

FREQUENTLY ASKED QUESTIONS

Why does the Village Council want to pursue acquisition of the ferry system?

The Council, in taking the long view, seeks to do what it can to ensure a safe, reliable, efficient, and reasonably priced ferry and barge service for property owners, visitors, businesses, non-profits, and employees.

Consequently, we believe the best long-term solution for BHI is for the Village to explore acquiring the assets of the ferry, parking, and barge from Limited.

This will put the control of the ferry, parking, and barge operations in the hands of the entity (Village Council) most accountable to the Island's property owners and employers. The Council believes its responsibility to taxpayers and bond holders requires it to oppose the proposed agreement between the BHITA and BHI Limited, when a better and more fiscally advantageous option is available.

3/29/2021

Why the decision to take this action now?

The Council has previously supported the concept of the BHITA. However, once the proposed transaction diligence and terms recently were made public, it became evident that there were several issues important to the Village and users of the system that were not being addressed by the Authority as many felt they should have been. We believe the Council is better positioned to address those issues and other issues that will present themselves in the future.

3/29/2021

How does the Village stand to realize significant economic advantage over the BHITA by acquiring the transportation assets?

The Village will explore whether it is able to receive a higher bond rating and lower interest rate on the bonds than the Authority. That would allow for funds to be put into improvements, rather than interest payments. Any savings could be used for system improvements sooner than the BHITA projected. Additionally, the Village has personnel and systems in place (Finance, Staff, Human Resources, etc.) which should realize additional savings.

3/29/2021

What happens next?

The Village has stated its position and willingness to acquire the Transportation System. What happens next depends upon the actions of parties other than the Village, including, Bald Head Island Limited, Bald Head Island Transportation, and the Local Government Commission. We will continue to identify steps necessary to bring this matter to conclusion. We will continue to share information through the Village Voice.

3/29/2021