upon recommendation of the City Manager, the City Council may establish by resolution the salary range or rate for each position;

WHEREAS, the City Manager has reviewed the changes to the salary schedule for K&M job classifications provided in this resolution and recommends approval; and

WHEREAS, by adopting this resolution, the City Council is approving and adopting the classifications and amendments to the salary schedule for K&M employees attached hereto as Exhibit A.

NOW, THEREFORE, the City Council of the City of Newport Beach resolves as follows:

Section 1: The City Council does hereby adopt and approve the K&M salary schedules and ranges set forth in Exhibit A, and the K&M personnel classifications and subcategories set forth in Exhibit B, which are incorporated herein by this reference.

Section 2: The City's salary schedule and K&M Compensation Plan shall be modified to be consistent with this resolution. All classifications/positions in the K&M group that are no longer referenced in Exhibit B shall be removed from the City's salary schedule. For all purposes, including but not limited to fulfilling any requirements of the City Charter, the person appointed as Administrative Services Director, or acting Administrative Services Director, shall be deemed to be the City's Finance Director, Treasurer, and Human Resources Director and shall exercise all powers, duties, and responsibilities assigned to the City's Finance Director, Treasurer, or Human Resources Director under the Charter, Newport Beach Municipal Code, contract, purchase order, policy, adopted or approved document, or any other applicable law, rule or regulation.

Section 3: Any resolution, or part thereof, in conflict with this resolution shall be of no effect.

Section 4: The recitals provided in this resolution are true and correct and are incorporated into the operative part of this resolution.

Section 5: If any section, subsection, sentence, clause or phrase of this resolution is, for any reason, held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this resolution. The City Council hereby declares that it would have passed this resolution, and each section, subsection, sentence, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

Section 6: The City Council finds the adoption of this resolution 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, Division 6, Chapter 3,

because it has no potential for resulting in physical change to the environment, directly or indirectly.

Section 7: This resolution shall take on December 13, 2025, and the City Clerk shall certify the vote adopting the resolution.

ADOPTED this 9th day of December 2025.

Joe Stapleton
Mayor

ATTEST:

Lena Shumway
City Clerk

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE

Aaron C. Harp
City Attorney

Exhibit A - Key & Management Salary Schedule
Exhibit B - Key & Management Classifications and Their Subcategories

Exhibit A

Newport Beach Key & Management Compensation Plan
MOU Term: July 12, 2025 - June 30, 2028

Effective December 13, 2025: New Classifications

POSITION	GRADE	RANGE	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Administrative Services Director	18	Low	$ 91.80	$ 15,912	$ 190,949
Administrative Services Director	18	Mid	$ 118.19	$ 20,486	$ 245,832
Administrative Services Director	18	High	$ 144.57	$ 25,060	$ 300,715
Municipal Operations Director	21	Low	$ 86.85	$ 15,053	$ 180,638
Municipal Operations Director	21	Mid	$ 111.81	$ 19,380	$ 232,565
Municipal Operations Director	21	High	$ 136.77	$ 23,708	$ 284,491

Effective July 11, 2026: 4% Cost-of-Living Adjustment (COLA)

POSITION	GRADE	RANGE	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Administrative Services Director	18	Low	$ 95.47	$ 16,549	$ 198,587
Administrative Services Director	18	Mid	$ 122.92	$ 21,305	$ 255,665
Administrative Services Director	18	High	$ 150.36	$ 26,062	$ 312,744
Municipal Operations Director	21	Low	$ 90.32	$ 15,655	$ 187,864
Municipal Operations Director	21	Mid	$ 116.28	$ 20,156	$ 241,867
Municipal Operations Director	21	High	$ 142.25	$ 24,656	$ 295,871

Effective July 10, 2027: 3% Cost-of-Living Adjustment (COLA)

POSITION	GRADE	RANGE	HOURLY RATE	MONTHLY RATE	ANNUAL SALARY
Administrative Services Director	18	Low	$ 98.34	$ 17,045	$ 204,544
Administrative Services Director	18	Mid	$ 126.60	$ 21,945	$ 263,335
Administrative Services Director	18	High	$ 154.87	$ 26,844	$ 322,126
Municipal Operations Director	21	Low	$ 93.03	$ 16,125	$ 193,500
Municipal Operations Director	21	Mid	$ 119.77	$ 20,760	$ 249,123
Municipal Operations Director	21	High	$ 146.51	$ 25,396	$ 304,747

Hourly rates are rounded to the nearest hundredth. Monthly and annual salaries are rounded to the nearest whole dollar.
Actual rates may vary slightly due to rounding.

Exhibit B

The City of Newport Beach

List of All Key & Management Classifications and Their Subcategory

Term of Compensation Plan: July 12, 2025 - June 30, 2028

Position Title	Subcategory
Administrative Manager	Division Management
Administrative Manager*	Division Management
Administrative Services Director	*Executive Management*
Assistant Chief, Lifeguard Operations	Administrative Management-Safety
Assistant, Administrative (K&M)	Confidential
Assistant, Executive	Confidential
Budget Analyst	Confidential
Budget Analyst, Senior	Confidential
City Attorney, Assistant	Executive Management
City Attorney, Deputy	Division Management
City Clerk, Assistant	Confidential
City Clerk, Deputy	Confidential
City Engineer, Assistant	Division Management
City Manager, Assistant	Executive Management
City Manager, Deputy	Executive Management
Civil Engineer, Principal	Division Management
Civil Engineer, Principal - Plan Check	Division Management
Civil Engineer, Senior (K&M)	Confidential
Community Develop. Director	Executive Management
Community Develop. Director, Deputy	Administrative Management
Finance Director, Deputy	Administrative Management
Finance Manager	Division Management
Fire Chief	Executive Management-Safety
Fire Chief, Assistant	Administrative Management-Safety
Fiscal Specialist (K&M)	Confidential
Harbormaster	Executive Management
Harbormaster, Deputy	Administrative Management
Homeless Services Manager	Division Management
Human Resources Analyst	Confidential
Human Resources Analyst, Assistant	Confidential
Human Resources Analyst, Senior	Confidential
Human Resources Director, Deputy	Administrative Management
Human Resources Manager	Division Management
Human Resources Specialist	Confidential
Human Resources Supervisor	Division Management
IT Engineer, Cybersecurity	Confidential
IT Manager	Administrative Management
IT Supervisor	Division Management
Library Services Director	Executive Management

The City of Newport Beach

List of All Key & Management Classifications and Their Subcategory

Term of Compensation Plan: July 12, 2025 - June 30, 2028

Position Title	**Subcategory**
Library Services Manager	Division Management
Management Analyst	Confidential
Management Analyst, Assistant	Confidential
Management Analyst, Senior	Confidential
Management Fellow	Confidential
Municipal Operations Director	*Executive Management*
Paralegal	Confidential
Payroll Coordinator	Confidential
Planner, Principal	Confidential
Planning Manager	Division Management
Police Chief	Executive Management-Safety
Police Chief, Assistant	Administrative Management-Safety
Police Support Srvcs Administrator	Administrative Management
Public Information Manager	Division Management
Public Information Specialist	Confidential
Public Works Director	Executive Management
Public Works Director, Deputy/City Engineer	Administrative Management
Public Works Director, Deputy/Municipal Ops	Administrative Management
Public Works Finance/Admin Manager	Division Management
Purchasing & Contracts Administrator	Confidential
Real Property Administrator	Confidential
Recreation & Senior Srvcs Director	Executive Management
Recreation & Senior Srvcs Director, Deputy	Administrative Management
Recreation & Senior Srvcs Manager	Division Management
Superintendent	Division Management
Systems and Administration Manager	Division Management
Transportation Manager/City Traffic Engineer	Division Management
Utilities Director	Executive Management
Water Operations Superintendent	Division Management

*Y-Rated, Hired on/before 10/27/2018

ADMINISTRATIVE SERVICES PERSONNEL

Full-Time
Part-Time (FTE)

Full-Time
DEPARTMENT ASSISTANT
BUYER
BUYER, SENIOR
BUYER, SENIOR
FISCAL CLERK
FISCAL CLERK, SENIOR
FISCAL CLERK, SENIOR
FISCAL CLERK, SENIOR
FISCAL CLERK, SENIOR
FISCAL CLERK, SENIOR
FISCAL SPECIALIST
FISCAL CLERK, SENIOR
FISCAL CLERK, SENIOR
FISCAL CLERK, SENIOR
FISCAL SPECIALIST
FISCAL SPECIALIST
FISCAL SPECIALIST
FISCAL SPECIALIST
FISCAL SPECIALIST
ACCOUNTANT
ACCOUNTANT, SENIOR
ACCOUNTANT, SENIOR
MANAGEMENT FELLOW
MANAGEMENT ANALYST, SENIOR
MANAGEMENT ANALYST, ASSISTANT
MANAGEMENT ANALYST, ASSISTANT
MANAGEMENT ANALYST
BUDGET ANALYST
BUDGET ANALYST
BUDGET ANALYST, SENIOR
DEPUTY FINANCE DIRECTOR
FINANCE MANAGER
FINANCE MANAGER
FINANCE MANAGER
PURCHASING AND CONTRACTS ADMINISTRATOR
ADMINISTRATIVE SERVICES DIRECTOR
DEPUTY HUMAN RESOURCES DIRECTOR
ADMINISTRATIVE ASSISTANT
DEPARTMENT ASSISTANT
SUPERVISOR
SUPERVISOR
ASSISTANT ANALYST
ASSISTANT ANALYST
SPECIALIST
SENIOR ANALYST
Part-Time (FTE)
FISCAL SPECIALIST
FISCAL CLERK, SENIOR
SPECIALIST

MUNICIPAL OPERATIONS DEPARTMENT PERSONNEL

Full-Time
Part-Time (FTE)

Full-Time
MUNICIPAL OPERATIONS DIRECTOR
ADMINISTRATIVE ASSISTANT
DEPARTMENT ASSISTANT
EQUIPMENT MECHANIC I
ELECTRICAL & INSTRUMENTATION SPECIALIST
ELECTRICAL & INSTRUMENTATION SPECIALIST
EQUIPMENT MECHANIC II
EQUIPMENT MECHANIC II
EQUIPMENT MECHANIC II
EQUIPMENT MECHANIC II
EQUIPMENT MECHANIC, SENIOR
PUBLIC WORKS SUPERVISOR
FACILITIES MAINTENANCE TECHNICIAN
FACILITIES MAINTENANCE TECHNICIAN
FACILITIES MAINTENANCE TECHNICIAN
FACILITIES MAINTENANCE TECHNICIAN
FACILITIES MAINTENANCE TECHNICIAN
FACILITIES MAINTENANCE TECHNICIAN
PUBLIC WORKS SUPERVISOR
MAINTENANCE WORKER
MAINTENANCE WORKER
MAINTENANCE WORKER
MAINTENANCE WORKER
MAINTENANCE WORKER
MAINTENANCE WORKER
PUBLIC WORKS CREW CHIEF
PUBLIC WORKS CREW CHIEF
PUBLIC WORKS CREW CHIEF
PUBLIC WORKS SUPERVISOR
PUBLIC WORKS SUPERVISOR
PUBLIC WORKS CREW CHIEF
PUBLIC WORKS CREW CHIEF
PUBLIC WORKS CREW CHIEF
PUBLIC WORKS CREW CHIEF
PUBLIC WORKS SUPERVISOR
MAINTENANCE OPERATOR
MAINTENANCE OPERATOR
MAINTENANCE OPERATOR
MAINTENANCE OPERATOR
MAINTENANCE OPERATOR
MAINTENANCE OPERATOR
MAINTENANCE OPERATOR
MAINTENANCE OPERATOR, SENIOR
MAINTENANCE OPERATOR, SENIOR
MAINTENANCE OPERATOR, SENIOR
MAINTENANCE OPERATOR, SENIOR
MAINTENANCE OPERATOR, SENIOR
MAINTENANCE OPERATOR, SENIOR
MAINTENANCE OPERATOR, SENIOR
MAINTENANCE OPERATOR, SENIOR
CONCRETE FINISHER
CONCRETE FINISHER
PUBLIC WORKS CREW CHIEF
PUBLIC WORKS SUPERVISOR
MANAGEMENT ANALYST
MANAGEMENT ANALYST, SENIOR
MANAGEMENT ANALYST, SENIOR
SUPERINTENDENT
SUPERINTENDENT
SUPERINTENDENT
SUPERINTENDENT
Part-Time (FTE)
FACILITIES MAINTENANCE WORKER II
MAINTENANCE WORKER
MAINTENANCE WORKER

CITY ATTORNEY'S OFFICE PERSONNEL

Full-Time
Part-Time (FTE)

Full-Time
CITY ATTORNEY
ADMINISTRATIVE ASSISTANT TO THE CITY ATTORNEY
PARALEGAL
PARALEGAL
DEPUTY CITY ATTORNEY
DEPUTY CITY ATTORNEY
DEPUTY CITY ATTORNEY
ASSISTANT CITY ATTORNEY
SENIOR ANALYST
ASSISTANT ANALYST
ASSISTANT ANALYST
Part-Time (FTE)
PARALEGAL

ATTACHMENT E

City of Newport Beach

BUDGET AMENDMENT

2025-26

BA#: 26-045

Department: Human Resources

Requestor: Sarah Rodriguez

☐ **CITY MANAGER'S APPROVAL ONLY**

☑ **COUNCIL APPROVAL REQUIRED**

ONE TIME: ☑ Yes ☐ No

Approvals		
City Clerk:		Date
Finance Director:	Jason Al-Imam	Date 12/3/25
Budget Manager:		Date 12/03/25

EXPLANATION FOR REQUEST:

To increase expenditure appropriations to fund converted positions.

- ☐ from existing budget appropriations
- ☐ from additional estimated revenues
- ☑ from unappropriated fund balance

REVENUES

Fund #	Org	Object	Project	Description	Increase or (Decrease) $
				-	
				-	
				Subtotal	$ -

EXPENDITURES

Fund #	Org	Object	Project	Description	Increase or (Decrease) $
010	0108041	711001		FACILITY MAINTENANCE - SALARIES MISCELLANEOUS	1,368.00
010	0108041	727016		FACILITY MAINTENANCE - MEDICARE FRINGES	20.00
010	0108041	722001		FACILITY MAINTENANCE - PENSION EE NORMAL COST MISC	103.00
010	0108041	724001		FACILITY MAINTENANCE - PENSION EE CONTRIB MISC	(109.00)
010	0108041	723002		FACILITY MAINTENANCE - PENSION ER NORMAL COST MISC	140.00
010	0108041	728003		FACILITY MAINTENANCE - COMPENSATED ABSENCES	48.00
010	0108041	727004		FACILITY MAINTENANCE - RHS $2.50 CONTRIBUTION	14.00
010	0108041	727020		FACILITY MAINTENANCE - DEFERRED COMP CITY CONTRIB	1,033.00
				-	
010	01025005	711003		HUMAN RESOURCES - SALARIES PART TIME	8,267.00
010	01025005	727016		HUMAN RESOURCES - MEDICARE FRINGES	120.00
010	01025005	723004		HUMAN RESOURCES - RETIREMENT PART TIME/TEMP	289.00
				-	
010	01060005	711003		LIBRARY ADMIN - SALARIES PART TIME	3,395.00
010	01060005	727016		LIBRARY ADMIN - MEDICARE FRINGES	49.00
010	01060005	723004		LIBRARY ADMIN - RETIREMENT PART TIME/TEMP	119.00
				-	
				-	
				Subtotal	$ 14,856.00

FUND BALANCE

Fund #	Object	Description	Increase or (Decrease) $
010	300000	GENERAL FUND - FUND BALANCE CONTROL	(14,856.00)
		-	-
		-	
		Subtotal	$ (14,856.00)

Fund Balance Change Required

CITY OF NEWPORT BEACH

MUNICIPAL OPERATIONS DIRECTOR

DEFINITION: To serve as the executive director of the Municipal Operations Department; to plan, organize, direct and coordinate the programs and services of the Department; to serve as a member of the City Manager's executive management team; and to provide highly responsible and professional staff assistance to the City Manager and City Council.

SUPERVISION RECEIVED AND EXERCISED: Receives general administrative direction from the City Manager. Exercises direct supervision over management, supervisory, professional, technical and clerical personnel.

ESSENTIAL DUTIES: The following essential duties~~functions~~ are typical for this classification. Incumbents may not perform all ~~of~~ the listed duties~~functions~~ and~~/or~~ may be required to perform additional or different assignments~~functions~~ from those below to address business needs and changing business practices:

- Plan, direct, and review the activities and operation of the Municipal Operations Department; administer the overall programs and activities of the department including~~,~~ construction, maintenance and repair activities assigned to the department including streets, facilities, parks, trees, bridges, beaches, ~~storm drains, tidal valves,~~ vehicles, refuse and recycling collection, City trolley system operations, and ~~street cleaning~~ other maintenance and operation programs as assigned; assess community service expectations and requirements and develop appropriate methods to meet service requirements; ensure the maximum utilization of manpower, equipment, and supplies;

- Develop, plan and implement departmental goals and objectives; ~~develop,~~ recommend and administer approved policies and procedures; coordinate departmental activities and staff resources with those of other City departments (and in particular with the Public Work and Utilities Departments); and outside agencies and organizations; provide professional and technical advice and assistance to the City Manager and City Council on matters related to departmental functions; Prepare and present staff reports and answer questions;

- Plan, organize, select and supervise the work of departmental staff; coach, motivate, monitor, correct and evaluate staff performance; develop and implement staff training programs and plans; recommend employee recognition, discipline and termination; ensure that City personnel policy and employee agreements are implemented and applied consistently within the department;

- Review, select, oversee and manage contracted operations and maintenance services, ensure required quality and work effort is met; maintain appropriate

contracts, records, and files; oversee and process related invoices and ~~,~~ contract work changes;

- Supervise and participate in the development of the departmental budget; participate in the forecast of revenue, expenses and additional funds needed for staffing, contracted services, equipment, materials, and supplies; administer the approved departmental budget and guide subordinate managers in developing and administering division and unit budgets;

- Administer an Internal Service Fund program for vehicle and equipment maintenance and replacement; ensure City vehicle maintenance is completed with high quality and in a timely manner

- Represent the City and participate in professional and public meetings and organizations, as appropriate; attend staff meetings; participate in mandated training and staff development; respond to and meet with property owners, homeowner groups, business districts, and the public; meet with, provide information and negotiate with various regulatory agencies to satisfy their requirements; represent the City as a witness in legal actions;

- Oversee and direct departmental office operations; maintain appropriate records and files; coordinate workflow; prepare reports, agenda items, memoranda, letters and other forms of correspondence; and

- Perform related duties as assigned.

QUALIFICATIONS: To perform this job successfully, an individual must be able to perform each essential dutyfunction. The requirements listed below ~~are~~ representative ~~of~~ the knowledge, skill, and~~/or~~ ability required.

Knowledge of:

Advanced principles and practices of public works operations administration and maintenance~~engineering~~, and the materials, methods, practices and equipment used in the construction, maintenance and repair of community assets, such as trees, parks, beaches, bridges, piers and docks, streets, storm drains, tidal valves, facilities, vehicles and equipment, and refuse and recycling collection;

Local transit operations and maintenance; route and operational logistics, transit stop and vehicle maintenance and cleaning, State rules and regulations governing transit operations, management of contracted operations/staff, basic program marketing and ridership data gathering, and passenger safety and enjoyment;

Principles and practices of organization, administration and personnel management and leadership, particularly as applied to the analysis and evaluation of programs, policies and operational needs;

Park operations~~development~~, construction, and maintenance;

Principles and techniques of budget development and administration;

Applicable Federal, State and local laws, ordinances, codes and regulations;

Principles of leadership, supervision, training and performance evaluation;

Current technological and communication equipment and software applicable to the delivery of departmental services to internal and external customers;

Occupational hazards and safety precautions necessary in the work;

Principles and practices of building operations and maintenance~~civil engineering~~ as they relate to public ~~works~~ facilities;

Modern office practices, procedures, methods and equipment;

Principles and practices of operating an integrated solid waste management system; and

The use of a PC and applicable software.

Ability to:

Direct, plan and organize the activities of a comprehensive citywide services department responsible for a broad range of public works activities such as, facilities, field and equipment maintenance programs and services;

Analyze problems; identify alternative solutions, project consequences of proposed actions and implement recommendations in support of goals;

Interpret and apply City policies, procedures, rules and regulations;

Develop and administer sound departmental policies and procedures;

Stay abreast of new trends, innovations, standards and guidelines in the applicable areas of public works administration, and facility, field, and equipment maintenance;

Gain cooperation through discussion and persuasion;

Select, supervise, train and evaluate personnel;

Prepare and administer a departmental budget;

Develop and maintain a partnership with the Community in providing effective and responsive general services;

Communicate clearly and concisely, both orally and in writing;

Regularly and predictably attend work;

Engage in face-to-face meetings;

Follow directions from a supervisor;

Understand and follow posted work rules and procedures;

Accept constructive criticism; and

Establish and maintain cooperative working relationships with those contacted in the course of work.

This position may be required to work overtime hours as needed.

PHYSICAL REQUIREMENTS AND ENVIRONMENTAL WORKING CONDITIONS:

Work is performed in an office environment and may require occasional travel to off-site facilities. Job duties involve sitting, standing, and walking for prolonged or intermittent periods of time, and reaching, bending, and twisting at the waist to perform desk work and operate general office equipment, including a personal computer and keyboard, for prolonged or intermittent periods of time. The operation of a personal computer also requires finger and wrist dexterity and the ability to withstand exposure to vibration, pitch and glare from the computer. Employee must be able to safely lift and carry books, files and reports weighing up to 25 pounds. Must be able to lift files and reports from counter tops or file drawers.

EXPERIENCE, EDUCATION AND LICENSE &/OR CERTIFICATE: A combination of experience and education whichthat would likely provide the required knowledge and abilities tomay be qualifying. A typical way to obtain the knowledge and abilities would be:

Experience: Seven years of increasingly responsible public works services experience in the areas of streets, parks, trees, storm drains, bridges, facilities and vehicle maintenance and replacement, including at least three years of responsible management and supervisory experience. Comparable experience in public beach maintenance and refuse service administration is highly desirable.

Training: Completion of coursework leading to a bachelor's degree with major coursework in public administration, business administration, civil engineering,

facilities operation/management, or a closely related field. A master's degree in public administration, business administration, or a closely related field is desirable.

License or Certificate: Due to the performance of some field duties, which require the operation of a personal or City vehicle, a valid and appropriate California driver's license and an acceptable driving record are required.

Additional Requirement: Prior to employment, the prospective candidate must successfully complete a thorough background review, including being fingerprinted by Newport Beach Police Department.

Disaster Service Worker: In accordance with Government Code Section 3100, City of Newport Beach Employees, in the event of a disaster, are considered disaster service workers and may be asked to respond accordingly.

Employee Group: Key & Management
FLSA Designation: Exempt
Department: Choose an item.
Revised: (mwd) 10/02/17
Revised: 11/14/25

ADMINISTRATIVE SERVICES AND FINANCE DIRECTOR

DEFINITION: To serve on the City's executive management team as the Administrative Services Director/City Treasurer; to plan, organize, and direct oversight of activities including finance, purchasing, and human resources; coordinate budget administration, inclusive of accounting and financial reporting, treasury and debt administration, revenue and tax administration, fiscal planning and analysis, purchasing, payroll and other centralized fiscal service functions and to coordinate comprehensive personnel and employer-employee relations; and to provide highly responsible and professional staff assistance to the City Manager and City Council.

SUPERVISION RECEIVED AND EXERCISED: Receives general administrative direction from the City Manager. Exercises direct supervision over the Department's management, supervisory, professional, technical and clerical administrative support staff members.

ESSENTIAL DUTIES: The following essential functions are typical for this classification. Incumbents may not perform all the listed functions and/or may be required to perform additional or different functions from those below to address business needs and changing business practices:

- Plan, direct, and review the operation, services and activities of the Administrative Services Department;

- Direct the operations of the Finance Division including budget administration, accounting & financial reporting, treasury and debt administration, revenue and tax administration, fiscal planning and analysis, purchasing, payroll and other centralized accounting and fiscal service functions;

- Direct the operations of the Human Resources Division; administer the overall operation of employer-employee relations, classification and compensation, recruitment and selection, employee development, employee performance evaluation, and general personnel policy and records administration;

- Advise and guides department heads and other managerial and supervisory staff in the implementation of meet and confer employee agreements, interpretation and consistent implementation and application of City personnel policies and practices, legal requirements governing personnel related decisions and transactions, employee recognition, training and development, benefits, recruitment and selection, discipline and other personnel processes;

- Assess internal customer and community expectations and service requirements and develop appropriate methods to meet service requirements; ensure the maximum utilization of manpower, equipment, and supplies;

- Plan, organize and direct the preparation, implementation and control of the City's annual operating budget; forecast City revenues, expenditures and year-end balances; direct and participate in various fiscal and strategic planning efforts; review, evaluate and recommend the City's financial internal control systems and procedures and ensure audit compliance;

- Provide financial assistance and support to City departments, direct treasury and debt administration programs; direct the preparation of a wide variety of financial reports; assess community service expectations and requirements and develop appropriate methods to meet service requirements; ensure the maximum utilization of the workforce, equipment, and supplies;

- Develop, plan and implement departmental goals and objectives; develop, recommend and administer approved policies and procedures to ensure fiscal sustainability; coordinate departmental activities with those of other City departments and outside agencies and organizations; provide professional and technical advice and assistance to the City Manager and City Council on matter related to departmental functions; prepare and present staff reports and answer questions;

- Plan, organize, select and supervise the work of departmental staff; coach, motivate, monitor, correct and evaluate staff performance; serve as the second level supervisor of staff supervised by division managers and review performance evaluations prepared by subordinate managers; develop and implement staff training programs and plans; recommend employee recognition, discipline and termination; ensure that City personnel policy and employee agreements are implemented and applied consistently within the department;

- Represent the City and participate in professional and public meetings and organizations, as appropriate; attend staff meetings; participate in mandated training and staff development; respond to and meet with property owners, homeowner groups, business districts, and the public; meet with, provide information and negotiate with various regulatory and credit rating agencies to satisfy their information and reporting requirements; represent the City as a witness in legal actions; may serve as a representative on the City's employer-employee negotiations team;

- Oversee and direct departmental office operations; maintain appropriate records and files; coordinate workflow; prepare reports, agenda items memoranda, letters and other forms of correspondence; and

- Perform related duties as assigned.

QUALIFICATIONS: To perform this job successfully, an individual must be able to perform each essential function. The requirements listed below are representative of the knowledge, skill, and/or ability required.

Knowledge of:

Advanced principles and practices of public sector financial management and human resources administration, including oversight of budgeting, financial reporting, treasury and debt management, revenue administration, classification and compensation, labor relations, and employee development; and the ability to provide executive direction to technical experts in both disciplines while ensuring compliance with applicable federal, state, and local laws, regulations, and professional standards;

Advanced principles of leadership;

Principles of treasury management and debt administration;

Principles and techniques of budget development and administration;

Principles and techniques of revenue and tax administration;

Principles and practices of organization, administration and personnel management and leadership, particularly as applied to the analysis and evaluation of programs, policies and operational needs;

Applicable Federal, State and local laws, ordinances, codes and regulations;

Principles of supervision, training and performance evaluation;

Modern office practices, procedures, methods and equipment; and

The use of a PC and applicable software.

Ability to:

Direct, plan and organize the activities of comprehensive, citywide finance and human resources divisions**,** including accounting, budget, payroll, purchasing, treasury and other central services; employee relations; classification and compensation; recruitment and selection; and labor relations;

Develop and install sound accounting systems and procedures;

Maintain positive labor relations;

Analyze problems; identify alternative solutions, project consequences of proposed actions and implement recommendations in support of goals;

Interpret and apply City policies, procedures, rules and regulations;

Develop and administer sound departmental policies and procedures;

Stay well-informed of new trends, innovations, standards and guidelines in the fields of municipal accounting and financial reporting, treasury and investment, indebtedness and revenue, human resources administration, and labor relations;

Gain cooperation through discussion and persuasion;

Select, supervise, train and evaluate personnel;

Prepare and administer a citywide budget;

Communicate clearly and concisely, both orally and in writing;

Regularly and predictably attend work;

Follow directions from a supervisor;

Understand and follow posted work rules and procedures;

Accept constructive criticism; and

Establish and maintain cooperative working relationships with those contacted during work.

This position may be required to work overtime hours as needed.

PHYSICAL REQUIREMENTS AND ENVIRONMENTAL WORKING CONDITIONS: Work is performed in an office environment and may require occasional travel to off-site facilities. Job duties involve sitting, standing, and walking for prolonged or intermittent periods of time, and reaching, bending, and twisting at the waist to perform desk work and operate general office equipment, including a personal computer and keyboard, for prolonged or intermittent periods of time. The operation of a personal computer also requires finger and wrist dexterity and the ability to withstand exposure to vibration, pitch and glare from the computer. Employee must be able to safely lift and carry books, files and reports weighing up to 25 pounds. Must be able to lift files and reports from counter tops or file drawers.

EXPERIENCE, EDUCATION AND LICENSE/CERTIFICATE: A combination of experience and education that would likely provide the required knowledge and abilities may be qualifying. A typical way to obtain the knowledge and abilities would be:

Experience: Seven years of increasingly responsible professional public sector experience in accounting, finance, human resources, or related areas, including at least three years of responsible management and supervisory level experience.

Education: A bachelor's degree in accounting, finance, public administration, business administration or a closely related field. A master's degree in public administration, business administration or a related field is desirable.

License or Certificate: Due to the performance of some field duties, which require the operation of a personal or City vehicle, a valid and appropriate California driver's license and an acceptable driving record may be required.

Disaster Service Worker: In accordance with Government Code Section 3100, City of Newport Beach Employees, in the event of a disaster, are considered disaster service workers and may be asked to respond accordingly.

Group: Key & Management Compensation Plan, Executive
FLSA Designation: Exempt
Department: Administrative Services

Revised: 10/13/08
09/05/12
11/10/20
Unarchived/revised 11/19/25

Attachment G

Current Department	Proposed Department	Item Description
Human Resources	Administrative Services	Transfer human resources director to municipal operations department director
Public Works	Municipal Operations	Convert public works crew chief to management analyst
Human Resources	Administrative Services	Convert 0.5 FTE Intern to Specialist
Finance	Administrative Services	Transfer finance director to administrative services director
Library Services	Library Services	Convert two 0.5 FTE library clerk II positions to two 0.5 FTE services aides

CITY OF

NEWPORT BEACH

City Council Staff Report

December 9, 2025
Agenda Item No. 14

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: David A. Webb, Public Works Director - 949-644-3311, dawebb@newportbeachca.gov

PREPARED BY: Tom Sandefur, Assistant City Engineer - 949-644-3321, tsandefur@newportbeachca.gov

TITLE: Central Library Elevator Modernization – Notice of Completion of Contract No. 8939-1

ABSTRACT:

On April 23, 2024, the City Council awarded a contract for the Central Library Elevator Modernization project to Armstrong Cal Builders, Inc. of Irvine. The project modernized two elevators with new cab interiors, upgraded the power to the elevators, installed new fire alarm devices and fire alarm control panels. The work is now complete and staff requests City Council acceptance and close out of the contract

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; and

b) Accept the completed work and authorize the City Clerk to file a Notice of Completion for the project.

DISCUSSION:

Overall Contract Cost/Time Summary

Awarded Contract Amount	Final Total Contract Amount	Total Contract Change Amount	Percent Contract Cost Change
$1,023,500.00	$1,064,467.23	$40,967.23	4.0%

Allowed Contract Time + Approved Extensions/Suspensions (Days) =	224	Actual Time Used (Days)	224

This project (23F02) is part of the Facilities Maintenance Master Plan (FMMP). The elevators and their associated equipment were at the end of their expected service life and their equipment was no longer serviceable and replacement parts were beginning to

be difficult to find. Additionally, the relevant fire safety and power requirement codes have changed for elevators. This project brought the elevators into compliance with the latest codes, added additional fire alarm devices throughout the Central Library, installed a new fire alarm control panel, and replaced the elevator interiors to improve aesthetics and meet updated ADA requirements.

The contracted work has now been completed to the satisfaction of the Public Works Department. A summary of the construction cost is as follows:

Original Bid Amount:	$	1,023,500.00
Actual Cost of Bid Items Constructed:	$	1,023,500.00
Total Change Orders:	$	40,967.23
Final Contract Cost:	**$**	**1,064,467.23**

The total contract amount was $1,064,467.22, approximately 4% higher than the original bid amount. Most of the additional cost was related to the replacement of the public elevator cab roof which was discovered to need repair after the demolition of the machinery attached to the roof. The other additional work included installing additional fire alarm fixtures to meet code requirements, additional light fixtures in the elevator pit for safety of maintenance personnel, and new dedicated circuits for each oil cooler to comply with code and best practices.

A summary of the project schedule milestones is as follows:

Estimated Start of Construction per Annual Baseline Schedule	September 30, 2024
Actual Start of Construction Per Notice to Proceed	November 12, 2024
Estimated Completion Per Annual Baseline Schedule	June 6, 2025
Substantial Completion Date Inclusive of Extra Work	November 10, 2025

FISCAL IMPACT:

The Central Library Elevator Modernization project was included within the Fiscal Year 2024-25 Capital Improvement Program Budget. Funds for the construction contract were expended from the following account(s):

Account Description	Account Number			Amount
FMMP	57101-980000-23F02		$	45,702.45
FMMP	57101-980000-24F02		$	1,018,764.78
		Total:	**$**	**1,064,467.23**

The FMMP includes a comprehensive condition assessment of all City facilities and prioritizes capital repairs and/or major maintenance based on a variety of factors including current condition and age of facilities. This program funds a variety of capital repairs and maintenance projects in an effort to keep City facilities in good condition and is funded by the General Fund.

ENVIRONMENTAL REVIEW:

On April 23, 2024, City Council found this project exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301 (Existing Facilities) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential to have a significant effect on the environment.

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).

ATTACHMENT:

Attachment A – Location Map

CENTRAL LIBRARY ELEVATOR MODERNIZATION

LOCATION MAP

CITY OF NEWPORT BEACH
PUBLIC WORKS DEPARTMENT

C-8939-1	23F02	04/23/24

I:\Docs\PBWShared\Contracts\FY23-24 CURRENT\100_FACILITIES\FMMP\Cent Libr Elevator Mdrnizt C-8939-1_23F02\COUNCIL MEMOS\Attachment A - Map Location.dwg 04/04/24 - 11:04am kaube

CITY OF

NEWPORT BEACH

City Council Staff Report

December 9, 2025
Agenda Item No. 15

TO:	HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM:	David A. Webb, Public Works Director - 949-644-3311, dawebb@newportbeachca.gov
PREPARED BY:	Kevin Riley, City Traffic Engineer - 949-644-3329, kriley@newportbeachca.gov
TITLE:	Final Tract Map No. 19261 for a Residential Condominium Development Located at 1401 Quail Street

ABSTRACT:

Vesting Tentative Tract Map No. 19261 and a major site development review for a residential condominium project at 1401 Quail Street were approved by the Planning Commission on December 21, 2023 (Planning Commission Resolution No. PC2023-047). For City Council consideration is Final Tract Map No. 19261 for condominium purposes, along with the associated subdivision agreement and construction securities.

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) Review and approve the Subdivision Agreement for Final Tract Map No. 19261 pursuant to Section 19.36.010 of the Municipal Code, and authorize the Mayor and City Clerk to execute the Subdivision Agreement;

c) Review and approve the required construction securities for the Final Tract No. 19261 pursuant to Section 19.36.030 of the Municipal Code, and authorize the Public Works Director to execute and release the securities; and

d) Review and approve the Final Tract Map No. 19261 located at 1401 Quail Street pursuant to Section 19.60.010 of the Municipal Code.

DISCUSSION:

Quail 67 Development LLC, a California limited liability company (Property Owner), is proposing a residential condominium development located at 1401 Quail Street (Attachment A). The development consists of the demolition of an existing office building and construction of a sixty-seven-unit residential condominium project on an approximately 1.71-acre site.

The project is in the airport area of the City of Newport Beach, more specifically located at the southwest corner of Quail Street and Spruce Street. Vesting Tentative Tract Map No. 19261 for the proposed development was approved by the Planning Commission on December 21, 2023 (Attachment B).

On June 27, 2024, the applicant made the initial submittal for Final Tract Map No. 19261 to the Public Works Department for approval and filing to construct the proposed residential condominium development (Attachment C). On October 2, 2025, the applicant submitted construction surety bonds in the amount consistent with the Public Works Department's approved cost estimate in the form acceptable to the City, guaranteeing the completion of the various required public and private improvements. The bonds have been reviewed and approved by the City Attorney's Office and the Public Works Department (Attachment D). The applicant has also satisfied all applicable Tract Map conditions of approval for the residential condominium development.

Per Section 19.60.010 of the Newport Beach Municipal Code (NBMC), the City Council shall review Final Tract Maps. Final Tract Map No. 19261 does conform to the applicable Tentative Tract Map and its conditions of approval. Per Sections 19.36.010 and 19.36.030 of the NBMC, the City Council shall review the subdivision agreement and required securities to ensure the completion of all required improvements (Attachment E). The map also conforms to all requirements of the Subdivision Map Act and the City's Subdivision regulations.

FISCAL IMPACT:

There is no fiscal impact related to this item.

ENVIRONMENTAL REVIEW:

Planning Commission Resolution No. PC2023-047 for this development has determined that the project is exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15332 under Class 32 (In-fill Development) of the CEQA Guidelines, because it has no potential to have a significant effect on the environment. The action of approving the final tract map will not be subject to CEQA pursuant to Section 15060(c)(2) (the activity will not result in a direct or reasonable foreseeable indirect physical change to 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 – Location Map
Attachment B – Planning Commission Resolution No. PC2023-047
Attachment C – Tract Map No. 19261
Attachment D – Tract Map No. 19261 Surety Bonds
Attachment E – Tract Map No. 19261 Subdivision Agreement

LOCATION MAP

CITY OF NEWPORT BEACH
PUBLIC WORKS DEPARTMENT

DEC. 9, 2025

Attachment B

Planning Commission Resolution No. PC2023-047

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

RESOLUTION NO. PC2023-047

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF NEWPORT BEACH, CALIFORNIA RECOMMENDING CITY COUNCIL ADOPTION OF A GENERAL PLAN AMENDMENT, PLANNED COMMUNITY DEVELOPMENT PLAN AMENDMENT, SITE DEVELOPMENT REVIEW, VESTING TENTATIVE TRACT MAP, AFFORDABLE HOUSING IMPLEMENTATION PLAN, DEVELOPMENT AGREEMENT AND AN ENVIRONMENTAL IMPACT REPORT ADDENDUM FOR THE RESIDENCES AT 1401 QUAIL PROJECT LOCATED AT 1401 QUAIL STREET (PA2023-0040)

THE PLANNING COMMISSION OF THE CITY OF NEWPORT BEACH HEREBY FINDS AS FOLLOWS:

SECTION 1. STATEMENT OF FACTS.

1. An application was filed by Intracorp Homes ("Applicant"), with respect to the property located at 1401 Quail Street, and legally described as Parcel 1 of Resubdivision No. 341 ("Property").

2. The Applicant is requesting an approval for the demolition of an existing office building and the development of 67 for-sale condominium units, including a 146-space parking structure ("Project"). The following approvals are requested or required in order to implement the Project as proposed:

   - **General Plan Amendment (GPA)** – A request to amend the General Plan Land Use Designation of the Property from General Commercial Office (CO-G) to Mixed-Use Horizontal (MU-H2);

   - **Planned Community Development Plan Amendment (PCDP Amendment)** – An amendment to the Newport Place Planned Community (PC11) Development Plan to include the Property within the Residential Overlay;

   - **Major Site Development Review (SDR)** - A site development review in accordance with the Newport Place Planned Community and Section 20.52.80 (Site Development Reviews) of the Newport Beach Municipal Code ("NBMC"), for the construction of the Project;

   - **Tentative Vesting Tract Map (VTM)** – A Vesting Tentative Tract Map No. 19261 pursuant to Title 19 (Subdivisions) of the NBMC for 67 condominium dwelling units;

   - **Affordable Housing Implementation Plan (AHIP)** - A program specifying how the Project would meet the City's affordable housing requirements, in exchange for a request of 27.5% increase in density. The Applicant seeks four development standard waivers including two waivers related to park land dedication required by

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

General Plan Land Use Policy LU 6.15.13 and Section 19.52.040 (Parkland Standard) of the NBMC, one waiver related to building setbacks, and one waiver related to building height, pursuant to Chapter 20.32 (Density Bonus) of the NBMC and Government Code Section 65915 (Density Bonus Law). The Applicant also seeks two development concessions related to the mix of affordable units and a partial payment of the park in-lieu fee, pursuant to Chapter 20.32 (Density Bonus) of the NBMC and Government Code Section 65915;

- **Development Agreement (DA)** – A Development Agreement, between the Applicant and the City, pursuant to Section 15.45.020 (Development Agreement Required) of the NBMC, which would provide the Applicant with vested right to develop the Project for a term of ten years and provide negotiated public benefits to the City; and

- **Addendum to the 2006 General Plan Update Program Environmental Impact Reports (Addendum)** - Pursuant to the California Environmental Quality Act ("CEQA"), the Addendum addresses reasonably foreseeable environmental impacts resulting from the Project.

3. The Property is designated General Commercial Office (CO-G) by the General Plan Land Use Element and located within the Newport Place Planned Community (PC-11) Zoning District in the Industrial Site 3A sub-area.

4. The Property is not located within the coastal zone.

5. A public hearing was held on December 21, 2023 in the Council Chambers at 100 Civic Center Drive, Newport Beach. A notice of time, place and purpose of the hearing was given in accordance with Government Code Section 54950 *et seq.* (Ralph M. Brown Act), and Chapter 15.45 (Development Agreements), Chapter 19.20 (Vesting Tentative Map), Chapter 20.56 (Planned Community District Procedures), and Chapter 20.62 (Public Hearings) of the NBMC. Evidence, both written and oral, was presented to, and considered by, the Planning Commission at this hearing.

SECTION 2. CALIFORNIA ENVIRONMENTAL QUALITY ACT DETERMINATION.

1. On July 25, 2006, the City Council adopted Resolution No. 2006-75, thereby certifying the adequacy and completeness of the Environmental Impact Report ("EIR") for the General Plan Update (SCH No. 2006011119). The EIR was prepared in compliance with CEQA Guidelines set forth in the California Public Resources Code Section 21000 *et seq*. and its implementing State regulations set forth in the California Code of Regulations Title 14, Division 6, Chapter 3 (CEQA Guidelines) and City Council Policy K-3. Additionally, in accordance with Section 15168(a) of the CEQA Guidelines, the City prepared the EIR as a Program Environmental Impact Report (PEIR). This PEIR analyzed the potential impacts of a citywide land use plan, and the goals and policies of 10 general plan elements.

2. Additionally, on November 22, 2011, the City Council adopted General Plan Amendment No. GP2008-003, thereby approving the City of Newport Beach Housing Element Update (2008-2014) and its associated Housing Element and Initial Study/Negative Declaration

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

under CEQA. The PEIR and Initial Study/Negative Declaration are collectively referred to herein as the PEIR.

3. Pursuant to Section 21166 of the California Public Resources Code and Section 15162 of the CEQA Guidelines, when an EIR has been certified for a project, no subsequent EIR is required unless the lead agency determines, on the basis of substantial evidence in the light of the whole record, one or more of the following:

   a. Substantial changes are proposed in the project which will require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects;

   b. Substantial changes occur with respect to the circumstances under which the project is undertaken which will require major revisions of the previous EIR due to the involvement of new significant environmental effects or a substantial increase in the severity of previously identified significant effects; or

   c. New information of substantial importance, which was not known and could not have been known with the exercise of reasonable diligence at the time the previous EIR was certified as complete, shows any of the following:

      i. The project will have one or more significant effects not discussed in the previous EIR;

      ii. Significant effects previously examined will be substantially more severe than shown in the previous EIR;

      iii. Mitigation measures or alternatives previously found not to be feasible would in fact be feasible and would substantially reduce one or more significant effects of the project, but the project proponents decline to adopt the mitigation measure or alternative; or

      iv. Mitigation measures or alternatives which are considerably different from those analyzed in the previous EIR would substantially reduce one or more significant effects on the environment, but the project proponents decline to adopt the mitigation measure or alternative.

4. An Addendum to the PEIR was prepared pursuant to Section 15162 (Subsequent EIRs and Negative Declarations) and 15164 (Addendum to an EIR or Negative Declaration) of the CEQA Guidelines.

5. The following environmental topics were analyzed for the Project: Aesthetics, Air Quality, Biological Resources, Cultural Resources, Energy, Geology and Soils, Greenhouse Gas Emissions, Hazards and Hazardous Materials, Hydrology and Water Quality, Land Use and Planning, Mineral Resources, Noise, Population and Housing, Public Services, Recreation, Transportation, Tribal and Cultural Resources, Utilities and Service Systems, and Wildfire. The Addendum includes analysis of new topics that were

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

not included in the previous EIRs; specifically, it includes a new energy section and a new wildfire section. These additional analyses are appropriate for inclusion in the Addendum, but none result in new or increased significant impacts that would require preparation of a subsequent EIR pursuant to Section 15162 of the CEQA Guidelines.

6. On the basis of the PEIR and entire environmental review record, the Project will not result in any new significant impacts that were not previously analyzed in the PEIR. The Addendum confirms and provides substantial evidence that the potential impacts associated with this Project would either be the same or less than those described in either the PEIR, as reduced by applicable General Plan Policies in the PEIR. In addition, there are no substantial changes to the circumstances under which the Project would be undertaken that would result in new or more severe environmental impacts than previously addressed in either the PEIR, nor has any new information regarding the potential for new or more severe significant environmental impacts been identified. Therefore, in accordance with Section 15164 of the CEQA Guidelines, an addendum to the previously adopted PEIR is the appropriate environmental document for the Project. In taking action to approve any of the requested applications for the Project, the data presented in the PEIR, as augmented by the Addendum for this Project, are considered as part of the record.

7. The Addendum to the PEIR is hereby recommended for adoption by the City Council given its analysis and conclusions. The Addendum to the PEIR and related and referenced documentation, constitute the administrative record upon which this decision was based, are on file with the Planning Division, City Hall, 100 Civic Center Drive, Newport Beach, California.

8. The Planning Commission finds that judicial challenges to the City's CEQA determinations and approvals of land use projects are costly and time consuming. In addition, project opponents often seek an award of attorneys' fees in such challenges. As project applicants are the primary beneficiaries of such approvals, it is appropriate that such applicants should bear the expense of defending against any such judicial challenge, and bear the responsibility for any costs, attorneys' fees, and damages which may be awarded to a successful challenger.

SECTION 3. REQUIRED FINDINGS.

General Plan Amendment

An amendment to the 2006 Newport Beach General Plan Land Use Element is a legislative act. Neither Title 20 (Planning and Zoning) nor California Government Code Section 65000 *et seq.,* set forth any required findings for either approval or denial of such amendments.

Finding and Facts in Support of Findings:

1. The request is to amend the General Plan Land Use designation from General Commercial Office (CO-G) to Mixed-Use Horizontal (MU-H2). The Mixed-Use Horizontal (MU-H2) designation applies to properties located in the Airport Area. It provides for a horizontal intermixing of uses that may include regional commercial office, multifamily

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

residential, vertical mixed-use buildings, industrial, hotel rooms, and ancillary neighborhood commercial uses.

2. The GPA and the resulting land use change are compatible with the existing surrounding uses and planned land uses identified by the General Plan because the Project would introduce additional residential land uses in the Airport Area which includes a diverse mix of land uses including the gradual development of residential multifamily dwellings. Additionally, even with the conversion from General Commercial Office (CO-G) to Mixed-Use Horizontal (MU-H2), the building will be compatible with adjacent commercial properties architectural style and pedestrian connectivity. Additional residential development would support commercial properties within the Airport Area.

3. The requested GPA from General Commercial Office (CO-G) to Mixed-Use Horizontal (MU-H2) does not eliminate existing or future land uses to the overall detriment of the community given the Property's size, location, and surrounding uses. The existing office buildings were built in the 1970's and there are sufficient office facilities in the Airport Area to support the business needs of the community. The proposed change to allow residential uses would increase the City's housing stock including the provision of eight units that will be affordable to lower incomes.

4. The Property is located in an area of the City that has sufficient utilities systems to serve the Project once the Applicant completes a necessary upgrade to an off-site sewer line. As conditioned, applicant shall be responsible for their fair share of replacing the existing 10-inch vitrified clay pipe (VCP) pipe with a 12-inch sewer main, which is located near the intersection of Newport Place and Dove Street. This off-site improvement would result in approximately 435 linear feet of sewer line replacement. No other off-site improvements other than typical utility connections are proposed or required as part of the project.

5. The Project is consistent with the following City of Newport Beach General Plan policies that establish fundamental criteria for the formation and implementation of new residential villages in the Airport Business Area (additional policy analysis is included in the EIR Addendum attached hereto as Exhibit "A"):

    a. ***Land Use Element Policy LU 1.1*** *(Unique Environment): Maintain and enhance the beneficial and unique character of the different neighborhoods, business districts, and harbor that together identify Newport Beach. Locate and design development to reflect Newport Beach's topography, architectural diversity, and view sheds.*

        The Project enhances the distinct, urban character of the Airport Area by providing a means for replacing parking lots and an office building with attractive and functional residential development, in line with the General Plan goal of transitioning the Airport Area to a mixed-use community. The Property is not in or near any of the City's areas featuring the harbor, unique topography, or view sheds. The proposed project would introduce residential units to the Property consistent with the uses and urbanized character of the Airport Area and the proposed Mixed-Use Horizontal (MU-H2) designation.

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

b. ***Land Use Element Policy LU 2.3*** *(Range of Residential Choices). Provide opportunities for the development of residential units that respond to community and regional needs in terms of density, size, location, and cost. Implement goals, policies, programs, and objectives identified within the City's Housing Element.*

   The Project establishes 67 multi-family residential units, including 8 affordable units for families of low and very-low income. The Project responds to market needs and diversifies the City's housing stock by adding additional dwelling units to the Airport Area.

c. ***Land Use Element Policy LU 3.8*** *(Project Entitlement Review with Airport Land Use Commission) - Refer the adoption or amendment of the General Plan, Zoning Code, specific plans, and Planned Community development plans for land within the John Wayne Airport planning area, as established in the JWA Airport Environs Land Use Plan (AELUP), to the Airport Land Use Commission (ALUC) for Orange County for review, as required by Section 21676 of the California Public Utilities Code. In addition, refer all development projects that include buildings with a height greater than 200 feet above ground level to the ALUC for review.*

   The Project is within the boundaries of the Airport Environs Land Use Plan (AELUP), therefore, the overseeing agency, ALUC, must review the proposed GPA and PCDP Amendment pursuant to Government Code Section 65302.3 and Public Utilities Code Section 21676. The purpose of ALUC's review is to determine whether the Project is consistent with the AELUP prior to the City Council taking action on the Project. The Project is consistent with the noise and safety standards of the AELUP. With respect to noise, the City adopted noise-related amendments to the General Plan Noise and Land Use Elements, the Newport Place Planned Community (PC-11) and Title 20 (Planning and Zoning) contours to implement the 6th Cycle Housing Element. The Project is located partially within the updated 60 decibel (dBA) community noise equivalent level (CNEL) contour as shown in Figure N5 of the Noise Element of the General Plan, where residential development is allowed. As a result, the Project will be required to comply with the development standards set forth in Section 20.30.080(F) (Noise - Airport Environs Land Use Plan) of the NBMC. The Project sites outside of any safety zones set forth in the AELUP, therefore, is consistent with the noise standards of the AELUP.

d. ***Land Use Element Policy 6.15.3*** *(Airport Compatibility). Require that all development be constructed in conformance with the height restrictions set forth by the Federal Aviation Administration (FAA), Federal Aviation Regulations (FAR) Part 77, and Caltrans Division of Aeronautics, and that residential development shall be allowed only on parcels with noise levels of less than John Wayne Airport 65 dBA CNEL noise contour area as shown in Figure N5 of the Noise Element of the General Plan, unless and until the City determines, based on substantial evidence, that the sites wholly within the 65 dBA CNEL noise contour shown in Figure N5 are needed for the City to satisfy its Sixth Cycle RHNA mandate. Nonresidential uses are,*

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

however, encouraged on parcels located wholly within the 65 dBA CNEL contour area.

The Project is located at 1401 Quail Street and is approximately 81 feet in height. The Federal Aviation Administration (FAA) conducted an aeronautical study of the Project pursuant to applicable Federal regulations and has determined no hazard to air navigation for the Project.

The Project is located partially within the updated 60 dBA CNEL contour as shown in Figure N5 of the Noise Element of the General Plan, where residential development is allowed, subject to the development standards set forth in Section 20.30.080(F) (Noise - Airport Environs Land Use Plan).

e. ***Land Use Element Policy LU 6.15.5*** *(Residential and Supporting Uses). Accommodate the development of a maximum of 2,200 multi-family residential units, including work force housing, and mixed-use buildings that integrate residential with ground level office or retail uses, along with supporting retail, grocery stores, and parklands. Residential units may be developed only as the replacement of underlying permitted nonresidential uses. When a development phase includes a mix of residential and nonresidential uses or replaces existing industrial uses, the number of peak hour trips generated by cumulative development of the site shall not exceed the number of trips that would result from development of the underlying permitted nonresidential uses. However, a maximum of 550 units may be developed as infill on surface parking lots or areas not used as occupiable buildings on properties within the Conceptual Development Plan Area depicted on Figure LU22 provided that the parking is replaced on site.*

General Plan Land Use Policy 6.15.5 established a development limit of 2,200 maximum dwelling units for the Airport Area. Of the 2,200 residential units allowed, 1,650 units may be developed as replacement of existing office, retail, and/or industrial uses. The remaining 550 units are classified as additive units meaning they are not required to replace other units and they may be constructed as “in-fill” units to existing commercial or office development within the Conceptual Development Plan Area (CDPA) of the Airport Area. Any eligible density bonus allowed by Government Code Sections 65915 (Density Bonus Law) and Chapter 20.32 (Density Bonus) of the NBMC are not included in the 2,200-unit allowance.

The 550 additive units have been previously allocated to the Uptown Newport and Residences at 4400 Von Karman projects. The Property is developed with an existing one-story commercial office building totaling 22,956 square feet. Since the Project can be developed only as the replacement of the underlying nonresidential use (office), and the number of peak hour trips generated by cumulative development of the Property shall not exceed the number of trips that would result from development of the underlying permitted nonresidential uses, a conversion rate of 2.29 dwelling units per 1,000 square feet of commercial floor area is required. This results in a total of 52 dwelling units. With a 27.5% density bonus or 15 dwelling units request, a total of 67 (52+15) dwelling units are proposed for the Project.

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

Presently, there are a total of 353 remaining and available dwelling units in the Airport Area. Considering the dwelling unit sum of the previously approved projects and the proposed Project, the remaining development allocation within the Airport Area would be 301 (353-52) dwelling units (exclusive of density bonus units). A separate project, Residences at 1400 Bristol, is under review to allow 64 units (exclusive of any density bonus). Assuming the 1400 Bristol project is approved, the remaining development allocation would be reduced to 212 (301-89=212) dwelling units.

f. ***Land Use Element Policy LU 6.15.6*** *(Size of Residential Villages). Allow development of mixed-use residential villages, each containing a minimum of 10 acres and centered on a neighborhood park and other amenities (as conceptually illustrated in Figure LU23). The first phase of residential development in each village shall encompass at least 5 gross acres of land, exclusive of existing rights-of-way. This acreage may include multiple parcels provided that they are contiguous or face one another across an existing street. At the discretion of the City, this acreage may also include part of a contiguous property in a different land use category, if the City finds that a sufficient portion of the contiguous property is used to provide functionally proximate parking, open space, or other amenity. The "Conceptual Development Plan" area shown on Figure LU22 shall be exempt from the 5-acre minimum, but a conceptual development plan described in Policy LU 6.15.11 shall be required.*

   The Property is 1.71 acres in size. The Residential Overlay of PC-11 allows residential development on sites containing less than 10-acres if housing units affordable to lower income households are provided. The proposed project includes eight dwelling units that will be affordable for low and very low-income households. If the Planned Community Development Plan is amended to include the Project within the Residential Overlay, as requested by the Applicant, the Project will be exempt from General Plan Policy 6.15.6 (Size of Residential Villages).

g. ***Land Use Policy LU 6.15.7*** *(Overall Density and Housing Types). Require that residential units be developed at a minimum density of 30 units and maximum of 50 units per net acre averaged over the total area of each residential village. Net acreage shall be exclusive of existing and new rights-of-way, public pedestrian ways, and neighborhood parks. Within these densities, provide for the development of a mix of building types ranging from townhomes to high-rises to accommodate a variety of household types and incomes and to promote a diversity of building masses and scales.*

   The Project has a base density of 30 units per acre (52 units on 1.71 acres) which is consistent with the 30 to 50 dwelling units per acre allowed range. The base density does not include the 27.5% density bonus of 15 units that is allowed by the State Bonus Density law which includes eight units set aside for affordable housing. Altogether, the Project has an overall density of 39 dwelling units per acre, which is exclusive of rights-of-ways, public pedestrian ways, and neighborhood parks.

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

The Project is a for-sale development with 67 condominium units, which provides residents with an ownership option that differs from surrounding apartment projects. There is a mixture of unit types, ranging from two-bedroom to three-bedroom units, accommodating a variety of household types and incomes. Of the 67 units, eight units will be affordable to low and very low-income households and 59 units will be market-rate housing.

h. ***Land Use Policy LU 6.15.8*** *(First Phase Development Density). Require a residential density of 45 to 50 units per net acre, averaged over the first phase for each residential village. This shall be applied to 100 percent of properties in the first phase development area whether developed exclusively for residential or integrating service commercial horizontally on the site or vertically within a mixed-use building. On individual sites, housing development may exceed or be below this density to encourage a mix of housing types, provided that the average density for the area encompassed by the first phase is achieved.*

The Project would be developed in one phase on an individual site with a density of 39 units per acre. The Project provides a mixture of residential unit types that include eight units of affordable housing to low and very low-income households. The proposed density is below the required minimum of 45 units per acre since the applicant is providing a lower density to accommodate larger individual units for residents.

i. ***Land Use Policy LU 6.15.9*** *(Subsequent Phase Development Location and Density). Subsequent phases of residential development shall abut the first phase or shall face the first phase across a street. The minimum density of residential development (including residential mixed-use development) shall be 30 units per net acre and shall not exceed the maximum of 50 units per net acre averaged over the development phase.*

See finding *LU 6.15.9 First Phase Development Density* above.

j. ***Land Use Policy LU 6.15.13*** *(Neighborhood Parks Standards). To provide a focus and identity for the entire neighborhood and to serve the daily recreational and commercial needs of the community within easy walking distance of homes, require dedication and improvement of at least 8 percent of the gross land area (exclusive of existing rights-of-way) of the first phase development in each neighborhood, or ½ acre, whichever is greater, as a neighborhood park. This requirement may be waived by the City where it can be demonstrated that the development parcels are too small to feasibly accommodate the park or inappropriately located to serve the needs of local residents, and when an in-lieu fee is paid to the City for the acquisition and improvement of other properties as parklands to serve the Airport Area.*

In every case, the neighborhood park shall be at least 8%of the total Residential Village Area or one acre in area, whichever is greater, and shall have a minimum dimension of 150 feet. Park acreage shall be exclusive of existing or new rights-of-way, development sites, or setback areas. A neighborhood park shall satisfy some

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

or all of the requirements of the Park Dedication Ordinance, as prescribed by the Recreation Element of the General Plan.

The Project includes a waiver from Land Use Policy LU 6.15.13, as is allowed by the policy, due to a 1.71-acre parcel size that is too small to feasibly accommodate a park. As a part of the Development Agreement, the Applicant is proposing to use an incentive or concession allowed under Government Code Section 65915-65918 (State Density Bonus Law) to waive a portion of the required in-lieu fee.

k. ***Land Use Policy LU 6.15.14*** *(Location). Require that each neighborhood park is clearly public in character and is accessible to all residents of the neighborhood. Each park shall be surrounded by public streets on at least two sides (preferably with on-street parking to serve the park), and shall be linked to residential uses in its respective neighborhood by streets or pedestrian ways.*

See finding *LU 6.15.13 Neighborhood Park Standards* above.

l. ***Land Use Policy LU 6.15.16*** *(On-Site Recreation and Open Space Standards). Require developers of multi-family residential developments on parcels 8 acres or larger to provide on-site recreational amenities. For these developments, 44 square feet of on-site recreational amenities shall be provided for each dwelling unit in addition to the requirements under the City's Park Dedication Ordinance and in accordance with the Parks and Recreation Element of the General Plan. On-site recreational amenities can consist of public urban plazas or squares where there is the capability for recreation and outdoor activity. These recreational amenities may also include swimming pools, exercise facilities, tennis courts, and basketball courts. Where there is insufficient land to provide on-site recreational amenities, the developer shall be required to pay cash in-lieu that would be used to develop or upgrade nearby recreation facilities to offset user demand as defined in the City's Park Dedication Fee Ordinance.*

The acreage of on-site open space developed with residential projects may be credited against the parkland dedication requirements where it is accessible to the public during daylight hours, visible from public rights-of-way, and is of sufficient size to accommodate recreational use by the public. However, the credit for the provision of on-site open space shall not exceed 30% of the parkland dedication requirements.

The Project is located on a 1.71-acre site and is not subject to Policy LU 6.15.16, as the policy only applies to properties consisting of 8-acres or larger. However, the Project exceeds the 2,948-square-foot (44 square feet x 67 units) on-site recreational amenities by providing a total of 7,597 square feet or approximately 113 square feet per unit which include a pool deck with swimming pool and spa, a clubroom, an outdoor seating area, and a lounge area.

m. ***Land Use Policy LU 6.15.17*** *(Street and Pedestrian Grid). Create a pattern of streets and pedestrian ways that breaks up large blocks, improves connections*

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

between neighborhoods and community amenities, and is scaled to the predominantly residential character of the neighborhoods.

The Project is a podium style development with an internal driveway for vehicular circulation to the lobby and garage entry, accessed from Spruce Street. Pedestrian connections are provided to public sidewalks along Spruce Street and Quail Street. The Project retains the curb-to-curb dimension of both Quail Street and Spruce Street.

n. ***Land Use Policy 6.15.18*** *(Walkable Streets). Retain the curb-to-curb dimension of existing streets but widen sidewalks to provide park strips and generous sidewalks by means of dedications or easements. Except where traffic loads preclude fewer lanes, add parallel parking to calm traffic, buffer pedestrians, and provide short term parking for visitors and shop customers.*

See finding *Land Use Policy 6.15.17 Street and Pedestrian Grid* above.

o. ***Land Use Policy 6.15.19*** *(Connected Streets). Require dedication and improvement of new streets as shown on Figure LU23. The illustrated alignments are tentative and may change as long as the routes provide the intended connectivity. If traffic conditions allow, connect new and existing streets across Macarthur Boulevard with signalized intersections, crosswalks, and pedestrian refuges in the median.*

See finding *Land Use Policy 6.15.17 Street and Pedestrian Grid* above.

p. ***Land Use Policy 6.15.20*** *(Pedestrian Improvements). Require the dedication and improvement of new pedestrian ways as conceptually shown on Figure LU23. The alignment is tentative and may change as long as the path provides the intended connectivity. For safety, the full length of pedestrian ways shall be visible from intersecting streets. To maintain an intimate scale and to shade the path with trees, pedestrian ways should not be sized as fire lanes. Pedestrian ways shall be open to the public at all times.*

The Project includes conditions of approval requiring the reconstruction of all broken and/or damaged curb, gutter, and sidewalk along Spruce and Quail Street frontages to preserve all existing sidewalks for pedestrian access.

q. ***Land Use Policy LU 6.15.22*** *(Building Massing). Require that high-rise structures be surrounded with low- and mid-rise structures fronting public streets and pedestrian ways or other means to promote a more pedestrian scale.*

The Project is approximately 81 feet in height and is compatible with nearby properties located in the Airport Area. The adjacent property at 1451 Quail Street is developed with an approximately 37-foot-tall office building. The 1400 Quail Street property, located directly across Quail Street, is developed with an approximately 30-foot-tall office building. This is consistent with the policy as there are lower structures surrounding the Project, which is taller. Furthermore, a 78-foot-tall

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

residential apartment building has been approved to be constructed at 1300 Bristol Street, which is located across Spruce Street. Finally, 1400 Bristol, which is the adjacent property, is proposing a 229-unit apartment project that is 85 feet in height. The Project includes pedestrian connectivity to public sidewalks along Bristol Street and Spruce Street and pedestrian-scale landscaped areas around the apartment building.

r. ***Land Use Policy LU 6.15.23*** *(Sustainability Development Practices). Require that development achieves a high level of environmental sustainability that reduces pollution and consumption of energy, water, and natural resources. This may be accomplished through the mix and density of uses, building location and design, transportation modes, and other techniques. Among the strategies that should be considered are the integration of residential with jobs-generating uses, use of alternative transportation modes, maximized walkability, use of recycled materials, capture and re-use of storm water on-site, water conserving fixtures and landscapes, and architectural elements that reduce heat gain and loss.*

The Project is required to comply with the provisions of the Building and Energy Efficiency Standards (CCR, Title 24, Parts 6 and 11) and the Green Building Standards Code (CCR, Title 24, Part 11 - CALGreen). Additionally, the Project would implement water-efficient landscaping, water quality best management practices to treat surface runoff from the Property, and low impact development practices.

The Project is also adjacent to office developments in the Airport Area and would provide housing near employment opportunities. The Project includes pedestrian linkage to public sidewalks that would provide connections throughout the site and to adjacent and surrounding uses, thereby providing an alternative mode of public transportation for the residents and their visitors. The Project would also provide alternative forms of transportation to residents by locating close to the existing Orange County Transportation Authority (OCTA) bus routes provided along Bristol Street and Birch Street.

Tribal Consultation (SB18)

6. Pursuant to California Government Code Section 65352.3 (SB18), a local government is required to contact the appropriate tribes identified by the Native American Heritage Commission (NAHC) each time it considers a proposal to adopt or amend the General Plan. If requested by any tribe, the local government must consult for the purpose of preserving or mitigating impacts to cultural resources. The City received comments from the NAHC indicating that 12 tribal contacts should be provided notice regarding the proposed amendment. The tribal contacts were provided notice on March 15, 2023. California Government Code Section 65352.3 requires notification 90 days prior to Council action to allow tribal contacts to respond to the request to consult. The Project will not be heard by the City Council until after the 90-day period, which expired on June 13, 2023. The City participated in consultations with two tribes: the Gabrieleno Band of Mission Indians – Kizh Nation and the Juaneno Band of Mission Indians, Acjachemen Nation-Belardes. Based on consultation with the participating Native American Tribes,

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

conditions of approval have been included to ensure that a proper monitoring program is in place during the Project's construction.

423 Charter Analysis

Finding:

Charter Section 423 requires voter approval of any major General Plan amendment to the General Plan. A major General Plan amendment is one that significantly increases allowed density or intensity by 40,000 square feet of non-residential floor area, increases traffic by more than 100 peak hour vehicle trips (AM/PM), or increases residential dwelling units by 100 units. These thresholds apply to the total of increases resulting from the amendment itself, plus 80 percent of the increases resulting from other amendments affecting the same neighborhood (defined as a Statistical Area as shown in the General Plan Land Use Element) and adopted within the preceding ten years.

Council Policy A-18 (Guidelines for Implementing Charter Section 423) requires that proposed amendments to the General Plan be reviewed to determine if a vote of the Newport Beach electorate would be required. This policy includes a provision that all General Plan amendments be tracked as "Prior Amendments" for 10 years to determine if minor amendments in a single Statistical Area cumulatively exceed the thresholds indicated above.

Fact in Support of Findings:

The Property is within Statistical Area L4. There are no prior GPAs in Statistical Area L4 in the past 10 years, besides the currently proposed 64 additional dwelling units resulting in a net increase of 24 a.m. peak hour trips and 25 p.m. peak hour trips for the Residences at 1400 Bristol Street. The GPA would change the land use designation only and not result in an increase in development. The 52 base dwelling units are already included in the Mixed-Use Horizontal (MU-H2) development capacity of 2,200 units and no increase in allowed floor area is proposed. Additionally, there is no increase in AM or PM peak hour trips pursuant to the Institute of Transportation Engineers (ITE) trip rates included as Exhibit B of Council Policy A-18. As a result, the amendment is not classified as a major amendment requiring a vote of the electorate should the City Council choose to approve the GPA.

Planned Community Development Plan Amendment

An amendment to the Newport Place Planned Community Development Plan (PC-11), which is the zoning document of the Property, is a legislative act. Neither PC-11, Chapter 20.66 (Amendments), and 20.56 (Planned Community Development District Procedures) of Title 20 (Planning and Zoning) of the NBMC, or Article 2 (Adoption of Regulations) of Chapter 4 (Zoning Regulations) of Division 1 (Planning and Zoning) of Title 7 (Planning and Land Use) of the California Government Code set forth any required findings for either approval or denial of such amendments to the NBMC.

However, the proposed amendment complies with the intent of Part III Residential Overlay of PC-11 as follows:

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

1. The Project allocates 15% of the base units (eight dwelling units) as affordable units. Of the eight units, six are restricted to very-low-income households and two are restricted to low-income households.

2. Given the location of the Property in the Airport Area which includes a mixture of service uses, hotels, Airport and commercial support services, professional offices, and new residential developments that cumulatively contain the ingredients of a planned community, the proposed PC Amendment would not disrupt the existing uses within the Planned Community and would add to this diversity of uses, assisting the City in larger scale community planning and the provision of additional housing opportunities.

3. The Property is located within 85 feet of the Residential Overlay. The property nearest to the site within the Residential Overlay is 1300 Bristol Street, across Spruce Street. The property at 1300 Bristol has been approved but not yet constructed as a residential apartment project. The Project would be consistent with the anticipated future development of 1300 Bristol and the proposed Residences at 1400 Bristol Project as well other adjacent properties within the Residential Overlay of PC-11.

4. The Project would be subject to the appropriate site and project specific setbacks, density, and height limits for this urban location. All required parking is provided on-site. The Project complies with the development standards identified for the Residential Overlay, except as modified by the allowed development standard waivers identified in the Affordable Housing Implementation Plan. The Residential Overlay provides a density range for proposed projects and references the Section 20.32 (Density Bonus) of the NBMC that prescribes the maximum density bonus and incentives allowed. The Project includes a density bonus of 27.5%, where the PCDP Amendment references a maximum density bonus of 35%. Therefore, the proposed project is consistent with the intent of the density bonus assumptions in the Residential Overlay.

5. The PCDP Amendment requires a site development review in accordance with Section 20.52.080 (Site Development Reviews) of the NBMC. The Project includes a site development review, and all required findings are addressed below (Findings A through C below).

6. The PCDP Amendment requires the density for a residential development to be between 30 and 50 dwelling units per acre. The Project includes 52 base units, not including density bonus units. Since the Property is 1.71 acres in size, there is a base density of 30 dwelling units per acre. With density bonus, there is a total of 67 dwelling units, which results in 39 units per acre. Both the density with and without the density bonus units are consistent with the PCDP Amendment density requirement.

7. The Property is located near existing office buildings within the Airport Area and is not negatively impacted by noise, dust, smoke, vibration, odor, toxic or noxious matter that may be generated by existing commercial or industrial uses nearby.

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

8. Residential dwellings are to be permitted as replacement of existing nonresidential uses, and the number of peak hour trips generated by the Project is not to exceed the number of trips of the underlying permitted nonresidential use. The Property is developed with an existing one-story commercial office building totaling 22,956 square feet. A standardized conversion rate of 2.29 dwelling units per 1,000 square feet of commercial floor area, as provided by the City Traffic Engineer, is required. This results in a total of 52 dwelling units, which is the proposed based density of the Project. With a 27.50% density bonus or 15 dwelling units request, a total of 67 (52+15) dwelling units are proposed for the Project.

9. The Property is fully developed and does not support any natural resources and all potential environmental impacts associated with the project are appropriately addressed through standard building permit procedures, conditions of approval, and the General Plan Policies identified in the 2006 General Plan EIR and summarized in Exhibit "A" (EIR Addendum).

Major Site Development Review

In accordance with Section 20.52.080(F) (Site Development Reviews – Findings and Decision) of the NBMC, the following findings and facts in support of such findings are set forth as follows:

Finding:

A. The proposed development is allowed within the subject zoning district.

Fact in Support of Finding:

The Property is located within Industrial Site 3 of Newport Place Planned Community (PC-11). The Project includes a request to amend Property's land use designation and inclusion as a part of the Residential Overlay of PC-11. The Residential Overlay allows for residential development consistent with the requested Mixed-Use Horizontal (MU-H2) land use designation and subject to site development review.

Finding:

B. The proposed development is in compliance with all of the following applicable criteria:

i. Compliance with this section, the General Plan, this Zoning Code, any applicable specific plan, and other applicable criteria and policies related to the use or structure;

ii. The efficient arrangement of structures on the site and the harmonious relationship of the structures to one another and to other adjacent developments; and whether the relationship is based on standards of good design;

iii. The compatibility in terms of bulk, scale, and aesthetic treatment of structures on the site and adjacent developments and public areas;

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

iv. The adequacy, efficiency, and safety of pedestrian and vehicular access, including drive aisles, driveways, and parking and loading spaces;

v. The adequacy and efficiency of landscaping and open space areas and the use of water efficient plant and irrigation materials; and

vi. The protection of significant views from public right(s)-of-way and compliance with NBMC Section 20.30.100 (Public View Protection).

Facts in Support of Finding:

1. Refer to Fact 5 under *General Plan Amendment* and Facts 1 through 9 under *Planned Community Development Plan Amendment* above, that discuss the Project's consistency with the proposed Mixed Use Horizontal 2 (MU-H2) General Plan land use designation and the PC-11 (Newport Place Planned Community Development Plan) Zoning District including the proposed inclusion in the Residential Overlay.

2. The proposed six-story residential building would be approximately 81 feet in height inclusive of architectural elements and screened rooftop mechanical equipment. The Project is designed with a darker grey stucco finish on the podium and first floor levels and a white stucco finish for the floors above. The contrast in colors reduces the visual mass and bulk of the building and creates variations in the aesthetic design. Additionally, various units on each elevation are constructed with walkable decks with glass railings, adding additional aesthetic treatment to the building. The Project's building mass is compatible with the surrounding office and residential developments.

3. The Project includes a variety of enhanced amenities such as private residential balconies, a large pool deck, an outdoor seating area, a clubroom, and enclosed lounge.

4. The Project includes 146 onsite parking spaces located on a podium level parking structure which includes a subterranean gated parking structure underneath. The Project includes adequate onsite parking exceeding the minimum required residential standard pursuant to Density Bonus Law.

5. The Property is generally flat and bordered by existing office buildings and developed roadways. The City's General Plan does not identify any scenic vistas or view points on or proximate to the Property. The nearest public view point to the Property identified in the City's General Plan is approximately 3,000 feet to the south at Bayview Park. The nearest coastal view designated portion of Jamboree Road is approximately 3,000 feet south of the site. Due to the distance and highly urbanized nature of the Project area, public coastal views along this view corridor would not be impacted by the Project.

Finding:

C. The proposed development is not detrimental to the harmonious and orderly growth of the City, nor will it endanger, jeopardize, or otherwise constitute a hazard to the public

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

convenience, health, interest, safety, or general welfare of person residing or working in the neighborhood of the proposed development.

Facts in Support of Finding:

1. The Project has been designed to ensure that potential conflicts with surrounding uses are minimized to the extent possible to maintain a healthy environment for both surrounding businesses and residents by providing an architecturally pleasing project with articulation and building modulations to enhance the urban environment.

2. The proposed residential building has been designed to accommodate and provide safe access for emergency vehicles, delivery trucks, and refuse collections vehicles, as determined by the City Traffic Engineer. Refuse collection is accommodated via an on-site staging area along the private driveway to ensure safe maneuvering by refuse vehicles. Emergency vehicles will have access via Bristol Street and Spruce Street.

3. The Property is located approximately 0.57 mile east of the southernmost John Wayne Airport runway and is within the notification area of the AELUP for John Wayne Airport. However, the Project is below the maximum transitional imagery surface heights, and thus the Project is within the building height limits of the AELUP. The property is located partially within the updated 65dBA CNEL noise contours for John Wayne Airport and Safety Zone 6 (Traffic Pattern Zone), where the likelihood of an accident is low. Consistent with the residential overlay, the Project shall be required to comply with conditions specified in Section 20.30.080(F) (Noise - Airport Environs Land Use Plan), including provisions of noise study, sound attenuation design features, and notice to all future residents of potential annoyances or inconveniences associated with residing in proximity to airport operations.

4. The Project will comply with all Building, Public Works, Fire Codes, City ordinances, and all conditions of approval.

Vesting Tentative Tract Map

In accordance with Section 19.12.070 (Required Findings for Action on Tentative Maps) of the Newport Beach Municipal Code, and the following finding and facts in support of such findings are set forth:

Finding:

D. *That the proposed map and the design or improvements of the subdivision are consistent with the General Plan and any applicable specific plan, and with applicable provisions of the Subdivision Map Act and this Subdivision Code.*

Facts in Support of Finding:

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

1. The Project is consistent with the proposed Mixed-Use Horizontal (MU-H2) General Plan designation of the Property, which provides for a horizontal intermixing of uses that include multi-family residential development.

2. The Public Works Department has reviewed the proposed vesting tentative tract map and determined it is consistent with the Title 19 and applicable requirements of the Subdivision Map Act.

3. Conditions of approval have been included to ensure compliance with Title 19.

Finding:

E. *That the site is physically suitable for the type and density of development.*

Facts in Support of Finding:

1. The Property is entirely developed and does not support any environmental resources.

2. The Property is located in the John Wayne Airport area. The Property is currently improved with a 22,956-square-foot office building. Given its location, this site is ideal for the development of a residential project as it is identified as a housing inventory site of the City's adopted and certified Sixth Cycle Housing Element.

Finding:

F. *That the design of the subdivision or the proposed improvements will not cause substantial environmental damage nor substantially and avoidably injure fish or wildlife or their habitat. However, notwithstanding the foregoing, the decision-making body may nevertheless approve such a subdivision if an environmental impact report was prepared for the project and a finding was made pursuant to Section 21081 of the California Environmental Quality Act that specific economic, social, or other considerations make infeasible the mitigation measures or project alternatives identified in the environmental impact report.*

Fact in Support of Finding:

An Addendum to the PEIR has been prepared and concludes that no significant environmental impacts will result with the Project development of the Property in accordance with the proposed subdivision map.

Finding:

G. *That the design of the subdivision or the type of improvements is not likely to cause serious public health problems.*

Facts in Support of Finding:

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

1. The Vesting Tentative Tract Map is required for the subdivision of parcels for the separate sale of 67 condominium units. All construction for the Project will comply with all Building, Public Works, and Fire Codes, which are in place to prevent serious public health problems. Public improvements will be required of the Applicant per Section 19.28.010 (General Improvements Requirements) of the NBMC and Section 66411 of the Subdivision Map Act. Compliance with all ordinances of the City and all Conditions of Approval for the Project will ensure that the Project will not cause any serious health problems.

2. All mitigation measures will be implemented as outlined in the Addendum to the PEIR to ensure the protection of the public health.

3. No evidence is known to exist that would indicate that the separate sale of condominiums will generate any serious public health problems.

Finding:

H. *That the design of the subdivision or the type of improvements will not conflict with easements, acquired by the public at large, for access through or use of, property within the proposed subdivision. In this connection, the decision-making body may approve a map if it finds that alternate easements, for access or for use, will be provided and that these easements will be substantially equivalent to easements previously acquired by the public. This finding shall apply only to easements of record or to easements established by judgment of a court of competent jurisdiction and no authority is hereby granted to the City Council to determine that the public at large has acquired easements for access through or use of property within a subdivision.*

Facts in Support of Finding:

1. The design of the Project will not conflict with any easements acquired by the public at large for access through or use of property within the Property.

2. No other public easements for access through or use of the Property have been retained for use by the public at large.

Finding:

I. *That, subject to the detailed provisions of Section 66474.4 of the Subdivision Map Act, if the land is subject to a contract entered into pursuant to the California Land Conservation Act of 1965 (Williamson Act), the resulting parcels following a subdivision of the land would not be too small to sustain their agricultural use or the subdivision will result in residential development incidental to the commercial agricultural use of the land.*

Fact in Support of Finding:

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

The Property is not subject to the Williamson Act since the Property is not considered an agricultural preserve and is less than 100 acres.

Finding:

J. *That, in the case of a "land project" as defined in Section 11000.5 of the California Business and Professions Code: (a) there is an adopted specific plan for the area to be included within the land project; and (b) the decision-making body finds that the proposed land project is consistent with the specific plan for the area.*

Facts in Support of Finding:

1. The Property is not a "land project" as defined in Section 11000.5 of the California Business and Professions Code.

2. The Property is not located within a specific plan area.

Finding:

K. *That solar access and passive heating and cooling design requirements have been satisfied in accordance with Sections 66473.1 and 66475.3 of the Subdivision Map Act.*

Fact in Support of Finding:

The VTM and improvements are subject to Title 24 of the California Building Code that requires new construction to meet minimum heating and cooling efficiency standards depending on location and climate. The Newport Beach Building Division enforces Title 24 compliance through the plan check and inspection process.

Finding:

L. *That the subdivision is consistent with Section 66412.3 of the Subdivision Map Act and Section 65584 of the California Government Code regarding the City's share of the regional housing need and that it balances the housing needs of the region against the public service needs of the City's residents and available fiscal and environmental resources.*

Facts in Support of Finding:

1. The proposed Vesting Tentative Tract Map is consistent with Section 66412.3 of the Subdivision Map Act and Section 65584 of the California Government Code regarding the City's share of the regional housing need. The Project does not involve the elimination of residential rooms and therefore will not affect the City's ability to meet its share of housing needs. On the contrary, the Property is identified as a housing opportunity site by the adopted and certified Sixth Cycle Housing Element and proposes includes 67 dwelling units, eight of which are considered affordable housing for families that qualify as low income.

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

2. Public services are available to serve the Project and the Addendum to the PEIR prepared for the Project indicates that the project's potential environmental impacts are properly mitigated.

Finding:

M. *That the discharge of waste from the proposed subdivision into the existing sewer system will not result in a violation of existing requirements prescribed by the Regional Water Quality Control Board.*

Facts in Support of Finding:

1. Waste discharge into the existing sewer system will be not violate Regional Water Quality Control Board requirements.

2. Sewer connections have been conditioned to be installed per City Standards, the applicable provisions of Chapter 14.24 (Sewer Connection, Permits), and the latest revision of the Uniform Plumbing Code.

Finding:

N. *For subdivisions lying partly or wholly within the Coastal Zone, that the subdivision conforms with the certified Local Coastal Program and, where applicable, with public access and recreation policies of Chapter Three of the Coastal Act.*

Facts in Support of Finding:

The Property is not located in the Coastal Zone and is not subject to a coastal development permit.

Affordable Housing Implementation Plan

The proposed Affordable Housing Implementation Plan (AHIP) is consistent with the intent to implement affordable housing goals within the City pursuant to Government Code Sections 65915-65918 (State Density Bonus Law), and Title 20, Chapter 20.32 (Density Bonus) of the NBMC for the following reasons:

1. Consistent with the requested 27.5% density bonus, eight units of the Project's base units (52) would be set aside as affordable units. Of the eight units, six are restricted to very-low-income households and two are restricted to low-income households. Low-income households are defined as households 80% or less of the area median income, while very-low-income households are defined as households 50% or less of the area median income, both adjusted for family size. Since the Project is for-sale condominiums, the affordable units are subject to an equity sharing agreement without expiration, unless sold to a nonprofit housing corporation.

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

2. Government Code Section 65915 (Density Bonus Law) and Chapter 20.32 (Density Bonus) of the NBMC provide for an increase in the number of units above General Plan and zoning limits for projects that include a minimum of 15%of the base units affordable to low and very low-income households. The Project's inclusion of 8 affordable units (6 very low-income units and 2 low-income), which is 15%of the base unit count of 52 units, makes the Project eligible for 15 density bonus units. The Project total is 67 units.

3. In addition to the 15 density bonus units and parking reductions, the Project is entitled to receive up to two incentives or concessions under California Government Code Section 65915(d) and Section 20.32.070 (Allowed Incentives or Concessions) of the NBMC that would result in identifiable, financially sufficient, and actual cost reductions. The Project includes the following concessions the first of which the Project is entitled to and the second, which is at the City Council's discretion:

   a. Affordable Unit Mix: Section 20.32.110 (Design and Distribution of Affordable Units) of the NBMC requires affordable units in a density bonus project reflect the same range of unit types in the residential development as a whole. In this case, the Project provides all eight affordable units as two-bedroom units, whereas, the overall unit mix includes 27 two-bedroom units and 40 three-bedroom units. Granting an incentive from the unit-mix will result in identifiable, financially sufficient, and actual cost reductions for the Project.

   b. Partial Payment of In-Lieu Park Fee: General Plan Land Use Element Policy 6.15.13 requires residential development to provide a public park equal to 8% of the gross land area of the development, or a minimum one-half acre, whichever is greater, to be provided. Since the 1.71-acre Property is too small to feasibly accommodate the physical dedication of the park, the Policy requires an in-lieu fee paid to the City for the acquisition and improvement of other properties as parklands to serve the Airport Area. The Applicant is requesting to use a second incentive to waive a portion of the fee in order to provide cost reductions and make the Project financially feasible.

4. In addition to the density bonus units, parking reductions, and the financial concession, the Project is entitled to receive waivers or reductions of development standards under California Government Code Section 65915(e), Section 20.32.080 (Waivers or Reductions of Development Standards), and recent caselaw if the development standard would physically prevent the Project from being built at the permitted density. In this case, the Project is entitled to waivers of the following development standards:

   a. Park dedication requirements (two waivers):

      i. General Plan Land Use Policy LU 6.15.13 requires a public park equal to eight percent of the gross land area of the development, or a minimum one-half acre, whichever is greater, be provided. The Applicant proposes to waive the one-half acre requirement and a partial park in-lieu fee.

      ii. Section 19.52.040 (Parkland Standard) of the NBMC requires the City's park dedication standard to be five acres per thousand population due to the proposed vesting tentative tract for residential condominium purposes. Per

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

the latest census data, the average persons per household is 2.2 persons, which results in 147.4 persons and a 0.74-acre park dedication requirement. Regardless of any requirements, the Property is 1.71 acres in size which is too small to feasibly accommodate a park of minimum one-half acre in size.

b. Street setbacks. The Newport Place Planned Community (PC-11) requires street setbacks of 30 feet from property lines. In this case, 30-foot setbacks along Quail Street and Spruce Street would substantially decrease the development of the footprint of the Project. The Project is designed with a 11-foot setback from Spruce Street and a 10-foot setback to Quail Street.

c. Building height. The Newport Place Planned Community (PC-11) Residential Overlay limits building height to 55 feet from established grade. In this case, a higher building height is necessary to accommodate 67 residential units. The Project is designed with a height of approximately 81 feet from established grade.

Development Agreement

In accordance with Section 15.45.020(A)(2)(a) (Development Agreement Required) of the NBMC, a development agreement is required as the project requires an amendment to the General Plan and PC-11 that includes the development of more than 50 residential units, in this case the Project has a total of 67 residential units. The proposed DA satisfies the requirements of Chapter 15.45 (Development Agreements) of the NBMC as follows:

1. A DA is requested by the Applicant, as the Project would include a total of 67 residential units. The DA includes all the mandatory elements including a term of 10 years and public benefits that are appropriate to support conveying the vested development rights consistent with the City's General Plan, the NBMC, and Government Code Sections 65864 *et seq*.

2. Public benefits include the payment of a public safety fee to satisfy any obligation the Project could have to provide new emergency response services or Fire Department equipment to serve the Airport Area whether a Community Facilities District is formed or not. The Applicant has also agreed to pay a separate public benefit fee to be used by the City Council as it deems appropriate.

SECTION 4. DECISION.

NOW, THEREFORE, BE IT RESOLVED:

The Planning Commission of the City of Newport Beach hereby recommends the following to the City Council:

a. Adopt Environmental Impact Report Addendum to the 2006 General Plan Update (SCH2006011119), which is attached hereto as Exhibit "A" and incorporated by reference;

b. Approve a General Plan Amendment to change the General Plan Land Use Designation of the Property from General Commercial Office (CO-G) to Mixed-Use

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

Horizontal (MU-H2) which is attached hereto as Exhibit "B" and incorporated by reference;

c. Adopt a Planned Community Development Plan Amendment to include the Property in the Residential Overlay of PC-11 which is attached hereto as Exhibit "C" and incorporated by reference;

d. Adopt a Development Agreement, which is attached hereto as Exhibit "D," and incorporated by reference;

e. Approve Affordable Housing Implementation Plan, which is attached hereto as Exhibit "E," and incorporated by reference;

f. Approve a Major Site Development Review, with conditions of approval which are attached hereto as Exhibit "F" and incorporated by reference; and

g. Approve Vesting Tentative Tract Map No. 19261 pursuant to Title 19 (Subdivisions) of the NBMC) for 67 condominium dwelling units, with conditions of approval which are attached hereto as Exhibit "G," and incorporated by reference.

PASSED, APPROVED, AND ADOPTED THIS 21ST DAY OF DECEMBER, 2023.

AYES: Ellmore, Harris, Langford, Lowrey, Rosene, and Salene

NOES: None

RECUSED: None

ABSENT: Barto

BY:_____
Curtis Ellmore, Chairman

BY: Tristan Harris
_____
Tristan Harris, Secretary

Attachment(s): Exhibit A – Addendum to the 2006 General Plan Update (SCH NO. 2006011119)
Exhibit B – General Plan Amendment
Exhibit C – Planned Community Development Plan Amendment
Exhibit D – Development Agreement
Exhibit E – Affordable Housing Implementation Plan
Exhibit F – Major Site Development Review Conditions of Approval
Exhibit G – Vesting Tentative Tract Map No. 19261

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

EXHIBIT "A"

ADDENDUM TO THE 2006 GENERAL PLAN UPDATE (SCH NO. 2006011119)

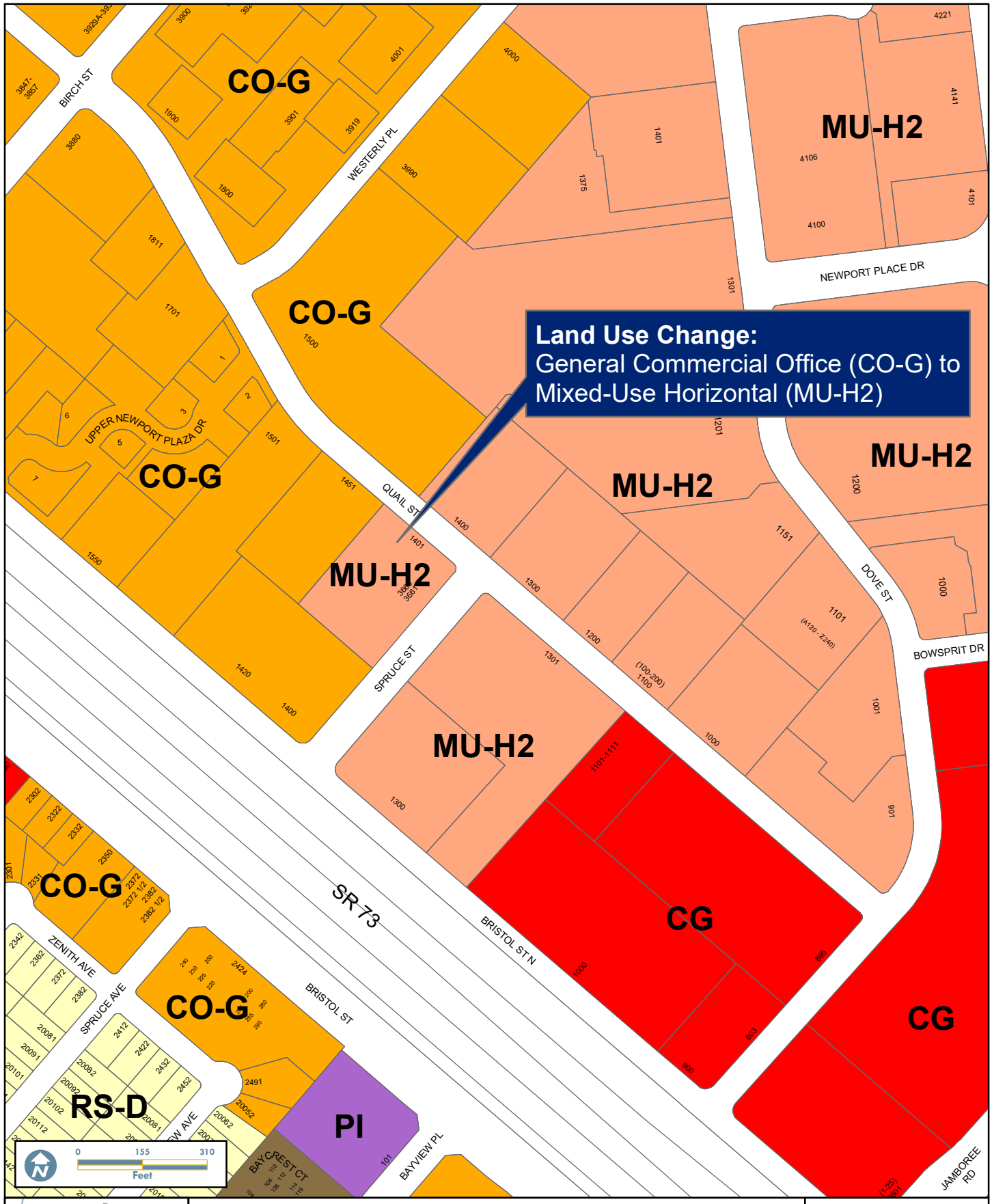
Available separately due to bulk at:
www.newportbeachca.gov/ceqa

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

EXHIBIT "B"

GENERAL PLAN AMENDMENT

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870



PA2023-0040 General Plan Amendment
1401 Quail St

City of Newport Beach
GIS Division
November 22, 2023

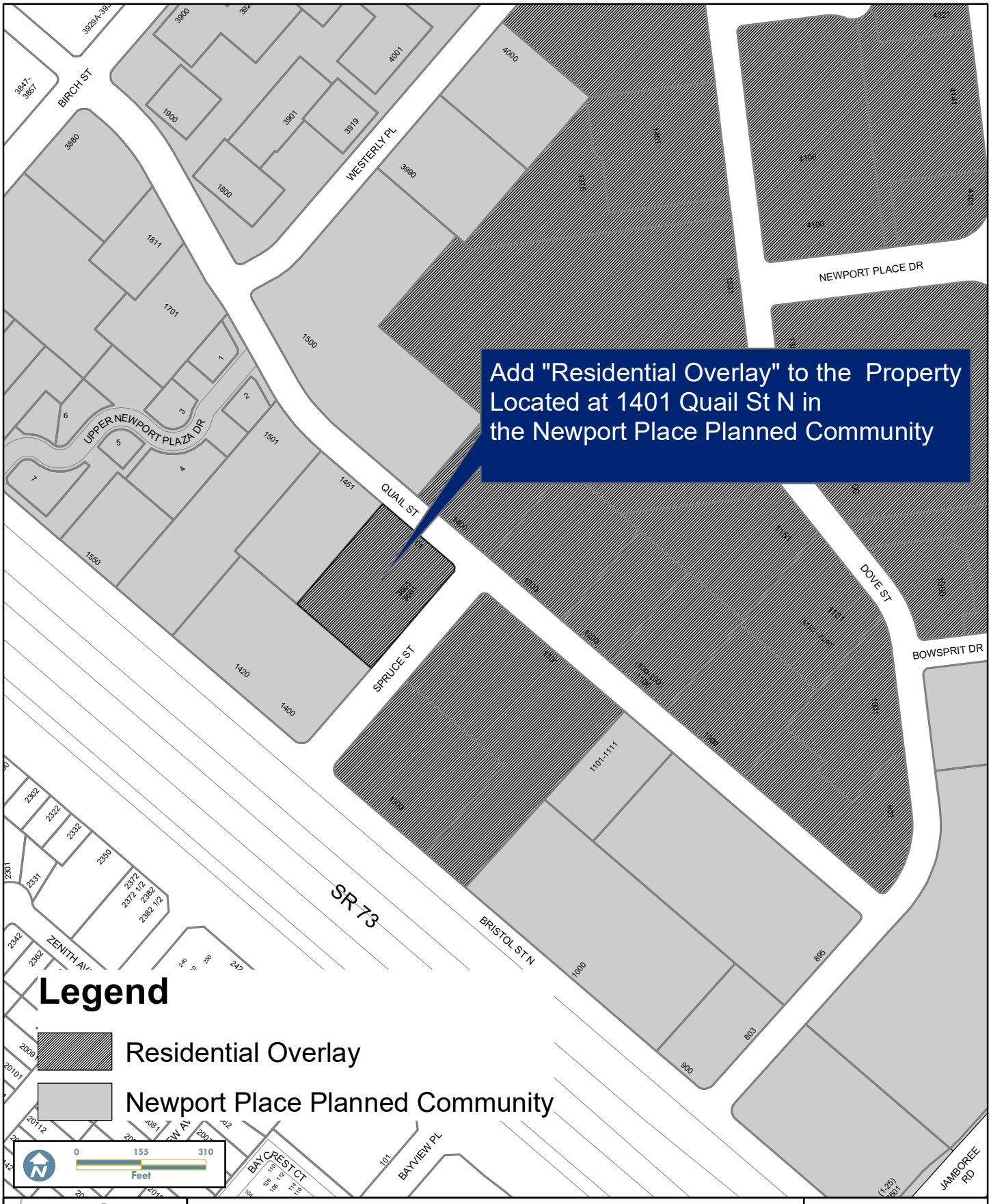
PA2023-0040_GP_Amendment.mxd

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

EXHIBIT "C"

PLANNED COMMUNITY DEVELOPMENT PLAN AMENDMENT

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870



PA2023-0040
PC-11 Newport Place Amendment
1401 Quail St

NBGIS NEWPORT BEACH

City of Newport Beach
GIS Division
November 22, 2023

PA2023-0040_PC_Amendment.mxd

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

EXHIBIT “D”

DEVELOPMENT AGREEMENT

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

RECORDING REQUESTED BY
AND WHEN RECORDED RETURN TO:

City of Newport Beach
3300 Newport Boulevard
Newport Beach, CA 92663-3884
Attn: City Clerk

(Space Above This Line Is for Recorder's Use Only)

This Agreement is recorded at the request and for the benefit of the City of Newport Beach and is exempt from the payment of a recording fee pursuant to Government Code §§ 6103 and 27383.

DEVELOPMENT AGREEMENT

between

CITY OF NEWPORT BEACH

and

INTRACORP SOCAL-1, LLC

CONCERNING

"THE RESDENCES AT 1401 QUAIL STREET"

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

DEVELOPMENT AGREEMENT

(Pursuant to California Government Code Sections 65864-65869.5)

This DEVELOPMENT AGREEMENT (the "Agreement") is dated for reference purposes as of the _ day of _____, 2024 (the "Agreement Date"), and is being entered into by and between the City of Newport Beach ("City"), and Intracorp Socal-1, LLC, a Delaware limited liability company "Property Owner"). City and Property Owner are sometimes collectively referred to in this Agreement as the "Parties" and individually as a "Party."

RECITALS

A. Property Owner is the owner of that certain real property located in the City of Newport Beach, County of Orange, State of California commonly referred to as 1401 Quail Street and more particularly described in the legal description attached as Exhibit "A" and depicted on the site map attached hereto as Exhibit "B" ("Property"). The Property consists of approximately 2.38 acres and is a part of the Newport Place Planned Community shown on the City's Zoning Map.

B. In order to encourage investment in, and commitment to, comprehensive planning and public facilities financing, strengthen the public planning process and encourage private implementation of the local general plan, provide certainty in the approval of projects in order to avoid waste of time and resources, and reduce the economic costs of development by providing assurance to property owners that they may proceed with projects consistent with existing land use policies, rules, and regulations, the California Legislature adopted California Government Code Sections 65864-65869.5 (the "Development Agreement Statute") authorizing cities and counties to enter into development agreements with persons or entities having a legal or equitable interest in real property located within their jurisdiction.

C. On March 13, 2007, the City Council adopted Ordinance No. 2007-6, entitled "Ordinance Amending Chapter 15.45 of City of Newport Beach Municipal Code Regarding Development Agreements" (the "Development Agreement Ordinance"). This Agreement is consistent with the Development Agreement Ordinance.

D. The Parties wish to enter into Agreement for the construction of a multi-unit residential project consisting of 67 condominium units (including affordable units) atop of 146-space parking structure.

E. As detailed in Section 3 of this Agreement, Property Owner has agreed to provide the following significant public benefits as consideration for this Agreement: INSERT PUBLIC BENEFITS.

F. This Agreement is consistent with the City of Newport Beach General Plan ("General Plan"), including without limitation the General Plan's designation of the Property as "MU-H2" (Mixed Use Horizontal 2) which provides for a horizontal intermixing of uses that may include regional commercial office, multifamily residential, vertical mixed-use buildings, industrial, hotel rooms, and ancillary neighborhood commercial uses and the Newport Place Planned Community that was adopted in 1970 by Ordinance No. 1369, and amended from time to

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

time, in order to establish appropriate zoning to regulate land use and development of property within the general boundaries of the Newport Place Planned Community.

G. In recognition of the significant public benefits that this Agreement provides, the City Council finds that this Agreement: (i) is consistent with the City of Newport Beach General Plan as of the date of this Agreement; (ii) is in the best interests of the health, safety, and general welfare of City, its residents, and the public; (iii) is entered into pursuant to, and constitutes a present exercise of, City's police power; (iv) Project's Addendum to the Environmental Impact Report (SCH# 20060111119) ("PEIR") that was certified by the City Council on July 25, 2006 for the 2006 General Plan Update and the Initial Study/Negative Declaration prepared in accordance with CEQA for the Newport Beach Housing Element Update (General Plan Amendment No. GP2008-003) adopted by the City Council on November 22, 2011 (the PEIR and Initial Study/Negative Declaration are collectively referred to herein as the "PEIR"), all of which analyze the environmental effects of the proposed development of the Project on the Property, and all of the findings, conditions of approval and mitigation measures related thereto; and (v) is consistent and has been approved consistent with provisions of California Government Code Section 65867 and City of Newport Beach Municipal Code chapter 15.45.

H. On December 21, 2023, City's Planning Commission held a public hearing on this Agreement, and made findings and determinations with respect to this Agreement, and recommended to the City Council that the City Council approve this Agreement.

I. On [INSERT DATE], the City Council held a public hearing on this Agreement and considered the Planning Commission's recommendations and the testimony and information submitted by City staff, Property Owner, and members of the public. On [INSERT DATE], consistent with applicable provisions of the Development Agreement Statute and Development Agreement Ordinance, the City Council adopted its Ordinance No. 2024-___ (the "Adopting Ordinance"), finding this Agreement to be consistent with the City of Newport Beach General Plan and approving this Agreement.

AGREEMENT

NOW, THEREFORE, City and Property Owner agree as follows:

1. Definitions.

In addition to any terms defined elsewhere in this Agreement, the following terms when used in this Agreement shall have the meanings set forth below:

"Action" shall have the meaning ascribed in Section 8.10 of this Agreement.

"Adopting Ordinance" shall mean City Council Ordinance No. 2024-___ approving and adopting this Agreement.

"Agreement" shall mean this Development Agreement, as the same may be amended from time to time.

"Agreement Date" shall mean INSERT DATE which date is the date the City Council adopted the Adopting Ordinance.

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

"CEQA" shall mean the California Environmental Quality Act (California Public Resources Code Sections 21000-21177) and the implementing regulations promulgated thereunder by the Secretary for Resources (California Code of Regulations, Title 14, Section 15000 *et seq.*) ("CEQA Guidelines"), as the same may be amended from time to time.

"City" shall mean the City of Newport Beach, a California charter city.

"City Council" shall mean the governing body of City.

"City's Affiliated Parties" shall have the meaning ascribed in Section 10.1 of this Agreement.

"Claim" shall have the meaning ascribed in Section 10.1 of this Agreement.

"CPI Index" shall mean the Consumer Price Index published from time to time by the United States Department of Labor, Bureau of Labor Statistics for all urban consumers (all items) for the Los Angeles-Long Beach-Anaheim, California Area, All Urban Consumers, All Items, Base Period (1982-84=100), or, if such index is discontinued, such other similar index as may be publicly available that is selected by City in its reasonable discretion.

"Cure Period" shall have the meaning ascribed in Section 8.1 of this Agreement.

"Default" shall have the meaning ascribed to that term in Section 8.1 of this Agreement.

"Develop" or "Development" shall mean to improve or the improvement of the Property for the purpose of completing the structures, improvements, and facilities comprising the Project, including but not limited to: grading; the construction of infrastructure and public facilities related to the Project, whether located within or outside the Property; the construction of all of the private improvements and facilities comprising the Project; the preservation or restoration, as required of natural and man-made or altered open space areas; and the installation of landscaping. The terms "Develop" and "Development," as used herein, do not include the maintenance, repair, reconstruction, replacement, or redevelopment of any structure, improvement, or facility after the initial construction and completion thereof.

"Development Agreement Ordinance" shall mean Chapter 15.45 of the City of Newport Beach Municipal Code.

"Development Agreement Statute" shall mean California Government Code Sections 65864-65869.5, inclusive.

"Development Exactions" shall mean any requirement of City in connection with or pursuant to any ordinance, resolution, rule, or official policy for the dedication of land, the construction or installation of any public improvement or facility, or the payment of any fee or charge in order to lessen, offset, mitigate, or compensate for the impacts of Development of the Project on the environment or other public interests.

"Development Plan" shall mean all of the land use entitlements, approvals and permits approved by the City for the Project on or before the Agreement Date, as the same may be amended from time to time consistent with this Agreement. Such land use entitlements, approvals and

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

permits include, without limitation, the following: (1) the Development rights as provided under this Agreement; (2) the amendment to the Newport Place Planned Community (PC-11) adopted pursuant to Ordinance No. 1369 and as amended by Ordinance No. 2024-__; (3) General Plan Amendment adopted pursuant to Resolution No. 2024-___; (4) Major Site Development Review adopted pursuant to Resolution No. 2024-___; (5) Affordable Housing Implementation Plan adopted pursuant to Resolution No. 2024-___; and Tentative Tract Map adopted pursuant to Resolution No. 2024-___.

"Development Regulations" shall mean the following regulations as they are in effect as of the Agreement Date and to the extent they govern or regulate the development of the Property, but excluding any amendment or modification to the Development Regulations adopted, approved, or imposed after the Agreement Date that impairs or restricts Property Owner's rights set forth in this Agreement, unless such amendment or modification is expressly authorized by this Agreement or is agreed to by Property Owner in writing: the General Plan, the Development Plan, and, to the extent not expressly superseded by the Development Plan or this Agreement, all other land use and subdivision regulations governing the permitted uses, density and intensity of use, design, improvement, and construction standards and specifications, procedures for obtaining required City permits and approvals for development, and similar matters that may apply to development of the Project on the Property during the Term of this Agreement that are set forth in Title 15 of the Municipal Code (buildings and construction), Title 19 of the Municipal Code (subdivisions) and Title 20 of the Municipal Code (planning and zoning), but specifically excluding all other sections of the Municipal Code, including without limitation Title 5 of the Municipal Code (business licenses and regulations). Notwithstanding the foregoing, the term "Development Regulations," as used herein, does not include any City ordinance, resolution, code, rule, regulation or official policy governing any of the following: (i) the conduct of businesses, professions, and occupations; (ii) taxes and assessments; (iii) the control and abatement of nuisances; (iv) the granting of encroachment permits and the conveyance of rights and interests which provide for the use of or entry upon public property; or (v) the exercise of the power of eminent domain.

"Effective Date" shall mean the latest of the following dates, as applicable: (i) the date that is thirty (30) days after the Agreement Date; (ii) if a referendum concerning the Adopting Ordinance, the Development Plan, or any of the Development Regulations approved on or before the Agreement Date is timely qualified for the ballot and a referendum election is held concerning the Adopting Ordinance or any of such Development Regulations, the date on which the referendum is certified resulting in upholding and approving the Adopting Ordinance and the Development Regulations; or (iii) if a lawsuit is timely filed challenging the validity of the Adopting Ordinance, this Agreement, and/or any of the Development Regulations approved on or before the Agreement Date, the date on which said challenge is finally resolved in favor of the validity or legality of the Adopting Ordinance, this Agreement, the Development Plan and/or the applicable Development Regulations, which such finality is achieved by a final non-appealable judgment, voluntary or involuntary dismissal (and the passage of any time required to appeal an involuntary dismissal), or binding written settlement agreement. Promptly after the Effective Date occurs, the Parties agree to cooperate in causing an appropriate instrument to be executed and recorded against the Property memorializing the Effective Date.

"Environmental Laws" means all federal, state, regional, county, municipal, and local laws, statutes, ordinances, rules, and regulations which are in effect as of the Agreement Date, and all federal, state, regional, county, municipal, and local laws, statutes, rules, ordinances, rules, and

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

regulations which may hereafter be enacted and which apply to the Property or any part thereof, pertaining to the use, generation, storage, disposal, release, treatment, or removal of any Hazardous Substances, including without limitation the following: the Comprehensive Environmental Response Compensation and Liability Act of 1980, 42 U.S.C. Sections 9601, et seq., as amended ("CERCLA"); the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976, 42 U.S.C. Sections 6901, et seq., as amended ("RCRA"); the Emergency Planning and Community Right to Know Act of 1986, 42 U.S.C. Sections 11001 et seq., as amended; the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., as amended; the Clean Air Act, 42 U.S.C. Sections 7401 et seq., as amended; the Clean Water Act, 33 U.S.C. Section 1251, et seq., as amended; the Toxic Substances Control Act, 15 U.S.C. Sections 2601 et seq., as amended; the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. Sections 136 et seq., as amended; the Federal Safe Drinking Water Act, 42 U.S.C. Sections 300f et seq., as amended; the Federal Radon and Indoor Air Quality Research Act, 42 U.S.C. Sections 7401 et seq., as amended; the Occupational Safety and Health Act, 29 U.S.C. Sections 651 et seq., as amended; and California Health and Safety Code Section 25100, et seq.

"General Plan" shall mean City's 2006 General Plan adopted by the City Council on July 25, 2006, by Resolution No. 2006-76, as amended through the Agreement Date but excluding any amendment after the Agreement Date that impairs or restricts Property Owner's rights set forth in this Agreement, unless such amendment is expressly authorized by this Agreement, is authorized by Sections 8 or 9, or is specifically agreed to by Property Owner. The Land Use Plan of the Land Use Element of the General Plan was approved by City voters in a general election on November 7, 2006.

"Hazardous Substances" means any toxic substance or waste, pollutant, hazardous substance or waste, contaminant, special waste, industrial substance or waste, petroleum or petroleum-derived substance or waste, or any toxic or hazardous constituent or additive to or breakdown component from any such substance or waste, including without limitation any substance, waste, or material regulated under or defined as "hazardous" or "toxic" under any Environmental Law.

"Mortgage" shall mean a mortgage, deed of trust, sale and leaseback arrangement, or any other form of conveyance in which the Property, or a part or interest in the Property, is pledged as security and contracted for in good faith and for fair value.

"Mortgagee" shall mean the holder of a beneficial interest under a Mortgage or any successor or assignee of the Mortgagee.

"Notice of Default" shall have the meaning ascribed in Section 8.1 of this Agreement.

"Party" or "Parties" shall mean either City or Property Owner or both, as determined by the context.

"Project" shall mean all on-site and off-site improvements that Property Owner is authorized and/or may be required to construct with respect to each parcel of the Property, as provided in this Agreement and the Development Regulations, as the same may be modified or amended from time to time consistent with this Agreement and applicable law.

"Property" is described in Exhibit "A" and generally depicted on Exhibit "B".

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

"Property Owner" shall mean Intracorp Socal-1, a Delaware limited liability company and any successor or assignee to all or any portion of the right, title, and interest in and to ownership of all or a portion of the Property.

"Public Benefit Fee" shall have the meaning ascribed in Section 3.1 of this Agreement.

"Subsequent Development Approvals" shall mean all discretionary development and building approvals that Property Owner is permitted to obtain to Develop the Project on and with respect to the Property after the Agreement Date consistent with the Development Regulations.

"Term" shall have the meaning ascribed in Section 2.4 of this Agreement.

"Termination Date" and "Lot Termination Date" shall have the meaning ascribed in Section 2.4 of this Agreement.

"Transfer" shall have the meaning ascribed in Section 11 of this Agreement.

2. General Provisions.

2.1 Plan Consistency, Zoning Implementation.

This Agreement and the Development Regulations applicable to the Property are consistent with the General Plan and the Newport Place Planned Community Development Plan (PC-11) as amended by the approvals in the Development Plan adopted concurrently herewith (including but not limited to the amendment to the General Plan and Newport Place Planned Community Development Plan (PC-11).

2.2 Binding Effect of Agreement.

The Property is hereby made subject to this Agreement. Development of the Property is hereby authorized and shall be carried out in accordance with the terms of this Agreement.

2.3 Property Owner Representations and Warranties Regarding Ownership of the Property and Related Matters Pertaining to this Agreement.

Property Owner and each person executing this Agreement on behalf of Property Owner hereby represents and warrants to City as follows: (i) Property Owner or any co-owner comprising Property Owner is a legal entity and that such entity is duly formed and existing and is authorized to do business in the State of California; (ii) if Property Owner or any co-owner comprising Property Owner is a natural person that such natural person has the legal right and capacity to execute this Agreement; (iii) that all actions required to be taken by all persons and entities comprising Property Owner to enter into this Agreement have been taken and that Property Owner has the legal authority to enter into this Agreement; (iv) Property Owner's entering into and performing its obligations set forth in this Agreement will not result in a violation of any obligation, contractual or otherwise, that Property Owner or any person or entity comprising Property Owner has to any third party; (v) that neither Property Owner nor any co-owner comprising Property Owner is the subject of any voluntary or involuntary petition in bankruptcy; and (vi) Property Owner has the authority and ability to enter into or perform any of its obligations set forth in this Agreement.

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

2.4 Term.

The term of this Agreement (the "Term" shall commence on the Effective Date and continue until _____ 20__, unless otherwise terminated or modified pursuant to its terms.

Notwithstanding any other provision set forth in this Agreement to the contrary, if any Party reasonably determines that the Effective Date will not occur because (i) the Adopting Ordinance or any of the Development Regulations approved on or before the Agreement Date for the Project has/have been disapproved by City's voters at a referendum election or (ii) a final non-appealable judgment is entered in a judicial action challenging the validity or legality of the Adopting Ordinance, this Agreement, and/or any of the Development Regulations for the Project approved on or before the Agreement Date such that this Agreement and/or any of such Development Regulations is/are invalid and unenforceable in whole or in such a substantial part that the judgment substantially impairs such Party's rights or substantially increases its obligations or risks hereunder or thereunder, then such Party, in its sole and absolute discretion, shall have the right to terminate this Agreement upon delivery of a written notice of termination to the other Party, in which event neither Party shall have any further rights or obligations hereunder except that Property Owner's indemnity obligations set forth in Article 10 shall remain in full force and effect and shall be enforceable, and the Development Regulations applicable to the Project and the Property only (but not those general Development Regulations applicable to other properties in the City) shall be repealed by the City after delivery of said notice of termination except for the Development Regulations that have been disapproved by City's voters at a referendum election and, therefore, never took effect.

The Termination Date shall be the earliest of the following dates: (i) the tenth (10^{th}) anniversary of the Effective Date; (ii) such earlier date that this Agreement may be terminated in accordance with Articles 5, 7, and/or Section 8.3 of this Agreement and/or Sections 65865.1 and/or 65868 of the Development Agreement Statute; or (iii) completion of the Project in accordance with the terms of this Agreement, including Property Owner's complete satisfaction, performance, and payment, as applicable, of all Development Exactions, the issuance of all required final occupancy permits, and acceptance by City or applicable public agency(ies) or private entity(ies) of all required offers of dedication.

Notwithstanding any other provision set forth in this Agreement to the contrary, the provisions set forth in Article 10 and Section 14.11 (as well as any other Property Owner obligations set forth in this Agreement that are expressly written to survive the Termination Date) shall survive the Termination Date of this Agreement.

3. Public Benefits.

3.1 Public Benefit Fee.

As consideration for City's approval and performance of its obligations set forth in this Agreement, Property Owner shall pay to City a fee that shall be in addition to any other fee or charge to which the Property and the Project would otherwise be subject to (herein, the "Public Benefit Fee") in the total sum of One Million Six Hundred Twenty Eight Thousand and Four Hundred Dollars and 00/100 ($1,628,400.00) which shall be due and payable prior to the issuance of the first building permit for the Project.

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

The City has not designated a specific project or purpose for the Public Benefit Fee. Owner acknowledges by its approval and execution of this Agreement that it is voluntarily agreeing to pay the Public Benefit Fee and that its obligation to pay the Public Benefit Fee is an essential term of this Agreement and is not severable from City's obligations and Owner's vested rights to be acquired hereunder, and that Owner expressly waives any constitutional, statutory, or common law right it might have in the absence of this Agreement to protest or challenge the payment of the Public Benefits identified in this Section 3.1 on any ground whatsoever, including without limitation pursuant to the Fifth and Fourteenth Amendments to the United States Constitution, California Constitution Article I Section 19, the Mitigation Fee Act (California Government Code Section 66000 *et seq.*), or otherwise. In addition to any other remedy set forth in this Agreement for Owner's default, if Owner shall fail to timely pay any portion of the Public Benefits identified in this Section 3.1 when due, City shall have the right to withhold issuance of any further building permits, occupancy permits, or other development or building permits for the Project.

3.2 Consumer Price Index (CPI) Increases. Any fee provided in this Section 3 (Public Benefits) shall be increased based upon percentage increases in the CPI Index as provided herein. The first CPI adjustment shall occur on the first anniversary of the City Council's adoption of the Adopting Ordinance (the first "Adjustment Date") and subsequent CPI adjustments shall occur on each anniversary of the first Adjustment Date thereafter until expiration of the Term of this Agreement (each, an "Adjustment Date"). The amount of the CPI adjustment on the applicable Adjustment Date shall in each instance be calculated based on the then most recently available CPI Index figures such that, for example, if the Effective Date of this Agreement falls on July 1 and the most recently available CPI Index figure on the first Adjustment Date (January 1 of the following year) is the CPI Index for November of the preceding year, the percentage increase in the CPI Index for that partial year (a 6-month period) shall be calculated by comparing the CPI Index for November of the preceding year with the CPI Index for May of the preceding year (a 6-month period). In no event, however, shall application of the CPI Index reduce the amount of the Public Benefit Fee (or unpaid portion thereof) below the amount in effect prior to any applicable Adjustment Date.

3.2 Other Public Benefits. In addition to the Public Benefit Fee, the direct and indirect benefits City expects to receive pursuant to this Development Agreement are as follows:

3.2.1 Park In-Lieu Fee. The Property Owner shall pay a park land dedication in-lieu fee pursuant to the City General Plan Land Use Policy 6.15.13 in the amount of Five Hundred Thirteen Thousand Three Hundred Dollars and 00/100 ($513,300.00), for the purpose of acquisition and improvement of other properties as parklands to serve the Airport Area. The fee shall be due and payable prior to the issuance of the first building permit for the Project.

3.2.2 Public Safety Fee. The Property Owner shall pay a public safety fee in the amount of One Hundred Forty-One Thousand Six Hundred Dollars and 00/100 ($141,600) to be used, at the City's discretion, to fund the cost of staffing, services, and equipment necessary for fire related public safety purposes. The fee shall be due and payable prior to the issuance of the first building permit for the Project.

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

4. Development of Project.

4.1 Applicable Regulations; Property Owner's Vested Rights and City's Reservation of Discretion With Respect to Subsequent Development Approvals.

Other than as expressly set forth in this Agreement, during the Term of this Agreement, (i) Property Owner shall have the vested right to Develop the Project on and with respect to the Property in accordance with the terms of the Development Regulations and this Agreement and (ii) City shall not prohibit or prevent development of the Property on grounds inconsistent with the Development Regulations or this Agreement. Notwithstanding the foregoing, nothing herein is intended to limit or restrict City's discretion with respect to (i) review and approval requirements contained in the Development Regulations, (ii) exercise of any discretionary authority City retains under the Development Regulations, (iii) the approval, conditional approval, or denial of any Subsequent Development Approvals applied for by Property Owner, or that are required, for Development of the Project as of the Agreement Date provided that all such actions are consistent with the Development Regulations, or (iv) any environmental approvals that may be required under CEQA or any other federal or state law or regulation in conjunction with any Subsequent Development Approvals that may be required for the Project, and in this regard, as to future actions referred to in clauses (i)-(iv) of this sentence, City reserves its full discretion to the same extent City would have such discretion in the absence of this Agreement. In addition, it is understood and agreed that nothing in this Agreement is intended to vest Property Owner's rights with respect to any laws, regulations, rules, or official policies of any other governmental agency or public utility company with jurisdiction over the Property or the Project; or any applicable federal or state laws, regulations, rules, or official policies that may be inconsistent with this Agreement and that override or supersede the provisions set forth in this Agreement, and regardless of whether such overriding or superseding laws, regulations, rules, or official policies are adopted or applied to the Property or the Project prior or subsequent to the Agreement Date.

Property Owner has expended and will continue to expend substantial amounts of time and money in the planning and entitlement process to permit Development of the Project in the future. Property Owner represents and City acknowledges that Property Owner would not make these expenditures without this Agreement, and that Property Owner is and will be making these expenditures in reasonable reliance upon obtaining vested rights to Develop the Project as set forth in this Agreement.

Property Owner may apply to City for permits or approvals necessary to modify or amend the Development specified in the Development Regulations, provided that unless this Agreement also is amended, the request does not propose an increase in the maximum density, intensity, height, or size of proposed structures, or a change in use that generates more peak hour traffic or more daily traffic. In addition, Property Owner may apply to City for approval of minor amendments to existing tentative tract maps, tentative parcel maps, or associated conditions of approval, consistent with City of Newport Beach Municipal Code Section 19.12.090. This Agreement does not constitute a promise or commitment by City to approve any such permit or approval, or to approve the same with or without any particular requirements or conditions, and City's discretion with respect to such matters shall be the same as it would be in the absence of this Agreement.

4.2 No Conflicting Enactments.

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

Except to the extent City reserves its discretion as expressly set forth in this Agreement, during the Term of this Agreement City shall not apply to the Project or the Property any ordinance, policy, rule, regulation, or other measure relating to Development of the Project that is enacted or becomes effective after the Agreement Date to the extent it conflicts with this Agreement. This Section 4.2 shall not restrict City's ability to enact an ordinance, policy, rule, regulation, or other measure applicable to the Project pursuant to California Government Code Section 65866 consistent with the procedures specified in Section 4.3 of this Agreement. In *Pardee Construction Co. v. City of Camarillo* (1984) 37 Cal.3d 465, the California Supreme Court held that a construction company was not exempt from a city's growth control ordinance even though the city and construction company had entered into a consent judgment (tantamount to a contract under California law) establishing the company's vested rights to develop its property consistent with the zoning. The California Supreme Court reached this result because the consent judgment failed to address the timing of development. The Parties intend to avoid the result of the *Pardee* case by acknowledging and providing in this Agreement that Property Owner shall have the vested right to Develop the Project on and with respect to the Property at the rate, timing, and sequencing that Property Owner deems appropriate within the exercise of Property Owner's sole subjective business judgment, provided that such Development occurs in accordance with this Agreement and the Development Regulations, notwithstanding adoption by City's electorate of an initiative to the contrary after the Agreement Date. No City moratorium or other similar limitation relating to the rate, timing, or sequencing of the Development of all or any part of the Project and whether enacted by initiative or another method, affecting subdivision maps, building permits, occupancy certificates, or other entitlement to use, shall apply to the Project to the extent such moratorium or other similar limitation restricts Property Owner's vested rights in this Agreement or otherwise conflicts with the express provisions of this Agreement.

4.3 Reservations of Authority.

Notwithstanding any other provision set forth in this Agreement to the contrary, the laws, rules, regulations, and official policies set forth in this Section 4.3 shall apply to and govern the Development of the Project on and with respect to the Property.

4.3.1 Procedural Regulations. Procedural regulations relating to hearing bodies, petitions, applications, notices, findings, records, hearings, reports, recommendations, appeals, and any other matter of procedure shall apply to the Property, provided that such procedural regulations are adopted and applied City-wide or to all other properties similarly situated in City.

4.3.2 Processing and Permit Fees. City shall have the right to charge and Property Owner shall be required to pay all applicable processing and permit fees to cover the reasonable cost to City of processing and reviewing applications and plans for any required Subsequent Development Approvals, building permits, excavation and grading permits, encroachment permits, and the like, for performing necessary studies and reports in connection therewith, inspecting the work constructed or installed by or on behalf of Property Owner, and monitoring compliance with any requirements applicable to Development of the Project, all at the rates in effect at the time fees are due.

4.3.3 Consistent Future City Regulations. City ordinances, resolutions, regulations, and official policies governing Development which do not conflict with the

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

Development Regulations, or with respect to such regulations that do conflict, where Property Owner has consented in writing to the regulations, shall apply to the Property.

4.3.4 Development Exactions Applicable to Property. During the Term of this Agreement, Property Owner shall be required to satisfy and pay all Development Exactions at the time performance or payment is due to the same extent and in the same amount(s) that would apply to Property Owner and the Project in the absence of this Agreement; provided, however, that to the extent the scope and extent of a particular Development Exaction (excluding any development impact fee) for the Project has been established and fixed by City in the conditions of approval for any of the Development Regulations approved on or before the Agreement Date, City shall not alter, increase, or modify said Development Exaction in a manner that is inconsistent with such Development Regulations without Property Owner's prior written consent or as may be otherwise required pursuant to overriding federal or state laws or regulations (Section 4.3.5 hereinbelow). In addition, nothing in this Agreement is intended or shall be deemed to vest Property Owner against the obligation to pay any of the following (which are not included within the definition of "Development Exactions") in the full amount that would apply in the absence of this Agreement: (i) City's normal fees for processing, environmental assessment and review, tentative tract and parcel map review, plan checking, site review and approval, administrative review, building permit, grading permit, inspection, and similar fees imposed to recover City's costs associated with processing, reviewing, and inspecting project applications, plans, and specifications; (ii) fees and charges levied by any other public agency, utility, district, or joint powers authority, regardless of whether City collects those fees and charges; or (iii) community facility district special taxes or special district assessments or similar assessments, business license fees, bonds or other security required for public improvements, transient occupancy taxes, sales taxes, property taxes, sewer lateral connection fees, water service connection fees, new water meter fees, and the Property Development Tax payable under Chapter 3.12 of City's Municipal Code.

4.3.5 Overriding Federal and State Laws and Regulations. Federal and state laws and regulations that override Property Owner's vested rights set forth in this Agreement shall apply to the Property, together with any City ordinances, resolutions, regulations, and official policies that are necessary to enable City to comply with the provisions of any such overriding federal or state laws and regulations, provided that (i) Property Owner does not waive its right to challenge or contest the validity of any such purportedly overriding federal, state, or City law or regulation; and (ii) upon the discovery of any such overriding federal, state, or City law or regulation that prevents or precludes compliance with any provision of this Agreement, City or Property Owner shall provide to the other Party a written notice identifying the federal, state, or City law or regulation, together with a copy of the law or regulation and a brief written statement of the conflict(s) between that law or regulation and the provisions of this Agreement. Promptly thereafter City and Property Owner shall meet and confer in good faith in a reasonable attempt to determine whether a modification or suspension of this Agreement, in whole or in part, is necessary to comply with such overriding federal, state, or City law or regulation. In such negotiations, City and Property Owner agree to preserve the terms of this Agreement and the rights of Property Owner as derived from this Agreement to the maximum feasible extent while resolving the conflict. City agrees to cooperate with Property Owner at no cost to City in resolving the conflict in a manner which minimizes any financial impact of the conflict upon Property Owner. City also agrees to process in a prompt manner Property Owner's proposed changes to this Agreement, the Project and any of the Development Regulations as may be necessary to comply with such

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

overriding federal, state, or City law or regulation; provided, however, that the approval of such changes by City shall be subject to the discretion of City, consistent with this Agreement.

4.3.6 Public Health and Safety. Any City ordinance, resolution, rule, regulation, program, or official policy that is necessary to protect persons on the Property or in the immediate vicinity from conditions dangerous to their health or safety, as reasonably determined by City, shall apply to the Property, even though the application of the ordinance, resolution, rule regulation, program, or official policy would result in the impairment of Property Owner's vested rights under this Agreement.

4.3.7 Uniform Building Standards. Existing and future building and building-related standards set forth in the uniform codes adopted and amended by City from time to time, including building, plumbing, mechanical, electrical, housing, swimming pool, and fire codes, and any modifications and amendments thereof shall all apply to the Project and the Property to the same extent that the same would apply in the absence of this Agreement.

4.3.8 Public Works Improvements. To the extent Property Owner constructs or installs any public improvements, works, or facilities, the City standards in effect for such public improvements, works, or facilities at the time of City's issuance of a permit, license, or other authorization for construction or installation of same shall apply.

4.3.9 No Guarantee or Reservation of Utility Capacity. Notwithstanding any other provision set forth in this Agreement to the contrary, nothing in this Agreement is intended or shall be interpreted to require City to guarantee or reserve to or for the benefit of Property Owner or the Property any utility capacity, service, or facilities that may be needed to serve the Project, whether domestic or reclaimed water service, sanitary sewer transmission or wastewater treatment capacity, downstream drainage capacity, or otherwise, and City shall have the right to limit or restrict Development of the Project if and to the extent that City reasonably determines that inadequate utility capacity exists to adequately serve the Project at the time Development is scheduled to commence.

5. Amendment or Cancellation of Agreement. This Agreement may be amended or canceled in whole or in part only by mutual written and executed consent of the Parties in compliance with California Government Code Section 65868 and Newport Beach Municipal Code Section 15.45.070 or by unilateral termination by City in the event of an uncured default of Property Owner.

6. Enforcement. Unless this Agreement is amended, canceled, modified, or suspended as authorized herein or pursuant to California Government Code Section 65869.5, this Agreement shall be enforceable by either Party despite any change in any applicable general or specific plan, zoning, subdivision, or building regulation or other applicable ordinance or regulation adopted by City (including by City's electorate) that purports to apply to any or all of the Property.

7. Annual Review of Property Owner's Compliance With Agreement.

7.1 General.

City shall review this Agreement once during every twelve (12) month period following the Effective Date for compliance with the terms of this Agreement as provided in Government

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

Code Section 65865.1. Property Owner (including any successor to the Property Owner executing this Agreement on or before the Agreement Date) shall pay City a reasonable fee in an amount City may reasonably establish from time to time to cover the actual and necessary costs for the annual review. City's failure to timely provide or conduct an annual review shall not constitute a Default hereunder by City.

7.2 Property Owner Obligation to Demonstrate Good Faith Compliance.

During each annual review by City, Property Owner is required to demonstrate good faith compliance with the terms of the Agreement. Property Owner agrees to furnish such evidence of good faith compliance as City, in the reasonable exercise of its discretion, may require, thirty (30) days prior to each anniversary of the Effective Date during the Term.

7.3 Procedure. The Zoning Administrator shall conduct a duly noticed hearing and shall determine, on the basis of substantial evidence, whether or not Property Owner has, for the period under review, complied with the terms of this Agreement. If the Zoning Administrator finds that Property Owner has so complied, the annual review shall be concluded. If the Zoning Administrator finds, on the basis of substantial evidence, that Property Owner has not so complied, written notice shall be sent to Property Owner by first class mail of the Zoning Administrator's finding of non-compliance, and Property Owner shall be given at least ten (10) calendar days to cure any noncompliance that relates to the payment of money and thirty (30) calendar days to cure any other type of noncompliance. If a cure not relating to the payment of money cannot be completed within thirty (30) calendar days for reasons which are beyond the control of Property Owner, Property Owner must commence the cure within such thirty (30) calendar days and diligently pursue such cure to completion. If Property Owner fails to cure such noncompliance within the time(s) set forth above, such failure shall be considered to be a Default and City shall be entitled to exercise the remedies set forth in Article 8 below.

7.4 Annual Review a Non-Exclusive Means for Determining and Requiring Cure of Property Owner's Default.

The annual review procedures set forth in this Article 7 shall not be the exclusive means for City to identify a Default by Property Owner or limit City's rights or remedies for any such Default.

8. Events of Default.

8.1 General Provisions. In the event of any material default, breach, or violation of the terms of this Agreement ("Default"), the Party alleging a Default shall deliver a written notice (each, a "Notice of Default") to the defaulting Party. The Notice of Default shall specify the nature of the alleged Default and a reasonable manner and sufficient period of time (ten (10) calendar days if the Default relates to the failure to timely make a monetary payment due hereunder and not less than thirty (30) calendar days in the event of non-monetary Defaults) in which the Default must be cured ("Cure Period"). During the Cure Period, the Party charged shall not be considered in Default for the purposes of termination of this Agreement or institution of legal proceedings. If the alleged Default is cured within the Cure Period, then the Default thereafter shall be deemed not to exist. If a non-monetary Default cannot be cured during the Cure Period with the exercise of commercially reasonable diligence, the defaulting Party must promptly commence to cure as

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

quickly as possible, and in no event later than thirty (30) calendar days after it receives the Notice of Default, and thereafter diligently pursue said cure to completion. Notwithstanding the foregoing, the City is not required to give Property Owner notice of default and may immediately pursue remedies for a Property Owner Default that result in an immediate threat to public health, safety or welfare.

8.2 Default by Property Owner.

If Property Owner is alleged to have committed a non-monetary Default and it disputes the claimed Default, it may make a written request for an appeal hearing before the City Council within ten (10) days of receiving the Notice of Default, and a public hearing shall be scheduled at the next available City Council meeting to consider Property Owner's appeal of the Notice of Default. Failure to appeal a Notice of Default to the City Council within the ten (10) day period shall waive any right to a hearing on the claimed Default. If Property Owner's appeal of the Notice of Default is timely and in good faith but after a public hearing of Property Owner's appeal the City Council concludes that Property Owner is in Default as alleged in the Notice of Default, the accrual date for commencement of the thirty (30) day Cure Period provided in Section 8.1 shall be extended until the City Council's denial of Property Owner's appeal is communicated to Property Owner in writing.

8.3 City's Option to Terminate Agreement.

In the event of an alleged Property Owner Default, City may not terminate this Agreement without first delivering a written Notice of Default and providing Property Owner with the opportunity to cure the Default within the Cure Period, as provided in Section 8.1, and complying with Section 8.2 if Property Owner timely appeals any Notice of Default. A termination of this Agreement by City shall be valid only if good cause exists and is supported by evidence presented to the City Council at or in connection with a duly noticed public hearing to establish the existence of a Default. The validity of any termination may be judicially challenged by Property Owner. Any such judicial challenge must be brought within thirty (30) days of service on Property Owner, by first class mail, postage prepaid, of written notice of termination by City or a written notice of City's determination of an appeal of the Notice of Default as provided in Section 8.2.

8.4 Default by City.

If Property Owner alleges a City Default and alleges that the City has not cured the Default within the Cure Period, Property Owner may pursue any equitable remedy available to it under this Agreement, including, without limitation, an action for a writ of mandamus, injunctive relief, or specific performance of City's obligations set forth in this Agreement. Upon a City Default, any resulting delays in Property Owner's performance hereunder shall neither be a Property Owner Default nor constitute grounds for termination or cancellation of this Agreement by City and shall, at Property Owner's option (and provided Property Owner delivers written notice to City within thirty (30) days of the commencement of the alleged City Default), extend the Term for a period equal to the length of the delay.

8.5 Waiver.

Failure or delay by either Party in delivering a Notice of Default shall not waive that Party's right to deliver a future Notice of Default of the same or any other Default.

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

8.6 Specific Performance Remedy.

Due to the size, nature, and scope of the Project, it will not be practical or possible to restore the Property to its pre-existing condition once implementation of this Agreement has begun. After such implementation, both Property Owner and City may be foreclosed from other choices they may have had to plan for the development of the Property, to utilize the Property or provide for other benefits and alternatives. Property Owner and City have invested significant time and resources and performed extensive planning and processing of the Project in agreeing to the terms of this Agreement and will be investing even more significant time and resources in implementing the Project in reliance upon the terms of this Agreement. It is not possible to determine the sum of money which would adequately compensate Property Owner or City for such efforts. For the above reasons, City and Property Owner agree that damages would not be an adequate remedy if either City or Property Owner fails to carry out its obligations under this Agreement. Therefore, specific performance of this Agreement is necessary to compensate Property Owner if City fails to carry out its obligations under this Agreement or to compensate City if Property Owner falls to carry out its obligations under this Agreement.

8.7 Monetary Damages.

The Parties agree that monetary damages shall not be an available remedy for either Party for a Default hereunder by the other Party; provided, however, that (i) nothing in this Section 8.7 is intended or shall be interpreted to limit or restrict City's right to recover the Public Benefit Fees due from Property Owner as set forth herein; and (ii) nothing in this Section 8.7 is intended or shall be interpreted to limit or restrict Property Owner's indemnity obligations set forth in Article 10 or the right of the prevailing Party in any Action to recover its litigation expenses, as set forth in Section 8.10. In no event shall damages be awarded against the City upon an event of default or upon termination of this Agreement. Owner expressly agrees that the City, any City agencies and their respective elected and appointed councils, boards, commissions, officers, agents, employees, volunteers and representatives (collectively, for purposes of this Section 8.7, "City") shall not be liable for any monetary damage for a Default by the City or any claims against City arising out of this Agreement. Owner hereby expressly waives any such monetary damages against the City. The sole and exclusive judicial remedy for Owner in the event of a Default by the City shall be an action in mandamus, specific performance, or other injunctive or declaratory relief.

8.8 Additional City Remedy for Property Owner's Default.

In the event of any Default by Property Owner, in addition to any other remedies which may be available to City, whether legal or equitable, City shall be entitled to receive and retain any Development Exactions applicable to the Project or the Property, including any fees, grants, dedications, or improvements to public property which it may have received prior to Property Owner's Default without recourse from Property Owner or its successors or assigns.

8.9 No Personal Liability of City Officials, Employees, or Agents.

No City official, employee, or agent shall have any personal liability hereunder for a Default by City of any of its obligations set forth in this Agreement.

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

8.10 Recovery of Legal Expenses by Prevailing Party in Any Action.

In any judicial proceeding, arbitration, or mediation (collectively, an "Action") between the Parties that seeks to enforce the provisions of this Agreement or arises out of this Agreement, the prevailing Party shall not recover any of its costs and expenses, regardless of whether they would be recoverable under California Code of Civil Procedure Section 1033.5 or California Civil Code Section 1717 in the absence of this Agreement. These costs and expenses include, but are not limited to, court costs, expert witness fees, attorneys' fees, City staff costs (including overhead), and costs of investigation and preparation before initiation of the Action.

9. Force Majeure.

Neither Party shall be deemed to be in Default where failure or delay in performance of any of its obligations under this Agreement is caused, through no fault of the Party whose performance is prevented or delayed, by floods, earthquakes, other acts of God, fires, wars, riots or similar hostilities, strikes or other labor difficulties, state or federal regulations, or court actions. Except as specified above, nonperformance shall not be excused because of the act or omission of a third person. In no event shall the occurrence of an event of force majeure operate to extend the Term of this Agreement. In addition, in no event shall the time for performance of a monetary obligation, including without limitation Property Owner's obligation to pay Public Benefit Fees, be extended pursuant to this Section.

10. Indemnity Obligations of Property Owner.

10.1 Indemnity Arising From Acts or Omissions of Property Owner.

Property Owner shall indemnify, defend, and hold harmless City and City's officials, employees, agents, attorneys, and contractors (collectively, the "City's Affiliated Parties") from and against all suits, claims, liabilities, losses, damages, penalties, obligations, and expenses (including but not limited to attorneys' fees and costs) (collectively, a "Claim") that may arise, directly or indirectly, from the acts, omissions, or operations of Property Owner or Property Owner's agents, contractors, subcontractors, agents, or employees in the course of Development of the Project or any other activities of Property Owner relating to the Property or pursuant to this Agreement. City shall have the right, in its sole discretion, to select and retain counsel to defend any Claim filed against City and/or any of City's Affiliated Parties, and Property Owner shall pay the reasonable cost for defense of any Claim. The indemnity provisions in this Section 10.1 shall commence on the Agreement Date, regardless of whether the Effective Date occurs, and shall survive the Termination Date.

10.2 Third Party Litigation.

In addition to its indemnity obligations set forth in Section 10.1, Property Owner shall indemnify, defend, and hold harmless City and City's Affiliated Parties from and against any Claim against City or City's Affiliated Parties seeking to attack, set aside, void, or annul the approval of this Agreement, the Adopting Ordinance, any of the Development Regulations for the Project (including without limitation any actions taken pursuant to CEQA with respect thereto), any Subsequent Development Approval, or the approval of any permit granted pursuant to this Agreement. Said indemnity obligation shall include payment of attorney's fees, expert witness fees, City staff costs, and court costs. City shall promptly notify Property Owner of any such

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

Claim and City shall cooperate with Property Owner in the defense of such Claim. If City fails to promptly notify Property Owner of such Claim, Property Owner shall not be responsible to indemnify, defend, and hold City harmless from such Claim until Property Owner is so notified and if City fails to cooperate in the defense of a Claim Property Owner shall not be responsible to defend, indemnify, and hold harmless City during the period that City so fails to cooperate or for any losses attributable thereto. City shall be entitled to retain separate counsel to represent City against the Claim and the City's defense costs for its separate counsel shall be included in Property Owner's indemnity obligation, provided that such counsel shall reasonably cooperate with Property Owner in an effort to minimize the total litigation expenses incurred by Property Owner. In the event either City or Property Owner recovers any attorney's fees, expert witness fees, costs, interest, or other amounts from the party or parties asserting the Claim, Property Owner shall be entitled to retain the same (provided it has fully performed its indemnity obligations hereunder). The indemnity provisions in this Section 10.2 shall commence on the Agreement Date, regardless of whether the Effective Date occurs, and shall survive the Termination Date.

10.3 Environmental Indemnity.

In addition to its indemnity obligations set forth in Section 10.1, from and after the Agreement Date Property Owner shall indemnify, defend, and hold harmless City and City's Affiliated Parties from and against any and all Claims for personal injury or death, property damage, economic loss, statutory penalties or fines, and damages of any kind or nature whatsoever, including without limitation attorney's fees, expert witness fees, and costs, based upon or arising from any of the following: (i) the actual or alleged presence of any Hazardous Substance on or under any of the Property in violation of any applicable Environmental Law; (ii) the actual or alleged migration of any Hazardous Substance from the Property through the soils or groundwater to a location or locations off of the Property; and (iii) the storage, handling, transport, or disposal of any Hazardous Substance on, to, or from the Property and any other area disturbed, graded, or developed by Property Owner in connection with Property Owner's Development of the Project. The foregoing indemnity obligations shall not apply to any Hazardous Substance placed or stored on a separate legal lot within the Property after the Lot Termination Date for said lot, as provided in Section 2.4 of this Agreement. The indemnity provisions in this Section 10.3 shall commence on the Agreement Date, regardless of whether the Effective Date occurs, and shall survive the Termination Date.

11. Assignment.

Property Owner shall have the right to sell, transfer, or assign (hereinafter, collectively, a "Transfer") Property Owner's interest in or fee title to the Property, in whole or in part, to any person, partnership, joint venture, firm, or corporation (which successor, as of the effective date of the Transfer, shall become the "Property Owner" under this Agreement) at any time from the Agreement Date until the Termination Date; provided, however, that no such Transfer shall violate the provisions of the Subdivision Map Act (Government Code Section 66410 et seq.) or City's local subdivision ordinance and any such Transfer shall include the assignment and assumption of Property Owner's rights, duties, and obligations set forth in or arising under this Agreement as to the Property or the portion thereof so Transferred and shall be made in strict compliance with the following conditions precedent: (i) no transfer or assignment of any of Property Owner's rights or interest under this Agreement shall be made unless made together with the Transfer of all or a part of the Property; and (ii) prior to the effective date of any proposed Transfer, Property Owner (as

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

transferor) shall notify City, in writing, of such proposed Transfer and deliver to City a written assignment and assumption, executed in recordable form by the transferring and successor Property Owner and in a form subject to the reasonable approval of the City Attorney of City (or designee), pursuant to which the transferring Property Owner assigns to the successor Property Owner and the successor Property Owner assumes from the transferring Property Owner all of the rights and obligations of the transferring Property Owner with respect to the Property or portion thereof to be so Transferred, including in the case of a partial Transfer the obligation to perform such obligations that must be performed off of the portion of the Property so Transferred that are a condition precedent to the successor Property Owner's right to develop the portion of the Property so Transferred. Any Permitted Transferee shall have all of the same rights, benefits, duties, obligations, and liabilities of Owner under this Agreement with respect to the portion of, or interest in, the Property sold, transferred, and assigned to such Permitted Transferee; provided, however, that in the event of a Transfer of less than all of the Property, or interest in the Property, no such Permitted Transferee shall have the right to enter into an amendment of this Agreement that jeopardizes or impairs the rights or increases the obligations of the Owner with respect to the balance of the Property, without Owner's written consent.

Notwithstanding any Transfer, the transferring Property Owner shall continue to be jointly and severally liable to City, together with the successor Property Owner, to perform all of the transferred obligations set forth in or arising under this Agreement unless the transferring Property Owner is given a release in writing by City, which release shall be only with respect to the portion of the Property so Transferred in the event of a partial Transfer. City shall provide such a release upon the transferring Property Owner's full satisfaction of all of the following conditions: (i) the transferring Property Owner no longer has a legal or equitable interest in the portion of the Property so Transferred other than as a beneficiary under a deed of trust; (ii) the transferring Property Owner is not then in Default under this Agreement and no condition exists that with the passage of time or the giving of notice, or both, would constitute a Default hereunder; (iii) the transferring Property Owner has provided City with the notice and the fully executed written and recordable assignment and assumption agreement required as set forth in the first paragraph of this Section 11; and (iv) the successor Property Owner either (A) provides City with substitute security equivalent to any security previously provided by the transferring Property Owner to City to secure performance of the successor Property Owner's obligations hereunder with respect to the Property or the portion of the Property so Transferred or (B) if the transferred obligation in question is not a secured obligation, the successor Property Owner either provides security reasonably satisfactory to City or otherwise demonstrates to City's reasonable satisfaction that the successor Property Owner has the financial resources or commitments available to perform the transferred obligation at the time and in the manner required under this Agreement and the Development Regulations for the Project. Any determination by the City in regards to the second paragraph of Section 11 subpart (iv) (A) and/or (B) shall be documented in writing.

12. Mortgagee Rights.

12.1 Encumbrances on Property.

The Parties agree that this Agreement shall not prevent or limit Property Owner in any manner from encumbering the Property, any part of the Property, or any improvements on the Property with any Mortgage securing financing with respect to the construction, development, use, or operation of the Project.

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

12.2 Mortgagee Protection.

This Agreement shall be superior and senior to the lien of any Mortgage. Nevertheless, no breach of this Agreement shall defeat, render invalid, diminish, or impair the lien of any Mortgage made in good faith and for value. Any acquisition or acceptance of title or any right or interest in the Property or part of the Property by a Mortgagee (whether due to foreclosure, trustee's sale, deed in lieu of foreclosure, lease termination, or otherwise) shall be subject to all of the terms and conditions of this Agreement. Any Mortgagee who takes title to the Property or any part of the Property shall be entitled to the benefits arising under this Agreement.

12.3 Mortgagee Not Obligated.

Notwithstanding the provisions of this Section 12.3, a Mortgagee will not have any obligation or duty under the terms of this Agreement to perform the obligations of Property Owner or other affirmative covenants of Property Owner, or to guarantee this performance except that: (i) the Mortgagee shall have no right to develop the Project under the Development Regulations without fully complying with the terms of this Agreement; and (ii) to the extent that any covenant to be performed by Property Owner is a condition to the performance of a covenant by City, that performance shall continue to be a condition precedent to City's performance.

12.4 Notice of Default to Mortgagee; Right of Mortgagee to Cure.

Each Mortgagee shall, upon written request to City, be entitled to receive written notice from City of: (i) the results of the periodic review of compliance specified in Article 7 of this Agreement, and (ii) any default by Property Owner of its obligations set forth in this Agreement.

Each Mortgagee shall have a further right, but not an obligation, to cure the Default within ten (10) days after receiving a Notice of Default with respect to a monetary Default and within thirty (30) days after receiving a Notice of Default with respect to a non-monetary Default. If the Mortgagee can only remedy or cure a non-monetary Default by obtaining possession of the Property, then the Mortgagee shall have the right to seek to obtain possession with diligence and continuity through a receiver or otherwise, and to remedy or cure the non-monetary Default within thirty (30) days after obtaining possession and, except in case of emergency or to protect the public health or safety, City may not exercise any of its judicial remedies set forth in this Agreement to terminate or substantially alter the rights of the Mortgagee until expiration of the thirty (30)-day period. In the case of a non-monetary Default that cannot with diligence be remedied or cured within thirty (30) days, the Mortgagee shall have additional time as is reasonably necessary to remedy or cure the Default, provided the Mortgagee promptly commences to cure the non-monetary Default within thirty (30) days and diligently prosecutes the cure to completion.

13. Bankruptcy. The obligations of this Agreement shall not be dischargeable in bankruptcy.

14. Miscellaneous Terms.

14.1 Reserved.

14.2 Notices.

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

Any notice or demand that shall be required or permitted by law or any provision of this Agreement shall be in writing. If the notice or demand will be served upon a Party, it either shall be personally delivered to the Party; deposited by a reliable courier service that provides a receipt showing date and time of delivery with courier charges prepaid. The notice or demand shall be addressed as follows:

TO CITY:	City of Newport Beach 100 Civic Center Drive Newport Beach, California 92660 Attn: City Manager
With a copy to:	City of Newport Beach 100 Civic Center Drive Newport Beach, California 92660 Attn: City Attorney
TO PROPERTY OWNER:	
With a copy to:	

Either Party may change the address stated in this Section 13.1 by delivering notice to the other Party in the manner provided in this Section 13.1, and thereafter notices to such Party shall be addressed and submitted to the new address. Notices delivered in accordance with this Agreement shall be deemed to be delivered upon the earlier of: (i) the date received or (iii) three business days after deposit in the mail as provided above.

14.3 Project as a Private Undertaking.

Any future Development of the Project is a private undertaking. Neither Party will be acting as the agent of the other in any respect, and each Party will be an independent contracting entity with respect to the terms, covenants, and conditions set forth in this Agreement. This Agreement forms no partnership, joint venture, or other association of any kind. The only relationship between the Parties is that of a government entity regulating the Development of private property by the owner or user of the Property.

14.4 Cooperation.

Each Party shall cooperate with and provide reasonable assistance to the other Party to the extent consistent with and necessary to implement this Agreement. Upon the request of a Party at any time, the other Party shall promptly execute, with acknowledgement or affidavit if reasonably required, and file or record the required instruments and writings and take any actions as may be reasonably necessary to implement this Agreement or to evidence or consummate the transactions contemplated by this Agreement.

14.5 Estoppel Certificates.

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

At any time, either Party may deliver written notice to the other Party requesting that that Party certify in writing that, to the best of its knowledge: (i) this Agreement is in full force and effect and is binding on the Party; (ii) this Agreement has not been amended or modified either orally or in writing or, if this Agreement has been amended, the Party providing the certification shall identify the amendments or modifications; and (iii) the requesting Party is not in Default in the performance of its obligations under this Agreement and no event or situation has occurred that with the passage of time or the giving of Notice or both would constitute a Default or, if such is not the case, then the other Party shall describe the nature and amount of the actual or prospective Default.

The Party requested to furnish an estoppel certificate shall execute and return the certificate within thirty (30) days following receipt. Requests for the City to furnish an estoppel certificate shall include reimbursement for all administrative costs incurred by the City including reasonable attorney's fees incurred by the City in furnishing an estoppels certificate.

14.6 Rules of Construction.

The singular includes the plural; the masculine and neuter include the feminine; "shall" is mandatory; and "may" is permissive.

14.7 Time Is of the Essence.

Time is of the essence regarding each provision of this Agreement as to which time is an element.

14.8 Waiver.

The failure by a Party to insist upon the strict performance of any of the provisions of this Agreement by the other Party, and failure by a Party to exercise its rights upon a Default by the other Party, shall not constitute a waiver of that Party's right to demand strict compliance by the other Party in the future.

14.9 Counterparts.

This Agreement may be executed in two (2) or more counterparts, each of which shall be identical and may be introduced in evidence or used for any other purpose without any other counterpart, but all of which shall together constitute one (1) and the same agreement.

14.10 Entire Agreement.

This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements and understandings, both written and oral, between the Parties with respect to the subject matter addressed in this Agreement.

14.11 Severability.

The Parties intend that each and every obligation of the Parties is interdependent and interrelated with the other, and if any provision of this Agreement or the application of the provision to any Party or circumstances shall be held invalid or unenforceable to any extent, it is

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

the intention of the Parties that the remainder of this Agreement or the application of the provision to persons or circumstances shall be rendered invalid or unenforceable. The Parties intend that neither Party shall receive any of the benefits of the Agreement without the full performance by such Party of all of its obligations provided for under this Agreement. Without limiting the generality of the foregoing, the Parties intend that Property Owner shall not receive any of the benefits of this Agreement if any of Property Owner's obligations are rendered void or unenforceable as the result of any third party litigation, and City shall be free to exercise its legislative discretion to amend or repeal the Development Regulations applicable to the Property and Property Owner shall cooperate as required, despite this Agreement, should third party litigation result in the nonperformance of Property Owner's obligations under this Agreement. The provisions of this Section 14.11 shall apply regardless of whether the Effective Date occurs and after the Termination Date.

14.12 Construction.

This Agreement has been drafted after negotiation and revision. Both City and Property Owner are sophisticated parties who were represented by independent counsel throughout the negotiations or City and Property Owner had the opportunity to be so represented and voluntarily chose to not be so represented. City and Property Owner each agree and acknowledge that the terms of this Agreement are fair and reasonable, taking into account their respective purposes, terms, and conditions. This Agreement shall therefore be construed as a whole consistent with its fair meaning and applicable principle or presumptions of contract construction or interpretation, if any, shall be used to construe the whole or any part of this Agreement in favor of or against either Party.

14.13 Successors and Assigns; Constructive Notice and Acceptance.

The burdens of this Agreement shall be binding upon, and the benefits of this Agreement shall inure to, all successors in interest to the Parties to this Agreement. All provisions of this Agreement shall be enforceable as equitable servitudes and constitute covenants running with the land. Each covenant to do or refrain from doing some act hereunder with regard to Development of the Property: (i) is for the benefit of and is a burden upon every portion of the Property; (ii) runs with the Property and each portion thereof; and (iii) is binding upon each Party and each successor in interest during its ownership of the Property or any portion thereof. Every person or entity who now or later owns or acquires any right, title, or interest in any part of the Project or the Property is and shall be conclusively deemed to have consented and agreed to every provision of this Agreement. This Section 14.13 applies regardless of whether the instrument by which such person or entity acquires the interest refers to or acknowledges this Agreement and regardless of whether such person or entity has expressly entered into an assignment and assumption agreement as provided for in Section 11.

14.14 No Third Party Beneficiaries.

The only Parties to this Agreement are City and Property Owner. This Agreement does not involve any third party beneficiaries, and it is not intended and shall not be construed to benefit or be enforceable by any other person or entity.

14.15 Applicable Law and Venue.

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

This Agreement shall be construed and enforced consistent with the internal laws of the State of California, without regard to conflicts of law principles. Any action at law or in equity arising under this Agreement or brought by any Party for the purpose of enforcing, construing, or determining the validity of any provision of this Agreement shall be filed and tried in the Superior Court of the County of Orange, State of California, or the United States District Court for the Central District of California. The Parties waive all provisions of law providing for the removal or change of venue to any other court.

14.16 Section Headings.

All section headings and subheadings are inserted for convenience only and shall not affect construction or interpretation of this Agreement.

14.17 Incorporation of Recitals and Exhibits.

All of the Recitals are incorporated into this Agreement by this reference. Exhibits A and B are attached to this Agreement and incorporated by this reference as follows:

EXHIBIT DESIGNATION	DESCRIPTION
A	Legal Description of Property
B	Depiction of the Property

14.18 Recordation.

The City Clerk of City shall record this Agreement and any amendment, modification, or cancellation of this Agreement in the Office of the County Recorder of the County of Orange within the period required by California Government Code section 65868.5 and City of Newport Beach Municipal Code section 15.45.090. The date of recordation of this Agreement shall not modify or amend the Effective Date or the Termination Date.

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

SIGNATURE PAGE TO
DEVELOPMENT AGREEMENT

"OWNER"

Intracorp Socal-1, LLC, a Delaware limited liability company

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

"**CITY**"

CITY OF NEWPORT BEACH, a municipal corporation and charter city

_____
, Mayor

ATTEST:

_____
Leilani I. Brown
City Clerk

APPROVED AS TO FORM:

_____
Aaron C. Harp, City Attorney

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

STATE OF CALIFORNIA
COUNTY OF ORANGE

On _____, before me, the undersigned, a Notary Public in and for said State, personally appeared _____ and _____, personally known to me to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities and that by their signature on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

Witness my hand and official seal.

_____
Notary Public in and for
said County and State

STATE OF CALIFORNIA
COUNTY OF ORANGE

On _____, before me, the undersigned, a Notary Public in and for said State, personally appeared _____ and _____, personally known to me to be the persons whose names are subscribed to the within instrument and acknowledged to me that they executed the same in their authorized capacities and that by their signature on the instrument the persons, or the entity upon behalf of which the persons acted, executed the instrument.

Witness my hand and official seal.

_____
Notary Public in and for
said County and State

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

EXHIBIT A

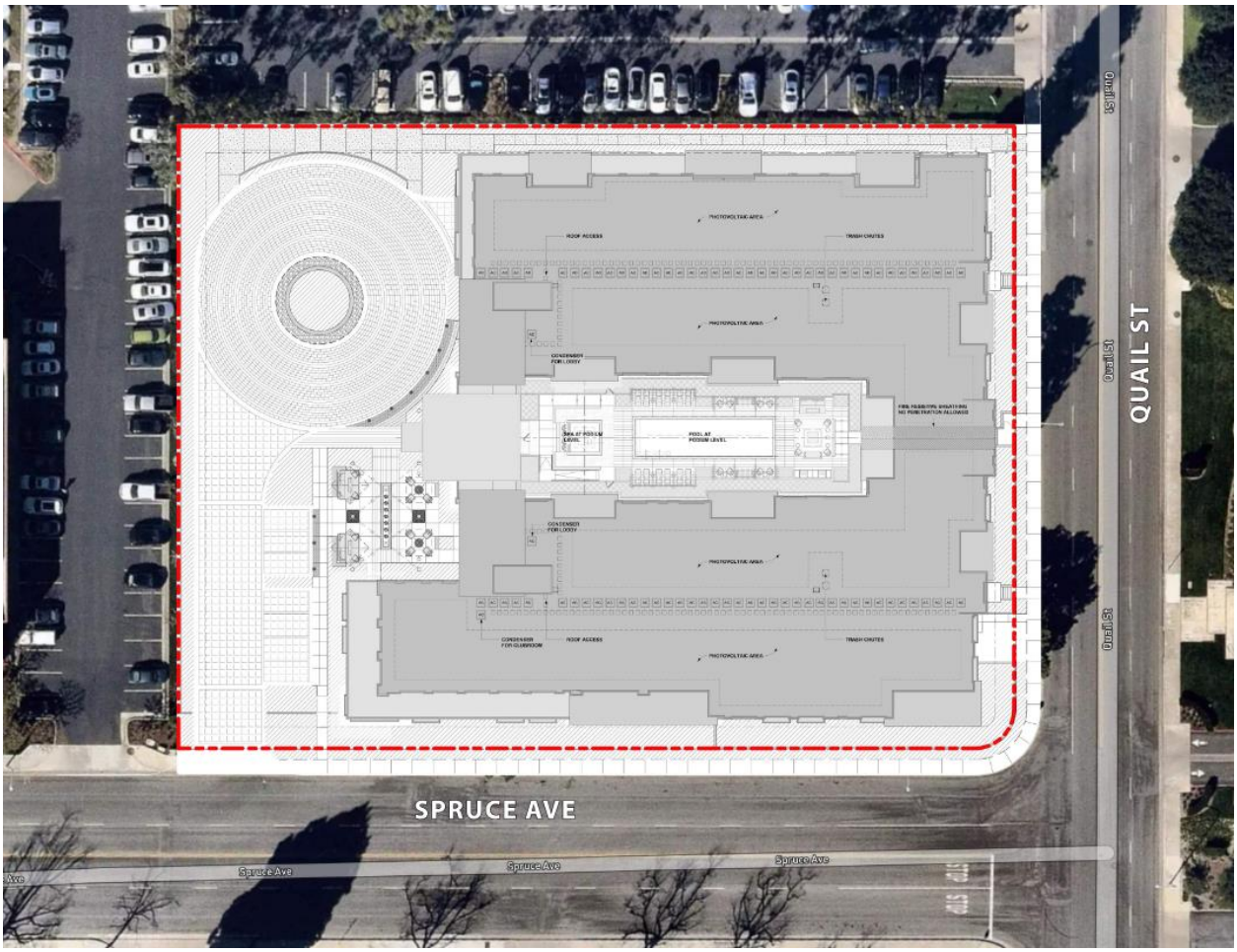
LEGAL DESCRIPTION OF PROPERTY

PARCEL 1 OF RESUBDIVISION NO. 341

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

EXHIBIT B

DEPICTION OF PROPERTY



DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

EXHIBIT "E"

AFFORDABLE HOUSING IMPLEMENTATION PLAN

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

1401 QUAIL STREET, NEWPORT BEACH, CA 92660

AFFORDABLE HOUSING IMPLEMENTATION PLAN AND DENSITY BONUS APPLICATION

SUBMITTED NOVEMBER 28, 2023

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

Project Description & Affordability Level

The developer, Intracorp Homes ("Developer") is proposing the 1401 Quail Street residential development (described herein as "1401 Quail Street") on a 1.71 net acre site located in the Newport Place area. The site is located west of the intersection of Quail Street and Spruce Avenue. The project site is governed by the Newport Place Specific Plan, which has a 30 du / acre minimum in the Planned Community Residential Overlay. The site is currently not under the Residential Overlay, but the application includes an amendment to the Planned Community text to include it. The Residential Overlay requires a minimum of 15% of the base units be set aside as affordable to lower-income households. Lower-income households are defined as those making less than 80% of the area median income, as adjusted for family size by the United States Department of Housing and Urban Development.

The Developer is proposing a for-sale development consisting of 67 residential condominium units. Of the 67 units, 52 are Base Units and 15 are Density Bonus units. To comply with the 15% affordability requirement of the Residential Overlay, 6 units will be set aside for Very Low-Income households and 2 units will be set aside for Low Income households (15 percent of 52 Base Units).

Eligibility for Density Bonus

The 1401 Quail Street development will provide 6 units affordable to Very Low-Income households, 10% of the Base Units as outlined in Table 1. As a result, the project is eligible for a 32.5% density bonus pursuant to the provisions of Government Code Section 65915. Homes Prices for the income-restricted units will be computed in accordance with Health and Safety Code Sec. 50053, as required by Government Code Section 65915(c)(2).

Density Bonus Computation and Term of Affordability

The density bonus computation for the project per Government Code Section 65915 is shown in Table 1:

Table 1

DENSITY BONUS COMPUTATION	
Project Area (acres)	1.71
Allowable Density (du/ac)	30
Allowable Residential Units Before Density Bonus (Base Units)	52
Very Low Income Units Set Aside (10% of base)	6
Eligible Density Bonus (32.5%)	17
Total Allowable Units with Density Bonus	69
Total Units Proposed	**67**

The Developer intends to build the project as a for-sale residential condominium community. The income-restricted units will have affordability restrictions on the sale and conveyance of the units under an equity sharing agreement, per Government Code Section 65915(c)(2).

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

Reduction in Parking

The 1401 Quail Street development meets the criteria of subdivision (b) of Government Code Sec. 65915 and Section 20.32.030 of the City's Zoning Code by providing more than ten percent (10%) of the total units of a housing development (excluding any units permitted by the density bonus awarded pursuant to that section) for Low Income households.

Government Code Section 65915(p) and Section 20.32.060 of the City's Zoning Code provides the following:

> (1) Upon the request of the developer, no city, county, or city and county shall require a vehicular parking ratio, inclusive of handicapped and guest parking, of a development meeting the criteria of subdivision (b), that exceeds the following ratios:
>
> a. Zero to one bedrooms: one onsite parking space.
>
> b. Two to three bedrooms: one and one-half onsite parking spaces.
>
> (2) If the total number of parking spaces required for a development is other than a whole number, the number shall be rounded up to the next whole number.

Table 2 is a summary of Government Code Sec. 65915 parking requirements vs. spaces to be provided:

Table 2

UNIT TYPE	NUMBER OF UNITS	STALLS/UNIT PER GOV. CODE	TOTAL STALLS PER GOV. CODE
2 Bedroom	27	1.50	40.5
3 Bedroom	40	1.50	60
Total	67	1.51	101
Total Parking Stalls Provided		2.18	146

The Developer requests that parking requirements be calculated in accordance with Government

Code Sec. 65915(p).

Development Incentive Request

Pursuant to Government Code Section 65915(d)(1) and Section 20.32.070 of the City's Zoning Code, the Developer is entitled to two (2) concessions or incentive as a result of providing at least ten percent (10%) of the units as affordable for Very Low Income households. In addition, Government Code Section 65915(e)(1) also entitles developers to waivers or modifications of development standards that if applied, would physically preclude development of housing with the provided density bonus.

The Developer requests the following development incentives:

1) **Park In-lieu Fee Payment.** General Plan Land Use Policy LU 6.15.13 requires the dedication and improvement of a neighborhood park. However, this requirement may be waived where it can be demonstrated that the development site is too small to feasibly accommodate the park or inappropriately located to serve the needs of nearby residents. Policy LU6.15.13 requires the payment of an in-lieu fee to the City for the acquisition and improvement of other properties as

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

parklands to serve the airport area if the neighborhood park dedication is waived. In this case, the 1.71-acre Project site is too small to feasibly accommodate the park and the Developer requests a reduction of the in-lieu fee as a non-mandatory concession. This reduction of an in-lieu fee is an actual cost reduction that makes the development of the affordable housing units financially feasible.

2) **Affordable Unit Mix.** Section 20.32.110 of the City's Municipal Code provides that "Affordable units shall reflect the range of numbers of bedrooms provided in the residential development project as a whole." As illustrated in the table below, the Project provides a higher percentage of affordable 2 Bedroom units compared to the market rate units provided. Granting this incentive will result in identifiable, financially sufficient, and actual cost reductions by reducing the higher housing cost subsidy associated with 2- and 3-bedroom units and thereby affording additional revenue to support the feasibility of providing affordable housing units. Developer requests that the 8 income-restricted units be provided utilizing the following unit mixes:

Table 3

UNIT TYPE	NUMBER OF UNITS	TOTAL AFFORDABLE UNITS
2 Bedroom	27	8
3 Bedroom	40	0
Total	**67**	**8**

As required by Government Code Sec. 65915(d)(1)(A), these incentives will result in identifiable and actual cost reductions to provide for the affordable housing payments to be set in accordance with Government Code Sec. 65915(c)(2).

Development Standard Waivers

Section 20.32.080 of the City's Municipal Code provides that "In addition to requesting an incentive or concession, an applicant for a density bonus may also submit a proposal to the City to waive or reduce an unlimited number of development standards that would otherwise preclude or inhibit construction of the housing development at the densities or with the incentives permitted by this chapter.

When an applicant makes a request for a waiver, the review authority shall grant the request unless any of the following findings are made:

1) The waiver or reduction of development standards would have a specific adverse impact upon public health or safety, and for which there is no feasible method to satisfactorily mitigate or avoid the specific adverse impact.
2) The waiver or reduction of development standards would have an adverse impact on any real property listed in the California Register of Historical Resources.
3) The waiver or reduction of development standards would be contrary to State or Federal law."

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

The Developer proposes the following development standard waivers:

1) **Street setback requirements.** The Newport Place Planned Community requires street setbacks of 30 feet from property lines. In this case, 30-foot setbacks along Quail Street and Spruce Street would substantially decrease the development of the footprint of this project. The Project is designed with approximately 10-foot setbacks to Quail Street and 11-foot setbacks to Spruce Street. The reduced street setbacks are necessary to provide sufficient area for the building as well as a 26-foot wide, 2-way driveway at the entrance to the proposed community that also serves as a required fire lane. The reduced setbacks will be sufficiently deep to provide a significant landscape buffer.
2) **Building height requirement.** The Newport Place Planned Community (PC-11) limits residential building height to 55 feet from established grade. In this case, a higher building height is necessary to accommodate 67 residential units. The Project is designed with a height of 86.4 feet from established grade.
3) **General Plan Park dedication requirement.** General Plan Land Use Policy LU 6.15.13 requires a public park equal to eight percent of the gross land area of the development, or a minimum 0.5-acres, whichever is greater, be provided. In this case, the project is required to provide a 0.50-acre public park. The 1.71-acre Project site is too small to feasibility accommodate the required 0.50-acre park and if it were dedicated, the resulting smaller site could not physically accommodate the proposed affordable housing development.
4) **Municipal Code Park dedication requirement.** Sections 19.52.040 and 19.52.050 of the City's municipal code requires physical land to be dedicated to parks for projects containing more than 50 units. The requirement is 5 acres per 1,000 persons residing in a subdivision. In this case, using 2.2 persons per household, the Project would be required to dedicated 0.74 acres for park. The 1.71-acre Project site is too small to feasibility accommodate the required 0.74-acre park and if it were dedicated, the resulting smaller site could not physically accommodate the proposed affordable housing development.

Income Limits

Very Low Income Households are defined as households whose gross income does not exceed 50% of area median income, adjusted for household size while Low Income households shall not exceed 80% of area median income. Table 4 below shows the maximum income limits for 2023 as determined by the U.S. Department of Housing and Urban Development and the California Department of Housing and Community Development ("HCD") for Low Income households with household sizes appropriate for the 1401 Quail Street development:

Table 4

AFFORDABLE HOUSING COMPUTATION	
Orange County Median Income (3-Person Household)	$115,000
Very Low Income (50% AMI)	$57,500
Low Income (80% AMI)	$92,000

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

Housing Payment Limits for Affordable Homes

The 8 income-restricted units shall be purchase at an affordable cost calculated in accordance with the provisions of Section 50053 of the Health and Safety Code. That section requires that the housing payment for a two-bedroom unit assumes a three-person household for housing payment calculation purposes. For Very Low Income households in owner-occupied housing, Section 50052.5 of the Health and Safety Code limits affordable housing payment to 30% times 50% of area median income, as calculated in Table 5 below. For Low Income households in owner-occupied housing, affordable housing payment is limited to 30% times 70% of area median income. The values calculated are then adjusted by a utility allowance as determined annually by the County of Orange Housing & Community Services Department. As of October 1, 2022, the reduction for the utility allowance is $238.00 per month ($2,856 per year) for a two-bedroom unit. The utility allowance utilized assumes gas cooking, space heating, and water heating, as well as air conditioning, water and sewer, and trash fees which will be paid by the homeowner. The maximum housing payment levels before property taxes, HOA, maintenance, and insurance for 2023 are shown in Table 5 below:

Table 5

UNIT TYPE	GROSS INCOME	ANNUAL PAYMENT	UTILITY ALLOWANCE	HOA, MAINTAIN., & INSURANCE	PROPERTY TAXES	AFFORDABLE HOUSING PAYMENT
VLI	$57,500	$17,250	$2,856	$7,800	$780	$5,814
Low	$80,500	$24,150	$2,856	$7,800	$1,597	$11,897

The Developer will enter into an affordable housing agreement, in recordable form, with the City prior to obtaining the first building permit for any residential unit. That agreement will ensure that the maximum housing payment for the income-restricted units will be calculated using the methodologies as utilized in Table 5. The housing payment rates shown will be updated prior to the commencement of sales activities and on an ongoing basis to reflect then current income limits, utility allowances, and any changes in applicable regulations and statutes. The sales value for the affordable units will be calculated in the quarter that they will be available for sale. The current estimated sales price for the affordable units is shown in Tables 6A and 6B.

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

Table 6A

VERY LOW INCOME AFFORDABLE SALES PRICE CALCULATION	2BR UNIT
A. Income Allocated to Housing	
Area Median Income	$115,000
50% Area Median Income	57,500
Income Allocated to Housing (30%)	17,250
B. Recurring Costs	
Annual Utilities Allowance	$2,856
HOA, Maintenance, & Insurance	7,800
Property Taxes (1.11% of Sales Price)	780
C. Income Available for Mortgage	**$5,814**
D. Affordable Sales Price	
Supportable 30-Year Mortgage at 7.9% Interest Rate	$66,657
Home Buyer Down Payment (5% of Affordable Sales Price)	3,333
Affordable Sales Price	**$69,990**

Table 6B

LOW INCOME AFFORDABLE SALES PRICE CALCULATION	2BR UNIT
A. Income Allocated to Housing	
Area Median Income	$115,000
70% Area Median Income	80,500
Income Allocated to Housing (30%)	24,150
B. Recurring Costs	
Annual Utilities Allowance	$2,856
HOA, Maintenance, & Insurance	7,800
Property Taxes (1.11% of Sales Price)	1,597
C. Income Available for Mortgage	**$11,897**
D. Affordable Sales Price	
Supportable 30-Year Mortgage at 7.9% Interest Rate	$136,408
Home Buyer Down Payment (5% of Affordable Sales Price)	6,820
Affordable Sales Price	**$143,228**

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

Equity Sharing Agreement

Per Section 20.32.140 of the City's Municipal Code, if a Very Low or Low Income unit is initially occupied by a very low or low-income household and offered at an affordable housing cost, the unit will be subject to an equity sharing agreement. In lieu of an equity sharing agreement, the affordable units could per sold to a nonprofit housing corporation pursuant to six requirements in the above section.

Upon resale, the seller of the unit shall retain the value of any improvements, the downpayment, and the seller's proportionate share of appreciation and the City of Newport Beach shall recapture any initial subsidy and its proportionate share of appreciation, which shall then be used within five years for any purposes that promote affordable home ownership.

The Equity Sharing Agreement shall adhere to the following requirements:

- The City's initial subsidy shall be equal to the fair market value of the home at the time of the initial sale, minus the initial sale price, plus the amount of any down payment or mortgage assistance. If upon resale, the market value is lower than the initial market value, then the value at the time of resale shall be used as the initial market value.
- The City of Newport Beach's proportionate share of appreciation shall be equal to the ratio of the initial subsidy to the fair market value of the home at the time of the initial sale: and
- The initial subsidy shall include any incentives granted by the City of Newport Beach and shall be equal to the monetary equivalent of the incentives.

Requested City of Newport Beach Assistance

Financial Assistance

The Developer is requesting a reduction of the park in-lieu fee payment.

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

EXHIBIT "F"

CONDITIONS OF APPROVAL

(Project-specific conditions are in italics)

Planning Division

1. The development shall be in substantial conformance with the approved site plan, floor plans, landscape plans, and building elevations stamped and dated with the date of this approval (except as modified by applicable conditions of approval).

2. The Project is subject to compliance with all applicable submittals approved by the City of Newport Beach (City) and all applicable City ordinances, policies, and standards, unless specifically waived or modified by the conditions of approval.

3. *Entitlements granted under PA2023-0040 shall expire unless exercised within 24 months from the date of approval as specified in Section 20.54.060 (Time Limits and Extensions) of the Newport Beach Municipal Code (NBMC), unless an extension is otherwise granted by the City for a period of time provided in the Development Agreement pursuant to the provisions of California Government Code Section 66452.06(a).*

4. *The proposed residential development shall consist of 67 for-sale condominiums, inclusive of 52 base units and 15 density bonus units, consistent with the approved Affordable Housing Implementation Plan (AHIP).*

5. *A minimum of 8 condominium units shall be made affordable to low and very low-income households, consistent with the approved Residences at 1401 Quail Street AHIP dated November 28, 2023.*

6. *Prior to the issuance of a building permit, an affordable housing agreement shall be executed in a recordable form as required by the City Attorney's Office.*

7. *On-site recreational amenities: private balconies, a clubroom, a pool deck, seating area, and lounge as illustrated on the approved plans shall be provided and maintained for the duration of the Project. The exact mix of amenities may be modified from the original approved plans subject to the approval by the Community Development Director. The total floor area or open space area dedicated to on-site recreational amenities shall not be reduced.*

8. *Maximum building height of the residential structure shall not exceed 81 feet, inclusive of architectural features and mechanical equipment.*

9. *The residential parking garage shall have the following features:*

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

a. *A safe, secure and well lighted and signed pedestrian paths for all users.*

b. *Adequate and uniform lighting throughout each parking level.*

c. *Panic alarms and two-way communication systems in prominent locations on each parking level.*

10. *Prior to the issuance of a building permit, an acoustical analysis report, prepared by an acoustical engineer, shall be submitted to the Planning Division describing the acoustical design features of the structure that will satisfy the exterior and interior noise standards. The Project shall be attenuated in compliance with the report.*

11. *The residential structure shall be attenuated to provide an interior noise level of 45 dBA CNEL or less. Use of walls, berms, interior noise insulation, double paned windows, advanced insulation systems, or other noise mitigation measures, as deemed appropriate by the City shall be incorporated in the design of the new residential structure to provide adequate noise attenuation.*

12. *The design of the residential structure shall provide adequate noise attenuation between adjacent units (common floor/ceiling) in accordance with the California Building Code (CBC).*

13. *Advanced air filtration systems for buildings shall be considered to promote cleaner air without the opening of windows.*

14. *Prior to the issuance of a building permit, the Applicant shall submit to the Community Development Department a final copy of FAA Determination of No Hazard to Air Navigation reflective of the proposed building height.*

15. *The Applicant shall comply with all applicable provisions of NBMC Chapter 15.38, Fair Share Traffic Contribution Ordinance, and Chapter 15.42, Major Thoroughfare and Bridge Fee Program. Prior to the issuance of a building permit, Fair Share and Transportation Corridor Agency fees shall be paid for the Project.*

16. *Prior to the issuance of a building permit, the Applicant shall pay applicable school fees for the Project.*

17. *Prior to the issuance of a building permit, the Applicant shall pay applicable property development tax as required pursuant to NBMC Chapter 3.12 (Property Development Tax) for the Project.*

18. *Prior to the issuance of a building permit, the Applicant shall pay the Project's fair share of public safety fee, as determined by the Community Development Director, to fund the cost of staffing, services and equipment as necessary for fire-related public safety purposes.*

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

19. *The property management company shall distribute a written disclosure statement prior to sale of any residential unit. The disclosure statement shall indicate that the occupants will be living in an urban type of environment and that the noise, odor, and outdoor activity levels may be higher than a typical suburban residential area. In addition, potential annoyances or inconveniences associated with residing in proximity to airport operations such as noise, vibration, and odor may occur. The disclosure statement shall include a written description of the potential impacts to residents of both the existing environment and potential impacts based upon the allowed uses in the zoning district and proximity to airport. Each and every purchaser shall sign the statement acknowledging that they have received, read, and understand the disclosure statement. The Applicant shall covenant to include within all deeds, leases or contracts conveying any interest in the Project: (1) the disclosure and notification requirement stated herein; (2) an acknowledgment by all grantees or lessees that the property is located within an urban type of environment and that the noise, odor, and outdoor activity levels may be higher than a typical suburban residential area; and (3) acknowledgment that the covenant is binding for the benefit and in favor of the City of Newport Beach.*

20. *Disturbance to or removal of potential bird nesting habitat shall be prohibited during the migratory bird nesting season (February 1 through August 31) unless a migratory bird nesting survey is completed. If demolition and/or vegetation removal is planned to occur during the migratory bird nesting season (February 1 through August 31), then a migratory bird nesting survey shall be completed in accordance with the following requirements:*

    a. *Within three days prior to initiating demolition, tree removals and/or vegetation clearing, a nesting bird survey shall be conducted by a qualified biologist within the suitable habitat to be removed and within a 250-foot radius.*

    b. *If the survey reveals no active nesting, the proposed action may proceed.*

    c. *If the survey identifies the presence of active sensitive bird nests, then the nests shall not be disturbed unless the qualified biologist verifies through non-invasive methods that either (i) the adult birds have not begun egg-laying and incubation; or (ii) the juveniles from the occupied nests are capable of independent survival.*

    d. *If the biologist is not able to verify any of the conditions from sub-item "b," above, then no disturbance shall occur within a buffer zone specified by the qualified biologist for each nest or nesting site. The buffer zone shall be species-appropriate (no less than 100-foot radius around the nest for non-raptors and no more than a 500-foot radius around the nest for raptors, or as otherwise determined by the qualified biologist) and shall be sufficient to protect the nest from direct and indirect impacts from construction activities. The nests and buffer zones shall be field checked approximately weekly by a qualified biological monitor. The approved buffer zone shall be marked in the field with construction fencing, within which no vegetation clearing or ground disturbance shall commence until the qualified biologist with City concurrence verify that the nests*

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

are no longer occupied and/or juvenile birds can survive independently from the nests.

21. Any substantial modification to the approved Site Development Review plans, as determined by the Community Development Director, shall require an amendment to this Site Development Review application or the processing of a new application.

22. A copy of the Resolution, including conditions of approval Exhibit "F" shall be incorporated into the Building Division and field sets of plans prior to issuance of the building permits.

23. Prior to the issuance of a building permit, Applicant shall submit to the Planning Division an additional copy of the approved architectural plans for inclusion in the Site Development Review file. The plans shall be identical to those approved by all City departments for building permit issuance. The approved copy shall include architectural sheets only and shall be reduced in size to 11 inches by 17 inches. The plans shall accurately depict the elements approved by this Site Development Review and shall highlight the approved elements such that they are readily discernible from other elements of the plans.

24. Prior to the issuance of a building permit, Applicant shall submit a detailed landscape and irrigation plan prepared by a licensed landscape architect for the Project. These plans shall incorporate drought tolerant plantings and water efficient irrigation practices, and the plans shall be approved by the Planning Division.

25. All landscape materials and irrigation systems shall be maintained in accordance with the approved landscape plan. All landscaped areas shall be maintained in a healthy and growing condition and shall receive regular pruning, fertilizing, mowing and trimming. All landscaped areas shall be kept free of weeds and debris. All irrigation systems shall be kept operable, including adjustments, replacements, repairs, and cleaning as part of regular maintenance.

26. The site shall not be excessively illuminated based on the luminance recommendations of the Illuminating Engineering Society of North America, or, if in the opinion of the Director of Community Development, the illumination creates an unacceptable negative impact on surrounding land uses or environmental resources. The Director may order the dimming of light sources or other remediation upon finding that the site is excessively illuminated.

27. Prior to the issuance of a building permit, the Applicant shall prepare photometric study for the Project in conjunction with a final lighting plan for approval by the Planning Division. All outdoor lighting fixtures shall be designed, shielded, aimed, located, and maintained to shield adjacent properties and to not produce glare onto adjacent properties or roadways. Parking lot light fixtures and light fixtures on buildings shall be full cut-off fixtures.

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

28. Prior to the issuance of Final Certificate of Occupancy, the Applicant shall schedule an evening inspection by the Code and Water Quality Enforcement Division to confirm control of light and glare specified in conditions of approval.

29. Prior to the issuance of a building permit, the Applicant shall pay any unpaid administrative costs associated with the processing of this application to the Planning Division.

30. All noise generated by the proposed use shall comply with the provisions of Chapter 10.26 (Community Noise Control) and other applicable noise control requirements of the Newport Beach Municipal Code. The maximum noise shall be limited to no more than depicted below for the specified time periods unless the ambient noise level is higher:

	Between the hours of 7:00AM and 10:00PM		Between the hours of 10:00PM and 7:00AM	
Location	Interior	Exterior	Interior	Exterior
Residential Property	45dBA	55dBA	40dBA	50dBA
Residential Property located within 100 feet of a commercial property	45dBA	60dBA	45dBA	50dBA
Mixed Use Property	45dBA	60dBA	45dBA	50dBA
Commercial Property	N/A	65dBA	N/A	60dBA

31. Should the property be sold or otherwise come under different ownership, any future owners or assignees shall be notified of the conditions of this approval by either the current business owner, property owner or the leasing agent.

32. Construction activities shall comply with Section 10.28.040 (Construction Activity – Noise Regulations) of the Newport Beach Municipal Code, which restricts hours of noise-generating construction activities that produce noise to between the hours of 7:00 a.m. and 6:30 p.m., Monday through Friday, and 8:00 a.m. and 6:00 p.m. on Saturday. Noise-generating construction activities are not allowed on Sundays or Holidays.

33. Refuse collection shall comply with the Waste Management Plan included in the approved plans. The Applicant's property management company shall contract with a franchised hauler on the City list of authorized companies.

34. All trash shall be stored within the building or within dumpsters stored in the trash enclosure (three walls and a self-latching gate) or otherwise screened from view of neighboring properties, except when placed for pick-up by refuse collection agencies.

35. The Applicant shall ensure that the trash dumpsters and/or receptacles are maintained to control odors. This may include the provision of either fully self-contained dumpsters or periodic steam cleaning of the dumpsters, if deemed necessary by the Planning Division. Cleaning and maintenance of trash dumpsters shall be done in compliance with the provisions of NBMC Title 14 (Water and Sewers), including all future amendments (including Water Quality related requirements).

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

36. *A qualified monitor, one from each consulting tribe (the Juaneño Band of Mission Indians - Acjachemen Nation and the Gabrieleno Band of Mission Indians - Kizh Nation), shall be retained and compensated as Native American Monitors for the project site prior to the commencement of any ground-disturbing activity to the completion of ground disturbing activities to monitor grading and excavation activities. A rotation schedule between the two tribes shall be established with the applicant. Voluntary monitoring by each consulting tribe is permitted on days that the tribe(s) is not scheduled to monitor.*

37. *The rotating monitors, one from each consulting tribe, shall be retained prior to the commencement of any "ground-disturbing activity" for the subject project at all project locations (i.e., both on-site and any off-site locations that are included in the project description/definition and/or required in connection with the project, including as public improvement work undertaken by the applicant). "Ground-disturbing activity" shall include, but is not limited to, any demolition that includes subterranean impacts, potholing, auguring, boring, grading, excavation, drilling, and trenching.*

38. *A copy of the executed monitoring agreement shall be submitted to the City prior to the commencement of any ground-disturbing activity, or the issuance of any permit necessary to commence a ground-disturbing activity.*

39. *Both monitors shall complete daily monitoring logs that will provide descriptions of the relevant ground-disturbing activities, the type of construction activities performed, locations of ground-disturbing activities, soil types, cultural-related materials, and any other facts, conditions, materials, or discoveries of significance to the Tribe. Monitor logs will identify and describe any discovered TCRs, including but not limited to, Native American cultural and historical artifacts, remains, places of significance, etc., (collectively, tribal cultural resources, or "TCR"), as well as any discovered Native American (ancestral) human remains and burial goods. Copies of monitor logs shall be shared between the two monitors and provided to the project applicant/lead agency upon written request to the monitors.*

40. *On-site tribal monitoring shall conclude upon the latter of the following (1) written confirmation to the consulting tribes from a designated point of contact for the project applicant/lead agency that all ground-disturbing activities and phases that may involve ground-disturbing activities on the project site or in connection with the project are complete; or (2) a determination and written notification by the consulting tribes to the project applicant/lead agency that no future, planned construction activity and/or development/construction phase at the project site possesses the potential to impact TCRs of the consulting tribes.*

41. *Upon discovery of any TCRs, all construction activities in the immediate vicinity of the discovery shall cease (i.e., within the surrounding 50 feet) and shall not resume until the discovered TCR has been fully assessed by the monitor and/or archaeologist. The monitors will recover and retain all discovered TCRs in the form and/or manner the tribes deem appropriate, in the tribes' sole discretion in coordination with the applicant, and for any purpose the tribes deem appropriate, including for educational, cultural and/or historic purposes.*

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

42. *Native American human remains are defined in PRC 5097.98 (d)(1) as an inhumation or cremation, and in any state of decomposition or skeletal completeness. Funerary objects, called associated grave goods in Public Resources Code Section 5097.98, are also to be treated according to this statute.*

43. *If Native American human remains and/or grave goods are discovered or recognized on the project site, then Public Resource Code 5097.9 as well as Health and Safety Code Section 7050.5 shall be followed.*

44. *Human remains and grave/burial goods shall be treated alike per California Public Resources Code section 5097.98(d)(1) and (2).*

45. *Preservation in place (i.e., avoidance) is the preferred manner of treatment for discovered human remains and/or burial goods.*

46. *Any discovery of human remains/burial goods shall be kept confidential to prevent further disturbance.*

47. To the fullest extent permitted by law, Applicant shall indemnify, defend and hold harmless City, its City Council, its boards and commissions, officials, officers, employees, and agents from and against any and all claims, demands, obligations, damages, actions, causes of action, suits, losses, judgments, fines, penalties, liabilities, costs and expenses (including without limitation, attorney's fees, disbursements and court costs) of every kind and nature whatsoever which may arise from or in any manner relate (directly or indirectly) to City's approval of Residences at 1401 Quail Street including, but not limited to, a General Plan Amendment, Planned Community Development Plan Amendment, Site Development Review, Vesting Tentative Tract Map, Affordable Housing Implementation Plan, Development Agreement and Addendum to the 2006 General Plan Update Program Environmental Impact Report (PA2023-0040). This indemnification shall include, but not be limited to, damages awarded against the City, if any, costs of suit, attorneys' fees, and other expenses incurred in connection with such claim, action, causes of action, suit or proceeding whether incurred by Applicant, City, and/or the parties initiating or bringing such proceeding. The Applicant shall indemnify the City for all of City's costs, attorneys' fees, and damages which City incurs in enforcing the indemnification provisions set forth in this condition. The Applicant shall pay to the City upon demand any amount owed to the City pursuant to the indemnification requirements prescribed in this condition.

Fire Department

48. *Prior to the issuance of any occupancy permits (temporary or final), all fire and life safety systems, and the emergency responder radio system shall be inspected and approved by the Fire Marshal.*

49. *Prior to the building permit issuance*, a fire master plan shall be submitted and approved by the Fire Marshal.

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

50. *Prior to any foundation permit issuance for the garage basement area,* a temporary fire department access way, as approved by the Fire Department, shall be provided until the permanent fire access way is installed. Required fire and life safety systems, including the fire sprinkler system, shall be operational in the garage basement areas used for parking by the construction crews and for storage of building materials and construction equipment.

51. *One elevator shall be gurney sized and equipped as a medical emergency elevator as CBC Section 3002.*

52. Emergency responder radio coverage shall be required to comply with NBFD Guideline D.05 “Public Safety Radio Coverage” and CFC Section 510.

53. Emergency power and Standby Power System shall be required as per CFC Section 604.2.14.

54. An automatic sprinkler system shall be installed in accordance with CFC Section 903.2 amendment shall be provided throughout all buildings.

55. A standpipe system shall be required and installed as per CFC Section 905.3.1.

56. Fire Alarm system shall be provided as per CFC Section 907.2.9.

Building Division

57. The Applicant is required to obtain all applicable permits from the City’s Building Division and Fire Department. The construction plans must comply with the most recent, City-adopted version of the California Building Code. The construction plans must meet all applicable State Disabilities Access requirements. Approval from the Orange County Health Department is required prior to the issuance of a building permit.

58. The Applicant shall employ the following best available control measures (BACMs) to reduce construction-related air quality impacts:

Dust Control
- Water all active construction areas at least twice daily.
- Cover all haul trucks or maintain at least two feet of freeboard.
- Pave or apply water four times daily to all unpaved parking or staging areas.
- Sweep or wash any site access points within two hours of any visible dirt deposits on any public roadway.
- Cover or water twice daily any on-site stockpiles of debris, dirt or other dusty material.
- Suspend all operations on any unpaved surface if winds exceed 25 mph.

Emissions
- Require 90-day low-NOx tune-ups for off road equipment.
- Limit allowable idling to 30 minutes for trucks and heavy equipment.

Off-Site Impacts

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

- Encourage carpooling for construction workers.
- Limit lane closures to off-peak travel periods.
- Park construction vehicles off traveled roadways.
- Wet down or cover dirt hauled off-site.
- Sweep access points daily.
- Encourage receipt of materials during non-peak traffic hours.
- Sandbag construction sites for erosion control.

Fill Placement

- The number and type of equipment for dirt pushing will be limited on any day to ensure that SCAQMD significance thresholds are not exceeded.
- Maintain and utilize a continuous water application system during earth placement and compaction to achieve a 10 percent soil moisture content in the top six-inch surface layer, subject to review/discretion of the geotechnical engineer.

59. Prior to the issuance of a grading permit, a Storm Water Pollution Prevention Plan (SWPPP) and Notice of Intent (NOI) to comply with the General Permit for Construction Activities shall be prepared, submitted to the State Water Quality Control Board for approval and made part of the construction program. The Project Applicant will provide the City with a copy of the NOI and their application check as proof of filing with the State Water Quality Control Board. This plan will detail measures and practices that will be in effect during construction to minimize the project's impact on water quality.

60. Prior to the issuance of a grading permit, the Applicant shall prepare and submit a Water Quality Management Plan (WQMP) for the proposed project, subject to the approval of the Building Division and Code and Water Quality Enforcement Division. The WQMP shall provide appropriate Best Management Practices (BMPs) to ensure that no violations of water quality standards or waste discharge requirements occur.

61. A list of "good housekeeping" practices will be incorporated into the long-term post-construction operation of the site to minimize the likelihood that pollutants will be used, stored or spilled on the site that could impair water quality. These may include frequent parking area vacuum truck sweeping, removal of wastes or spills, limited use of harmful fertilizers or pesticides, and the diversion of storm water away from potential sources of pollution (e.g., trash receptacles and parking structures). The Stage 2 WQMP shall list and describe all structural and non-structural BMPs. In addition, the WQMP must also identify the entity responsible for the long-term inspection, maintenance, and funding for all structural (and if applicable Treatment Control) BMPs.

62. *Prior to the building plan check submittal, the Applicant shall submit the Project for Building Code Preliminary Review.*

63. *The residential dwelling units and their common use areas shall comply with Housing Accessibility per Chapter 11A.*

64. *The nonresidential portion of the development shall comply with the public accommodation requirements per Chapter 11B.*

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

Public Works Department

65. A Tract Map shall be recorded prior to the sale of any residential units. The map shall be prepared on the California coordinate system (NAD83). Prior to recordation of the Map, the surveyor/engineer preparing the Map shall submit to the County Surveyor and the City of Newport Beach a digital-graphic file of said map in a manner described in Sections 7-9-330 and 7-9-337 of the Orange County Subdivision Code and Orange County Subdivision Manual, Sub Article 18. The Map to be submitted to the City of Newport Beach shall comply with the City's CADD standards. Scanned images will not be accepted.

66. Prior to the recordation of the tract map, the surveyor/engineer preparing the map shall tie the boundary of the map into the Horizontal Control System established by the County Surveyor in a manner described in Sections 7-9-330 and 7-9-337 pf the Orange County Subdivision Code and Orange County Subdivision Manual, Sub Article 18. Monuments (one-inch iron pipe with tag) shall be set On Each Lot Corner unless otherwise approved by the Subdivision Engineer. Monuments shall be protected in place if installed prior to completion of construction project.

67. Prior to the recordation of the Tract Map, a Subdivision Agreement shall be obtained and approved by the City Council consistent with the Subdivision Code Section 19.36.010.

68. Prior to Final Map approval, the applicant shall provide a Faithful Performance Bond and Labor and Materials Bond, each for 100%of the estimated improvement costs for the improvements in the public right of way, as prepared by a Registered Civil Engineer and approved by the Public Works Director, for each of the following, but not limited to, public and private improvements, street improvements, monumentation, sidewalks, striping, signage, street lights, sewer systems, water systems, storm drain systems, water quality management systems, erosion control, landscaping and irrigation within the public right of way, common open spaces areas accessible by the public, fire access and off-site improvements required as part of the project.

69. Warranty Bond for a minimum of 10%of the engineers cost estimate (final percentage to be determined by the Public Works Director) to be released 1-year after the improvements have been accepted.

70. All improvements shall be constructed as required by Ordinance and the Public Works Department.

71. An encroachment permit shall be required for all work activities within the public right-of-way.

72. The final Construction Management Plan (CMP) shall be reviewed and approved by the Community Development Director and the City Traffic Engineer prior to building permit issuance.

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

73. A Parking Management Plan (PMP) shall be reviewed and approved by the Community Development Director and City Traffic Engineer prior to building permit issuance. The PMP shall include information regarding gate operation, move-in and move-out, ride-share area, guest parking areas and residential parking areas.

74. Parking layout and ramp slopes shall comply with the City Parking Lot Standard 805. Dead-end drive aisle in public areas and/or unassigned parking areas shall provide a dedicated turn around space and minimum 5-foot drive aisle extension.

75. The applicant shall reconstruct all existing broken and/or otherwise damaged curb, gutter and sidewalk along the Spruce Street and Quail Street frontages per City Standards.

76. All deliveries shall be accommodated on-site and prohibited from parking or stopping within the public right of way. Only ride share vehicles shall be permitted to utilize the pull-out area located on Spruce Street.

77. The proposed driveway shall be constructed per City Standard 161. The radius for the Bristol Street North driveway shall be minimum 20-foot radius and the radius for the Spruce Street driveway shall be 15-foot minimum.

78. All on-site fire hydrants shall be privately owned and maintained.

79. All landscaping and walls along the Spruce Street and Quail Street frontages shall comply with the City's line of sight standard 105.

80. Final design of the water and sewer services is subject to further review by the Public Works Department during plan check.

81. *Prior to the issuance of a Certificate of Occupancy, the Applicant shall coordinate with the City to complete the required off-site improvements identified in the Sewer Capacity Study dated October 20, 2023, to the satisfaction of the Public Works and Utilities Directors. The Applicant shall be responsible for their fair share cost of the improvements as determined by the City, which may include the payment and construction of the entire improvement.*

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

EXHIBIT "F"

CONDITIONS OF APPROVAL

(Project-specific conditions are in italics)

Planning Division

1. The development shall be in substantial conformance with the approved site plan, floor plans, landscape plans, and building elevations stamped and dated with the date of this approval (except as modified by applicable conditions of approval).

2. The Project is subject to compliance with all applicable submittals approved by the City of Newport Beach (City) and all applicable City ordinances, policies, and standards, unless specifically waived or modified by the conditions of approval.

3. *Entitlements granted under PA2023-0040 shall expire unless exercised within 24 months from the date of approval as specified in Section 20.54.060 (Time Limits and Extensions) of the Newport Beach Municipal Code (NBMC), unless an extension is otherwise granted by the City for a period of time provided in the Development Agreement pursuant to the provisions of California Government Code Section 66452.06(a).*

4. *The proposed residential development shall consist of 67 for-sale condominiums, inclusive of 52 base units and 15 density bonus units, consistent with the approved Affordable Housing Implementation Plan (AHIP).*

5. *A minimum of 8 condominium units shall be made affordable to low and very low-income households, consistent with the approved Residences at 1401 Quail Street AHIP dated November 28, 2023.*

6. *Prior to the issuance of a building permit, an affordable housing agreement shall be executed in a recordable form as required by the City Attorney's Office.*

7. *On-site recreational amenities: private balconies, a clubroom, a pool deck, seating area, and lounge as illustrated on the approved plans shall be provided and maintained for the duration of the Project. The exact mix of amenities may be modified from the original approved plans subject to the approval by the Community Development Director. The total floor area or open space area dedicated to on-site recreational amenities shall not be reduced.*

8. *Maximum building height of the residential structure shall not exceed 81 feet, inclusive of architectural features and mechanical equipment.*

9. *The residential parking garage shall have the following features:*

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

a. *A safe, secure and well lighted and signed pedestrian paths for all users.*

b. *Adequate and uniform lighting throughout each parking level.*

c. *Panic alarms and two-way communication systems in prominent locations on each parking level.*

10. *Prior to the issuance of a building permit, an acoustical analysis report, prepared by an acoustical engineer, shall be submitted to the Planning Division describing the acoustical design features of the structure that will satisfy the exterior and interior noise standards. The Project shall be attenuated in compliance with the report.*

11. *The residential structure shall be attenuated to provide an interior noise level of 45 dBA CNEL or less. Use of walls, berms, interior noise insulation, double paned windows, advanced insulation systems, or other noise mitigation measures, as deemed appropriate by the City shall be incorporated in the design of the new residential structure to provide adequate noise attenuation.*

12. *The design of the residential structure shall provide adequate noise attenuation between adjacent units (common floor/ceiling) in accordance with the California Building Code (CBC).*

13. *Advanced air filtration systems for buildings shall be considered to promote cleaner air without the opening of windows.*

14. *Prior to the issuance of a building permit, the Applicant shall submit to the Community Development Department a final copy of FAA Determination of No Hazard to Air Navigation reflective of the proposed building height.*

15. *The Applicant shall comply with all applicable provisions of NBMC Chapter 15.38, Fair Share Traffic Contribution Ordinance, and Chapter 15.42, Major Thoroughfare and Bridge Fee Program. Prior to the issuance of a building permit, Fair Share and Transportation Corridor Agency fees shall be paid for the Project.*

16. *Prior to the issuance of a building permit, the Applicant shall pay applicable school fees for the Project.*

17. *Prior to the issuance of a building permit, the Applicant shall pay applicable property development tax as required pursuant to NBMC Chapter 3.12 (Property Development Tax) for the Project.*

18. *Prior to the issuance of a building permit, the Applicant shall pay the Project's fair share of public safety fee, as determined by the Community Development Director, to fund the cost of staffing, services and equipment as necessary for fire-related public safety purposes.*

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

19. *The property management company shall distribute a written disclosure statement prior to sale of any residential unit. The disclosure statement shall indicate that the occupants will be living in an urban type of environment and that the noise, odor, and outdoor activity levels may be higher than a typical suburban residential area. In addition, potential annoyances or inconveniences associated with residing in proximity to airport operations such as noise, vibration, and odor may occur. The disclosure statement shall include a written description of the potential impacts to residents of both the existing environment and potential impacts based upon the allowed uses in the zoning district and proximity to airport. Each and every purchaser shall sign the statement acknowledging that they have received, read, and understand the disclosure statement. The Applicant shall covenant to include within all deeds, leases or contracts conveying any interest in the Project: (1) the disclosure and notification requirement stated herein; (2) an acknowledgment by all grantees or lessees that the property is located within an urban type of environment and that the noise, odor, and outdoor activity levels may be higher than a typical suburban residential area; and (3) acknowledgment that the covenant is binding for the benefit and in favor of the City of Newport Beach.*

20. *Disturbance to or removal of potential bird nesting habitat shall be prohibited during the migratory bird nesting season (February 1 through August 31) unless a migratory bird nesting survey is completed. If demolition and/or vegetation removal is planned to occur during the migratory bird nesting season (February 1 through August 31), then a migratory bird nesting survey shall be completed in accordance with the following requirements:*

    a. *Within three days prior to initiating demolition, tree removals and/or vegetation clearing, a nesting bird survey shall be conducted by a qualified biologist within the suitable habitat to be removed and within a 250-foot radius.*

    b. *If the survey reveals no active nesting, the proposed action may proceed.*

    c. *If the survey identifies the presence of active sensitive bird nests, then the nests shall not be disturbed unless the qualified biologist verifies through non-invasive methods that either (i) the adult birds have not begun egg-laying and incubation; or (ii) the juveniles from the occupied nests are capable of independent survival.*

    d. *If the biologist is not able to verify any of the conditions from sub-item "b," above, then no disturbance shall occur within a buffer zone specified by the qualified biologist for each nest or nesting site. The buffer zone shall be species-appropriate (no less than 100-foot radius around the nest for non-raptors and no more than a 500-foot radius around the nest for raptors, or as otherwise determined by the qualified biologist) and shall be sufficient to protect the nest from direct and indirect impacts from construction activities. The nests and buffer zones shall be field checked approximately weekly by a qualified biological monitor. The approved buffer zone shall be marked in the field with construction fencing, within which no vegetation clearing or ground disturbance shall commence until the qualified biologist with City concurrence verify that the nests*

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

are no longer occupied and/or juvenile birds can survive independently from the nests.

21. Any substantial modification to the approved Site Development Review plans, as determined by the Community Development Director, shall require an amendment to this Site Development Review application or the processing of a new application.

22. A copy of the Resolution, including conditions of approval Exhibit "F" shall be incorporated into the Building Division and field sets of plans prior to issuance of the building permits.

23. Prior to the issuance of a building permit, Applicant shall submit to the Planning Division an additional copy of the approved architectural plans for inclusion in the Site Development Review file. The plans shall be identical to those approved by all City departments for building permit issuance. The approved copy shall include architectural sheets only and shall be reduced in size to 11 inches by 17 inches. The plans shall accurately depict the elements approved by this Site Development Review and shall highlight the approved elements such that they are readily discernible from other elements of the plans.

24. Prior to the issuance of a building permit, Applicant shall submit a detailed landscape and irrigation plan prepared by a licensed landscape architect for the Project. These plans shall incorporate drought tolerant plantings and water efficient irrigation practices, and the plans shall be approved by the Planning Division.

25. All landscape materials and irrigation systems shall be maintained in accordance with the approved landscape plan. All landscaped areas shall be maintained in a healthy and growing condition and shall receive regular pruning, fertilizing, mowing and trimming. All landscaped areas shall be kept free of weeds and debris. All irrigation systems shall be kept operable, including adjustments, replacements, repairs, and cleaning as part of regular maintenance.

26. The site shall not be excessively illuminated based on the luminance recommendations of the Illuminating Engineering Society of North America, or, if in the opinion of the Director of Community Development, the illumination creates an unacceptable negative impact on surrounding land uses or environmental resources. The Director may order the dimming of light sources or other remediation upon finding that the site is excessively illuminated.

27. Prior to the issuance of a building permit, the Applicant shall prepare photometric study for the Project in conjunction with a final lighting plan for approval by the Planning Division. All outdoor lighting fixtures shall be designed, shielded, aimed, located, and maintained to shield adjacent properties and to not produce glare onto adjacent properties or roadways. Parking lot light fixtures and light fixtures on buildings shall be full cut-off fixtures.

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

28. Prior to the issuance of Final Certificate of Occupancy, the Applicant shall schedule an evening inspection by the Code and Water Quality Enforcement Division to confirm control of light and glare specified in conditions of approval.

29. Prior to the issuance of a building permit, the Applicant shall pay any unpaid administrative costs associated with the processing of this application to the Planning Division.

30. All noise generated by the proposed use shall comply with the provisions of Chapter 10.26 (Community Noise Control) and other applicable noise control requirements of the Newport Beach Municipal Code. The maximum noise shall be limited to no more than depicted below for the specified time periods unless the ambient noise level is higher:

	Between the hours of 7:00AM and 10:00PM		Between the hours of 10:00PM and 7:00AM	
Location	Interior	Exterior	Interior	Exterior
Residential Property	45dBA	55dBA	40dBA	50dBA
Residential Property located within 100 feet of a commercial property	45dBA	60dBA	45dBA	50dBA
Mixed Use Property	45dBA	60dBA	45dBA	50dBA
Commercial Property	N/A	65dBA	N/A	60dBA

31. Should the property be sold or otherwise come under different ownership, any future owners or assignees shall be notified of the conditions of this approval by either the current business owner, property owner or the leasing agent.

32. Construction activities shall comply with Section 10.28.040 (Construction Activity – Noise Regulations) of the Newport Beach Municipal Code, which restricts hours of noise-generating construction activities that produce noise to between the hours of 7:00 a.m. and 6:30 p.m., Monday through Friday, and 8:00 a.m. and 6:00 p.m. on Saturday. Noise-generating construction activities are not allowed on Sundays or Holidays.

33. Refuse collection shall comply with the Waste Management Plan included in the approved plans. The Applicant's property management company shall contract with a franchised hauler on the City list of authorized companies.

34. All trash shall be stored within the building or within dumpsters stored in the trash enclosure (three walls and a self-latching gate) or otherwise screened from view of neighboring properties, except when placed for pick-up by refuse collection agencies.

35. The Applicant shall ensure that the trash dumpsters and/or receptacles are maintained to control odors. This may include the provision of either fully self-contained dumpsters or periodic steam cleaning of the dumpsters, if deemed necessary by the Planning Division. Cleaning and maintenance of trash dumpsters shall be done in compliance with the provisions of NBMC Title 14 (Water and Sewers), including all future amendments (including Water Quality related requirements).

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

36. *A qualified monitor, one from each consulting tribe (the Juaneño Band of Mission Indians - Acjachemen Nation and the Gabrieleno Band of Mission Indians - Kizh Nation), shall be retained and compensated as Native American Monitors for the project site prior to the commencement of any ground-disturbing activity to the completion of ground disturbing activities to monitor grading and excavation activities. A rotation schedule between the two tribes shall be established with the applicant. Voluntary monitoring by each consulting tribe is permitted on days that the tribe(s) is not scheduled to monitor.*

37. *The rotating monitors, one from each consulting tribe, shall be retained prior to the commencement of any "ground-disturbing activity" for the subject project at all project locations (i.e., both on-site and any off-site locations that are included in the project description/definition and/or required in connection with the project, including as public improvement work undertaken by the applicant). "Ground-disturbing activity" shall include, but is not limited to, any demolition that includes subterranean impacts, potholing, auguring, boring, grading, excavation, drilling, and trenching.*

38. *A copy of the executed monitoring agreement shall be submitted to the City prior to the commencement of any ground-disturbing activity, or the issuance of any permit necessary to commence a ground-disturbing activity.*

39. *Both monitors shall complete daily monitoring logs that will provide descriptions of the relevant ground-disturbing activities, the type of construction activities performed, locations of ground-disturbing activities, soil types, cultural-related materials, and any other facts, conditions, materials, or discoveries of significance to the Tribe. Monitor logs will identify and describe any discovered TCRs, including but not limited to, Native American cultural and historical artifacts, remains, places of significance, etc., (collectively, tribal cultural resources, or "TCR"), as well as any discovered Native American (ancestral) human remains and burial goods. Copies of monitor logs shall be shared between the two monitors and provided to the project applicant/lead agency upon written request to the monitors.*

40. *On-site tribal monitoring shall conclude upon the latter of the following (1) written confirmation to the consulting tribes from a designated point of contact for the project applicant/lead agency that all ground-disturbing activities and phases that may involve ground-disturbing activities on the project site or in connection with the project are complete; or (2) a determination and written notification by the consulting tribes to the project applicant/lead agency that no future, planned construction activity and/or development/construction phase at the project site possesses the potential to impact TCRs of the consulting tribes.*

41. *Upon discovery of any TCRs, all construction activities in the immediate vicinity of the discovery shall cease (i.e., within the surrounding 50 feet) and shall not resume until the discovered TCR has been fully assessed by the monitor and/or archaeologist. The monitors will recover and retain all discovered TCRs in the form and/or manner the tribes deem appropriate, in the tribes' sole discretion in coordination with the applicant, and for any purpose the tribes deem appropriate, including for educational, cultural and/or historic purposes.*

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

42. *Native American human remains are defined in PRC 5097.98 (d)(1) as an inhumation or cremation, and in any state of decomposition or skeletal completeness. Funerary objects, called associated grave goods in Public Resources Code Section 5097.98, are also to be treated according to this statute.*

43. *If Native American human remains and/or grave goods are discovered or recognized on the project site, then Public Resource Code 5097.9 as well as Health and Safety Code Section 7050.5 shall be followed.*

44. *Human remains and grave/burial goods shall be treated alike per California Public Resources Code section 5097.98(d)(1) and (2).*

45. *Preservation in place (i.e., avoidance) is the preferred manner of treatment for discovered human remains and/or burial goods.*

46. *Any discovery of human remains/burial goods shall be kept confidential to prevent further disturbance.*

47. To the fullest extent permitted by law, Applicant shall indemnify, defend and hold harmless City, its City Council, its boards and commissions, officials, officers, employees, and agents from and against any and all claims, demands, obligations, damages, actions, causes of action, suits, losses, judgments, fines, penalties, liabilities, costs and expenses (including without limitation, attorney's fees, disbursements and court costs) of every kind and nature whatsoever which may arise from or in any manner relate (directly or indirectly) to City's approval of Residences at 1401 Quail Street including, but not limited to, a General Plan Amendment, Planned Community Development Plan Amendment, Site Development Review, Vesting Tentative Tract Map, Affordable Housing Implementation Plan, Development Agreement and Addendum to the 2006 General Plan Update Program Environmental Impact Report (PA2023-0040). This indemnification shall include, but not be limited to, damages awarded against the City, if any, costs of suit, attorneys' fees, and other expenses incurred in connection with such claim, action, causes of action, suit or proceeding whether incurred by Applicant, City, and/or the parties initiating or bringing such proceeding. The Applicant shall indemnify the City for all of City's costs, attorneys' fees, and damages which City incurs in enforcing the indemnification provisions set forth in this condition. The Applicant shall pay to the City upon demand any amount owed to the City pursuant to the indemnification requirements prescribed in this condition.

Fire Department

48. *Prior to the issuance of any occupancy permits (temporary or final), all fire and life safety systems, and the emergency responder radio system shall be inspected and approved by the Fire Marshal.*

49. *Prior to the building permit issuance*, a fire master plan shall be submitted and approved by the Fire Marshal.

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

50. *Prior to any foundation permit issuance for the garage basement area,* a temporary fire department access way, as approved by the Fire Department, shall be provided until the permanent fire access way is installed. Required fire and life safety systems, including the fire sprinkler system, shall be operational in the garage basement areas used for parking by the construction crews and for storage of building materials and construction equipment.

51. *One elevator shall be gurney sized and equipped as a medical emergency elevator as CBC Section 3002.*

52. Emergency responder radio coverage shall be required to comply with NBFD Guideline D.05 “Public Safety Radio Coverage” and CFC Section 510.

53. Emergency power and Standby Power System shall be required as per CFC Section 604.2.14.

54. An automatic sprinkler system shall be installed in accordance with CFC Section 903.2 amendment shall be provided throughout all buildings.

55. A standpipe system shall be required and installed as per CFC Section 905.3.1.

56. Fire Alarm system shall be provided as per CFC Section 907.2.9.

Building Division

57. The Applicant is required to obtain all applicable permits from the City’s Building Division and Fire Department. The construction plans must comply with the most recent, City-adopted version of the California Building Code. The construction plans must meet all applicable State Disabilities Access requirements. Approval from the Orange County Health Department is required prior to the issuance of a building permit.

58. The Applicant shall employ the following best available control measures (BACMs) to reduce construction-related air quality impacts:

Dust Control
- Water all active construction areas at least twice daily.
- Cover all haul trucks or maintain at least two feet of freeboard.
- Pave or apply water four times daily to all unpaved parking or staging areas.
- Sweep or wash any site access points within two hours of any visible dirt deposits on any public roadway.
- Cover or water twice daily any on-site stockpiles of debris, dirt or other dusty material.
- Suspend all operations on any unpaved surface if winds exceed 25 mph.

Emissions
- Require 90-day low-NOx tune-ups for off road equipment.
- Limit allowable idling to 30 minutes for trucks and heavy equipment.

Off-Site Impacts

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

- Encourage carpooling for construction workers.
- Limit lane closures to off-peak travel periods.
- Park construction vehicles off traveled roadways.
- Wet down or cover dirt hauled off-site.
- Sweep access points daily.
- Encourage receipt of materials during non-peak traffic hours.
- Sandbag construction sites for erosion control.

Fill Placement

- The number and type of equipment for dirt pushing will be limited on any day to ensure that SCAQMD significance thresholds are not exceeded.
- Maintain and utilize a continuous water application system during earth placement and compaction to achieve a 10 percent soil moisture content in the top six-inch surface layer, subject to review/discretion of the geotechnical engineer.

59. Prior to the issuance of a grading permit, a Storm Water Pollution Prevention Plan (SWPPP) and Notice of Intent (NOI) to comply with the General Permit for Construction Activities shall be prepared, submitted to the State Water Quality Control Board for approval and made part of the construction program. The Project Applicant will provide the City with a copy of the NOI and their application check as proof of filing with the State Water Quality Control Board. This plan will detail measures and practices that will be in effect during construction to minimize the project's impact on water quality.

60. Prior to the issuance of a grading permit, the Applicant shall prepare and submit a Water Quality Management Plan (WQMP) for the proposed project, subject to the approval of the Building Division and Code and Water Quality Enforcement Division. The WQMP shall provide appropriate Best Management Practices (BMPs) to ensure that no violations of water quality standards or waste discharge requirements occur.

61. A list of "good housekeeping" practices will be incorporated into the long-term post-construction operation of the site to minimize the likelihood that pollutants will be used, stored or spilled on the site that could impair water quality. These may include frequent parking area vacuum truck sweeping, removal of wastes or spills, limited use of harmful fertilizers or pesticides, and the diversion of storm water away from potential sources of pollution (e.g., trash receptacles and parking structures). The Stage 2 WQMP shall list and describe all structural and non-structural BMPs. In addition, the WQMP must also identify the entity responsible for the long-term inspection, maintenance, and funding for all structural (and if applicable Treatment Control) BMPs.

62. *Prior to the building plan check submittal, the Applicant shall submit the Project for Building Code Preliminary Review.*

63. *The residential dwelling units and their common use areas shall comply with Housing Accessibility per Chapter 11A.*

64. *The nonresidential portion of the development shall comply with the public accommodation requirements per Chapter 11B.*

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

Public Works Department

65. A Tract Map shall be recorded prior to the sale of any residential units. The map shall be prepared on the California coordinate system (NAD83). Prior to recordation of the Map, the surveyor/engineer preparing the Map shall submit to the County Surveyor and the City of Newport Beach a digital-graphic file of said map in a manner described in Sections 7-9-330 and 7-9-337 of the Orange County Subdivision Code and Orange County Subdivision Manual, Sub Article 18. The Map to be submitted to the City of Newport Beach shall comply with the City's CADD standards. Scanned images will not be accepted.

66. Prior to the recordation of the tract map, the surveyor/engineer preparing the map shall tie the boundary of the map into the Horizontal Control System established by the County Surveyor in a manner described in Sections 7-9-330 and 7-9-337 pf the Orange County Subdivision Code and Orange County Subdivision Manual, Sub Article 18. Monuments (one-inch iron pipe with tag) shall be set On Each Lot Corner unless otherwise approved by the Subdivision Engineer. Monuments shall be protected in place if installed prior to completion of construction project.

67. Prior to the recordation of the Tract Map, a Subdivision Agreement shall be obtained and approved by the City Council consistent with the Subdivision Code Section 19.36.010.

68. Prior to Final Map approval, the applicant shall provide a Faithful Performance Bond and Labor and Materials Bond, each for 100%of the estimated improvement costs for the improvements in the public right of way, as prepared by a Registered Civil Engineer and approved by the Public Works Director, for each of the following, but not limited to, public and private improvements, street improvements, monumentation, sidewalks, striping, signage, street lights, sewer systems, water systems, storm drain systems, water quality management systems, erosion control, landscaping and irrigation within the public right of way, common open spaces areas accessible by the public, fire access and off-site improvements required as part of the project.

69. Warranty Bond for a minimum of 10%of the engineers cost estimate (final percentage to be determined by the Public Works Director) to be released 1-year after the improvements have been accepted.

70. All improvements shall be constructed as required by Ordinance and the Public Works Department.

71. An encroachment permit shall be required for all work activities within the public right-of-way.

72. The final Construction Management Plan (CMP) shall be reviewed and approved by the Community Development Director and the City Traffic Engineer prior to building permit issuance.

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

73. A Parking Management Plan (PMP) shall be reviewed and approved by the Community Development Director and City Traffic Engineer prior to building permit issuance. The PMP shall include information regarding gate operation, move-in and move-out, ride-share area, guest parking areas and residential parking areas.

74. Parking layout and ramp slopes shall comply with the City Parking Lot Standard 805. Dead-end drive aisle in public areas and/or unassigned parking areas shall provide a dedicated turn around space and minimum 5-foot drive aisle extension.

75. The applicant shall reconstruct all existing broken and/or otherwise damaged curb, gutter and sidewalk along the Spruce Street and Quail Street frontages per City Standards.

76. All deliveries shall be accommodated on-site and prohibited from parking or stopping within the public right of way. Only ride share vehicles shall be permitted to utilize the pull-out area located on Spruce Street.

77. The proposed driveway shall be constructed per City Standard 161. The radius for the Bristol Street North driveway shall be minimum 20-foot radius and the radius for the Spruce Street driveway shall be 15-foot minimum.

78. All on-site fire hydrants shall be privately owned and maintained.

79. All landscaping and walls along the Spruce Street and Quail Street frontages shall comply with the City's line of sight standard 105.

80. Final design of the water and sewer services is subject to further review by the Public Works Department during plan check.

81. *Prior to the issuance of a Certificate of Occupancy, the Applicant shall coordinate with the City to complete the required off-site improvements identified in the Sewer Capacity Study dated October 20, 2023, to the satisfaction of the Public Works and Utilities Directors. The Applicant shall be responsible for their fair share cost of the improvements as determined by the City, which may include the payment and construction of the entire improvement unless the City assumes the cost of the improvement.*

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

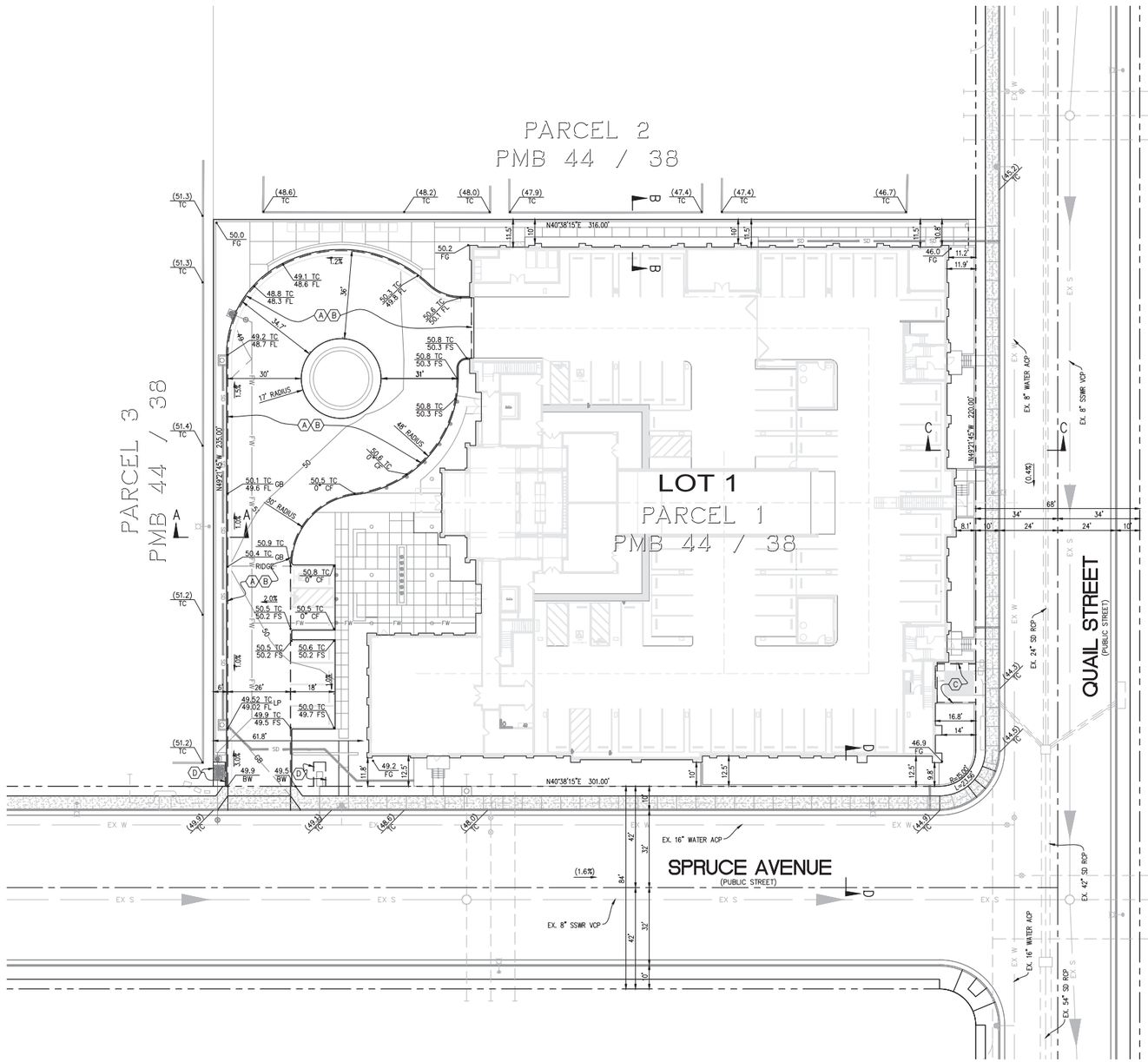
EXHIBIT "G"

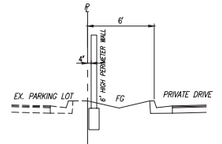
VESTING TENTATIVE TRACT MAP NO. 19261

DocuSign Envelope ID: F2563D7B-A495-4A61-9AB6-234A281FB870

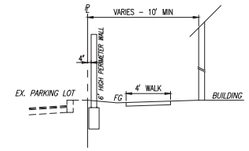
TENTATIVE TRACT MAP NO. 19261

FOR CONDOMINIUM PURPOSES
CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA

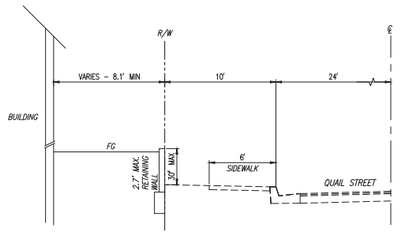




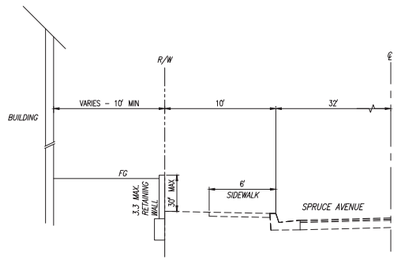
SECTION A-A
N.T.S.



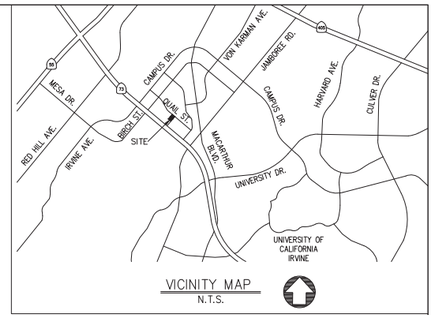
SECTION B-B
N.T.S.



SECTION C-C
N.T.S.



SECTION D-D
N.T.S.



VICINITY MAP
N.T.S.

NOTES:

OWNER:	NEWPORT PLACE INVESTMENT COMPANY, A GENERAL PARTNERSHIP 1401 QUAIL STREET, SUITE 120, NEWPORT BEACH, CA 92660
APPLICANT:	INTRACORP SW, LLC 895 DOVE STREET, SUITE 400, NEWPORT BEACH, CA 92660
SURVEY/ENGINEER:	ADAMS–STREETER CIVIL ENGINEERS INC. 16755 VON KARMAN AVENUE, SUITE 150 IRVINE CA 92606 (949) 474–2330
PROJECT ADDRESS:	1401 QUAIL STREET NEWPORT BEACH, CA 92660
APN No.:	427–332–04
BOUNDARY AREA:	BASED UPON MEASURED BEARINGS AND DISTANCES AS SHOWN HEREON, THE AREA IS: 1.71 ACRES.
FLOOD ZONE:	SUBJECT PROPERTY LIES WITHIN FLOOD ZONE X (AREA OF MINIMAL FLOOD HAZARD) AS SHOWN ON FLOOD INSURANCE RATE MAP NO. 06059C0286J DATED DECEMBER 3, 2009 AS PUBLISHED BY THE FEDERAL MANAGEMENT AGENCY.
EXISTING USE:	OFFICE BUILDING (22,536 SF)
EXISTING LAND USE:	CO-G GENERAL COMMERCIAL OFFICE
EXISTING ZONING:	PLANNED COMMUNITY – PC11 NEWPORT PLACE
PROPOSED NUMBER OF UNITS:	78 RESIDENTIAL UNITS
PROPOSED DENSITY:	45.61 DU/ACRE
PARKING:	RESIDENTIAL PARKING REQUIRED (1.77 SPACES/UNIT AVERAGE): 138 SPACES RESIDENTIAL PARKING PROVIDED: 159 SPACES

LEGAL DESCRIPTION

REAL PROPERTY IN THE CITY OF NEWPORT BEACH, COUNTY OF ORANGE, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

PARCEL 1 OF PARCEL MAP NO. 341, AS PER MAP FILED IN BOOK 44, PAGE 38 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPT THE FULL RIGHTS TO ALL MINERALS, PETROLEUM, GAS AND OTHER HYDROCARBON SUBSTANCES EXISTING BELOW 500 FEET FROM THE SURFACE OF SAID REAL PROPERTY DESCRIBED ABOVE, PROVIDED, HOWEVER, THAT GRANTOR HEREBY EXPRESSLY WAIVES THE RIGHT TO ENTER UPON THE SURFACE OF SAID REAL PROPERTY FOR THE PURPOSE OF EXPLORING FOR, OR PRODUCING THE MINERALS, PETROLEUM, GAS AND OTHER HYDROCARBON SUBSTANCES SO RESERVED, AS RESERVED IN THE DEED RECORDED AUGUST 22, 1973 IN BOOK 10863, PAGE 782 OF OFFICIAL RECORDS.

APN: 427–332–04

EXISTING EASEMENTS

PER PRELIMINARY REPORT NO. NHSC–6827206 DATED APRIL 18, 2022 BY FIRST AMERICAN TITLE COMPANY, THERE ARE NO EXISTING EASEMENTS ENCUMBERING THE PROPERTY.

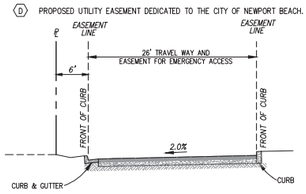
PROPOSED EASEMENT NOTES

(A) NON–EXCLUSIVE EASEMENT FOR EMERGENCY VEHICULAR ACCESS AND FIRE PROTECTION FACILITIES PURPOSES.

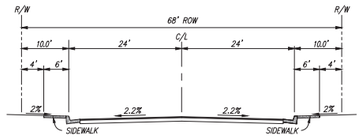
(B) NON–EXCLUSIVE EASEMENT RESERVED FOR UTILITIES AND PRIVATE DRIVE.

(C) PROPOSED ELECTRICAL EASEMENT.

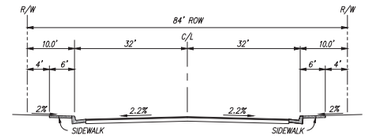
(D) PROPOSED UTILITY EASEMENT DEDICATED TO THE CITY OF NEWPORT BEACH.



PRIVATE DRIVE
N.T.S.



QUAIL STREET (PUBLIC)
N.T.S.



SPRUCE AVENUE (PUBLIC)
N.T.S.

LEGEND

CENTERLINE
RIGHT OF WAY
PROPERTY LINE
EASEMENT LINE

REVISIONS		
REV	DATE	DESCRIPTION

PREPARED BY: ADAMS STREETER Civil Engineers
16755 Von Karman, Suite 150, Irvine, CA 92606 | 949.474.2330 | adams-streeter.com
Date: 10/3/2023
Nicholas A. Streeter RCE 70862

DEVELOPER:
INTRACORP
Building the Extraordinary
895 DOVE STREET, SUITE 400
NEWPORT BEACH, CA 92660

REGISTERED PROFESSIONAL ENGINEER NICHOLAS A. STREETER C 70862 CIVIL STATE OF CALIFORNIA

Scale: As Noted On Plan
Created: 10/3/2023
Revised:

TENTATIVE TRACT MAP NO. 19261
1401 QUAIL STREET
CITY OF NEWPORT BEACH, CALIFORNIA

SHEET
TTM-1

U:\2022\22-2434 Quail St - Intracorp\TTM\Quail - TTM.dwg

PLOT DATE: 10/3/2023

SHEET 1 OF 3 SHEETS

ALL OF VESTING TENTATIVE
TRACT NO. 19261
NUMBERED LOTS: 1
GROSS ACREAGE: 1.704 ACRES
NET ACREAGE: 1.704 ACRES
DATE OF SURVEY: MAY, 2024
PA2023-0040
PER TTM 19261

TRACT NO. 19261

IN THE CITY OF NEWPORT BEACH, COUNTY OF ORANGE,
STATE OF CALIFORNIA

BEING A SUBDIVISION OF PARCEL 1 OF PARCEL MAP FILED IN BOOK 44, PAGE 38 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

PROACTIVE ENGINEERING CONSULTANTS, INC. NICHOLAS A. STREETER P.L.S. 9067

FOR CONDOMINIUM PURPOSES

ACCEPTED AND FILED AT
THE REQUEST OF
FIRST AMERICAN TITLE COMPANY

DATE: _____

TIME _____ FEE $_____

INSTRUMENT NO. _____

BOOK _____ PAGE _____

HUGH NGUYEN
COUNTY CLERK-RECORDER

BY _____
DEPUTY

OWNERSHIP CERTIFICATE:

WE, THE UNDERSIGNED, BEING ALL PARTIES HAVING ANY RECORD TITLE INTEREST IN THE LAND COVERED BY THIS MAP, DO HEREBY CONSENT TO THE PREPARATION AND RECORDATION OF SAID MAP, AS SHOWN WITHIN THE DISTINCTIVE BORDER LINE.

WE HEREBY DEDICATE TO THE CITY OF NEWPORT BEACH:

1. AN EASEMENT FOR EMERGENCY AND PUBLIC SERVICE VEHICULAR INGRESS AND EGRESS PURPOSES, AS SHOWN ON SAID MAP.
2. AN EASEMENT FOR PUBLIC WATER FACILITY PURPOSES, AS SHOWN ON SAID MAP.

WE HEREBY RELEASE AND RELINQUISH TO THE CITY OF NEWPORT BEACH ALL VEHICULAR ACCESS RIGHTS TO QUAIL STREET AND SPRUCE AVENUE, EXCEPT AT APPROVED ACCESS LOCATIONS.

WE HEREBY RESERVE FOR OURSELVES, OUR SUCCESSORS AND ASSIGNS, TOGETHER WITH THE RIGHT TO GRANT AND TRANSFER ALL OR A PORTION OF THE SAME, AN EASEMENT FOR UTILITIES AND VEHICLE MANEUVERABILITY PURPOSES WITHIN ALLEYWAYS, AS SHOWN ON THIS MAP.

NEWPORT PLACE INVESTMENT COMPANY,
A GENERAL PARTNERSHIP

BY: _____

AUTHORIZED PERSON

BENEFICIARY:
AMERICAN INVESTORS LIFE INSURANCE COMPANY, INC., A KANSAS CORPORATION AS BENEFICIARY UNDER A DEED OF TRUST RECORDED ON NOVEMBER 2, 2005, AS INSTRUMENT NO. 2005000882888 OF OFFICIAL RECORDS

BY: _____ BY: _____

PRINT NAME: _____ PRINT NAME: _____

PRINT TITLE: _____ PRINT TITLE: _____

NOTARY ACKNOWLEDGMENT:

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA)
)SS
COUNTY OF ORANGE)

ON _____ 2025 BEFORE ME, _____, NOTARY PUBLIC,

PERSONALLY APPEARED, _____
WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND: MY PRINCIPAL PLACE OF BUSINESS

_____ IS IN _____ COUNTY
NOTARY PUBLIC IN AND FOR SAID STATE

_____ MY COMMISSION EXPIRES _____
(print name)

MY COMMISSION NUMBER _____

NOTARY ACKNOWLEDGMENT:

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA)
)SS
COUNTY OF ORANGE)

ON _____ 2025 BEFORE ME, _____, NOTARY PUBLIC,

PERSONALLY APPEARED, _____
WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON(S) WHOSE NAME(S) IS/ARE SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE/SHE/THEY EXECUTED THE SAME IN HIS/HER/THEIR AUTHORIZED CAPACITY(IES), AND THAT BY HIS/HER/THEIR SIGNATURE(S) ON THE INSTRUMENT THE PERSON(S), OR THE ENTITY UPON BEHALF OF WHICH THE PERSON(S) ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND: MY PRINCIPAL PLACE OF BUSINESS

_____ IS IN _____ COUNTY
NOTARY PUBLIC IN AND FOR SAID STATE

_____ MY COMMISSION EXPIRES _____
(print name)

MY COMMISSION NUMBER _____

SIGNATURE OMISSIONS:

PURSUANT TO SECTION 66436 (a)(3)(C) OF THE SUBDIVISION MAP ACT THE FOLLOWING SIGNATURES HAVE BEEN OMITTED:

1. EMKAY DEVELOPMENT COMPANY, INC. A NEVADA CORPORATION AND ATLAS REALTY COMPANY, A TEXAS CORPORATION, DOING BUSINESS IN CALIFORNIA AS TEXAS ATLAS REALTY COMPANY HOLDER OF ALL RIGHTS TO MINERALS, PETROLEUM, GAS AND OTHER HYDROCARBON SUBSTANCES AS RESERVED BY DEED RECORDED AUGUST 22, 1973 IN BOOK 10863, PAGE 782 OF OFFICIAL RECORDS.

SURVEYOR'S STATEMENT:

THIS MAP WAS PREPARED BY ME OR UNDER MY DIRECTION AND IS BASED UPON A FIELD SURVEY IN CONFORMANCE WITH THE REQUIREMENTS OF THE SUBDIVISION MAP ACT AND LOCAL ORDINANCES AT THE REQUEST OF INTRACORP SW, LLC IN MAY, 2024. I HEREBY STATE THAT ALL MONUMENTS ARE OF THE CHARACTER AND OCCUPY THE POSITIONS INDICATED, OR THAT THEY WILL BE SET IN SUCH POSITIONS WITHIN 90 DAYS AFTER THE ACCEPTANCE OF IMPROVEMENTS AND THAT SAID MONUMENTS ARE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED. I HEREBY STATE THAT THIS FINAL MAP SUBSTANTIALLY CONFORMS TO THE CONDITIONALLY APPROVED TENTATIVE MAP.

N.Streeter 09-29-2025

NICHOLAS A. STREETER, P.L.S. 9067
EXPIRATION DATE: 3/31/2026

PROFESSIONAL LAND SURVEYOR
NICHOLAS A. STREETER
No. 9067
STATE OF CALIFORNIA

COUNTY SURVEYOR'S STATEMENT:

I HEREBY STATE THAT I HAVE EXAMINED THIS MAP AND FOUND THAT ALL MAPPING PROVISIONS OF THE SUBDIVISION MAP ACT HAVE BEEN COMPLIED WITH AND I AM SATISFIED SAID MAP IS TECHNICALLY CORRECT.

DATED THIS _____ DAY OF _____ , 2025.

_____
LILY M. N. SANDBERG, CHIEF DEPUTY COUNTY SURVEYOR
L.S. 8402

CITY ENGINEER'S STATEMENT

I HEREBY STATE THAT I HAVE EXAMINED THIS MAP AND HAVE FOUND IT TO BE SUBSTANTIALLY IN CONFORMANCE WITH THE TENTATIVE MAP, IF REQUIRED, AS FILED WITH, AMENDED AND APPROVED BY THE CITY PLANNING COMMISSION; THAT ALL PROVISIONS OF THE SUBDIVISION MAP ACT AND CITY SUBDIVISION REGULATIONS HAVE BEEN COMPLIED WITH. THIS STATEMENT WILL BE EFFECTIVE ON THE DATE UPON WHICH THE COUNTY OF ORANGE APPROVES THE MAP AS TECHNICALLY CORRECT.

DATED THIS _____ DAY OF _____ , 2025.

_____
JAMES M. HOULIHAN, R.C.E. 51568
DEPUTY PUBLIC WORKS DIRECTOR/CITY ENGINEER
CITY OF NEWPORT BEACH
EXP. 6/30/2026

REGISTERED PROFESSIONAL ENGINEER
JAMES M. HOULIHAN
No. 51568
CIVIL
STATE OF CALIFORNIA

CITY CLERK'S CERTIFICATE

STATE OF CALIFORNIA)
COUNTY OF ORANGE)SS
CITY OF NEWPORT BEACH)

PURSUANT TO SECTION 19.60.010 OF THE SUBDIVISION CODE, AND PURSUANT TO THE PROVISIONS OF SECTION 66436(a)(3) OF THE SUBDIVISION MAP ACT, I HEREBY CERTIFY THAT THIS MAP WAS PRESENTED FOR APPROVAL TO THE CITY COUNCIL OF THE CITY OF NEWPORT BEACH AT A REGULAR MEETING THEREOF HELD ON _____, 2025 AND THAT THEREUPON SAID COUNCIL DID, BY AN ORDER DULY PASSED AND ENTERED, APPROVE SAID MAP AND DID ACCEPT ON BEHALF OF THE PUBLIC THE EMERGENCY ACCESS AS DEDICATED.

AND DID ACCEPT ON BEHALF OF THE CITY OF NEWPORT BEACH:

1. THE EASEMENT FOR EMERGENCY AND PUBLIC SERVICE VEHICULAR INGRESS AND EGRESS PURPOSES; AS DEDICATED.
1. THE EASEMENT FOR PUBLIC WATER FACILITY PURPOSES; AS DEDICATED.
2. THE VEHICULAR ACCESS RIGHTS TO QUAIL STREET AND SPRUCE AVENUE AS RELEASED AND RELINQUISHED.

AND DID ALSO APPROVE SUBJECT MAP PURSUANT TO THE PROVISIONS OF SECTION 66436(a)(3)(A) OF THE SUBDIVISION MAP ACT.

DATED THIS _____ DAY OF _____ , 2025.

_____
MOLLY PERRY
INTERIM CITY CLERK OF NEWPORT BEACH

COUNTY TREASURER – TAX COLLECTOR'S CERTIFICATE:

STATE OF CALIFORNIA)
)SS
COUNTY OF ORANGE)

I HEREBY CERTIFY THAT ACCORDING TO THE RECORDS OF MY OFFICE, THERE ARE NO LIENS AGAINST THE LAND COVERED BY THIS MAP OR ANY PART THEREOF FOR UNPAID STATE, COUNTY, MUNICIPAL OR LOCAL TAXES OR SPECIAL ASSESSMENTS COLLECTED AS TAXES EXCEPT TAXES OR SPECIAL ASSESSMENTS COLLECTED AS TAXES NOT YET PAYABLE.

AND DO CERTIFY TO THE RECORDER OF ORANGE COUNTY THAT THE PROVISIONS OF THE SUBDIVISION MAP ACT HAVE BEEN COMPLIED WITH REGARDING DEPOSITS TO SECURE PAYMENT OF TAXES OR SPECIAL ASSESSMENTS COLLECTED AS TAXES ON THE LAND COVERED BY THIS MAP.

DATED THIS _____ DAY OF _____ , 2025.

SHARI L. FREIDENRICH _____ BY: _____
COUNTY TREASURER – TAX COLLECTOR TREASURER – TAX COLLECTOR

STATEMENT OF PURPOSE:

THE PURPOSE OF THIS MAP IS TO CREATE ONE LOT FROM AN EXISTING PARCEL FOR CONDOMINIUM PURPOSES.

J.N. 22-2434

SHEET 2 OF 3 SHEETS

ALL OF VESTING TENTATIVE
TRACT NO. 19261
NUMBERED LOTS: 1
GROSS ACREAGE: 1.704 ACRES
NET ACREAGE: 1.704 ACRES
DATE OF SURVEY: MAY, 2024
PA2023-0040
PER TTM 19261

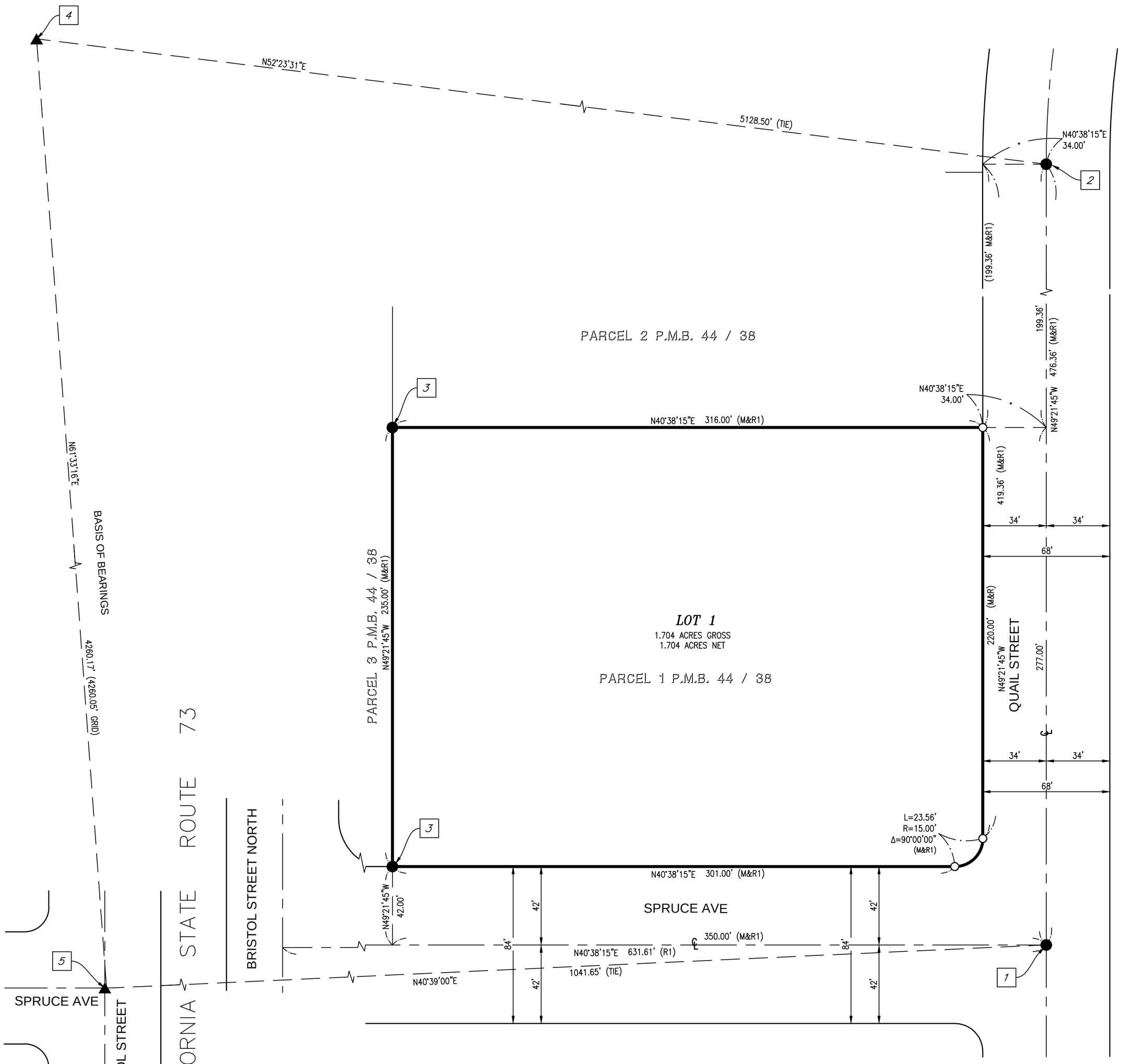
TRACT NO. 19261

IN THE CITY OF NEWPORT BEACH, THE COUNTY OF ORANGE, STATE OF CALIFORNIA

PROACTIVE ENGINEERING CONSULTANTS, INC. NICHOLAS A. STREETER P.L.S. 9067

FOR CONDOMINIUM PURPOSES

BOUNDARY ESTABLISHMENT AND LOT DETAIL

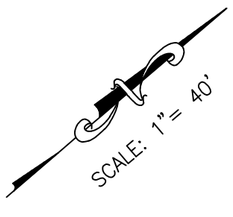


BASIS OF BEARINGS:

BEARINGS SHOWN HEREON ARE BASED ON THE BEARING BETWEEN OCS HORIZONTAL CONTROL STATION GPS NO. 4591 AND STATION GPS NO. 6173 BEING NORTH 61°33'16" WEST PER RECORDS ON FILE WITH THE ORANGE COUNTY SURVEYOR.

DATUM STATEMENT:

COORDINATES SHOWN ARE BASED ON THE CALIFORNIA COORDINATE SYSTEM (CCS83) ZONE VI, 1983 NORTH AMERICAN DATUM, (2017.50 EPOCH OCS GPS ADJUSTMENT). ALL DISTANCES SHOWN ARE GROUND DISTANCES UNLESS OTHERWISE NOTED. TO OBTAIN A GRID DISTANCE, MULTIPLY THE GROUND DISTANCE BY 0.99997249. MEAN VALUE FOR GPS 4591 AND GPS 6173 IS 1.99994498.



SURVEYOR'S BOUNDARY NOTE:

THERE ARE NO CONFLICTS WITH EXISTING VISIBLE IMPROVEMENTS AND THE EXTERIOR BOUNDARY LINE (DISTINCTIVE BORDER) OF THIS MAP AS ESTABLISHED HEREON.

LEGEND:

R1 – PARCEL MAP P.M.B. 44 / 38
( ) – INDICATES RECORD OR CALCULATED DATA PER R1.
(M&R) – INDICATES MEASURED AND RECORD DATA PER R1.

SYMBOLS & ABBREVIATIONS:

℄ CENTERLINE
C.R. CORNER RECORD
DIA. DIAMETER
EST. ESTABLISHED
FD. FOUND
INT. INTERSECTION
L&T LEAD AND TACK
LT&T LEAD TACK AND TAG
MEAS. MEASURED
S&W SPIKE AND WASHER
SFN. SEARCHED, FOUND NOTHING

NOTES:

SEE SHEET 3 EASEMENTS AND EASEMENT DETAILS.

MONUMENT NOTES:

○ INDICATES LOCATION OF 2" IRON PIPE & TAG, "R.C.E. 25083", OR SPIKE AND WASHER, STAMPED "R.C.E. 25083", OR LEAD, TACK AND TAG, "R.C.E. 25083" OR A NAIL & TAG "R.C.E. 25083" ON TOP OF WALL, TO BE SET FLUSH AT ALL TRACT BOUNDARY CORNERS WITHIN 90 DAYS AFTER ACCEPTANCE OF IMPROVEMENTS, UNLESS OTHERWISE NOTED.

▲ INDICATES FOUND OCS GPS HORIZONTAL CONTROL STATION PER RECORDS ON FILE IN THE OFFICE OF THE ORANGE COUNTY SURVEYOR'S OFFICE AS NOTED.

● FOUND MONUMENTS AS NOTED.

[1.] FD. STD. CITY OF NEWPORT BEACH MON. (2" BRASS CAP IN CONC. IN WELL) PER PMB 49/18, 1.17' DOWN.

[2.] FD. SPIKE AND WASHER "LS 3109" PER PMB 120/27-28, 0.18' DOWN.

[3.] FD. 2" IRON PIPE "LS 3109" PER PMB 44/38, 1.5' DOWN.

[4.] OCS GPS POINT NO. 4591 N 2184912.90 E 6064984.16
FD 2 ½" DIA. BRASS DISK, SET IN A 6" DIA. CONC. BASE UP 0.15'. LOCATED FROM THE INT. OF IRVINE AVE. AND UNIVERSITY DR., PROCEED SE'LY ALONG SAID DR. TO ITS TERMINUS. MONUMENT IS LOCATED 400' +/- SE'LY ALONG THE PROD OF SAID DR., ON TOP OF THE PROMINENT HILL ACROSS THE CHANNEL WITNESSED BY THREE 4" IRON PIPE WITNESS POST PER RS 93-1026, RSB 146/2-7.

[5.] OCS GPS POINT NO. 6173 N 2186942.07 E 6068729.89
FD PUNCHED 2 ¼" CALIFORNIA DIVISION OF HWY.S CAP IN CONC. DOWN 0.8' IN WELL MONUMENT. LOCATED AT THE INTERSECTION OF SPRUCE AVE. AND BRISTOL ST. PER PM 2002-112, PMB 338/29-30.

J.N. 22-2434

SHEET 3 OF 3 SHEETS

ALL OF VESTING TENTATIVE
TRACT NO. 19261
NUMBERED LOTS: 1
GROSS ACREAGE: 1.704 ACRES
NET ACREAGE: 1.704 ACRES
DATE OF SURVEY: MAY, 2024
PA2023-0040
PER TTM 19261

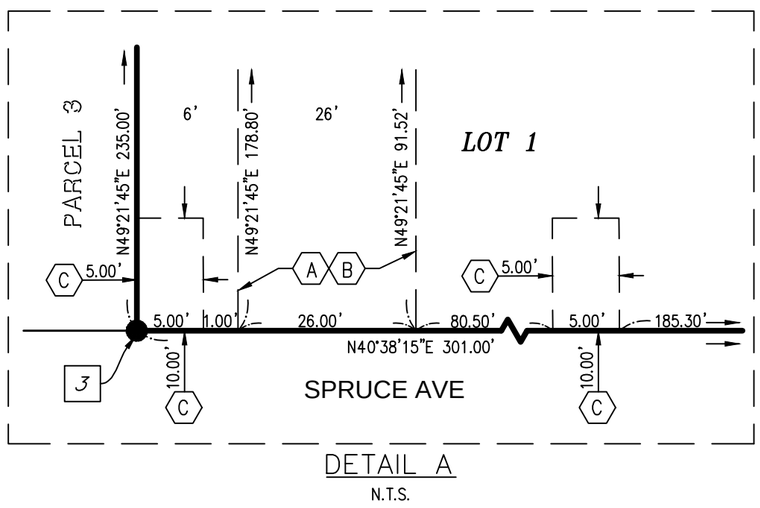
TRACT NO. 19261

IN THE CITY OF NEWPORT BEACH, THE COUNTY OF ORANGE, STATE OF CALIFORNIA

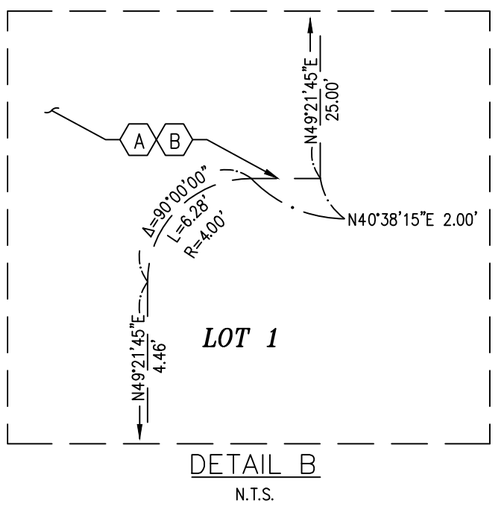
PROACTIVE ENGINEERING CONSULTANTS, INC. NICHOLAS A. STREETER P.L.S. 9067

FOR CONDOMINIUM PURPOSES

EASEMENT DETAIL



DETAIL A
N.T.S.



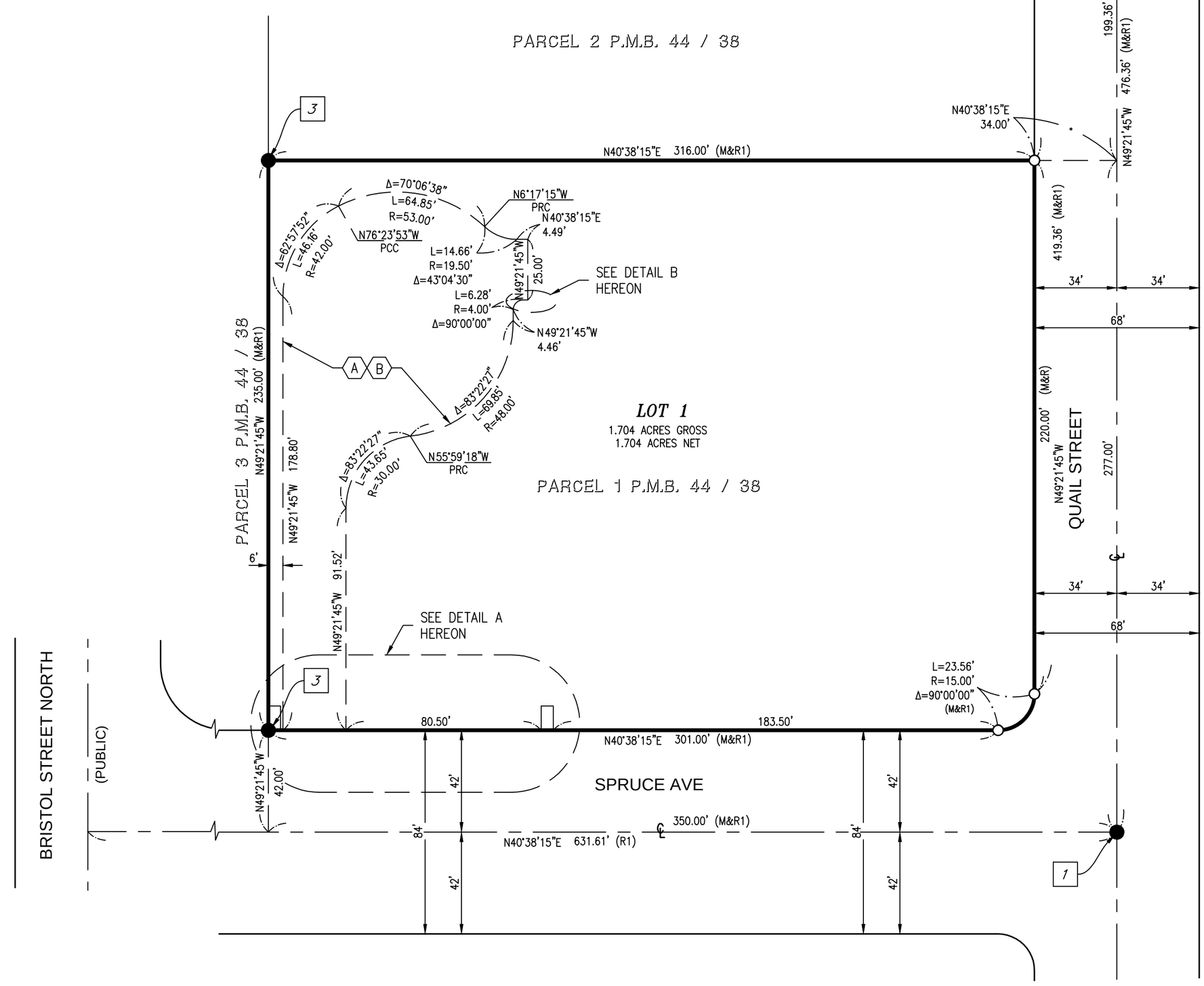
DETAIL B
N.T.S.

EASEMENT NOTES

(A) EASEMENT FOR EMERGENCY AND PUBLIC SERVICE VEHICULAR INGRESS AND EGRESS PURPOSES DEDICATED HEREON TO THE CITY OF NEWPORT BEACH.

(B) NON-EXCLUSIVE EASEMENT RESERVED FOR UTILITIES AND VEHICLE MANEUVERABILITY PURPOSES WITHIN ALLEYWAYS.

(C) EASEMENT OR PUBLIC WATER FACILITY PURPOSES DEDICATED HEREON TO THE CITY OF NEWPORT BEACH.



SCALE: 1" = 40'

NOTES:

SEE SHEET 2 FOR BOUNDARY ESTABLISHMENT AND LOT DETAILS, BASIS OF BEARINGS, DATUM STATEMENT, MONUMENT NOTES, REFERENCE NOTES AND LEGEND.

J.N. 22-2434

IMPROVEMENTS 100% LABOR AND MATERIALS BOND

Whereas, the City of _Newport Beach _, State of California (hereafter designated as "obligee" and/or "City"), and __Quail 67 Development LLC _ (hereinafter designated as "principal") have entered into an agreement whereby principal agrees to install and complete certain designated public improvements, which said agreement, dated __OCTOBER 2ND__, 20_25_, and identified as project **1401 Quail - TRACT MAP 19261 OFFSITE IMPROVEMENTS,** is hereby referred to and made a part hereof; and

Whereas, Under the terms of the agreement, the principal is required before entering upon the performance of the work, to file a good and sufficient payment bond with the City to secure the claims to which reference is made in Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the California Civil Code.

Now, therefore, the principal and the undersigned Atlantic Specialty Insurance Company as corporate surety, are held firmly bound unto the City of Newport Beach and all contractors, subcontractors, laborers, material suppliers, and other persons employed in the performance of the agreement and referred to in Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code in the sum of EIGHTY-ONE THOUSAND SIX HUNDRED TWENTY AND 00/100 dollars ($ 81,620.00), for materials furnished or labor thereon of any kind, or for amounts due under the Unemployment Insurance Act with respect to this work or labor, that the surety will pay the same in an amount not exceeding the amount hereinabove set forth, and also in case suit is brought upon this bond, will pay, in addition to the face amount thereof, costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by city in successfully enforcing this obligation, to be awarded and fixed by the court, and to be taxed as costs and to be included in the judgment therein rendered.

It is hereby expressly stipulated and agreed that this bond shall inure to the benefit of any and all persons, companies, and corporations entitled to file claims under Title 3 (commencing with Section 9000) of Part 6 of Division 4 of the Civil Code, so as to give a right of action to them or their assigns in any suit brought upon this bond.

Should the condition of this bond be fully performed, then this obligation shall become null and void, otherwise it shall be and remain in full force and effect.

The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or the specifications accompanying the same shall in any manner affect its obligations on this bond, and it does hereby waive notice of any such change, extension, alteration or addition.

Bond #__800207092

In witness whereof, this instrument has been duly executed by the principal and surety above named, on ___10/1/2025_____.

Principal: Quail 67 Development LLC By:_____ Name/Title: RICK PUPPER, VICE PRESIDENT Address / Phone / Email: 895 Dove St Ste 400 Newport Beach CA 92660	Surety: Atlantic Specialty Insurance Company By:_____ Name/Title: Kara Skinner, Attorney-in-Fact Address / Phone / Email: c/o Integrity Surety LLC 17544 Midvale Ave N #300 Seattle WA 98133 800-592-8662 kara@integritysurety.com

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE
Date: 10/21/2025

By: Jose Montoya for
Aaron C. Harp, City Attorney

intact INSURANCE

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS, that ATLANTIC SPECIALTY INSURANCE COMPANY, a New York corporation with its principal office in Plymouth, Minnesota, does hereby constitute and appoint: **Cameron Huntsucker, Jennifer Grenrood, Kara Skinner, Mercedes Trokey-Moudy, Sierra Maine**, each individually if there be more than one named, its true and lawful Attorney-in-Fact, to make, execute, seal and deliver, for and on its behalf as surety, any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof; provided that no bond or undertaking executed under this authority shall exceed in amount the sum of: **unlimited** and the execution of such bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof in pursuance of these presents, shall be as binding upon said Company as if they had been fully signed by an authorized officer of the Company and sealed with the Company seal. This Power of Attorney is made and executed by authority of the following resolutions adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

Resolved: That the President, any Senior Vice President or Vice-President (each an "Authorized Officer") may execute for and in behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and affix the seal of the Company thereto; and that the Authorized Officer may appoint and authorize an Attorney-in-Fact to execute on behalf of the Company any and all such instruments and to affix the Company seal thereto; and that the Authorized Officer may at any time remove any such Attorney-in-Fact and revoke all power and authority given to any such Attorney-in-Fact.

Resolved: That the Attorney-in-Fact may be given full power and authority to execute for and in the name and on behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and any such instrument executed by any such Attorney-in-Fact shall be as binding upon the Company as if signed and sealed by an Authorized Officer and, further, the Attorney-in-Fact is hereby authorized to verify any affidavit required to be attached to bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof.

This power of attorney is signed and sealed by facsimile under the authority of the following Resolution adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

Resolved: That the signature of an Authorized Officer, the signature of the Secretary or the Assistant Secretary, and the Company seal may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing an Attorney-in-Fact for purposes only of executing and sealing any bond, undertaking, recognizance or other written obligation in the nature thereof, and any such signature and seal where so used, being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.

IN WITNESS WHEREOF, ATLANTIC SPECIALTY INSURANCE COMPANY has caused these presents to be signed by an Authorized Officer and the seal of the Company to be affixed this first day of January, 2023.

ATLANTIC SPECIALTY INSURANCE COMPANY CORPORATE SEAL 1986 NEW YORK

By _____
Sarah A. Kolar, Vice President and General Counsel

STATE OF MINNESOTA
HENNEPIN COUNTY

On this first day of January, 2023, before me personally came Sarah A. Kolar, Vice President and General Counsel of ATLANTIC SPECIALTY INSURANCE COMPANY, to me personally known to be the individual and officer described in and who executed the preceding instrument, and she acknowledged the execution of the same, and being by me duly sworn, that she is the said officer of the Company aforesaid, and that the seal affixed to the preceding instrument is the seal of said Company and that the said seal and the signature as such officer was duly affixed and subscribed to the said instrument by the authority and at the direction of the Company.

ALISON D. NASH-TROUT
NOTARY PUBLIC - MINNESOTA
My Commission Expires
January 31, 2030

_____
Notary Public

I, the undersigned, Secretary of ATLANTIC SPECIALTY INSURANCE COMPANY, a New York Corporation, do hereby certify that the foregoing power of attorney is in full force and has not been revoked, and the resolutions set forth above are now in force.

Signed and sealed. Dated 1st day of October, 2025.

ATLANTIC SPECIALTY INSURANCE COMPANY CORPORATE SEAL 1986 NEW YORK

This Power of Attorney expires
January 31, 2030

_____
Kara L.B. Barrow, Secretary

Please direct bond verifications to surety@intactinsurance.com

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Orange)

On October 2, 2025 before me, Jeanine M. Ferrari, Notary Public
(insert name and title of the officer)

personally appeared Rick Puffer,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

JEANINE M. FERRARI
Notary Public - California
Orange County
Commission # 2476229
My Comm. Expires Dec 12, 2027

Signature Jeanine M Ferrari (Seal)

Bond #__800207092

IMPROVEMENTS FAITHFUL PERFORMANCE BOND

Whereas, the City of _Newport Beach_, State of California (hereafter designated as "obligee" and/or "City"), and __Quail 67 Development LLC___ (hereinafter designated as "principal") have entered into an agreement whereby principal agrees to install and complete certain designated public improvements, which said agreement, dated OCTOBER 2ND, 20_25_, and identified as project **1401 Quail - TRACT MAP 19261 OFFSITE IMPROVEMENTS**, is hereby referred to and made a part hereof; and

Whereas, Said principal is required under the terms of said agreement to furnish a bond for the faithful performance of said agreement.

NOW, therefore, we, the principal and Atlantic Specialty Insurance Company, as surety, are held and firmly bound unto the City of Newport Beach in the penal sum of EIGHTY-ONE THOUSAND SIX HUNDRED TWENTY AND 00/100 dollars ($ 81,620.00) lawful money of the United States, for the payment of which sum will and truly to be made, we bind ourselves, our heirs, successors, executors and administrators, jointly and severally, firmly by these presents.

The condition of this obligation is such that if the above bounded principal, his or its heirs, executors, administrators, successors or assigns, shall in all things stand to and abide by, and well and truly keep and perform the covenants, conditions and provisions in the said agreement and any alteration thereof made as therein provided, on his or their part, to be kept and performed at the time and in the manner therein specified, and in all respects according to their true intent and meaning, and shall indemnify and save harmless City, its officers, agents and employees, as therein stipulated, then this obligation shall become null and void; otherwise it shall be and remain in full force and effect.

As a part of the obligation secured hereby and in addition to the face amount specified therefor, there shall be included costs and reasonable expenses and fees, including reasonable attorney's fees, incurred by city in successfully enforcing such obligation, all to be taxed as costs and included in any judgment rendered.

The surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the agreement or to the work to be performed thereunder or the specifications accompanying the same shall in anyway affect its obligations on this bond, and it does hereby waive notice of any such change, extension of time, alteration or addition to the terms of the agreement or to the work or to the specifications.

In witness whereof, this instrument has been duly executed by the principal and surety above named, on __10/1/2025___.

Bond # 800207092

Principal: Quail 67 Development LLC	Surety: Atlantic Specialty Insurance Company
By:	By:
Name/Title: RICK PUFFER, VICE PRESIDENT	Name/Title: Kara Skinner, Attorney-in-Fact
Address / Phone / Email: 895 Dove St Ste 400 Newport Beach CA 92660	Address / Phone / Email: c/o Integrity Surety LLC 17544 Midvale Ave N #300 Seattle WA 98133 800-592-8662 kara@integritysurety.com

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE
Date: 10/21/25

By: Jose Montoya for
Aaron C. Harp, City Attorney

Surety Notary Acknowledgement

STATE OF Washington)

) ss.

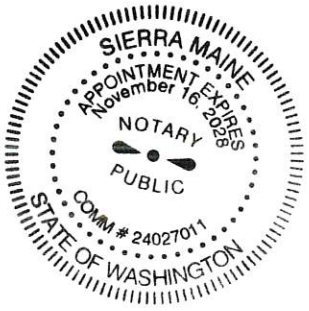
COUNTY OF King)

On October 1, 2025 before me personally appeared Kara Skinner, who proved to me on the basis of satisfactory evidence to be the Attorney-in-Fact for Atlantic Specialty Insurance Company whose name is subscribed to the within instrument and acknowledged to me that She executed the same in Her authorized capacity, and that by Her signature(s) on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument(s).

I certify under PENALTY OF PERJURY under the laws of the State of Washington that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____ (Seal)



Sierra Maine, Notary Public in and for State of Washington,

residing at Edmonds, WA

My commission expires 11/16/2028

intact INSURANCE

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS, that ATLANTIC SPECIALTY INSURANCE COMPANY, a New York corporation with its principal office in Plymouth, Minnesota, does hereby constitute and appoint: **Cameron Huntsucker, Jennifer Grenrood, Kara Skinner, Mercedes Trokey-Moudy, Sierra Maine**, each individually if there be more than one named, its true and lawful Attorney-in-Fact, to make, execute, seal and deliver, for and on its behalf as surety, any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof; provided that no bond or undertaking executed under this authority shall exceed in amount the sum of: **unlimited** and the execution of such bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof in pursuance of these presents, shall be as binding upon said Company as if they had been fully signed by an authorized officer of the Company and sealed with the Company seal. This Power of Attorney is made and executed by authority of the following resolutions adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

Resolved: That the President, any Senior Vice President or Vice-President (each an "Authorized Officer") may execute for and in behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and affix the seal of the Company thereto; and that the Authorized Officer may appoint and authorize an Attorney-in-Fact to execute on behalf of the Company any and all such instruments and to affix the Company seal thereto; and that the Authorized Officer may at any time remove any such Attorney-in-Fact and revoke all power and authority given to any such Attorney-in-Fact.

Resolved: That the Attorney-in-Fact may be given full power and authority to execute for and in the name and on behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and any such instrument executed by any such Attorney-in-Fact shall be as binding upon the Company as if signed and sealed by an Authorized Officer and, further, the Attorney-in-Fact is hereby authorized to verify any affidavit required to be attached to bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof.

This power of attorney is signed and sealed by facsimile under the authority of the following Resolution adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

Resolved: That the signature of an Authorized Officer, the signature of the Secretary or the Assistant Secretary, and the Company seal may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing an Attorney-in-Fact for purposes only of executing and sealing any bond, undertaking, recognizance or other written obligation in the nature thereof, and any such signature and seal where so used, being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.

IN WITNESS WHEREOF, ATLANTIC SPECIALTY INSURANCE COMPANY has caused these presents to be signed by an Authorized Officer and the seal of the Company to be affixed this first day of January, 2023.

ATLANTIC SPECIALTY INSURANCE COMPANY CORPORATE SEAL 1986 NEW YORK

By _____
Sarah A. Kolar, Vice President and General Counsel

STATE OF MINNESOTA
HENNEPIN COUNTY

On this first day of January, 2023, before me personally came Sarah A. Kolar, Vice President and General Counsel of ATLANTIC SPECIALTY INSURANCE COMPANY, to me personally known to be the individual and officer described in and who executed the preceding instrument, and she acknowledged the execution of the same, and being by me duly sworn, that she is the said officer of the Company aforesaid, and that the seal affixed to the preceding instrument is the seal of said Company and that the said seal and the signature as such officer was duly affixed and subscribed to the said instrument by the authority and at the direction of the Company.

ALISON D. NASH-TROUT
NOTARY PUBLIC - MINNESOTA
My Commission Expires
January 31, 2030

_____
Notary Public

I, the undersigned, Secretary of ATLANTIC SPECIALTY INSURANCE COMPANY, a New York Corporation, do hereby certify that the foregoing power of attorney is in full force and has not been revoked, and the resolutions set forth above are now in force.

Signed and sealed. Dated 1st day of October, 2025.

ATLANTIC SPECIALTY INSURANCE COMPANY CORPORATE SEAL 1986 NEW YORK

_____
Kara L.B. Barrow, Secretary

This Power of Attorney expires
January 31, 2030

Please direct bond verifications to surety@intactinsurance.com

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Orange)

On October 2, 2025 before me, Jeanine M. Ferrari, Notary Public
(insert name and title of the officer)

personally appeared Rick Puffer,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

JEANINE M. FERRARI
Notary Public - California
Orange County
Commission # 2476229
My Comm. Expires Dec 12, 2027

Signature _____ **(Seal)**

Bond No. 800207094
Premium $100.00

CITY OF NEWPORT BEACH
MONUMENT BOND

Quail 67 Development LLC, the Subdivider of **Final Map No. 19261**, as Principal, and Atlantic Specialty Insurance Company , as Surety, do hereby bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally to the CITY OF NEWPORT BEACH, a municipal corporation of the State of California, in the amount of **EIGHT HUNDRED FORTY-THREE AND 00/100 DOLLARS ($843.00)** lawful money of the United State of America as follows:

WHEREAS, Principal is required by the CITY OF NEWPORT BEACH to give this bond, guaranteeing that Principal shall pay the cost setting the survey monuments for the above referenced final subdivision map as required by Sections 66495-66498 of the California Government Code.

NOW, THEREFORE, if said Principal does not set and pay the Surveyor or Engineer the cost of setting the survey monuments in said Tract on or before the date certified on the final tract map, then upon demand of the CITY OF NEWPORT BEACH, Surety shall pay to the CITY OF NEWPORT BEACH the amount of this bond.

IN WITNESS WHEREOF, this instrument has been duly executed by the Principal and Surety above named on this 1st day of October, 2025.

SUBDIVIDER

Quail 67 Development LLC
By _____

SURETY

Atlantic Specialty Insurance Company

By _____
Kara Skinner, Attorney-in-Fact

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE
Date: 10/21/2025

By: Jose Montoya for
Aaron C. Harp, City Attorney

intact INSURANCE

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS, that ATLANTIC SPECIALTY INSURANCE COMPANY, a New York corporation with its principal office in Plymouth, Minnesota, does hereby constitute and appoint: **Cameron Huntsucker, Jennifer Grenrood, Kara Skinner, Mercedes Trokey-Moudy, Sierra Maine**, each individually if there be more than one named, its true and lawful Attorney-in-Fact, to make, execute, seal and deliver, for and on its behalf as surety, any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof; provided that no bond or undertaking executed under this authority shall exceed in amount the sum of: **unlimited** and the execution of such bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof in pursuance of these presents, shall be as binding upon said Company as if they had been fully signed by an authorized officer of the Company and sealed with the Company seal. This Power of Attorney is made and executed by authority of the following resolutions adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

Resolved: That the President, any Senior Vice President or Vice-President (each an "Authorized Officer") may execute for and in behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and affix the seal of the Company thereto; and that the Authorized Officer may appoint and authorize an Attorney-in-Fact to execute on behalf of the Company any and all such instruments and to affix the Company seal thereto; and that the Authorized Officer may at any time remove any such Attorney-in-Fact and revoke all power and authority given to any such Attorney-in-Fact.

Resolved: That the Attorney-in-Fact may be given full power and authority to execute for and in the name and on behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and any such instrument executed by any such Attorney-in-Fact shall be as binding upon the Company as if signed and sealed by an Authorized Officer and, further, the Attorney-in-Fact is hereby authorized to verify any affidavit required to be attached to bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof.

This power of attorney is signed and sealed by facsimile under the authority of the following Resolution adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

Resolved: That the signature of an Authorized Officer, the signature of the Secretary or the Assistant Secretary, and the Company seal may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing an Attorney-in-Fact for purposes only of executing and sealing any bond, undertaking, recognizance or other written obligation in the nature thereof, and any such signature and seal where so used, being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.

IN WITNESS WHEREOF, ATLANTIC SPECIALTY INSURANCE COMPANY has caused these presents to be signed by an Authorized Officer and the seal of the Company to be affixed this first day of January, 2023.

ATLANTIC SPECIALTY INSURANCE COMPANY CORPORATE SEAL 1986 NEW YORK

By _____
Sarah A. Kolar, Vice President and General Counsel

STATE OF MINNESOTA
HENNEPIN COUNTY

On this first day of January, 2023, before me personally came Sarah A. Kolar, Vice President and General Counsel of ATLANTIC SPECIALTY INSURANCE COMPANY, to me personally known to be the individual and officer described in and who executed the preceding instrument, and she acknowledged the execution of the same, and being by me duly sworn, that she is the said officer of the Company aforesaid, and that the seal affixed to the preceding instrument is the seal of said Company and that the said seal and the signature as such officer was duly affixed and subscribed to the said instrument by the authority and at the direction of the Company.

ALISON D. NASH-TROUT
NOTARY PUBLIC - MINNESOTA
My Commission Expires
January 31, 2030

_____
Notary Public

I, the undersigned, Secretary of ATLANTIC SPECIALTY INSURANCE COMPANY, a New York Corporation, do hereby certify that the foregoing power of attorney is in full force and has not been revoked, and the resolutions set forth above are now in force.

Signed and sealed. Dated 1st day of October, 2025.

ATLANTIC SPECIALTY INSURANCE COMPANY CORPORATE SEAL 1986 NEW YORK

This Power of Attorney expires
January 31, 2030

_____
Kara L.B. Barrow, Secretary

Please direct bond verifications to surety@intactinsurance.com

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Orange)

On October 2, 2025 before me, Jeanine M. Ferrari, Notary Public
(insert name and title of the officer)

personally appeared Rick Puffer,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

JEANINE M. FERRARI
Notary Public - California
Orange County
Commission # 2476229
My Comm. Expires Dec 12, 2027

Signature Jeanine M Ferrari (Seal)

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE
Date: 10/21/2025

By: Jose Montoya for
Aaron C. Harp, City Attorney

Warranty Bond

BOND NO.: 800207093

KNOW ALL MEN BY THESE PRESENTS:

THAT we, Quail 67 Development LLC, as Principal, and Atlantic Specialty Insurance Company, a corporation organized and doing business under and by virtue of the laws of the State of New York and duly licensed to conduct surety business in the State of California, as Surety, are held and firmly bound unto City of Newport Beach CA

as Obligee, in the sum of eight thousand one hundred sixty-two and 00/100 dollars----------
---
($ $8162.00 ----------) Dollars, for which payment, well and truly to be made, we bind ourselves, our heirs, executors and successors, jointly and severally firmly by these presents.

THE CONDITION OF THE OBLIGATION IS SUCH THAT:

WHEREAS, the above named Principal entered into an agreement or agreements with said Obligee to:
Construct Offsite Improvements for project known as 1401 Quail - Tract Map 19261

WHEREAS, said agreement provided that Principal shall guarantee replacement and repair of improvements as described therein for a period of ~~1~~ year following final acceptance of said improvements;

NOW, THEREFORE, if the above Principal shall indemnify the Obligee for all loss that Obligee may sustain by reason of any defective materials or workmanship which become apparent during the period of one year from and after acceptance of the said improvements by Obligee, then this obligation shall be void; otherwise to remain in full force and effect.

IN WITNESS WHEREOF, the seal and signature of said Principal is hereto affixed and the corporate seal and the name of the said Surety is hereto affixed and attested by its duly authorized Attorney-in-Fact

this 1st day of October, 2025
YEAR

Quail 67 Development LLC
Principal

BY:

RICK PUFFER

Atlantic Specialty Insurance Company

BY:

Kara Skinner Attorney-in-Fact

ATLANTIC SPECIALTY INSURANCE COMPANY CORPORATE SEAL 1986 NEW YORK

Surety's Agent:
Integrity Surety LLC
17544 Midvale Ave N #300
Seattle WA 98133
kara@integritysurety.com

intact INSURANCE

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS, that ATLANTIC SPECIALTY INSURANCE COMPANY, a New York corporation with its principal office in Plymouth, Minnesota, does hereby constitute and appoint: **Cameron Huntsucker, Jennifer Grenrood, Kara Skinner, Mercedes Trokey-Moudy, Sierra Maine**, each individually if there be more than one named, its true and lawful Attorney-in-Fact, to make, execute, seal and deliver, for and on its behalf as surety, any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof; provided that no bond or undertaking executed under this authority shall exceed in amount the sum of: **unlimited** and the execution of such bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof in pursuance of these presents, shall be as binding upon said Company as if they had been fully signed by an authorized officer of the Company and sealed with the Company seal. This Power of Attorney is made and executed by authority of the following resolutions adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

Resolved: That the President, any Senior Vice President or Vice-President (each an "Authorized Officer") may execute for and in behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and affix the seal of the Company thereto; and that the Authorized Officer may appoint and authorize an Attorney-in-Fact to execute on behalf of the Company any and all such instruments and to affix the Company seal thereto; and that the Authorized Officer may at any time remove any such Attorney-in-Fact and revoke all power and authority given to any such Attorney-in-Fact.

Resolved: That the Attorney-in-Fact may be given full power and authority to execute for and in the name and on behalf of the Company any and all bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof, and any such instrument executed by any such Attorney-in-Fact shall be as binding upon the Company as if signed and sealed by an Authorized Officer and, further, the Attorney-in-Fact is hereby authorized to verify any affidavit required to be attached to bonds, recognizances, contracts of indemnity, and all other writings obligatory in the nature thereof.

This power of attorney is signed and sealed by facsimile under the authority of the following Resolution adopted by the Board of Directors of ATLANTIC SPECIALTY INSURANCE COMPANY on the twenty-fifth day of September, 2012:

Resolved: That the signature of an Authorized Officer, the signature of the Secretary or the Assistant Secretary, and the Company seal may be affixed by facsimile to any power of attorney or to any certificate relating thereto appointing an Attorney-in-Fact for purposes only of executing and sealing any bond, undertaking, recognizance or other written obligation in the nature thereof, and any such signature and seal where so used, being hereby adopted by the Company as the original signature of such officer and the original seal of the Company, to be valid and binding upon the Company with the same force and effect as though manually affixed.

IN WITNESS WHEREOF, ATLANTIC SPECIALTY INSURANCE COMPANY has caused these presents to be signed by an Authorized Officer and the seal of the Company to be affixed this first day of January, 2023.

ATLANTIC SPECIALTY INSURANCE COMPANY CORPORATE SEAL 1986 NEW YORK

By _____
Sarah A. Kolar, Vice President and General Counsel

STATE OF MINNESOTA
HENNEPIN COUNTY

On this first day of January, 2023, before me personally came Sarah A. Kolar, Vice President and General Counsel of ATLANTIC SPECIALTY INSURANCE COMPANY, to me personally known to be the individual and officer described in and who executed the preceding instrument, and she acknowledged the execution of the same, and being by me duly sworn, that she is the said officer of the Company aforesaid, and that the seal affixed to the preceding instrument is the seal of said Company and that the said seal and the signature as such officer was duly affixed and subscribed to the said instrument by the authority and at the direction of the Company.

ALISON D. NASH-TROUT
NOTARY PUBLIC - MINNESOTA
My Commission Expires
January 31, 2030

_____
Notary Public

I, the undersigned, Secretary of ATLANTIC SPECIALTY INSURANCE COMPANY, a New York Corporation, do hereby certify that the foregoing power of attorney is in full force and has not been revoked, and the resolutions set forth above are now in force.

Signed and sealed. Dated 1st day of October, 2025.

ATLANTIC SPECIALTY INSURANCE COMPANY CORPORATE SEAL 1986 NEW YORK

_____
Kara L.B. Barrow, Secretary

This Power of Attorney expires
January 31, 2030

Please direct bond verifications to surety@intactinsurance.com

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Orange)

On October 2, 2025 before me, Jeanine M. Ferrari, Notary Public
(insert name and title of the officer)

personally appeared Rick Puffer,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

JEANINE M. FERRARI
Notary Public - California
Orange County
Commission # 2476229
My Comm. Expires Dec 12, 2027

Signature _____ **(Seal)**

DATE: July 21, 2025
SUBDIVIDER:
CALCULATED BY: NAS
CHECKED BY: NAS
REVISED BY:

PROJECT: 1401 Quail Street
ENGINEER: Proactive Engineering Consultants
BOND AMOUNT: $81,620.00

OFF-SITE IMPROVEMENT BOND ESTIMATE (To be based on latest unit prices)

ITEM OF WORK	TOTAL QTY.	UNIT	PRICE	COST
6" Curb and Gutter (Public)	560	Lin.Ft.@	$25.00	$14,000.00
Plug for Abandoned Driveway	470	Sq.Ft.@	$15.00	$7,050.00
Sidewalk 4" PCC	2,390	Sq.Ft.@	$10.00	$23,900.00
Drive Approach 6" PCC	290	Sq.Ft.@	$15.00	$4,350.00
Private Drain Through Curb (PVC)	2	Ea. @	$200.00	$400.00
Private Drain Through Curb (Rectangular Cast Iron)	9	Ea. @	$500.00	$4,500.00
Curb Access Ramp	1	Ea. @	$5,000.00	$5,000.00
Parkway Culvert	2	Ea. @	$1,000.00	$2,000.00
Sewer Manhole	1	Ea. @	$3,000.00	$3,000.00
6" Backflow Preventor with FDC	1	Ea. @	$10,000.00	$10,000.00
Domestic Water Meter Assembly and Backflow Prevention Assembly	1	Ea. @	$4,300.00	$4,300.00
Domestic Water Service (2")	1	Ea. @	$5,000.00	$5,000.00
SUBTOTAL IMPROVEMENT COST:				$74,200.00
CONTINGENCY (10%):				$7,420.00
	TOTAL IMPROVEMENT COST:			$81,620.00

PROACTIVE
ENGINEERING CONSULTANTS

a different kind of company

April 21, 2025

Mr. Jake Marshall
Public Works Department
100 Civic Center Drive
Newport Beach, CA 92660

Subject: Monument Bond Amount, Tract No. 19261, "In Newport Beach"

Dear Mr. Marshall,

The undersigned estimates the cost to set 3 monuments and provide centerline ties called for on the above referenced Tract Map to be $843.00 Please confirm the required monument bond amount so that the proponents can post a bond security to comply with the Conditions of Approval for this map.

Thank you for your continued cooperation, and should you have any questions, please feel free to call.

Sincerely,

PROACTIVE ENGINEERING CONSULTANTS

N. Streeter

Nicholas A. Streeter
P.L.S. 9067 Exp. 3/31/2026

SUBDIVISION AGREEMENT BY AND BETWEEN THE CITY OF NEWPORT BEACH AND QUAIL 67 DEVELOPMENT LLC, FOR TRACT NO. 19261

THIS AGREEMENT ("Agreement") is entered into this 2nd day of October, 2025 by and between the CITY OF NEWPORT BEACH, a municipal corporation and charter city of the State of California, hereinafter referred to as "CITY," and QUAIL 67 DEVELOPMENT LLC, a Delaware limited liability company, hereafter referred to as "SUBDIVIDER."

RECITALS

WHEREAS, SUBDIVIDER is the owner of a tract of land in CITY, which it is seeking to subdivide into lots and to make certain private and public improvements, and is about to file with CITY a map of the tract of land known as Tract No. 19261 ("Tract");

WHEREAS, as a condition of the approval of and prior to the recordation of this subdivision map for the Tract, SUBDIVIDER is required to complete 6" Curb and Gutter (Public), Plug for Abandoned Driveway, Sidewalk 4" PCC, Drive Approach 6" PCC, Private Drain Through Curb (PVC), Private Drain Through Curb (Rectangular Cast Iron), Curb Access Ramp, Parkway Culvert, Sewer Manhole, 6" Backflow Preventor with FDC, Domestic Water Meter Assembly and Backflow Prevention Assembly, Domestic Water Services (2") (collectively, "Improvements") as shown on public improvement plans for Tract 19261 dated August 8, 2025 ("Improvement Plans"), and to perform certain other improvements in the subdivision;

WHEREAS, the Parties agree and acknowledge that the October 2, 2025, agreement referenced in the bond documents obtain pursuant to Section 8 below refers to this Agreement; and

WHEREAS, SUBDIVIDER desires to enter into an agreement with CITY to delay performance of certain portions of the work; to agree to perform this work as herein provided; and to execute and deliver to CITY bonds for the faithful performance of this Agreement, for the payment of all labor and material in connection therewith, and for the guarantee and warranty of the work for a period of one (1) year following completion and acceptance thereof against any defect in work or labor done, or defective materials furnished, and subdivision monumentation, as required by Sections 66499 and 66499.3 of the California Government Code, and Section 19.36.030 Improvement Security (66499 et seq.) of the CITY's municipal code, which is adopted by ordinance of the City Council of CITY.

NOW, THEREFORE, in consideration of the promises and agreements of the parties as herein set forth, the parties agree as follows:

1. GENERAL IMPROVEMENTS

SUBDIVIDER hereby agrees to do, perform, and pay for all of the work for the Improvements as shown on the Improvement Plans for said Tract as required by the conditions of approval of the subdivision map for the Tract ("Map") which are not

completed at the time of the recordation thereof. SUBDIVIDER also agrees to pay all engineering costs and any other deposits, fees, or conditions associated with the Tract and with the Improvements as required by CITY ordinance or resolution and as may be required by the City Engineer. All of the work for the Improvements ("Work") shall be done and performed in accordance with the Improvement Plans, specifications, and profiles which have been approved by the City Engineer and filed in the office of the City Engineer. All of the Work shall be done at the sole cost and expense of SUBDIVIDER. All of the Work shall be completed on or before three (3) years from the date hereof, unless the conditions of approval of the Map require an earlier completion date. All labor and material costs and expenses for the Work shall be paid solely by SUBDIVIDER. CITY may withhold all occupancy permits until completion of the Improvements.

2. ARTERIAL HIGHWAY IMPROVEMENT

SUBDIVIDER agrees to complete any and all arterial highway improvements, including perimeter sidewalks, medians, and landscaping required by the conditions of approval of the Map, prior to release or connection of utilities for occupancy for any lot in the Tract.

3. GUARANTEE

SUBDIVIDER shall guarantee all Work and material required to fulfill its obligations as stated herein for a period of one (1) year following the date of the City Council's acceptance of same.

4. IMPROVEMENT PLAN WARRANTY

SUBDIVIDER warrants the Improvement Plans, specifications, and profiles which have been approved by the City Engineer and filed in the office of the City Engineer are adequate to accomplish the Work as promised herein and as required by the conditions of approval of the Map. If at any time before the City Council accepts the Work as complete or during the one (1) year guarantee period in Section 3 hereof, the Improvement Plans, specifications, and profiles which have been approved by the City Engineer and filed in the office of the City Engineer prove to be inadequate in any respect, SUBDIVIDER shall make whatever changes, at its own cost and expense, as are necessary to accomplish the Work as promised.

5. NO WAIVER BY CITY

Inspection of the Work and/or materials for the Improvements, or approval of Work and/or materials for the Improvements, or any statement by any officer, agent or employee of CITY indicating the Work or any part thereof complies with the requirements of this Agreement, or acceptance of the whole or any part of the Work and/or materials for the Improvements, or payments therefor, or any combination of all of these acts, shall not relieve SUBDIVIDER of its obligations under this Agreement; nor shall CITY be stopped from bringing any action for damages arising from SUBDIVIDER'S failure to comply with any of the terms and conditions hereof.

6. COSTS

SUBDIVIDER shall, at its own cost and expense, pay when due, all the costs of the Work, including inspections thereof and relocation of existing utilities required thereby.

7. SURVEYS

SUBDIVIDER shall set and establish survey monuments in accordance with the filed Map and to the satisfaction of CITY before acceptance of any Work by the CITY.

8. IMPROVEMENT SECURITY

Upon executing this Agreement, SUBDIVIDER shall, pursuant to California Government Code Section 66499, and the Newport Beach Zoning and Subdivision Ordinance, provide as security to CITY:

A. Faithful Performance: For performance security, in the amount of **Eighty One Thousand Six Hundred Twenty Dollars and 00/100 ($81,620.00)**, which is one hundred percent (100%) of the estimated cost of the work. SUBDIVIDER shall present such additional security in the form of:

_____ Cash, certified check, or cashier's check.
__X__ Acceptable corporate surety bond.
_____ Acceptable irrevocable letter of credit.

With this security, SUBDIVIDER guarantees performance under this Agreement and maintenance of the Work for one (1) year after its completion and acceptance against any defective workmanship or materials or unsatisfactory performance.

B. For Labor and Material: Security in the amount of **Eighty One Thousand Six Hundred Twenty Dollars and 00/100 ($81,620.00)**, which is one hundred percent (100%) of the estimated cost of the work. SUBDIVIDER shall present such security in the form of:

_____ Cash, certified check, or cashier's check.
__X__ Acceptable corporate surety bond.
_____ Acceptable irrevocable letter of credit.

With this security, SUBDIVIDER guarantees payment to the contractor, to its subcontractors, and to persons renting equipment or furnishing labor or materials for the Improvements or to SUBDIVIDER.

C. Warranty: Security in the amount of **Eight Thousand One Hundred Sixty Two Dollars and 00/100 ($8,162.00)**, which is ten percent (10%) of the estimated cost of the work. SUBDIVIDER shall present such security in the form of:

_____ Cash, certified check, or cashier's check.
__X__ Acceptable corporate surety bond.
_____ Acceptable irrevocable letter of credit.

With this security, SUBDIVIDER provides a one (1) year guarantee period on all work and materials. Such Warranty Bond shall be released one (1) year after acceptance of all improvements.

FINAL MONUMENTATION

A. For Subdivision Monumentation: Security in the amount of **Eight Hundred Forty Three Dollars and 00/100 ($843.00)**, which is one hundred percent (100%) of the estimated cost of this work. SUBDIVIDER shall present such security in the form of:

_____ Cash, certified check, or cashier's check.
__X__ Acceptable corporate surety bond.
_____ Acceptable irrevocable letter of credit.

With this security, SUBDIVIDER guarantees setting of such monuments and guarantees payment to the Engineer or Surveyor for setting such monuments in the Tract, and as a prerequisite to the approval of the final Map.

SUBDIVIDER may, during the term of this Agreement, substitute improvement security provided that the substituted security is approved in advance in writing by the City Attorney; however, any bond or other security given in satisfaction of this condition shall remain in full force and effect until one (1) year after the Improvements are accepted in writing by CITY. SUBDIVIDER may be required by CITY to provide a substitute security at any time until one (1) year after the Improvements are accepted in writing by CITY.

9. INDEMNIFICATION. DEFENSE. HOLD HARMLESS

City and all officers, employees, and representatives thereof shall not be responsible in any manner for any loss or damage to any of the materials or other things used or employed in performing the Work or for injury to or death of any person as a result of SUBDIVIDER's performance of the Work required hereunder; or for damage to property from any cause arising from the performance of the Work by SUBDIVIDER, or its subcontractors, or its workers, or anyone employed by either of them.

SUBDIVIDER shall be responsible for any liability imposed by law and for injuries to or death of any person or damage to property resulting from defects, obstructions, or from any cause arising from SUBDIVIDER's performance of the Work, performance of the Work by any contractor, subcontractor, or agent of SUBDIVIDER, or a supplier providing materials for the Work on behalf of the SUBDIVIDER.

To the fullest extent permitted by law, SUBDIVIDER shall indemnify, defend and hold harmless City, its City Council, boards, committees and commissions, officers, agents, volunteers, and employees (collectively, the "Indemnified Parties") from and against any and all claims (including, without limitation, claims for bodily injury, death or damage to property), demands, obligations, damages, actions, causes of action, suits, losses, judgments, fines, penalties, liabilities, costs and expenses (including, without limitation, attorneys' fees, disbursements and court costs) of every kind and nature whatsoever (individually, a Claim; collectively, "Claims"), which may arise from or in any manner relate (directly or indirectly) to any breach of the terms and conditions of this Agreement by or on behalf of SUBDIVIDER, any Work performed for the Improvements

including, without limitation, defects in workmanship or materials or SUBDIVIDER's presence or activities conducted on the Work (including the negligent and/or willful acts, errors and/or omissions of SUBDIVIDER, its principals, officers, agents, employees, vendors, suppliers, consultants, subcontractors, anyone employed directly or indirectly by any of them or for whose acts they may be liable or any or all of them).

Notwithstanding the foregoing, nothing herein shall be construed to require SUBDIVIDER to indemnify the Indemnified Parties from any Claim arising from the sole negligence or willful misconduct of the Indemnified Parties. Nothing in this indemnity shall be construed as authorizing any award of attorneys' fees in any action on or to enforce the terms of this Agreement. This indemnity shall apply to all Claims regardless of whether any insurance policies are applicable. The policy limits do not act as a limitation upon the amount of indemnification to be provided by SUBDIVIDER.

SUBDIVIDER shall perform all Work in a manner to minimize public inconvenience and possible hazard, to restore other work areas to their original condition and former usefulness as soon as possible, and to protect public and private property. SUBDIVIDER shall be liable for any private or public property damaged during the performance of the Work by SUBDIVIDER or its agents.

In addition to the other rights of City hereunder, in the event that any Claims are brought against the CITY as a result of SUBDIVIDER'S breach of the terms and conditions of this Agreement, any Work performed by or on behalf of SUBDIVIDER, or as a result of SUBDIVIDER's presence or activities conducted on the Tract, the City, as it deems necessary and to the extent authorized by law, may retain any security under Section 8 of this Agreement until disposition of any such Claims.

The rights and obligations set forth in this Section shall survive the termination of this Agreement.

10. INSURANCE

Any insurance required by the City pursuant to any permit issued to City including but not limited to, any encroachment permits, shall be obtained by SUBDIVIDER.

The requirement for carrying the insurance coverage shall not derogate from SUBDIVIDER'S defense, hold harmless and indemnification obligations as set forth in Section 9 of this Agreement. CITY or its representatives shall at all times have the right to demand the original or a copy of the policy of insurance. SUBDIVIDER shall pay, in prompt and timely manner, the premium on all insurance hereinabove required.

11. NONPERFORMANCE AND COSTS

If SUBDIVIDER fails to complete the Work within the time specified in this Agreement, or any subsequent extensions, if any, or fails to maintain the Work, CITY may proceed to complete and/or maintain the Work by contract or otherwise, and SUBDIVIDER agrees to pay all costs and charges incurred by CITY (including, but not limited to: engineering, inspection, surveys, contract, overhead, etc.) immediately upon demand. In such event, the CITY may utilize the security provided under Section 8 to

cover costs and charges incurred by CITY (including, but not limited to: engineering, inspection, surveys, contract, overhead, etc.) for the Work.

SUBDIVIDER hereby consents to entry on the subdivision property by CITY and its forces, including subdividers, in the event CITY proceeds to complete and/or maintain the Work.

Once action is taken by CITY to complete or maintain the Work, in the event that City does not elect to use the security provided by SUBDIVIDER for the Improvements or does elect to use such security and such security is insufficient for City to complete or maintain the Work, SUBDIVIDER agrees to pay all costs incurred by CITY even if SUBDIVIDER subsequently completes the Work.

12. RECORD MAP

In consideration hereof, CITY agrees that SUBDIVIDER is permitted to file and record the final Map for the Tract.

13. NOTICES

Any notices, certificates, or other communications hereunder shall be given either by personal delivery to SUBDIVIDER or to CITY as the situation shall warrant, or by enclosing the same in a sealed envelope, postage prepaid, and depositing the same in the United States Postal Service, to the addresses specified below. CITY and SUBDIVIDER may designate different addresses to which subsequent notices, certificates or other communications will be sent by notifying the other party via personal delivery, reputable overnight courier or U.S. certified mail-return receipt requested:

TO CITY:
City of Newport Beach
Attn: Director of Public Works
100 Civic Center Drive
Newport Beach, CA 92660

TO SUBDIVIDER:
QUAIL 67 DEVELOPMENT LLC
Attn: Rick Puffer
895 Dove Street, Suite 400
Newport Beach, CA 92660

14. CONSENT

When CITY'S consent/approval is required under this Agreement, its consent/ approval for one transaction or event shall not be deemed to be a consent/approval to any subsequent occurrence of the same or any other transaction or event.

15. MODIFICATION

No waiver or modification of any language in this Agreement shall be valid unless in writing and duly executed by both parties.

16. CITY APPROVALS

The City Manager of the City of Newport Beach is hereby authorized, on behalf of the CITY, to sign all documents necessary and appropriate to carry out and implement this Agreement and to administer the CITY's obligations, responsibilities and duties to be performed under this Agreement.

17. SECTION HEADINGS

The titles, captions, section, paragraph and subject headings, and descriptive phrases at the beginning of the various sections in this Agreement are merely descriptive and are included solely for convenience of reference only and are not representative of matters included or excluded from such provisions, and do not interpret, define, limit, describe, or construe the intent of the parties or affect the construction or interpretation of any provision of this Agreement.

18. INTERPRETATION OF THIS AGREEMENT

The language of all parts of this Agreement shall in all cases be construed as a whole, according to its fair meaning, and not strictly for or against any of the parties. If any provision of this Agreement is held by an arbitrator or court of competent jurisdiction to be unenforceable, void, illegal or invalid, such holding shall not invalidate or affect the remaining covenants and provisions of this Agreement. No covenant or provision shall be deemed dependent upon any other unless so expressly provided here. As used in this Agreement, the masculine or neuter gender and singular or plural number shall be deemed to include the other whenever the context so indicates or requires. Nothing contained herein shall be construed so as to require the commission of any act contrary to law, and wherever there is any conflict between any provision contained herein and any present or future statute, law, ordinance or regulation contrary to which the parties have no right to contract, then the latter shall prevail, and the provision of this Agreement which is hereby affected shall be curtailed and limited only to the extent necessary to bring it within the requirements of the law.

19. DUPLICATE ORIGINAL

The original of this Agreement and one or more copies hereto have been prepared and signed in counterparts as duplicate originals, each of which so executed shall, irrespective of the date of its execution and delivery, be deemed an original. Each duplicate original shall be deemed an original instrument as against any party who has signed it.

20. IMMIGRATION

SUBDIVIDER shall be responsible for full compliance with the immigration and naturalization laws of the United States and shall, in particular, comply with the provisions of the United States Code regarding employment verification.

21. LEGAL SERVICES SUBCONTRACTING PROHIBITED

SUBDIVIDER and CITY agree that CITY is not liable for payment of any subcontractor work involving legal services, and that such legal services are expressly outside the scope of services contemplated hereunder. SUBDIVIDER understands that pursuant to Newport Beach City Charter Section 602, the City Attorney is the exclusive legal counsel for CITY; and CITY shall not be liable for payment of any legal services expenses incurred by SUBDIVIDER.

22. NO ATTORNEY'S FEES

In the event suit is brought by either party to construe, interpret and/or enforce the terms and/or provisions of this Agreement or to secure the performance hereof, each party shall bear its own attorney's fees, such that the prevailing party shall not be entitled

to recover its attorney's fees from the nonprevailing party.

23. SURVIVAL

Terms and conditions of this Agreement, which by their sense and context survive the expiration or termination of this Agreement shall so survive.

24. GOVERNING LAW

This Agreement shall be governed and construed in accordance with the laws of the State of California.

25. SIGNATORIES

Each undersigned represents and warrants that its signature herein below has the power, authority and right to bind their respective parties to each of the terms of this Agreement, and shall indemnify CITY fully for any injuries or damages to CITY in the event that such authority or power is not, in fact, held by the signatory or is withdrawn.

26. ENTIRETY

The parties acknowledge and agree that they are entering into this Agreement freely and voluntarily following extensive arm's length negotiations, and that each has had the opportunity to consult with legal counsel prior to executing this Agreement. The parties also acknowledge and agree that no representations, inducements, promises, agreements or warranties, oral or otherwise, have been made by that party or anyone acting on that party's behalf, which are not embodied in this Agreement, and that that party has not executed this Agreement in reliance on any representation, inducement, promise, agreement, warranty, fact or circumstance not expressly set forth in this Agreement. This Agreement contains the entire agreement between the parties respecting the subject matter of this Agreement and supersedes all prior understandings and agreements whether oral or in writing between the parties respecting the subject matter hereof.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by and through their authorized offices the day, month and year first above written.

APPROVED AS TO FORM:
CITY ATTORNEY'S OFFICE
Date: 11/10/25

By: Jose Montoya for
Aaron C. Harp
City Attorney
11.10.25
AF

ATTEST:
Date:_____

By:_____
Lena Shumway
City Clerk

CITY OF NEWPORT BEACH,
a California municipal corporation
Date:_____

By:_____
Joe Stapleton
Mayor

SUBDIVIDER: QUAIL 67 DEVELOPMENT LLC, a Delaware limited liability company

By: Quail 67 Services LLC, a Delaware limited liability company
Its: Manager

By: Intracorp SW LLC, a Delaware limited liability company
Its: Sole Member Quail 67 Services LLC, a Delaware limited liability company

Date: NOVEMBER 11TH 2025

By:_____
Rick Puffer
Vice President

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Orange } ss.
On November 11, 20 25 before me, Jeanine M. Ferrari,
Notary Public, personally appeared Rick Puffer, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

JEANINE M. FERRARI
Notary Public - California
Orange County
Commission # 2476229
My Comm. Expires Dec 12, 2027

WITNESS my hand and official seal.

Jeanine M Ferrari
Signature (seal)

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of _____ } ss.
On _____, 20_____ before me, _____,
Notary Public, personally appeared _____,
proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

_____
Signature (seal)

CITY OF

NEWPORT BEACH

City Council Staff Report

December 9, 2025
Agenda Item No. 16

TO:	HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM:	Jason Al-Imam, Finance Director/Treasurer - 949-644-3126, jalimam@newportbeachca.gov
PREPARED BY:	Jessica Nguyen, Budget Manager – 949-644-3192, jnguyen@newportbeachca.gov
TITLE:	First Quarter Budget Update

ABSTRACT:

The Finance Department prepares quarterly financial reports to review the status of revenues and expenditures for the City's General Fund and to monitor budgetary trends across other City funds. This report presents information on revenues, expenditures, and the estimated fund balance for the first quarter of Fiscal Year 2025–26.

The first quarter financial report for FY 2025–26 provides an analysis of the City's financial activity from July through September 2025. Based on information available through the end of the first quarter, an unrestricted General Fund operating surplus of $10.3 million is projected for FY 2025–26.

This report was reviewed and discussed with the Finance Committee on November 13, 2025.

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

DISCUSSION:

Economic Overview

The City's assessed property values continue to rise, strengthening the City's largest revenue source. Property tax revenue increased by 5.5% in FY 2024–25 and is projected to grow by 5.8% in FY 2025–26, driven primarily by strong property sales and rising median home prices.

Sales tax, the City's second largest revenue source and approximately 15% of General Fund revenues, grew 5.7% in FY 2024–25 and is projected to increase 3.0% in FY 2025–26, reflecting a resilient local economy.

Transient Occupancy Tax (TOT), the City's third largest revenue source, is experiencing

slower growth following several years of strong post-pandemic recovery.

Overall, the City's diverse and stable revenue base, coupled with prudent fiscal management, positions it well to maintain long-term financial sustainability.

General Fund Revenues

Most revenue categories performed at or above their budgeted levels last year due to more favorable economic conditions than originally anticipated in the adopted budget. Growth in many areas has led to a projected $4.5 million increase in General Fund revenues compared with the budgeted estimates. Projections for key revenue categories have been updated based on current economic conditions and revenue forecasts.

The table below summarizes the changes to projected General Fund revenues compared with the revised budget for FY 2025–26. Details explaining the reasons for the material variances follow.

FY 2025-26 Projected General Fund Revenues

Revenues by Category	A Revised Budget	B Q1 Projected Actuals	C = B - A Variance	D = C/A % Variance
Property Taxes	159,980,466	163,128,525	3,148,059	1.97%
Sales Tax	47,301,344	48,091,080	789,736	1.67%
Transient Occupancy Tax*	33,994,371	33,747,971	(246,400)	-0.72%
Other Taxes	10,318,398	10,318,398	-	0.00%
Service Fees & Charges	26,121,476	26,569,121	447,645	1.71%
Parking Revenue	8,976,102	8,976,102	-	0.00%
Licenses and Permits	5,598,575	5,757,997	159,422	2.85%
Property Income	9,544,279	9,544,279	-	0.00%
Fines & Penalties	4,169,867	4,324,224	154,357	3.70%
Intergovernmental	4,684,876	4,684,876	-	0.00%
Investment Earnings	1,577,249	1,577,249	-	0.00%
Misc Revenues	588,354	660,554	72,200	12.27%
Operating Transfers In	20,753,116	20,753,116	-	0.00%
Total Revenues	**333,608,473**	**338,133,491**	**4,525,019**	**1.36%**

*Gross TOT revenues are projected at approximately $41.0 million, consisting of $31.6 million in hotel TOT and $9.4 million in residential TOT. Effective January 1, 2025, VNB's share increased to 23% of hotel TOT and 0% of residential TOT. VNB is projected to receive about $7.3 million, resulting in net TOT revenues of $33.7 million.

Property Tax - Property taxes are the City's single largest General Fund revenue and represent approximately 50% of all General Fund revenues. When the original property tax forecast for the current year was developed eight months ago, the City's total assessed valuation was projected at $83.3 billion. The final property tax roll, finalized in July, reflected total assessed values of $84.4 billion—approximately 1.3% higher than originally forecasted. Accordingly, secured and unsecured property tax revenues are projected to be about 1.3% higher, resulting in roughly $1.5 million in additional revenue. Supplemental property tax revenues are also projected to exceed prior estimates by

approximately $1.5 million.

The forecast was revised upward primarily to reflect this stronger-than-expected performance in assessed values and prior-year activity. Overall, property tax revenue is now projected to increase by 5.8% compared to the prior year, driven by continued strength in the local real estate market.

Sales Tax - The second largest funding source for the General Fund is sales tax revenue, making up more than 15% of General Fund revenues. The City's sales tax base is largely generated from three industry groups — autos and transportation; general consumer goods; and restaurants/hotels. In FY 2024-25 the City saw a 5.7% increase in sales tax revenue compared to FY 2023-24. Sales tax revenues are projected to increase by approximately 3.0% over FY 2024-25 levels, consistent with the City's sales tax consultant's forecast. The updated projection represents a $0.7 million increase over the original forecast for the current year to align the City's estimates with the consultant's outlook. An updated projection provided by the City's sales tax consultant reflects a $0.7 million increase over the revised budget. A major contributor to overall sales tax growth is the automobiles and transportation sector, which is projected to be $1.7 million higher—an increase of 16% compared to the prior year. Approximately $1 million of this growth was already reflected in the original forecast, which is why only a $0.7 million adjustment is needed to align the City's overall sales tax projection with the consultant's outlook.

Transient Occupancy Tax – The third largest funding source for the General Fund is TOT, making up more than 10% of General Fund revenues. The City is experiencing slower growth compared to FY 2024-25, largely due to softening demand, particularly from international travel and tourism. A decrease of approximately $0.25 million (0.7%) is required to adjust the forecast for TOT revenue from hotels, reflecting this softening demand.

All Other Revenue – This category includes all other revenue sources other than the top three (property tax, sales tax and TOT). All other revenue is made up of other taxes, service fees and charges, parking revenue, licenses and permits, property income, fines and penalties, intergovernmental revenues, investment earnings, and miscellaneous revenues. Changes in projected amounts are proposed in the following categories:

- Service Fees and Charges – plan check fees, recreation classes, emergency medical services fees and numerous other cost-of-service fees. This category is projected to be $0.4 million or 1.71% higher than the revised budget. Contributing factors include an increase in police emergency response, fire annual and special permits, and Oasis Center and aquatics program enrollment.
- Licenses and Permits include fees for processing building-related permits, street closure permits, dog licenses, and police tow franchise fees. Budget projections indicate an increase of $0.2 million, or 2.85%, above the revised budget. This variance is primarily attributed to higher building permit activity, reflecting an overall increase in residential and commercial development projects.
- Fines & Penalties include parking citation fines collected by the City, administrative citation fines, fines remitted to the City from the County for vehicle code violations,

and false alarm penalties.

- Miscellaneous Revenues – restricted revenue, damage to City property, bad debt, donations and contributions, non-operating revenues such as proceeds from the sale of materials and equipment, and other miscellaneous revenues. Staff's analysis shows revenues for the special lighting district projected to come in $23,903 over the revised budget.

General Fund Expenditures

The FY 2025-26 General Fund revised expenditure budget totals $348.0 million. Spending trends in FY 2025-26 are generally consistent with prior years and do not indicate any cause for concern. Total expenditure savings of $3.2 million are projected at this time largely due to year-to-date savings from vacancies.

The following table compares the revised expenditure budget for FY 2025-26 to projected amounts based on data through the first quarter. Details highlighting the reasons for the material variances follow.

FY 2025-26 Projected General Fund Expenditures

Expenses by Category	A Revised Budget	B Q1 Projected Actuals	C = A - B Variance	D = C/A % Variance
Salary & Benefits	195,325,260	193,425,260	1,900,000	0.97%
Contract Services	42,841,524	42,485,199	356,325	0.83%
Grant Operating	1,570,592	1,108,329	462,264	29.43%
Utilities	4,722,621	4,654,138	68,484	1.45%
Supplies & Materials	5,162,258	4,945,456	216,801	4.20%
Maintenance & Repair	6,653,479	6,518,171	135,308	2.03%
Travel & Training	874,770	872,569	2,201	0.25%
General Expenses	4,661,079	4,709,539	(48,460)	-1.04%
Internal Svc Charge	29,444,147	29,444,147	-	0.00%
Capital Expenditures	1,572,389	1,504,462	67,926	4.32%
Operating Transfers Out	55,166,279	55,166,279	-	0.00%
Total Expenditures	**347,994,399**	**344,833,549**	**3,160,850**	**0.91%**

Significant expenditure budget variances are as follows:

- The revised salary and benefits budget totals $195.3 million, an increase of $10.1 million over the adopted budget. An analysis of salary and benefit activity for quarter one indicates that $1.9 million in personnel savings have been captured to date.

- The grant operating budget shows savings of $0.5 million, largely due to delays in disbursements from the Public Provider Ground Emergency Medical Transport Intergovernmental Transfer Program (PP-GEMT-IGT). Staff will continue to assess the nature of the delay and provide updates as more information becomes available.
- The contract services budget is expected to have $0.4 million in savings. As of the

first quarter, the variance is primarily due to timing of projects. As these savings are preliminary, staff will continue to monitor activity to refine projections as additional data becomes available.

- The supplies & materials and maintenance & repair budgets show savings of $0.4 million based on projected spending trends. However, staff will continue to monitor expenditures in subsequent quarters to confirm actual savings.

- The general expense budget shows a 1.04% or $0.04 million overage mainly attributed to the Fire Department's need to replace uniform personal protective equipment (PPE). This overage is expected to be more than offset by savings in other categories within each department and is not a cause for concern.

General Fund Sources, Uses, and Projected Surplus

The City continues to maintain a strong and stable financial position. Conservative budgeting practices and adherence to sound financial policies have supported consistent General Fund operating surpluses and healthy reserve levels over the past several years. These practices position the City to sustain current service levels and strategically allocate surplus resources toward key community priorities. Unrestricted General Fund resources are currently projected to total $10.3 million at the end of FY 2025–26. As in prior years, staff anticipate that additional budget savings will be realized in subsequent quarters as the fiscal year progresses.

FY 2025-26 Projected General Fund Sources, Uses, and Budget Surplus

Category	A Revised Budget	B Q1 Projection	C=B-A Variance	D=C/A % Variance
Beginning Fund Balance Reserves	**$ 25,714,088**	**$ 25,714,088**	**$ -**	**0.00%**
Operating Resources:				
Operating Revenues	312,855,357	317,380,375	4,525,019	1.43%
Prior Year Resources Carried Forward	3,785,541	3,785,541	-	0.00%
Transfers In from Other Funds	20,753,116	20,753,116	-	0.00%
Repayment of Advances	1,250,000	1,250,000	-	0.00%
Total Operating Resources	**$ 338,644,014**	**$ 343,169,032**	**$ 4,525,019**	**1.32%**
Operating Uses:				
Operating Expenditures	292,828,120	289,667,270	3,160,850	1.09%
Transfers Out	43,229,779	43,229,779	-	0.00%
Total Operating Uses	**$ 336,057,899**	**$ 332,897,049**	**$ 3,160,850**	**0.95%**
Net Operating Surplus	**$ 2,586,115**	**$ 10,271,983**	**$ 7,685,868**	**74.82%**
Non-Operating Resources & Uses				
Use of FY 2024-25 Surplus:				
Purchase of Real Property on Campus Drive	(11,936,500)	(11,936,500)	-	0.00%
Transfers out to the FFP	(13,777,588)	(13,777,588)	-	0.00%
Total Non-Operating Resources & Uses	**$ (25,714,088)**	**$ (25,714,088)**	**$ -**	**0.00%**
Net Change in Fund Balance	(23,127,973)	(15,442,105)	7,685,868	-49.77%
Ending Fund Balance Reserves	**$ 2,586,115**	**$ 10,271,983**	**$ 7,685,868**	**74.82%**

The previous table compares the revised expenditure budget for FY 2025-26 to projected

amounts based on data through the first quarter. Details highlighting the reasons for the material variances follow.

Major Funds
Staff have evaluated the fiscal condition of other major operating funds. An analysis of the budget performance for other major operating funds indicates that a budget adjustment is not necessary and variances between budgeted and actual amounts are within reason.

FISCAL IMPACT:

The City projects an unrestricted General Fund surplus of approximately $10.3 million for FY 2025–26, with revenues exceeding budgeted estimates by $4.5 million and expenditures projected to be $3.2 million below the revised budget. No adjustments to the General Fund or other major operating funds are anticipated at this time.

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).

CITY OF

NEWPORT BEACH

City Council Staff Report

December 9, 2025
Agenda Item No. 17

TO:	HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM:	Seimone Jurjis, Assistant City Manager - 949-644-3001, sjurjis@newportbeachca.gov
PREPARED BY:	Mark Vukojevic, Utilities Director - 949-644-3011, mvukojevic@newportbeachca.gov
TITLE:	Review of Proclamation of Local Emergency, Resolution No. 2025-75

ABSTRACT:

A local emergency was declared on October 22, 2025, following the detection of methane seepage and oil intrusion at 3606 Marcus Avenue on the Balboa Peninsula, believed to be related to a historic orphan oil well beneath 3606 and/or 3602 Marcus Avenue. The City Council ratified the Proclamation of Local Emergency on October 28, 2025, by adopting Resolution No. 2025-75 (Attachment A). In coordination with the California Geologic Energy Management Division (CalGEM), which has obtained emergency funding and approvals, the City of Newport Beach (City) is supporting an expedited effort to drill an intercept well at Marcus Avenue and 36th Street and re-plug the orphan well approximately 800 feet below ground surface. Although the City does not own the well, staff from Police, Fire, Public Works and Utilities Departments are actively coordinating with CalGEM and its contractor to address immediate public safety and environmental risks. Mobilization, 24-hour drilling operations, and demobilization are expected to occur through December, resulting in temporary neighborhood impacts including loss of on-street parking, restricted access, and continuous construction related noise.

RECOMMENDATIONS:

a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15269(c), 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) Review the continued need for the local emergency as required by Newport Beach Municipal Code Section 2.20.065 and, if emergency conditions remain, receive and file the report.

DISCUSSION:

On October 22, 2025, a local emergency was declared after methane seepage was detected at a residence located at 3606 Marcus Avenue on the Balboa Peninsula, believed to be caused by oil intrusion from an abandoned private oil well beneath the

home. On October 28, 2025, the City Council ratified the Proclamation of Local Emergency by adopting Resolution No. 2025-75.

City staff and State representatives believe that a historic oil well located under 3606 and/or 3602 Marcus Avenue may be leaking. The well was plugged in 1929 in accordance with the standards of that era and has no known responsible owner and is therefore considered an "orphan" oil well. Staff have secured an emergency response from CalGEM, which has regulatory oversight of all oil and natural gas wells in the State and administers several programs, including an orphan well abandonment program. Due to the active leakage and the associated threat to public safety and the environment, CalGEM has responded and obtained funding and approvals to attempt to re-plug the orphan well. The City does not own the well and responsibility for the well rests with the private property owners; however, in the interest of public health and safety, the City has taken an active role in coordinating and expediting the response.

City staff from the Police, Fire, Public Works and Utilities Departments have been working closely with CalGEM to expedite the emergency re-plugging activities. CalGEM has engaged an emergency oil drilling contractor. Work is planned to begin on Monday, November 24, with full mobilization anticipated by December 1, at which point operations will transition to a 24-hour schedule. The plan is to drill an intercept well from the intersection of Marcus Avenue and 36th Street to locate and intersect the orphan well several hundred feet below ground surface. From there, the contractor will re-plug the well, approximately 800 feet deep. Staff and technical experts believe that re-capping the orphan well at its source will stop the above-ground oil and gas intrusion; however, due to subsurface uncertainties, this outcome cannot be guaranteed.

The overall timeline for mobilization, drilling, re-capping and demobilization is expected to extend through the month of December. Staff has been proactively informing nearby residents about the emergency oil well repair activities and associated impacts. The work will require removal of on-street parking, limited or no access to some garages, restricted pedestrian access, and continuous construction and equipment noise on a 24-hour basis. Continuous drilling is considered best practice for this type of operation, as daily start-and-stop cycles can increase technical risk and extend the duration of work. Staff recognize that these emergency repairs will be disruptive, particularly given the nighttime noise that may carry several blocks, and will continue to coordinate with the contractor to minimize impacts where feasible while completing the work as quickly and safely as possible.

FISCAL IMPACT:

The adopted budget includes sufficient funding for the City to expend staff, material, and contractor resources to facilitate the emergency construction. This will be a small portion of the overall expenditure and will be funded from various operational and emergency accounts within the Utilities, Public Works, Police and Fire Department accounts. The State is preparing to spend a few million dollars on this emergency with their planning and construction efforts. In the event the project or the emergency exceeds annual budget appropriations, a budget amendment would be brought to City Council.

ENVIRONMENTAL REVIEW:

Staff recommends the City Council find this project exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15269(c) (the activity is necessary to prevent or mitigate an emergency), 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 to have a significant effect on the environment.

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).

ATTACHMENT:

Attachment A – Resolution No. 2025-75

RESOLUTION NO. 2025-75

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEWPORT BEACH, CALIFORNIA, RATIFYING IN ITS ENTIRETY THE PROCLAMATION OF THE EXISTENCE OF A LOCAL EMERGENCY ISSUED BY THE DIRECTOR OF EMERGENCY SERVICES ON OCTOBER 22, 2025, AND DECLARING THAT THE LOCAL EMERGENCY SHALL REMAIN IN EFFECT UNTIL THE EMERGENCY IS TERMINATED BY THE CITY COUNCIL

WHEREAS, Section 200 of the Charter of the City of Newport Beach ("City") vests the City Council with the authority to make and enforce all laws, rules and regulations with respect to municipal affairs subject only to the restrictions and limitations contained in the Charter and the State Constitution, and the power to exercise, or act pursuant to any and all rights, powers, and privileges, or procedures granted or prescribed by any law of the State of California;

WHEREAS, Chapter 2.20 (Emergency Services) of the Newport Beach Municipal Code provides for the preparation and implementation of plans to provide services within Newport Beach in the event of an emergency, to empower certain City officials to promulgate orders and regulations necessary to provide for the protection of life and property or to preserve public order and safety, and to provide for the coordination of the emergency service functions of the City with all other public agencies and affected private persons, corporations, and organizations;

WHEREAS, Section 2.20.060(A) of the Newport Beach Municipal Code empowers the Director of Emergency Services to proclaim the existence of a local emergency when conditions of disaster or extreme peril to the safety of persons or property exist within the City of Newport Beach, and the City Council is not in session, provided that such proclamation shall be ratified by the City Council at the earliest practicable time, but in no event later than seven (7) days after issuance, or it shall have no further force or effect;

WHEREAS, Section 2.20.060(C)-(E) of the Newport Beach Municipal Code further authorizes the Director of Emergency Services to control and direct the City's emergency organization, coordinate interagency response, and represent the City in dealings with public or private agencies during emergencies;

WHEREAS, on October 22, 2025, the Director of Emergency Services of the City of Newport Beach proclaimed the existence of a local emergency due to the seepage of methane gas and oil intrusion into a residential structure located at 3606 Marcus Avenue, reportedly originating from an abandoned or old oil well, which created conditions of extreme peril to the safety of persons and property;

City of Newport Beach

WHEREAS, the Director of Emergency Services determined that these conditions required the evacuation of affected and nearby properties, the restriction of access to the impacted area, and the mobilization of emergency personnel and resources to mitigate the danger and protect the public health and safety;

WHEREAS, pursuant to Section 2.20.070 of the Newport Beach Municipal Code, all rules, orders, and regulations issued under the authority of the Director of Emergency Services must: (1) be in writing; (2) receive widespread publicity and notice; and (3) be ratified and confirmed by the City Council within seven (7) days of issuance, or they shall have no further effect;

WHEREAS, the Director of Emergency Services has submitted to the City Council the written Proclamation of the Existence of a Local Emergency, attached hereto as Exhibit 1, all associated emergency orders and regulations, and a report describing the facts and circumstances necessitating the emergency proclamation in accordance with Section 2.20.070(B) of the Newport Beach Municipal Code;

WHEREAS, the City Council has reviewed the proclamation, the accompanying report, and the Director of Emergency Service's findings, and hereby determines that the conditions described therein were a threat to the public health, safety, and welfare, and that the proclamation and emergency was issued under the authority of the Newport Beach Municipal Code and the California Emergency Services Act;

WHEREAS, the City Council has reviewed the emergency rules, regulations and orders set forth in the proclamation and hereby determines that the rules, regulations and orders were necessary to address the threat to the public health, safety, and welfare at the time said rules, regulations and orders were issued;

WHEREAS, the City of Newport Beach Fire and Utilities Departments, in coordination with the Orange County Health Care Agency, undertook mitigation measures to safely vent accumulated methane gas; and

WHEREAS, he City Council hereby determines that there is still a threat to the public health, welfare, and safety that will continue until a permanent solution resolving the accumulation and venting of methane gas and seeping oil is designed, implemented, and verified as effective by the appropriate regulatory agencies.

City of Newport Beach

NOW, THEREFORE, the City Council of the City of Newport Beach ordains as follows:

Section 1: The City Council hereby ratifies and confirms the Proclamation of the Existence of a Local Emergency issued by the Director of Emergency Services on October 22, 2025, attached hereto as Exhibit 1 and incorporated herein by this reference, pursuant to Section 2.20.060(A) of the Newport Beach Municipal Code ("Proclamation of Emergency"). The City Council further adopts and affirms all findings and determinations set forth in the Proclamation of Emergency and declares that the Proclamation of Emergency shall remain in full force and effect until such time as the City Council proclaims that the local emergency has been terminated in accordance with applicable law.

Section 2: The City Council hereby ratifies and confirms all written emergency rules, regulations, and orders issued by the Director of Emergency Services pursuant to Section 2.20.070 of the Newport Beach Municipal Code, as set forth in the Proclamation of Emergency. The City Council hereby rescinds the rules, regulations and orders 1 through 7, set forth in the Proclamation of Emergency, which shall no longer be in effect upon the adoption of this resolution.

Section 3. The City Council affirms that the City's Emergency Operations Plan, adopted pursuant to Section 2.20.050 of the Newport Beach Municipal Code, is in full force and effect, and authorizes all City departments and the City's Emergency Organization to continue implementing and enforcing its provisions to protect life and property and mitigate the emergency conditions.

Section 4: The City Council shall review the need for continuing the local emergency at least once every sixty (60) days, in accordance with Section 2.20.065 of the Newport Beach Municipal Code and shall proclaim the termination of the local emergency at the earliest possible date that conditions warrant.

Section 5: The City Manager, as the Director of Emergency Services of the City of Newport Beach, is authorized to take the actions delineated in Chapter 2.20 (Emergency Services) of the Newport Beach Municipal Code, in furtherance of the Proclamation of Local Emergency including applying for federal and state assistance.

Section 6: The recitals provided in this resolution are true and correct and are incorporated into the operative part of this resolution.

City of Newport Beach

Section 7: If any section, subsection, sentence, clause or phrase of this resolution is, for any reason, held to be invalid or unconstitutional, such decision shall not affect the validity or constitutionality of the remaining portions of this resolution. The City Council hereby declares that it would have passed this resolution, and each section, subsection, sentence, clause or phrase hereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

Section 8: The City Council finds and determines that the introduction and adoption of this Proclamation of Local Emergency is not subject to the California Environmental Quality Act ("CEQA") pursuant to Sections 15269(c) (the activity is necessary to prevent or mitigate an emergency), 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, Division 6, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

Section 9: This resolution shall take effect immediately upon its adoption by the City Council, and the City Clerk shall certify the vote adopting the resolution.

ADOPTED this 28th day of October, 2025.

Joe Stapleton
Mayor

ATTEST:

Lena Shumway
City Clerk

APPROVED AS TO FORM:

CITY ATTORNEY'S OFFICE

Aaron C. Harp

Exhibit 1 - Proclamation of the Existence of a Local Emergency issued by the Director of Emergency Services on October 22, 2025

City of Newport Beach

EXHIBIT 1

City of Newport Beach

PROCLAMATION OF THE EXISTENCE OF A LOCAL EMERGENCY BY THE DIRECTOR OF EMERGENCY SERVICES OF THE CITY OF NEWPORT BEACH OCTOBER 22, 2025

WHEREAS, Section 2.20.060 of the Newport Beach Municipal Code empowers the Director of Emergency Services of the City of Newport Bach to proclaim the existence of a local emergency due to the existence of conditions of disaster or extreme peril to the safety of persons or property within the City of Newport Beach, if the City Council is not in session; and

WHEREAS, the Emergency Services Director of the City of Newport Beach does hereby find that:

1. A hazardous condition has arisen at 3606 Marcus Avenue, Newport Beach, California 92663, involving the seepage of methane gas and oil intrusion into a residential structure, reportedly originating from an abandoned or old oil well;

2. The presence of oil and methane gas poses an immediate threat to the health, safety, and welfare of residents and the surrounding community, necessitating urgent protective measures;

3. In the interest of public safety, the evacuation of the affected residence and neighboring properties is required until the hazard can be assessed and mitigated;

4. Access to the affected area must be strictly controlled to prevent injury or interference with emergency response operations;

5. Such conditions of disaster or extreme peril are or are likely to be beyond the control of the services, personnel, equipment, and facilities of the City of Newport Beach and require or are likely to require the combined forces of other political subdivisions and other agencies to combat; and

6. That the City Council of the City of Newport Beach is not in session.

NOW, THEREFORE, BE IT PROCLAIMED that a local emergency now exists within the City of Newport Beach.

PURSUANT TO THE AFORESAID PROCLAMATION, THE DIRECTOR OF EMERGENCY SERVICES OF THE CITY OF NEWPORT BEACH HEREBY PROMULGATES AND ISSUES THE FOLLOWING ORDERS AND REGULATIONS:

1. All residents and the general public shall evacuate and remain clear of the affected area, which includes the properties located at 3610, 3608, 3602, 3600 and 3600 ½ Marcus Avenue; 312 The Rialto; and 313 36th Street, Newport Beach, California, as well as the

City of Newport Beach

portions of the adjacent streets as depicted in Exhibit A, attached hereto and incorporated herein by reference (hereinafter referred to as the "Emergency Zone").

2. No person shall enter, be within, or remain within, any building or area within the designated Emergency Zone after receiving a written or oral order to either not enter or to leave such building or area from a peace officer.

3. No person shall enter the designated Emergency Zone unless authorized by the Director of Emergency Services, the Utilities Director, the Fire Chief, or the Police Chief.

4. All vehicles, except emergency response and authorized personnel vehicles, are prohibited from entering or parking on public streets within the Emergency Zone.

5. The provisions of Order Nos. 1 through 4 above shall not apply to any City of Newport Beach employee or contractor, as well as any police, fire, or emergency services personnel, while such person is engaged in providing police, fire, or other emergency services.

6. A violation of any of the above emergency orders and regulations shall be a misdemeanor punishable pursuant to Section 2.20.100 of the Newport Beach Municipal Code.

7. All peace officers are hereby authorized to enforce the above emergency orders and regulations and to arrest any person who does not obey said orders and regulations.

8. The City Attorney is authorized to seek a court order enjoining any responsible person from maintaining the public nuisance.

9. If the Director of Emergency Services determines that mitigation measures or summary abatement are necessary, City personnel/contractors and emergency personnel shall be authorized to take action to mitigate or summarily abate the public nuisance at the expense of the persons creating, causing, committing, or maintaining the public nuisance.

This proclamation is in effect beginning at 6:00 p.m. on October 22, 2025, and shall continue in full force and effect until rescinded or amended, or until the local emergency is proclaimed terminated.

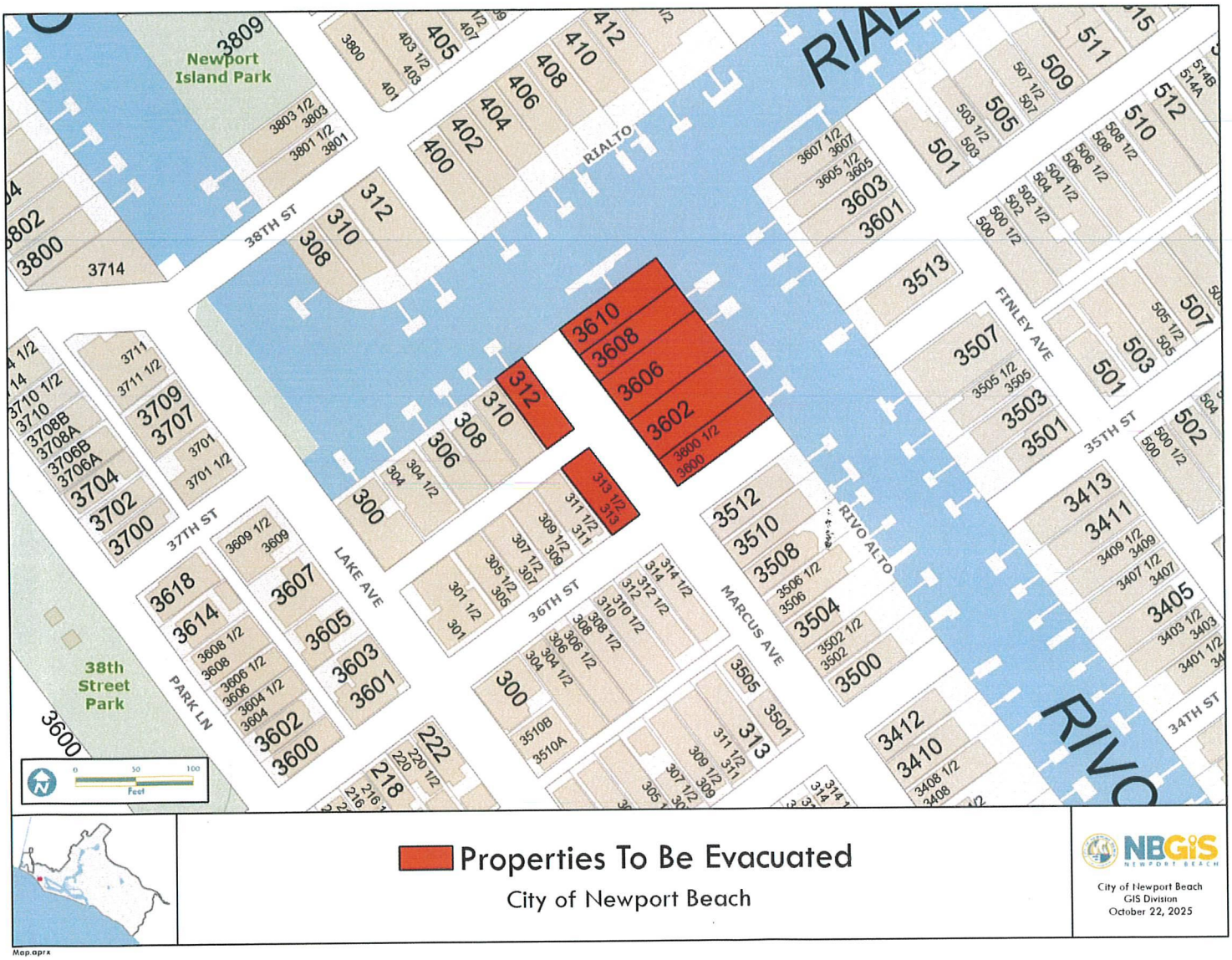
Dated: October 22, 2025

_____
Grace Leung,
Director of Emergency Services

City of Newport Beach

EXHIBIT A

City of Newport Beach


Newport Island Park
38th Street Park
RIALTO
RIVO ALTO
38TH ST
37TH ST
36TH ST
35TH ST
34TH ST
LAKE AVE
PARK LN
MARCUS AVE
FINLEY AVE
3610
3608
3606
3602
3600 1/2
3600
312
310
308
306
304
304 1/2
300
313 1/2
313
311 1/2
311
309 1/2
309
307 1/2
307
305 1/2
305
301 1/2
301
0 50 100
Feet
Properties To Be Evacuated
City of Newport Beach
NBGIS
NEWPORT BEACH
City of Newport Beach
GIS Division
October 22, 2025
Map.aprx

CITY OF

NEWPORT BEACH

City Council Staff Report

December 9, 2025
Agenda Item No. 18

TO:	HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM:	Jaime Murillo, Acting Community Development Director - 949-644-3209, jmurillo@newportbeachca.gov
PREPARED BY:	Jaime Murillo, Acting Community Development Director, jmurillo@newportbeachca.gov
PHONE:	949-644-3209
TITLE:	Planning Commission Agenda Report for November 20, 2025

CONSENT ITEMS:

ITEM NO. 1 MINUTES OF OCTOBER 23, 2025

SUMMARY: Draft minutes from October 23, 2025, meeting of the Planning Commission.

The Planning Commission approved the minutes, with edits, by the following vote:

AYES:	Ellmore, Gazzano, Harris, Langford, and Rosene
NOES:	None
ABSENT:	None
ABSTAIN:	Reed and Salene

ACTION: Approved

PUBLIC HEARING ITEMS:

ITEM NO. 2 ACACIA ATRIUM MEDICAL OFFICE CONDOMINIUMS (PA2024-0236)
Site Location: 20280 AND 20312 Acacia Street

SUMMARY: Conversion of an existing three-story professional office building into a medical office condominium use. Project implementation requires the following approvals:

- Condominium Conversion authorizing the conversion of existing professional office building into medical office condominiums;
- Tentative Parcel Map to create a 12-unit condominium subdivision as defined in Section 783 of the California Civil Code allowing for individual sale;

- Conditional Use Permit authorizing medical office use and a 32-space reduction of required off-street parking; and

- Traffic Study ensuring compliance with the Traffic Phasing Ordinance of Newport Beach Municipal Code Chapter 15.40.

The Planning Commission conducted a public hearing, considered public input, and denied the project by the following vote:

AYES:	Ellmore, Gazzano, Harris, Reed, Rosene, and Salene
NOES:	None
ABSENT:	None
RECUSED:	Langford

ACTION: Denied

DISCUSSION ITEMS

ITEM NO. 3 **GENERAL PLAN UPDATE: SEEKING INPUT ON REFRESHED GOALS AND POLICIES IN THE DRAFT LAND USE ELEMENT AND SAFETY ELEMENT (PA2022-080)**
Site Location: Citywide

SUMMARY: A discussion to request any additional input from the Planning Commission on the draft versions of the updated Land Use and Safety Elements. Final drafts will be returned, alongside the balance of the Updated General Plan, to the Commission for formal consideration in early 2026.

The Planning Commission listened to a brief presentation and provided feedback to staff and considered public input.

City of Newport Beach

Tentative Agenda Report - 11/17/2025 to 02/20/2026

	Project title	Activity	Address	Plan #	Staff Assigned	Status	District
November 18, 2025 - City Council Meeting							
1	Harbor Island Bridge Lease Agreement	Consent	1 CITYWIDE PROJECT	RP2025-0008	Lauren Wooding		District 5
2	MacArthur Court Apartments	Public Hearing	4665 MACARTHUR CT	PA2025-0090	Jenny Hannsun	MORE INFO	District 3
3	Schmitz & Associates PSA Amendment No. Two	Consent - PSA Amendment	1 CITYWIDE PROJECT	PA2025-0225	Benjamin Zdeba	MORE INFO	
November 20, 2025 - Ad Hoc Committee on Utilization of Lower Castaways and Aquatic Center Site Options Meeting							
November 20, 2025 - Planning Commission Meeting							
1	Acacia Atrium Medical Office Condominiums CUP, TPM	Public Hearing	20280 ACACIA ST	PA2024-0236	Oscar Orozco	MORE INFO	District 3
2	General Plan Update	Discussion Item - Comments on Draft Land Use and Safety Elements	1 CITYWIDE PROJECT	PA2022-080	Benjamin Zdeba	MORE INFO	Citywide

The tentative schedule is a tool to assist the preparation of future agendas. It does not provide a complete description of projects and it does not list all projects currently under review that could be scheduled. The tentative schedule changes without notice.

City of Newport Beach

Tentative Agenda Report - 11/17/2025 to 02/20/2026

	Project title	Activity	Address	Plan #	Staff Assigned	Status	District
November 26, 2025 - Zoning Administrator Meeting							
1	Hale Residence CDP	Public Hearing	1402 OCEAN FRONT W	PA2024-0238	Daniel Kopshever	MORE INFO	District 1
2	Sjodin Residence Mod. Permit	Public Hearing	1977 PORT SEABOURNE WAY	PA2025-0137	Laura Rodriguez	MORE INFO	
3	VIVE SPA	Public Hearing	410 COAST HWY W	PA2025-0167	Laura Rodriguez	MORE INFO	District 2
December 04, 2025 - Planning Commission Meeting							
December 09, 2025 - City Council Meeting							
1	MacArthur Court Apartments	Second Reading (Tentative)	4665 MACARTHUR CT	PA2025-0090	Jenny Hannsun	MORE INFO	District 3
December 11, 2025 - Zoning Administrator Meeting							
1	Brighton Road Investments LLC CDP & Mod	Public Hearing	1530 GALAXY DR	PA2025-0048	Oscar Orozco	MORE INFO	District 3
2	Fletcher Jones Parking Lot	Public Hearing	20052 BIRCH ST	PA2025-0141	Jerry Arregui	MORE INFO	District 3
3	The Place Limited Term Permit	Public Hearing	2920 COAST HWY E	PA2025-0139	Melinda Whelan	MORE INFO	District 6

The tentative schedule is a tool to assist the preparation of future agendas. It does not provide a complete description of projects and it does not list all projects currently under review that could be scheduled. The tentative schedule changes without notice.

City of Newport Beach

Tentative Agenda Report - 11/17/2025 to 02/20/2026

	Project title	Activity	Address	Plan #	Staff Assigned	Status	District
December 18, 2025 - Planning Commission Meeting							
January 08, 2026 - Planning Commission Meeting							
1	300 Newport Center Drive Condominiums	Tentative - Public Hearing	300 NEWPORT CENTER DR	PA2025-0102	Liz Westmoreland	MORE INFO	District 5
January 13, 2026 - City Council Meeting							
1	Airport Area Specific Plan	Consent	1 CITYWIDE PROJECT	PA2025-0035	Jenny Hannsun	MORE INFO	District 5
January 15, 2026 - Zoning Administrator Meeting							
January 22, 2026 - Planning Commission Meeting							
January 27, 2026 - City Council Meeting							
January 29, 2026 - Zoning Administrator Meeting							
February 05, 2026 - Planning Commission Meeting							

The tentative schedule is a tool to assist the preparation of future agendas. It does not provide a complete description of projects and it does not list all projects currently under review that could be scheduled. The tentative schedule changes without notice.

City of Newport Beach

Tentative Agenda Report - 11/17/2025 to 02/20/2026

	Project title	Activity	Address	Plan #	Staff Assigned	Status	District
February 10, 2026 - City Council Meeting							
February 12, 2026 - Zoning Administrator Meeting							
February 19, 2026 - Planning Commission Meeting							
Hearing Date to be Determined							
1	Hogan Residence CDP Variance	Public Hearing	1529 DOLPHIN TER	PA2025-0143	Melinda Whelan	MORE INFO	District 5
2	Palmilla Use Permit Amendment	Public Hearing (Tentative)	3110 NEWPORT BLVD	PA2025-0108	Melinda Whelan	MORE INFO	District 1
3	Parkhouse Residences Fee Credit	Administrative Action. Director Approval	4251 UPTOWN NEWPORT DR	PA2024-0229	Rosalinh Ung	MORE INFO	District 3
4	Saunders Self Storage		3848 CAMPUS DR	PA2023-0145	Liz Westmoreland	MORE INFO	District 3
5	Snow Residence Condominiums TPM/CDP/Conversion		400 40TH ST	PA2023-0147	Jerry Arregui	MORE INFO	District 1
6	ZC & LCP Amendment for Smoke Related Businesses	Public Hearing (Tentative)	100 CIVIC CENTER DR	PA2025-0171	Oscar Orozco	MORE INFO	District 5

The tentative schedule is a tool to assist the preparation of future agendas. It does not provide a complete description of projects and it does not list all projects currently under review that could be scheduled. The tentative schedule changes without notice.

City of Newport Beach

Tentative Agenda Report - 11/17/2025 to 02/20/2026

	Project title	Activity	Address	Plan #	Staff Assigned	Status	District
Pending Coastal Commission							
1	Coastal Act 30613 CDP Jurisdiction Change	City Project	1 CITYWIDE PROJECT	PA2022-111	Jaime Murillo	MORE INFO	Citywide
2	Housing Element Implementation Program Amendments	LCP Amendment	1 CITYWIDE PROJECT	PA2022-0245	Benjamin Zdeba	MORE INFO	District 5

The tentative schedule is a tool to assist the preparation of future agendas. It does not provide a complete description of projects and it does not list all projects currently under review that could be scheduled. The tentative schedule changes without notice.

City of Newport Beach

Tentative Agenda Report - 11/17/2025 to 02/20/2026

Planner Contact Information

Name & Title	Phone	Email
Benjamin Zdeba, Planning Manager	949-644-3253	bzdeba@newportbeachca.gov
Cameron Younger, Planning Technician	949-644-3237	cyounger@newportbeachca.gov
Dan Campagnolo, Systems and Administration Manager	949-644-3231	dcampagnolo@newportbeachca.gov
Daniel Kopshever, Assistant Planner	949-644-3235	dkopshever@newportbeachca.gov
David Blumenthal, Contract Planner		dblumenthal@newportbeachca.gov
David Lee, Principal Planner	949-644-3225	dlee@newportbeachca.gov
Jaime Murillo, Deputy CDD Director	949-644-3209	jmurillo@newportbeachca.gov
James Miclat, Planning Technician		jmiclat@newportbeachca.gov
Jenny Hannsun, Associate Planner	949-644-3212	jhannsun@newportbeachca.gov
Jerry Arregui, Assistant Planner	949-644-3249	jarregui@newportbeachca.gov
Joselyn Perez, Senior Planner	949-644-3312	jperez@newportbeachca.gov
Laura Rodriguez, Assistant Planner	949-644-3216	lrodriguez@newportbeachca.gov
Lauren Wooding, Real Property Administrator	949-644-3236	lwooding@newportbeachca.gov
Liz Westmoreland, Principal Planner	949-644-3234	lwestmoreland@newportbeachca.gov
Melinda Whelan, Assistant Planner	949-644-3221	mwhelan@newportbeachca.gov
Oscar Orozco, Associate Planner	949-644-3219	oorozco@newportbeachca.gov
Rosalinh Ung, Principal Planner (PT)	949-644-3208	rung@newportbeachca.gov
Seimone Jurjis, Assistant ACM/CDD Director	949-644-3282	sjurjis@newportbeachca.gov
Tonee Thai, Deputy CDD Director & Building Official	949-718-1867	tthai@newportbeachca.gov

CITY OF

NEWPORT BEACH

City Council Staff Report

December 9, 2025
Agenda Item No. 19

TO:	HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM:	Lena Shumway, City Clerk - 949-644-3005, lshumway@newportbeachca.gov
PREPARED BY:	Lena Shumway, City Clerk
TITLE:	Appointment to Fill an Unscheduled Vacancy on the City Arts Commission

---

ABSTRACT:

On October 1, 2025, Commissioner Melissa Kandal resigned from the City Arts Commission prior to the expiration of her term, creating an unscheduled vacancy. After the posting of a vacancy notice and application deadline, the City Clerk's Office received ten applications to fill the vacancy. In accordance with City Council Policy A-2 (Boards, Commissions and Committees), City Charter Sections 702 and 705, and the Maddy Act, the Mayor formed a Council Ad Hoc Appointments Committee to review the applications, conduct interviews and recommend candidates for nomination to fill the unscheduled vacancy. The City Council has the opportunity to appoint one individual to serve on the City Arts Commission for the term ending June 30, 2029.

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; and

b) Appoint one of the nominated applicants, Bobby Barzi or Cory Glass, to fill the unscheduled vacancy on the City Arts Commission, with the term expiring June 30, 2029.

DISCUSSION:

On October 1, 2025**,** Melissa Kandal resigned from her seat on the City Arts Commission prior to the expiration of her term on June 30, 2029, creating an unscheduled vacancy.

In accordance with the City Charter Section 702 and 705**,** City Council Policy A-2 (Boards, Commissions and Committees) and the Maddy Act, the City Clerk's Office initiated the recruitment process to fill the vacancy.

The Notice of Unscheduled Vacancy was posted on October 9, 2025, in the City Clerk's Office, at the Central Library and on the City Hall bulletin board. The notice was also

posted on the City's website and published in the *Daily Pilot* on October 11, 2025. The application period closed on October 27, 2025, with a total of 10 applications received.

Pursuant to City Council Policy A-2, Mayor Joe Stapleton appointed to the Council Ad Hoc Appointments Committee (Committee) himself, Mayor Pro Tem Lauren Kleiman and Councilmember Michelle Barto. The Committee reviewed all applications and conducted candidate interviews on November 4, 2025. Following their review, the Committee recommended the nomination of Bobby Barzi and Cory Glass to the City Arts Commission.

The City Arts Commission (Commission) serves in an advisory capacity to the City Council on all matters related to the artistic, aesthetic and cultural enrichment of the community. The seven-member body is appointed by the City Council, with each member serving a four-year term and limited to two consecutive terms. The Commission operates under the provisions of the Ralph M. Brown Act and plays a key role in recommending policies, programs, and regulations that promote and preserve the fine, performing and visual arts within the City.

Copies of the applications are attached hereto as Attachment A.

FISCAL IMPACT:

There is no fiscal impact related to this item.

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).

ATTACHMENT:

Attachment A – City Arts Commission Applications

ATTACHMENT A

OCT 14 '25 AM8:31
REC'D CITY CLERKS OFFIC

APPLICATION FOR APPOINTIVE POSITION

FOR OFFICE USE ONLY
Residence District No. 10
Verified by JMA

CITY OF NEWPORT BEACH
100 Civic Center Drive
Newport Beach, CA 92660
City Clerk (949) 644-3005
Fax (949) 644-3039

DIRECTIONS: One application can be used for all the appointive positions you are applying for. Applications should be filled out completely so that the City Council may fully evaluate your qualifications. It is the responsibility of the applicant to familiarize themselves with the duties and responsibilities of the position(s) applied for. Detailed information outlining the responsibilities of the positions can be obtained from the City Clerk's Office or on the City's website: www.newportbeachca.gov (City Government/Boards, Commissions and Committees). Applications will be kept on file for two years for the position(s) applied for. If you are not selected for appointment during that period of time, it will be necessary for you to re-submit an application if you are still interested in being considered.

NOTICE: Section 702 of the City Charter requires that members of Boards or Commissions appointed by the City Council shall be from the qualified electors of the City. This document is a public record and may be posted on the internet.

NAME OF BOARD, COMMISSION OR COMMITTEE: City Arts Commission

Name: Barzi (Last) | Bobby (First) | (Middle)

Residence Address (required): [redacted] Zip Code: 92625

How long have you lived in Newport Beach? 30 years Home/Cell #: [redacted]

Business Address: 23 Corporate Plaza Business Phone:

Suite 150 Email Address: [redacted]

Have you ever been convicted of any crime or violation of any law or statute other than minor traffic violations?

☒ NO ☐ YES (If yes, attach separate sheet with explanation)

NOTICE: Pursuant to Section 702 of the City Charter, no members of boards or commissions shall hold any paid office or employment in the City government.

Do you currently hold any paid office or employment with the City of Newport Beach, including but not limited to contracted services?

☒ NO ☐ YES (If yes, attach separate sheet with explanation)

If applying for a position on the Finance Committee, have you ever declared bankruptcy? ☒ NO ☐ YES

Please state any past, current or foreseeable future financial interests of any kind that may conflict with the Board, Commission or Committee you are applying for.

CONTINUE TO PAGE TWO

Name and Location of Colleges/ Universities Attended	Major	Degree	Last Year Attended
UC Irvine	Social Sciences	BA	1990

Prior or Current Civic Experience (include membership in professional, charity or community organization)	Office Held (if any)	Dates of Membership
Board/Advisory Role - Raise Foundation, UCI Applie Innovation Center,	Board/Advisor	2012-2020
Board/Advisory Role - UCI Antrepreneur Center, Camp Kesem	Board/Advisor	2012-present
founder - fodada - free programs for Dads & Kids	founder	2012 - present
Art of Epilepsy	Advisor/partner	2019-present

Occupational History. Begin with your present or most recent position. List all positions separately held for the last five years.

Firm or Organization	Type of Business	Title	Dates of Employment
fodada	Social Impact	founder	2012 - present
HiSoft	Software Consulting	VP Operations EU/EMEA	2002-2012

References. Include names of at least two residents of Newport Beach who are not officially connected with the City.

1. Name Dan Floriani Address [redacted] Phone No. [redacted]

2. Name Amanda Fowler Address [redacted] Phone No. [redacted]

Summarize why you wish to serve the City of Newport Beach on a board, commission or committee. Include any special qualifications you have which are particularly appropriate to the position for which you are applying.

I believe art can serve in variety of capacities for art lovers and those who have yet to incorporate art into their lives. It is a conduit for connecting and engaging, ranging from children to adults, with no barriers of socio-economic, gender or race. My family has incoportaed art as a mechanism of expression, meditation and relaxation. We have living art walls in the house where all can add their touch as well as works by all members of the family displayed throughout the house. It is a beautiful platform that is and can be further leveraged to further establish Newport Beach as a place of connecting and engaging.

I certify that all statements made on this application are true and correct to the best of my knowledge. I have read and understand the duties and responsibilities of the particular position(s) that I am applying for and authorize the release of this information on the internet.

[BOX MUST BE CHECKED IF SUBMITTING ELECTRONICALLY]

☑ Signature Bobby Barzi Date July 2, 2025

OCT 14 '25 AM8:31
REC'D CITY CLERKS OFFIC

Submit by Email | Print Form

APPLICATION FOR APPOINTIVE POSITION

FOR OFFICE USE ONLY
Residence District No. 1
Verified by JM

CITY OF NEWPORT BEACH
100 Civic Center Drive
Newport Beach, CA 92660
City Clerk (949) 644-3005
Fax (949) 644-3039

DIRECTIONS: One application can be used for all the appointive positions you are applying for. Applications should be filled out completely so that the City Council may fully evaluate your qualifications. It is the responsibility of the applicant to familiarize themselves with the duties and responsibilities of the position(s) applied for. Detailed information outlining the responsibilities of the positions can be obtained from the City Clerk's Office or on the City's website: www.newportbeachca.gov (City Government/Boards, Commissions and Committees). Applications will be kept on file for two years for the position(s) applied for. If you are not selected for appointment during that period of time, it will be necessary for you to re-submit an application if you are still interested in being considered.

NOTICE: Section 702 of the City Charter requires that members of Boards or Commissions appointed by the City Council shall be from the qualified electors of the City. This document is a public record and may be posted on the internet.

NAME OF BOARD, COMMISSION OR COMMITTEE: City Arts Commission

Name: Glass (Last) | Cory (First) | Arthur (Middle)

Residence Address (required): [redacted] Zip Code: 92663

How long have you lived in Newport Beach? 47 years

Home/Cell #: [redacted]

Business Address: 4320 Campus Drive, Newport Beach, CA 92660

Business Phone:

Email Address: [redacted]

Have you ever been convicted of any crime or violation of any law or statute other than minor traffic violations?

☒ NO ☐ YES (If yes, attach separate sheet with explanation)

NOTICE: Pursuant to Section 702 of the City Charter, no members of boards or commissions shall hold any paid office or employment in the City government.

Do you currently hold any paid office or employment with the City of Newport Beach, including but not limited to contracted services?

☒ NO ☐ YES (If yes, attach separate sheet with explanation)

If applying for a position on the Finance Committee, have you declared bankruptcy in the last 10 years? ☒ NO ☐ YES

Please state any past, current or foreseeable future financial interests of any kind that may conflict with the Board, Commission or Committee you are applying for.

N/A

CONTINUE TO PAGE TWO

Name and Location of Colleges/ Universities Attended	Major	Degree	Last Year Attended
University of Arizona	EEB	N	1998
Baron Brown School of Theatre	Theatre	Y	2002

Prior or Current Civic Experience (include membership in professional, charity or community organization)	Office Held (if any)	Dates of Membership
Segerstrom Arts and Business Leadership Council	Community Engagemnet Chair	2023-Present
Ben Carlson Foundation	Board Advisor	2025-Present

Occupational History. Begin with your present or most recent position. List all positions separately held for the last five years.

Firm or Organization	Type of Business	Title	Dates of Employment
Salesforce	Software	Director, Hospitality	2012-2025
Go Rentals	Hospitality	VP Sales, Business Development	2025-Present

References. Include names of at least two residents of Newport Beach who are not officially connected with the City.

1. Name: Jackie Glass Address: [redacted]NB, CA 92663 Phone No.: [redacted]

2. Name: Justin Kerr Address: [redacted]NB, CA 92663 Phone No.: [redacted]

Summarize why you wish to serve the City of Newport Beach on a board, commission or committee. Include any special qualifications you have which are particularly appropriate to the position for which you are applying.

As far as qualifications go for the City Arts Commission I feel that I check the box across multiple rows. I am a 4th generation resident of Newport Beach and I am and actively involved in community engagement/philanthropy in both my professional and personal life. I have a degree in Theatre Arts and am passionate about my cause, my community and my character. My bonafides aside I am passionate about the Arts and the notion that through Art a view to your soul can be clearly seen. I wish to share and broaden this joy of the Arts and hope through this Commission I am able to do so.

I certify that all statements made on this application are true and correct to the best of my knowledge. I have read and understand the duties and responsibilities of the particular position(s) that I am applying for and authorize the release of this information on the internet.

[BOX MUST BE CHECKED IF SUBMITTING ELECTRONICALLY]

☑ Signature: CAG Date: 10/10/25

December 9, 2025, City Council Agenda Comments

The following comments on items on the Newport Beach City Council agenda are submitted by:
Jim Mosher (jimmosher@yahoo.com), 2210 Private Road, Newport Beach 92660 (949-548-6229)

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

I believe the idea of investing surplus revenues, rather than sending them to CalPERS, has been discussed by the Finance Committee. The idea that the full Council should share in that discussion is a good one. However, the authorship of the present request for that to happen suggests hub-and-spoke discussions have already taken place between more than the three Council members on the Finance Committee, and hence a majority of the Council. Indeed, the strange arrangement of that committee, with each of the four Council members not on the committee appointing a member to monitor its activities for them, seems to encourage hub-and-spoke discussions even though the Brown Act forbids them.

Item 1. Minutes for the November 18, 2025, City Council Meeting

The passages shown in *italics* below are from the draft minutes with suggested corrections shown in ***~~strikeout~~*** ***underline*** format. The page numbers refer to Volume 66.

Page 453, Public Comments, paragraph 1, sentence 1: "*Jim Mosher commented on Agenda Item* ***~~6~~*** ***VI*** *regarding wireless communication facilities, expressing concern that the request seemed to revert to a less public, less visible process than what currently exists*."

> [**Note**: This was a comment about the Council member requests for future agenda items, which is Item VI, not consent calendar Item 6.]

Page 454, Public Comments, paragraph 1: "*Jim Mosher …., spoke on Agenda Item No. 10 (****~~Concrete Replacement Program Fiscal Year 2025-26 - Award of Contract No. 9945-1 (26R06)~~*** ***Fire Station No.2 HVAC Retrofit - Award of Contract No. 9959-1 (25R02)****), and questioned ….*"

Page 460, Public Comments, paragraph 2: "***~~Kirk~~*** ***Curt*** *Fleming urged Council to adopt the initiative as presented rather than spend money on an election*."

Page 461, Motion by Councilmember Blom, near end: "*...; and then adopt the following Resolutions: (1)* ***Resolution No. 2025-81,*** *A Resolution Calling for and Giving Notice of a General Municipal Election to be Held on November 3, 2026, to Submit to the Voters an Initiative Measure Proposing to Amend the Land Use Element of the City's General Plan, and Requesting the Orange County Board of Supervisors Consolidate the General Municipal Election with the Statewide General Election to be Held on the Same Date; (2)* ***Resolution No. 2025-82,*** *A Resolution Directing the City Attorney to Prepare an Impartial Analysis of an Initiative Measure to Be Submitted to the Voters at the General Municipal Election to be Held on November 3, 2026, and Providing for the Deadlines for Filing the Impartial Analysis and Written Arguments For and Against the Initiative Measure; and (3)* ***Resolution No. 2025-83,*** *A Resolution Setting the Deadlines for Filing of Rebuttal Arguments in Response to Direct*

Arguments Filed For and Against the Initiative Measure to be Submitted to the Voters at the General Municipal Election to be Held on November 3, 2026."

[**Comment**: It is troubling that the minutes don't record the numbers of the resolutions adopted in this motion. It is additionally troubling that the resolution under this heading signed by the Mayor and attested by the City Clerk, Resolution No. 2025-82 has different due dates (June 15, 2026) for the arguments than the draft resolution in the agenda packet that the public thought was being approved (which set the due dates at December 2, 2025). Moreover, there is nothing in the minutes to indicate makers of the motion asked to amend that original due date. While the Clerk was instructed to insert the November 3, 2026, election date and the names of three Council members selected to write arguments against the measure, no direction was given to change the due dates of the arguments.]

Item 3. Ordinance No. 2025-35: Repealing and Replacing Chapter 12.56 (Bicycles - Registration and Regulations) of the Newport Beach Municipal Code - Second Reading

I commented on this item when it was introduced at Item 10 on November 4, and when it was reintroduced as Item 3 on November 18 with the deletion of a provision that would have allowed bicycle and e-bicycle riding on all sidewalks fronting residential properties.

It seems worth noting that to ensure everyone knows what is being considered, Section 412 of our City Charter requires that "*At the time of its introduction an ordinance shall become a part of the proceedings of such meeting in the custody of the City Clerk*." In the present case, it appears the City Clerk did not have a copy of the proposed ordinance as modified on November 18 until it was provided as part of the present agenda item.

As to the substance of the item, I think the ordinance continues to have the previously commented upon problems. Among those, the new Subsection 12.56.060.B.2 requirement for cyclists using sidewalks to ride in the direction of traffic flow, where this is not required of pedestrians using the same sidewalk, does not seem universally desirable.The city has a number of sidewalks wide enough for bicycles travelling in opposite directions to pass. Not allowing this under such circumstances, or when there are no other users on the sidewalk, is both inconvenient and unnecessary, forcing cyclists to cross streets and create more hazards in the process than any they prevent.

Item 4. Ordinance No. 2025-36 Approving the MacArthur Court Development Agreement

I continue to oppose this agreement, which seems intended to vest zoning entitlements that were, in part, improperly granted through a Director's Determination. It also provides far less than the amount of affordable housing promised for this site in the City's General Plan Housing Element (see comments regarding Item 16 from November 18), and none at all actually at the site..

Item 6. Resolution No. 2025-86: Setting City Council Regular Meeting Dates for Calendar Year 2026

The City Clerk is recommending the second meeting in November be scheduled for November 17 to avoid the "normal" date of November 24 to avoid having a meeting during the week of Thanksgiving (which comes on November 26).

I do not know the source of this new-found aversion to holding meetings in the week of a national holiday, but it does not seem wise to me. Where sticking to the normal pattern of meeting on the second and fourth Tuesday would have produced the normal pattern of a meeting every other week, this deviation produces two meetings a mere week apart followed by a gap of three weeks between meetings.

I urge the Council to reject the recommendation and schedule the second meeting of November 2026 on November 24.

I also fail to understand why the Council continues to meet a single time in August and December. The latter creates a lapse of more than a month between meetings.

Item 11. Amendment No. One to the Facilities Relocation Agreement with Southern California Edison

The "Fiscal Impact" statement on page 2 of the staff report suggests that the full, very significant increased cost of this endeavor will be borne entirely by the private developer. In other words, that there will be no cost to taxpayers. The City is apparently acting only as an intermediary between the developer and SCE.

If that is correct, it could have been more clearly stated in the Abstract,[1] since it is not evident from the Attachment A agreements in which only the City, and not the developer, appear to be mentioned and obligated.

Item 12. Amendment No. Two to Memorandum of Understanding Between the Cities of Costa Mesa and Newport Beach for the Costa Mesa Bridge Shelter

The staff report makes it sound likely the City will face higher per night bed rates when it loses its exclusive right to any beds next July 1. The report does not make clear what the current occupancy status of the shelter is, or if Costa Mesa has experienced a similar reduction in its homeless population. Is the shelter fully occupied? Or is there an expectation the beds needed by Newport Beach would be available?

Without explanation, the report says "*Staff has initiated conversations about obtaining shelter beds from other cities*." Is this because the Costa Mesa shelter may not be able to provide them? Or because other cities might offer a lower price?

---

[1] The "Abstract" and "Discussion" mention a "February **13**, 2019" City Council meeting. It appears the Council did not meet on February 13, 2019, but it does seem to have met on February **12**, 2019, where Item 9 appears to have been the item this is a follow-on to.

Item 13. Organizational Restructuring and Changes to Budgeted Positions

Under the Council-Manager form of government that we have chosen, it is most certainly the province of the City Manager to set up the best and most efficient administrative structure for achieving the City's purposes. Under our charter, however, that structure is to be developed with the oversight and approval of the City Council. It is, therefore, rather extraordinary to see a major restructuring placed on the consent calendar, where staff expects the Council to approve it without any public discussion (and presumably no discussion in private, since reaching agreement on the proposal in private would violate the Brown Act).

Among the questions the Council might be asking:

- Is the recommendation coming from the current City Manager or the future one?
- Can this really be accomplished for $14,856 of additional cost, and what time period does this cover?
- How can putting Risk Management services under the City Attorney be reconciled with the City Charter?
- If putting the details of a City Attorney's Office in the Municipal Code is desirable, why should putting those of a City Clerk's Office not also be?
- Where is the Information Technology Division in the Municipal Code, and why is it not being put in the new Administrative Services Department?
- Why is the resolution changing City Council policies going into effect immediately, weeks before the Council will consider adopting the ordinance creating the reorganized departments and job titles at its January 13, 2026, meeting, let alone before that ordinance becomes effective 30 days later?
- Why is the resolution changing the Key and Management employees' Compensation Plan and salary schedule going into effect on December 13, 2025 (again, weeks before the Council will consider adopting the ordinance creating the reorganized departments and job titles at its January 13, 2026, meeting)?
- When will the reassigned employees physically move, and how much restructuring of the City Hall will be required?

Background on Prior City Staff Reorganizations

The current organizational structure of the City of Newport Beach is largely opaque to the public since of all the departments, only Public Works provides a current and readily accessible link to a detailed organizational chart. But from the revision notes to Chapter 2.12 of our Municipal Code, it is apparent this is hardly the first proposal for reorganization of the City's administrative staff, nor the first time an "Administrative Services" and a "Municipal Operations" department have been proposed to be created. In fact, Newport Beach city managers have frequently reversed, and then reserved again, the organizational structures recommended by earlier city managers.

Examples include the merging of the separate Building and Planning Departments (described by Ordinance No. 1060 in 1963, the readily accessible list of City structure) into a single Community Development Department by Ordinance No. 1382 in 1971, which was split back apart by Ordinance No. 1826 in 1979, and then merged back together by Ordinance No. 2011-17 in 2011.

The utilities function has had similar difficulty finding a home, having been part of the Public Works Department in 1963, but pulled out as separate department by Ordinance No. 1781 in 1978, then folded back into Public Works by Ordinance No. 95-11 in 1995, then pulled out and merged merged with the General Services Department to create a Municipal Operations Department by Ordinance No. 2011-17, only to be separated again by Ordinance No. 2018-6, which folded the former General Services functions into the Public Works Department.

Other functions that have had trouble finding a departmental home include management of parks, beaches and tidelands, and the lifeguard service.

An Administrative Services Department was formerly created by Ordinance No. 95-11, which added information, risk management and employee relations functions to the Finance Department. It was dissolved by Ordinance No. 2011-17, which resurrected the former Finance Department and created a new Human Resources Department while assigning Information Technology to the City Manager.

What Will be the Cost of this Reorganization?

The "Fiscal Impact" summary on page 4 of the staff report says "*The personnel-related changes outlined in this staff report total $14,856*," although on the following page it acknowledges "*In addition, there will be costs associated with relocating staff and with the future buildout of workspaces*."

The staff report does not explain if the $14,856 is a recurring personnel cost, and if so, over what period it will recur.

What are the one-time and the continuing costs of this proposed reorganization compared to continuing the structure we have now?

Those seem fundamental questions.

Additionally, the Attachment G summary indicates, as the "Fiscal Impact" summary implies, that one of the actions will be to "*Transfer human resources director to municipal operations department director*." Is there really a plan to move someone hired to manage human resources functions into a position where they would be expected to manage municipal operations functions – a job they would seem completely unqualified to handle?

The Problem with Putting Risk Management under the City Attorney

As indicated above, the first mention of risk management in the administrative structure of the City appears to be when it was identified as a function of the Administrative Services Department created in 1995 out of the prior Finance Department (which had a number of general administrative functions, including purchasing the' supplies, equipment and services used by the City departments and providing centralized duplicating and data processing

services). Risk management moved into the newly created Human Resources Department when the Administrative Services Department was broken back up by Ordinance No. 2011-17.

The extremely brief staff report associated with the introduction of that ordinance (which seems to be reporting changes after they have happened) does not explain the logic of that move. Indeed, it doesn't even mention the creation of a Human Resources Department.

The problem with putting risk management under the City Attorney, is that the City Attorney is a legal advisor. He is not an administrative officer under the jurisdiction of the City Manager.

As the preamble to the ordinance which would make this change (Attachment A) says, "*the City of Newport Beach ("City") is a charter City, governed by a charter adopted by the citizens of the City*." The Charter, whose provisions it is beyond the power of the Council or staff to change, both empowers and restrains what the City government can do.

Section 602 defines the powers and duties of the City Attorney. Notably, and unlike for the other two officers appointed by the Council – the City Manager (Article V) and the City Clerk (Section 603) – or even officers appointed by the City Manager, such as the Director of Finance (Section 604), Section 602 does not empower anyone, including the City Council, to assign additional powers or duties to the City Attorney beyond those specified in Section 602. Indeed, even the limited set of possible powers the City Attorney may exercise under Section 602 is conditioned on the Council choosing to ask the City Attorney to perform them.

Equally fundamentally, risk management seems to be an administrative function. While it needs legal advice, which the City Attorney is certainly empowered, and indeed, may be required to give, administrative decisions are supposed to be under the oversight and control of the City Manager. Putting final decisions about risk management in the hands of the City Attorney, who is not answerable to the City Manager (despite the misleading impression created by the City Organization Chart on the City website), not only removes checks and balances, but it seems to be a consolidation of functions that runs afoul of Section 601's restriction on the Council that "*No office provided in this Charter to be filled by appointment by the City Manager may be consolidated with an office to be filled by appointment by the City Council.*"

For these reasons, while the Council is free to spell out in the proposed NBMC Chapter 2.14 of Attachment A the tasks it expects the CIty Attorney to perform in fulfillment of his Section 602 duties, I think:

- The proposed **Subsection 2.14.010.E** ("*Provide risk management, assessment, planning and develop procedures to address loss prevention, loss reduction, and the purchase and provision of insurance*") is inappropriate and **should be deleted** (and the following subsections renumbered).[2]
- The proposed Subsection 2.14.010.G should be revised to read:

[2] The undated "Department Overview" on the current Newport Beach City Attorney webpage lists as one of the office's existing functions "*Safeguard the City's resources by proactively managing risk, administering workers' compensation, and overseeing insurance programs to reduce exposure, protect employees, and minimize costs to taxpayers*." I don't know where that came from, since in the existing NBMC Section 2.12.060, the Council assigns risk management to the Human Resources Department.

> "*G. Such other functions as may be* ~~*delegated*~~ ***assigned*** *by the City Council* ***consistent with City Charter Section 602***."

Why Not Put City Clerk's Functions in Code as Well?

As indicated above, one of the proposals is to add a Chapter 2.14 to the Municipal Code, detailing some of the functions the City Council expects the CIty Attorney to perform, similar to the existing Section 2.08.040 which spells out functions of the City Manager.

If Chapter 2.14 is added, why would the Council not also add a chapter detailing the functions it expects of the City Clerk, the only officer it appoints most of whose duties would not seem to be mentioned in the Municipal Code?

That would seem especially appropriate since, as with the City Manager, the City Charter Subsection 603(h) empowers the Clerk to "*Perform such other duties consistent with this Charter as may be required of him or her by ordinance or resolution of the City Council*" (something the Charter does not allow for the City Attorney).

Where is the Information Technology Division in the Municipal Code?

As indicated above, information management, like risk management, was a function of the former Administrative Services Department when it was created in 1995, but was spun off into the City Manager's office when the former Administrative Services Department was broken up in 2011. The staff report at the time did not explain the reason for this recommendation, but for purposes of the Municipal Code, it has left the Information Technology Division an orphan, for providing such service is no longer listed as a function of any of the existing or proposed departments, nor of the City Manager.

It would seem to me IT belongs back in the Administrative Services Department, as it originally was.

Technical Defects of the Proposed Documents

The present agenda packet lacks the continuous series of page numbers that usually accompany agenda items, making it difficult to describe the location of passages of interest. In addition, the absence of redlined versions makes it extremely difficult to guess what may have been changed in the proposed revisions to the Municipal Code and the Council Policies.

Regarding the draft ordinance presented as Attachment A:

1. One of the most obvious and repeated defects is that by interspersing existing NBMC chapter titles it directs unintended changes to the code. For example, starting with subpart "3." it says "*Section 1.05.060 (Appeal of Administrative Citation) of the Newport Beach Municipal Code is amended to read as follows*:" But what follows is not just the list of numbered paragraphs it seeks to amend, but also a line with the words "Chapter 1.08" followed by a line with the words "RULES OF CONSTRUCTION." It seems unlikely the Council wants to add those two lines to NBMC Section 1.05.060, but that is what it says to do.

2. Other more specific unintended revisions can be spotted. For example, in Subpart "14." it suggests a NBMC Section 2.12.080 beginning "*A. The Municipal Operations Department shall be under the supervision of the **Administrative** Municipal Operations Director.*" It seems unlikely "Administrative" is really intended to be part of the director's title.
3. Similarly, in proposed revisions to the existing Subsection 3.30.010.G of Subpart "41.", the ordinance would change a reference to the "*State **Department of Finance***" into a reference to the "*State **Administrative Services Department***." Despite that wish, it seems unlikely the City has the power to unilaterally change the names of California state agencies.
4. Likewise, in Subpart "42." a reference in existing Section 3.32.320 to the (state) "***Department of Finance***" is, again, inadvertently requested to be changed to "***Administrative Services Department***."
5. Other errors are likely, but without redlining, it is difficult to tell.
6. In the revisions to Chapter 2.12 (Administrative Departments) where substantive changes are intended, it might be noted that:
    a. The existing language in what will become proposed Subsection 2.13.030.G (Subpart "11.") does not make grammatical sense ("*Advise and liaison to the Civil Service Board*")
    b. The delegation of "*Street striping, and barricade, curb, crosswalk, parking stall, and pavement painting*" to Public Works in existing Subsection 2.12.100.N has been retained by Public Works in the proposed new Subsection 2.12.100.I (Subpart "15."), but the "maintenance" thereof has been assigned to the new Municipal Operations Department in proposed Subsection 2.12.080.G of Subpart "14." The division of labor is not entirely clear.
    c. Also in Subpart "14." a missing word in the original may have been copied into proposed Subsection 2.12.080.H: "*Street name and regulation sign posting **and** maintenance*;" unless the maintenance is indeed supposed to be done by a different department than the posting, in which case "*Street name and regulation sign posting"* (but not "maintenance") should be restored to the Public Works Department, with "posting" removed from the Municipal Operations Department's functions.
    d. Again in Subpart "14." the language chosen for proposed Subsection 2.12.080.I ("Custodial maintenance and repair services for City buildings and facilities") differs from that from which it was copied in existing Subsection 2.12.100.P ("*Custodial maintenance and **minor** repair services for City **owned and occupied** buildings and facilities*"). Why have the words "minor" and "owned and occupied" been removed?
    e. Also confusing is that Subpart "14.", in its proposed Subsection 2.12.080.E, assigns to the new Municipal Operations Department "*Maintenance and repair of City equipment,*" while Subpart "16.", in proposed Subsection 2.12.120.F, newly assigns to the Utilities Department *"Maintenance of **backup** electrical equipment in City buildings*." Currently, existing Subsection 2.12.100.R assigns

"*Maintenance of electrical equipment in City buildings*" to the Public Works Department. Why would the Utilities Department be concerned only with "backup" electrical equipment, whatever that means, and is it clear who maintains the other electrical equipment currently maintained by Public Works?

Regarding the draft resolution presented as Attachment B:

1. I have not attempted to read the revised Council Policies provided as Exhibits A through X, since without redlining it is nearly impossible to tell if nothing has been changed other than references to department names and employee titles, or that all of those changes have been made appropriately.
2. Nonetheless, it is evident from "Section 5" on page 3 of the resolution that staff wants it to become effective immediately. How can that be when the Council has not yet adopted the ordinance (Attachment A) changing the names and titles?

Regarding the draft resolution presented as Attachment C:

1. While missing a word, "Section 7" on page 3 of the resolution seems intended to say "*This resolution shall take **effect** on December 13, 2025*, …"
2. How was the date "December 13, 2025" selected?
3. How is it possible to make changes to the positions and salaries effective before the Council has decided if it will adopt the ordinance creating them (Attachment A), which (according to page 3 of Attachment A) is not expected to happen until January 13, 2026, and (according to City Charter Section 416) will not become effective until 30 days later.

Item 17. Review of Proclamation of Local Emergency, Resolution No. 2025-75

My understanding is the consent calendar is supposed to be reserved for items regarding which staff assumes the Council will agree with the recommended action and will not need discussion of it.

While this item might well have been framed in that way, staff chose not to recommend that the Council find, based on a report it can receive and file, that an emergency continues to exist. Instead, the recommendation provided is "*Review the continued need for the local emergency as required by Newport Beach Municipal Code Section 2.20.065 and, if emergency conditions remain, receive and file the report*." In other words, the receiving and filing of the report is predicated on a finding of remaining emergency conditions that the Council members may or may not make.

I fail to see how this is consistent with placement on the consent calendar. If the matter is approved as recommended, did the Council decide emergency conditions remain? Or did it not? The staff recommendation does not appear to take a position on that.

Item 18. Planning Commission Agenda for the November 20, 2025, Meeting

The action minutes do not accurately capture what in my view was the Commission's disappointing performance on agenda Item 3. In that item, the Commission was asked to provide comments on the draft General Plan Land Use Element and Safety Element, as well as background reports regarding them, all of which they had received for review on October 2, a week prior to their October 9 meeting.

After seven weeks to study those documents, only one Commissioner had a couple of brief comments on the Land Use Element, and not a single Commissioner had any comments about the Safety Element. I had hoped for more.

Item 21. Election of Mayor

As I try to remind the Council each December, the title of mayor in Newport Beach is a largely ceremonial one, the primary duties of which consist of: (1) acting as the moderator of the Council meetings; (2) signing papers as directed by the full Council, and (3) acting as the chief spokesperson articulating to the public the Council's positions on the issues that come before it. Like all the other Council members, the Mayor has no authority as an individual to make decisions on behalf of the Council or to direct City staff.

City Charter Section 404 requires a vote to select a Mayor and a Mayor Pro Tem only at the meetings where newly-elected Council members are seated.

The reason recent Councils have chosen to change mayors each December is not clear to me. My guess is the practice was started to give each member a chance to hold the position during their potentially eight year term. However, if that were truly the intent, we would have a rotation system based on seniority, which we do not.