

County of Brunswick
Office of the County Commissioners



**RESOLUTION OF SUPPORT FOR THE ACQUISITION OF THE
BALD HEAD ISLAND FERRY TRANSPORTATION SYSTEM BY THE
BALD HEAD ISLAND TRANSPORTATION AUTHORITY**

WHEREAS, on July 18, 2017, the North Carolina General Assembly enacted S.L. 2017-120, known as the Ferry Transportation Authority Act (now Article 29 of Chapter 160A); and

WHEREAS, on August 23, 2017, the Bald Head Island Transportation Authority (the "Authority") filed its Articles of Incorporation with the Office of the Secretary of State, and is governed by an 11-member Board of Trustees consisting of 1 Governor's appointee, 2 General Assembly appointees, 3 NCDOT appointees, 3 Village of Bald Head Island appointees, 1 City of Southport appointee, and 1 Brunswick County appointee; and

WHEREAS, over the last four years the Authority has engaged in extensive meetings with interested governmental stakeholders, private businesses, property owners, and BHI residents regarding a process for the Authority to acquire the Bald Head Island Transportation System (consisting of ferry, barge, tram, terminals, parking facilities and related assets -- the "System") from its current owners, Bald Head Island Limited, LLC and Bald Head Transportation, Inc. (collectively "Limited"); and

WHEREAS, the Authority has engaged in extensive due diligence and feasibility studies with appraisers, bond counsel, financial advisers, and port and terminal consultants to develop an acquisition strategy that would acquire the System at or slightly below its appraised value; and

WHEREAS, on December 8, 2020, the Authority adopted a resolution approving an Asset Purchase Agreement and adopted a Findings Resolution required as a prerequisite to pursuit of Local Government Commission (the "LGC") approval for a bond sale; and

WHEREAS, on March 22, 2021, the Village of Bald Head Island (the "Village") expressed to the LGC its interest in acquiring the System instead of the Authority; and

WHEREAS, Limited, the owners of the System, have notified the LGC by letter dated March 26, 2021 that the Village has never made a formal offer to purchase the System and that Limited "does not intend to engage in negotiations with the Village."; and

WHEREAS, in contrast to the diverse constituency represented by the Authority, the permanent residents of the Village represent less than 10% of annual ferry ridership; and

WHEREAS, Limited has unequivocally stated that it “stands ready, willing, and able to close the transaction with the Authority, and only with the Authority, upon the terms and conditions set forth in the Asset Purchase Agreement finalized and approved by the Authority at its December 8, 2020 meeting.”

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF BRUNSWICK, NORTH CAROLINA:

1. Brunswick County expresses its support and confidence in the work of the Bald Head Island Transportation Authority.
2. Brunswick County supports the sale of the System by Limited to the Authority.
3. Brunswick County believes the purpose and function of the legislature’s passage of the Ferry Transportation Authority Act was to provide accountable representation of all constituent interests in the ownership and operation of a ferry transportation system, and that the Authority is the appropriate entity by statute to acquire ownership of the Bald Head Island Transportation System.
4. Brunswick County encourages the Local Government Commission to promptly consider and schedule the Authority’s request for approval to proceed with acquisition and bond issuance.
5. This Resolution shall take effect immediately on its adoption.

Adopted this, the 5th day of April 2021.

Randell Thompson, Chairman
Brunswick County Board of Commissioners

ATTEST:

Andrea White, NCCCC
Clerk to the Board