

**CITY OF RIO DELL
CITY COUNCIL REGULAR MEETING MINUTES:
Tuesday, February 17, 2026**

Date: Tuesday, February 17, 2026

Time: 6:00 PM

Location: City Council Chambers, 675 Wildwood Avenue, Rio Dell, CA

A. CALL TO ORDER

The regular meeting of the Rio Dell City Council was called to order at approximately 6:00 PM.

B. ROLL CALL

Present:

Mayor Garnes
Mayor Pro Tem Carter
Council Member Woodall
Council Member Orr (arrived at 6:15 PM)

Excused Absence:

Council Member Wilson

Staff Present:

City Manager Knopp
Finance Director Sanborn
Community Development Director Caldwell
Water Superintendent Jensen
Wastewater Superintendent Moore
Senior Fiscal Assistant Maciel

C. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mayor Garnes.

D. CEREMONIAL MATTERS

None.

E. PUBLIC PRESENTATIONS

No members of the public addressed the Council during public presentations.

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F. CONSENT CALENDAR

No items were pulled from the Consent Calendar by staff, the public, or Council members.

ACTION: Motion by Mayor Pro Tem Carter, seconded by Council Member Woodall, to approve the Consent Calendar. Motion carried 3-0.

Items Approved:

1. Minutes of the February 3, 2026 Regular Meeting (Item 2026/0217.01)
2. Receive and File the 2025 General Plan Annual Progress Report (Item 2026/0217.02)
3. Receive and File the Budget Calendar for FY 2026-27 (Item 2026/0217.03)
4. Approve the Reappointment of Alice Millington and Reshell Gurney to the Rio Dell Planning Commission for 3-Year Terms Ending December 31, 2028 (Item 2026/0217.04)
5. Approve the Amended and Restated Redwood Region Economic Development Commission's (RREDC) Joint Powers Agreement (JPA) (Item 2026/0217.05)
6. Receive & File the Check Register for January 2026 (Item 2026/0217.06)

G. ITEMS REMOVED FROM THE CONSENT CALENDAR

None.

H. REPORTS/STAFF COMMUNICATIONS

1. City Manager/Staff Update (Item 2026/0217.07)

City Manager Knopp provided the Council with a brief staff report via handout, which was also made available to members of the public in attendance.

Council Comments on Staff Report:

Mayor Pro Tem Carter:

- Expressed satisfaction that an abatement had been completed at 483 4th Avenue and that the City is working toward an abatement at 185 Douglas.
- Commended the department for its work at 520 1st Street.
- Noted that two dogs and two cats had been transported, with three of those animals, including both cats, having been received due to abuse conditions. Expressed that it is better they are at Miranda's Rescue than the original circumstance.

Mayor Garnes:

- Asked Community Development Director Caldwell whether the new dispensary (Element Seven) had contacted him regarding signage.

- Director Caldwell confirmed he had sent information the prior week and would follow up the next day. He noted the dispensary is interested in a monument sign in the Town Center Zone, where the maximum permitted height is 10 feet. He stated he would research the matter further given that the Council's intent when the ordinance was adopted was to discourage freestanding pole-mounted signs and encourage on-building signage.
- Mayor Garnes noted she had visited the dispensary and shared her opinion of the two existing advertisement billboard signs (located in a neighboring city to the north), which she found disheartening given the City's efforts to improve its image along the Highway 101 corridor approaching from the south.
- Mayor Garnes shared that she spoke with a representative from the dispensary, who indicated management had already been notified of community concerns and that they are interested in a more tasteful, humorous approach. The dispensary is currently rebranding under the name "The Standard."
- Director Caldwell confirmed he had previously emailed the dispensary noting the City had received public comments regarding the signage, using a lighthearted reference to encourage professionalism in their messaging.

Council Member Woodall:

No questions or comments.

Council Member Orr:

Not yet present.

No public comments were received.

I. SPECIAL PRESENTATIONS/STUDY SESSIONS

1. Fiscal Year 2025-26 Mid-Year Financial Report (Item 2026/0217.08)

Finance Director Sanborn presented the mid-year financial report for Fiscal Year 2025-26, summarizing revenues and expenditures for the first half of the fiscal year, highlighting key variances from the adjusted budget, and offering insights into financial trends that may impact the City in the coming years. The Director noted the analysis is based on unaudited financials.

Key Highlights from the Presentation:

Overall Financial Position:

- At the midyear point, the City's expenditures exceeded revenues by approximately \$326,000, primarily due to timing of revenue receipts from other government agencies and pending reimbursements for grant-funded projects, including the water distribution system capital improvement project.
- In the General Fund specifically, expenditures exceeded revenues by approximately \$429,000, largely due to revenues from Humboldt County received after the December 31, 2025 report deadline.

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- All departments are operating at or below 50% of their budgeted expenditures at midyear, indicating a balanced approach to spending.

Revenue Performance:

- General Fund revenues stood at 20% of the budgeted amount at midyear, compared to 22% at the same time last year, due to delayed revenue payments routed through Humboldt County typically received in the second half of the fiscal year.
- Cannabis tax revenues reached 35% of the budget at midyear, as anticipated, largely due to Ordinance 397-2023 allowing cultivators in the Dinsmore Plateau area to make one-time tax payments on March 15th rather than quarterly.
- Street funds received approximately 42% of budgeted revenues at midyear, with actual expenditures for street projects at 33% of the adopted budget.
- The Sewer Enterprise Fund performed in line with expectations, with revenues at 52% of budget and expenditures at 39%.
- The Water Enterprise Fund received 54% of budgeted revenue at midyear, with 46% of budgeted expenditures recorded.

Loan Status:

- The City's \$6.6 million wastewater treatment plant loan with the California Water Board remains on schedule for full repayment by 2043.
- The City's \$2.7 million water plant loan with the State Water Board is expected to be fully repaid by July 1, 2029.

Fiscal Challenges and Outlook:

- The total estimated cost for remaining earthquake recovery projects is \$5.8 million. CDAA reimbursements are expected to cover approximately \$4.8 million (75%). If the City is required to cover the 25% non-federal share, the remaining approximately \$1.4 million would be distributed across the wastewater, water, and street funds. Current capital fund balances indicate sufficient capacity to absorb these costs, though doing so would significantly reduce available reserves.
- Cannabis tax revenues remain uncertain. Market-wide downturns have contributed to a measurable decline in tax revenues, making this revenue source increasingly difficult to forecast.
- Street infrastructure funding faces long-term headwinds. The Legislative Analyst's Office projects a \$6 billion decline in gas tax revenue over the next decade as electric vehicle adoption accelerates. The City may need to direct a greater share of General Fund resources toward street maintenance in coming years.

Council Comments:

Councilmember Woodall:

Asked whether water used by the Fire Department still comes out of the General Fund. Finance Director Sanborn confirmed this is the case.

Mayor Pro Tem Carter:

No questions. Thanked Finance Director Sanborn for the clear and well-done presentation.

Mayor Garnes:

No questions. Expressed appreciation for the presentation, noting it was very well done and clear.

No public comments were received.

ACTION: Receive and File. No motion required.

J. SPECIAL CALL ITEMS/COMMUNITY AFFAIRS/PUBLIC HEARINGS

None.

K. ORDINANCES/SPECIAL RESOLUTIONS/PUBLIC HEARINGS

1. Resolution No. 1660-2026 Approving the Regional Climate Action Plan (Item 2026/0217.09)

City Manager Knopp introduced the item and acknowledged Community Development Director Caldwell's multi-year involvement in the regional climate action planning process.

Community Development Director Caldwell presented on the Regional Climate Action Plan (CAP), noting that the City has been collaborating with the County and other jurisdictions since 2019. He reported that the Environmental Impact Report was completed, certified at the December 2025 Board of Supervisors meeting, and that the CAP was subsequently adopted by the Board.

Key Highlights from the Presentation:

Purpose and Benefits of the CAP:

- Streamlines the CEQA process and greenhouse gas analysis for both the City and developers.
- Facilitates the Vehicle Miles Traveled (VMT) analysis.
- Reduces legal risk for the City and applicants.
- Aligns with state law requirements.
- Improves speed of development review.
- Enhances the City's eligibility for grant funding.

CAP Partners:

The CAP was developed in coordination with Humboldt County, all cities in the county, HCAOG, Redwood Coast Energy Authority, Humboldt Transit Authority, and Humboldt Waste Management Authority.

Greenhouse Gas Reduction Targets:

- The CAP establishes a framework to reduce countywide greenhouse gas emissions to 40% below 1990 levels by 2030, consistent with SB 32, and aims toward carbon neutrality by 2045, consistent with AB 1279.
- In 2022, total countywide emissions were estimated at approximately 1.53 million metric tons of CO2 equivalent. On-road transportation accounts for approximately 73% of emissions, followed by building natural gas use at 13%, and off-road equipment at 8%.

Six Sectors and Eleven Strategies:

- Building Energy: Increase carbon-free electricity; decarbonize existing and new construction.
- Transportation: Shift travel to walking, biking, and public transit; reduce vehicle miles traveled; increase zero-emission vehicle adoption.
- Solid Waste: Reduce organic waste in compliance with SB 1383.
- Water and Wastewater: Conserve water; reduce wastewater emissions (including the City's natural gas-powered biosolids dryer, which will need to be addressed by 2045).
- Carbon Sequestration: Increase urban tree canopy; preserve natural lands and wetlands; support soil carbon storage projects.
- Regional Climate Committee: Establish a regional committee with representatives from local jurisdictions and key regional agencies. A climate program manager position is in development, to be housed at either HCAOG or Redwood Coast Energy Authority.

Projected Impact:

If all implementation measures are carried out, emissions are projected to be reduced by approximately 219,000 metric tons by 2030 and nearly 1.3 million metric tons by 2045.

Adoption Status:

The City of Eureka has adopted the plan. Arcata was expected to adopt it the same week or the following week. Rio Dell was poised to be the second or third city to adopt.

Council Questions:

Council Member Orr (who joined the meeting at 6:15 PM): No questions.

Council Member Woodall: No questions.

Mayor Pro Tem Carter: No questions.

Mayor Garnes: No questions.

No public comments or online questions were received.

Council Vote:

Mayor Pro Tem Carter moved to adopt Resolution No. 1660-2026 approving the Regional Climate Action Plan. Mayor Garnes seconded the motion.

Council Member Orr: No
Council Member Woodall: No
Mayor Pro Tem Carter: Aye
Mayor Garnes: Aye

ACTION: The motion failed on a 2-2 tie vote. Resolution No. 1660-2026 did not pass. No alternative motion was made.

L. COUNCIL REPORTS/COMMUNICATIONS

Mayor Pro Tem Carter:

- Reported that the Chamber of Commerce is polling the community for the next Wildwood Days theme, an initiative she noted has not been done before. The poll is open until approximately the first or second week of March and can be found on the Chamber's Facebook page or website. The top submissions will be reposted for a final public vote.
- Noted a RREDC meeting scheduled for February 23rd.

Council Member Orr:

No report.

Council Member Woodall:

Noted that there is no Nuisance Committee meeting on the following day.

Mayor Garnes:

- Reported attending a Great Redwood Trail Agency (GRTA) special meeting focused on Appendix H of the master plan. While the state had exempted the GRTA from the CEQA process, staff developed a CEQA-like process with a checklist to demonstrate that the agency remains committed to proper environmental review. The master plan is expected to be adopted on March 17th.

M. ADJOURNMENT

ACTION: Motion to adjourn by Mayor Pro Tem Carter, seconded by Councilmember Woodall. Motion carried.

The meeting was adjourned at approximately 6:35 PM. The next regular City Council meeting is scheduled for Tuesday, March 3, 2026 at 6:00 PM.

APPROVED:

Mayor Garnes

Date: _____

ATTEST:

Kyle Knopp, Acting City Clerk