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January 24, 2023

Ms. A. Shonta Dunston  
Chief Clerk  
North Carolina Utilities Commission  
430 N. Salisbury Street  
Room 5063  
Raleigh, NC 27603

Re: In the Matter of  
Joint Application of Bald Head Island Transportation, Inc. and Bald Head Island  
Ferry Transportation, LLC for Approval of Transfer of Common Carrier Certificate  
to Bald Head Island Ferry Transportation, LLC, and Permission to Pledge Assets  
NCUC Docket No. A-41, Sub 22  
***Amended Direct Testimony of Shirley Mayfield***

Dear Ms. Dunston:

Attached for filing in the above referenced docket is the Amended Direct Testimony of  
Shirley Mayfield.

Thank you in advance for your assistance with this filing. If you should have any questions  
concerning this submittal, please contact me.

Sincerely,

*/s/ M. Gray Styers, Jr.*

M. Gray Styers, Jr.

pbb

A Pennsylvania Limited Liability Partnership

California Colorado Delaware District of Columbia Florida Georgia Illinois Minnesota  
Nevada New Jersey New York North Carolina Pennsylvania South Carolina Texas Washington

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Enclosure

cc: All Counsel and Parties of Record  
Christopher J. Ayers - NC Public Staff  
Elizabeth Culpepper – NC Public Staff  
William E. H. Creech – NC Public Staff  
Jessica Heironimus – NC Public Staff

STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH

DOCKET NO. A-41, SUB 22

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of Joint Application  
of Bald Head Island Transportation, Inc.,  
and SharpVue Capital, LLC, for  
Approval of Acquisition of Common  
Carrier Certificate and by SharpVue  
Capital, LLC, and Permission to Pledge  
Assets

**AMENDED DIRECT TESTIMONY OF  
SHIRLEY MAYFIELD**

January 24, 2023

1    **Q.    Please state your name, occupation, and business address.**

2    A.    My name is Shirley Mayfield. I am the Chief Financial Officer of Bald Head Island  
3        Limited LLC ("BHIL") as well as for Bald Head Island Transportation, Inc.  
4        ("BHIT"). My business address is 6 Marina Wynd, Bald Head Island, North  
5        Carolina 28461-5073.

6    **Q.    Please describe your educational and professional background.**

7    A.    I have a B.S. degree in accounting and Master of Business Administration degree  
8        from the University of North Carolina at Wilmington. I am a Certified Public  
9        Accountant and have been licensed in the State of North Carolina since 1988. I  
10       have worked for BHIL for 21 years. Prior to that, I worked as the Controller for  
11       The Bonita Bay Group, a prominent developer in Southwest Florida, for three years  
12       and for Landfall Associates in Wilmington, North Carolina, for nine years before  
13       that.

14   **Q.    In your work for BHIL, do you also have any involvement with Bald Head**  
15   **Island Transportation, Inc.?**

16   A.    Yes. BHIT is a wholly-owned subsidiary of BHIL. As Chief Financial Officer for  
17        BHIL, I also have oversight over and responsibility for the finances of BHIT.  
18        Additionally, I serve as Secretary and Treasurer for both BHIL and BHIT.

19   **Q.    Have you testified before the North Carolina Utilities Commission before?**

20   A.    Yes, I testified in the general rate case for BHIT, Docket No. A-41, Sub 7, in 2010,  
21        and in the complaint case brought by the Village, Docket No. A-41, Sub 21, in  
22        2022.

1    **Q.    What is the purpose of your testimony in this proceeding?**

2    A.    The purpose of my testimony is to describe the financial condition of BHIT and  
3           BHIL, how the sale of BHIT's and BHIL's assets (the "SharpVue Transaction") to  
4           an affiliate of SharpVue Capital, LLC, ("SharpVue") will affect the financial  
5           feasibility of operations, and why the SharpVue Transaction is necessary for the  
6           stability and continued viability of BHIT's ferry and tram services.

7    **Q.    Please describe the SharpVue Transaction.**

8    A.    BHIL has been gradually selling their assets since George Mitchell died in 2013.  
9           In order to facilitate settlement and closure of Mr. Mitchell's Estate, they have now  
10          agreed to sell nearly all of their remaining operating assets to SharpVue for \$67.2  
11          million. These assets include significant real property holdings, vehicles, vessels,  
12          contracts, and a variety of other personal and intangible property.

13   **Q.    Are you aware that the Commission's recent decision concluded that the**  
14   **parking facilities and barge/tugboat operations are regulated by the**  
15   **Commission?**

16   A.    Yes . Until recently, I had understood that only the ferry and tram services were  
17          regulated by the Commission and had maintained all accounting records and the  
18          allocation of costs accordingly. However, I have read the Commission's recent  
19          order stating that the parking and barge operations are also subject to the same  
20          Certificate of Common Carrier Authority pursuant to which BHIT has been  
21          operating the ferry and tram services.

22   **Q.    Does the SharpVue Transaction affect those transportation operations?**

1 A. Yes. Subject to Commission approval, SharpVue is acquiring the operating rights  
2 under the Certificate of Common Carrier Authority, the ferries, the trams, the leases  
3 for the passenger terminals in Southport and on the island, the parking lots adjacent  
4 to Deep Point Marina, and the barge and tugboat. However, while the ownership  
5 of these operations will change, no significant changes to the day-to-day operations  
6 affecting passengers' experiences are expected.

7 **Q. Will SharpVue acquire all of the assets necessary to continue operations?**

8 A. Yes.

9 **Q. What due diligence did BHIL and BHIT do on SharpVue to determine**  
10 **whether it was capable of operating the services utilizing the ferries, trams,**  
11 **parking facilities and barge/tugboat assets?**

12 As explained in more detail in the Direct Testimony of Mr. Chad Paul, we  
13 conducted due diligence on SharpVue and its management team to ensure that they  
14 had the financial ability to maintain operations following completion of the  
15 transaction.

16 **Q. Have the services utilizing those assets been financially stable?**

17 A. Yes.

18 **Q. Do you believe that the SharpVue Transaction is necessary for continued**  
19 **financial stability?**

20 A. Yes. BHIT and BHIL must be wound down to facilitate the settlement and closure  
21 of Mr. Mitchell's Estate. In order to ensure that the services utilizing the assets to  
22 be transferred continue to operate and that residents, employees, and the public at



1 large continue to have safe, reliable, and readily available access to the island, it is  
2 essential that the operations be sold to a fit, willing, and able buyer with the  
3 financial resources to continue operations. SharpVue is a good fit as purchaser of  
4 the operations.

5 **Q. Based on your familiarity with the terms of the SharpVue Transaction and the**  
6 **financial feasibility of the operations utilizing the assets to be transferred, do**  
7 **you believe a rate increase will be necessary as a result of the sale?**

8 A. No, not as the result of the sale, but as the Commission stated in its December 30  
9 Order in Docket A-41, Sub 21, there will be many issues yet to be determined if the  
10 Commission were to set rates for the barge/tugboat operations and the parking. The  
11 consequences of how those issues might be resolved are completely unknown at  
12 this time. That will be true, however, regardless of whether SharpVue, or another  
13 private owner purchases the assets.

14 **Q. Will you have any continuing role in the finances for the operations after the**  
15 **Transaction is closed?**

16 A. Yes. I plan to continue working with SharpVue as Chief Financial Officer and  
17 manager for at least thirty-six (36) months.

18 **Q. From BHIT's perspective, what benefits will there be to the public if the**  
19 **SharpVue Transaction is approved?**

20 First and foremost, the Transaction will ensure that the ferry, tram, parking, and  
21 barge services continue uninterrupted in the same cost-effective, safe, and reliable  
22 manner which the public has come to expect.

1    **Q.    From a financial perspective, will the customers who rely on the services**  
2           **provided by the transferred assets be harmed in any way as a result of the**  
3           **SharpVue transaction?**

4    **A.    No; not as a result of the SharpVue transaction. Services will continue at the current**  
5           **rates until the next rate case, and SharpVue's financial resources will enable it to**  
6           **continue operations, address growth, prepare for contingencies, and make capital**  
7           **investments as needs arise, ensuring the long-term viability of the ferry and tram**  
8           **services.**

9    **Q.    Does this conclude your testimony?**

10   **A.    Yes, at this time.**