

Village of Bald Head Island v. Bald Head Island Transportation, et al

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STATE OF NORTH CAROLINA                      UTILITIES COMMISSION  
RALEIGH    DOCKET NO. A-41, SUB 21

VILLAGE OF BALD HEAD ISLAND,

Complainant,

vs.

BALD HEAD ISLAND  
TRANSPORTATION, INC., BALD  
HEAD ISLAND LIMITED, LLC, AND  
SHARPVUE CAPITAL, LLC,

Respondents.

VIRTUAL ZOOM DEPOSITION OF SCOTT GARDNER

(Taken by Respondents)

Raleigh, North Carolina

Tuesday, September 2, 2022

Reported by Andrea L. Kingsley, RPR

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Oct 04 2022

Village of Bald Head Island v. Bald Head Island Transportation, et al

A P P E A R A N C E S

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VIRTUAL ZOOM DEPOSITION OF SCOTT GARDNER, a witness called on behalf of the Complainant pursuant to the North Carolina Rules of Civil Procedure, before Andrea L. Kingsley, Notary Public in and for the State of North Carolina, at the Law Offices of Brooks Pierce McLendon Humphrey & Leonard, 150 Fayetteville Street, 17th Floor, North Carolina, on Friday, September 2, 2022, commencing at 10:03 a.m.

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1 P R O C E E D I N G S

2 SCOTT GARDNER, being duly sworn, was  
3 examined and testified as follows:

4 EXAMINATION BY

5 MR. RISINGER:

6 (Exhibit 1, Notice of Deposition,  
7 marked for identification, as of this date.)

8 (Exhibit 2, Direct Testimony of  
9 Mr. Gardner, marked for identification, as of  
10 this date.)

11 (Exhibit 3, document Bates No.  
12 VBHI\_0003524, marked for identification, as of  
13 this date.)

14 (Exhibit 4, document Bates No.  
15 VBHI\_0003543, marked for identification, as of  
16 this date.)

17 Q. Good morning, Mr. Gardner. We've met a  
18 few times off the record. My name is Brad Risinger  
19 with Fox Rothschild in Raleigh and I'm counsel for  
20 BHIL and BHIT in the docket before the Commission.  
21 Good to see you again.

22 A. You too. Thank you.

23 Q. I apologize for dragging out on a Friday  
24 before a long weekend, that seems like a terrible  
25 thing to do and I apologize for that. I'm going to

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1           A.       No. The Worsley appraisal asset value  
2 and the Newmark appraisal.

3           Q.       Thank you.

4                   Does the Village view one or the other  
5 of those as more accurate than the other?

6           A.       We view both as inaccurate.

7           Q.       Are there particular or different  
8 failings that the Village identifies with respect to  
9 each of the appraisals?

10          A.       As I mentioned, there is value given to  
11 a number of the asset components that we think are  
12 overvalued. I mean, again, the dredge spoil basins  
13 need work. The luggage handling needs work.  
14 Trucks and trams and parking needed work. So  
15 that's why we felt they were overvalued in those  
16 appraisals.

17          Q.       The Village and Southport and Brunswick  
18 County were jurisdictional participants in the  
19 Authority; true?

20          A.       Yes.

21          Q.       From the standpoint of its role as a  
22 jurisdictional participant in the Authority, did the  
23 Village make the decision that the shortcomings  
24 you've identified meant that it should try to  
25 acquire the assets on its own as opposed to achieve