

**RIO DELL CITY COUNCIL
REGULAR MEETING MINUTES
JUNE 3, 2025**

Mayor Garnes called the regular meeting of the Rio Dell City Council to order at 5:00 p.m.

ROLL CALL: Present: (Closed Session) Mayor Garnes, Mayor Pro Tem Carter, Councilmembers Orr, Wilson, and Woodall, and City Manager Knopp

Present: (Regular Meeting) Mayor Garnes, Mayor Pro Tem Carter, Councilmembers Orr, Wilson, and Woodall

Others Present: City Manager Knopp, Finance Director Sanborn, Chief of Police Phinney, Water/Roadways Superintendent Jensen, City Clerk Dunham, Senior Fiscal Assistant Maciel, and Senior Fiscal Assistant Townsend

Absent: Community Development Director Caldwell (excused)

ANNOUNCEMENT OF ITEMS TO BE DISCUSSED IN CLOSED SESSION

Conference with Labor Negotiator – Agency Negotiator: City Manager – Employee Organizations: Rio Dell Employees Association, Rio Dell Police Officers Association, and all Contract Employees

PUBLIC COMMENT REGARDING CLOSED SESSION

No members of the public were present to comment.

RECESS INTO CLOSED SESSION

The Council recessed into closed session at 5:00 p.m. with City Manager Knopp to discuss the above-listed matter.

ORAL ANNOUNCEMENTS

The Council reconvened into open session at 6:05 p.m.

Mayor Garnes announced that there was nothing to report from the closed session.

PUBLIC PRESENTATIONS

Mayor Garnes invited public comment on non-agenda matters. There was no public comment.

CONSENT CALENDAR

Mayor Garnes asked if any council member, staff, or member of the public would like to remove any item from the consent calendar for a separate discussion. No items were removed.

A motion was made by Carter/Orr to approve the consent calendar, including the following items:

- 1) Minutes of the May 20, 2025 Regular Meeting;
- 2) Minutes of the May 27, 2025 Special Meeting;
- 3) Appointment of Ken Davis to the Nuisance Advisory Committee;
- 4) Resolution No. 1634-2025 Adopting a List of Projects for FY 2025-26 Funded by SB1- The Road Repair and Accountability Act of 2017;
- 5) Resolution No. 1635-2025 Adopting Billable Rates for Staff for FY 2025-26;
- 6) Resolution No. 1636-2025 Amending the Gann Appropriations Limit for FY 2025-26;
- 7) Purchase of One Ford F-150 Police Vehicle and One Ford F-250 Public Works Vehicle;
- 8) Adopting List of City Council Priorities for FY 2025-26;
- 9) Approving the Façade Improvement Program Round 3 for FY 2025-26; and
- 10) Resolution No. 1637-2025 Adopting a Cross Connection Control Policy Related to Drinking Water

The motion carried 5-0.

REPORTS/STAFF COMMUNICATIONS

City Manager/Staff Update

City Manager Knopp reported on recent activities and said that the Elm Street paving job was scheduled to begin tomorrow, warning residents that there may be some level of disruptions. He noted that the contractor would also be doing some spot repairs on Center Street and the City Hall parking lot.

He announced the Eel River Trail Ceremony was scheduled for June 10th from 10:30 a.m. to noon with the guests of honor being the students from the Rio Dell Elementary School.

Mayor Garnes encouraged everyone to attend the event.

Mayor Pro Tem Carter commented on the Animal Control report, noting that once again there were zero cats transported to Miranda's Rescue.

Councilmember Woodall said that she talked to Sarah Reback from the Community Resource Center, who mentioned the launching of the Blue Envelope program and asked Chief Phinney to explain the program for the benefit of the public.

Chief Phinney explained that the Blue Envelope program is designed to improve interactions with law enforcement or first responders and assist individuals with autism, developmental delays, or physical impairments. He said the goal is to empower individuals and families with resources to help create calmer, more informed interactions in situations that can sometimes be overwhelming or misunderstood. He said that an individual with a disability would have a blue envelope including items such as their medical diagnosis, potential triggers, or special needs to improve the level of service they get and interactions with law enforcement and first responders. He noted that participants would receive “swag” items such as vehicle decals, wallet cards and lanyards to signal to law enforcement and other first responders that a person is a program participant.

Councilmember Woodall commented that there will be free hot dogs and brownies and was glad to see Rio Dell Police Department participating in the event.

SPECIAL PRESENTATIONS/STUDY SESSIONS

Presentation – Adoption of FY 2025-26 Operating and Capital Budget

Finance Director Sanborn provided a staff report said that as we approach the end of the fiscal year, staff is pleased to present the recommended budget that reflects the City’s priorities and financial planning for the year ahead.

He said that the budget development process follows a structured form and timeline and ensures careful planning and thorough review. The process begins in March with departments heads receiving budget worksheets, in April the departments submit their funding requests which the finance team carefully reviews and analyzes. By May, staff prepares the initial draft budget and submits it to the City Manager for approval. The recommended budget is then presented to the City Council in June for consideration and possible adoption. He explained that this systematic approach ensures that every dollar is carefully considered before being presented for approval.

He said that during the May 20 and May 27 meetings, the City Council established five (5) key priorities for the coming year which focused on public safety, economic development, public works infrastructure projects, and police department personnel, as well as parks and youth programs to invest in recreation and youth development. He noted that these priorities are reflected throughout the proposed budget and guide how the City allocates its resources.

He further explained that the proposed budget totals \$17,374,056, representing a strategic reduction of \$2,080,629 from the preceding fiscal year. He said that the

variance is primarily attributable to the successful progression of two significant capital initiatives: The Eel River Trail project and substantial progress on critical water infrastructure improvements funded through the Drinking Water State Revolving Fund (DWSRF) program.

He said that the \$17,374,056 budget is divided into three (3) major categories: Operating Expenditures, Debt Service and Pass-Through Obligations, and Capital and Special Projects.

Revenue projections for FY 2025-26 were \$15,814,000, utilizing \$1,681,968 from unassigned fund balances to balance the budget, which includes a complete draw on the City's American Rescue Plan Act (ARPA) money. The utilization of reserves represents prudent fiscal management, deploying accumulated resources for transformational infrastructure investments that will generate long-term operational efficiencies and enhanced service delivery capacity.

Finance Director Sanborn reported that the total recommended budget is \$2.1 million smaller than the last fiscal year, with the decrease primarily due to the completion of capital projects. He noted that the Eel River Trail project was completed, and also underway is the \$12 million Water Infrastructure project funded by a grant through the State Regional Water Quality Control Board.

He noted that the City's most ongoing expense is the Police Department, with the budget exceeding \$1.5 million. He commented that this makes sense as Public Safety remains as the City Council's number one top priority.

Total projected revenue for the coming fiscal year of \$15.8 million, represented a decrease of \$2.4 million from the prior year primarily due to a reduction in spending and reflects the completion of grant funded capital projects. He noted that staff also anticipates a decrease in Measure O tax revenue due to the one-quarter percent reduction that took affect in January 2025.

He reported that the General Fund relies primarily on four (4) main revenue sources: Property Taxes, Vehicle License Fees, Sales Taxes, and Cannabis Tax Revenue. The total General Fund total for the coming year was projected at \$1.7 million, representing an increase of approximately \$56,000 compared to last year.

Total General Fund expenses were projected at \$1,862,443, with the Police Department representing the largest allocation of \$1,254,832 or 67% of the total General Fund budget. City Administration accounted for 11%, with Capital projects at 3%. The remaining 19% support various other City operations and services.

The Capital Projects budget allocated just over \$12 million for various infrastructure and special projects throughout the City which are significant improvements that will benefit the City for years to come with funding coming from various funding sources.

Finance Director Sanborn continued with a review of the City of Rio Dell Organization Chart, and the Position Allocation Table representing 23.05 full-time equivalent (FTE) positions compared to 23.95 FTE's the previous year.

He concluded the presentation by thanking the City Council for participating in the budget process and for their continued commitment to fiscal responsibility. He also thanked City staff for their support and assistance with the budget process.

He then offered to answer any questions from the City Council.

Council members expressed thanks and appreciation to Finance Director Sanborn for putting together and presenting the budget and for the staff's assistance in the process.

Mayor Garnes called for public comment on the budget presentation. No public comment was received.

A motion was made by Woodall/Carter to adopt Resolution No. 1638-2025 adopting the Fiscal Year (FY) 2025-26 Operating and Capital Budget and Position Allocation Table. Motion carried 5-0.

SPECIAL CALL ITEMS/COMMUNITY AFFAIRS/STUDY SESSIONS

Appointment of an Ad Hoc Committee Related to Economic Development

City Manager Knopp provided a staff report and said the City Council appointed the last Economic Development Ad Hoc in December 2020, which led to the creation of the current Economic Development Strategy. Based on the conversation at the recent priority setting session, it is recommended that the Council appoint a new Ad Hoc consisting of two (2) members of the City Council to work with staff on an update of the current plan and implementation priorities.

Mayor Garnes, Mayor Pro Tem Carter, and Councilmember Wilson all expressed interest in serving on the committee. After a brief discussion, Councilmember Wilson withdrew his name for consideration.

A motion was made by Woodall/Carter to approve the appointment of Mayor Garnes and Mayor Pro Tem Carter to the Economic Development Ad Hoc Committee. Motion carried 4-1; Councilmember Orr dissenting.

ORDINANCES/SPECIAL RESOLUTIONS/PUBLIC HEARINGS

Introduction and First Reading (by title only) of Ordinance No. 417-2025 Banning the Sale of Nitrous Oxide in the City of Rio Dell

City Manager Knopp provided a staff report and said that the City Council met on August 20, 2024, and discussed the banning of nitrous oxide in the City of Rio Dell. The consensus of the Council was for staff to return with a draft Ordinance. Since that

meeting, staff has been working with the County of Humboldt Public Health Division and neighboring cities to craft a unified ordinance to create a cohesive and consistent ban across the local jurisdictions. He noted that the County Board of Supervisors adopted an ordinance at today's meeting banning the sale of nitrous oxide.

City Manager Knopp introduced Katie Jo Slaughter from the Department of Health and Human Services (DHHS) and Jay Macedo from the Health and Social Policy Institute who were present to provide a presentation to the City Council on the Recreational Nitrous Oxide Ordinance.

Katie began by providing background on what nitrous oxide is and said that it is a colorless gas that is used in health care for sedation and pain relief, and in the culinary industry as a compressed gas to make whipped cream. It is also used for recreational (illicit) use to get "high."

She explained the short-term effects, which may include dizziness and light-headedness, blurred vision, sweating, unusual tiredness or weakness, fainting or loss of blood pressure, as well as the possibility of a heart attack or potential for hypoxia (lack of oxygen).

Long-term effects may include memory loss, vitamin B-12 depletion leading to potential brain and nerve damage, ringing or buzzing in the ears, incontinence, numbness in hands and feet, limb spasms, loss of muscle control, weakened immune system, disruption to reproductive systems, potential birth defects, neurological damage, peripheral neuropathy, psychological dependence, and potential for psychosis.

Katie noted that the County Department of Health and Human Services (DHHS) has actively engaged in the implementation of an ordinance banning nitrous oxide since January 2024, including completion of 144 retail observations in incorporated and unincorporated areas of Humboldt County (excluding tribal areas). She noted that staff observed nitrous oxide products in plain sight at 24 of the 144 retail outlets. She said that independent retail outlets include sex shops, glass shops, non-traditional tobacco retailers, and variety or general stores. 28 retail outlets were identified in the Eel River Valley (Fortuna, Ferndale, and Rio Dell), with 4 having products in plain sight. Three outlets were in Fortuna and one in Ferndale at a home goods store selling products intended for home-based culinary use. There was evidence that another retail outlet in Rio Dell may sell nitrous oxide, but out of plain sight.

Katie pointed out that under the County Ordinance, a retail outlet can lose their County Business License and its Retail Tobacco License if it sells nitrous oxide products and paraphernalia.

Councilmember Wilson commented that the City obviously knows who sells nitrous oxide products in Rio Dell and asked Chief Phinney if the police department would be able to enforce the ordinance once it is adopted.

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Chief Phinney explained that because the business in question has a license to sell alcoholic beverages, the police department has the authority to inspect the premises at any time, can request revocation of the alcohol license to ABC, or issue an administrative citation, as well as a potential arrest.

Councilmember Woodall asked about the possibility of a sting operation where someone under cover is sent into the business to purchase nitrous oxide.

Chief Phinney indicated that it could be done.

Councilmember Woodall asked if nitrous oxide is addictive.

Katie explained that nitrous oxide has a significant health and wellness concern throughout Humboldt County, and people are being treated for nitrous oxide substance abuse.

Councilmember Orr asked if there had been any discussion on how it can be made available to the food service industry, or if there is a replacement item for them to use.

Katie explained that at this time, the County is recommending a total ban on the use of nitrous oxide, so it seems that everyone would be left with the option of making whipped cream by hand. She clarified that there is an exception for pre-packaged whipped cream such as Redi-Whip, but there will no longer be a provision for people to make home-based whipped cream with nitrous oxide or in a restaurant.

Councilmember Orr said that coming from a restaurant background himself, this is a huge deal and asked if there is potential to allow for the use in restaurants at a later date.

Katie said that there has definitely been feedback from the culinary industry and explained that the County and some of the jurisdictions are concerned that the culinary industry's nitrous oxide is being diverted to recreational use, and sometimes to young teens, which is why the County is recommending a total ban on nitrous oxide. She said that she doesn't believe anyone is using nitrous oxide to make whipped cream at home.

Mayor Garnes commented that it seems unreasonable to say that a professional business can't use nitrous oxide in their business.

Chief Phinney explained that the City's draft ordinance allows for exceptions for restaurant use as well as for automotive use, so it does not specifically mirror the County's ordinance. He pointed out that nitrous oxide can still be obtained online.

Mayor Garnes called for public comment on the ordinance. No public comment was received.

A motion was made by Carter/Woodall to approve the introduction and first reading (by title only) of Ordinance No. 417-2025 Banning the Sale of Nitrous Oxide in the City of Rio Dell and to continue the ordinance to the regularly scheduled meeting of June 17, 2025 for its second reading and adoption. Motion carried 5-0.

COUNCIL REPORTS/COMMUNICATION

Mayor Pro Tem Carter reported on recent meetings and events and invited everyone to come by the Community Resource Center from 5-7 p.m. for the Blue Envelope program event. She announced there would be a Chamber of Commerce meeting on Friday at noon in Scotia, the Community Resource Center is also hosting a Garden Party at the Community Garden this Saturday from 11:00-1:00, and a Bike Rodeo at the Rio Dell Fire Hall on June 14, 2025 from 11:00 a.m. to 1:00 p.m. She then encouraged everyone to please spay or neuter their pets.

Chief Phinney said that Corporal Landry would be leading the bike parade on a bicycle.

Councilmember Woodall reported on his attendance at the HWMA meeting last week and said that the board adopted its annual budget. He said that with the price of tipping fees and the fact that the pulp mill is no longer taking compost, residential garbage rates will be increasing.

Mayor Garnes reported that she attended an HTA meeting and said they held a ribbon-cutting ceremony for the new hydrogen bus, which is the only hydrogen bus north of the Bay Area. She said that they tested it, took it up Berry Summit, and "Southern Humboldt and they know that it can make the range with a total range of 435 miles. They have ordered eleven more hydrogen buses and said that everyone should be proud of HTA staff for going after the grant to get these buses. She indicated that there are plans underway to put in a permanent hydrogen fueling station for buses and personal hydrogen vehicles.

She reported that on Thursday, she and City Manager Knopp would be attending a Leadership Conference at the Fortuna River Lodge on Disaster Preparedness and Economic Development.

She then reported that she met with Assemblymember Damon Connolly, who is running for State Senator against Senator McGuire, and took him on a walking tour of Rio Dell, including the Eel River Trail and the Cal Fire property. They talked about Rio Dell and what it needs, and what Senator McGuire has done for Rio Dell previously and what he hopes to continue to do for Rio Dell if he is elected.

ADJOURNMENT

A motion was made by Woodall/Carter to adjourn the meeting at 7:00 p.m. to the June 17, 2025, regular meeting. Motion carried 5-0.

Debra Garnes, Mayor

Attest:

Karen Dunham, City Clerk