



SAN JUAN COUNTY COMMISSION

Silvia Stubbs	Chair
Lori Maughan	Vice-Chair
Jamie Harvey	Commissioner
Mack McDonald	Administrator

Memorandum of Understanding (MOU) San Juan County Rural County Grant Program

This MOU outlines the shared understanding between San Juan County, through its Community Economic Development (CED) Board, and Smoke Pizza Company regarding the implementation of a Tier 2 grant award through the Rural County Grant Program.

This MOU is intended to confirm funding, timelines, and expectations for collaboration in support of a successful project that aligns with the goals of economic development and community benefit in San Juan County.

The project must be completed no later than April 28, 2026, which is one year from the date of award.

Project Scope of Work

Smoke Pizza Company agrees to complete the following project:

The scope of work includes completing the final phase of buildout for Smoke Pizza Company, a new brick-and-mortar pizza restaurant and bakery located on Main Street. The locally owned business is expanding from a mobile food trailer and has already invested over \$50,000 in equipment, including a commercial pizza oven, bakery oven, hood, and vent system. The grant will fund customer seating (58 chairs, 9 booths, 19 table bases), butcher block countertops for tables and service counters, a heated holding cabinet to maintain food quality, a gas burner for food prep, corrugated tin for interior siding, and foam board signage. These purchases, totaling \$19,545.58, will allow the business to open by June 2025, in time for the summer tourist season. This expansion will enable seating for 70–80 guests, support new job creation, launch a bakery product line, and bring a vacant Main Street building back into use. A \$4,000 match in renovation support is being provided by the property owner.

Project Timeline

Smoke Pizza Company agrees to complete the following project:

- (Week 1) Mr. Lyman, our landlord, is working on restaurant renovations. We will place orders for necessary equipment and supplies. We want to do this early in case of delays in shipping.
- (Week 2) Mr. Lyman will complete renovations on the building.
- (Week 3-4) We will build the food prep counter and the extended counter area for the machines and supplies.
- (Week 5-6) Assemble the furniture. Set equipment where it needs to go. Check to see if equipment is working properly.
- (Week 7-8) Develop the restaurant menu. Sysco will be working with us as we determine the food that we will need.
- (Week 8-9) Finalize the menu and transition to a new point-of-sale (POS) system. We will work with our POS vendor for training, ensuring a smooth integration of the new system. The vendor will also assist us with setting up online ordering and updating our website to enhance customer accessibility.
- (Week 10) Order the food supplies.
- (Week 11) Host a grand opening event and officially open the restaurant for business.
- We will complete the required reports to show progress toward completion.

The project must be completed no later than April 28, 2026, which is one year from the date of award.

Funding Structure

The total grant award is \$19,545.58. Because the approved budget consists solely of equipment purchases, and these items can be verified through receipts upon purchase, 100% of the award will be disbursed up front upon execution of this MOU.

The business agrees to submit all itemized receipts and supporting documentation for the purchases to San Juan County within 45 days of expenditure, or no later than the project completion deadline (April 28, 2026).

Smoke Pizza Company has met the required 20% match (\$3,909.12) through a match fund. In addition, they have contributed more than \$50,000 in direct equipment purchases for the expansion, and their landlord has invested over \$100,000 in building renovations to support their success. This level of contribution significantly exceeds the minimum match and demonstrates strong community and business commitment.

Smoke Pizza Company will be responsible for any costs exceeding the award amount. All funds must be used for eligible activities as outlined in the approved application.

Use of Funds and Retention Requirements

To ensure that the impact of grant funding remains within San Juan County, the following conditions apply:

Equipment Retention:

Any equipment purchased with grant funds must be retained and used for its intended business purpose for a minimum of three (3) years from the date of purchase. Equipment may not be sold, transferred, or repurposed during this period without written approval from San Juan County.

Business Ownership:

The recipient agrees not to sell, transfer, or dissolve the business receiving grant funds for at least three (3) years following receipt of the award, unless authorized in writing by San Juan County.

In the event of unforeseen circumstances — such as involuntary business closure, sale due to health reasons or death, or other events outside the business owner's control — the County may, at its sole discretion, waive or modify the retention requirements.

The recipient or their representative must notify San Juan County in writing as soon as reasonably possible, including any documentation that supports the request for exception. Each case will be reviewed individually.

These requirements are in place to protect the integrity of the grant program and ensure long-term benefit to the community.

Reporting Requirements

Ongoing reporting will be required throughout the project period to ensure transparency and alignment with program goals. All reports will be submitted to:

Talia Hansen

Economic Development Manager

Email: thansen@sanjuancountyut.gov

Key Reporting Expectations:

- **Quarterly Reports:**

Submitted using a provided template and include:

- Updates on project development
- Business status and challenges
- Grant-related expenses aligned with the application

- **Project Documentation:**

Businesses must maintain:

- Photos documenting key phases of the project
- Organized receipts and invoices for all eligible purchases

- **Final Report & CED Board Presentation:**

Due upon completion or by April 28, 2026, whichever comes first. The final report must include:

- Full project summary
- Number of jobs created
- Financial reconciliation and documentation
- Impact statement

Awardees will be scheduled to present their final project to the CED Board. A board meeting schedule will be provided.

Reporting Timeline

Quarterly

Report Type	Reporting Period	Due Date
Q3 2025 Report	April 28 – July 31, 2025	August 5, 2025
Q4 2025 Report	August 1 – October 31, 2025	November 5, 2025
Q1 2026 Report	November 1, 2025 – January 31, 2026	February 5, 2026
Q2 2026 Report	February 1 – April 27, 2026	May 5, 2026

Final Report

Final Report	Full project summary and presentation	Due by April 28, 2026 or earlier if completed before that date
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Verification & Compliance

By signing this MOU, the grant recipient agrees to the following:

I authorize the San Juan County CED Board to verify the information provided in this application and accompanying documentation. I agree to provide any necessary information or records upon request to confirm compliance with the grant requirements. If awarded, I understand I will receive a 1099 from San Juan County for funding received and agree to retain documentation related to this application and any use of grant funds for at least five (5) years.

By signing below, both parties acknowledge and agree to the shared understanding outlined in this MOU regarding project scope, funding structure, and reporting responsibilities.

Silvia Stubbs
Commission Chair

Colleen Raisor
Owner, Smoke Pizza Company

Date

Date

Attachment A - Budget

San Juan County Rural County Grant Program Budget

Project Title: Smoke Pizza Building

Grant Tier: Tier 2: Up to 25

Economic Development Project or Activity	Total Estimated Cost	Matching Funds
Corrugated metal trim... need this to finish the inside siding of the building we are going into	\$ 695.24	
Seating Chairs(58)...For the customers to sit while waiting for food to be done or sit to eat the food they ordered.	\$ 3,028.47	
Seating Booths(9)... a more comfortable place to sit while waiting or to eat what they ordered.	\$ 3,877.96	
Table Bases(19)... Needed to hold the table tops we are making out of butcher block wood.	\$ 1,343.36	
Butcher Block Wood for Counter and table tops... Will build the counter top that will hold the make table, soda and roll out dough. We will also be using them to make the tops of the tables	\$ 6,912.56	
Heated holding cabinet...to keep pizza warm and the best flavor for the customer to pick up.	\$ 2,013.04	
Foam for Signs... to have letters of our name of business on the outside of building.	\$ 559.58	
Gas Burner... for cooking and prepping food to sell to customers.	\$ 1,115.37	
The Matching Funds from Phil Lyman with construction/remodeling on Building.		\$ 4,000.00
	<u>\$ 19,545.58</u>	<u>\$ 4,000.00</u>
Total Project Costs	<u>\$</u>	<u>23,545.58</u>

Instructions:

1. Download this file to fill it out for your project. File > Download > Microsoft Excel (.xlsx)
2. Fill in the Project Title
3. Describe or title your projects and activities
4. Select the Tier you are applying for.
5. Enter your total estimated costs per project and activity
6. Enter the amount of grant funds you will use for each project and activity. The total of grant funds will calculate in cell E6 and may not exceed the maximum amount of the tier you are applying in.

Note: Matching funds are required for the SJC Rural County Grant Program. Tier Costs incurred in