

Closed Session III – August 1, 2005

At 5:45 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 served by the Board, pursuant to NCGS 143-318.11(a)(4). Commissioners Holmes, Frye, Davis, Kemp and Lanier were present. Also present were Frank Willis, County Manager; County Attorney Alan Pugh; Cheryl Ivey, Deputy Clerk to the Board; Bonnie Renfro and Melissa Foust from Randolph County Economic Development Corporation (EDC).

Bonnie Renfro said that The Timken Company is seeking all available assistance to secure an expansion opportunity for the Randleman plant. Competitor sites are the Timken Romania bearing plant and a South Carolina operation. The expansion is a \$23-26 million investment (\$7-8 million in real property and \$16-19 million in machinery and equipment) for an additional 50,000 square feet and would add a high volume bearing product to the current product mix resulting in 50 new jobs. This expansion opportunity is in addition to the expansion currently underway scheduled for completion in the 2nd quarter of 2006, which will result in 20 new jobs and \$6.4 million in added investment.

Timken is requesting assistance from the State of North Carolina in the One NC Fund. In addition, they will seek training assistance for new jobs from Randolph Community College funded by the state worker training program. They are also seeking assistance from Duke Power and Piedmont Natural Gas for an economic development rider rate.

Ms. Renfro recommends a performance-based economic incentive grant from the County and Randleman at \$200,000 each to be paid over four years in equal installments. She said that she would be meeting with the Randleman Board of Aldermen the following night.

Upon consensus, the Board directed Ms. Renfro to offer this incentives package to Timken contingent upon Randleman's joint participation.

Closed session on this topic ended at 5:55 p.m.

J. Harold Holmes, Chairman

Darrell L. Frye, Vice Chairman

Phil Kemp

Robert B. Davis

Arnold Lanier

Cheryl A. Ivey, Deputy Clerk to the Board

Approved: September 6, 2005

Unsealed: January 9, 2006