

Closed Session II (Project FPE) — October 4, 2010

At 6:04 p.m., the Board, already in closed session on another matter, began discussion on a different matter 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; Will Massie, Finance Officer; Darren Allen, County Attorney; Aimee Scotton, Associate County Attorney; Cheryl Ivey, Clerk to the Board; David Townsend, III, Public Works Director and Bonnie Renfro and Harry Lane from Randolph County Economic Development Corporation (EDC).

Bonnie Renfro, EDC President, said that Florida Production Engineering (FPE) is considering a new location in part of the former Moll Industries facility north of Seagrove, NC. The company would establish a new operation in one of three facilities and employ up to 60 of the displaced workers caused by Moll's bankruptcy and closure.

FPE is a division of Ernie Green Industries (EGI). Established in 1987, EGI is a full service contract manufacturing company with six North American operations in Ohio, Michigan, Canada, and Florida. EGI is a minority business entity with injection molding, finishing, metal stamping and printing, and technical services. EGI customers are in automotive, medical, aerospace, and consumer products. Sales revenue is over \$100 million for the current year. The company is negotiating to acquire machinery and equipment from the liquidator that was the successful bidder for the Moll equipment holdings. The Moll ownership, Highland Capital Equity firm, holds the real estate and would lease one of the buildings to EGI.

FPE is negotiating with five customers of Moll Industries and has commitments from three. These customers made up 25% of Moll's sales. FPE would move some of their current business to the location that is currently being outsourced and is seeking other customers. To make this viable, they must secure enough customers to break even during the first years of operation.

Ms. Renfro said that Moll employed 109 at the time of the plant closing warning letter issued August 13, 2010. Effective October 1, 2010, there were 50 remaining employees, but that number will decline to 20 in the next week. The liquidator may strip the buildings of removable infrastructure if no buyer or tenant is found immediately. FPE has requested any available assistance from state and local governments to support the acquisition and expansion.

The Board asked Ms. Renfro to obtain more information about the company's plans and any assistance that the state will offer and report this information to the Board in November.

At 6:10 p.m., closed session ended on this topic.

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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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Stan Haywood

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Arnold Lanier

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Cheryl A. Ivey, Clerk to the Board