



**Bald Head Association ~ “The voice for BHI property owners”**

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# **BHI Transportation Authority (BHITA)**

## **January 2021 Update**

At the public session of its January 2021 regular meeting, the Bald Head Island Transportation Authority’s (BHITA) Board of Trustees discussed detailed plans for concluding its legislative mandate — that is, to determine the appraised value of the BHI ferry transportation system and negotiate the purchase of that system with its current owner, BHI Limited. It’s also responsible for securing the bond financing as well as closing and preparing for operational transition.

Treasurer David Jessen — a former BHI homeowner — discussed the resolution that will be presented at the next meeting that will amend the FY 20/21 budget to reflect costs of operating the ferry system from March through June 30, 2021. Ted Cole of Davenport, who serves as BHITA’s public financing consultant, laid out the financing calendar to transfer the assets to BHITA from BHI Limited. The schedule, which presumes the requisite approval of the purchase agreement between the BHITA and BHI Limited will be granted by the NC Local Government Commission on February 2<sup>nd</sup>, shows numerous activities during the month of February. A preliminary offering statement that provides information about the system’s future viability is being developed that the BHITA and its consultants will use to market the bonds needed to purchase the system. BHITA expects underwriters and private investors to make offers to purchase bonds from BHITA in February and, assuming no changes to the financing schedule, the asset purchase agreement will close in March and all assets will be subsequently transferred to the Authority.

Village of BHI Mayor Andy Sayre repeated his request that the Authority provide a presentation for BHI property owners, business owners and employees that would discuss the purchase agreement’s presumed asset value and projected increases in ferry tickets, barge rates and parking. BHITA Chair Susan Rabon did not commit to such a presentation but stated the Authority will work with the Village and others like BHA to distribute information to owners. She further stated that the Authority is in the initial stages of determining its operational governance, including hiring an executive director and other staff to move forward. Rabon said, “There’s a lot going on and very few people to do the work. But, we’ll get there.”

BHI Limited CEO Chad Paul provided an update on the ferry operations. In December 2020, ferry ridership increased by 14% over the three-year average. He projected the 4<sup>th</sup> quarter of 2020 will likely be the highest in the company’s history in terms of ferry ridership and barge service. He reported that a medical emergency evacuation due to COVID occurred over the New Year’s weekend. About 100 people were removed from the ferry, and the patient and public safety officer were isolated in the ferry’s cabin while the ferry mates and captain remained in the wheelhouse. Once on the mainland, the ferry was taken offline and sanitized prior to being returned to service.

Paul also reported BHI Transportation’s first documented occurrences of COVID exposure among the employee ranks. Two employees reported they had been exposed and were quarantined. All employees who worked with the exposed employees were tested, with negative results. He expressed concern about the increasing numbers of COVID cases in Brunswick County and handling a widespread outbreak among employees if that were to occur before the vaccines are available to local employees.

The BHITA’s next meeting is scheduled for February 3, 2021, at 9:15am and will be held electronically. Contact Village Clerk Daralyn Spivey ([dspivey@villagebhi.org](mailto:dspivey@villagebhi.org)) for information on how to access the meeting.