

Closed Session – November 3, 2008

At 4:45 p.m., the Board adjourned to closed session to discuss matters relating to the location or expansion of business in the area, pursuant to NCGS 143-318.11(a)(4). Commissioners Holmes, Frye, Kemp, Lanier and Haywood were present. Also present were County Manager Richard Wells; Assistant County Manager/Finance Officer Will Massie; Darren Allen, Interim County Attorney; Aimee Scotton, Associate County Attorney; Cheryl Ivey, Clerk to the Board; Amanda Varner, Deputy Clerk to the Board; David Townsend, III, Public Works Director; and Bonnie Renfro and Harry Lane from Randolph County Economic Development Corporation (EDC).

Harry Lane said that Allen Precision wishes to relocate and expand its operation. The company has operated a manufacturing facility in Asheboro since 1960 and was purchased by PEM Holdings, Inc. in August 2006. The company is growing with an annual payroll of \$1.1 million. Employment has increased in the last year with the addition of 8 employees for a total of 30. Sales have increased to \$3.5 million and are forecast to reach \$10 million in three years. The company currently occupies a leased facility (35,000 sq. ft.) and plans to build a 50,000 sq. ft. facility that can be expanded to 100,000 sq. ft. Facility cost estimates are \$1.2 to \$1.4 million plus site preparation of approximately \$400,000. Investment in new equipment will be between \$750,000 to \$1 million, which is above the \$.5 million already purchased this year. The number of jobs being created over the next 18 to 24 months is 25 at an average hourly wage of \$14.80. The timetable for the expansion is summer of 2009.

Mr. Lane said that the company has selected a site near Seagrove on New Hope Church Rd. as a possible location for their expansion and has placed options to purchase 10 acres depending on the availability of water and sewer. Water is already at the site with sewer access within a mile. Sewer extension will require a pump station and a 4-inch pressure line. Mr. Lane said that the company is also considering a location in the Charlotte area.

Mr. Lane presented the following proposal for the Board's consideration:

Cost of Sewer Extension:	\$300,000-\$600,000
Grants Available for Infrastructure:	CDBG--\$12,000 per job created or \$300,000 Rural Center--\$10,000 per job created or \$250,000
Local Match:	CDBG—Rural Center Grant of 5% will meet the required match* The Rural Center will fund 50% of the project up to \$1 million with a 5% match by the local government.

\*Local government has to match only 1 grant @ approx. \$12,000-\$14,000.

The Board was in agreement with Mr. Lane's proposal.

*At 5:05 p.m., on motion of Haywood, seconded by Kemp, the Board voted unanimously to return to regular session.*

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J. Harold Holmes, Chairman

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Darrell L. Frye

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Phil Kemp

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Arnold Lanier

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Stan Haywood

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Cheryl A. Ivey, Clerk to the Board