

**MINUTES
REGULAR (RESCHEDULED) MEETING OF THE
CANYON LAKE CITY COUNCIL
Canyon Lake City Hall
31516 Railroad Canyon Road
Canyon Lake, CA 92587
Tuesday, February 17, 2026**

Open Session – 5:00 p.m.

CALL TO ORDER

Mayor Smith called the meeting to order at 5:00 p.m.

INVOCATION

The Invocation was led by Council Member Terry.

FLAG SALUTE

Council Member Steeber led the Flag Salute.

ROLL CALL

Present: Mayor Pro Tem Castillo, Council Member Steeber, Council Member Terry, Council Member Welty and Mayor Smith.

Absent: None.

PUBLIC COMMENT

Darcy Burke commented on foam entering the lake through stormwater runoff and reported that CIP projects are moving forward for EVMWD.

CONSENT CALENDAR

Motion and second by Council Member Terry/Council Member Welty to approve Consent Calendar Items 1-8.

Motion carried 5-0 with Mayor Pro Tem Castillo, Council Member Steeber, Council Member Terry, Council Member Welty, and Mayor Smith voting aye.

1. Approve Claims and Demands of the City

Action taken: The City Council adopted Resolution No. 2026-09 Approving Claims and Demands of the City.

2. Approval of City Council Meeting Minutes

Action taken: The City Council approved the minutes of the January 14, 2026, City Council meeting.

3. Consideration of an Invocation Policy for the City of Canyon Lake

Action taken: The City Council adopted Resolution No. 2026-10 adopting an Invocation Policy for the City of Canyon Lake.

4. Receive and File – HCD Determination of Substantial Compliance with the City's 6th Cycle Housing Element

Action taken: The City Council received and filed the HCD Determination of Substantial Compliance with the City's 6th Cycle Housing Element.

5. Receive and File - Quarterly Investment Report for the Quarter Ended December 31, 2025

Action taken: The City Council received and filed the Quarterly Investment Report for the Quarter Ended December 31, 2025.

6. Receive and File – Fiscal Year 2024-25 Audited Financial Statements and Related Reports

Action taken: The City Council received and filed the Fiscal Year 2024-25 Audited Financial Statements and Related Reports.

7. Receive and File – 2026 City Events Calendar

Action taken: The City Council received and filed the 2026 City Events Calendar.

8. Receive and File – 2025 Canyon Lake Fire Department Annual Report

Action taken: The City Council received and filed the 2025 Canyon Lake Fire Department Annual Report.

PULLED CONSENT CALENDAR ITEMS

None.

PUBLIC HEARINGS

9. Consideration of a Resolution Adopting an Advertising Policy and Fee Schedule for the City-Owned Monument Sign at 31790 Railroad Canyon Road

Mayor Smith opened the public hearing at 5:04 p.m.

City Manager Brown provided a presentation.

There was no public testimony.

Mayor Smith closed the public hearing at 5:11 p.m.

Motion and second by Council Member Steeber/Council Member Terry to adopt Resolution No. 2026-11 approving the Advertising Policy and establishing the fee schedule for advertising on the City-owned monument sign.

Motion carried 5-0 with Mayor Pro Tem Castillo, Council Member Steeber, Council Member Terry, Council Member Welty, and Mayor Smith voting aye.

BUSINESS ITEMS

10. (1) Adopt Urgency Ordinance No. 270 - An Urgency Ordinance of the City Council of the City of Canyon Lake, California, An Amendment to the Canyon Lake Municipal Code, Chapter 4.20: Commercial Cannabis Businesses, Section 4.20.250, Location and Design of Cannabis Businesses; and (2) Introduction and First Reading of Ordinance No. 271 - An Ordinance of the City Council of the City Of Canyon Lake, California, an Amendment to the Canyon Lake Municipal Code, Chapter 4.20: Commercial Cannabis Businesses, Section 4.20.250, Location And Design of Cannabis Businesses

City Manager Brown provided a presentation.

There were no public comments.

Motion and second by Mayor Smith/Council Member Terry to: (1) adopt Urgency Ordinance No. 270 - An Urgency Ordinance of the City Council of the City of Canyon Lake, California, An Amendment to the Canyon Lake Municipal Code, Chapter 4.20: Commercial Cannabis Businesses, Section 4.20.250, Location and Design of Cannabis Businesses; and (2) introduce and read by title only Ordinance No. 271 - An Ordinance of the City Council of the City Of Canyon Lake, California, an Amendment to the Canyon Lake Municipal Code, Chapter 4.20: Commercial Cannabis Businesses, Section 4.20.250, Location And Design of Cannabis Businesses.

Motion carried 5-0 with Mayor Pro Tem Castillo, Council Member Steeber, Council Member Terry, Council Member Welty, and Mayor Smith voting aye.

11. Review of the Fiscal Year 2025-2026 Mid-Year Budget and Approval of Proposed Budget Adjustments

Terry Shea provided a presentation.

There were no public comments.

Motion and second by Mayor Smith/Council Member Welty to approve the Fiscal Year 2025-2026 Mid-Year Budget and recommended budget adjustments.

Motion carried 5-0 with Mayor Pro Tem Castillo, Council Member Steeber, Council Member Terry, Council Member Welty, and Mayor Smith voting aye.

ANNOUNCEMENTS

Mayor Smith announced that the next regular City Council Meeting will be held on March 11, 2026.

Closed Session

CALL TO ORDER

Mayor Smith called the meeting to order at 5:35 p.m.

ROLL CALL

Present: Mayor Pro Tem Castillo, Council Member Steeber, Council Member Terry, Council Member Welty and Mayor Smith.

Absent: None.

PUBLIC COMMENTS

There were no public comments.

CLOSED SESSION

1. PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Pursuant to Government Code Section 54957: Title: City Manager

ADJOURNMENT

At 9:02 p.m., Mayor Smith adjourned the meeting.

Respectfully submitted,

Sheryl L. Garcia, MMC, CPM
City Clerk