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July 14, 2022

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  
***Direct Testimony of Shirley Mayfield***

Dear Ms. Dunston:

Attached for filing in the above referenced docket is the 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

Ms. A. Shonta Dunston  
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Enclosure

cc: All Counsel 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

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JUL 15 2022

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

**DIRECT TESTIMONY OF  
SHIRLEY MAYFIELD**

July 14, 2022

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”). My business address is 6 Marina Wynd, Bald Head Island,  
4 North Carolina 28461-5073.

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

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

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

15 A. Yes. Bald Head Island Transportation, Inc., (“BHIT”) is a wholly-owned  
16 subsidiary of BHIL. As Chief Financial Officer for BHIL, I also have oversight  
17 and responsibility for the finances of BHIT.

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

19 A. Yes, I testified in the general rate case for BHIT, Docket No. A-41, Sub 7, in 2010.

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

21 A. The purpose of my testimony is to describe the financial condition of BHIT, how  
22 the sale of BHIT’s assets (the “SharpVue Transaction”) to an affiliate of SharpVue

1 Capital, LLC, (“SharpVue”) will affect the financial feasibility of operations, and  
2 why the SharpVue Transaction is necessary for the stability and continued viability  
3 of BHIT’s ferry and tram services.

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

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

11 **Q. Are you aware that the ferry service and tram operations are regulated by the**  
12 **Commission?**

13 A. Yes.

14 **Q. Does the SharpVue Transaction affect those operations?**

15 A. Yes. Subject to Commission approval, SharpVue is acquiring the operating rights  
16 under the Certificate of Common Carrier Authority, the ferries, the trams, and the  
17 leases for the passenger terminals in Southport and on the island. However, while  
18 the ownership of these operations will change, no significant changes to the day-  
19 to-day operations affecting passengers’ experiences are expected.

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

21 A. Yes.

1 **Q. What due diligence did BHIL and BHIT do on SharpVue to determine**  
2 **whether it was capable of operating the ferry and tram services?**

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

7 **Q. Have the ferry and tram services been financially stable?**

8 A. Yes.

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

11 A. Yes. BHIT and BHIL must be wound down to facilitate the settlement and closure  
12 of Mr. Mitchell's Estate. In order to ensure that the ferry and trams continue to  
13 operate and that residents, employees, and the public at large continue to have safe,  
14 reliable, and readily available access to the island, it is essential that the operations  
15 be sold to a fit, willing, and able buyer with the financial resources to continue  
16 operations. SharpVue is a good fit as purchaser of the operations.

17 **Q. Based on your familiarity with the terms of the Transaction and the financial**  
18 **feasibility of the ferry and tram operations, do you believe a rate increase will**  
19 **be necessary as a result of the sale?**

20 A. No, not at this time. In fact, assuming there is no significant change in regulatory  
21 status or in rate base, SharpVue has committed to leaving the current rates in place  
22 for at least a year, and any future requests for rate changes will be based entirely on

1 operational and financial factors unrelated to the terms of the SharpVue Transaction  
2 itself.

3 **Q. Will you have any continuing role in the finances for the ferry and tram**  
4 **operations after the Transaction is closed?**

5 A. Yes. I have reached an agreement with SharpVue to stay on as Chief Financial  
6 Officer and manager for at least twenty-four (24) months.

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

9 First and foremost, the Transaction will ensure that the ferry and tram services  
10 continue uninterrupted in the same cost-effective, safe, and reliable manner which  
11 the public has come to expect.

12 **Q. From a financial perspective, will the customers who rely on the ferry and**  
13 **tram services be harmed in any way as a result of the SharpVue transaction?**

14 A. No. Services will continue at the current rates, and SharpVue's financial resources  
15 will enable it to continue operations, address growth, prepare for contingencies, and  
16 make capital investments as needs arise, ensuring the long-term viability of the  
17 ferry and tram services.

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

19 A. Yes, at this time.

20