

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. A-41, SUB 21

VILLAGE OF BALD HEAD ISLAND,)
Complainant,)
)
v.)
)
BALD HEAD ISLAND TRANSPORTATION,)
INC., BALD HEAD ISLAND LIMITED, LLC,)
and SHARPVUE CAPITAL, LLC,)
)
Respondents.)

DIRECT TESTIMONY OF
GEORGE CORVIN
ON BEHALF OF
VILLAGE OF BALD HEAD
ISLAND

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

DOCKET NO. A-41, SUB 21

Direct Testimony of George Corvin

On Behalf of the Village of Bald Head Island

August 9, 2022

1 **Q. PLEASE STATE YOUR NAME AND ADDRESS.**

2 A. My name is George Corvin. My wife, Karen, and I own a vacation home on Bald
3 Head Island. Our address on the island is 105 North Bald Head Wynd, Bald Head
4 Island, NC 28461.

5

6 **Q. ON WHOSE BEHALF ARE YOU SUBMITTING THIS DIRECT**
7 **TESTIMONY?**

8 A. I am submitting this Direct Testimony on behalf of the Village of Bald Head Island
9 (the "Village").

10

11 **Q. PLEASE DESCRIBE YOUR RELATIONSHIP WITH BALD HEAD**
12 **ISLAND.**

13 A. My wife and I purchased our home on Bald Head Island in 2016. Before purchasing
14 our home on Bald Head Island, we vacationed on the island annually for eighteen
15 years.

1 We are currently “part time” islanders, although our goal is to someday
2 move to the island permanently. Right now, we come to the island at least every
3 other weekend and spend several weeks each year at our home for holidays and
4 vacation.

5
6 **Q. PLEASE DESCRIBE YOUR EDUCATIONAL AND PROFESSIONAL**
7 **EXPERIENCE.**

8 A. I graduated from the University of Alabama School of Medicine in Birmingham in
9 1992. I completed a four-year residency in General Psychiatry at the Medical
10 College of Georgia in Augusta, GA in 1996 and was Chief Psychiatric Resident for
11 the MCG Psychiatric Training Program from 1995 to 1996. After finishing my
12 residency, I completed a fellowship in Forensic Psychiatry with the United States
13 Department of Justice.

14 After completing my fellowship, I began working in private practice in
15 Raleigh, North Carolina. Currently, I split my time between my private practice and
16 my forensic psychiatry consulting practice, through which I complete civil and
17 criminal evaluations to be used in court proceedings. I am board certified in both
18 general and forensic psychiatry, and I hold active medical licenses in North
19 Carolina and Kentucky.

20
21 **Q. PLEASE PROVIDE A SUMMARY OF YOUR TESTIMONY.**

22 A. It seems critical to me that the parking facility and barge be regulated as is currently
23 the case with the ferry and tram services. To be quite honest, I was surprised when

1 I learned that this was not already the case. Bald Head's ferry, tram, parking, and
2 barge access are all integrally interrelated. Interruption of user access to any of
3 those assets inevitably endangers access (and the productive benefit of access) to
4 the others.

5 If homeowners, employees, and vacationers cannot rely upon reasonable
6 access to parking at Deep Point, it doesn't matter how well the regulated assets
7 (ferries and trams) are run, because people will not be able to access them (or will
8 come to believe that their access to these services in the future is at risk). This is
9 particularly problematic given that there are no viable alternatives to these assets.
10 Individually and as a whole, they are effectively the only means to move people
11 and materials on and off the island, and the failure of any of them puts Bald Head
12 island at great risk.

13 These services are the lifeblood of Bald Head Island, and without each of
14 them working effectively in conjunction with the others, those who live, work, or
15 vacation on the island will be seriously impacted. Even the perception that access
16 to these services might be interrupted has serious implications. For example,
17 concerns about BHI Transportation in recent months has undoubtedly contributed
18 to skyrocketing slip values at the marina and fueled the outcry in response to BHI
19 Limited's recent move to reduce the availability of water-taxi service to/from the
20 island.

21 I am generally not a fan of government regulation, but there are situations
22 where regulation of this sort is essential, and in my opinion this is without a doubt
23 one of those situations.

1 **Q. PLEASE PROVIDE A BRIEF OVERVIEW OF BALD HEAD ISLAND AND**
2 **ITS SIGNIFICANCE TO THE CITIZENS OF NORTH CAROLINA.**

3 A. Bald Head Island is important to many different people. It is where people vacation,
4 make a living, or choose to live full time. Bald Head Island is a very unique place,
5 not only to North Carolina, but to the country. What Bald Head provides is
6 important from a conservation, nature, and educational standpoint. The island has
7 its own unique history and cultural significance. In deciding to purchase a home
8 on the island, my wife and I decided that we wanted to be part of this community
9 to help protect this unique environment.

10 Without protecting the parking facilities and barge, all of the things that
11 make Bald Head unique are in danger. Even if people simply believe their ability
12 to move back and forth between the island and mainland is threatened, the island's
13 economy will suffer. It seems the market is already reflecting people's anxieties
14 about the potential transportation system sale. For example, prices for boat slips—
15 of which there are a limited number—are skyrocketing. Slips that sold for \$50,000
16 several years ago are now selling for approximately \$275,000, and there is currently
17 a slip in the marina listed for \$1,100,000. I believe this stunning increase in prices
18 is driven, at least in part, by fear over future access to the island.

19 If people are discouraged from visiting or living on Bald Head Island, this
20 change will have massive implications beyond the island. For example, Brunswick
21 County relies heavily on Bald Head Island's tax base. My daughter teaches in a
22 Title I school in Brunswick County, and I have witnessed firsthand how important

1 that tax revenue is to her students. That tax revenue depends on the island’s tourism
2 industry.

3
4 **Q. HOW DOES THE PUBLIC REACH BALD HEAD ISLAND?**

5 A. The ferry is the only means by which the public can reach Bald Head Island. While
6 individuals operating their own boats (and who have access to dockage on the
7 island) can access the island without use of the ferry, the capacity for this means of
8 access is highly limited. For example, private dockage on the island is extremely
9 limited, and with some regularity, maritime conditions are such that transiting to
10 the island from Southport is hazardous for small craft. Simply stated, the vast
11 majority of individuals who vacation, live, or work on Bald Head Island are unable
12 to access the island by any means other than use of the ferry system. Without
13 reasonable access to on-site parking at Deep Point, it would become extremely
14 difficult, if not impossible, for these same individuals to access the ferry.

15
16 **Q. WHAT MEMBERS OF THE PUBLIC RELY ON THE FERRY TO**
17 **REACH THE ISLAND?**

18 A. It’s not just vacationers who rely on the ferry. People who work in the island and
19 make their living there also rely on the ferry for affordable transportation to work.
20 People mistakenly think that the island is just a “playground for rich,” but families
21 from all backgrounds vacation on the island year after year. Families return to the
22 island because of its unique history and environment and because it is an accessible
23 “semi-tropical” location. This is a place where they can teach their children about

1 the importance of nature and conservation, or the history of the lighthouse – and do
2 so in an ecosystem that is unique in North Carolina. There are not many
3 communities like this in United States.

4 If it becomes financially unsound to use the parking facilities and ride the
5 ferry, we risk running off those families and the workers on which the island relies.
6

7 **Q. HAVE YOU EVER USED THE PARKING FACILITIES AT THE DEEP
8 POINT MARINA?**

9 A. Yes. We use the parking facilities frequently, and have done so for years. I have
10 an annual pass, although I have also used daily parking in years past.
11

12 **Q. PLEASE DESCRIBE YOUR USE OF THE PARKING FACILITIES AT
13 THE DEEP POINT MARINA.**

14 A. Because my wife and I still work in Raleigh, we will often come down to the island
15 on the weekends. Each time, we must park at the parking facilities at the Deep
16 Point Marina.

17 Ferry riders have to be able to use a car. The ferry landing at Deep Point
18 Marina is located in a relatively isolated/remote area. There is no other access to
19 parking in that area and no other reliable and readily accessible way to get to the
20 ferry other than driving to the marina.
21

1 **Q. ARE YOU AWARE OF ANYBODY WHO HAS USED THE PASSENGER**
2 **FERRY WITHOUT HAVING TO PARK AT THE PARKING FACILITIES?**

3 A. I am not aware of anyone who has used the ferry without having to park at the
4 parking facilities.

5
6 **Q. HAVE YOU EVER USED THE BARGE AND TUG SERVICE?**

7 A. Yes.

8
9 **Q. PLEASE DESCRIBE YOUR USE OF THE BARGE AND TUG SERVICE.**

10 A. I have used the barge to transport furniture I was bringing to the island in 2016. I
11 rented a 26 foot truck to bring over furniture for my house. I called up the barge to
12 reserve a spot. I rode over on the barge with my truck. The workers on the barge
13 were well aware that I was transporting furniture. I have also arranged for other
14 large items to be delivered to our home over the years by use of the barge service.
15 It is well known on the island that this is the only way to get furniture and other
16 large household items transported to the island.

17
18 **Q. DO YOU HAVE ANY CONCLUDING THOUGHTS?**

19 A. I would urge the Commission to exercise its authority to help ensure that the island
20 is preserved for the public's future use. As the developer of the island phases out
21 of its involvement with the island, I fear we are at a tipping point – for the better or
22 for the worse. As I said, I was surprised to learn that the parking and barge were
23 not already regulated since they are integrally related with the ferry service. If the

1 assets are sold such that some properties are subject to regulation and others are
2 not, I fear it will not be possible for the public to remain confident that fair and
3 reasonable access to the island will continue in the future.

4

5 **Q. DOES THIS COMPLETE YOUR DIRECT TESTIMONY?**

6 A. Yes.