

From: hpowell@nc.rr.com
To: [Cindy Aiken](#)
Subject: BHI Transportation Bond Issuance
Date: Tuesday, May 4, 2021 4:45:23 PM

"My name is Hugh and Rebecca Powell. I own 21 Silversides Trail, 6A Leeward Ct. and 84 Keelson Row and have been an island owner since March 25, 2011. I support Frank Klaine's letter requesting the rejection or postponement of bond sale and that a true independent and transparent analysis be made."

**Hugh and Rebecca Powell
21 Silversides Trail
6A Leeward Ct.
84 Keelson Row**

From: [Michael Mill](#)
To: [Dale Folwell](#); [Beth_wood@ncauditor.net](#); [Cindy Aiken](#); [Tim Romockj](#); [ronald.penny@ncdor.gov](#); [emum@carolina.rr.com](#); [scottpaggett693@gmail.com](#); [violaharris39@yahoo.com](#); [andy@wwpbaldhead.com](#); [SharonEdmundson@nctreasurer.com](#)
Subject: Bald Head Island Transportation System
Date: Tuesday, May 4, 2021 4:46:51 PM

Dear Madams and Sirs,

My name is Michael Mill. I own a home in the Palmetto Cove neighborhood of Bald Head Island and have owned this property since 1995. The ferry and transportation system are critical to our use and enjoyment of the island. I have read and wholeheartedly support Frank Klaine's letter requesting the rejection or postponement of a bond sale and that a true independent and transparent analysis be made before any sale is allowed to proceed.

Sincerely,

Michael R. Mill

From: [Robert Taylor](#)
To: [Beth_wood@ncauditor.net](#); [Dale@nctreasuer.com](#); [Tim.romocki@nctreasuer.com](#); [ronald.penny@ncdor.gov](#); [Cindy Aiken](#); [emum@carolina.rr.com](#); [scottpaggett693@gmail.com](#); [violaharris39@yahoo.com](#); [andy@wwpbaldhead.com](#); [SharonEdmundson@nctreasurer.com](#)
Subject: Bald Head Island Ferry Bond Issuance
Date: Tuesday, May 4, 2021 4:59:08 PM

Dear Ms Wood and Mr.Folwell

The purpose of this letter is to express strong opposition to the issuance of the bonds by the BHITA to purchase the Bald Head Island ferry.

My wife and I have been coming to BHI since 1987. The ferry system service has deteriorated each year. We are very concerned about the “cost approach appraisal”. The entire “behind the scenes” approach to the valuation is very concerning to many on the island.

Most feel that this purchase will create more service problems and cost everyone more to operate due the high purchase.

Please have an independent review prior to any further action.

Sincerely
Robert and Mary Taylor
#1 Bayberry Court

Sent from my iPad

From: [Betsy Drennan](#)
To: Beth_wood@ncauditor.net
Cc: [Dale Folwell](#); tim.romock@nctreasurer.com; ronald.penny@ncdor.gov; [Cindy Aiken](#); emum@carolina.rr.com; scottpaggett693@gmail.com; violaharris39@yahoo.com; andy@wwwpbaldhead.com; sharonEdmundson@nctreasurer.com
Subject: Transportation Bond
Date: Tuesday, May 4, 2021 5:02:36 PM

My name is Betsy Drennan. I am currently an owner of 48 Hammocks & have been an owner since 1999. I support Frank Kline's letter requesting the rejection or postponement of the bond sale until a true independent and transparent analysis is made.

I appreciate all your hard work & time dedicated to the proposal but I think it needs to be taken to another level before a decision is made.

Thank you

Betsy

Betsy Drennan

REALTOR®, GRI, ABR, SRES

PA License # RS151613A

Berkshire Hathaway HomeServices Fox & Roach, Realtors

p: [610-209-6961](tel:610-209-6961)

a: 1149 W. Lancaster Ave, Suite U-6, Rosemont, PA 19010

e: betsy.drennan@foxroach.com



<http://valuations.foxroach.com/agents/betsydrennan>

"Be Who you are and say what you feel, because those who mind don't matter and those who matter don't mind"

Dr Seuss

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From: [Scott Yancey](#)
To: Beth_wood@ncauditor.net; [Dale Folwell](#); [Tim Romocki](#); ronald.penny@ncdor.gov; [Cindy Aiken](#); emum@carolina.rr.com; scottpaggett693@gmail.com; violaharris39@yahoo.com; andy@wwpbaldhead.com; SharonEdmundson@nctreasurer.com
Subject: Reject or Postpone the BHITA Bond Sale
Date: Tuesday, May 4, 2021 5:09:00 PM

Hello

My name is Scott Yancey. I own a home on Bald Head Island at 7 Loosetrife and have owned property on the Island for the past 25 years.

I completely agree with, and support Frank Klaine's letter requesting the rejection or postponement of the bond sale for the acquisition of the BHI Ferry System. No such action should take place until a fair and reasonable appraisal of the System can be conducted with transparency and independence.

To do otherwise would unfairly penalize all parties except the Seller.

Sincerely ,

Scott Yancey and Sandra Yancey
7 Loosetrife Ct
Bald Head Island
sgyancey22@aol.com

From: JOSEPH BARNARD
To: Beth_wood@ncdior.net; Dale Folwell; Tim Romocki; ronald.penny@ncdor.gov; Cindy Atken; emum@carolina.rr.com; scotto.qqetf693@gmail.com; violaharris39@yahoo.com; andy@wwpbaldhe d.com; SharonEdmundson@nctreasurer.com
Subject: Fw: Bond Issuance Bald Head Island
Date: Tuesday, May 4, 2021 5:45:21 PM

Subject: Bond Issuance Bald Head Island

Joe and I support Karen and Frank Klaine's letter. We have been going to BHI since 1982 and have owned a Light House Landing home and are now on Middle Island.

We as everyone on the Island rely on the ferry and believe the bond sale should not be approved and a truly independent and transparent analysis be made and a through study be done. This is absolutely critical!!!! Respectively submitted, Lynn & Joe Barnard

Dear Ms. Wood and Mr. Folwell

The purpose of this letter is to express my strong opposition to the issuance of the bonds by the BHITA to purchase the Bald Head Island ferry system.

My wife and I have been owners of property on Bald Head Island since 1997. We have watched the Island grow as well as watched the transportat on system struggle to meet the needs of the Island, its residents, visitors, contractors and their employees.

I am a retired attorney who for over 30 years represented municipalities and school districts in Cincinnati Ohio as well as maintaining a substantial practice representing property owners and school districts in tax assessment valuation matters involving appraisals before the local county Boards of Review, Courts of Common Pleas, as well as before the Supreme Court of Ohio. Such representation required the review and analysis of competing appraisals and administrative hearings and litigation of major and substantial million dollar office complexes, hotels, shopping centers, industrial properties, and other types of properties.

I have reviewed the Worsley cost approach appraisal. A cost approach appraisal is seldom if ever used in the valuation of older operating properties, and is used primarily in the valuation of newly constructed buildings where actual cost figures are available for land and building values.

A cost analysis of older operating facilities such as the Bald Head Island transportation system requires too many assumptions as to construction, age, depreciation, and obsolescence to create a reliable valuation. A facility such as the transportation system would not be bought or sold on the basis of a cost appraisal.

The most frequently used methods of appraisal for an operating facility are a sales comparison approach and an income and expense analysis and utilization of a cap rate to the then determined net operating income.

In addition to the existing Worsley valuation there appears to be no adjustment for functional obsolescence which clearly should have addressed the inadequacies of both the parking facility and most critically the baggage delivery operation both at Deep Point and on the Island.

It is also my understanding that Mr. Worsley was only directed to do a cost analysis. The BHITA should have requested that Mr. Worsley use all three methods of appraising the property. It is a mystery to me why his appraisal was limited. Accordingly, Mr. Worsley's appraisal should carry little if any weight and should be disregarded. In addition consideration should be given to the fact that the Worsley appraisal was paid for by the Seller of the property.

In reviewing the Mercator income analysis it appears that the actual historical operating income and expense statements usage was restricted for some reason. Was it because such figures were unfavorable to the seller. Certainly at this late date in BHITA's analysis all financial records of the seller as to the transportation system should have been made available for review. Such figures would normally be used in appraising and valuing an operating property.

Instead it appears that Mercator, again paid by the seller, was directed to create a cash flow projection that would justify the sale of the bonds. Did it take into account the age of the vessels and their needs for repair and replacement, the acquisition of additional land for parking and the revamping of the baggage delivery system.

The lack of transparency in this process is very concerning as is the closed door negotiations, the requirement of confidentiality as to seller's financial information all leading up to BHITA's decision on bonding.

Generally, when a buyer and seller in an arm's length transaction are negotiating a sale both the buyer and seller rely on appraisals that they have required so they can make the best decision as to value with complete disclosure of financial information. In the given situation, which should be viewed as an arm's length transaction only the one set of appraisals and valuations were utilized to the ultimate detriment of the Island which so depends on this transportation system now and into the future.

The Bald Head Island transportation system is a key element to the operation of Bald Head Island. It is critical to us as property owners, to our visitors and to all the contractors and their employees who depend on the ferry system.

As home owners we ask that the bond sale not be approved and a truly

independent and transparent analysis be made to arrive at an arm's length sale so that the Island not be saddled with an unreasonable financial commitment that will burden the Island and all its benefits.

This is a matter of such importance and demands a judicious, independent review. Time is not an issue when so much is at stake for so many and not just the wealthy seller pushing for, by its own designed structure, for a sale for its benefit and not the benefit of those who are dependent on a financially stable transportation system.

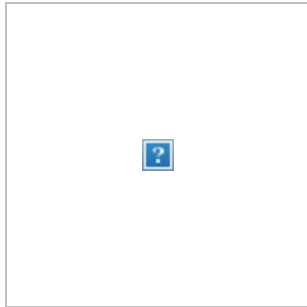
Respectfully submitted. Karen and Frank Klaine

From: [amy lothrop](mailto:amy.lothrop)
To: Beth_wood@ncauditor.net; [Dale Folwell](mailto:Dale.Folwell); [Tim Romocki](mailto:Tim.Romocki); ronald.penny@ncdor.gov; [Cindy Aiken](mailto:Cindy.Aiken); emum@carolina.rr.com; scottpaggett693@gmail.com; violaharris39@yahoo.com; andy@wwpbaldhead.com; SharonEdmundson@nctreasurer.com
Cc: [Paul Lothrop](mailto:Paul.Lothrop)
Subject: Transportation Bond
Date: Tuesday, May 4, 2021 6:01:26 PM

We have been property owners on BHI since May of 1999. We currently own an ocean front home and a golf course lot. **We support Frank Klaine's letter requesting the rejection or postponement of bond sale and that a true independent and transparent analysis be made."**

Regards,
Amy and Paul Lothrop

Amy Lothrop
Broker, Realtor®



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Emails sent or received shall neither constitute acceptance of conducting transactions via electronic means nor create a binding contract until and unless a written contract is signed by the parties.

Think before you print.

From: Eliza.eth.Bell.cc
To: Beth.wood@ncauditor.net; Dale.Folwell; Tim.Romocki; rona.d.penny@ncdor.gov; Cindy.Aiken; emum@carolina.rr.com; scottaoggett693@gmail.com; yo.aharris39@yahoo.com; andy@wvpba.dhead.com; SharonEdmundson@ncntreasurer.com
Subject: Bond Issuance Bald Head Island
Date: Tuesday, May 4, 2021 6:03:19 PM

The purpose of this communication is to express our complete agreement with the concerns of Franklin and Karen Klaine, property owners on Bald Head Island, as has been expressed in their recent letter to you (copied below).

My husband and I are retired full time residents of Bald Head Island. We built our home here in 1995, and are also owners of a vacant lot. We hope to live here for the rest of our lives, and are completely dependent on the successful operation of the BHI Ferry System. We have been kept completely in the dark for the past 3 years by a confidentiality agreement conceived by the seller, to deliberately keep all interested parties out of the process of selling the BHI Ferry System, while the seller structured a deal that turns out was amazingly one-sided in their favor. Nothing about this process has been above board to this point, and it is time to put the brakes on these proceedings and restart fair negotiations with proper oversight. Thank you for your consideration!

Respectfully,

Elizabeth Bellucci
Robert Iseman
20 Horsemint Trail
Bald Head Island, NC

Franklin Klaine <kklaine@gmail.com>
May 3, 2021 at 11:56:16 AM EDT
Beth.wood@ncauditor.net; Dale@ncntreasurer.com; tim.romocki@ncntreasurer.com; ronald.penny@ncdor.gov; Cindy.Aiken@ncntreasurer.com; emum@carolina.rr.com; scottaoggett693@gmail.com; violaharris39@yahoo.com; Andy.Sayre@andy@wvpba.dhead.com; SharonEdmundson@ncntreasurer.com

Dear Ms. Wood and Mr. Folwell

The purpose of this letter is to express my strong opposition to the issuance of the bonds by the BHITA to purchase the Bald Head Island ferry system.

My wife and I have been owners of property on Bald Head Island since 1997. We have watched the Island grow as well as watched the transportation system struggle to meet the needs of the Island, its residents, visitors, contractors and their employees.

I am a retired attorney who for over 30 years represented municipalities and school districts in Cincinnati Ohio as well as maintaining a substantial practice representing property owners and school districts in tax assessment valuation matters involving appraisals before the local county Boards of Review, Courts of Common Pleas, as well as before the Supreme Court of Ohio. Such representation required the review and analysis of competing appraisals and administrative hearings and litigation of major and substantial million dollar office complexes, hotels, shopping centers, industrial properties, and other types of properties.

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The most frequently used methods of appraisal for an operating facility are a sales comparison approach and an income and expense analysis and utilization of a cap rate to the then determined net operating income.

In additions in the existing Worsley valuation there appears to be no adjustment for functional obsolescence which clearly should have addressed the inadequacies of both the parking facility and most critically the baggage delivery operation both at Deep Point and on the Island.

It is also my understanding that Mr. Worsley was only directed to do a cost analysis. The BHITA should have requested that Mr. Worsley use all three methods of appraising the property. It is a mystery to me why his appraisal was limited. Accordingly, Mr. Worsley's appraisal should carry little if any weight and should be disregarded. In addition consideration should be given to the fact that the Worsley appraisal was paid for by the Seller of the property.

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Instead it appears that Mercator, again paid by the seller, was directed to create a cash flow projection that would justify the sale of the bonds. Did it take into account the age of the vessels and their needs for repair and replacement, the acquisition of additional land for parking and the revamping of the baggage delivery system.

The lack of transparency in this process is very concerning as is the closed door negotiations, the requirement of confidentiality as to seller's financial information all leading up to BHITA's decision on bonding.

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The Bald Head Island transportation system is a key element to the operation of Bald Head Island. It is critical to us as property owners, to our visitors and to all the contractors and their employees who depend on the ferry system.

As home owners we ask that the bond sale not be approved and a truly independent and transparent analysis be made to arrive at an arm's length sale so that the Island not be saddled with an unreasonable financial commitment that will burden the Island and all its benefits.

This is a matter of such importance and demands a judicious, independent review. Time is not an issue when so much is at stake for so many and not just the wealthy seller pushing for, by its own designed structure, for a sale for its benefit and not the benefit of

those who are dependent on a financially stable transportation system.

Respectfully submitted, Karen and Frank Klaine

Sent from my iPad

From: [Jim 655](#)
To: Beth_wood@ncauditor.net; [Dale Folwell](#); [Tim Romocki](#); ronald.penny@ncdor.gov; [Cindy Aiken](#); emum@carolina.rr.com; scottpaggett693@gmail.com; violaharris39@yahoo.com; andy@wwwpbaldhead.com; SharonEdmundson@nctreasurer.com
Subject: Bond issue
Date: Tuesday, May 4, 2021 6:56:26 PM

This is James Kotapish and we own a Hammock's home and have been an island owner since 2006. I support Frank Klaine's letter requesting the rejection or postponement of bond sale and that a true independent and transparent analysis be made.

From: [Nancy Lane](#)
To: Beth_wood@ncauditor.net; [Dale Folwell](#); [Tim Romocki](#); ronald.penny@ncdor.gov; [Cindy Aiken](#); emum@carolina.rr.com; scottpaggett693@gmail.com; violaharris39@yahoo.com; SharonEdmundson@nctreasurer.com
Subject: Bald Head Transportation Bond
Date: Tuesday, May 4, 2021 7:27:41 PM

Dear Auditor Wood, Treasurer Folwell and Respected Others,

Thank you for your service and thoughtful deliberation on the proposed purchase of the Bald Head Island Ferry system. I applaud your decision to table consideration until you have more and better information. I have been a Bald Head homeowner at Timbercreek 7B since about 1990. Mr. Klaine raises important issues in his letter regarding valuation. Now, I ask that you assure a true independent and transparent analysis of the fair price for acquisition of the existing capital assets and adequate funds to repair and replace very old equipment.

Thank you for your time and attention.

Respectfully,

Nancy M. Lane
7B Timber Creek
Bald Head Island

From: [ronald shoe](#)
To: Beth_wood@ncauditor.net
Cc: [Dale Folwell](#); [Tim Romocki](#); ronald.penny@ncdor.gov; [Cindy Aiken](#); emum@carolina.rr.com; scottpaggett693@gmail.com; violaharris39@yahoo.com; andy@wwpbaldhead.com; SharonEdmundson@nctreasurer.com
Subject: Reject bond sale BHI transportation
Date: Tuesday, May 4, 2021 8:49:04 PM

My name is Ronald Shoe and I own 11 Sumner's Crescent on BHI since September of 2009. I support Frank Klaine's letter requesting the rejection or postponement of bond sale and that a true independent and transparent analysis be made.

RS

Sent from my iPhone

From: dtwittpenn@aol.com
To: Beth_wood@ncauditor.net; [Dale Folwell](#); [Tim Romocki](#); ronald.penny@ncdor.gov; [Cindy Aiken](#); emum@carolina.rr.com; scottpaggett693@gmail.com; violaharris39@yahoo.com; andy@wwpbaldhead.com; SharonEdmundson@nctreasurer.com
Subject: Transportation
Date: Tuesday, May 4, 2021 10:30:45 PM

My name is Denise Wittpenn. My husband, John, and I own 9 Scotch Bonnet, Villa 11, and Boat slip A 29. We have been Island owners since April 2011. We support Frank Klaine's letter requesting the rejection or postponement of bond sale and that a true independent and transparent analysis be made. Please consider this request.

**Denise Wittpenn
John Wittpenn**

From: [ronald shoe](#)
To: Beth_wood@ncauditor.net
Cc: [Dale Folwell](#); [Tim Romocki](#); ronald.penny@ncdor.gov; [Cindy Aiken](#); emum@carolina.rr.com; scottpaggett693@gmail.com; violaharris39@yahoo.com; andy@wwpbaldhead.com; SharonEdmundson@nctreasurer.com
Date: Wednesday, May 5, 2021 7:17:43 AM

Hello my name is Ronald Shoe have owned 11 Sumner's Crescent since September 2009. I support Frank Klaine's letter requesting the rejection or postponement of bond sale and that a true independent and transparent analysis be made.

RS

From: [Wes Liverman](#)
To: Beth_wood@ncauditor.net
Cc: [Dale Folwell](#); [Tim Romocki](#); ronald.penny@ncdor.gov; [Cindy Aiken](#); emum@carolina.rr.com; scottpaggett693@gmail.com; violaharris39@yahoo.com; andy@wwpbaldhead.com; SharonEdmundson@nctreasurer.com
Subject: BHI Ferry System
Date: Wednesday, May 5, 2021 9:21:58 AM

My name is Wes Liverman and I own 4 Bufflehead Ct and have been coming to Bald Head Island for years. I support Frank Klaine's letter requesting the rejection or postponement of bond sale and that a true independent and transparent analysis be made.

**Respectfully,
Wes Liverman
252-619-2599**