CITY OF CITRUS HEIGHTS
CITY COUNCIL
Special and Regular Meetings of Tuesday, November 10, 2026
(Rescheduled from Holiday 11/11/26)
City Hall Council Chambers 6360 Fountain Square Drive, Citrus Heights, CA
5:00 PM SPECIAL MEETING
6:00 PM REGULAR MEETING

WATCH A CITY COUNCIL MEETING

The City of Citrus Heights welcomes your interest and involvement in the City's legislative process. The following methods are available to observe a Council meeting:

- In person: City Hall Council Chambers
- Join Zoom Webinar: https://us06web.zoom.us/j/82346696289
- Online: Livestream and replay past meetings at www.citrusheights.net
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HOW TO PARTICIPATE:

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    - Press *9 to raise your hand to request to speak
    - Press *6 to unmute when called upon to speak
- Written public comments:
  - Submit written comments by 4:00 p.m. on the meeting date by completing an online Speaker Card citrusheights.net/FormCenter/City-Council-Meetings-Speaker-Card-30 Written comments will not be read during the City Council meeting but will be forwarded to all Council Members and become part of the public record.

AMERICANS WITH DISABILITIES ACT:

If you need a disability-related modification or accommodation, to participate in this meeting,

please contact the City Clerk's Office 916-725-2448, cityclerk@citrusheights.net, or City Hall 6360 Fountain Square Drive at least 48 hours prior to the meeting. TDD: California Relay Service 7-1-1.

November 10, 2026 City Council Agenda Packet

Documents:

11-10-26 SPECIAL AND REGULAR COUNCIL AGENDA PACKET.PDF

CALL SPECIAL MEETING TO ORDER

1. Roll Call: Council Members: Karpinski-Costa, Nelson, Schaefer, Middleton, Lopez-Taff

PUBLIC COMMENT

CLOSED SESSION

2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Initiation of litigation pursuant to Government Code Section 54956.9(d)(4)
Number of potential cases: 3

REPORT OUT OF CLOSED SESSION

ADJOURNMENT

CALL REGULAR MEETING TO ORDER

1. Flag Salute

2. Roll Call: Council Members: Karpinski-Costa, Nelson, Schaefer, Middleton, Lopez-Taff

3. Video Statement

APPROVAL OF AGENDA

PRESENTATIONS

4. Proclamation Of The City Of Citrus Heights Proclaiming November 9-13, 2026 As "Law Enforcement Records And Support Personnel Appreciation Week"

5. Presentation By The Sacramento Regional Transit District (SacRT) On Citrus Heights Transit Services

6. Presentation By The General Services Department On Senior Center Use And Programming Opportunities

PUBLIC COMMENT

Members of the public are entitled to address the City Council concerning any item within the City Council's subject matter jurisdiction. Pursuant to the Brown Act, the City Council is prohibited from discussing or acting on any item raised during "Public Comment" not appearing on the posted agenda.

COMMENTS BY COUNCIL MEMBERS AND REGIONAL BOARD UPDATES

CONSENT CALENDAR

It is recommended that all consent items be acted on simultaneously unless separate discussion and/or action are requested by a Council Member.

7. SUBJECT: Approval Of Minutes

RECOMMENDATION: Approve the Minutes of the Special and Regular Meetings of August 26, 2026 and the Regular Meeting of September 9, 2026

Documents:

ITEM 7 - APPROVAL OF MINUTES.PDF

8. SUBJECT: Quarterly Treasurer's Report

STAFF REPORT: S. Talwar / D. Jenkins
RECOMMENDATION: Staff recommends the City Council receive and file the Quarterly Treasurer's Report for the quarter ending September 30, 2026

9. SUBJECT: 2026/2027 Pavement Management System Update – Award Professional Services Agreement To NCE

STAFF REPORT: R. Cave / L. Blomquist / T. Luchini
RECOMMENDATION: Adopt Resolution No. 2026-___, A Resolution of the City Council of the City of Citrus Heights, California, Authorizing the City Manager to Execute an Agreement with NCE for the 2026/2027 Pavement Management System Update

REGULAR CALENDAR

10. SUBJECT: Capital Thunder Temporary Ground Lease Agreement For 7137 Auburn Boulevard (Sylvan Property)

STAFF REPORT: C. Kempenaar / R. Cave / M. Huber
RECOMMENDATION: Adopt Resolution No. 2026-___, A Resolution of the City Council of the City of Citrus Heights, California, Authorizing the City Manager to Execute a Temporary Ground Lease Agreement with Capital Thunder for the Temporary Use of a Hockey Rink and Finding the Project is Categorically Exempt from the California Environmental Quality Act (CEQA)

ITEMS REQUESTED BY COUNCIL MEMBERS / FUTURE AGENDA ITEMS

11. SUBJECT: Discussion Relating To Council Meeting Written Public Comment Procedures

STAFF REPORT: A. Van
RECOMMENDATION: Staff Recommends the City Council review the information contained in this report and provide direction to staff regarding whether to consider modifications to the City's written public comment procedures

CITY MANAGER ITEMS

ADJOURNMENT

ADDRESSING THE CITY COUNCIL:

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LEVINE ACT:

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WRITINGS RECEIVED AFTER AGENDA POSTING:

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MariJane Lopez-Taff, *Mayor*
Porsche Middleton, *Vice Mayor*
Dr. Jayna Karpinski-Costa, *Council Member*
Kelsey Nelson, *Council Member*
Tim Schaefer, *Council Member*

CITY OF CITRUS HEIGHTS
CITY COUNCIL
Special and Regular Meetings of Tuesday, November 10, 2026
(Rescheduled from Holiday 11/11/26)
City Hall Council Chambers, 6360 Fountain Square Dr., Citrus Heights, CA 95621
Special Meeting 5:00 p.m.
Regular Meeting 6:00 p.m.

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November 6, 2026

Amy Van, City Clerk

SPECIAL CITY COUNCIL MEETING
5:00 PM

CALL SPECIAL MEETING TO ORDER

1. Roll Call: Council Members: Karpinski-Costa, Nelson, Schaefer, Middleton, Lopez-Taff

PUBLIC COMMENT

CLOSED SESSION

2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
   Initiation of litigation pursuant to Government Code Section 54956.9(d)(4)
   Number of potential cases: 3

REPORT OUT OF CLOSED SESSION

ADJOURNMENT

REGULAR CITY COUNCIL MEETING
6:00 PM

CALL REGULAR MEETING TO ORDER

1. Flag Salute

2. Roll Call: Council Members: Karpinski-Costa, Nelson, Schaefer, Middleton, Lopez-Taff

3. Video Statement

APPROVAL OF AGENDA

PRESENTATIONS

4. Proclamation of the City of Citrus Heights Proclaiming November 9-13, 2026 as “Law Enforcement Records and Support Personnel Appreciation Week”

5. Presentation by the Sacramento Regional Transit District (SacRT) on Citrus Heights Transit Services

6. Presentation by the General Services Department on Senior Center Use and Programming Opportunities

PUBLIC COMMENT

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COMMENTS BY COUNCIL MEMBERS AND REGIONAL BOARD UPDATES

CONSENT CALENDAR (Estimated Start Time 7:15 p.m.)

It is recommended that all consent items be acted on simultaneously unless separate discussion and/or action are requested by a Council Member.

7. **SUBJECT:** Approval of Minutes
RECOMMENDATION: Approve the Minutes of the Special and Regular Meetings of August 26, 2026 and the Regular Meeting of September 9, 2026

8. **SUBJECT:** Quarterly Treasurer's Report
STAFF REPORT: S. Talwar / D. Jenkins
RECOMMENDATION: Staff recommends the City Council receive and file the Quarterly Treasurer's Report for the quarter ending September 30, 2026

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STAFF REPORT: R. Cave / L. Blomquist / T. Luchini
RECOMMENDATION: Adopt Resolution No. 2026-___, A Resolution of the City Council of the City of Citrus Heights, California, Authorizing the City Manager to Execute an Agreement with NCE for the 2026/2027 Pavement Management System Update

REGULAR CALENDAR (Estimated Start Time 7:20 p.m.)

10. **SUBJECT:** Capital Thunder Temporary Ground Lease Agreement for 7137 Auburn Boulevard (Sylvan Property)
STAFF REPORT: C. Kempenaar / R. Cave / M. Huber
RECOMMENDATION: Adopt Resolution No. 2026-___, A Resolution of the City Council of the City of Citrus Heights, California, Authorizing the City Manager to Execute a Temporary Ground Lease Agreement with Capital Thunder for the Temporary Use of a Hockey Rink and Finding the Project is Categorically Exempt from the California Environmental Quality Act (CEQA)

ITEMS REQUESTED BY COUNCIL MEMBERS / FUTURE AGENDA ITEMS

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STAFF REPORT: A. Van
RECOMMENDATION: Staff Recommends the City Council review the information contained in this report and provide direction to staff regarding whether to consider modifications to the City's written public comment procedures

CITY MANAGER ITEMS

ADJOURNMENT

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CITY OF CITRUS HEIGHTS
CITY COUNCIL
MINUTES
Special and Regular Meetings of Wednesday, August 26, 2026
City Hall Council Chambers, 6360 Fountain Square Dr., Citrus Heights, CA 95621

CALL SPECIAL MEETING TO ORDER

The special meeting was called to order at 5:06 p.m. by Mayor Lopez-Taff.

1. Roll Call:
   - Council Members present: Karpinski-Costa, Schaefer, Middleton, Lopez-Taff
   - Council Members absent: Nelson (Excused)
   - Staff Members present: Feeney, Grillo, D. Jones, R. Jones, Van, Wakefield

PUBLIC COMMENT

AJ Fox spoke in favor of denying the appeal and upholding the Order of Abatement for 7398 Antelope Road.

Michael Lagomarsino spoke in favor of denying the appeal and upholding the Order of Abatement.

Mark Naber spoke in favor of denying the appeal and upholding the Order of Abatement.

APPEAL HEARING

2. **SUBJECT:** Appeal of Notice of Hearing Decision & Order of Abatement for 7398 Antelope Road, Citrus Heights, CA 95621

City Attorney Jones introduced the item and noted that Deputy City Attorney Wakefield would be representing the City in the appeal hearing.

Senior Code Enforcement Officer Grillo delivered a presentation detailing the City's abatement efforts of the property since February 2023. The staff report and exhibits will be part of the official record of this hearing.

Property owner Robert Mattarolo addressed the City Council to dispute the Order of Abatement.

The Council deliberated the matter.

ACTION: On a motion by Council Member Schaefer, seconded by Council Member Karpinski-Costa, the City Council Denied the Appeal of Notice of Hearing Decision & Order of Abatement for Abatement for 7398 Antelope Road, Citrus Heights, CA 95621.

AYES:	Karpinski-Costa, Schaefer, Middleton, Lopez-Taff
NOES:	None
ABSENT:	Nelson

ADJOURNMENT

Mayor Lopez-Taff adjourned the special meeting at 5:53 p.m.

CALL REGULAR MEETING TO ORDER

The regular meeting was called to order at 6:02 p.m. by Mayor Lopez-Taff.

1. The Flag Salute was led by Mayor Lopez-Taff.

2. Roll Call:

Council Members present:	Karpinski-Costa, Schaefer, Middleton, Lopez-Taff
Council Members absent:	Nelson (Excused)
Staff Members present:	Aguirre, Feeney, Huber, D. Jones, R. Jones, Van and department directors.

3. The video statement was read by Acting City Clerk Jones.

APPROVAL OF AGENDA

ACTION: On a motion by Council Member Schaefer, seconded by Vice Mayor Middleton, the City Council approved the agenda.

AYES:	Karpinski-Costa, Schaefer, Middleton, Lopez-Taff
NOES:	None
ABSENT:	Nelson

PRESENTATIONS

4. Proclamation of the City of Citrus Heights Honoring Kayak City as a 2026 Citrus Heights Business of Distinction – Top of the Trade

Management Analyst II Aguirre introduced Kayak City and accepted the proclamation on its behalf.

5. Presentation of Certificate of Recognition to Sheri Merrick for being named a 2026 "Women Who Mean Business" Honoree by the *Sacramento Business Journal*

Mayor Lopez-Taff led the City Council's presentation to Ms. Merrick.

PUBLIC COMMENT

None

COMMENTS BY COUNCIL MEMBERS AND REGIONAL BOARD UPDATES

Vice Mayor Middleton attended Citrus Nights and a Capitol Region Elected Women (CREW) meeting.

Council Member Schaefer attended the following: Sunrise MarketPlace Board; Sacramento Area Council of Governments (SACOG); Citrus Nights; and the Sacramento Regional Transit District (SacRT) Board.

Council Member Karpinski-Costa attended the following: India Day; Sacramento-Yolo Mosquito & Vector Control District Board; Best of Citrus Heights Awards; Citrus Nights; and the Sacramento Area Sewer District Board.

Mayor Lopez-Taff attended the following: Sunrise MarketPlace Board; Fan Talk Live podcast interview; Arcade-Cripple Creek Trail Extension Community Workshop; Best of Citrus Heights Awards; Citrus Nights; National Senior Citizens Day volunteering with Silver Wishes and an interview by "GoodDay Sacramento"; Veterans Community Center Luau; and Capitol Region Elected Women (CREW).

CONSENT CALENDAR

6. **SUBJECT:** Approval of Minutes
RECOMMENDATION: Approve the Minutes of the Special and Regular Meetings of May 27, 2026

7. **SUBJECT:** Second Reading – Ordinance Adding Division 6 ("Uniform Construction Cost Accounting Act") to Article V. ("Finances") of Chapter 2 ("Administration") of the Citrus Heights Municipal Code
STAFF REPORT: R. Cave / L. Blomquist
RECOMMENDATION: Adopt Ordinance No. 2026-005, An Ordinance of the City Council of the City of Citrus Heights, California, Adding Division 6 ("Uniform Construction Cost Accounting Act") to Article V. ("Finances") of Chapter 2 ("Administration") of the Citrus Heights Municipal Code

ACTION: On a motion by Council Member Schaefer, seconded by Vice Mayor Middleton, the City Council adopted Consent Calendar Items 6 and 7.

AYES:	Karpinski-Costa, Schaefer, Middleton, Lopez-Taff
NOES:	None
ABSENT:	Nelson

REGULAR CALENDAR

8. **SUBJECT:** 18-month Update: 2025-2027 Economic Development Work Plan
STAFF REPORT: M. Huber / A. Aguirre
RECOMMENDATION: Staff recommends that the City Council receive and file the 18-Month progress update on the 2025–2027 Economic Development Work Plan

Director Huber and Management Analyst II Aguirre provided a comprehensive 18-month progress update on the Economic Development Work Plan highlighting economic conditions, commercial real estate trends, the Sunrise Tomorrow project, and the City's efforts to attract, retain, and grow businesses while reducing barriers to investment. Over the past 18 months, the City has expanded business support programs, increased outreach, promoted local businesses through the Love Local campaign, and advanced placemaking and investment initiatives.

City Council questions and comments followed.

9. **SUBJECT:** Approval of Economic Development Support Fund Grant Request by the Citrus Heights Chamber of Commerce
STAFF REPORT: M. Huber / A. Aguirre
RECOMMENDATION: Adopt Resolution No. 2026-075, A Resolution of the City Council of the City of Citrus Heights, California, Approving a $30,000 Grant to the Citrus Heights Chamber of Commerce from the Economic Development Support Funds

The City Council received a presentation from Chamber Executive Director Sheri Merrick with an overview of membership growth, hosted events, community engagement, local business support and initiatives such as Leadership Citrus Heights.

Mayor Lopez-Taff recused herself due to a conflict of interest with her position on the Chamber Board. The gavel was passed to Vice Mayor Middleton.

ACTION: On a motion by Council Member Karpinski-Costa, seconded by Council Member Schaefer, the City Council adopted Resolution No. 2026-075, A Resolution of the City Council of the City of Citrus Heights, California, Approving a $30,000 Grant to the Citrus Heights Chamber of Commerce from the Economic Development Support Funds.

AYES:	Karpinski-Costa, Schaefer, Middleton
NOES:	None
ABSENT:	Nelson, Lopez-Taff (recused)

Mayor Lopez-Taff returned to the dais.

ITEMS REQUESTED BY COUNCIL MEMBERS / FUTURE AGENDA ITEMS

Mayor Lopez-Taff requested re-opening the conversation regarding written public comments being read aloud at City Council meetings, seconded by Council Member Schaefer.

CITY MANAGER ITEMS

City Manager Feeney celebrated the City being awarded the American Public Works Association's (APWA) 2026 Project of the Year for the Auburn Boulevard Complete Streets Phase 2 Project. The community was encouraged to attend the first football game to be played on San Juan High School's new field. A thank-you note from a resident to City Manager Feeney was shared.

ADJOURNMENT

Mayor Lopez-Taff adjourned the regular meeting at 7:40 p.m.

Respectfully submitted,

_____

Amy Van, City Clerk

CITY OF CITRUS HEIGHTS
CITY COUNCIL
MINUTES
Regular Meeting of Wednesday, September 9, 2026
City Hall Council Chambers, 6360 Fountain Square Dr., Citrus Heights, CA 95621

CALL REGULAR MEETING TO ORDER

The regular meeting was called to order at 6:00 p.m. by Mayor Lopez-Taff.

1. The Flag Salute was led by the Citrus Heights Police Department Explorers.

2. Roll Call:

Council Members present:	Karpinski-Costa, Schaefer, Middleton, Lopez-Taff
Council Members absent:	Nelson (Excused)
Staff Members present:	Cave, Jones, Kempenaar, Van and department directors.

3. The video statement was read by City Clerk Van.

APPROVAL OF AGENDA

ACTION: On a motion by Council Member Schaefer, seconded by Council Member Karpinski-Costa, the City Council approved the agenda.

AYES:	Karpinski-Costa, Schaefer, Middleton, Lopez-Taff
NOES:	None
ABSENT:	Nelson

PRESENTATIONS

4. Proclamation of the City of Citrus Heights Proclaiming September 13-19, 2026 as National Adult Education & Family Literacy Week

Mayor Lopez-Taff read and presented the proclamation to Richard Judge, Principal of San Juan Unified School District's Adult Education Program.

5. Proclamation of the City of Citrus Heights Proclaiming September 2026 as "Prostate Cancer Awareness Month"

Council Member Karpinski-Costa read and presented the proclamation to Kenneth Issac of the Greater Sacramento Prostate Cancer Support Group.

6. Proclamation of the City of Citrus Heights Recognizing "Firefighter Appreciation Month" and "California Firefighters Memorial Day"

Vice Mayor Middleton read and presented the proclamation to representatives of the Sacramento Metropolitan Fire District.

7. Proclamation of the City of Citrus Heights Proclaiming September 20-26, 2026, as "National Forensic Science Week"

Council Member Schaefer read and presented the proclamation to representatives of the Citrus Heights Police Department.

PUBLIC COMMENT

Note for the record: Written public comment submitted by Jason Alviar was forwarded to the City Council and filed.

COMMENTS BY COUNCIL MEMBERS AND REGIONAL BOARD UPDATES

Council Member Karpinski-Costa attended the Auburn Boulevard ribbon-cutting ceremony and Valley Vision's We Prosper Together Catalyst Summit.

Council Member Schaefer attended the following: the Sacramento Area Council of Governments (SACOG) Board; Auburn Boulevard ribbon-cutting ceremony; We Prosper Together; and a tour of Beale Air Force Base with the League of California Cities.

Vice Mayor Middleton attended the Auburn Boulevard ribbon-cutting ceremony and the Sacramento Metropolitan Cable Television Commission.

Mayor Lopez-Taff attended the following: Auburn Boulevard ribbon-cutting ceremony; Sacramento Public Library Authority Board; Sacramento Metropolitan Air Quality Management District (SMAQMD) Board; the Sacramento County Board of Supervisors' final budget hearing; and We Prosper Together.

CONSENT CALENDAR

8. **SUBJECT:** Approval of Minutes
RECOMMENDATION: Approve the Minutes of the Special and Regular Meetings of June 10, 2026

9. **SUBJECT:** Conflict of Interest Code Biennial Update
STAFF REPORT: A. Van / D. Jones
RECOMMENDATION: Adopt Resolution No. 2026-076, A Resolution of the City Council of the City of Citrus Heights, California, Adopting an Amended Conflict of Interest Code and a List of Designated Positions

10. **SUBJECT:** 2025 Accessibility and Drainage Project – Final Acceptance and Notice of Completion
STAFF REPORT: R. Cave / L. Blomquist / D. Kehrer
RECOMMENDATION: Adopt Resolution No. 2026-077, A Resolution of the City Council of the City of Citrus Heights, California, Accepting the 2025 Accessibility and Drainage Project as Complete and Authorizing the City Engineer to Record a Notice of Completion and Release the Contract Retention

11. Pulled for a separate vote.

Prior to approval of the Consent Calendar, Mayor Lopez-Taff pulled Item 11 for discussion.

ACTION: On a motion by Council Member Schaefer, seconded by Council Member Karpinski-Costa, the City Council adopted Consent Calendar Items 8, 9, and 10.

AYES:	Karpinski-Costa, Schaefer, Middleton, Lopez-Taff
NOES:	None
ABSENT:	Nelson

CONSENT CALENDAR ITEMS PULLED FOR SEPARATE VOTE

11. **SUBJECT:** 7555 Old Auburn Road Tenant Improvement Project – Award of Contract
STAFF REPORT: R. Cave / M. Poole / B. Panell / T. Luchini
RECOMMENDATION: Adopt Resolution No. 2026-078, A Resolution of the City Council of the City of Citrus Heights, California, Authorizing the City Manager to Execute an Agreement with American River Construction, Inc. for the 7555 Old Auburn Road Tenant Improvement Project

The City Council received a presentation by General Services Director Cave reviewing background information on animal services within the City; the Council's Strategic Objective on evaluating the feasibility of expanding shelter and pet reunification services locally; the City's acquisition of the Old Auburn Road property; and its partnership with the nonprofit FieldHaven Feline Center. The proposed tenant improvements were reviewed and would preserve the property while supporting FieldHaven.

ACTION: On a motion by Council Schaefer, seconded by Vice Mayor Middleton, the City Council adopted Consent Calendar Item 11.

AYES:	Karpinski-Costa, Schaefer, Middleton, Lopez-Taff
NOES:	None
ABSENT:	Nelson

REGULAR CALENDAR

12. **SUBJECT:** League of California Cities Annual Conference Resolution
STAFF REPORT: C. Kempenaar
RECOMMENDATION: Staff recommends that the City Council review the Cal Cities Resolution and Provide Direction to the City's Voting Delegate

Acting City Manager Kempenaar presented the staff report. Charles Anderson with Cal Cities answered City Council questions.

ACTION: On a motion by Council Member Karpinski-Costa, seconded by Council Member Schaefer, the City Council voted to direct the City's Voting Delegate (Vice Mayor Middleton) to Support the League of California Cities Annual Conference Resolution at the Annual Business Meeting.

AYES:	Karpinski-Costa, Schaefer, Middleton, Lopez-Taff
NOES:	None
ABSENT:	Nelson

ITEMS REQUESTED BY COUNCIL MEMBERS / FUTURE AGENDA ITEMS

Council Member Karpinski-Costa requested a presentation on the City's flood preparations in the upcoming El Niño year, seconded by Mayor Lopez-Taff.

Vice Mayor Middleton requested a presentation on Microenterprise Home Kitchen Operations (MEHKOs), seconded by Council Member Schaefer.

CITY MANAGER ITEMS

Acting City Manager Kempenaar announced upcoming events and a City Council meeting recess for the second September meeting.

ADJOURNMENT

Mayor Lopez-Taff adjourned the regular meeting at 7:13 p.m.

Respectfully submitted,

_____

Amy Van, City Clerk

CITY OF CITRUS HEIGHTS

CITY COUNCIL STAFF REPORT MEMORANDUM

DATE: November 10, 2026

TO: Mayor and City Council Members
Ashley J. Feeney, City Manager

FROM: Susan K. Talwar, Administrative Services Director
Dena Jenkins, Finance Manager

SUBJECT: **Quarterly Treasurer's Report**

Recommendation

Staff recommend the City Council receive and file the Quarterly Treasurer's Report for the quarter ending September 30, 2026. This report is a standard quarterly report submitted in accordance with the provisions of California Government Code Section 53646(b) whereas it states the treasurer or chief fiscal officer may render a quarterly report to the chief executive officer, the internal auditor, and the legislative body of the local agency.

Strategic Plan Alignment

This item is in alignment with the following Council Strategic priority:

Goal: Maintain and Enhance Fiscal Stability while supporting operational excellence.

Fiscal Impact

There is no fiscal impact associated with this action. The attached report is for informational purposes on the effects of current market conditions on the City's investment portfolio.

Background and Analysis

The market value of cash and investments for all City funds on September 30, 2026, was $51,165,724, down from $61,705,534 on June 30, 2026. The decrease is the result of a low property tax distribution period, ongoing construction projects like our Pavement Preservation Plan and Auburn Boulevard, and annual payments for insurance and pension unfunded actuarial liability (UAL) costs which are typically paid at the start of each fiscal year.

Significant deposits for the FY 2026/27 first quarter (July through Sept 2026) included:

CalTrans Grant Reimbursements (Auburn Blvd, Butternut Rd, etc.)	$4,358,547
Sales Tax	$3,676,871
Sacramento County – Measure A	$1,178,615

The breakdown of the City's investment portfolio and current rate of return is as follows:

	As of 6/30/2026				
Description	**Par Value**	**Cost Value**	**Fair Value**	**Avg. Rate of Return**	**% of Total Portfolio**
US Bank – General Account	$5,846,678	$5,846,678	$5,846,678	0.00%	11.43%
Local Agency Investment Funds (LAIF)	$33,393,646	$33,393,646	$33,209,461	3.91%	64.91%
California Asset Management Program (CAMP)	$780,006	$780,006	$780,006	3.78%	1.52%
Investment Account	$11,577,158	$11,467,953	11,329,579	4.22%	22.14%
Total Portfolio	**$51,597,488**	**$51,488,284**	**$51,165,724**	**3.53%**	

A portion of the City's investments are under management by Chandler Asset Management (Investment Manager) as of March 2023. For more information regarding the City's investments under management, see schedules included as Attachment 1.

The report includes all securities managed by the City and its Investment Manager (excluding bond proceeds) and provides information on the values (par, fair, and cost), term, and yield of each security. Of note, because the safe-keeping custodian and the Investment Manager may use different pricing sources to determine the market value of the securities, there can be minor differences in fair values shown on the custodian's monthly statement as compared to the Investment Manager's monthly statement.

Fair Value of individual securities has been provided by Chandler Asset Management. The City uses US Bank as its third-party custodian for safekeeping of all investments except for the Local Agency Investment Fund (LAIF) and the California Asset Management Program (CAMP). LAIF is a money market fund administered by the State Treasurer that has many governmental agency participants and holds securities through its own administrator.

In July 2024, the City joined the California Asset Management Program (CAMP). CAMP is a California Joint Powers Authority (JPA), a government agency that was established in 1989 to provide public agencies in California with professional investment services and options. CAMP is governed by a Board of Trustees comprised of experienced local government finance directors and treasurers. The City has invested funds in the CAMP Pool, a stable net asset value investment rated AAAm by S&P Global. The CAMP Pool offers same-day liquidity similar to LAIF. Investments in the CAMP Pool are permitted under California Government Code Section 53601(p) and the City's Investment Policy.

The value of fixed-income securities may fluctuate with changes in interest rates. As interest rates go up, the fair value of the securities may go down, and the reverse is true; when interest rates go down, the market value of the securities may go up. The difference between the book

and fair market value is considered an unrealized gain or loss. The unrealized loss for this reporting period is $322,560. It is important to note that a loss or gain is realized when an investment is redeemed or sold before its maturity date. The City's investments are typically retained until the maturity date, at which point the City's full investment is returned. Nonetheless, the City may elect to sell an investment before its maturity and record a capital gain or loss to manage the portfolio's quality, liquidity or yield in response to market conditions or the City's risk preferences.

Compliance
All investment transactions were executed in accordance with the California Government Code and the City's Investment Policy. In accordance with California Government Code section 53646(b)(3), staff believes that the investments and budgeted revenues for the City will provide sufficient cash flow to meet the anticipated cash flow requirements of each entity for the next six months.

Pooled cash and investment book balances are adjusted annually to reflect fair value as required by Generally Accepted Accounting Principles (GAAP). The term fair value was formerly known as market value and became effective with the mandatory implementation of the Governmental Accounting Standards Board (GASB) Statement No. 31 in fiscal year 1998. The CAMP Pool complies with requirements outlined by GASB Statement No. 79, which allow the City to record its investment at amortized cost instead of fair value. The attached investment schedules meet all applicable GASB requirements.

American Rescue Plan Act Summary
Included in the City's investment portfolio are the remaining American Rescue Plan Act (ARPA) funds. The City received an ARPA allocation of $15.68 million of which the total funds used by end of September 2026 were $15.63 million. As of December 31, 2024, all funds have been obligated and reported to the US Treasury. Remaining funds need to be expended by December 31, 2026.

At the August 14, 2024, City Council meeting, Council approved the allocation of the remaining funds towards general government services and critical projects. This is reflected on the schedule below in accordance with the US Treasury guidelines. General government services and critical projects include but are not limited to necessary improvements to infrastructure such as sidewalks, pedestrian safety features like crosswalks, streetlights, neighborhood cleanup, and other projects to revitalize public spaces; replace and update technology tools to effectively develop, execute, and evaluate government programs; and general government services such as rehire public safety to pre-pandemic levels.

American Rescue Plan Act				
Total Award	**$**	**15,676,972**		
Completed Projects			**Actual**	
Small Business COVID Recovery Grant			$ 281,111	
Block Party Trailer - Economic Development+			$ 27,794	
Patriotic Event+			$ 68,438	
Proposed Grant Strategy+			$ 60,000	
Police Fleet Vehicles & Equipment			$ 1,800,000	
Community Projects Grant Program**+			$ 72,400	
Cares Commuinity Pride and Cleanliness Campaign+			$ 38,607	
Sound Wall Beautification+			$ 105,986	
Business Attraction Incentive Program**+			$ 87,363	
Public Safety Positions to PrePandemic Levels			$ 7,749,590	
I.T. Critical, Major Projects; Execute Contract Tyler Technologies+			$ 1,229,601	
Public Safety Communications Center Critical Needs			$ 600,000	
General Government Services & Critical Projects			$ 2,681,082	
In Process Projects		**Commited**	**Actual thru 09/30/26**	**Remaining balance**
Beautification Crew Pilot Program +	$	875,000	$ 828,512	$ 46,488
Committed funds	$	15,676,972		
Spent	$	15,630,484		
Remaining Committed	$	46,488		
Current Balance	$	-	Funds to allocate/reallocate	
+ City Council Strategic Objective				
** dependent on program subscription				

Attachments

1. Chandler Asset Management Portfolio Summary, Statement of Compliance, and Holdings Report

CHANDLER ASSET MANAGEMENT

INVESTMENT REPORT

City of Citrus Heights | As of September 30, 2026

CHANDLER ASSET MANAGEMENT | chandlerasset.com

Chandler Team:

For questions about your account, please call (800) 317-4747,
or contact clientservice@chandlerasset.com

Information contained herein is confidential. We urge you to compare this statement to the one you receive from your qualified custodian. Please see Important Disclosures at the end of this report.

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ECONOMIC UPDATE

ACCOUNT PROFILE

PORTFOLIO HOLDINGS

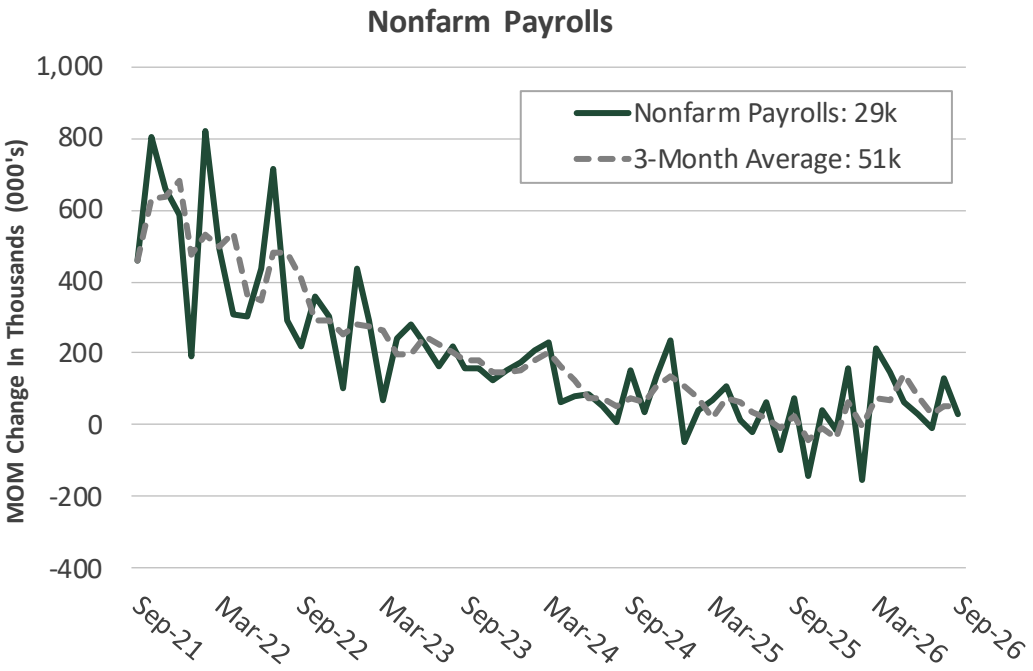
TRANSACTIONS

CHANDLER ASSET MANAGEMENT

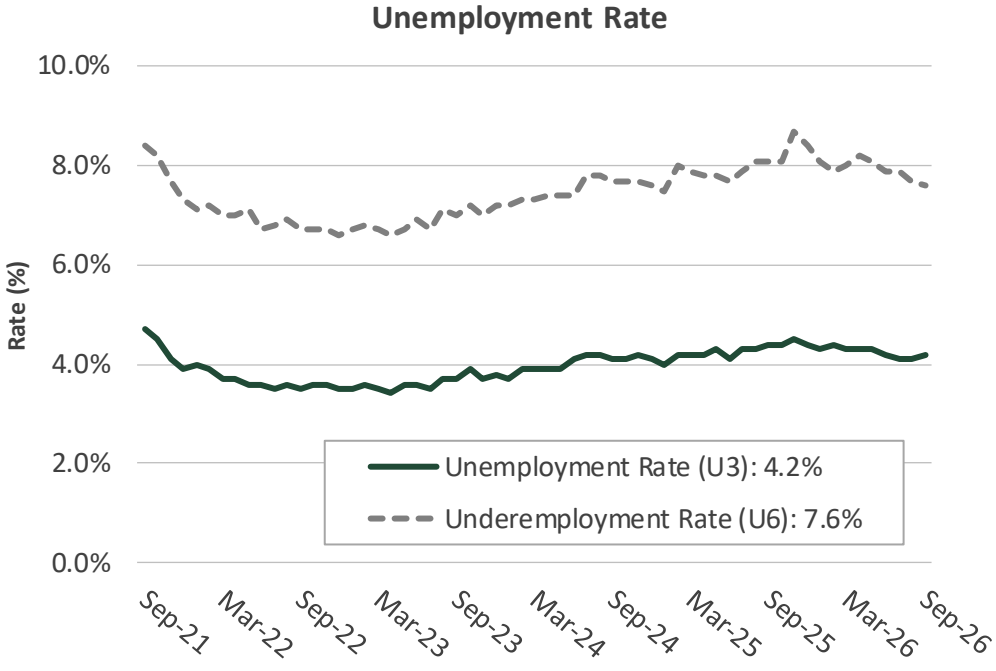
ECONOMIC UPDATE

- Energy costs linked to the ongoing war with Iran remain the dominant force shaping the U.S. economic outlook. Gasoline prices reached a recent high in September, while continued attacks on shipping near the Strait of Hormuz have kept crude-oil markets on edge. Inflation pressures remain elevated amid deteriorating consumer sentiment, though consumer spending and manufacturing activity have remained resilient.
- Second-quarter U.S. GDP growth was revised higher, yet payroll gains have decelerated and prior months were marked down. The Federal Reserve responded to above-target inflation with a quarter point rate hike, and Treasury yields moved higher across the curve.
- The Federal Reserve's Federal Open Market Committee raised the target range for the federal funds rate by 25 basis points to 3.75%–4.00% at its September meeting. The unanimous decision marked the Committee's first rate increase since 2023. Chair Kevin Warsh said the move would help return inflation to the 2% objective more promptly, while his post-meeting remarks struck a hawkish tone that may signal additional tightening ahead.
- The Chandler team expects the Federal Reserve to focus monetary policy on price stability, with at least one more 25 basis-point rate hike likely before year end.
- The U.S. Treasury curve exhibited a butterfly shift in September, as the front end repriced for a higher-for-longer neutral rate path, longer-dated yields rose on fiscal concerns, global spillovers, and inflation expectations, while the 5-year sector increased more than the short and long end amid supply pressure and expanding term premiums.
- The 2-year rose +55 basis points to 4.89%, the 10-year rose +54 basis points to 5.29%, while the 5-year gained +59 basis points to 5.09%. The spread between the 2-year and 10-year Treasury yields was at +40 basis points at September month-end. One year ago, the 2s/10s spread stood at +54 basis points.
- The 3-month to 10-year spread widened to +117 basis points from +92 in August, as long maturities absorbed the repricing of inflation risk while bill yields remained anchored near the policy rate.

EMPLOYMENT

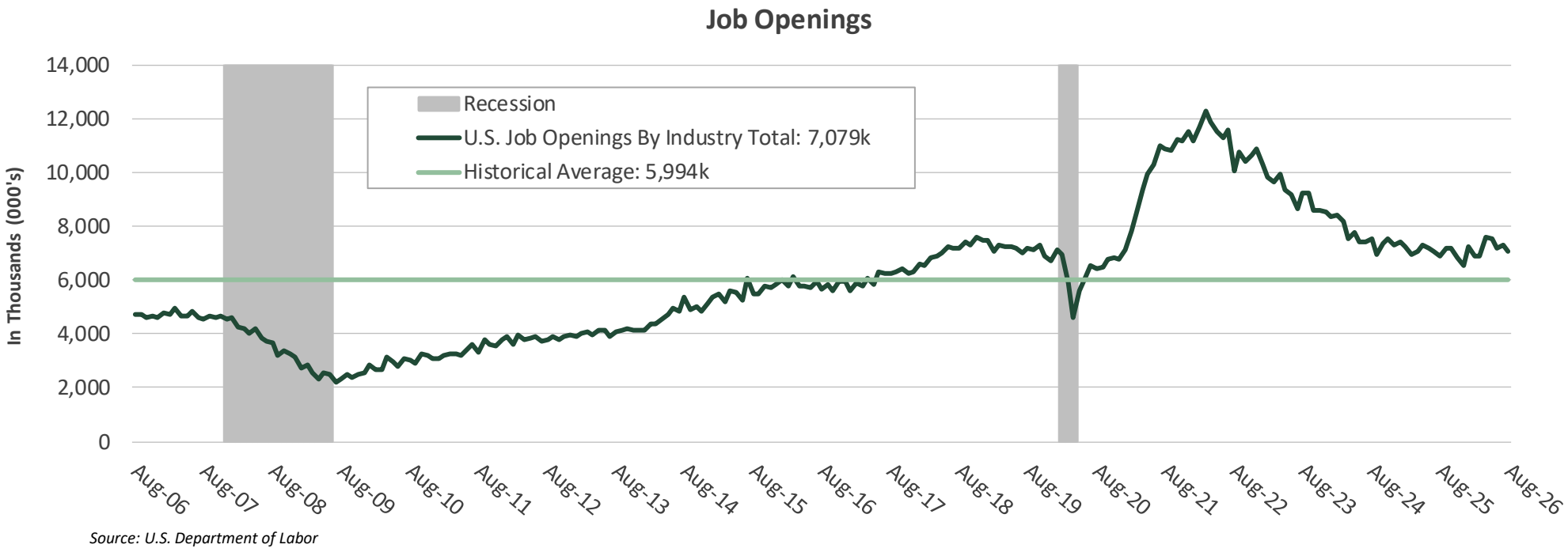


Source: U.S. Department of Labor



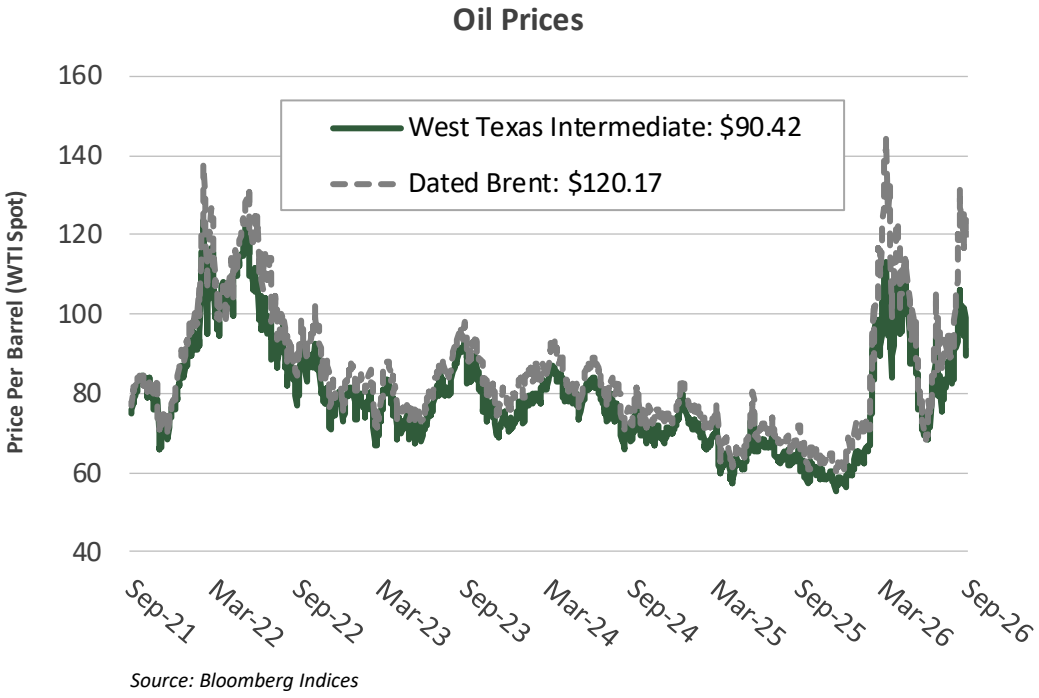
Source: U.S. Department of Labor

- Hiring slowed in September, with nonfarm payrolls rising by just 29,000, according to the Bureau of Labor Statistics. Revisions subtracted a combined 60,000 jobs from the prior two months: July was revised from a gain of 21,000 to a loss of 10,000, while August was lowered from 162,000 to 133,000, for a 3-month average of 51,000 new jobs.
- Health care and social assistance added 23,000 jobs in September, while construction added 11,000. Those gains were partly offset by declines in government, information, and temporary-help services. Although job growth has slowed considerably, low layoffs and a stable unemployment rate suggest that the labor market is cooling gradually rather than deteriorating sharply.
- The unemployment rate edged up to 4.2% from 4.1%, while the underemployment rate fell for the second consecutive month to 7.6% in September.

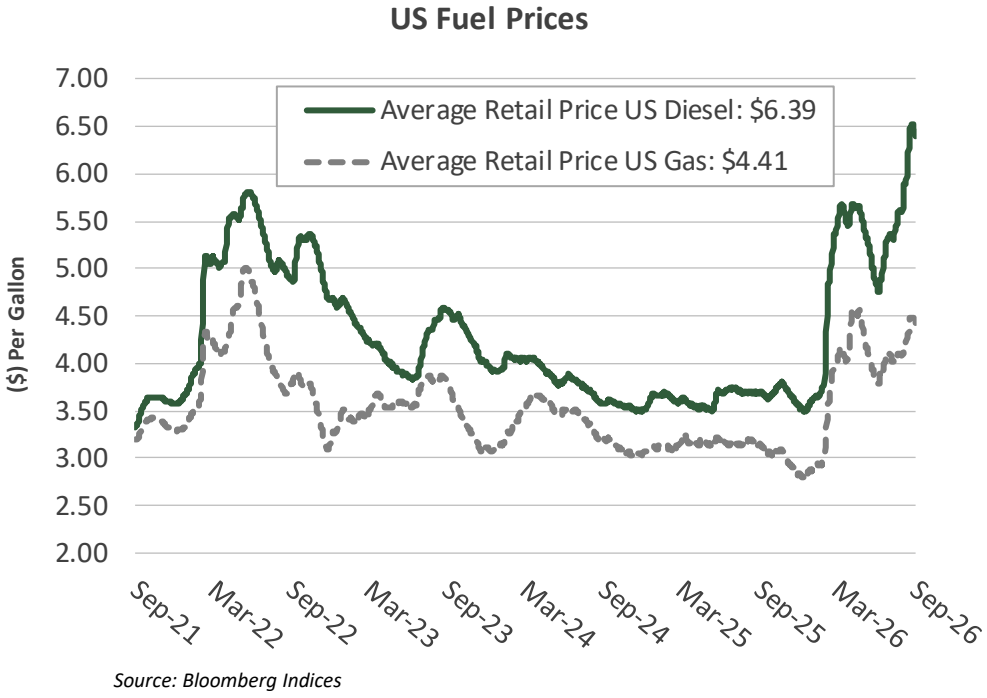


Source: U.S. Department of Labor

- Labor demand cooled in August, as the Job Openings and Labor Turnover Survey (JOLTS) showed openings declining by 256,000 to 7.079 million. July was revised up by 64,000 to 7.335 million from the initially reported 7.27 million.
- The ratio of openings to unemployed workers eased to 1.01 from 1.06 in July, leaving roughly one vacancy per job seeker.
- Professional and business services and education and health services recorded the largest declines in openings, while leisure and hospitality and information posted gains. Subdued layoffs help anchor a labor market that is moderating rather than deteriorating.



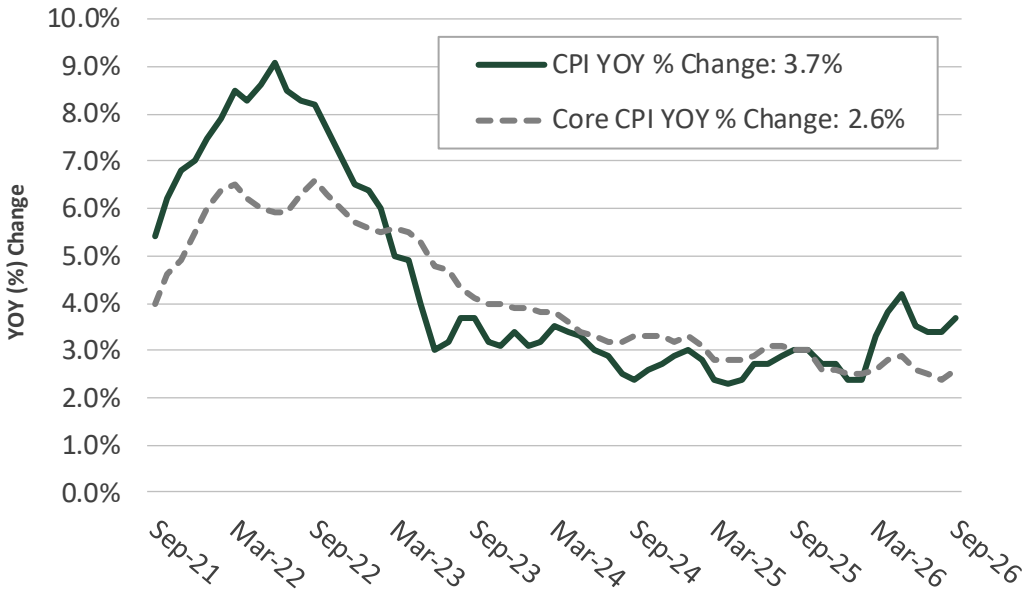
Source: Bloomberg Indices



Source: Bloomberg Indices

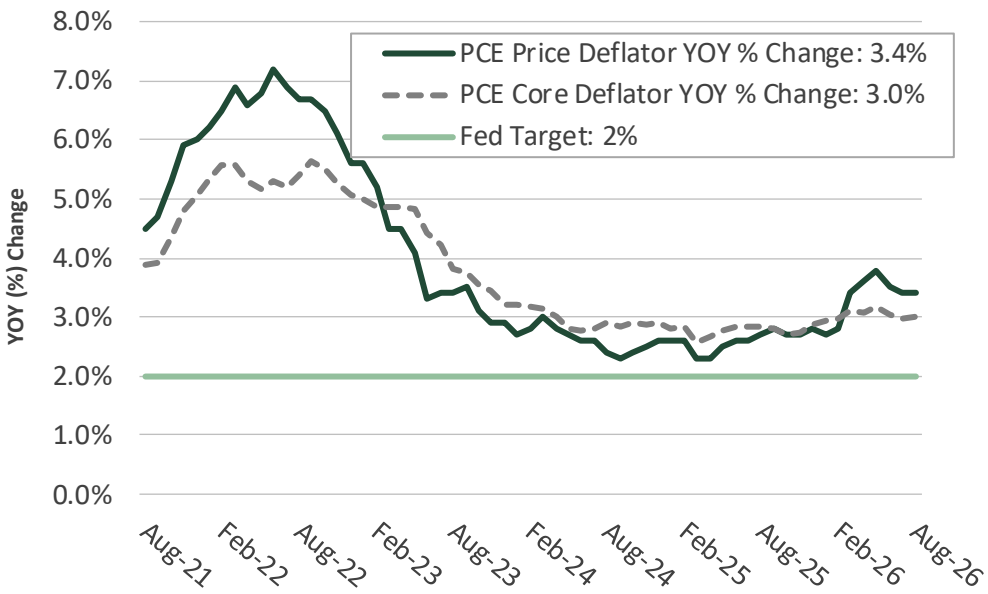
- U.S. West Texas Intermediate (WTI) crude settled at $90.42 per barrel on September 30. As tensions between U.S. allies and Iran have intensified, Brent settled at $120.17 at September month-end.
- AAA's national average prices for regular gasoline and diesel ended September near their monthly highs, at $4.41 and $6.39 per gallon, respectively. Diesel reached an all-time high of $6.53 per gallon on September 22, 2026.
- The trajectory of prices will be subject to the progress of diplomatic efforts to restore secure shipping lanes.

Consumer Price Index (CPI)



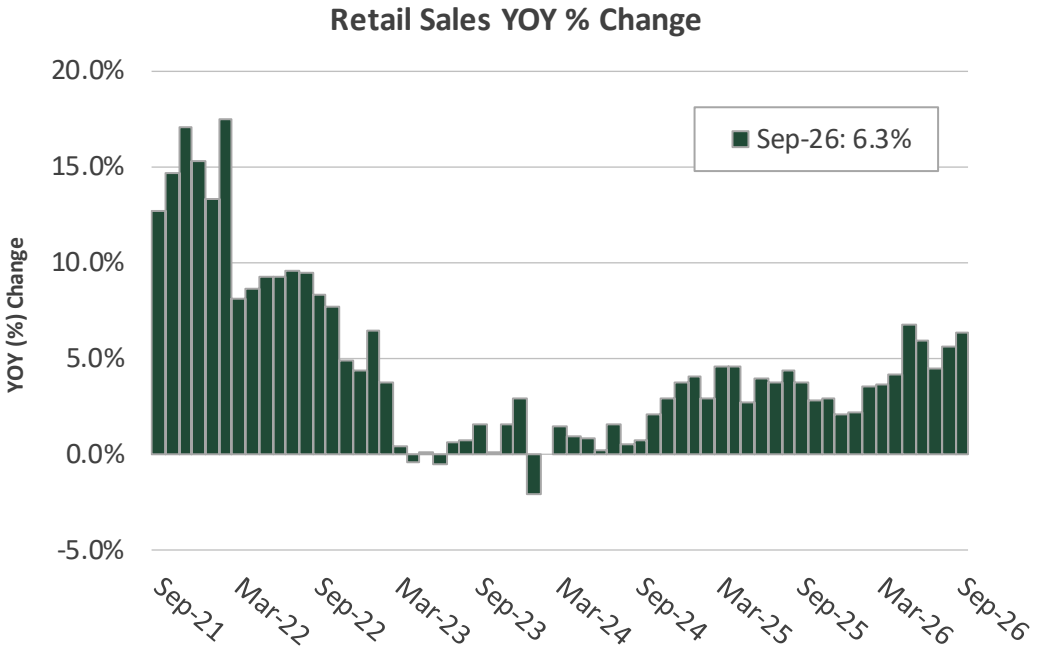
Source: U.S. Department of Labor

Personal Consumption Expenditures (PCE)

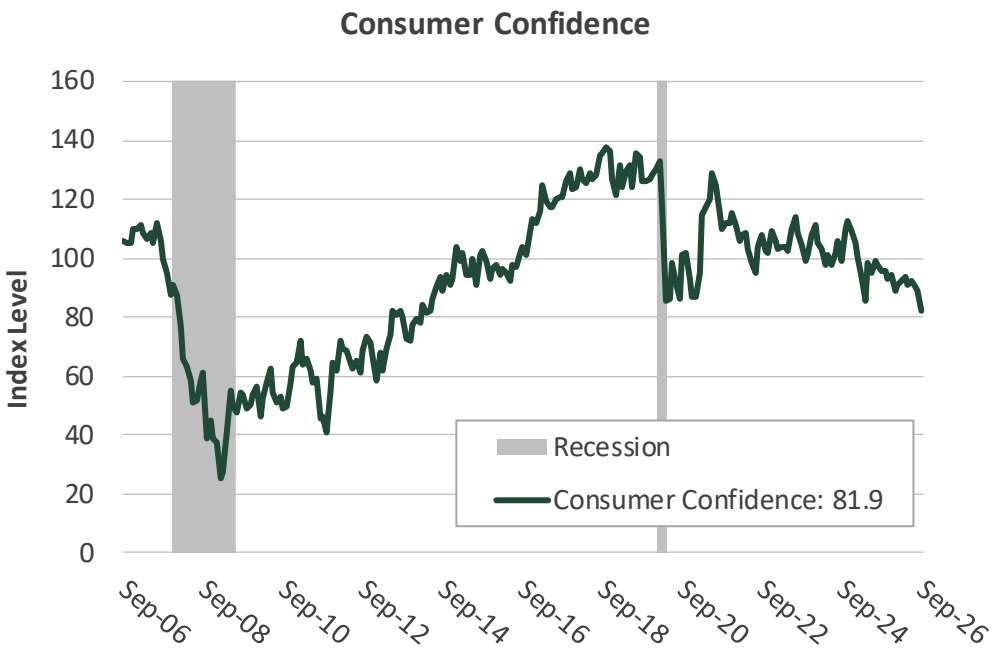


Source: U.S. Department of Commerce

- The Consumer Price Index (CPI) rose 0.6% for the month, following a 0.4% increase in August, lifting the annual rate to 3.7% from 3.4%. Core CPI, which excludes food and energy, advanced 0.3% for a second consecutive month, while the year-over-year rate moved up to 2.6% from 2.4%.
- The Personal Consumption Expenditures (PCE) Price Index gained 0.3% in August and 3.4% from a year earlier, while core PCE rose 0.2% for the month and 3.0% year-over-year.
- With inflation running above the Federal Reserve's 2% target and core measures firming, the Fed faces the risk that persistently higher energy costs are feeding into broader price pressure.



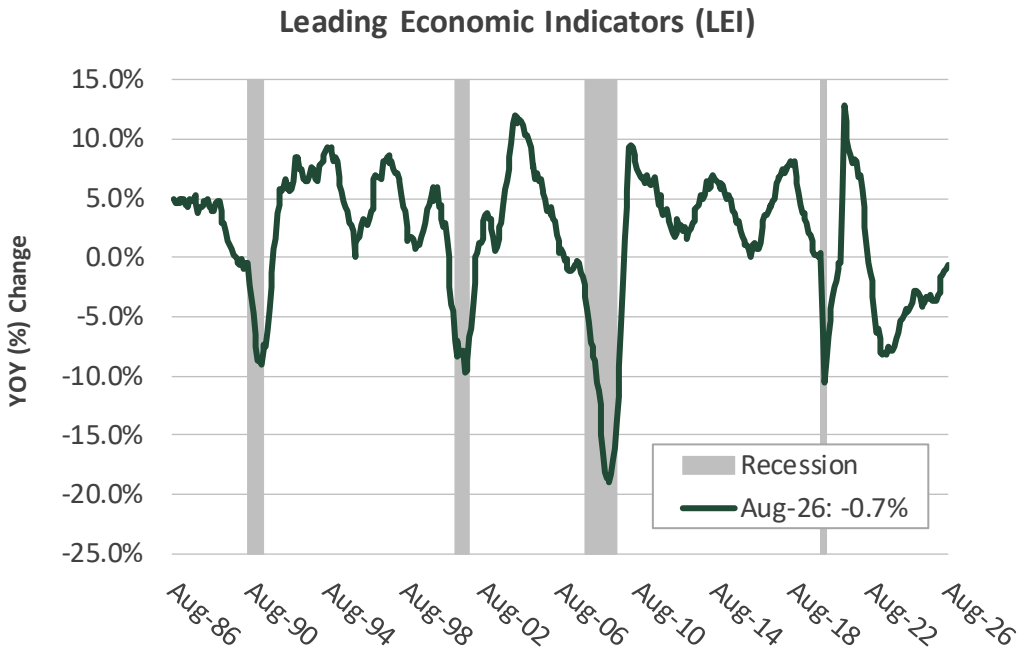
Source: U.S. Department of Commerce



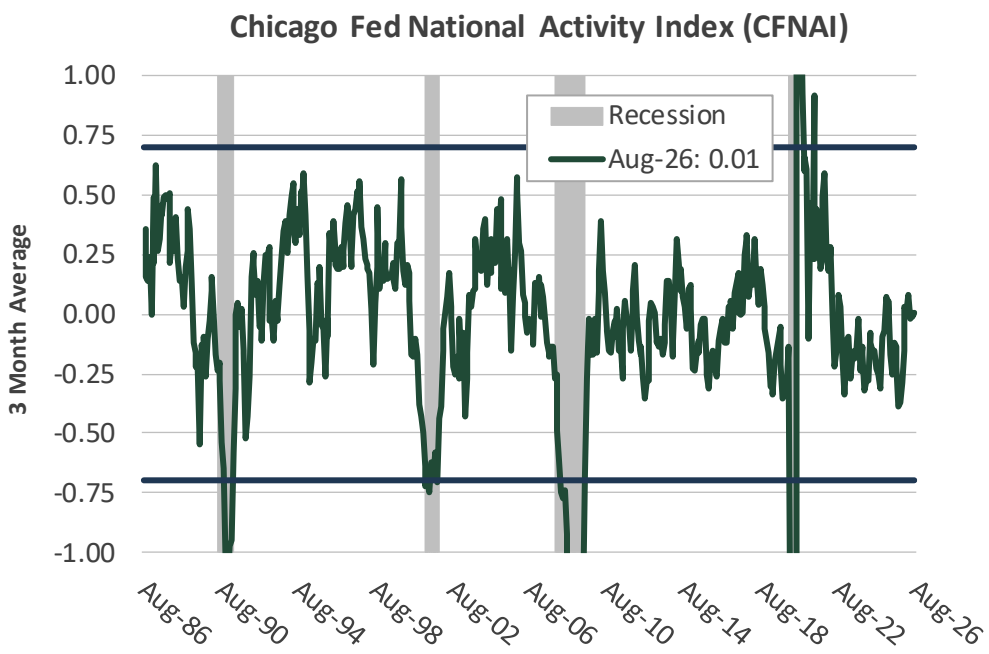
Source: The Conference Board
All time high is 144.70 (1/31/00); All time low is 25.30 (2/28/09)

- Retail sales rose 0.8% in September after an upwardly revised 1.3% gain in August, leaving sales 6.3% year over year. Sales excluding autos and gasoline grew only 0.2%, while the control group—which feeds directly into GDP calculations—edged up just 0.1%.
- The Conference Board's Consumer Confidence Index fell to 81.9 in September from a downwardly revised 88.6 in August, as respondents increasingly cited high fuel costs and broader price pressures as key concerns.
- Consumers appear to be absorbing energy costs, although sustained weakness in confidence could eventually restrain discretionary spending into the holiday season.

LEADING INDICATORS OF ECONOMIC ACTIVITY

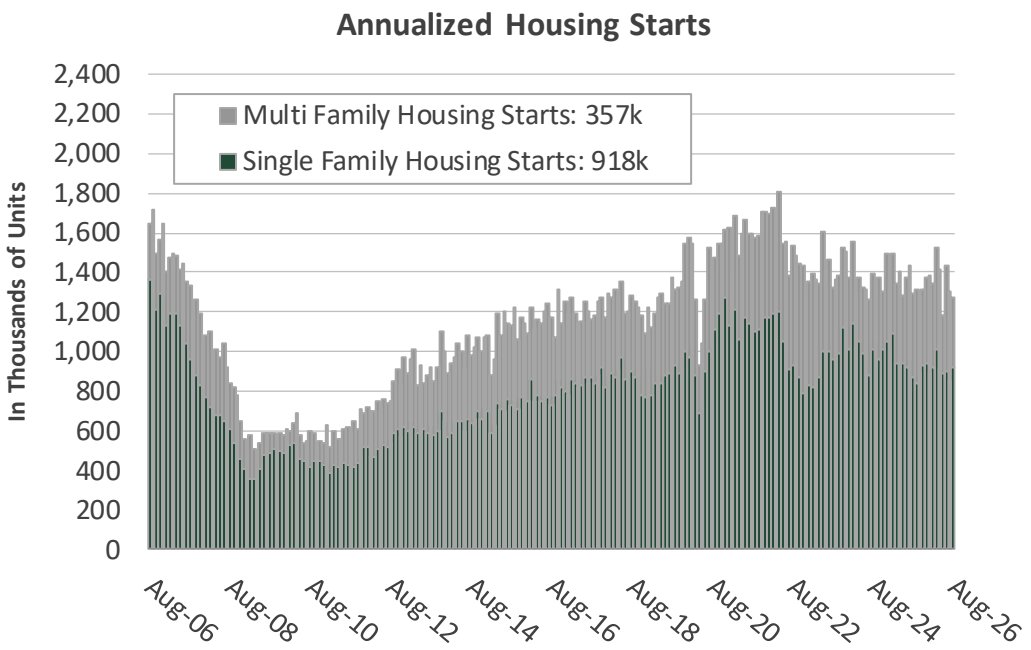


Source: The Conference Board

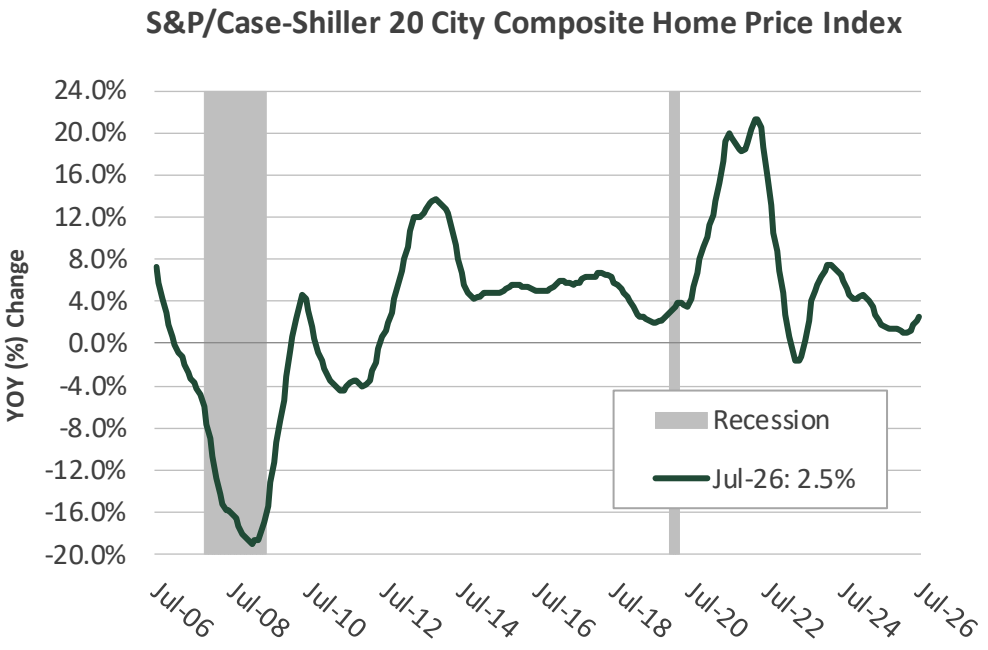


Source: Federal Reserve Bank of Chicago

- The Conference Board's Leading Economic Index declined 0.1% in August but was down only 0.7% year over year. That marked the eighth consecutive month of improvement in the annual rate of change, signaling decelerating but still positive economic momentum heading into year-end.
- The Chicago Fed National Activity Index fell to -0.04 in August, from an upwardly revised +0.08 in July, indicating economic activity slipped below its historical trend for the second time in three months, while the index's three-month moving average improved to +0.01.



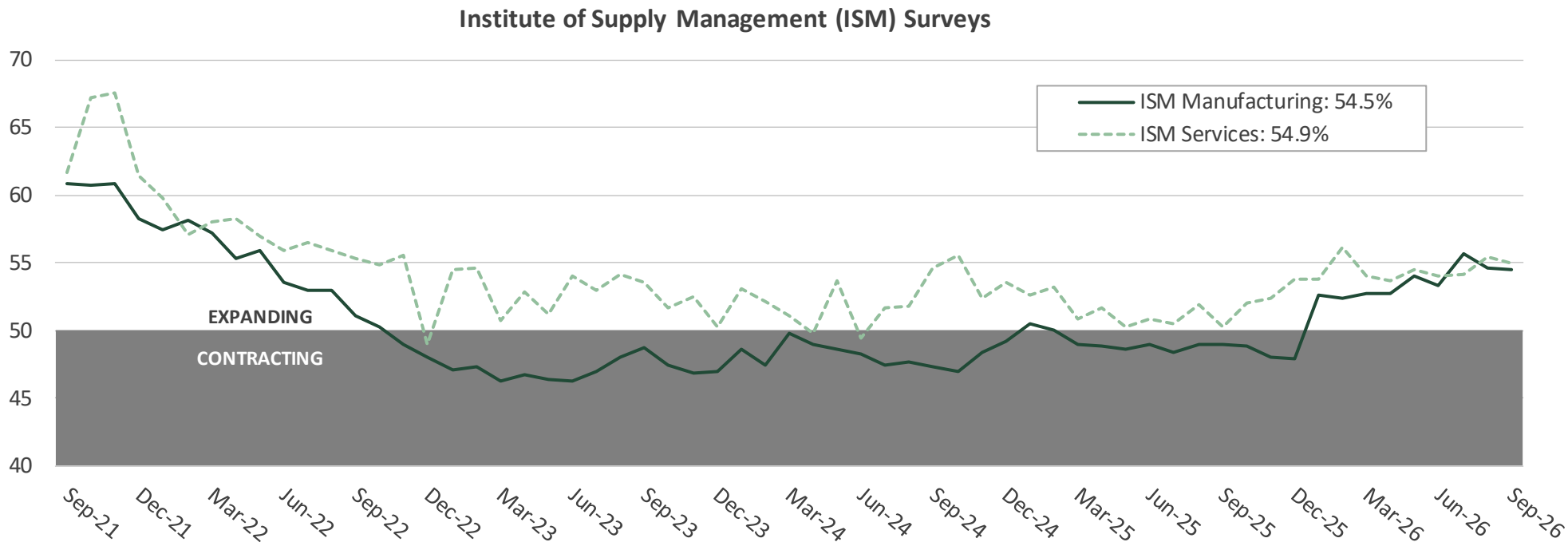
Source: U.S. Department of Commerce



Source: S&P

- Housing starts declined 2.6% in August to a seasonally adjusted annual rate of 1,275,000 units, according to the Census Bureau, pulling back from an upwardly revised July pace. Single-family starts totaled 918,000 units, while total multifamily starts reached 357,000 units.
- The S&P Cotality Case-Shiller 20-City Composite Home Price Index rose 2.5% year-over-year in July on a non-seasonally adjusted basis, accelerating from a 2.2% gain in June. Yet, home prices declined in real terms for the 14th consecutive month, as inflation continued to outpace nominal home-price appreciation.
- The Freddie Mac 30-year fixed mortgage rate rose to 7.28%, as of October 1, posing a headwind for affordability heading into the fall.

PURCHASING MANAGERS INDEX (PMI)



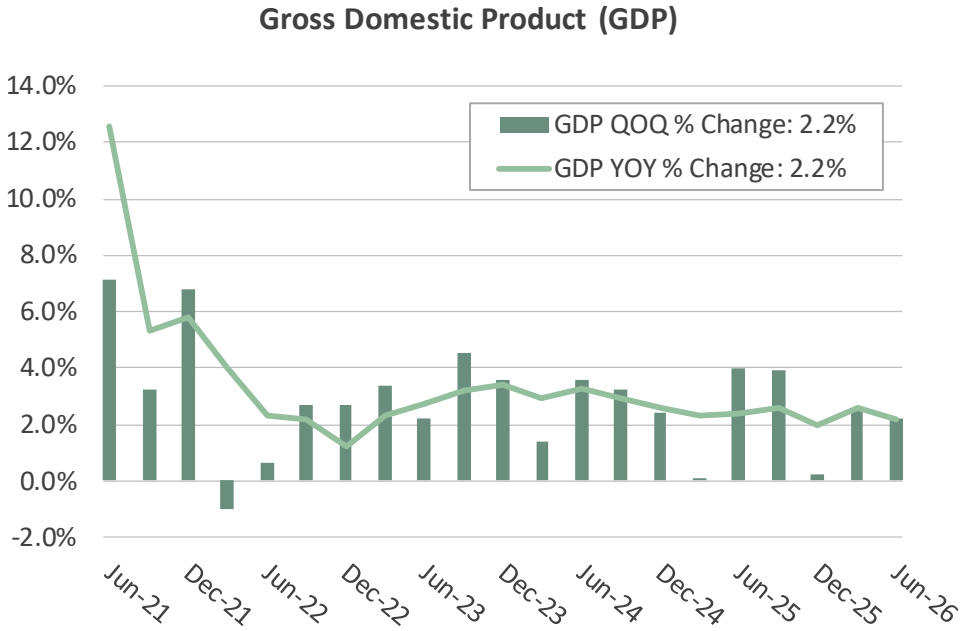
Source: Institute of Supply Management

- Purchasing managers surveys continue to signal economic expansion, though elevated prices-paid readings point to intense cost pressures.
- The Institute for Supply Management (ISM) Manufacturing Index edged down to 54.5 in September from 54.6 in August, marking its ninth consecutive month of expansion, while the prices-paid component jumped to 77.9 from 71.1.
- The ISM Services Index slipped to 54.9 in September from 55.4 in August, marking its 27th consecutive month of expansion. The prices-paid component in services rose to 74.0.
- ISM surveys above 50% signal expansion, while readings below 50% signal contraction.

GROSS DOMESTIC PRODUCT (GDP)

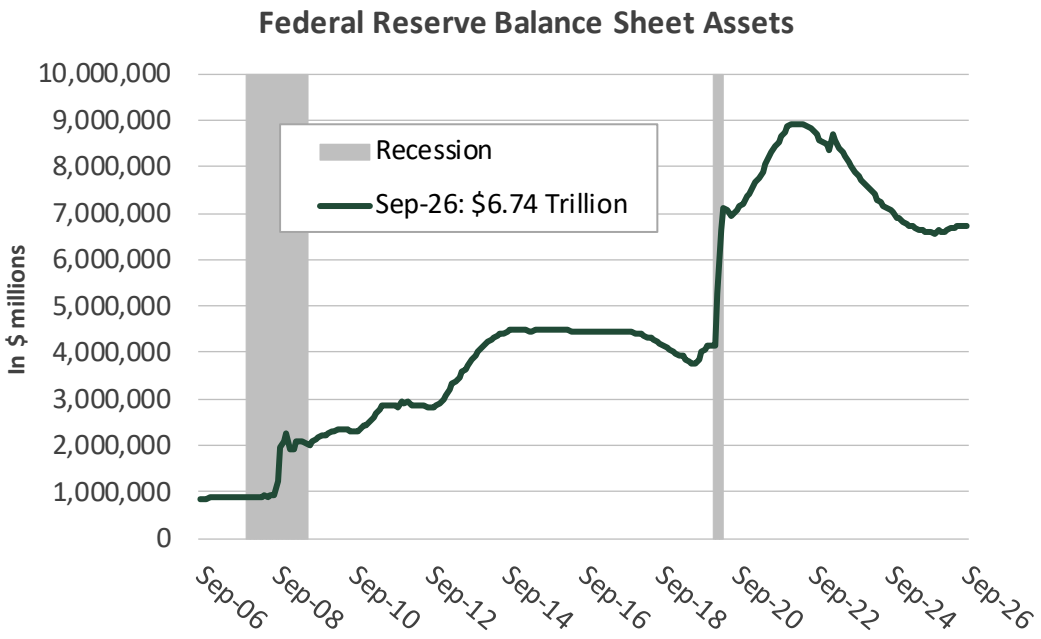
Components of GDP	Q3 2025	Q4 2025	Q1 2026	Q2 2026
Personal Consumption Expenditures	2.5%	1.3%	0.5%	2.5%
Gross Private Domestic Investment	0.2%	0.2%	1.3%	0.8%
Net Exports and Imports	1.0%	-0.3%	0.0%	-1.1%
Federal Government Expenditures	0.0%	-1.1%	0.6%	-0.2%
State and Local (Consumption and Gross Investment)	0.2%	0.1%	0.2%	0.1%
Total	**3.9%**	**0.2%**	**2.5%**	**2.2%**

Source: U.S. Department of Commerce

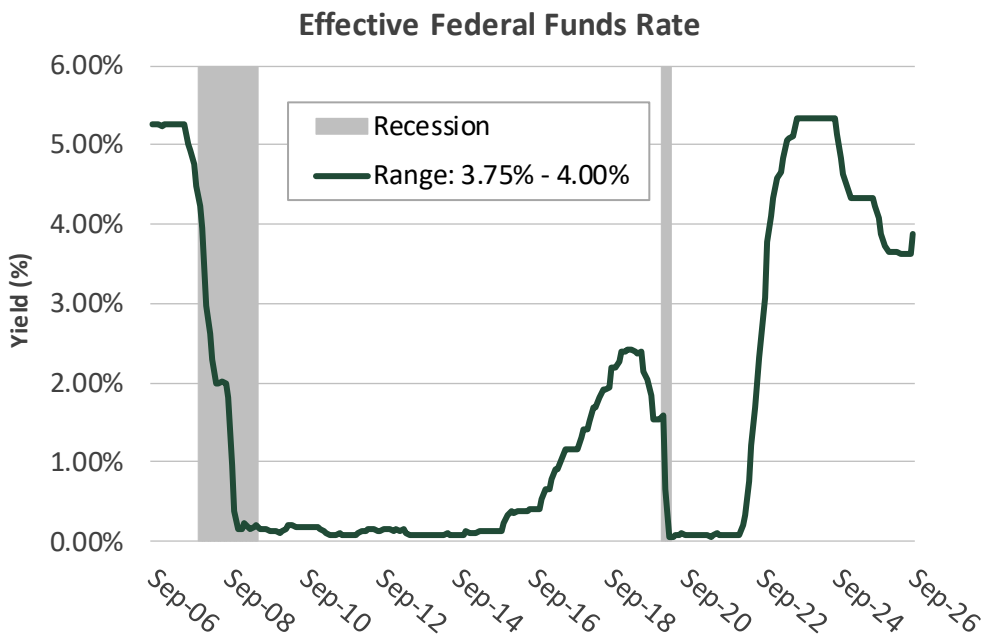


Source: U.S. Department of Commerce

- The Bureau of Economic Analysis's final estimate of second-quarter gross domestic product reported real growth at an annualized 2.2%, edging up +0.7% from the prior 1.5% estimate.
- Consumer spending and private investment—via AI related infrastructure capital expenditures—were the leading components, while government spending and rising imports subtracted from the total.



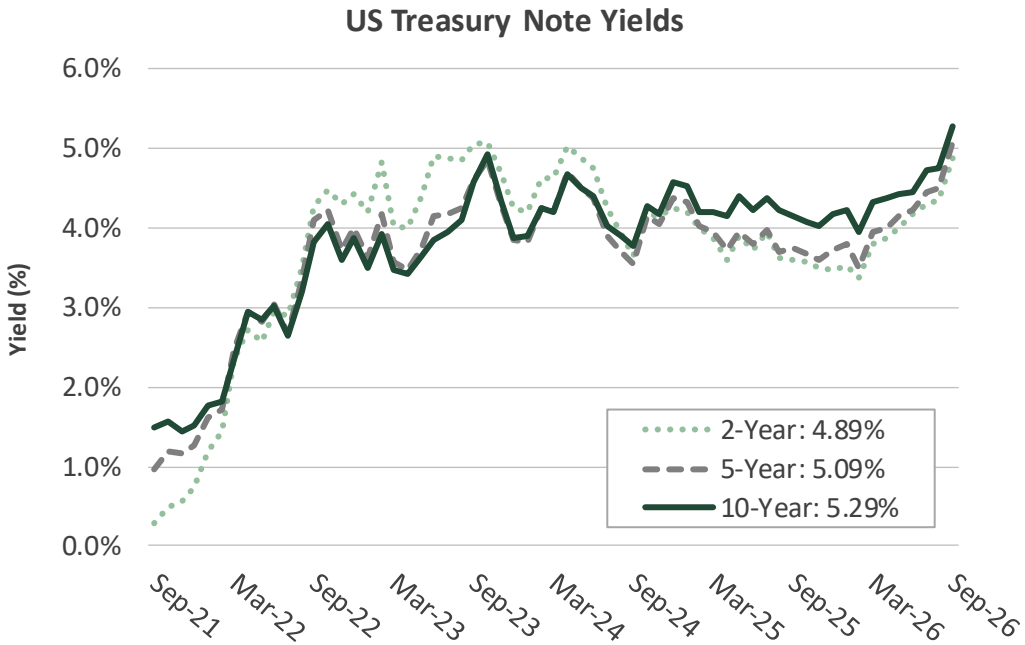
Source: Federal Reserve



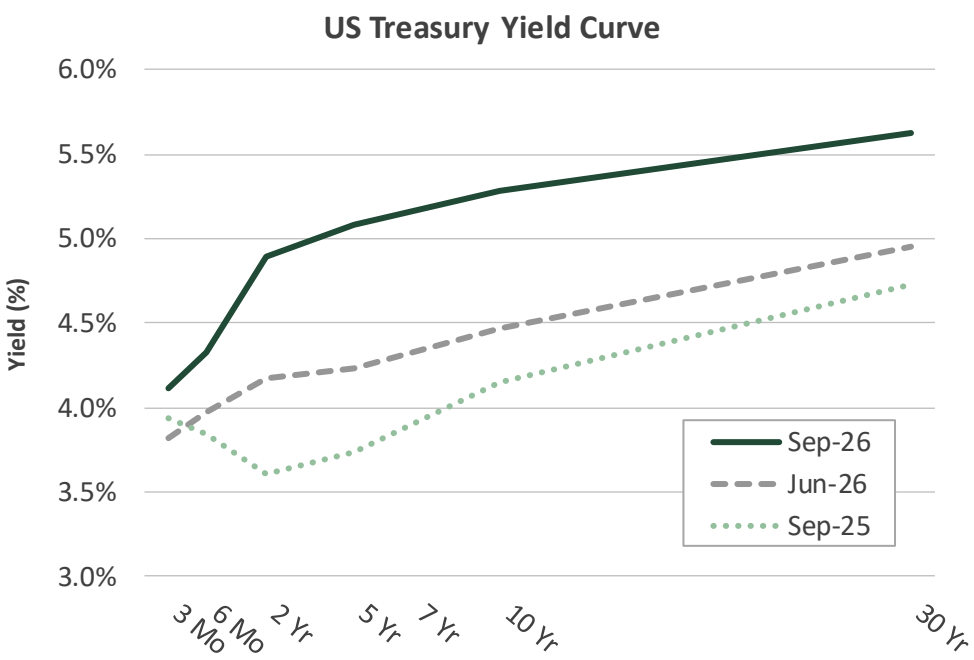
Source: Bloomberg

- The Federal Reserve's Federal Open Market Committee raised the target range for the federal funds rate a quarter point to 3.75% to 4.00% at its September 15 to 16 meeting, in a unanimous decision, marking the first increase since 2023.
- Chair Kevin Warsh, sworn in as the Federal Reserve's chair in May, said the move positions the Committee for a timelier return to its 2% objective and left the door open to further, asymmetric tightening should upward price pressure prove persistent.
- The Summary of Economic Projections showed a median fed funds rate projection of 4.1% for year-end 2026 and 2027, before declining toward a longer-run level of 3.2%. The Committee reaffirmed its policy of maintaining ample reserves amid ambient uncertainty tied to the Middle East conflict.

BOND YIELDS



Source: Bloomberg



Source: Bloomberg

- The U.S. Treasury curve underwent a butterfly shift in September. The front end repriced for a higher-for-longer neutral-rate path, while longer-dated yields rose on fiscal concerns, global spillovers, and inflation expectations. The five-year sector underperformed both the short and long ends, reflecting supply pressure and expanding term premiums.
- The 2-year Treasury yield rose +55 basis points to 4.89%, the 5-year yield increased +59 basis points to 5.09%, and the 10-year yield rose +54 basis points to 5.29%, respectively, from the prior month.
- The 2-year to 10-year spread ended September at +40 basis points, compared with +41 basis points in August, and +54 basis points one year earlier.

CHANDLER ASSET MANAGEMENT

ACCOUNT PROFILE

Investment Objectives

The investment objectives of the City of Citrus Heights are first, to provide safety of principal to ensure the preservation of capital in the overall portfolio; second, to provide sufficient liquidity to meet all disbursement requirements; and third, to earn an acceptable rate of return after first considering safety of principal and liquidity.

Chandler Asset Management Performance Objective

The performance objective for the portfolio is to earn a total rate of return through a market cycle that is equal to or above the return on the benchmark index.

Strategy

In order to achieve this objective, the portfolio invests in high-quality fixed income securities that comply with the investment policy and all regulations governing the funds.

STATEMENT OF COMPLIANCE

City of Citrus Heights | Account #11026 | As of September 30, 2026

Rules Name	Limit	Actual	Compliance Status	Notes
AGENCY MORTGAGE SECURITIES				
Max % (MV)	100.0	9.6	Compliant	
Max % Issuer (MV)	30.0	9.6	Compliant	
Max Maturity (SD; Years)	5.0	4.2	Compliant	
ASSET-BACKED SECURITIES (ABS)				
Max % (MV; Non Agency ABS & MBS)	20.0	8.5	Compliant	
Max % Issuer (MV)	5.0	1.5	Compliant	
Max Maturity (SD; Years)	5	4	Compliant	
Min Rating (AA- by 1)	0.0	0.0	Compliant	
BANKERS' ACCEPTANCES				
Max % (MV)	40.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (SD; Days)	180	0.0	Compliant	
Min Rating (A-1 by 1 or A- by 1)	0.0	0.0	Compliant	
COLLATERALIZED TIME DEPOSITS (NON-NEGOTIABLE CD/TD)				
Max % (MV; FDIC & Collateralized CD/TD)	20.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (SD; Years)	5.0	0.0	Compliant	
COMMERCIAL PAPER				
Max % (MV)	25.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (SD; Days)	270	0.0	Compliant	
Min Rating (A-1 by 1 or A- by 1)	0.0	0.0	Compliant	
CORPORATE MEDIUM TERM NOTES				
Max % (MV)	30.0	25.7	Compliant	
Max % Issuer (MV)	5.0	1.1	Compliant	
Max Maturity (SD; Years)	5	3	Compliant	
Min Rating (A- by 1)	0.0	0.0	Compliant	

The Statement of Compliance reflects Chandler's assessment of compliance with the applicable investment policy for the assets Chandler directly manages. The report may also present assets reported to Chandler by clients, custodians, or other third parties. Chandler includes those assets in the assessment but has no discretionary authority over them, does not independently verify the information provided, and assumes no responsibility for the accuracy or completeness of that information. Questions regarding this report should be directed to the designated investment professional.

STATEMENT OF COMPLIANCE

City of Citrus Heights | Account #11026 | As of September 30, 2026

Rules Name	Limit	Actual	Compliance Status	Notes
FDIC INSURED TIME DEPOSITS (NON-NEGOTIABLE CD/TD)				
Max % (MV; FDIC & Collateralized CD/TD)	20.0	0.0	Compliant	
Max Maturity (SD; Years)	5	0.0	Compliant	
FEDERAL AGENCIES				
Max % (MV)	100.0	9.7	Compliant	
Max % Issuer (MV)	30.0	7.1	Compliant	
Max Callables (MV)	20.0	0.0	Compliant	
Max Maturity (SD; Years)	5	2	Compliant	
LOCAL AGENCY INVESTMENT FUND (LAIF)				
Max Concentration (MV)	75.0	0.0	Compliant	
LOCAL GOVERNMENT INVESTMENT POOL (LGIP)				
Max % (MV)	100.0	0.0	Compliant	
MONEY MARKET MUTUAL FUNDS				
Max % (MV)	20.0	0.2	Compliant	
Max % Issuer (MV)	20.0	0.2	Compliant	
Min Rating (AAA by 2)	0.0	0.0	Compliant	
MORTGAGE-BACKED SECURITIES (NON-AGENCY)				
Max % (MV)	20.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (SD; Years)	5.0	0.0	Compliant	
Min Rating (AA by 1)	0.0	0.0	Compliant	
MUNICIPAL SECURITIES (CA, LOCAL AGENCY)				
Max % (MV)	30.0	1.2	Compliant	
Max % Issuer (MV)	5.0	1.2	Compliant	
Max Maturity (SD; Years)	5	3	Compliant	
Min Rating (A- by 1)	0.0	0.0	Compliant	
MUNICIPAL SECURITIES (CA, OTHER STATES)				
Max % (MV)	30.0	0.0	Compliant	

The Statement of Compliance reflects Chandler's assessment of compliance with the applicable investment policy for the assets Chandler directly manages. The report may also present assets reported to Chandler by clients, custodians, or other third parties. Chandler includes those assets in the assessment but has no discretionary authority over them, does not independently verify the information provided, and assumes no responsibility for the accuracy or completeness of that information. Questions regarding this report should be directed to the designated investment professional.

STATEMENT OF COMPLIANCE

City of Citrus Heights | Account #11026 | As of September 30, 2026

Rules Name	Limit	Actual	Compliance Status	Notes
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (SD; Years)	5	0.0	Compliant	
Min Rating (A- by 1)	0.0	0.0	Compliant	
MUTUAL FUNDS				
Max % (MV)	20.0	0.0	Compliant	
Max % Issuer (MV)	10.0	0.0	Compliant	
Min Rating (AAA by 2)	0.0	0.0	Compliant	
NEGOTIABLE CERTIFICATES OF DEPOSIT (NCD)				
Max % (MV)	30.0	0.0	Compliant	
Max % Issuer (MV)	5.0	0.0	Compliant	
Max Maturity (SD; Years)	5	0.0	Compliant	
Min Rating (A-1 by 1 or A- by 1 if > FDIC Limit)	0.0	0.0	Compliant	
REPURCHASE AGREEMENTS				
Max Maturity (SD; Years)	1.0	0.0	Compliant	
SUPRANATIONAL OBLIGATIONS				
Max % (MV)	30.0	1.4	Compliant	
Max % Issuer (MV)	10.0	1.4	Compliant	
Max Maturity (SD; Years)	5	3	Compliant	
Min Rating (AA- by 1)	0.0	0.0	Compliant	
U.S. TREASURIES				
Max % (MV)	100.0	43.7	Compliant	
Max Maturity (SD; Years)	5	3	Compliant	

The Statement of Compliance reflects Chandler's assessment of compliance with the applicable investment policy for the assets Chandler directly manages. The report may also present assets reported to Chandler by clients, custodians, or other third parties. Chandler includes those assets in the assessment but has no discretionary authority over them, does not independently verify the information provided, and assumes no responsibility for the accuracy or completeness of that information. Questions regarding this report should be directed to the designated investment professional.

PORTFOLIO CHARACTERISTICS

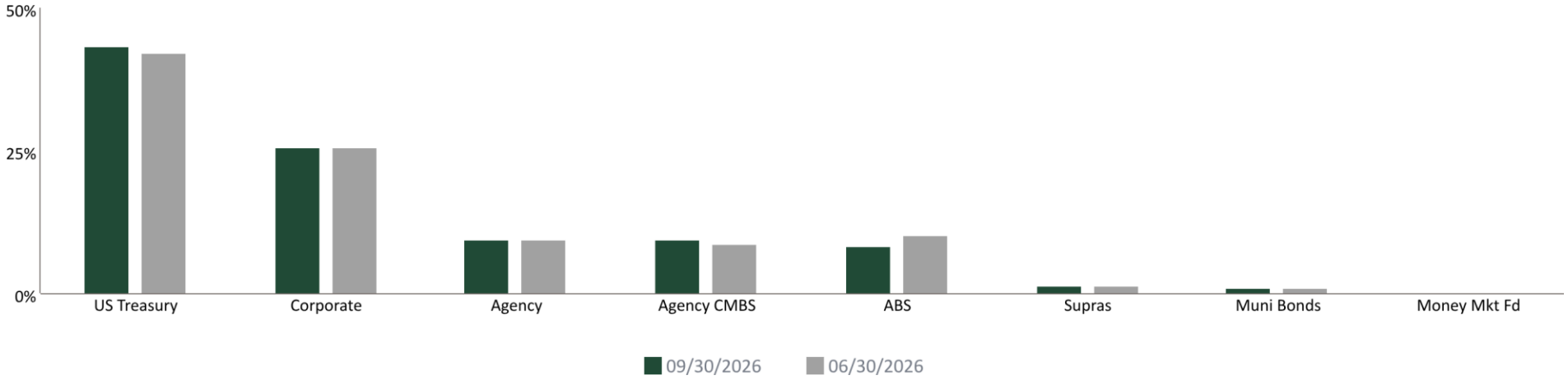
City of Citrus Heights | Account #11026 | As of September 30, 2026

	Benchmark*	9/30/2026 Portfolio	6/30/2026 Portfolio
Average Maturity (yrs)	1.84	2.18	2.26
Average Modified Duration	1.73	1.81	1.87
Average Purchase Yield		4.22%	4.22%
Average Market Yield	4.82%	4.92%	4.24%
Average Quality**	AA+	AA	AA
Total Market Value		11,423,597	11,454,622

*Benchmark: ICE BofA 1-3 Year US Treasury & Agency Index
**The credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

SECTOR DISTRIBUTION

City of Citrus Heights | Account #11026 | As of September 30, 2026

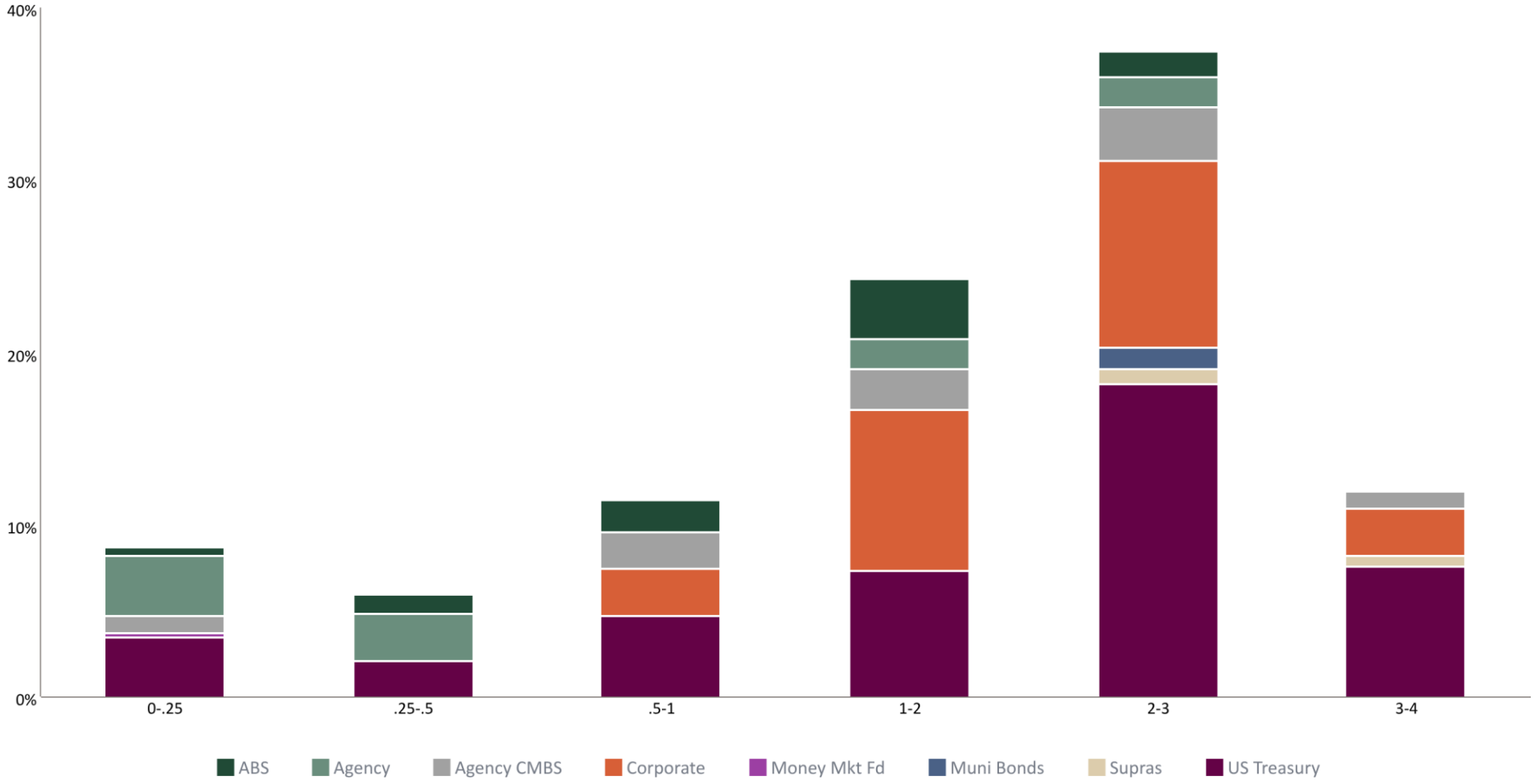


Sector as a Percentage of Market Value

Sector	09/30/2026	06/30/2026
US Treasury	43.62%	42.37%
Corporate	25.66%	25.64%
Agency	9.69%	9.73%
Agency CMBS	9.66%	8.89%
ABS	8.57%	10.37%
Supras	1.41%	1.44%
Muni Bonds	1.22%	1.25%
Money Mkt Fd	0.16%	0.31%
Total	100.00%	100.00%

DURATION ALLOCATION

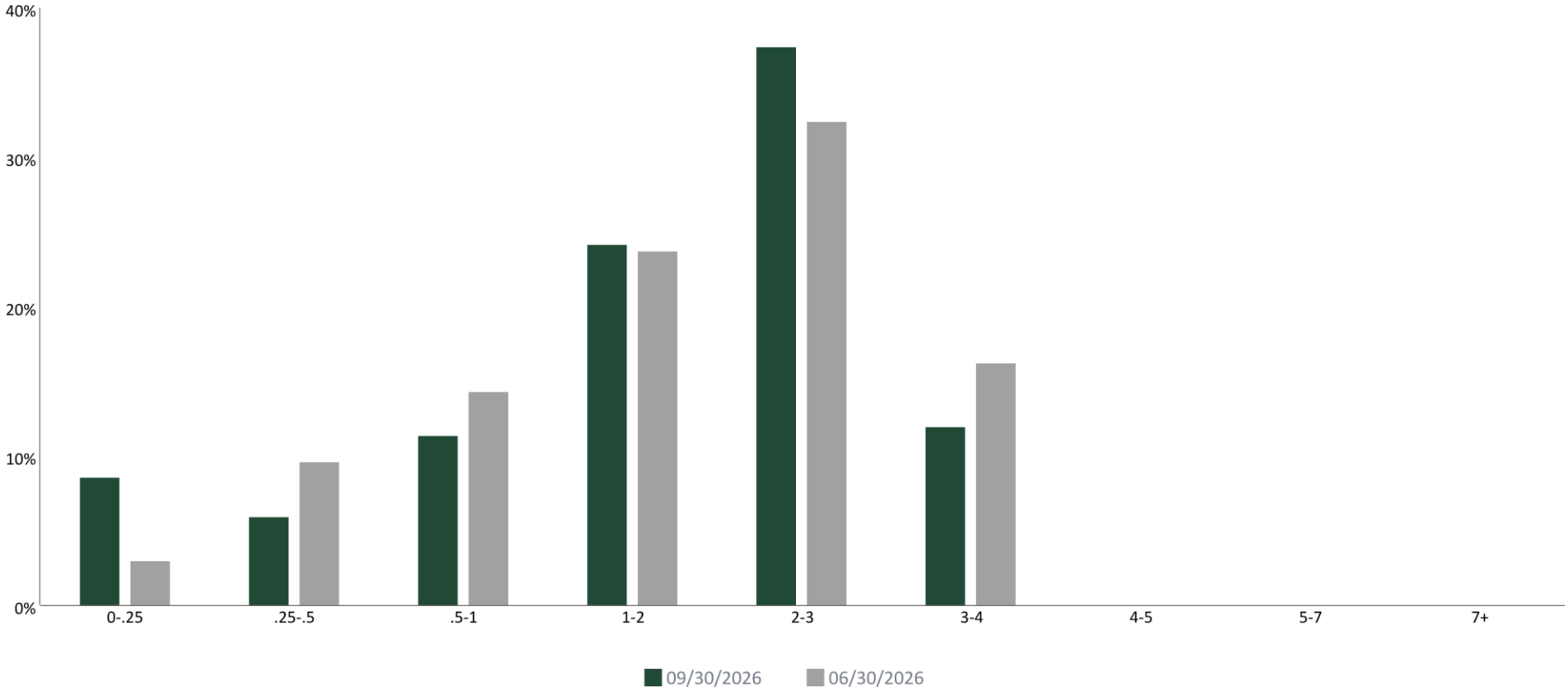
City of Citrus Heights | Account #11026 | As of September 30, 2026



	0-.25	.25-.5	.5-1	1-2	2-3	3-4	4-5	5-7	7+
09/30/2026	8.7%	6.0%	11.4%	24.3%	37.6%	12.0%	0.0%	0.0%	0.0%

DURATION DISTRIBUTION

City of Citrus Heights | Account #11026 | As of September 30, 2026



Date	0-.25	.25-.5	.5-1	1-2	2-3	3-4	4-5	5-7	7+
09/30/2026	8.7%	6.0%	11.4%	24.3%	37.6%	12.0%	0.0%	0.0%	0.0%
06/30/2026	3.1%	9.8%	14.5%	23.9%	32.4%	16.4%	0.0%	0.0%	0.0%

ISSUERS

City of Citrus Heights | Account #11026 | As of September 30, 2026

Issuer	Investment Type	% Portfolio
United States	US Treasury	43.62%
Federal Home Loan Mortgage Corp	Agency CMBS	9.66%
Federal Home Loan Banks	Agency	7.05%
Farm Credit System	Agency	2.64%
American Express Credit Master Trust	ABS	1.48%
International Bank for Recon and Dev	Supras	1.41%
WF Card Issuance Trust	ABS	1.31%
State of California	Muni Bonds	1.22%
Realty Income Corporation	Corporate	1.11%
Bank of America Corporation	Corporate	1.11%
Blackrock, Inc.	Corporate	1.10%
JPMorgan Chase & Co.	Corporate	1.10%
U.S. Bancorp	Corporate	1.09%
Caterpillar Inc.	Corporate	1.08%
PepsiCo, Inc.	Corporate	1.08%
Morgan Stanley	Corporate	1.07%
Chubb Limited	Corporate	1.04%
PACCAR Inc	Corporate	1.03%
BNY Mellon Corp	Corporate	1.03%
Abbott Laboratories	Corporate	1.02%
Cap One Multi-Asset Execution Trust	ABS	1.00%
The Goldman Sachs Group, Inc.	Corporate	0.90%
GM Financial Auto Leasing Trust	ABS	0.88%
American Honda Finance Corporation	Corporate	0.87%
National Rural Utilities Cooperative	Corporate	0.87%
The Charles Schwab Corporation	Corporate	0.87%
PNC Financial Services	Corporate	0.86%
Prologis, Inc.	Corporate	0.86%
Archer-Daniels-Midland Company	Corporate	0.82%
Deere & Company	Corporate	0.79%

ISSUERS

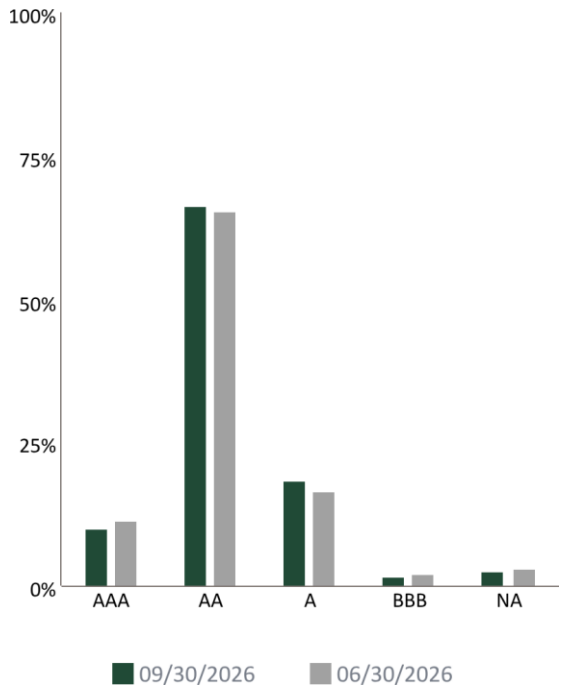
City of Citrus Heights | Account #11026 | As of September 30, 2026

Issuer	Investment Type	% Portfolio
American Express Company	Corporate	0.78%
Visa Inc.	Corporate	0.77%
BMW Vehicle Lease Trust	ABS	0.75%
Hyundai Auto Receivables Trust	ABS	0.70%
Public Service Enterprise Group	Corporate	0.65%
Eli Lilly and Company	Corporate	0.62%
Abbvie Inc.	Corporate	0.61%
NVIDIA Corporation	Corporate	0.60%
Wells Fargo & Company	Corporate	0.60%
Amazon.com, Inc.	Corporate	0.56%
Bank of America Credit Card Trust	ABS	0.49%
Ford Credit Auto Owner Trust	ABS	0.48%
Honda Auto Receivables Owner Trust	ABS	0.39%
Alphabet Inc.	Corporate	0.39%
Costco Wholesale Corporation	Corporate	0.35%
Mercedes-Benz Auto Lease Trust	ABS	0.35%
Toyota Auto Receivables Owner Trust	ABS	0.28%
John Deere Owner Trust	ABS	0.27%
BMW Vehicle Owner Trust	ABS	0.19%
First American Govt Oblig Fund	Money Mkt Fd	0.16%
GM Financial Securitized Term	ABS	0.01%
Cash	Cash	0.00%
TOTAL		**100.00%**

QUALITY DISTRIBUTION

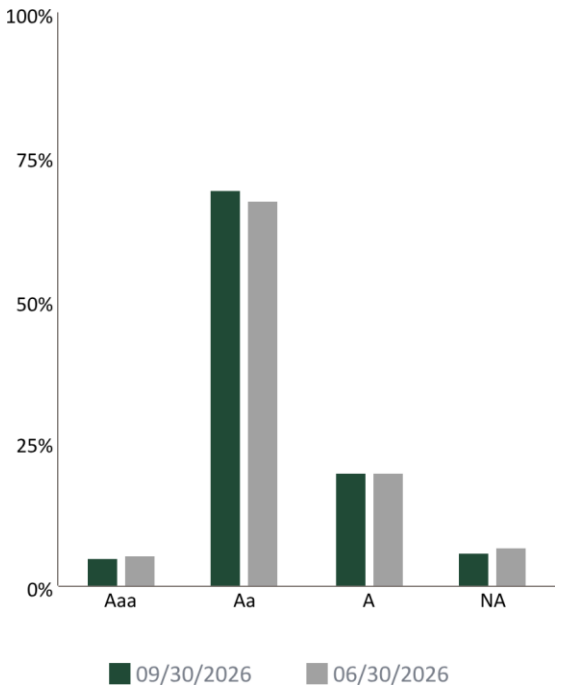
City of Citrus Heights | Account #11026 | As of September 30, 2026

S&P Rating



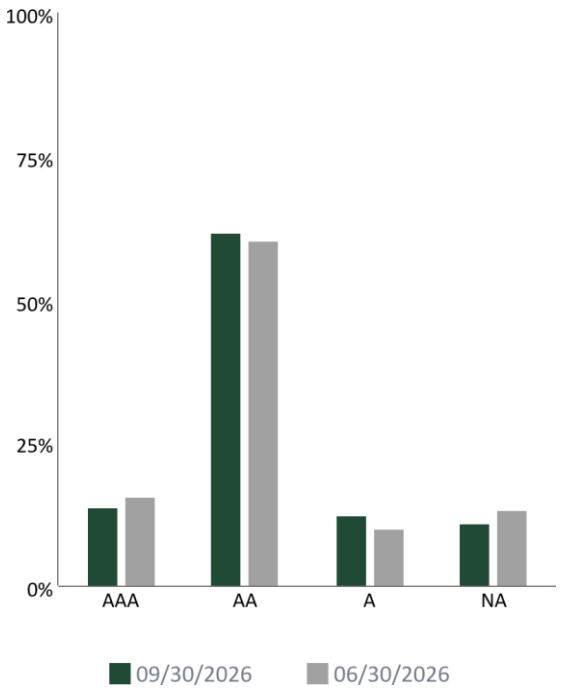
Rating	09/30/2026	06/30/2026
AAA	10.40%	11.79%
AA	66.55%	65.59%
A	18.64%	16.96%
BBB	1.78%	2.41%
NA	2.62%	3.25%

Moody's Rating



Rating	09/30/2026	06/30/2026
Aaa	4.89%	5.75%
Aa	69.22%	67.26%
A	19.81%	19.81%
NA	6.08%	7.18%

Fitch Rating

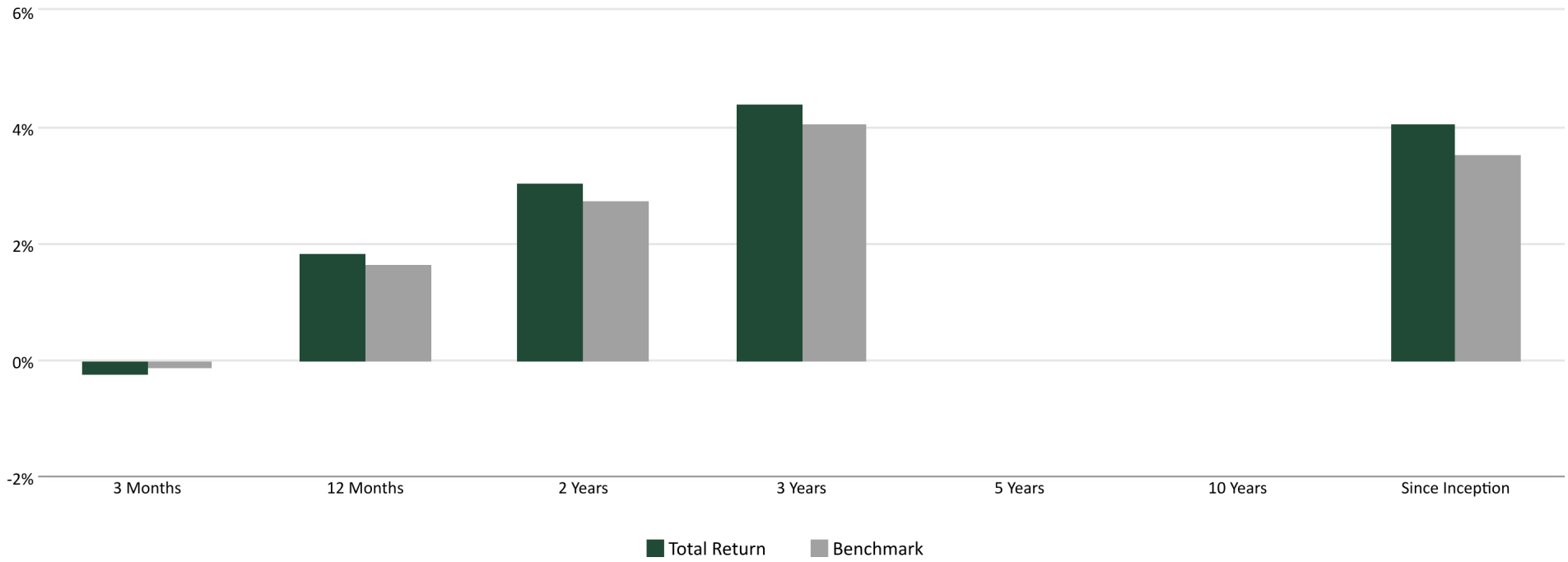


Rating	09/30/2026	06/30/2026
AAA	14.15%	15.74%
AA	61.68%	60.47%
A	12.78%	10.45%
NA	11.38%	13.33%

INVESTMENT PERFORMANCE

City of Citrus Heights | Account #11026 | As of September 30, 2026

Total Rate of Return: Inception | 04/01/2023



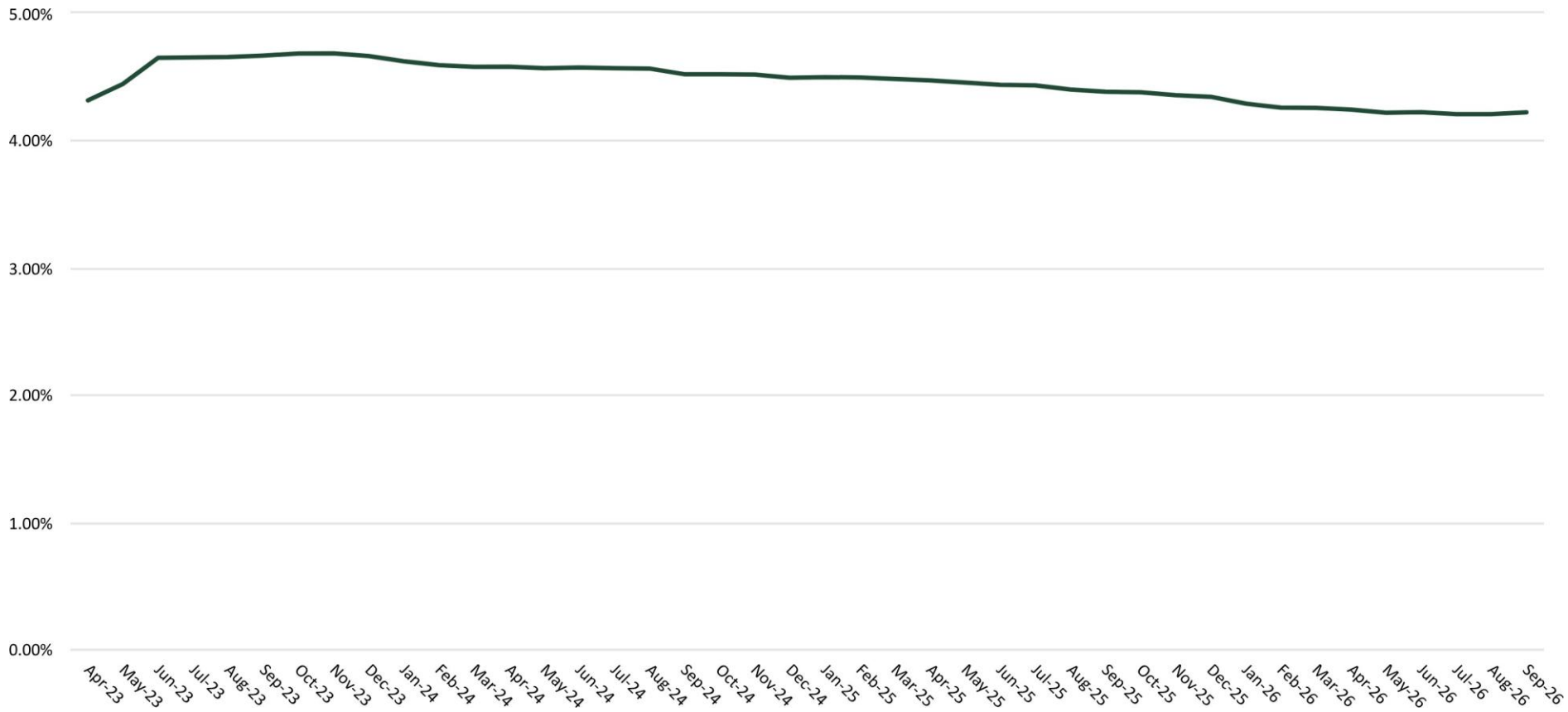
TOTAL RATE OF RETURN*	3 Months	12 Months	2 Years	3 Years	5 Years	10 Years	Since Inception
City of Citrus Heights	(0.24%)	1.84%	3.06%	4.41%			4.06%
Benchmark	*(0.13%)*	*1.67%*	*2.77%*	*4.07%*			*3.53%*

*Periods over 1 year are annualized.
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 market value; it includes interest earnings, realized and unrealized gains and losses in the portfolio.
Benchmark: ICE BofA 1-3 Year US Treasury & Agency Index

HISTORICAL AVERAGE PURCHASE YIELD

City of Citrus Heights | Account #11026 | As of September 30, 2026

Purchase Yield as of 09/30/26 = 4.22%



CHANDLER ASSET MANAGEMENT

PORTFOLIO HOLDINGS

HOLDINGS REPORT

City of Citrus Heights | Account #11026 | As of September 30, 2026

CUSIP	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
ABS									
47800CAC0	JDOT 2023 A3 5.01 11/15/2027	6,501.41	04/17/2023 4.63%	6,567.69 6,503.70	100.04 4.59%	6,503.76 14.48	0.06% 0.07	Aaa/NA AAA	1.13 0.04
58770JAD6	MBALT 2024-A A3 5.32 01/18/2028	9,896.51	05/17/2024 5.73%	9,895.36 9,896.10	100.17 4.39%	9,913.25 23.40	0.09% 17.15	Aaa/NA AAA	1.30 0.17
891941AD8	TAOT 2023-B A3 4.71 02/15/2028	31,490.56	10/03/2023 5.68%	30,866.90 31,294.79	100.08 4.36%	31,515.66 65.92	0.28% 220.87	Aaa/NA AAA	1.38 0.20
362583AD8	GMCAR 2023-2 A3 4.47 02/16/2028	1,655.08	04/04/2023 4.51%	1,655.04 1,655.07	100.02 4.15%	1,655.49 3.08	0.01% 0.42	Aaa/AAA NA	1.38 0.07
47787CAC7	JDOT 2023-C A3 5.48 05/15/2028	23,872.83	09/12/2023 5.55%	23,871.19 23,872.26	100.32 4.50%	23,949.34 58.14	0.21% 77.08	Aaa/NA AAA	1.62 0.31
362962AD4	GMALT 2025-2 A3 4.58 05/22/2028	50,000.00	05/20/2025 4.84%	49,999.17 49,999.54	100.04 4.54%	50,018.35 69.97	0.44% 18.81	NA/AAA AAA	1.64 0.41
438123AC5	HAROT 2023-4 A3 5.67 06/21/2028	44,076.37	12/07/2023 5.10%	44,735.79 44,249.50	100.42 4.64%	44,259.59 69.42	0.39% 10.10	Aaa/NA AAA	1.73 0.32
096912AD2	BMWLT 2025-1 A3 4.43 06/26/2028	30,000.00	06/03/2025 4.82%	29,999.34 29,999.62	99.83 4.79%	29,948.55 22.15	0.26% (51.07)	NA/AAA AAA	1.74 0.54
379965AD8	GMALT 2025-3 A3 4.17 08/21/2028	50,000.00	08/05/2025 4.18%	49,992.40 49,995.25	99.63 4.75%	49,814.50 63.71	0.44% (180.75)	NA/AAA AAA	1.89 0.68
05594HAD5	BMWLT 2025-2 A3 3.97 09/25/2028	55,000.00	10/08/2025 4.32%	54,999.85 54,999.90	99.33 4.87%	54,629.19 36.39	0.48% (370.71)	NA/AAA AAA	1.99 0.78
448973AD9	HART 2024-A A3 4.99 02/15/2029	19,345.25	03/11/2024 5.05%	19,340.99 19,343.19	100.17 4.66%	19,378.99 42.90	0.17% 35.80	NA/AAA AAA	2.38 0.45
096919AD7	BMWOT 2024-A A3 5.18 02/26/2029	21,314.13	06/04/2024 5.18%	21,310.89 21,312.48	100.26 4.72%	21,369.72 18.40	0.19% 57.24	Aaa/AAA NA	2.41 0.50
05522RDJ4	BACCT 2024-1 A 4.93 05/15/2029	55,000.00	06/06/2024 4.93%	54,996.91 54,998.36	100.20 4.65%	55,108.35 120.51	0.49% 109.99	Aaa/AAA NA	2.62 0.60
58770YAD3	MBALT 2026-A A3 3.93 01/15/2030	30,000.00	01/13/2026 3.97%	29,994.05 29,995.08	98.47 4.93%	29,539.56 52.40	0.26% (455.52)	Aaa/NA AAA	3.29 1.60
34532BAG6	FORDO 2025-B A3 3.91 04/15/2030	55,000.00	09/23/2025 4.27%	54,994.07 54,995.39	98.63 5.02%	54,245.51 95.58	0.48% (749.88)	Aaa/NA AAA	3.54 1.28
92970QAJ4	WFCIT 2025-1 A 4.34 05/15/2030	150,000.00	02/12/2026 3.76%	151,962.89 151,413.66	99.10 4.97%	148,652.55 289.33	1.31% (2,761.11)	NA/AAA AAA	3.62 1.53

HOLDINGS REPORT

City of Citrus Heights | Account #11026 | As of September 30, 2026

CUSIP	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
02582JKV1	AMXCA 2025-4 A 4.3 07/15/2030	170,000.00	11/19/2025 3.85%	172,071.88 171,399.05	98.78 5.06%	167,933.82 324.89	1.48% (3,465.23)	NA/AAA AAA	3.79 1.68
44935MAD1	HART 26C A3 5.03 06/16/2031	60,000.00	09/15/2026 5.09%	59,996.16 59,996.18	99.70 5.22%	59,818.26 67.07	0.53% (177.92)	NA/AAA AAA	4.71 2.17
14041NGJ4	COMET 2026-1 A 4.48 07/16/2029	115,000.00	07/09/2026 4.53%	114,973.27 114,975.15	98.23 5.22%	112,964.39 228.98	1.00% (2,010.76)	NA/AAA AAA	2.79 2.55
Total ABS		**978,152.15**	**4.44%**	**982,223.84 980,894.28**	**99.30 4.90%**	**971,218.82 1,666.73**	**8.57% (9,675.45)**		**2.90 1.28**
AGENCY									
3130AXU63	FEDERAL HOME LOAN BANKS 4.625 11/17/2026	200,000.00	12/18/2023 4.23%	202,130.00 200,094.09	100.02 4.43%	200,031.40 3,443.06	1.77% (62.69)	Aa1/AA+ AA+	0.13 0.13
3130AXQL5	FEDERAL HOME LOAN BANKS 4.875 12/11/2026	200,000.00	02/05/2024 4.29%	203,068.00 200,209.65	100.11 4.23%	200,225.20 2,979.17	1.77% 15.55	Aa1/AA+ AA+	0.20 0.19
3130AVBC5	FEDERAL HOME LOAN BANKS 4.5 03/12/2027	200,000.00	04/04/2024 4.53%	199,826.00 199,973.68	100.06 4.35%	200,124.00 475.00	1.77% 150.32	Aa1/AA+ AA+	0.45 0.44
3133EP6K6	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.5 03/26/2027	100,000.00	03/25/2024 4.45%	100,145.00 100,023.31	100.09 4.31%	100,089.50 62.50	0.88% 66.19	Aa1/AA+ AA+	0.48 0.48
3130ATUS4	FEDERAL HOME LOAN BANKS 4.25 12/10/2027	200,000.00	05/15/2023 3.66%	204,924.00 201,283.37	99.41 4.76%	198,818.80 2,620.83	1.75% (2,464.57)	Aa1/AA+ AA+	1.19 1.13
3133ERDH1	FEDERAL FARM CREDIT BANKS FUNDING CORP 4.75 04/30/2029	200,000.00	05/22/2024 4.50%	202,184.00 201,141.06	99.39 5.00%	198,783.40 3,984.72	1.75% (2,357.66)	Aa1/AA+ AA+	2.58 2.35
Total Agency		**1,100,000.00**	**4.26%**	**1,112,277.00 1,102,725.15**	**99.83 4.53%**	**1,098,072.30 13,565.28**	**9.69% (4,652.85)**		**0.87 0.81**
AGENCY CMBS									
3137BVZ82	FHMS K-063 A2 3.43 01/25/2027	116,315.91	06/07/2023 4.53%	112,085.82 116,016.32	99.57 4.40%	115,815.51 332.47	1.02% (200.80)	Aa1/AA+ AAA	0.32 0.21
3137FBBX3	FHMS K-068 A2 3.244 08/25/2027	100,000.00	06/08/2023 4.34%	95,808.59 99,156.17	98.61 4.74%	98,611.20 270.33	0.87% (544.97)	Aaa/AA+ AA+	0.90 0.80
3137FBU79	FHMS K-069 A2 3.187 09/25/2027	143,301.93	06/09/2023 4.41%	136,595.84 141,843.14	98.33 4.80%	140,913.08 380.59	1.24% (930.05)	Aa1/AAA AA+	0.99 0.92

HOLDINGS REPORT

CHANDLER ASSET MANAGEMENT

City of Citrus Heights | Account #11026 | As of September 30, 2026

CUSIP	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
3137FETN0	FHMS K-073 A2 3.35 01/25/2028	74,855.10	05/24/2023 4.34%	71,942.76 74,061.46	98.04 4.88%	73,391.01 208.97	0.65% (670.45)	Aa1/AA+ AAA	1.32 1.16
3137FG6X8	FHMS K-077 A2 3.85 05/25/2028	100,000.00	05/24/2023 4.65%	98,164.06 99,409.80	98.12 4.99%	98,116.20 320.83	0.87% (1,293.60)	Aa1/AA+ AAA	1.65 1.48
3137FKUP9	FHMS K-087 A2 3.771 12/25/2028	96,126.22	06/05/2024 4.70%	92,476.42 94,362.55	97.04 5.18%	93,285.20 302.08	0.82% (1,077.35)	Aa1/AAA AA+	2.24 1.99
3137H5YC5	FHMS K-748 A2 2.26 01/25/2029	150,000.00	09/24/2024 3.79%	140,970.70 145,227.29	93.73 5.23%	140,593.95 282.50	1.24% (4,633.34)	Aa1/AA+ AAA	2.32 2.12
3137FMCR1	FHMS K-093 A2 2.982 05/25/2029	219,470.13	-- 3.94%	212,451.65 214,467.77	94.91 5.16%	208,292.52 545.38	1.84% (6,175.25)	Aa1/AA+ AAA	2.65 2.31
3137F8ZV8	FHMS K-123 A2 1.621 12/25/2030	145,000.00	09/17/2026 5.03%	126,637.11 126,745.06	86.26 5.36%	125,081.21 195.87	1.10% (1,663.85)	Aa1/AA+ AAA	4.24 3.88
Total Agency CMBS		**1,145,069.27**	**4.36%**	**1,087,132.96** **1,111,289.54**	**95.72** **5.00%**	**1,094,099.88** **2,839.02**	**9.66%** **(17,189.66)**		**1.96** **1.75**
CASH									
CCYUSD	Receivable	561.27	--	561.27 561.27	1.00	561.27 0.00	0.00% 0.00	Aaa/AAA AAA	0.00 0.00
Total Cash		**561.27**		**561.27** **561.27**	**1.00**	**561.27** **0.00**	**0.00%** **0.00**		**0.00** **0.00**
CORPORATE									
74456QBS4	PUBLIC SERVICE ELECTRIC AND GAS CO 3.0 05/15/2027	75,000.00	04/18/2023 4.48%	70,921.50 74,379.72	98.85 4.90%	74,135.78 850.00	0.65% (243.94)	A1/A NA	0.62 0.60
22160KAM7	COSTCO WHOLESALE CORP 3.0 05/18/2027	40,000.00	03/17/2023 4.28%	38,067.20 39,708.62	99.18 4.33%	39,670.52 443.33	0.35% (38.10)	Aa3/AA AA	0.63 0.61
09290DAH4	BLACKROCK, INC. 4.6 07/26/2027	125,000.00	07/18/2024 4.57%	125,107.50 125,027.05	99.91 4.70%	124,891.25 1,038.19	1.10% (135.80)	Aa3/AA- NA	0.82 0.79
532457CP1	ELI LILLY AND COMPANY 4.15 08/14/2027	70,000.00	08/12/2024 4.18%	69,943.30 69,983.59	99.61 4.61%	69,726.44 379.26	0.62% (257.15)	Aa3/AA- NA	0.87 0.84
24422EXZ7	JOHN DEERE CAPITAL CORP 4.65 01/07/2028	90,000.00	01/06/2025 4.66%	89,973.00 89,988.56	99.66 4.93%	89,693.28 976.50	0.79% (295.28)	A1/A A+	1.27 1.20

HOLDINGS REPORT

CHANDLER ASSET MANAGEMENT

City of Citrus Heights | Account #11026 | As of September 30, 2026

CUSIP	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
02665WFX4	AMERICAN HONDA FINANCE CORP 4.55 03/03/2028	100,000.00	03/06/2025 4.60%	99,851.00 99,929.18	99.09 5.22%	99,093.50 353.89	0.87% (835.68)	A3/BBB+ A-	1.42 1.35
00287YDY2	ABBVIE INC. 4.65 03/15/2028	70,000.00	02/18/2025 4.70%	69,906.90 69,955.58	99.39 5.09%	69,571.32 144.67	0.61% (384.26)	A2/A- NA	1.46 1.39
14913UBB5	CATERPILLAR FINANCIAL SERVICES CORP 4.1 08/15/2028	125,000.00	08/12/2025 4.07%	125,115.00 125,071.77	98.24 5.09%	122,805.88 654.86	1.08% (2,265.90)	A1/A A+	1.88 1.77
02079KAV9	ALPHABET INC 3.875 11/15/2028	45,000.00	11/03/2025 3.91%	44,961.30 44,972.82	97.71 5.03%	43,968.11 658.75	0.39% (1,004.72)	Aa2/AA+ NA	2.13 1.98
023135CS3	AMAZON.COM INC 3.9 11/20/2028	65,000.00	11/17/2025 3.91%	64,985.70 64,989.81	97.54 5.13%	63,399.18 922.46	0.56% (1,590.63)	A1/AA AA-	2.14 1.99
46647PEU6	JPMORGAN CHASE & CO 4.915 01/24/2029	125,000.00	-- 4.67%	125,488.15 125,377.92	99.65 4.99%	124,559.13 1,143.42	1.10% (818.80)	A1/A AA-	2.32 1.25
756109CW2	REALTY INCOME CORPORATION 3.95 02/01/2029	130,000.00	09/25/2025 4.14%	129,235.60 129,462.28	96.82 5.42%	125,861.19 855.83	1.11% (3,601.09)	A3/A- A	2.34 2.18
74340XBL4	PROLOGIS LP 4.375 02/01/2029	100,000.00	02/18/2026 3.91%	101,181.00 100,912.70	97.90 5.34%	97,904.90 729.17	0.86% (3,007.80)	A2/A NA	2.34 2.17
92826CAY8	VISA INC. 3.8 02/12/2029	90,000.00	02/03/2026 3.84%	89,896.50 89,918.31	97.17 5.08%	87,452.19 465.50	0.77% (2,466.12)	Aa3/AA- NA	2.37 2.21
002824BR0	ABBOTT LABORATORIES 3.7 03/09/2029	120,000.00	02/24/2026 3.75%	119,838.00 119,868.45	96.51 5.24%	115,807.92 271.33	1.02% (4,060.53)	Aa3/A+ NA	2.44 2.29
90331HPV9	US BANK NA 4.535 05/20/2029	125,000.00	06/04/2026 4.49%	124,886.25 124,898.68	98.79 5.47%	123,485.25 2,062.80	1.09% (1,413.43)	A2/A+ A+	2.64 1.53
67066GAQ7	NVIDIA CORP 4.35 06/15/2029	70,000.00	06/15/2026 4.37%	69,967.10 69,970.26	97.60 5.31%	68,318.04 871.21	0.60% (1,652.22)	Aa1/AA NA	2.71 2.48
713448FX1	PEPSICO, INC. 4.5 07/17/2029	125,000.00	07/16/2024 4.52%	124,872.50 124,928.78	98.14 5.22%	122,670.00 1,156.25	1.08% (2,258.78)	A1/A+ NA	2.79 2.57
025816EJ4	AMERICAN EXPRESS COMPANY 4.351 07/20/2029	90,000.00	07/21/2025 4.35%	90,000.00 90,000.00	98.41 5.09%	88,569.81 772.30	0.78% (1,430.19)	A2/A- A	2.80 1.69
171239AL0	CHUBB INA HOLDINGS LLC 4.65 08/15/2029	120,000.00	08/22/2024 4.31%	121,780.80 121,014.47	98.12 5.36%	117,742.20 713.00	1.04% (3,272.27)	A2/A A	2.87 2.63
61748UAK8	MORGAN STANLEY 4.133 10/18/2029	125,000.00	-- 4.20%	125,030.10 125,020.64	97.32 5.31%	121,652.25 2,339.16	1.07% (3,368.39)	A1/A- A+	3.05 1.89
38141GD27	GOLDMAN SACHS GROUP INC 4.153 10/21/2029	105,000.00	-- 4.26%	105,019.50 105,013.40	97.27 5.32%	102,134.87 1,938.07	0.90% (2,878.53)	A2/BBB+ A	3.06 1.90

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CHANDLER ASSET MANAGEMENT

City of Citrus Heights | Account #11026 | As of September 30, 2026

CUSIP	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
06406RCG0	BANK OF NEW YORK MELLON CORP 4.026 01/22/2030	120,000.00	-- 4.10%	119,961.60 119,968.22	96.99 5.83%	116,383.44 925.98	1.03% (3,584.78)	Aa3/A AA-	3.31 2.15
95000U4D2	WELLS FARGO & CO 4.182 01/23/2030	70,000.00	01/15/2026 4.18%	70,000.00 70,000.00	96.89 5.35%	67,825.94 552.95	0.60% (2,174.06)	A1/A- A+	3.31 2.15
63743HFX5	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP 4.95 02/07/2030	100,000.00	02/20/2025 4.90%	100,220.00 100,147.49	98.11 5.57%	98,112.50 742.50	0.87% (2,034.99)	A2/NA A	3.36 3.02
06051GHQ5	BANK OF AMERICA CORPORATION 3.974 02/07/2030	130,000.00	05/08/2026 4.67%	128,209.90 128,397.02	96.52 5.58%	125,480.94 774.93	1.11% (2,916.08)	A1/A- AA-	3.36 2.19
039482AB0	ARCHER-DANIELS-MIDLAND CO 3.25 03/27/2030	100,000.00	09/22/2026 5.24%	93,686.00 93,725.43	92.88 5.52%	92,878.20 36.11	0.82% (847.23)	A2/A A	3.49 3.23
69371RT71	PACCAR FINANCIAL CORP 4.55 05/08/2030	120,000.00	05/05/2025 4.59%	119,814.00 119,866.05	97.58 5.29%	117,101.28 2,168.83	1.03% (2,764.77)	A1/A+ NA	3.60 3.21
808513CQ6	THE CHARLES SCHWAB CORPORATION 4.744 05/21/2030	100,000.00	08/21/2026 4.72%	99,815.00 99,820.15	98.02 5.33%	98,024.60 1,713.11	0.87% (1,795.55)	A2/A- A	3.64 2.40
693475CL7	THE PNC FINANCIAL SERVICES GROUP, INC. 4.831 07/19/2030	100,000.00	08/21/2026 4.86%	99,897.00 99,899.75	97.91 5.41%	97,911.40 939.36	0.86% (1,988.35)	A3/A- A	3.80 2.55
Total Corporate		**2,970,000.00**	**4.40%**	**2,957,631.40** **2,962,216.71**	**97.89** **5.24%**	**2,906,831.29** **27,593.74**	**25.66%** **(55,385.42)**		**2.51** **1.99**
MONEY MARKET FUND									
31846V203	FIRST AMER:GVT OBLG Y	18,375.10	-- 3.46%	18,375.10 18,375.10	1.00 3.46%	18,375.10 0.00	0.16% 0.00	Aaa/AAAm AAA	0.00 0.00
Total Money Market Fund		**18,375.10**	**3.46%**	**18,375.10** **18,375.10**	**1.00** **3.46%**	**18,375.10** **0.00**	**0.16%** **0.00**		**0.00** **0.00**
MUNICIPAL BONDS									
13063DRE0	STATE OF CALIFORNIA 2.5 10/01/2029	150,000.00	03/24/2025 4.33%	138,834.00 142,587.56	92.24 5.34%	138,355.35 1,875.00	1.22% (4,232.21)	Aa2/AA- AA	3.00 2.83
Total Municipal Bonds		**150,000.00**	**4.33%**	**138,834.00** **142,587.56**	**92.24** **5.34%**	**138,355.35** **1,875.00**	**1.22%** **(4,232.21)**		**3.00** **2.83**

HOLDINGS REPORT

CHANDLER ASSET MANAGEMENT

City of Citrus Heights | Account #11026 | As of September 30, 2026

CUSIP	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
SUPRANATIONAL									
459058LN1	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 3.875 10/16/2029	100,000.00	12/17/2024 4.32%	98,079.00 98,789.43	96.80 5.02%	96,795.10 1,776.00	0.85% (1,994.33)	Aaa/AAA NA	3.04 2.77
459058LR2	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPM 4.125 03/20/2030	65,000.00	03/14/2025 4.20%	64,767.95 64,839.12	97.11 5.04%	63,122.80 81.93	0.56% (1,716.32)	Aaa/AAA NA	3.47 3.18
Total Supranational		**165,000.00**	**4.27%**	**162,846.95 163,628.55**	**96.92 5.03%**	**159,917.90 1,857.93**	**1.41% (3,710.65)**		**3.21 2.93**
US TREASURY									
91282CJC6	UNITED STATES TREASURY 4.625 10/15/2026	150,000.00	10/19/2023 5.05%	148,265.63 149,977.74	100.01 4.22%	150,018.00 3,203.38	1.32% 40.26	Aa1/AA+ AA+	0.04 0.04
912828U24	UNITED STATES TREASURY 2.0 11/15/2026	250,000.00	05/18/2023 3.83%	235,195.31 249,477.89	99.72 4.30%	249,292.25 1,888.59	2.20% (185.64)	Aa1/AA+ AA+	0.13 0.12
91282CEF4	UNITED STATES TREASURY 2.5 03/31/2027	250,000.00	03/24/2023 3.52%	240,556.64 248,833.28	99.13 4.29%	247,825.00 17.17	2.19% (1,008.28)	Aa1/AA+ AA+	0.50 0.49
91282CKJ9	UNITED STATES TREASURY 4.5 04/15/2027	200,000.00	04/24/2024 4.80%	198,351.56 199,702.22	100.09 4.32%	200,183.60 4,155.74	1.77% 481.38	Aa1/AA+ AA+	0.54 0.52
91282CKV2	UNITED STATES TREASURY 4.625 06/15/2027	160,000.00	06/20/2024 4.48%	160,637.50 160,150.45	100.13 4.43%	160,204.96 2,183.61	1.41% 54.51	Aa1/AA+ AA+	0.71 0.68
91282CLG4	UNITED STATES TREASURY 3.75 08/15/2027	175,000.00	06/17/2025 3.96%	174,254.88 174,699.30	99.31 4.56%	173,788.65 838.15	1.53% (910.65)	Aa1/AA+ AA+	0.87 0.84
91282CMW8	UNITED STATES TREASURY 3.75 04/15/2028	125,000.00	05/14/2025 4.03%	124,057.62 124,503.17	98.45 4.81%	123,061.50 2,164.45	1.09% (1,441.67)	Aa1/AA+ AA+	1.54 1.45
91282CHE4	UNITED STATES TREASURY 3.625 05/31/2028	225,000.00	03/26/2025 4.03%	222,266.60 223,568.56	98.09 4.83%	220,711.05 2,741.03	1.95% (2,857.51)	Aa1/AA+ AA+	1.67 1.57
91282CHK0	UNITED STATES TREASURY 4.0 06/30/2028	175,000.00	06/30/2026 4.14%	174,541.99 174,600.26	98.61 4.83%	172,573.28 1,769.02	1.52% (2,026.98)	Aa1/AA+ AA+	1.75 1.65
91282CNM9	UNITED STATES TREASURY 3.875 07/15/2028	150,000.00	05/08/2026 3.90%	149,917.97 149,932.71	98.34 4.85%	147,503.85 1,232.00	1.30% (2,428.86)	Aa1/AA+ AA+	1.79 1.69
91282CHX2	UNITED STATES TREASURY 4.375 08/31/2028	175,000.00	12/11/2024 4.12%	176,497.07 175,771.69	99.11 4.86%	173,448.28 655.65	1.53% (2,323.41)	Aa1/AA+ AA+	1.92 1.81

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City of Citrus Heights | Account #11026 | As of September 30, 2026

CUSIP	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
91282CJR3	UNITED STATES TREASURY 3.75 12/31/2028	250,000.00	12/08/2025 3.62%	250,957.03 250,703.65	97.54 4.92%	243,847.75 2,369.23	2.15% (6,855.90)	Aa1/AA+ AA+	2.25 2.10
91282CPT2	UNITED STATES TREASURY 3.5 01/15/2029	300,000.00	01/21/2026 3.66%	298,628.91 298,946.19	96.94 4.93%	290,812.50 2,225.54	2.57% (8,133.69)	Aa1/AA+ AA+	2.29 2.15
91282CJW2	UNITED STATES TREASURY 4.0 01/31/2029	175,000.00	04/28/2025 3.78%	176,353.52 175,840.90	97.96 4.93%	171,438.40 1,179.35	1.51% (4,402.50)	Aa1/AA+ AA+	2.34 2.18
91282CQA2	UNITED STATES TREASURY 3.5 02/15/2029	140,000.00	02/26/2026 3.46%	140,153.13 140,122.62	96.81 4.94%	135,537.50 625.82	1.20% (4,585.12)	Aa1/AA+ AA+	2.38 2.23
91282CQR5	UNITED STATES TREASURY 3.875 05/15/2029	150,000.00	06/04/2026 4.09%	149,103.52 149,201.92	97.38 4.95%	146,062.50 2,195.48	1.29% (3,139.42)	Aa1/AA+ AA+	2.62 2.42
91282CKX8	UNITED STATES TREASURY 4.25 06/30/2029	150,000.00	06/04/2026 4.11%	150,609.38 150,545.23	98.18 4.97%	147,263.70 1,611.07	1.30% (3,281.53)	Aa1/AA+ AA+	2.75 2.53
91282CLK5	UNITED STATES TREASURY 3.625 08/31/2029	150,000.00	09/18/2024 3.48%	150,972.66 150,573.26	96.35 4.99%	144,521.55 465.64	1.28% (6,051.71)	Aa1/AA+ AA+	2.92 2.71
91282CRL7	UNITED STATES TREASURY 4.375 09/15/2029	200,000.00	09/28/2026 5.03%	196,445.31 196,451.88	98.35 4.98%	196,703.20 386.74	1.74% 251.32	Aa1/AA+ AA+	2.96 2.73
91282CFL0	UNITED STATES TREASURY 3.875 09/30/2029	150,000.00	10/23/2024 4.07%	148,705.08 149,213.13	96.94 4.99%	145,412.10 15.97	1.28% (3,801.03)	Aa1/AA+ AA+	3.00 2.79
91282CLR0	UNITED STATES TREASURY 4.125 10/31/2029	100,000.00	11/18/2024 4.32%	99,152.34 99,471.80	97.54 4.99%	97,543.00 1,726.22	0.86% (1,928.80)	Aa1/AA+ AA+	3.08 2.80
91282CMA6	UNITED STATES TREASURY 4.125 11/30/2029	150,000.00	01/21/2025 4.38%	148,306.64 148,895.93	97.46 5.00%	146,191.35 2,079.41	1.29% (2,704.58)	Aa1/AA+ AA+	3.17 2.88
91282CGB1	UNITED STATES TREASURY 3.875 12/31/2029	200,000.00	09/22/2025 3.66%	201,710.94 201,301.85	96.63 5.01%	193,250.00 1,958.56	1.71% (8,051.85)	Aa1/AA+ AA+	3.25 2.98
91282CGJ4	UNITED STATES TREASURY 3.5 01/31/2030	175,000.00	06/30/2026 4.15%	171,247.07 171,513.30	95.41 5.01%	166,974.68 1,031.93	1.47% (4,538.62)	Aa1/AA+ AA+	3.34 3.07
91282CGQ8	UNITED STATES TREASURY 4.0 02/28/2030	175,000.00	03/26/2026 3.99%	175,034.18 175,029.70	96.86 5.01%	169,503.95 599.45	1.50% (5,525.75)	Aa1/AA+ AA+	3.41 3.13
91282CMU2	UNITED STATES TREASURY 4.0 03/31/2030	175,000.00	03/26/2026 4.00%	174,986.33 174,988.08	96.77 5.02%	169,339.80 19.23	1.49% (5,648.28)	Aa1/AA+ AA+	3.50 3.21
91282CGZ8	UNITED STATES TREASURY 3.5 04/30/2030	200,000.00	07/23/2025 3.91%	196,476.56 197,354.89	95.05 5.03%	190,109.40 2,929.35	1.68% (7,245.49)	Aa1/AA+ AA+	3.58 3.26
91282CNG2	UNITED STATES TREASURY 4.0 05/31/2030	175,000.00	06/11/2025 4.04%	174,685.55 174,768.06	96.59 5.03%	169,025.33 2,352.46	1.49% (5,742.74)	Aa1/AA+ AA+	3.67 3.31

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CUSIP	Security Description	Par Value/ Units	Purchase Date Purchase Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody's/ S&P/ Fitch	Maturity Duration
				5,008,070.92	97.88	4,942,147.11	43.62%		2.14
Total US Treasury		5,050,000.00	4.03%	5,036,139.65	4.80%	44,620.22	(93,992.54)		1.98
				11,467,953.44	97.74	11,329,579.02	100.00%		2.18
Total Portfolio		11,577,157.79	4.22%	11,518,417.80	4.92%	94,017.91	(188,838.78)		1.81
Total Market Value + Accrued						11,423,596.92			

CHANDLER ASSET MANAGEMENT

TRANSACTIONS

TRANSACTION LEDGER

City of Citrus Heights | Account #11026|07/01/2026 Through 09/30/2026|

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/ Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	07/16/2026	14041NGJ4	115,000.00	COMET 2026-1 A 4.48 07/16/2029	99.977	4.53%	(114,973.27)	0.00	(114,973.27)	0.00
Purchase	08/24/2026	808513CQ6	100,000.00	THE CHARLES SCHWAB CORPORATION 4.744 05/21/2030	99.815	4.72%	(99,815.00)	(1,225.53)	(101,040.53)	0.00
Purchase	08/24/2026	693475CL7	100,000.00	THE PNC FINANCIAL SERVICES GROUP, INC. 4.831 07/19/2030	99.897	4.86%	(99,897.00)	(442.84)	(100,339.84)	0.00
Purchase	08/27/2026	912797VB0	100,000.00	UNITED STATES TREASURY 09/08/2026	99.879	3.69%	(99,878.79)	0.00	(99,878.79)	0.00
Purchase	09/22/2026	3137F8ZV8	145,000.00	FHMS K-123 A2 1.621 12/25/2030	87.336	5.03%	(126,637.11)	(137.11)	(126,774.22)	0.00
Purchase	09/23/2026	44935MAD1	60,000.00	HART 26C A3 5.03 06/16/2031	99.994	5.09%	(59,996.16)	0.00	(59,996.16)	0.00
Purchase	09/23/2026	039482AB0	100,000.00	ARCHER-DANIELS-MIDLAND CO 3.25 03/27/2030	93.686	5.24%	(93,686.00)	(1,588.89)	(95,274.89)	0.00
Purchase	09/29/2026	91282CRL7	200,000.00	UNITED STATES TREASURY 4.375 09/15/2029	98.223	5.03%	(196,445.31)	(338.40)	(196,783.71)	0.00
Total Purchase			**920,000.00**				**(891,328.64)**	**(3,732.77)**	**(895,061.41)**	**0.00**
TOTAL ACQUISITIONS			**920,000.00**				**(891,328.64)**	**(3,732.77)**	**(895,061.41)**	**0.00**
DISPOSITIONS										
Maturity	09/08/2026	912797VB0	(100,000.00)	UNITED STATES TREASURY 09/08/2026	100.000	3.69%	100,000.00	0.00	100,000.00	0.00
Maturity	09/15/2026	02582JKD1	(175,000.00)	AMXCA 2023-3 A 5.23 09/15/2026	100.000	5.29%	0.00	0.00	0.00	0.00
Total Maturity			**(275,000.00)**				**100,000.00**	**0.00**	**100,000.00**	**0.00**
Sale	07/14/2026	17275RBQ4	(120,000.00)	CISCO SYSTEMS INC 4.8 02/26/2027	100.249	4.98%	120,298.80	2,208.00	122,506.80	420.43
Sale	08/24/2026	437076DB5	(135,000.00)	HOME DEPOT INC 4.875 06/25/2027	100.512	4.92%	135,691.20	1,078.59	136,769.79	740.84

TRANSACTION LEDGER

City of Citrus Heights | Account #11026|07/01/2026 Through 09/30/2026|

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/ Sold	Total Amount	Gain/Loss
Total Sale			(255,000.00)				255,990.00	3,286.59	259,276.59	1,161.26
TOTAL DISPOSITIONS			(530,000.00)				355,990.00	3,286.59	359,276.59	1,161.26

IMPORTANT DISCLOSURES

2026 Chandler Asset Management, Inc, An Independent Registered Investment Adviser.

Information contained herein is confidential. Prices are provided by ICE Data Services Inc ("IDS"), an independent pricing source. In the event IDS does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

Source ICE Data Indices, LLC ("ICE"), used with permission. ICE permits use of the ICE indices and related data on an "as is" basis; ICE, its affiliates and their respective third party suppliers disclaim any and all warranties and representations, express and/or implied, including any warranties of merchantability or fitness for a particular purpose or use, including the indices, index data and any data included in, related to, or derived therefrom. Neither ICE data, its affiliates or their respective third party providers guarantee the quality, adequacy, accuracy, timeliness or completeness of the indices or the index data or any component thereof, and the indices and index data and all components thereof are provided on an "as is" basis and licensee's use it at licensee's own risk. ICE data, its affiliates and their respective third party do not sponsor, endorse, or recommend chandler asset management, or any of its products or services.

This report is provided for informational purposes only and should not be construed as a specific investment or legal advice. The information contained herein was obtained from sources believed to be reliable as of the date of publication, but may become outdated or superseded at any time without notice. Any opinions or views expressed are based on current market conditions and are subject to change. This report may contain forecasts and forward-looking statements which are inherently limited and should not be relied upon as indicator of future results. Past performance is not indicative of future results. This report is not intended to constitute an offer, solicitation, recommendation or advice regarding any securities or investment strategy and should not be regarded by recipients as a substitute for the exercise of their own judgment.

Fixed income investments are subject to interest, credit and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors willing to take on greater risk. Market risk: the bond market in general could decline due to economic conditions, especially during periods of rising interest rates.

Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest.

LGIP Yields: Reported yields for local government investment pools may be presented as either the 30-day yield or the monthly distribution yield, as applicable. For certain funds, the 30-day yield is calculated using reported daily yield data. Yield calculations are subject to change and may not be directly comparable across funds.

LAIF Yields: Additional Disclosure for CA Clients - As a result of a reporting lag from the Local Agency Investment Fund (LAIF), reported LAIF yields represent the most recently available Daily Effective Yield and may reflect data from approximately 7–10 days prior to month-end.

BENCHMARK DISCLOSURES

Benchmark	Disclosure
ICE BofA 1-3 Yr US Treasury & Agency Index	The ICE BofA 1-3 Year US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least one year remaining term to final maturity and less than three years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule, and a minimum amount outstanding of $1 billion for sovereigns and $250 million for agencies.

CITY OF CITRUS HEIGHTS

CITY COUNCIL STAFF REPORT MEMORANDUM

DATE: November 10, 2026

TO: Mayor and City Council Members
Ashley J. Feeney, City Manager

FROM: Regina Cave, General Services Department Director
Leslie Blomquist, City Engineer
Tori Luchini, Administrative Assistant

SUBJECT: **2026/2027 Pavement Management System Update**
Award Professional Services Agreement to NCE

Recommendation

The City last completed a comprehensive update of its Pavement Management System (PMS) in 2020, including a full pavement condition survey and upgrades to the StreetSaver software. Since adoption of the 3-Year Pavement Preservation Plan (PPP) in December 2023, resurfacing treatments have been applied to 219 roadway segments citywide. With this first phase of resurfacing now complete, updated pavement condition data is needed to accurately reflect current roadway conditions and support the next cycle of the PPP.

On September 3, 2026, staff issued a Request for Proposals (RFP) for a comprehensive PMS update. Following a qualifications-based selection process, NCE was determined to be the most qualified consultant to perform the work. Staff have negotiated the final scope and fee.

Staff recommends City Council adopt the following resolution:

1. Resolution 2026-___, A Resolution of the City Council of the City of Citrus Heights, California, authorizing the City Manager to execute an agreement with NCE for the 2026/2027 Pavement Management System Update.

Strategic Plan Alignment

This item aligns with the following City Council priority:

Goal: Maintain Public Infrastructure and Enhance All Modes of Transportation

Fiscal Impact

There is no fiscal impact to the Fiscal Year (FY) 2026/2027 Budget. The agreement with NCE is for an amount not to exceed $114,700. Sufficient funding is included in the FY 2026/2027 Gas Tax Fund (Fund 205) which is an appropriate and restricted funding source for pavement management activities.

Background and Analysis

The City completed its last comprehensive update of the Pavement Management System in 2020. Since then, the City has implemented the first phase of the 3-Year Pavement Preservation Plan, resurfacing 219 roadway segments. Because pavement condition indices (PCI) change significantly following resurfacing, an updated pavement condition survey is needed to ensure the City's PMS accurately reflects current roadway conditions and supports future planning.

The 2026/2027 update will include a citywide automated pavement condition survey of all public streets (approximately 244.88 centerline miles / 480.83 lane miles). The survey will generate updated PCI scores for all 1,402 roadway segments and allow staff to refine the City's treatment library to ensure accurate pavement records as the city enters the next phase of the PPP.

The City issued an RFP on September 3, 2026, and received three proposals on October 1, 2026. Staff conducted interviews on October 14, 2026, and evaluated proposals based on the criteria outlined in the RFP. NCE was determined to be the most qualified consultant due to their detailed proposal, highly experienced team, and extensive expertise with StreetSaver and pavement management systems.

Staff and NCE have finalized the scope and fee to ensure the work meets the City's needs and will delivered in the most cost-effective manner.

Attachments

1. Resolution 2026-____, a Resolution of the City Council of the City of Citrus Heights, California, Authorizing the City Manager to Execute an Agreement with NCE for the 2026/2027 Pavement Management System Update.

RESOLUTION NO. 2026-___

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CITRUS HEIGHTS, CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE AN AGREEMENT WITH NCE FOR THE 2026/2027 PAVEMENT MANAGEMENT SYSTEM UPDATE

WHEREAS, the city utilizes a Pavement Management System as a tool to assist with managing roadway pavement maintenance; and

WHEREAS, the city last completed an update to the Pavement Management System in 2020; and

WHEREAS, in December 2023, the city adopted the 3-Year Pavement Preservation Plan; and

WHEREAS, the city has implemented the first phase of the 3-Year Pavement Preservation Plan, resurfacing 219 roadway segments; and

WHEREAS, an updated pavement condition survey is needed to ensure the City's Pavement Management System accurately reflects current roadway conditions and supports future planning; and

WHEREAS, the city issued a request for proposals in accordance with a qualifications-based selection process and NCE was selected as the most qualified consultant to provide the desired services; and

WHEREAS, the city now desires to enter into a Professional Services Agreement with NCE in an amount not to exceed $114,700.00; and

WHEREAS, the proposed services will be paid for with existing budgeted Gas Tax (Fund 205) funds.

NOW THEREFORE BE IT RESOLVED AND ORDERED that the City Council of the City of Citrus Heights does hereby authorize the City Manager to execute a Professional Services Agreement with NCE for the 2026/2027 Pavement Management System Update, in a form approved by the City Attorney, and further allows the City Manager to execute any subsequent amendments to this agreement permitting the dollar amounts fall within the City Manager's authority.

The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original resolutions.

PASSED AND ADOPTED by the City Council of the City of Citrus Heights, California, this 10th day of November 2026 by the following vote, to wit:

AYES: **Council Members:**
NOES: **Council Members:**
ABSTAIN: **Council Members:**
ABSENT: **Council Members:**

MariJane Lopez-Taff, Mayor

ATTEST:

Amy Van, City Clerk

CITY OF CITRUS HEIGHTS

CITY COUNCIL STAFF REPORT MEMORANDUM

DATE: November 10, 2026

TO: Mayor and City Council Members
Ashley J. Feeney, City Manager

FROM: Casey Kempenaar, Community Development Director
Regina Cave, General Services Director
Meghan Huber, Community Engagement and Economic Development Director

SUBJECT: **Capital Thunder Temporary Ground Lease Agreement for 7137 Auburn Boulevard (Sylvan Property)**

Recommendation

In 2019, the San Juan Unified School District (District) elected to sell an 11.44 acre parcel of land located at 7137 Auburn Boulevard. The parcel of land is located at Sylvan Corners and is the former site of Sylvan Middle School, which had relocated to an adjoining property along Auburn Boulevard. In September 2019, the City of Citrus Heights acquired the property located at 7137 Auburn Boulevard (Sylvan Property).

In 2022, the City explored residential development opportunities for the site; however, the Council decided not to move forward with that project. Since that time, the City has retained the property as a potential opportunity for future economic development, housing, or other community-serving uses. The permanent reuse or disposition of the property is not currently identified as an immediate priority within the City's Strategic Plan and is not anticipated in the near term.

In October 2026, Capital Thunder, a nonprofit hockey league, approached the City to explore establishing a temporary hockey facility on the northern portion of the property. With the league facing an April 2027 displacement from its current location, Capital Thunder is seeking an interim facility that will allow it to continue operations while providing recreational and community programming in Citrus Heights.

Staff recommends a temporary lease of approximately 5-acres of the Sylvan Property to Capital Thunder for the establishment and operation of a temporary hockey rink. The proposal includes an approximately 30,000-square-foot enclosed temporary structure and associated site improvements. The proposed interim use provides an opportunity to activate an otherwise underutilized City-owned property, introduce additional recreational programming to the

community, and support economic activity along the Auburn Boulevard corridor without precluding the City's ability to pursue permanent use for the site in the future.

In addition to providing hockey and skating opportunities, Capital Thunder has proposed several community benefits, including:

- Three (3) Free Community Skate Days
- School Programs for Citrus Heights schools
- Grand Opening Ceremony Celebration
- Sunrise Tomorrow Preview Events
- Other events agreed upon between the City and Capital Thunder

The proposed lease establishes a defined interim use of the property while maintaining the City's long-term flexibility. It also provides an opportunity to evaluate the community and economic benefits of recreational programming at the site before the City determines its permanent future.

Staff recommends the City Council adopt the following:

1. Resolution No. 2026-___, a Resolution of the City Council of the City of Citrus Heights, California, Authorizing the City Manager to Execute a Temporary Ground Lease Agreement with Capital Thunder for the temporary use of a hockey rink and finding the project is categorically exempt from the California Environmental Quality Act (CEQA).

City Council Strategic Goal/Objective

This staff report aligns with the following Citrus Heights City Council Strategic Plan Goal:

Goals:

- Maintain and Enhance Fiscal Stability While Supporting Operational Excellence
- Diversify for a Vibrant Economy

Fiscal Impact

Approval of the recommended lease agreement is not anticipated to result in a direct fiscal impact to the City.

The initial lease term will be 24 months from the commencement date. Capital Thunder will pay total rent of $1,500 per month, commencing with the issuance of a certificate of occupancy.

The agreement provides for a subsequent two-year lease term at $1,500 per month, unless either party elects to terminate the agreement as allowed in the lease.

Capital Thunder will be responsible for maintaining the leased premises throughout the lease term, including applicable site maintenance obligations. These responsibilities will help offset ongoing property maintenance costs that would otherwise be borne by the City.

Background and Analysis

In 2019, the San Juan Unified School District elected to sell 11.44 acres of land at Sylvan Corners, formerly the site of Sylvan Middle School. The school was relocated several years earlier to an adjoining property along Auburn Boulevard. In September 2019, the City of Citrus Heights acquired the Sylvan Property from the District.

In 2023, the City explored residential development opportunities for the property; however, those efforts did not move forward. Since that time, the City has retained the property as a potential opportunity for future economic development, housing, or other community-serving uses. The permanent reuse or disposition of the property is not currently anticipated in the near term and is not identified as an immediate priority within the City's Strategic Plan.

Capital Thunder Hockey League, a nonprofit organization, has expressed interest in establishing a temporary hockey facility at 7137 Auburn Boulevard. The proposed interim use would allow the City to activate a portion of the otherwise underutilized property while maintaining flexibility to pursue longer-term opportunities for the site.

Key Lease Deal Points
The attached resolution authorizes the City Manager to execute a lease agreement with Capital Thunder for the interim use of a portion of the Sylvan Property. Key provisions of the proposed agreement include:

- **Lease Term:** Temporary use of a portion of the property for up to 24 months, with the option to extend for an additional 24 months.
- **Lease Payment:** Monthly rent of $1500.00 during the lease period beginning after issuance of a Certificate of Occupancy.
- **City and Community Access:** Defined opportunities for annual City-associated activities, community access, and recreational programming at the facility. Including:
    - Three (3) free Community Skate Days
    - School Programs for Citrus Heights schools
    - Grand Opening Ceremony Celebration
    - Sunrise Tomorrow Preview Events
    - Other events agreed upon between the City and Capital Thunder
- **Removal of Temporary Improvements:** Requirements for the removal of temporary structures and associated improvements upon expiration or termination of the lease.
- **Property Maintenance:** Ongoing maintenance and upkeep of the leased premises by Capital Thunder.

The resolution authorizes the City Manager to make minor amendments consistent with the overall lease framework prior to execution of the lease. The Draft lease is included as Attachment 1A.

Economic Development Considerations

The City's 2025–2027 Economic Development Work Plan identifies Consumer Services, including Arts, Entertainment, and Recreation, as one of Citrus Heights' five priority industry clusters. The proposed temporary rink would advance that priority in the near term by putting a vacant, City-owned property along Auburn Boulevard to productive use. Programming by Capital Thunder Hockey League would give more Citrus Heights families an opportunity to try hockey and help grow local participation while the City continues to advance the Sunrise Sports Center at Sunrise Mall.

Practices and league games would bring teams and families back to Auburn Boulevard throughout the season, generating recurring foot traffic for restaurants and shops in the immediate trade area. Tournaments could draw teams and families from across the greater Sacramento region. Time before or between games would give visiting families opportunities to dine and shop, with potential benefits for businesses in both the immediate and secondary trade areas.

Following completion of Auburn Boulevard Complete Streets Phase 2, the proposed rink would build on the City's investment by bringing regular activity to a vacant site and supporting the corridor's continued revitalization. The temporary use would allow the City to pursue these near-term economic and recreational benefits while preserving flexibility to consider housing or other long-term development opportunities for the property as market conditions and community priorities evolve.

Overall, the proposed temporary rink represents a practical interim use of a City-owned asset that aligns with the City's economic development interests, supports Auburn Boulevard corridor revitalization, and provides a community benefit while preserving the City's flexibility to pursue a permanent vision for the property in the future.

Environmental Review

The proposed temporary facility is Categorically Exempt from the California Environmental Quality Act pursuant to CEQA Guidelines Section 15304(e) (Minor Alterations to Land), and 15332 (In-Fill Development Projects).

Attachments

1. Resolution No. 2026-___, a Resolution of the City Council of the City of Citrus Heights, California, Authorizing the City Manager to Execute a Temporary Ground Lease Agreement with Capital Thunder for the temporary use of a hockey rink and finding the project is categorically exempt from the California Environmental Quality Act (CEQA).
    A. Draft Lease Agreement

RESOLUTION NO. 2026-___

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CITRUS HEIGHTS, CALIFORNIA, AUTHORIZING THE CITY MANAGER TO EXECUTE A TEMPORARY GROUND LEASE AGREEMENT WITH CAPITAL THUNDER FOR THE OPERATION OF A TEMPORARY HOCKEY RINK AT 7137 AUBURN BOULEVARD AND FINDING THAT THE PROJECT IS CATEGORICALLY EXEMPT FROM CEQA PER SECTION 15304(E) AND 15332 OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT

WHEREAS, the City Council of the City of Citrus Heights, California, owns the property located at 7137 Auburn Boulevard; and

WHEREAS, the City's intent when purchasing the property was to provide future opportunities related to housing and economic development; and

WHEREAS, Capital Thunder, a 501c3 non-profit hockey league, approached the City of Citrus Heights to allow a temporary ice rink at the subject site to allow hundreds of hockey players a temporary home after the league was evicted from its current home; and

WHEREAS, the temporary nature of the proposed temporary use allows the City to realize near-term economic and community benefits without making a permanent land use commitment or foreclosing future development opportunities on this important site; and

WHEREAS, the lease agreement between the City and Capital Thunder will commence on a date to be determined by City Manager once agreed upon improvements are complete, unless terminated by either party and said lease will enable the City to utilize the Rink as specified in the lease while also providing economic development supporting the Auburn Boulevard Corridor; and

WHEREAS, pursuant to the California Environmental Quality Act (CEQA) (Pub. Resources Code § 21000 et seq.) and the State CEQA Guidelines, the project has been evaluated for potential environmental impacts; and

WHEREAS, City Council finds that the project the temporary ice rink on City Owned property is exempt from CEQA pursuant to CEQA Guidelines Section 15304(e) (Minor Alterations to Land – as a minor temporary use of land having negligible or no permanent effects on the environment), and 15332 (In-Fill Development Projects); and

WHEREAS, the City now desires to enter into a lease agreement with Capital Thunder substantially consistent with the lease attached as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the City Council of the City of Citrus Heights, that the City Manager is hereby authorized to execute a lease agreement with Capital Thunder, for the operation of a temporary hockey rink at 7137 Auburn Boulevard and provides City Manager authority to make minor revisions and edits to said lease prior to execution and to file a CEQA Notice of Exemption.

The City Clerk shall certify the passage and adoption of this Resolution and enter it into the book of original resolutions.

PASSED AND ADOPTED by the City Council of the City of Citrus Heights, California, this 10th day of November 2026 by the following vote, to wit:

AYES: **Council Members:**
NOES: **Council Members:**
ABSTAIN: **Council Members:**
ABSENT: **Council Members:**

MariJane Lopez-Taff, Mayor

ATTEST:

Amy Van, City Clerk

Exhibits:

A. Draft Lease Agreement

TEMPORARY GROUND LEASE
THE SYLVAN CORNERS SITE
7137 AUBURN BOULEVARD, CITRUS HEIGHTS, CALIFORNIA

THIS TEMPORARY GROUND LEASE ("Lease"), dated as of the latter of the Parties' signatures herein (the "Effective Date"), is made and entered into by and between the City of Citrus Heights, a Municipal Corporation ("Landlord"), and Capital Thunder Youth Hockey Organization, a California nonprofit public benefit corporation ("Tenant"). Each of Landlord and Tenant shall be described herein from time to time as a "Party," and collectively as the "Parties."

1. Recitals. This Lease is entered into based upon the following facts, circumstances and understandings:

1.1. Landlord is the owner of that certain parcel of real property commonly known as "**The Sylvan Corners Site**," located at 7137 Auburn Boulevard, Citrus Heights, CA 95621, on the northwest corner of Auburn Boulevard and Sylvan Road, Assessor's Parcel Number (APN) 211-0020-025, and consisting of approximately 11.3 acres (the "**Site**").

1.2. The portion of the Site leased to Tenant under this Lease is depicted on the site map attached hereto as **Exhibit A** and incorporated herein by this reference (such portion, together with all appurtenant rights and easements, the "**Property**"). In the event of any conflict between the written description of the Site and Exhibit A, Exhibit A shall control as to the boundaries of the Property.

1.3. Capital Thunder Youth Hockey Organization ("**Tenant**") is a California nonprofit public benefit corporation, exempt under Section 501(c)(3) of the Internal Revenue Code, that operates a youth ice hockey club, whose mailing address is 4811 Gibbons Drive, Carmichael, California 95608.

1.4. Landlord intends to pursue the long-term redevelopment of the Site. Tenant desires to use the Property on a temporary, interim basis for the operation of a temporary ice facility, and Landlord is willing to lease the Property to Tenant for that limited purpose on the condition that such use is temporary and does not impair Landlord's future use or development of the Site.

1.5. On November 10, 2026, the City Council of the City of Citrus Heights approved this Lease and authorized the City Manager to execute it on behalf of Landlord by Resolution No. _____].

2. Grant and Acceptance of Lease. Landlord, in consideration of the rent to be paid, along with other forms of consideration and the covenants, obligations and agreements to be performed and observed by Tenant under this Lease, does hereby lease to Tenant and Tenant hereby leases and takes from Landlord the Property for the Permitted Use described in Section 8, subject to the following terms and conditions for the Term.

3. Temporary Nature of Lease.

3.1. **Interim Use Only.** Tenant acknowledges and agrees that this Lease is temporary and interim in nature, that the Property is being made available solely pending Landlord's future use and development of the Site, and that the Temporary Ice Facility (defined below) is intended to be a temporary use only.

3.2. **No Expectation of Renewal.** Tenant acknowledges that Landlord has made no representation, warranty or promise that this Lease will be extended or renewed, or that Tenant will be permitted to occupy the Property or any other portion of the Site beyond the Term. Tenant has no vested right, option or entitlement of any kind to continue its use beyond the Term. Any investment by Tenant in the Property, including the design, permitting, construction, installation, operation and removal of the Temporary Ice Facility, is made at Tenant's sole risk, with full knowledge of the temporary nature of this Lease, and without any expectation of reimbursement or compensation from Landlord.

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3.3. **No Holdover.** Tenant shall have no right to remain in possession of the Property after the expiration or earlier termination of this Lease, except as expressly permitted in Section 12 for the limited purpose of removing improvements and restoring the Property. Any other holding over shall not extend the Term or create a month-to-month or other tenancy, shall be a tenancy at sufferance only, and shall subject Tenant to holdover rent equal to one hundred fifty percent (150%) of the most recent monthly Rent, prorated on a daily basis, in addition to all damages sustained by Landlord as a result of the holdover.

3.4. **Landlord's Development Activities.** Nothing in this Lease shall restrict Landlord from planning, marketing, entitling, surveying, testing or otherwise pursuing the development of the Site, including the Property. Landlord and its agents, contractors and prospective developers may enter the Property upon reasonable advance notice to Tenant to conduct such activities, provided they do not unreasonably interfere with Tenant's operations. No person entering under this Section 3.4 shall enter any locker room or changing area while minors are present.

4. Warranty/Representations.

4.1. Tenant acknowledges that Landlord has made no representation or warranty regarding the condition of the Property except as specifically stated in this Lease. Tenant accepts the Property in its "AS IS, WHERE IS" condition, with all faults.

4.2. Tenant accepts the Property subject to all local, state and federal laws, regulations and ordinances. Landlord makes no representation or warranty that the Property is now or in the future will be suitable for Tenant's use, including the availability or capacity of utilities serving the Property. Tenant has made its own investigation regarding the Property and all applicable laws.

5. Execution Deadline; Effective Date.

5.1. Tenant shall execute and deliver this Lease to Landlord, together with the evidence of insurance required by Section 18, within ninety (90) days after November 10, 2026] ("**Execution Deadline**"). If this Lease has not been fully executed by both Parties on or before the Execution Deadline, this Lease and Landlord's approval of it shall automatically become null and void and of no further force or effect, and neither Party shall have any further obligation hereunder, unless the Execution Deadline is extended in writing by the City Manager.

5.2. This Lease shall become effective on the Effective Date.

6. Term; Commencement Date; Extensions.

6.1. The provisions of this Lease are effective as of the Commencement Date. The Commencement Date of this Lease is [the Effective Date] ("**Commencement Date**"). The "Rent Commencement Date" shall be the earlier of (a) the date the Temporary Ice Facility first opens for use, or (b) thirty (30) days after certificate of occupancy issuance for the Temporary Ice Facility.

6.2. **Initial Term.** The initial term of this Lease is two (2) years from the Rent Commencement Date ("**Initial Term**").

6.3. **Extension Terms.** The Initial Term may be extended for up to two (2) additional terms of one (1) year each (each, an "**Extension Term**"), only upon the written mutual consent of both Parties. Tenant may request an Extension Term by written notice to Landlord no later than [ninety (90)] days before the expiration of the then-current term. Each Party may grant or withhold its consent to any Extension Term in its sole and absolute discretion, and the failure of either Party to respond to a request shall be deemed a refusal. An Extension Term shall be effective only if set forth in a written amendment to this Lease executed by the duly authorized representatives of both Parties before the expiration of the then-current term.

6.4. "**Term**" means the Initial Term together with any Extension Term that becomes effective under Section 6.3. In no event shall the Term exceed four (4) years from the Rent Commencement

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Date, unless otherwise approved by Landlord in their sole and absolute discretion. If the Parties do not agree to an Extension Term, this Lease shall expire at the end of the then-current term without further notice.

7. Rent.

7.1. "Rent" shall mean all monetary obligations of Tenant to Landlord under the terms of this Lease.

7.2. Tenant shall pay Landlord monthly Rent of $1,500 per month during the Initial Term, due by the 3rd of each month, commencing on the Rent Commencement Date.

7.3. Rent for any Extension Term shall be as set forth in the written amendment approving that Extension Term.

7.4. Payment: Rent shall be paid to the City of Citrus Heights at 6360 Fountain Square Drive, Citrus Heights, CA 95621, or at any other location or by means specified by Landlord in writing to Tenant. In consideration of this Lease, Tenant shall make the Facility available to the City for community benefit programming, including: (i) up to three free public skating events annually for Citrus Heights residents; (ii) school skating and educational programs for local elementary, middle, and high schools; (iii) a Grand Opening Community Celebration at the time of opening, including a ribbon-cutting ceremony and public skating opportunities; (iv) promotional and community engagement events supporting the Sunrise Tomorrow development and related arena hockey initiatives as may be proposed by the City or Tenant and mutually approved by the parties; and (v) such other community, civic, charitable, youth, recreational, economic development, promotional, or public benefit events as may be proposed by the City or Tenant and mutually approved by the parties from time to time. The parties shall cooperate in good faith regarding scheduling, event logistics, staffing responsibilities, and the extent of City use, with specific event dates and operational details to be mutually agreed upon.

8. Permitted Use.

8.1. The Property is for the sole use of Tenant to construct, install, operate and maintain a temporary ice hockey and skating facility and related temporary structures, refrigeration and mechanical equipment, and accessory uses incidental thereto such as ice skating, hockey practices and games, skating lessons, community programs and events, and concessions (the "**Temporary Ice Facility**").

8.2. The Temporary Ice Facility shall consist only of temporary, relocatable, or removable improvements capable of complete removal from the Property at the end of the Term as further defined in Section 12.3. Any foundations, buildings or other improvements shall not be constructed on the Property without Landlord's prior written consent, which Landlord may withhold in its sole discretion in its capacity as owner of the Property.

8.3. No other use is permitted without Landlord's prior written consent.

8.4. Tenant will comply with all laws affecting its use of the Property, and with all conditions of approval of the permits described in Section 9.

9. Permits and Approvals.

9.1. Tenant shall, at its sole cost and expense, obtain a building permit and a site development permit from the City of Citrus Heights for the Temporary Ice Facility, together with all other permits, licenses and approvals required by any governmental agency for its construction and operation (collectively, the "**Permits**").

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9.2. Tenant shall submit complete applications for the building permit and site development permit within [sixty (60)] days after the Effective Date and shall diligently pursue them to issuance.

9.3. Tenant shall not commence any construction, installation or grading on the Property, or operate the Temporary Ice Facility, until all required Permits have been issued.

9.4. Tenant acknowledges that Landlord is entering into this Lease in its proprietary capacity as owner of the Property, and not in its regulatory capacity. Nothing in this Lease obligates the City of Citrus Heights to approve or issue any Permit, limits the City's discretion or police power in reviewing any application (including under the California Environmental Quality Act), or relieves Tenant of any requirement of the Citrus Heights Municipal Code.

9.5. If the building permit and site development permit have not been issued within [one hundred eighty (180)] days after the Effective Date, either Party may terminate this Lease by written notice to the other, and neither Party shall have any further obligation hereunder except those that expressly survive termination. Tenant shall bear all of its own costs incurred in seeking the Permits.

9.6. Tenant may terminate this Lease by written notice to Landlord at any time before Tenant begins construction on the Property if Tenant determines, in its reasonable judgment, that adequate utility service cannot be provided to the Property at a reasonable cost, or that Tenant has been unable to obtain the funding needed to construct the Temporary Ice Facility. Upon such termination, neither Party shall have any further obligation hereunder except those that expressly survive termination.

10. Tenant's Obligations.

10.1. **Operating Costs and Utilities:** Tenant is solely responsible for paying all of its operating costs, including electricity, water, sewer, gas, refuse, telecommunications and all other utilities, and for the cost of extending, connecting, metering and upgrading any utility service needed for the Temporary Ice Facility.

10.2. **Plans:** Before submitting applications for the Permits, Tenant shall provide Landlord with its site plan and plans for the Temporary Ice Facility for Landlord's review and approval in its capacity as owner of the Property, which approval shall not be unreasonably withheld.

10.3. **Site Operations:** Tenant shall be responsible for security, any required fencing, lighting, landscape maintenance, weed abatement, parking and traffic management, and noise control for the Temporary Ice Facility, as required by the Permits and applicable law.

11. Maintenance and Repairs.

11.1. Tenant may install, place, use, modify, operate and remove at the Property the improvements comprising the Temporary Ice Facility and the furniture, trade fixtures and equipment ("**FF&E**") as Tenant deems necessary for its operations, consistent with the Permits and this Lease.

11.2. All improvements made by Tenant, and all demolition, construction and installation work at the Property, shall be performed at Tenant's sole cost and expense, in a good and workmanlike manner, and in compliance with all applicable codes and governmental regulations.

11.3. Tenant shall provide prior written notice to Landlord at least five (5) business days before undertaking any grading, construction, improvements, utility work or installation of signage on the Property. No tree removal or dripline encroachment shall occur without Landlord prior written consent.

11.4. Tenant shall maintain the Property, including all landscaping, paved areas and fencing within the Property, in a neat, clean and safe condition, free of debris and weeds, and in compliance with all applicable codes and governmental regulations, at Tenant's sole cost and expense during the Term.

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11.5. Tenant, at Tenant's expense, shall be required to make all repairs to the Property and the Site due to damage caused by Tenant, its agents, contractors, employees or invitees.

11.6. Tenant shall not permit or suffer any mechanic's or materialmen's liens to be lodged against the Property or the Site and will defend, indemnify and hold harmless Landlord from and against all claims, liabilities, costs and expenses associated with any such liens.

12. End of Term; Removal of Improvements and Restoration.

12.1. **Baseline Condition.** Before commencing any work on the Property, Tenant shall provide Landlord with photographs and a written description documenting the existing condition of the Property, which, once approved by Landlord, shall establish the "**Baseline Condition**."

12.2. **Landlord's Election.** Landlord shall determine, in its sole and absolute discretion, which of the improvements constructed or installed by or for Tenant on the Property (including structures, slabs, footings, paving, fencing, lighting and utility facilities) must be removed at the end of the Term. Landlord shall give Tenant written notice of its election (the "**Removal Notice**") no later than [ninety (90)] days before the scheduled expiration of the Term or, if this Lease is terminated early, within [thirty (30)] days after the termination date. If Landlord does not deliver a Removal Notice, Tenant shall remove all such improvements. Notwithstanding anything to the contrary in this Section 12, Landlord's right to retain improvements shall not apply to FF&E, ice-making and refrigeration equipment, dasher boards, glass, or other removable equipment, all of which shall remain Tenant's property.

12.3. **Removal and Restoration.** Within [sixty (60)] days after the expiration or termination of this Lease (the "**Removal Period**"), Tenant shall, at its sole cost and expense: (a) remove all FF&E and all improvements identified for removal in the Removal Notice (or all improvements, if no Removal Notice is given); (b) properly remove and dispose of all refrigerants, glycol and other fluids and materials associated with the ice-making equipment in accordance with applicable law; (c) disconnect and cap utilities at the point of connection as directed by Landlord; (d) repair any damage caused by removal; and (e) restore the Property to the Baseline Condition, or to such other condition as Landlord reasonably directs, free of debris. The Landlord may direct the tenant to retain any part of the temporary ice facility and associated improvements at the end of the lease, excluding FF&E, ice-making and refrigeration equipment, dasher boards, glass, or other removable equipment. Tenant's access to the Property during the Removal Period shall be for those purposes only and shall remain subject to all of Tenant's obligations under this Lease, including insurance and indemnity.

12.4. **Retained Improvements.** Any improvements that Landlord elects in the Removal Notice to retain shall, upon the expiration or termination of this Lease, become the property of Landlord, free and clear of all liens and encumbrances, without compensation or payment of any kind to Tenant. Tenant shall execute any bill of sale or other document reasonably requested by Landlord to confirm such transfer.

12.5. **Tenant's Failure to Remove.** If Tenant fails to complete its obligations under this Section 12 within the Removal Period, Landlord may perform them, and Tenant shall reimburse Landlord for all costs incurred, plus an administrative charge of [fifteen percent (15%)], within thirty (30) days after Landlord's invoice. Any FF&E or other property not removed by the end of the Removal Period shall be deemed abandoned, and Landlord may retain, dispose of or store the same at Tenant's cost without liability to Tenant.

12.6. **Removal Security.** Before the issuance of the building permit for the Temporary Ice Facility, Tenant shall deliver to Landlord a cash deposit, irrevocable letter of credit or surety bond, in a form reasonably acceptable to Landlord, in the amount of $15,000, to secure Tenant's obligations under this Section 12. Landlord shall release the security within thirty (30) days after Tenant's full performance of this Section 12, less any amounts applied by Landlord under Section 12.5.

12.7. The obligations of this Section 12 shall survive the expiration or termination of this Lease.

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13. Title to Tenant's Facilities.

13.1. Title to FF&E and to the improvements comprising the Temporary Ice Facility shall be held by and remain with Tenant during the Term, subject to Section 12. All FF&E shall remain the property of Tenant and are not fixtures.

14. Tenant Environmental Law Compliance and Indemnity.

14.1. Tenant shall not create, collect, store (except in reasonable quantities directly related to Tenant's operations, including refrigerants and fuels used for ice-making and resurfacing equipment, and in compliance with all laws and regulations for said storage), treat, dispose of or cause to be released or otherwise discharged any hazardous materials on the Property.

14.2. Except to the extent caused by Landlord, or environmental conditions at the Site existing prior to the occupancy by Tenant, before vacating the Property, Tenant shall clean up any releases of hazardous materials or environmental contamination by hazardous materials caused by Tenant occurring on or migrating from the Property during the Term of this Lease, wherever located, in accordance with applicable environmental laws and to Landlord's satisfaction. Should Tenant not fulfill its obligations under this section, Tenant shall reimburse Landlord for all such clean-up costs.

15. Default by Tenant. Each of the following shall be deemed an "Event of Default" by Tenant hereunder and a material breach of this Lease:

15.1. Tenant shall fail to pay Rent or any other sums owed to Landlord when due;

15.2. Tenant shall fail to materially keep, perform, or observe any of the obligations, covenants, agreements, terms, or provisions contained in this Lease that are to be kept or performed by Tenant other than with respect to payment of Rent, and Tenant shall fail to commence and take such steps as are necessary to remedy the same within thirty (30) calendar days after Tenant shall have been given a written notice specifying the same, or having so commenced, shall thereafter fail to proceed diligently and with continuity to remedy the same;

15.3. Tenant shall vacate or abandon the Property (the seasonal suspension of operations between hockey seasons shall not be deemed a vacation or abandonment); or

15.4. Tenant or any other party shall file a petition naming Tenant as debtor in any bankruptcy or other insolvency proceeding or shall file for the appointment of a liquidator or receiver for all or substantially all of Tenant's property or for Tenant's interest in this Lease, or Tenant shall admit in writing its inability to meet its obligations as they become due or make an assignment for the benefit of its creditors.

16. Landlord's Remedies.

16.1. If an Event of Default occurs under this Lease, Landlord shall be entitled to any and all remedies permitted by California Civil Code Sections 1951.2 and 1951.4, as those sections may be amended or renumbered from time to time.

16.2. If Tenant breaches this Lease and abandons the Property before the end of the Term, or if Landlord terminates Tenant's right to possession due to an Event of Default, this Lease shall terminate, and Landlord shall be entitled to recover from Tenant the amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform its obligations under this Lease or which in the ordinary course of events would be likely to result therefrom.

17. Termination.

17.1. This Lease may be terminated without further liability on thirty (30) days prior written notice by either Party upon default of any covenant, condition, or term hereof by the other Party, which default is not cured within sixty (60) days of receipt of written notice of default.

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17.2. This Lease may also be terminated as provided in Sections 9.5 and 9.6.

17.3. Other than as stated herein, Landlord and Tenant shall not have the right to terminate, revoke or cancel this Lease. Termination of this Lease for any reason shall not relieve Tenant of its obligations under Section 12.

17.4. **Force Majeure.** If and to the extent that a Party's performance of any of its obligations pursuant to this Lease is prevented, hindered or delayed directly or indirectly by fire, flood, earthquake, elements of nature or acts of God, pandemic or epidemic, acts of war, terrorism, riots, civil disorders, rebellions or revolutions, restrictive governmental laws or regulations, or any other similar cause beyond the reasonable control of such Party (each a "Force Majeure Event"), the non-performing, hindered or delayed Party shall be excused for such non-performance, hindrance or delay, as applicable, of those obligations affected by the Force Majeure Event for as long as the Force Majeure Event continues. The Party whose performance is prevented, hindered or delayed by a Force Majeure Event shall promptly notify the other Party of the occurrence of the Force Majeure Event and describe in reasonable detail the nature of the Force Majeure Event. During the Force Majeure Event, the non-performing Party shall not be in default of any provisions of this Lease. A Force Majeure Event shall not extend the Term or excuse Tenant's obligation to pay Rent, except as Landlord may agree in writing.

18. Insurance.

18.1. At all times during the Term of this Lease and the Removal Period, Tenant shall purchase and maintain, at its sole expense, insurance as described below:

18.1.1. Commercial General Liability Insurance of not less than [Two Million Dollars ($2,000,000.00)] per occurrence. The policy shall be endorsed to include a written waiver of the insurer's right to subrogate against Landlord.

18.1.2. Commercial Automobile Liability Insurance to cover all owned, hired and non-owned automobiles owned or operated by Tenant providing a minimum combined single limit of One Million Dollars ($1,000,000.00) per accident.

18.1.3. Workers' Compensation Insurance as required by the Labor Code of the State of California. The policy shall be endorsed to include a written waiver of the insurer's right to subrogate against Landlord.

18.1.4. Employer's Liability Insurance in an amount of at least One Million Dollars ($1,000,000.00) per occurrence.

18.1.5. Property insurance covering the Temporary Ice Facility and Tenant's FF&E for their full replacement value. Landlord shall have no responsibility for loss of or damage to Tenant's improvements or FF&E.

18.2. Evidence of required insurance shall be submitted prior to the execution of this Lease. If Tenant fails to maintain insurance which is required pursuant to this Lease, it shall be deemed a material breach. Landlord may give notice to Tenant to reinstate or acquire the affected insurance. Should Tenant fail to reinstate or acquire the affected insurance within five (5) days of Landlord's notice, Landlord may, at its option, either terminate this Lease or reinstate or acquire the affected insurance, in which case Tenant shall reimburse Landlord for the necessary cost.

18.3. If Tenant maintains broader coverage and/or higher limits than the minimums shown above for all policies, Landlord requires and shall be entitled to the broader coverage and/or higher limits maintained by Tenant or its contractors, subcontractors, or agents. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to Landlord.

18.4. Landlord and its officers, officials, employees, and agents shall be named as additional insureds on Tenant's Commercial General Liability and Automobile Liability policies. Tenant

shall require its contractors performing work on the Property to maintain comparable insurance naming Landlord as an additional insured. Each Party waives any rights of recovery against the other for injury or loss due to hazards covered by their property insurance, and each Party shall require such insurance policies to contain a waiver of recovery against the other.

19. **Assignments or Transfers.** Tenant shall not assign, sublease or otherwise transfer this Lease or any interest in the Property to any other person or entity without the express written consent of Landlord, which consent may be withheld in Landlord's sole discretion. Licenses or contracts for ice time, events, lessons, camps or tournaments, and agreements with concession or similar service providers, granted in the ordinary course of operating the Temporary Ice Facility shall not be deemed an assignment, sublease or transfer.

20. **Indemnification.**

    20.1. Tenant hereby agrees to defend, indemnify and hold Landlord and Landlord's employees, officers, officials, and agents free and harmless from and against any and all losses, claims, liabilities, damages, actions, causes of action, costs and expenses including attorney's fees and costs of court, and injuries, including personal injuries or death, related to or arising out of Tenant's occupation, use, operation, construction, maintenance, repair or removal of the Property or the Temporary Ice Facility, except to the extent caused by the sole active negligence or willful misconduct of Landlord, or arising out of Landlord's use of the facility under Section 7.4.

    20.2. Notwithstanding any other provision of this Lease, neither Party shall be liable to the other for consequential damages, damages for lost income and profits, exemplary or punitive damages or other special damages, whether in tort, contract or equity.

    20.3. The indemnity provisions of this Section 20 shall survive the termination or expiration of this Lease for the length of the applicable statute of limitations term during which a claim may be filed plus 30 days.

21. **Possessory Interest Tax.** Pursuant to California Revenue and Taxation Code Section 107.6, Tenant is hereby notified that this Lease may create a possessory interest subject to property taxation, and that Tenant may be subject to the payment of property taxes levied on such interest. Tenant shall pay all such taxes and any other taxes or assessments levied on Tenant's interest in the Property or on the Temporary Ice Facility before delinquency.

22. **Notices and Deliveries.** Any notice or demand required to be given herein shall be made by certified or registered mail, return receipt requested, or by reliable overnight delivery service, with a copy delivered by email, to the address of the respective Parties set forth below:

    Landlord:
    City of Citrus Heights
    Attention: City Manager
    6360 Fountain Square Drive
    Citrus Heights, CA 95621

    With a copy to:
    Ryan R. Jones, City Attorney
    6349 Auburn Blvd.
    Citrus Heights, CA 95621

    Tenant:
    Capital Thunder Youth Hockey Organization
    Attention: Amy McCuaig, President
    4811 Gibbons Drive
    Carmichael, California 95608
    Email: amymccuaig@gmail.com
    With a copy to:

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Radoslovich | Shapiro, PC
Attention: Megan A. Shapiro
3600 American River Drive, Suite 200
Sacramento, CA 95864
Email: megan@radshap.com

23. Miscellaneous.

23.1. **CASp Inspection.** Pursuant to California Civil Code Section 1938, Landlord hereby discloses that the Property [has/has not] been inspected by a Certified Access Specialist (CASp). A CASp can inspect the Property and determine whether the Property complies with all applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection, the Landlord or Tenant may obtain one at their own expense. If a CASp inspection is requested by Tenant, Tenant shall bear the cost of the inspection and any necessary repairs or modifications required to correct noncompliance with accessibility standards unless otherwise agreed in writing. If a CASp inspection is required or requested by Landlord, Landlord shall bear the cost of the inspection, but responsibility for making any required modifications shall be as otherwise set forth in this Lease. This disclosure is made pursuant to Civil Code Section 1938 and shall not be construed as a representation or warranty by Landlord regarding the Property's compliance with applicable laws. Tenant shall be responsible for ensuring that the Temporary Ice Facility complies with all applicable accessibility laws.

23.2. **Severability.** If any provision of this Lease is held to be invalid or unenforceable by a court of competent jurisdiction with respect to any Party, the remainder of this Lease or the application of such provision to persons other than those as to whom it is held invalid or unenforceable shall not be affected, each provision of this Lease shall be valid and enforceable to the fullest extent permitted by law, and the Parties shall negotiate in good faith to amend this Lease to retain the economic effect of the invalid or unenforceable provisions.

23.3. **Binding Effect.** Each Party represents and warrants that said Party has full power and authority, and the person(s) executing this Lease have full power and authority, to execute and deliver this Lease, and that this Lease constitutes a valid and binding obligation of each Party, enforceable in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought in proceedings in equity or at law). This Lease shall be binding on and inure to the benefit of the successors and permitted assignees of the respective Parties.

23.4. **Waivers.** No provision of this Lease shall be deemed to have been waived by a Party unless the waiver is in writing and signed by the Party against whom enforcement of the waiver is attempted. No custom or practice which may develop between the Parties in the implementation or administration of the terms of this Lease shall be construed to waive or lessen any right to insist upon strict performance of the terms of this Lease.

23.5. **Governing Law, Courts.** This Lease shall be governed by and construed in accordance with the laws of the State of California. The sole venue for any legal claim arising hereunder shall be in the Superior Court of the State of California in Sacramento County.

23.6. **Attorneys' Fees and Costs.** The prevailing Party in any legal claim arising hereunder shall be entitled to its reasonable attorneys' fees and costs and court costs as may be awarded by the court.

23.7. **Survival.** Terms, conditions, obligations, and indemnifications of this Lease which by their sense and context survive the termination, cancellation or expiration of this Lease will so survive.

23.8. **Entire Agreement; Amendments.** This Lease constitutes the entire agreement and understanding between the Parties regarding Tenant's lease of the Property and supersedes

all prior and contemporaneous offers, negotiations and other agreements concerning the subject matter contained herein. There are no representations or understandings of any kind not set forth herein. Any amendments to this Lease must be in writing and executed by duly authorized representatives of both Parties.

23.9. **No Presumptions Regarding Preparation of Lease.** The Parties acknowledge and agree that each of the Parties has been represented by counsel or has had full opportunity to consult with counsel and that each of the Parties has participated in the negotiation and drafting of this Lease. Accordingly, it is the intention and agreement of the Parties that the language, terms and conditions of this Lease are not to be construed in any way against or in favor of any Party hereto by reason of the roles and responsibilities of the Parties or their counsel in connection with the preparation of this Lease.

23.10. **Counterparts; Electronic Signatures.** This Lease may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument. Signatures delivered electronically or by PDF shall be treated as originals.

23.11. **Time of the Essence.** Time is of the essence of each provision of this Lease.

24. Interpretation.

24.1. The headings in this Lease are for reference only and are not incorporated in any term herein.

24.2. **No Personal Liability of Officials and Employees of either Party.** No elected official, officer, employee, agent, or volunteer of either Party shall be personally liable for any default or liability whatsoever under this Lease, except in instances of criminal negligence.

24.3. **Public Document.** Landlord is a municipal corporation under the laws of the State of California. Landlord and Tenant acknowledge that this Lease is subject to public disclosure as specified by the California Public Records Act, California Government Code Section 7920.000 et seq., and is a "public record" within the meaning of California Government Code Section 7920.530.

IN WITNESS WHEREOF, the Parties have caused this Lease to be executed by their duly authorized representatives on the dates set forth below and acknowledge that this Lease is effective as of the Effective Date.

LANDLORD:
CITY OF CITRUS HEIGHTS,
a Municipal Corporation

_____
Ashley J. Feeney, City Manager
Date: _____

Attest:

_____
Amy Van, City Clerk

Approved as to Form:

_____
Ryan R. Jones, City Attorney

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TENANT:
CAPITAL THUNDER YOUTH HOCKEY ORGANIZATION,
a California nonprofit public benefit corporation

_____
By: Amy McCuaig, President
Date: _____

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EXHIBIT A
SITE MAP OF THE PROPERTY

The Sylvan Corners Site, 7137 Auburn Boulevard, Citrus Heights, CA 95621 (northwest corner of Auburn Boulevard and Sylvan Road), APN 211-0020-025, The leased Property is approximately 5-acres of the entire 11.3 acres Sylvan Corners property. The leased Property is the area outlined on the map below.



CITY OF CITRUS HEIGHTS

CITY COUNCIL STAFF REPORT MEMORANDUM

DATE: November 10, 2026

TO: Mayor and City Council Members
Ashley J. Feeney, City Manager

FROM: Amy Van, City Clerk

SUBJECT: **Discussion Relating to Council Meeting Written Public Comment Procedures**

Recommendation

At the August 26, 2026 City Council meeting, two members of Council requested a future agenda item to discuss the City's policy regarding written public comments. Staff recommends the City Council review the information contained in this report and provide direction to staff regarding whether to consider modifications to the City's written public comment procedures.

Fiscal Impact

There is no fiscal impact associated with this action.

Background and Analysis

Brown Act Provisions

Pursuant to the Ralph M. Brown Act every agenda must allow members of the public to speak on any item. The City Council may adopt reasonable regulations, including a speaker time limit and procedures for public comments. The City utilizes a Speaker Identification Sheet to facilitate the public comment process, as well as, established time limits for each speaker.

Additionally, the Brown Act also provides that the public has the right to review writings distributed by any person to a majority of the City Council in connection with a matter subject to discussion or consideration at a meeting. The City has historically accepted written public comments for inclusion as part of the public record. It has been the City's practice to include written public comments as an attachment to the staff report – if received prior to the distribution of the report – and are not read aloud during the meeting.

Background on Written Public Comment Procedures

During the COVID-19 pandemic, the City Council held its first remote City Council meeting on March 26, 2020. Due to no physical location being available for public attendance, the Mayor

announced the public was asked to submit all public comment cards through the City's website and the City Clerk would read for the record all the public comment cards. After pandemic-era remote rules expired, the City continued to accept and read written public comment aloud, however, the City instituted a practice of limiting them to 250 words as some written comments were long and numerous.

COVID-19 transformed city council meetings from traditional in-person meetings into hybrid and remote systems. What began as an emergency response has now evolved into permanent expectations for accessible, flexible public participation. Senate Bill 707 was signed into law modifying the Brown Act intended to diversify and increase public engagement in local government.

Beginning July 1, 2026, the City met the requirements of SB 707 by providing the public with a way to attend Council meetings and comment via a "two-way telephonic" platform. The City utilizes Zoom Webinar to provide remote public access to meetings. For both non-agenda public comment and comments on specific agenda items, in-person speakers are called first, followed by remote participants.

Current Written Public Comment Procedures

On May 13, 2026, the City Council expressed a desire to amend the public comment procedures related to written public comments and adopted amendments to the City Council handbook Chapter 8 – *Order of Business - Public Comment* as indicated below:

> "Alternatively, the public may submit written public comments by 4:00 p.m. on the meeting day by completion of an online Speaker Card. Written comments will not be read during the City Council meeting but will be forwarded to all Council Members and become part of the public record."

Written Public Comment Procedures Regionally

Staff examined how other jurisdictions in the region manage written public comments, specifically the cities of:

- Folsom
- Rancho Cordova
- Elk Grove
- Sacramento
- Roseville
- Rocklin
- Lincoln
- Davis
- West Sacramento

All jurisdictions referenced above have established procedures for the receipt of written public comments, which are generally submitted via email and accepted until a designated deadline prior to the start of the meeting. In no instance are written public comments read aloud during the meeting; rather, written comments are distributed to the City Council and incorporated into the official public record.

CITY OF CITRUS HEIGHTS
CITY COUNCIL
MINUTES
Special and Regular Meetings of Wednesday, August 26, 2026
City Hall Council Chambers, 6360 Fountain Square Dr., Citrus Heights, CA 95621

CALL SPECIAL MEETING TO ORDER

The special meeting was called to order at 5:06 p.m. by Mayor Lopez-Taff.

1. Roll Call:
   - Council Members present: Karpinski-Costa, Schaefer, Middleton, Lopez-Taff
   - Council Members absent: Nelson (Excused)
   - Staff Members present: Feeney, Grillo, D. Jones, R. Jones, Van, Wakefield

PUBLIC COMMENT

AJ Fox spoke in favor of denying the appeal and upholding the Order of Abatement for 7398 Antelope Road.

Michael Lagomarsino spoke in favor of denying the appeal and upholding the Order of Abatement.

Mark Naber spoke in favor of denying the appeal and upholding the Order of Abatement.

APPEAL HEARING

2. **SUBJECT:** Appeal of Notice of Hearing Decision & Order of Abatement for 7398 Antelope Road, Citrus Heights, CA 95621

City Attorney Jones introduced the item and noted that Deputy City Attorney Wakefield would be representing the City in the appeal hearing.

Senior Code Enforcement Officer Grillo delivered a presentation detailing the City's abatement efforts of the property since February 2023. The staff report and exhibits will be part of the official record of this hearing.

Property owner Robert Mattarolo addressed the City Council to dispute the Order of Abatement.

The Council deliberated the matter.

ACTION: On a motion by Council Member Schaefer, seconded by Council Member Karpinski-Costa, the City Council Denied the Appeal of Notice of Hearing Decision & Order of Abatement for Abatement for 7398 Antelope Road, Citrus Heights, CA 95621.

AYES:	Karpinski-Costa, Schaefer, Middleton, Lopez-Taff
NOES:	None
ABSENT:	Nelson

ADJOURNMENT

Mayor Lopez-Taff adjourned the special meeting at 5:53 p.m.

CALL REGULAR MEETING TO ORDER

The regular meeting was called to order at 6:02 p.m. by Mayor Lopez-Taff.

1. The Flag Salute was led by Mayor Lopez-Taff.

2. Roll Call:

Council Members present:	Karpinski-Costa, Schaefer, Middleton, Lopez-Taff
Council Members absent:	Nelson (Excused)
Staff Members present:	Aguirre, Feeney, Huber, D. Jones, R. Jones, Van and department directors.

3. The video statement was read by Acting City Clerk Jones.

APPROVAL OF AGENDA

ACTION: On a motion by Council Member Schaefer, seconded by Vice Mayor Middleton, the City Council approved the agenda.

AYES:	Karpinski-Costa, Schaefer, Middleton, Lopez-Taff
NOES:	None
ABSENT:	Nelson

PRESENTATIONS

4. Proclamation of the City of Citrus Heights Honoring Kayak City as a 2026 Citrus Heights Business of Distinction – Top of the Trade

Management Analyst II Aguirre introduced Kayak City and accepted the proclamation on its behalf.

5. Presentation of Certificate of Recognition to Sheri Merrick for being named a 2026 "Women Who Mean Business" Honoree by the *Sacramento Business Journal*

Mayor Lopez-Taff led the City Council's presentation to Ms. Merrick.

PUBLIC COMMENT

None

COMMENTS BY COUNCIL MEMBERS AND REGIONAL BOARD UPDATES

Vice Mayor Middleton attended Citrus Nights and a Capitol Region Elected Women (CREW) meeting.

Council Member Schaefer attended the following: Sunrise MarketPlace Board; Sacramento Area Council of Governments (SACOG); Citrus Nights; and the Sacramento Regional Transit District (SacRT) Board.

Council Member Karpinski-Costa attended the following: India Day; Sacramento-Yolo Mosquito & Vector Control District Board; Best of Citrus Heights Awards; Citrus Nights; and the Sacramento Area Sewer District Board.

Mayor Lopez-Taff attended the following: Sunrise MarketPlace Board; Fan Talk Live podcast interview; Arcade-Cripple Creek Trail Extension Community Workshop; Best of Citrus Heights Awards; Citrus Nights; National Senior Citizens Day volunteering with Silver Wishes and an interview by "GoodDay Sacramento"; Veterans Community Center Luau; and Capitol Region Elected Women (CREW).

CONSENT CALENDAR

6. **SUBJECT:** Approval of Minutes
RECOMMENDATION: Approve the Minutes of the Special and Regular Meetings of May 27, 2026

7. **SUBJECT:** Second Reading – Ordinance Adding Division 6 ("Uniform Construction Cost Accounting Act") to Article V. ("Finances") of Chapter 2 ("Administration") of the Citrus Heights Municipal Code
STAFF REPORT: R. Cave / L. Blomquist
RECOMMENDATION: Adopt Ordinance No. 2026-005, An Ordinance of the City Council of the City of Citrus Heights, California, Adding Division 6 ("Uniform Construction Cost Accounting Act") to Article V. ("Finances") of Chapter 2 ("Administration") of the Citrus Heights Municipal Code

ACTION: On a motion by Council Member Schaefer, seconded by Vice Mayor Middleton, the City Council adopted Consent Calendar Items 6 and 7.

AYES:	Karpinski-Costa, Schaefer, Middleton, Lopez-Taff
NOES:	None
ABSENT:	Nelson

REGULAR CALENDAR

8. **SUBJECT:** 18-month Update: 2025-2027 Economic Development Work Plan
STAFF REPORT: M. Huber / A. Aguirre
RECOMMENDATION: Staff recommends that the City Council receive and file the 18-Month progress update on the 2025–2027 Economic Development Work Plan

Director Huber and Management Analyst II Aguirre provided a comprehensive 18-month progress update on the Economic Development Work Plan highlighting economic conditions, commercial real estate trends, the Sunrise Tomorrow project, and the City's efforts to attract, retain, and grow businesses while reducing barriers to investment. Over the past 18 months, the City has expanded business support programs, increased outreach, promoted local businesses through the Love Local campaign, and advanced placemaking and investment initiatives.

City Council questions and comments followed.

9. **SUBJECT:** Approval of Economic Development Support Fund Grant Request by the Citrus Heights Chamber of Commerce
STAFF REPORT: M. Huber / A. Aguirre
RECOMMENDATION: Adopt Resolution No. 2026-075, A Resolution of the City Council of the City of Citrus Heights, California, Approving a $30,000 Grant to the Citrus Heights Chamber of Commerce from the Economic Development Support Funds

The City Council received a presentation from Chamber Executive Director Sheri Merrick with an overview of membership growth, hosted events, community engagement, local business support and initiatives such as Leadership Citrus Heights.

Mayor Lopez-Taff recused herself due to a conflict of interest with her position on the Chamber Board. The gavel was passed to Vice Mayor Middleton.

ACTION: On a motion by Council Member Karpinski-Costa, seconded by Council Member Schaefer, the City Council adopted Resolution No. 2026-075, A Resolution of the City Council of the City of Citrus Heights, California, Approving a $30,000 Grant to the Citrus Heights Chamber of Commerce from the Economic Development Support Funds.

AYES:	Karpinski-Costa, Schaefer, Middleton
NOES:	None
ABSENT:	Nelson, Lopez-Taff (recused)

Mayor Lopez-Taff returned to the dais.

ITEMS REQUESTED BY COUNCIL MEMBERS / FUTURE AGENDA ITEMS

Mayor Lopez-Taff requested re-opening the conversation regarding written public comments being read aloud at City Council meetings, seconded by Council Member Schaefer.

CITY MANAGER ITEMS

City Manager Feeney celebrated the City being awarded the American Public Works Association's (APWA) 2026 Project of the Year for the Auburn Boulevard Complete Streets Phase 2 Project. The community was encouraged to attend the first football game to be played on San Juan High School's new field. A thank-you note from a resident to City Manager Feeney was shared.

ADJOURNMENT

Mayor Lopez-Taff adjourned the regular meeting at 7:40 p.m.

Respectfully submitted,

_____

Amy Van, City Clerk

CITY OF CITRUS HEIGHTS
CITY COUNCIL
MINUTES
Regular Meeting of Wednesday, September 9, 2026
City Hall Council Chambers, 6360 Fountain Square Dr., Citrus Heights, CA 95621

CALL REGULAR MEETING TO ORDER

The regular meeting was called to order at 6:00 p.m. by Mayor Lopez-Taff.

1. The Flag Salute was led by the Citrus Heights Police Department Explorers.

2. Roll Call:

Council Members present:	Karpinski-Costa, Schaefer, Middleton, Lopez-Taff
Council Members absent:	Nelson (Excused)
Staff Members present:	Cave, Jones, Kempenaar, Van and department directors.

3. The video statement was read by City Clerk Van.

APPROVAL OF AGENDA

ACTION: On a motion by Council Member Schaefer, seconded by Council Member Karpinski-Costa, the City Council approved the agenda.

AYES:	Karpinski-Costa, Schaefer, Middleton, Lopez-Taff
NOES:	None
ABSENT:	Nelson

PRESENTATIONS

4. Proclamation of the City of Citrus Heights Proclaiming September 13-19, 2026 as National Adult Education & Family Literacy Week

Mayor Lopez-Taff read and presented the proclamation to Richard Judge, Principal of San Juan Unified School District's Adult Education Program.

5. Proclamation of the City of Citrus Heights Proclaiming September 2026 as "Prostate Cancer Awareness Month"

Council Member Karpinski-Costa read and presented the proclamation to Kenneth Issac of the Greater Sacramento Prostate Cancer Support Group.

6. Proclamation of the City of Citrus Heights Recognizing "Firefighter Appreciation Month" and "California Firefighters Memorial Day"

Vice Mayor Middleton read and presented the proclamation to representatives of the Sacramento Metropolitan Fire District.

7. Proclamation of the City of Citrus Heights Proclaiming September 20-26, 2026, as "National Forensic Science Week"

Council Member Schaefer read and presented the proclamation to representatives of the Citrus Heights Police Department.

PUBLIC COMMENT

Note for the record: Written public comment submitted by Jason Alviar was forwarded to the City Council and filed.

COMMENTS BY COUNCIL MEMBERS AND REGIONAL BOARD UPDATES

Council Member Karpinski-Costa attended the Auburn Boulevard ribbon-cutting ceremony and Valley Vision's We Prosper Together Catalyst Summit.

Council Member Schaefer attended the following: the Sacramento Area Council of Governments (SACOG) Board; Auburn Boulevard ribbon-cutting ceremony; We Prosper Together; and a tour of Beale Air Force Base with the League of California Cities.

Vice Mayor Middleton attended the Auburn Boulevard ribbon-cutting ceremony and the Sacramento Metropolitan Cable Television Commission.

Mayor Lopez-Taff attended the following: Auburn Boulevard ribbon-cutting ceremony; Sacramento Public Library Authority Board; Sacramento Metropolitan Air Quality Management District (SMAQMD) Board; the Sacramento County Board of Supervisors' final budget hearing; and We Prosper Together.

CONSENT CALENDAR

8. **SUBJECT:** Approval of Minutes
RECOMMENDATION: Approve the Minutes of the Special and Regular Meetings of June 10, 2026

9. **SUBJECT:** Conflict of Interest Code Biennial Update
STAFF REPORT: A. Van / D. Jones
RECOMMENDATION: Adopt Resolution No. 2026-076, A Resolution of the City Council of the City of Citrus Heights, California, Adopting an Amended Conflict of Interest Code and a List of Designated Positions

10. **SUBJECT:** 2025 Accessibility and Drainage Project – Final Acceptance and Notice of Completion
STAFF REPORT: R. Cave / L. Blomquist / D. Kehrer
RECOMMENDATION: Adopt Resolution No. 2026-077, A Resolution of the City Council of the City of Citrus Heights, California, Accepting the 2025 Accessibility and Drainage Project as Complete and Authorizing the City Engineer to Record a Notice of Completion and Release the Contract Retention

11. Pulled for a separate vote.

Prior to approval of the Consent Calendar, Mayor Lopez-Taff pulled Item 11 for discussion.

ACTION: On a motion by Council Member Schaefer, seconded by Council Member Karpinski-Costa, the City Council adopted Consent Calendar Items 8, 9, and 10.

AYES:	Karpinski-Costa, Schaefer, Middleton, Lopez-Taff
NOES:	None
ABSENT:	Nelson

CONSENT CALENDAR ITEMS PULLED FOR SEPARATE VOTE

11. **SUBJECT:** 7555 Old Auburn Road Tenant Improvement Project – Award of Contract
STAFF REPORT: R. Cave / M. Poole / B. Panell / T. Luchini
RECOMMENDATION: Adopt Resolution No. 2026-078, A Resolution of the City Council of the City of Citrus Heights, California, Authorizing the City Manager to Execute an Agreement with American River Construction, Inc. for the 7555 Old Auburn Road Tenant Improvement Project

The City Council received a presentation by General Services Director Cave reviewing background information on animal services within the City; the Council's Strategic Objective on evaluating the feasibility of expanding shelter and pet reunification services locally; the City's acquisition of the Old Auburn Road property; and its partnership with the nonprofit FieldHaven Feline Center. The proposed tenant improvements were reviewed and would preserve the property while supporting FieldHaven.

ACTION: On a motion by Council Schaefer, seconded by Vice Mayor Middleton, the City Council adopted Consent Calendar Item 11.

AYES:	Karpinski-Costa, Schaefer, Middleton, Lopez-Taff
NOES:	None
ABSENT:	Nelson

REGULAR CALENDAR

12. **SUBJECT:** League of California Cities Annual Conference Resolution
STAFF REPORT: C. Kempenaar
RECOMMENDATION: Staff recommends that the City Council review the Cal Cities Resolution and Provide Direction to the City's Voting Delegate

Acting City Manager Kempenaar presented the staff report. Charles Anderson with Cal Cities answered City Council questions.

ACTION: On a motion by Council Member Karpinski-Costa, seconded by Council Member Schaefer, the City Council voted to direct the City's Voting Delegate (Vice Mayor Middleton) to Support the League of California Cities Annual Conference Resolution at the Annual Business Meeting.

AYES:	Karpinski-Costa, Schaefer, Middleton, Lopez-Taff
NOES:	None
ABSENT:	Nelson

ITEMS REQUESTED BY COUNCIL MEMBERS / FUTURE AGENDA ITEMS

Council Member Karpinski-Costa requested a presentation on the City's flood preparations in the upcoming El Niño year, seconded by Mayor Lopez-Taff.

Vice Mayor Middleton requested a presentation on Microenterprise Home Kitchen Operations (MEHKOs), seconded by Council Member Schaefer.

CITY MANAGER ITEMS

Acting City Manager Kempenaar announced upcoming events and a City Council meeting recess for the second September meeting.

ADJOURNMENT

Mayor Lopez-Taff adjourned the regular meeting at 7:13 p.m.

Respectfully submitted,

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Amy Van, City Clerk