

GENERAL ACCOUNT OF A CLOSED SESSION

Asheboro City Council
Council Chamber, Municipal Building
Thursday, August 8, 2013

Upon the unanimous adoption of a motion to go into closed session in order to discuss matters relating to the location or expansion of industries or other businesses in the City of Asheboro, a closed session was conducted under the authority of Section 143-318.11(a)(4) of the North Carolina General Statutes with the following elected city officials and city staff members present:

- David H. Smith) - Mayor Presiding
Talmadge S. Baker)
Clark R. Bell)
Edward J. Burks)
Linda H. Carter) - Council Members Present
Michael W. Hunter)
Walker B. Moffitt)
Charles A. Swiers)

- John N. Ogburn, III, City Manager
Holly H. Doerr, CMC, NCCMC, City Clerk/Paralegal
Deborah P. Reaves, Finance Director
Jeffrey C. Sugg, City Attorney

Ms. Bonnie Renfro, President of the Randolph County Economic Development Corporation (RCEDC), reported to the Council that Kayser-Roth Corporation (the "Company") is considering expanding its Asheboro facility. The company is requesting economic development incentives for a contemplated project that would represent a 47% increase in the Asheboro plant's capacity.

The project would result in a 60,000 square foot expansion of the current Asheboro facility with additional equipment. The expansion would commence immediately with completion expected in 2014. Current estimates anticipate a capital investment in the expansion totaling approximately \$10,000,000. Of this investment, approximately \$3,700,000 would be for real property, and \$6,300,000 would be for equipment. With this expansion, the company would add 50 jobs with an average wage of \$10.57 per hour including a full range of benefits such as health insurance, 401K, and paid vacation.

During a discussion, Council Members reached a consensus opinion that the appropriate incentive to discuss with the company is an incentive of \$150,000 (50% from each local government) from the County of Randolph as well as from the City of Asheboro to be paid over a period of three (3) years. The payment of these incentives must be tied to performance triggers.

In order to prepare for the final consideration of this project, the Council Members agreed to authorize , in open session, city staff to publish legal notice of a joint public hearing with the Randolph County Board of Commissioners to be held on Tuesday, August 20, 2013. This joint public hearing will begin at 5:00 p.m. on August 20th at the Randolph County Office Building.

Having reached a consensus on the issue and upon motion by Mr. Swiers and seconded by Mr. Baker, Council unanimously approved ending the closed session and returning to open session.

/s/Holly H. Doerr
Holly H. Doerr, CMC, NCCMC, City Clerk

/s/David H. Smith
David H. Smith, Mayor