

MINUTES OF THE SPECIAL COUNCIL MEETING HELD MARCH 7, 2019

Mayor Ryan Smathers

6:00 p.m.

Council Members

Present: Jennifer Dunaway, Mark Swayne, Shannon Schrader and Josh Tilley

Staff: Administrator-Rick E. Laam, Clerk-Janet R. Montambo, Economic Development Specialist-Chris St. Germaine

Guests: Robin Woods, Region 2 Economic Advisory Council, Steve Stajkowski, Todd Perry, Maria Parker and Michael Martin

PUBLIC HEARING

Proposed Rural Community Development Block Grant Application

Mayor Smathers opened the public hearing at 6:10 p.m. Smathers welcomed Robin Woods, our Region 2 Economic Advisory Council member from Moscow. He appreciated the time she took for attending our Public Hearing on a very important project to the city and community. Mayor Smathers then turn the Public Hearing over to Chris St. Germaine, Clearwater County Economic Development Director to review the RCDBG project and funding application.

Chris St. Germaine presented the RCDBG Application for public review. St. Germaine reported the proposed project is to help provide improvements and expansion of the Orofino Business Center to meet the needs of SJX Jet Boats Inc. The expansion project has two components: 1. Remodel the eastern half to better meet the manufacturing process and office space needs of SJX and 2. Construct a stand-alone 4,800 square foot manufacturing space to support the expansion. The remodel work will include the removal of an interior wall, currently separating the showroom space from manufacturing space and construct a new interior divider wall to separate the welding and rigging areas and add two new offices for management. The work to construct a new 4,800 square foot manufacturing/fabrication building will include site preparation, utility service connection (electrical, municipal water, wastewater), building construction and interior finish work. The City of Orofino will provide \$100,000 in cash towards the project; SJX is prepared to provide an investment in specialty equipment as part of the project valued at \$384,317; and Clearwater County Economic Development team will provide project oversight and administrative services valued at \$3,640. The local contribution to the project makes up 61% of the total project costs. The demand for SJX jet boats has exponentially increased over the years and the proposed project will enable the manufacturing process within the Orofino Business Center to be more efficient and enable outsourced fabrication to become part of the in-house process, making the

manufacturing process more streamlined. SJX currently employs 13 and expects to add up to 12 more employees as a result of the project.

Mayor Smathers asked if there was any written or oral testimony for or against the application. Clerk Montambo reported that the city did not receive any written or oral communication. Mayor Smathers then opened the floor and asked if there were any questions or comments from the audience; Robin Woods, Economic Advisor commented and made suggestions for St. Germaine to highlight the number of jobs that will be created with the expansion, emphasize that the city is providing a large portion of money for the project, along with the investment made in the infrastructure with expansion for water, sewer capacity and fiber optic installed for faster speed Broadband. Another suggestion was for Steve Stajkowski to calculate a dollar amount and hours spent on transporting boats to the paint booth and transporting supplies to several areas to help with manufacturing the product, storing new machinery, employee time, travel time and outsourcing the product in different locations to manufacture boats. St. Germaine thanked Ms. Woods for her valuable input and will take that under advisement and will add that in her presentation of the application.

There being no further public testimony for or against the Rural Community Block Grant application in the amount of \$300,000 for the proposed project to remodel the Orofino Business Center, Mayor Smathers closed the public hearing at 6:40 p.m.

Councilmember Swayne complimented Chris St. Germaine on a job well done on the grant with a few modifications to the application.

Councilmember Dunaway voiced her appreciation to Steve Stajkowski for being patient and continue working with the city.

Councilmember Swayne made a MOTION to proceed and submit the Rural Community Block Grant application in the amount of \$300,000 to remodel the Orofino Business Center and construct a new 4,800 square foot building to support the jet boat manufacturing process. Councilmember Schrader seconded the motion and it passed with a roll call vote resulting in all ayes.

ADJOURNMENT

At 6:43 p.m. Councilmember Dunaway made a MOTION to adjourn. Councilmember Swayne seconded the motion and it passed unanimously.

ATTEST:

Janet R. Montambo
Janet R. Montambo, City Clerk

Ryan Smathers
Ryan Smathers, Mayor