

Date: May 3, 2021 at 11:56:16 AM EDT

To: Beth_wood@ncauditor.net, Dale@nctreasurer.com,
Tim.romocki@nctreasurer.com, ronald.penny@ncdor.gov,
Cindy.Aiken@nctreasurer.com, emum@carolina.rr.com,
scottpaggett693@gmail.com, violaharris39@yahoo.com, Andy Sayre
<andy@wwpbaldhead.com>, SharonEdmundson@nctreasurer.com

Subject: Bond Issuance Bald Head Island

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.

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 use 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 additions in the existing Worsely 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

Sent: Tuesday, May 4, 2021 3:08 PM

To: Beth_wood@ncauditor.net <Beth_wood@ncauditor.net>; Dale@nctreasurer.com <Dale@nctreasurer.com>; Tim.romocki@nctreasurer.com <Tim.romocki@nctreasurer.com>; ronald.penny@ncdor.gov <ronald.penny@ncdor.gov>; Cindy.Aiken@nctreasurer.com <Cindy.Aiken@nctreasurer.com>; emum@carolina.rr.com <emum@carolina.rr.com>; scottpaggett693@gmail.com <scottpaggett693@gmail.com>; violaharris39@yahoo.com <violaharris39@yahoo.com>; Andy Sayre <andy@wwpbaldhead.com>; SharonEdmundson@nctreasurer.com <SharonEdmundson@nctreasurer.com>

Subject: Appraisals for bond offerings

My name is Mary Decker. My husband and I own property on Dogwood Trail and have been island owners since the 1990s. I support Frank Klaine's letter requesting the rejection or postponement of bond sale and that a true independent and transparent analysis be made.

Thanks

Tom and Mary DeCker

Sent: Tuesday, May 4, 2021 2:39 PM

To: Beth_wood@ncauditor.net <Beth_wood@ncauditor.net>; Dale@nctreasurer.co
<Dale@nctreasurer.co>; Timromocki@nctreasurer.com <Timromocki@nctreasurer.com>;
ronald.penny@ncdor.gov <ronald.penny@ncdor.gov>; Cindy.Aiken@nctreasurer.com
<Cindy.Aiken@nctreasurer.com>; emum@carolina.rr.com <emum@carolina.rr.com>;
scottpaggett693@gmail.com <scottpaggett693@gmail.com>; violaharris39@yahoo.com
<violaharris39@yahoo.com>; Andy Sayre <andy@wwpbaldhead.com>;
SharonEdmundson@nctreaurer.com <SharonEdmundson@nctreaurer.com>

Subject: Bald Head Island Ferry

Hello Everyone,

My name is THYRA EASLEY. My husband Richard and I have owned a home we built on BHI since 1999. I support Frank Klaine's letter requesting the rejection, or at the very least the postponement, of a bond sale of the subject until a truly independent and transparent analysis can be made and made public in language that is understandable to all.

Thank you for your attention to and understanding of, this request. Thyra Easley

Sent: Tuesday, May 4, 2021 2:50 PM

To: Cindy.Aiken@nctreasurer.com <Cindy.Aiken@nctreasurer.com>; violaharris39@yahoo.com <violaharris39@yahoo.com>; Andy Sayre <andy@wwpbaldhead.com>; sharonedmundson@nctreasurer.com <sharonedmundson@nctreasurer.com>; beth_wood@ncauditor.net <beth_wood@ncauditor.net>; dale@nctreasurer.com <dale@nctreasurer.com>; tim.romocki@nctreasurer.com <tim.romocki@nctreasurer.com>; ronald.penny@ncdor.gov <ronald.penny@ncdor.gov>; emum@carolina.rr.com <emum@carolina.rr.com>; scottpaggett693@gmail.com <scottpaggett693@gmail.com>

Cc: melanie robbins <mwg.robbins@icloud.com>; Wendy Wilmot <wendy@wwpbaldhead.com>

Subject: Bald Head Island Ferry hearing

Dear All,

My name is Holly Bandoroff and I have been a property owner on Bald Head since 2016. I am writing to express my concern about the ferry situation and to add my voice in support of Mr Klain's letter to the committee.

Thank you for your consideration

Sincerely

Holly Bandoroff
17 Sandspur Trail
Bald Head Island, NC

Sent from my iPhone

Sent: Tuesday, May 4, 2021 3:37 PM

To: Beth_wood@ncauditor.net <Beth_wood@ncauditor.net>; Dale@nctreasurer.com <Dale@nctreasurer.com>; Tim.romocki@nctreasurer.com <Tim.romocki@nctreasurer.com>; scottpaggett693@gmail.com <scottpaggett693@gmail.com>; ronald.penny@ncdor.gov <ronald.penny@ncdor.gov>; Cindy.Aiken@nctreasurer.com <Cindy.Aiken@nctreasurer.com>; Andy Sayre <andy@wwpbaldhead.com>; emum@carolina.rr.com <emum@carolina.rr.com>; SharonEdmundson@nctreasurer.com <SharonEdmundson@nctreasurer.com>; violaharris39@yahoo.com <violaharris39@yahoo.com>

Subject: Bald Head Island Ferry System

We are Randy and Vicki Jensen. We own 9 Keeper's Landing, Bald Head Island, NC and have been an island owner since 2004. We support Frank Klaine's letter requesting the rejection or postponement of bond sale and that a true independent and transparent analysis be made.

Sincerely,

Randy and Vicki Jensen

Sent: Tuesday, May 4, 2021 3:43 PM
To: Andy Sayre <andy@wwpbaldhead.com>
Subject: Bald Head Island Ferry System

My name is Alan Norton. My wife and I own the following properties on Bald Head Island:

25 Keeper's Landing
200 Row Boat Row
53 Transom Row
3713 Federal Road
Slip A-13
Slip F-28
Slip E-30

We have been property owners on Bald Head Island since 2001.

We are in support of Frank Klaine's Letter in which he requested the rejection or postponement of the bond sale. An independent analysis / valuation should be performed. The Ferry System is vital to the economy of this coastal community and the Brunswick County tax base. An excessive valuation would make it impossible to support a reasonable ferry rate. This would escalate all costs of doing business on the island and negatively impact property values.

The Mitchell Family has been a good steward of Bald Head Island and they deserve a fair price. However, they should realize that the ferry system and property was built for a single use purpose and should be valued accordingly.

Thank you for this consideration.

Alan Norton
Lisa Norton

Sent: Tuesday, May 4, 2021 2:48 PM

To: Beth_wood@ncauditor.net <Beth_wood@ncauditor.net>; Dale@nctreasurer.com <Dale@nctreasurer.com>; Tim.romocki@nctreasurer.com <Tim.romocki@nctreasurer.com>; ronald.penny@ncdor.gov <ronald.penny@ncdor.gov>; Cindy.Aiken@nctreasurer.com <Cindy.Aiken@nctreasurer.com>; emum@carolina.rr.com <emum@carolina.rr.com>; scottpaggett693@gmail.com <scottpaggett693@gmail.com>; violaharris39@yahoo.com <violaharris39@yahoo.com>; Andy Sayre <andy@wwpbaldhead.com>; SharonEdmundson@nctreasurer.com <SharonEdmundson@nctreasurer.com>

Subject: Bald Head Island Ferry

All-

My name is Mark King. I own 46 Transom Row on Bald Head Island and have been an island owner since March 2020. I am a real estate professional with substantial real estate experience in both large commercial real estate transactions and related valuations. I support Frank Klaine's letter requesting the rejection or postponement of bond sale and that a true independent and transparent analysis be made with the appropriate valuation methods.

Mark

Sent: Tuesday, May 4, 2021 2:45 PM

To: beth.wood@ncauditor.net <beth.wood@ncauditor.net>; Dale Folwell <Dale@Nctreasurer.com>

Cc: tim.romocki@nctreasurer.com <tim.romocki@nctreasurer.com>; ronald.penny@ncddor.gov <ronald.penny@ncddor.gov>; cindy.aiken@nctreasurer.com <cindy.aiken@nctreasurer.com>; emem@carolina.rr.com <emem@carolina.rr.com>; scottpaggett693@gmail.com <scottpaggett693@gmail.com>; violaharris39@yahoo.com <violaharris39@yahoo.com>; Andy Sayre <andy@wwpbaldhead.com>; sharonEdmundson@nctreasurer.com <sharonEdmundson@nctreasurer.com>

Subject: Bald Head Island Transportation

Dear Beth, Dale et al.

I hope you both are doing well. I have meant to write you about this topic but didn't realize it was coming forward today so I apologize for the haste.

I am writing about the Bald Head Island bond issue, which will be voted on later today. I want to add my support to the letter below by Frank Klaine. The property owners at BHI and other interested parties did not have detailed information about the valuation of assets that would underlie the proposed bond. When it was finally revealed a few weeks ago ppl were very surprised.

I support Frank's letter below so that there can be a good assessment of value for these assets that will back the bonds.

I have two properties on Bald Head Island — at 4 Ballantrae Court and 6 Ballantrae Court. I have a property owner on Bald Head since 2000 and have seen many changes. It is important that this transaction be assessed correctly, but also in a way that prevents the current owner from simply walking away from this deal and selling it to private investors who care nothing about BHI. There is no other way to get to BHI other than by ferry so its operations really should be part of the town's operations and not that of private investors.

One final point, I know you both care about the citizens of Brunswick County and surrounding areas that work on BHI. They have to take the ferry every day for work. If the ferry system is not in the right hands these people's livelihoods will be affected. So this issue is not only about the property owners of BHI; it is also about supporting the workers of Brunswick and New Hanover Counties.

Many thanks for your consideration.
Sallie

Sent: Tuesday, May 4, 2021 3:01 PM

To: 'Beth_wood@ncauditor.net' <Beth_wood@ncauditor.net>; 'Dale@nctreasurer.com' <Dale@nctreasurer.com>; 'Tim.romocki@nctreasurer.com' <Tim.romocki@nctreasurer.com>; 'ronald.penny@ncdor.gov' <ronald.penny@ncdor.gov>; 'Cindy.Aiken@nctreasurer.com' <Cindy.Aiken@nctreasurer.com>; 'emum@carolina.rr.com' <emum@carolina.rr.com>; 'scottpaggett693@gmail.com' <scottpaggett693@gmail.com>; 'violaharris39@yahoo.com' <violaharris39@yahoo.com>; Andy Sayre <andy@wwpbaldhead.com>; 'SharonEdmundson@nctreasurer.com' <SharonEdmundson@nctreasurer.com>

Cc: 'Kathleen Dantonio' <kedantonio1@gmail.com>

Subject: Bald Head Island Transportation Bond Issuance

Good afternoon. We own a home at 332 Stede Bonnet Wynd, and have been an island owner since 2014. I understand that you are reviewing the options related to a potential transaction related to the Bald Head Island ferry service. It appears to us that there has been limited review of the options, the cost and the potential long term impact on the Island and its homeowners. We also are concerned about the need for a truly transparent process that considers the best interest of all taxpayers and owners. We urge the postponement of any bond issuance pending a true independent and transparent analysis, which analysis is made available to all. Thank you for your consideration. Kathleen and Thomas D'Antonio

Sent: Tuesday, May 4, 2021 3:13 PM

To: Beth_wood@ncauditor.net <Beth_wood@ncauditor.net>; Dale@nctreasurer.com <Dale@nctreasurer.com>; Tim.romocki@nctreasurer.com <Tim.romocki@nctreasurer.com>; ronald.penny@ncdor.gov <ronald.penny@ncdor.gov>; Cindy.Aiken@nctreasurer.com <Cindy.Aiken@nctreasurer.com>; emum@carolina.rr.com <emum@carolina.rr.com>; scottpaggett693@gmail.com <scottpaggett693@gmail.com>; violaharris39@yahoo.com <violaharris39@yahoo.com>; Andy Sayre <andy@wwpbaldhead.com>; SharonEdmundson@nctreasurer.com <SharonEdmundson@nctreasurer.com>

Subject: Bald Head Island Transportation Bond Issuance

Ladies and Gentlemen,

I am writing you to register my support for Frank Klaine's email to you of May 3, 2021.

My wife and I have owned a lot and residence on Bald Head since 1985. Our property is located at 15 Silversides Trail.

Frank Klaine's email is well stated, and well reasoned. BHIT's bond issuance proposal should be rejected for the reasons outlined by Frank Klaine. We, too, are very familiar with the transportation system. We believe the valuation of the system as currently presented is far from being transparent, or at arms length.

We sincerely believe that the proposal under consideration should be rejected.

Thank you,

Joseph E. Elrod III, Esq.

Sent: Tuesday, May 4, 2021 2:58 PM

To: emum@carolina.rr.com <emum@carolina.rr.com>

Cc: ronald.penny@ncdor.gov <ronald.penny@ncdor.gov>; scottpaggett693@gmail.com <scottpaggett693@gmail.com>; dale@nctreasurer.com <dale@nctreasurer.com>; Andy Sayre <andy@wwpbaldhead.com>

Subject: FW: Bald head island transportation/ Larsen family - 28 East Beach

Dear Sir/Madam-

My name is Katherine Larsen and my family owns property at 28 East Beach, BHI, NC 28461. We have been property owners since 2011. I support Mr. Klaine's letter requesting the postponement of the Bond sale until a truly independent and transparent analysis can be conducted. For heaven's sake – let's get this right, please.

Best,
Katie

Sent: Tuesday, May 4, 2021 2:37 PM

To: SharonEdmundson@nctreasurer.com <SharonEdmundson@nctreasurer.com>; Beth_wood@ncauditor.net <Beth_wood@ncauditor.net>; Dale@nctreasurer.com <Dale@nctreasurer.com>; Tim.romocki@nctreasurer.com <Tim.romocki@nctreasurer.com>; ronald.penny@ncdor.gov <ronald.penny@ncdor.gov>; Cindy.Aiken@nctreasurer.com <Cindy.Aiken@nctreasurer.com>; emum@carolina.rr.com <emum@carolina.rr.com>; scottpaggett693@gmail.com <scottpaggett693@gmail.com>; violaharris39@yahoo.com <violaharris39@yahoo.com>; Andy Sayre <andy@wwpbaldhead.com>

Subject: BHI ferry sale

Good afternoon,

My name is Pamela S Douglas and I own 4 Coquina Trail on BHI. I have been an island owner since 2016 and came to island yearly before that, beginning in 2005. I request that the proposed ferry bond sale be rejected or postponed until a true independent and transparent analysis can be made and the issue fully and openly discussed among stakeholders.

Pamela S Douglas

Sent: Tuesday, May 4, 2021 2:55 PM

To: SharonEdmundson@nctreasurer.com <SharonEdmundson@nctreasurer.com>

Cc: Andy Sayre <andy@wwpbaldhead.com>; violaharris39@yahoo.com <violaharris39@yahoo.com>; scottpaggett693@gmail.com <scottpaggett693@gmail.com>; emum@carolina.rr.com <emum@carolina.rr.com>; Cindy.Aiken@nctreasurer.com <Cindy.Aiken@nctreasurer.com>; ronald.penny@ncdor.gov <ronald.penny@ncdor.gov>; Tim.romocki@nctreasurer.com <Tim.romocki@nctreasurer.com>; Dale@nctreasurer.com <Dale@nctreasurer.com>; Beth_wood@ncauditor.net <Beth_wood@ncauditor.net>

Subject: BHI Ferry system

My name is Renee 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,
Renee Liverman**

Sent from my iPhone

Sent: Tuesday, May 4, 2021 2:38 PM

To: Beth_wood@ncauditor.net <Beth_wood@ncauditor.net>; Dale@nctreasurer.com <Dale@nctreasurer.com>; Tim.romocki@nctreasurer.com <Tim.romocki@nctreasurer.com>; ronald.penny@ncdor.gov <ronald.penny@ncdor.gov>; Cindy.Aiken@nctreasurer.com <Cindy.Aiken@nctreasurer.com>; emum@carolina.rr.com <emum@carolina.rr.com>; scottpaggett693@gmail.com <scottpaggett693@gmail.com>; violaharris39@yahoo.com <violaharris39@yahoo.com>; Andy Sayre <andy@wwpbaldhead.com>; SharonEdmundson@nctreasurer.com <SharonEdmundson@nctreasurer.com>

Subject: BHI ferry system

My name is Ron Peele. I own a lot on Shoals Watch purchased in February 2005. I support Frank Klaine's letter requesting the rejection or postponement of bond sale and that a true independent and transparent analysis be made. Thank you considering this request.

Ron Peele

Sent: Tuesday, May 4, 2021 3:34 PM

To: Beth_wood@ncauditor.net <Beth_wood@ncauditor.net>; Dale@nctreasurer.com <Dale@nctreasurer.com>; Tim.romocki@nctreasurer.com <Tim.romocki@nctreasurer.com>; ronald.penny@ncdor.gov <ronald.penny@ncdor.gov>; Cindy.Aiken@nctreasurer.com <Cindy.Aiken@nctreasurer.com>; emum@carolina.rr.com <emum@carolina.rr.com>; scottpaggett693@gmail.com <scottpaggett693@gmail.com>; violaharris39@yahoo.com <violaharris39@yahoo.com>; Andy Sayre <andy@wwpbaldhead.com>; SharonEdmundson@nctreasurer.com <SharonEdmundson@nctreasurer.com>

Subject: bhi ferry system

All

My name is Mark Roemer, i own 605 Kinnakeet way and a lot on Starrush, we have been coming to the island for 14 years. I support Frank Klaine's letter requesting the rejection or postponement of the bond sale and the a try independent and transparent analysis be made on this matter.

Respectfully

--

Mark Roemer

Sent: Tuesday, May 4, 2021 2:47 PM

To: Beth_wood@ncauditor.net <Beth_wood@ncauditor.net>; Dale@nctreasurer.com <Dale@nctreasurer.com>; Tim.romocki@nctreasurer.com <Tim.romocki@nctreasurer.com>; ronald.penny@ncdor.gov <ronald.penny@ncdor.gov>; Cindy.Aiken@nctreasurer.com <Cindy.Aiken@nctreasurer.com>; emum@carolina.rr.com <emum@carolina.rr.com>; scottpaggett693@gmail.com <scottpaggett693@gmail.com>; violaharris39@yahoo.com <violaharris39@yahoo.com>; Andy Sayre <andy@wwpbaldhead.com>; SharonEdmundson@nctreasurer.com <SharonEdmundson@nctreasurer.com>

Subject: BHI ferry

"My name is Buddy and Betty Lawrence. We own 503 South Bald Head Wyndham and have been an island owner since 1998. 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,
Buddy and Betty Lawrence
Sent from my iPad

Sent: Tuesday, May 4, 2021 2:51 PM

To: Beth_wood@ncauditor.net <beth_wood@ncauditor.net>; Dale@nctreasurer.com <dale@nctreasurer.com>; Tim.romocki@nctreasurer.com <tim.romocki@nctreasurer.com>; ronald.penny@ncdor.gov <ronald.penny@ncdor.gov>; Cindy.Aiken@nctreasurer.com <cindy.aiken@nctreasurer.com>; emum@carolina.rr.com <emum@carolina.rr.com>; scottpaggett693@gmail.com <scottpaggett693@gmail.com>; violaharris39@yahoo.com <violaharris39@yahoo.com>; Andy Sayre <andy@wwpbaldhead.com>; SharonEdmundson@nctreasurer.com <sharonedmundson@nctreasurer.com>

Subject: BHI Transportation Bond Issuance

Our names are Robert and Meredith Vaughan. We own 28 Mourning Warbler Trail and have been an island owner since 1988. We support Frank Klaine's letter requesting the rejection or postponement of bond sale and that a true independent and transparent analysis be made.

Thank you,

Robert and Meredith Vaughan

Sent: Tuesday, May 4, 2021 3:12 PM

To: Beth_wood@ncauditor.net <Beth_wood@ncauditor.net>; Dale@nctreasurer.com <Dale@nctreasurer.com>; Tim.romocki@nctreasurer.com <Tim.romocki@nctreasurer.com>; ronald.penny@ncdor.gov <ronald.penny@ncdor.gov>; Cindy.Aiken@nctreasurer.com <Cindy.Aiken@nctreasurer.com>; emum@carolina.rr.com <emum@carolina.rr.com>; scottpaggett693@gmail.com <scottpaggett693@gmail.com>; violaharris39@yahoo.com <violaharris39@yahoo.com>; Andy Sayre <andy@wwpbaldhead.com>; SharonEdmundson@nctreasurer.com <SharonEdmundson@nctreasurer.com>

Subject: BHI Transportation Bond Issuance

Realize this is happening now, but after receiving further information just now, I believe this matter be postponed until more information is considered. I am the former Mayor of Biltmore Forest, N.C and my husband and large family have been coming to Bald Head since the late '80's . We have a home on Middle Island constructed in 1999. Transparency is of utmost important, especially now.

There should be no rush to judgement. Please delay any decision ASAP.

Sincerely,

Dr and Mrs Charles t. Rowe
Biltmore Forest, N.C.

Sent: Tuesday, May 4, 2021 3:25 PM

To: Beth_wood@ncauditor.net <Beth_wood@ncauditor.net>; Dale@nctreasurer.com <Dale@nctreasurer.com>; Tim.romocki@nctreasurer.com <Tim.romocki@nctreasurer.com>; ronald.penny@ncdor.gov <ronald.penny@ncdor.gov>; Cindy.Aiken@nctreasurer.com <Cindy.Aiken@nctreasurer.com>; emum@carolina.rr.com <emum@carolina.rr.com>; scottpaggett693@gmail.com <scottpaggett693@gmail.com>; violaharris39@yahoo.com <violaharris39@yahoo.com>; Andy Sayre <andy@wwpbaldhead.com>; SharonEdmundson@nctreasurer.com <SharonEdmundson@nctreasurer.com>

Subject: BHI transportation bond issue

Thank you for your hard work and efforts to help keep BHI the gem that it is. My family and I have owned various homes on the island for 20 years. I share the concern of others that a critical piece of infrastructure like the transportation system must be carefully and transparently evaluated prior to its sale/purchase so that a cost that is fair and reasonable to all parties can be ascertained. It sounds like there are multiple evaluations that must be performed by both sides to reach this critical number. Please do whatever is required to achieve this goal. Thank you again for your hard work.
H. Richard Allen, Jr., MD

Sent: Tuesday, May 4, 2021 3:26 PM

To: SharonEdmundson@nctreasurer.com <SharonEdmundson@nctreasurer.com>; Beth_wood@ncauditor.net <Beth_wood@ncauditor.net>; Tim.romocki@nctreasurer.com <Tim.romocki@nctreasurer.com>; Dale@nctreasurer.com <Dale@nctreasurer.com>; ronald.penny@ncdor.gov <ronald.penny@ncdor.gov>; Cindy.Aiken@nctreasurer.com <Cindy.Aiken@nctreasurer.com>; emum@carolina.rr.com <emum@carolina.rr.com>; scottpaggett693@gmail.com <scottpaggett693@gmail.com>; violaharris39@yahoo.com <violaharris39@yahoo.com>; Andy Sayre <andy@wwpbaldhead.com>; SharonEdmundson@nctreasurer.com <SharonEdmundson@nctreasurer.com>

Subject: BHI Transportation Bond Transparency

While I support Frank Klaine's letter requesting the rejection or postponement of bond sale until a transparent analysis be made, **I also would like to see the time-line of the negotiated prices since the concept of purchasing BHI Transportation was initially floated.** Such a time line with dollar figures would enable me and others to see just how effect the negotiations were.

My wife (Carol Shumate) and I (Ed Samulski) have been an island owner since 1994; we current own a Harbour home (Keelson Row 1B) and a lot on Middle Island.

Thanks you,
Ed & Carol

Sent: Tuesday, May 4, 2021 4:20 PM

To: Andy Sayre <andy@wwpbaldhead.com>

Subject: BHI Transportation Bond

"My name is Mark Sherburne. I own two properties and have been an island owner since 2002. I support Frank Klaine's letter requesting the rejection or postponement of bond sale and that a true independent and transparent analysis be made.

MARK SHERBURNE

Sent: Tuesday, May 4, 2021 3:16 PM

To: Beth_wood@ncauditor.net <Beth_wood@ncauditor.net>; Dale@nctreasurer.com <Dale@nctreasurer.com>; Tim.romocki@nctreasurer.com <Tim.romocki@nctreasurer.com>; ronald.penny@ncdor.gov <ronald.penny@ncdor.gov>; Cindy.Aiken@nctreasurer.com <Cindy.Aiken@nctreasurer.com>; emum@carolina.rr.com <emum@carolina.rr.com>; scottpaggett693@gmail.com <scottpaggett693@gmail.com>; violaharris39@yahoo.com <violaharris39@yahoo.com>; Andy Sayre <andy@wwpbaldhead.com>; SharonEdmundson@nctreasurer.com <SharonEdmundson@nctreasurer.com>

Subject: BHIT Bond Issue

My wife and I own two properties on Bald Head Island, and we have had a home there since 2003. Given how the ultimate resolution of this matter will impact us, I am writing to let you know that we support Frank Klaine's letter requesting the rejection or postponement of the proposed bond sale and that a true independent and transparent analysis be made. Based on my work before the Utilities Commission over the years, I agree with Frank's analysis and support his request.

Thank you in advance for your sincere consideration of Frank's letter and the underlying issues.

Daniel C. Higgins

Sent: Tuesday, May 4, 2021 3:10 PM

To: Andy Sayre <andy@wwpbaldhead.com>

Subject: BHITA

My name is Ralph Hutton. I own 8 Royal Tern and have been an island owner since 1995. I support Frank Klaine's letter requesting the rejection or postponement of bond sale and that a true independent and transparent analysis be made.

Ralph Hutton

Bryan Hutton

Sent: Tuesday, May 4, 2021 3:33 PM

To: Beth_wood@ncauditor.net <Beth_wood@ncauditor.net>; Dale@nctreasurer.com <Dale@nctreasurer.com>; Tim.romocki@nctreasurer.com <Tim.romocki@nctreasurer.com>; ronald.penny@ncdor.gov <ronald.penny@ncdor.gov>; Cindy.Aiken@nctreasurer.com <Cindy.Aiken@nctreasurer.com>; emum@carolina.rr.com <emum@carolina.rr.com>; scottpaggett693@gmail.com <scottpaggett693@gmail.com>; violaharris39@yahoo.com <violaharris39@yahoo.com>; Andy Sayre <andy@wwpbaldhead.com>; SharonEdmundson@nctreasurer.com <SharonEdmundson@nctreasurer.com>

Subject: Bond Issuance Bald Head Island

From: James A. And Kathleen Koch <jakoch@baldhead.com>

Date: May 3, 2021 at 11:56:16 AM EDT

To: Beth_wood@ncauditor.net, Dale@nctreasurer.com, Tim.romocki@nctreasurer.com, ronald.penny@ncdor.gov, Cindy.Aiken@nctreasurer.com, emum@carolina.rr.com, scottpaggett693@gmail.com, violaharris39@yahoo.com, Andy Sayre <andy@wwpbaldhead.com>, SharonEdmundson@nctreasurer.com

Subject: Bond Issuance Bald Head Island

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.

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 use 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 additions 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. James A. And Kathleen Koch

Sent: Tuesday, May 4, 2021 4:00 PM

To: Beth_wood@ncauditor.net <Beth_wood@ncauditor.net>; Dale@nctreasurer.com <Dale@nctreasurer.com>; Tim.romocki@nctreasurer.com <Tim.romocki@nctreasurer.com>; ronald.penny@ncdor.gov <ronald.penny@ncdor.gov>; Cindy.Aiken@nctreasurer.com <Cindy.Aiken@nctreasurer.com>; emum@carolina.rr.com <emum@carolina.rr.com>; scottpaggett693@gmail.com <scottpaggett693@gmail.com>; violaharris39@yahoo.com <violaharris39@yahoo.com>; Andy Sayre <andy@wwpbaldhead.com>; SharonEdmundson@nctreasurer.com <SharonEdmundson@nctreasurer.com>

Subject: Bond Issuance BHI

To all concerned parties,

We, Kenneth and Jana Sloneker, own 5 Dogwood Trail BHI we have been an island owners since December 2020. We support Frank Klaine's letter requesting the rejection or postponement of bond sale and that a true independent and transparent analysis be made."

Sincerely,

Kenneth Sloneker, Engineering Services

Jana Sloneker

Sent: Tuesday, May 4, 2021 2:49 PM

To: Beth_wood@ncauditor.net <Beth_wood@ncauditor.net>; Dale@nctreasurer.com <Dale@nctreasurer.com>; Tim.romocki@nctreasurer.com <Tim.romocki@nctreasurer.com>; ronald.penny@ncdor.gov <ronald.penny@ncdor.gov>; Cindy.Aiken@nctreasurer.com <Cindy.Aiken@nctreasurer.com>; emum@carolina.rr.com <emum@carolina.rr.com>; scottpaggett693@gmail.com <scottpaggett693@gmail.com>; violaharris39@yahoo.com <violaharris39@yahoo.com>; Andy Sayre <andy@wwpbaldhead.com>; SharonEdmundson@nctreasurer.com <SharonEdmundson@nctreasurer.com>

Subject: Bond Sale for BHI Ferry System

My name is Ron Unger. We own 14 Keepers Landing and have been an island owner since November 2017. If what Frank Klaine is purporting in his letter dated May 3, 2021 is true, then I support Frank Klaine's letter requesting the rejection or postponement of bond sale and that a true independent and transparent analysis be made.

Sent: Tuesday, May 4, 2021 4:27 PM

To: Beth_wood@ncauditor.net <Beth_wood@ncauditor.net>; Dale@nctreasurer.com <Dale@nctreasurer.com>; Tim.romocki@nctreasurer.com <Tim.romocki@nctreasurer.com>; ronald.penny@ncdor.gov <ronald.penny@ncdor.gov>; Cindy.Aiken@nctreasurer.com <Cindy.Aiken@nctreasurer.com>; emum@carolina.rr.com <emum@carolina.rr.com>; scottpaggett693@gmail.com <scottpaggett693@gmail.com>; violaharris39@yahoo.com <violaharris39@yahoo.com>; Andy Sayre <andy@wwpbaldhead.com>; SharonEdmundson@nctreasurer.com <SharonEdmundson@nctreasurer.com>

Subject: ferry sale

My name is Michael p. Dieter. I own (Hammocks#20 +crofter) and have been an island owner since 1998). I support Frank Klaine's letter requesting the rejection or postponement of bond sale and that a true independent and transparent analysis be made."

Sent from my iPad

Sent: Tuesday, May 4, 2021 3:00 PM

To: Beth_wood@ncauditor.net <Beth_wood@ncauditor.net>; Dale@nctreasurer.com <Dale@nctreasurer.com>; Tim.romocki@nctreasurer.com <Tim.romocki@nctreasurer.com>; ronald.penny@ncdor.gov <ronald.penny@ncdor.gov>; Cindy.Aiken@nctreasurer.com <Cindy.Aiken@nctreasurer.com>; emum@carolina.rr.com <emum@carolina.rr.com>; scottpaggett693@gmail.com <scottpaggett693@gmail.com>; violaharris39@yahoo.com <violaharris39@yahoo.com>; Andy Sayre <andy@wwpbaldhead.com>; SharonEdmundson@nctreasurer.com <SharonEdmundson@nctreasurer.com>

Subject: FW: Immediate Attention Requested: BHI Transportation Bond Issuance

My name Dale Sandler. I co-own own 845A Killegray Ridge, BHI and have been an island owner since 1999. I support Frank Klaine's letter requesting the rejection or postponement of bond sale and that a true independent and transparent analysis be made.

Dale P. Sandler

Sent: Tuesday, May 4, 2021 2:54 PM

To: Beth_wood@ncauditor.net <Beth_wood@ncauditor.net>; Dale@nctreasurer.com <Dale@nctreasurer.com>; Tim.romocki@nctreasurer.com <Tim.romocki@nctreasurer.com>; ronald.penny@ncdor.gov <ronald.penny@ncdor.gov>; Cindy.Aiken@nctreasurer.com <Cindy.Aiken@nctreasurer.com>; emum@carolina.rr.com <emum@carolina.rr.com>; scottpaggett693@gmail.com <scottpaggett693@gmail.com>; violaharris39@yahoo.com <violaharris39@yahoo.com>; Andy Sayre <andy@wwpbaldhead.com>; SharonEdmundson@nctreasurer.com <SharonEdmundson@nctreasurer.com>

Subject: May 4 BHI bond meeting

Dear Ladies and Gentlemen:

Our names are Mark and Rebecca Chilton and we became Bald Head Island property owners this year, in February 2021. We support Frank Klaine's letter requesting the rejection or postponement of BHI ferry bond sale and that an objective and transparent analysis of this financial transaction be made by a truly independent and experienced professional before proceeding further.

Best regards,

Mark and Rebecca Chilton
Bald Head Island

Sent: Tuesday, May 4, 2021 3:38 PM

To: RICHARD ALLEN <tricountygastro@aol.com>; Wendy Wilmot <wendy@wwpbaldhead.com>; Andy Sayer <jasayre@bellsouth.net>

Subject: Re: Not sure, who, if anyone, at WWP would want a copy.

John Munroe
(910) 471-4005

On May 4, 2021, at 3:26 PM, RICHARD ALLEN <tricountygastro@aol.com> wrote:

Begin forwarded message:

From: RICHARD ALLEN <tricountygastro@aol.com>

Date: May 4, 2021 at 3:25:15 PM EDT

To: Beth_wood@ncauditor.net, Dale@nctreasurer.com, Tim.romocki@nctreasurer.com, ronald.penny@ncdor.gov, Cindy.Aiken@nctreasurer.com, emum@carolina.rr.com, scottpaggett693@gmail.com, violaharris39@yahoo.com, andy@wwpbaldhead.com, SharonEdmundson@nctreasurer.com

Subject: BHI transportation bond issue

Thank you for your hard work and efforts to help keep BHI the gem that it is. My family and I have owned various homes on the island for 20 years. I share the concern of others that a critical piece of infrastructure like the transportation system must be carefully and transparently evaluated prior to its sale/purchase so that a cost that is fair and reasonable to all parties can be ascertained. It sounds like there are multiple evaluations that must be performed by both sides to reach this critical number. Please do whatever is required to achieve this goal. Thank you again for your hard work.

H. Richard Allen, Jr., MD

Sent: Tuesday, May 4, 2021 2:53 PM

To: Andy Sayre <andy@wwpbaldhead.com>

Subject: Please Postpone Bond Sale

My name is Scott Mueller. I own 6 Keepers Landing and have been an island owner since 2016. I support Frank Klaine's letter requesting the rejection or postponement of bond sale and that a true independent and transparent analysis be made.

Thank you.

Sent: Tuesday, May 4, 2021 3:07 PM

To: Beth_wood@ncauditor.net <Beth_wood@ncauditor.net>; Dale@nctreasurer.com <Dale@nctreasurer.com>; Tim.romocki@nctreasurer.com <Tim.romocki@nctreasurer.com>; ronald.penny@ncdor.gov <ronald.penny@ncdor.gov>; Cindy.Aiken@nctreasurer.com <Cindy.Aiken@nctreasurer.com>; emum@carolina.rr.com <emum@carolina.rr.com>; scottpaggett693@gmail.com <scottpaggett693@gmail.com>; violaharris39@yahoo.com <violaharris39@yahoo.com>; Andy Sayre <andy@wwpbaldhead.com>; SharonEdmundson@nctreasurer.com <SharonEdmundson@nctreasurer.com>

Cc: Jim Riff <JRiff@enablx.com>

Subject: Re; Frank Klaine's Leter of May 3 2021

To Whom It May Concern;

My name is James Riff. I own 27 Silversides Trail and have been an island owner since 1998. I support Frank Klaine's letter requesting the rejection or postponement of bond sale and that a true independent and transparent analysis be made.

Regards,

Jim Riff

Sent: Tuesday, May 4, 2021 3:09 PM

To: Dale@nctreasurer.com <Dale@nctreasurer.com>; Tim.romocki@nctreasurer.com <Tim.romocki@nctreasurer.com>; ronald.penny@ncdor.gov <ronald.penny@ncdor.gov>; Cindy.Aiken@nctreasurer.com <Cindy.Aiken@nctreasurer.com>; emum@carolina.rr.com <emum@carolina.rr.com>; scottpaggett693@gmail.com <scottpaggett693@gmail.com>; violaharris39@yahoo.com <violaharris39@yahoo.com>; Andy Sayre <andy@wwpbaldhead.com>; SharonEdmundson@nctreasurer.com <SharonEdmundson@nctreasurer.com>; Beth_wood@ncauditor.net <Beth_wood@ncauditor.net>

Subject: REJECTION OF BOND

My name is Kay Brown. I own 319 Stede Bonnet Wynd. I have been an island owner since 2001. I support Frank Klaine's letter requesting the rejection or postponement of bond sale and that a true independent and transparent analysis be made.

Thank you,

Kay Brown

Sent: Tuesday, May 4, 2021 2:49 PM

To: Beth_wood@ncauditor.net <Beth_wood@ncauditor.net>; Dale@nctreasurer.com <Dale@nctreasurer.com>; Tim.romocki@nctreasurer.com <Tim.romocki@nctreasurer.com>; ronald.penny@ncdor.gov <ronald.penny@ncdor.gov>; Cindy.Aiken@nctreasurer.com <Cindy.Aiken@nctreasurer.com>; emum@carolina.rr.com <emum@carolina.rr.com>; scottpaggett693@gmail.com <scottpaggett693@gmail.com>; violaharris39@yahoo.com <violaharris39@yahoo.com>; Andy Sayre <andy@wwpbaldhead.com>; SharonEdmundson@nctreasurer.com <SharonEdmundson@nctreasurer.com>

Cc: S. Jean Chai <sjeanchai@me.com>

Subject: rejection of the bond sale

My name is Janie Chai. I own a house on Bald Head Island at 212 Portsmouth Way. I have been an island owner since 2014-2017 and again in 2020 with the current property. We have come to Bald Head since 2005. I support Frank Klaine's letter requesting the rejection or postponement of bond sale and that a true independent and transparent analysis be made.

Sincerely,

S. Jean and Janie Chai

Sent: Tuesday, May 4, 2021 3:05 PM

To: Beth_wood@ncauditor.net <Beth_wood@ncauditor.net>; Dale@nctreasurer.com <Dale@nctreasurer.com>; Tim.romocki@nctreasurer.com <Tim.romocki@nctreasurer.com>; ronald.penny@ncdor.gov <ronald.penny@ncdor.gov>; Cindy.Aiken@nctreasurer.com <Cindy.Aiken@nctreasurer.com>; emum@carolina.rr.com <emum@carolina.rr.com>; scottpaggett693@gmail.com <scottpaggett693@gmail.com>; violaharris39@yahoo.com <violaharris39@yahoo.com>; Andy Sayre <andy@wwpbaldhead.com>; SharonEdmundson@nctreasurer.com <SharonEdmundson@nctreasurer.com>; Beth_wood@ncauditor.net <Beth_wood@ncauditor.net>; Dale@nctreasurer.com <Dale@nctreasurer.com>; Tim.romocki@nctreasurer.com <Tim.romocki@nctreasurer.com>; ronald.penny@ncdor.gov <ronald.penny@ncdor.gov>; Cindy.Aiken@nctreasurer.com <Cindy.Aiken@nctreasurer.com>; emum@carolina.rr.com <emum@carolina.rr.com>; scottpaggett693@gmail.com <scottpaggett693@gmail.com>; violaharris39@yahoo.com <violaharris39@yahoo.com>; Andy Sayre <andy@wwpbaldhead.com>; SharonEdmundson@nctreasurer.com <SharonEdmundson@nctreasurer.com>

Subject: stop bond sale

**My name is Claudia Jones. I own 6 Killegray Ridge and have been an island owner for over 20 years.. I support Karen and Frank Klaine's letter requesting the rejection or postponement of bond sale and that a true independent and transparent analysis be made.
Claudia Jones**

Sent: Tuesday, May 4, 2021 3:18 PM

To: Andy Sayre <andy@wwpbaldhead.com>; Cindy.Aiken@nctreasurer.com <Cindy.Aiken@nctreasurer.com>; Dale@nctreasurer.com <Dale@nctreasurer.com>; MICHAEL T. BROWN <mtbrown45@msn.com>; Tim.Romocki@nctreasurer.com <Tim.Romocki@nctreasurer.com>; beth_wood@ncauditor.net <beth_wood@ncauditor.net>; ronald.penny@ncdor.gov <ronald.penny@ncdor.gov>

Subject: Support of Frank Klaine's letter

Bill and I are BHI residents since 2012. We purchased our house on Bald Head in 1995. We wish to reject the bond sale and request a true transparent analysis be made as to the worth of the BHI ferry system.

Sincerely,

Elayne Bennett
William Bennett (former US Secretary of Education)