

THE NEWS RECORD

SERVING THE PEOPLE OF MADISON COUNTY

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CP&L Shocks County With Big Rate Increase

The Carolina Power & Light Co., which furnishes all the electricity distributed by the French Broad Electric Membership Corporation, has filed for a 1980 rate increase substantially larger than expected.

The increase, according to Manager Charles Tolley, will probably result in a rise in retail rates of somewhere between 20 and 35 percent.

The reason for the uncertainty in this figure is that CP&L is allowed to pass along "fuel costs" as a separate item, and this amount varies every month.

Tolley said there is no way of knowing how much CP&L will charge in the coming year for fuel. But if the charge is the same as last year - \$430,000 - then the electricity rates for customers here would increase by 29 percent.

The wholesale increase to French Broad itself is estimated to be between 35 and 50 percent. However, the increase on customers' bills will not be this great because

other costs - maintenance, billing, salaries, debt on the new building, and so on - are not going up. The expense of buying electricity from CP&L accounts for 63 percent of the total expenses of French Broad. This expense last year for French Broad was just over \$5 million.

Other French Broad costs will not go up this year because they were covered by the 4½ percent rate increase levied in January.

According to CP&L's announcement, the company is asking for a wholesale increase for power sold to cooperatives and municipalities that averages 14.5 percent statewide. However, for various reasons, the increase will be appreciably larger than the average for wholesale customers in the western part of the state.

CP&L asked for the increase to go into effect on June 17. If the Federal Energy Regulatory Commission approves it, French Broad will

begin billing under the new rate on July 1. The increase may be delayed by as much as five months if the commission decides to do so.

Tolley expressed shock at the size of the increase. He had been advised by people within CP&L that an increase would be coming this year, and that it would be on the order of 8 percent. He privately estimated 12 percent, but was unprepared for a rise of the present magnitude.

Most of the reason for the size of the increase has to do with one of the many subtleties of rate structure. Of the 18-co-ops statewide who buy their power from CP&L, 15 of them use far more power in the hot summer months than in the winter. This "peak demand" figure is always far higher than the average demand.

CP&L has traditionally argued that they must build enough power plant capacity to meet this peak demand in June, July and August, even though demand during the

rest of the year is far lower. Therefore they have charged those 15 customers a premium during the rest of the year for having to maintain the extra capacity just for summers.

Recently, however, the regulators have ruled that this method of pricing, known as "ratcheting," is unfair. And CP&L has absorbed revenue

losses as a result. To make up for these losses, the company has raised rates everywhere, and the places that feel it most are those which did not have big ratcheting figures before. These are the western co-ops, where peak demand comes not in the summer but in winter. So the (Continued on Page 2)



PICKING UP TRASH provides a bonus for these seventh graders from Walnut Elementary School. Dennis Anderson, Darrin Chandler and Frank Johnston are retrieving aluminum cans to recycle later this month in Asheville.

The proceeds of the effort will go toward the class trip being organized by their teacher, Miss Robinson.

Board Of Education Agrees To Reconsider Use Of Team Project

The Board of Education agreed Monday to reconsider its withdrawal of permission for the Team Project to work in the county schools.

The Team Project is composed of representatives of the health department, the Blue Ridge Community Mental Health Department and the Department of Social Services.

Last month the board, acting after a meeting with school principals, voted to ban Team people from the schools, following complaints about lack of coordination and planning.

Appearing before the board on Monday were Larry Thomas, director of the Blue Ridge program in Asheville; Garnette Sprinkle of the health department; Ed Morton, director of the health department; and Joe Martin, director of the Madison office of Blue Ridge.

The purpose of the Team Project has been to afford expert counseling for school

students on such matters as discipline, alcohol and drug abuse, and personal problems. Everyone attending the meeting seemed to agree that such counseling is much needed in the schools.

School board member Gerald Young told the group: "The only way you are going to get this program back is to sell it to the principals. I would say that two of them were more or less in favor of the program, but the rest were not. They said it was disruptive and that 'in some cases' people did not show up for appointments with parents and students."

Ed Morton agreed there was a serious communication gap between the Team people and the schools, and that this gap must be closed before the project can work.

The Team group agreed to produce a concrete plan of operation for presentation to the board at their next meeting.

County Board's Painful Choice : Lower Spending Or Higher Taxes

The board of commissioners had a preview last Friday night of the budget squeeze to come, as finance officer David Caldwell brought in the preliminary budget requests for the coming fiscal year.

These requests from county departments totaled well over \$6 million; the entire budget this year is just over \$5 million.

The problem is aggravated by the fact that some federal sources that provided money this year will be restricted or even eliminated as Congress tightens its own spending in Washington in an effort to

balance the federal budget. The amount available to the county as federal revenue sharing, for example, may plunge from \$285,000 to \$115,000.

By far the largest increase is being requested by the Board of Education. The board is asking for \$822,000 from the county this year, compared with half a million dollars last year. The figure requested compares with a total county budget last year of just over \$1 million.

This figures does not appear likely to rise in the coming year if the commissioners

hold to their vow not to raise taxes. Several members spoke out forcefully against any increase this year, warning that budget requests would have to be pared sharply.

"A lot of people are going to be unhappy in the next two to three months," said Commissioner James Ledford. "People are asking for more money than we have. I am for cutting wherever we have to, because I am not for raising taxes this year in this recession. There's no way people can pay more taxes in times like these. This is going to be a crucial year for us. Federal

money is drying up. We're just going to have to make some deep cuts."

However, the commissioners face the unpleasant prospect of laying off county workers if they do not raise taxes.

Caldwell told the county that it is behind in its cash flow balance by some \$12,000 in general funds and \$18,000 in federal revenue sharing, amounts that will have to be made up by June 30, the end of the present fiscal year. "The money situation looks very, very grim," he said.

The commissioners pointed out that the county has done a great deal in the last year with the money spent, including preparation of the industrial park, water lines and construction of the Marshall senior citizens' center.

In other business, James Brown, supervisor of the county landfill, told the commissioners that his department is still having severe problems with overflowing of the green boxes, especially near the Buncombe County border.

"We are having to send an extra truck over there at least twice a week," he said. "Last week we had 15 containers over there, and I don't want to have to take any more. The worst part is that people have been ripping the bags open and scattering the contents all over the place. When our men get there they have to pick up all this mess by hand, and that takes time."

"The fellows are really getting disgusted to find the containers full and overflowing and stuff scattered all around. It's coming to the point where we're going to have to bring the containers into a central area and lock them up. Then we'd end up with roadside dumps just like we used to have."

Ruth Gregory, county coordinator for beautification, then made a plea for enforcement of the county ordinance against littering. "We have the best garbage collection system in North Carolina," she said, "but we have to teach people to use it correct-

ly. I don't see how Jim can keep going the way the situation is. The green boxes in Sandymush and near John Hensley's store are just ridiculous."

The commissioners agreed to try to better enforcement,

and to look into obtaining LEAA funds to put a deputy on the roads for that purpose.

Brown also said that the county needs to do a design survey for the new landfill site, including borings, aerial (Continued on Page 2)

Hunt, Green, Carter Win

The Democratic and Republican primary elections on May 6 produced no surprises in Madison County, as 2,508 voters went to the voting machines on a clear, windy day with temperatures in the 70s.

According to unofficial tallies from the Board of Elections, Gov. James B. Hunt Jr. doubled the vote count of his

Democratic rival Bob Scott, 1,471 to 716.

Lt. Gov. Jimmy Green beat challenger Carl Stewart Jr. in a much closer race by a count of 1,148 to 889.

President Jimmy Carter easily swept all 11 precincts in the presidential preference contest from Sen. Edward Kennedy. Carter drew nearly six times as many votes as

Kennedy, 1,711 to 319. These votes are not binding, however.

Ronald Reagan, the favorite Republican, also finished far in the lead over his only remaining opponent, George Bush, 275 to 89.

Unofficial returns are summarized on the chart below. Other returns not on the chart include the following:

On the Democratic presidential ballot, 72 Democrats cast their votes for California Gov. Jerry Brown. Seventy-seven expressed no preference.

On the Republican presidential ballot, John Anderson got eight votes, Howard Baker three; John Connally, seven; Phillip Crane, zero; and (Continued on Page 11)



DR. EVELYN UNDERWOOD accepts a \$15,000 check from Wayne McDevitt of the western office of the Department of Natural Resources and Community

Development for construction of the Mars Hill library. Looking on are Ruth Anderson, left, and Roger Swann, newly appointed town manager of Mars Hill.

Mars Hill Gets Grant For Library

The town of Mars Hill has received a grant of \$15,000 from the North Carolina State Department of Natural Resources and Community Development to assist in the building of an adequate facility for its branch of the Madison County Public Library.

According to Dr. Evelyn Underwood, help was asked from Rep. Liston Ramsey, Wayne McDevitt of the western office of the Department of Natural Resources and Community Development assisted in filing the application for the grant.

This grant is also being used

as part of the matching funds proposed in a grant to the Appalachian Regional Commission, and another proposal has been submitted to the Z. Smith Reynolds Foundation in Winston-Salem. If these proposals are approved, construction may begin on the building by July or August.

Ruth Gregory, county coordinator for beautification, then made a plea for enforcement of the county ordinance against littering. "We have the best garbage collection system in North Carolina," she said, "but we have to teach people to use it correct-

DEMOCRATS

REPUBLICANS

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	Pres.	Gov.	Lt.-Gov.	Dist. Judge	State Senator	Pres.	Gov.	Att'y Gen.	Dist. Judge													
North Marshall	333	50	285	197	1	261	4	192	70	245	209	203	164	8	29	3	31	7	19	19	4	10
South Marshall	117	15	71	73	1	105	2	35	29	91	77	68	63	2	15	6	10	6	6	6	2	4
Laurel	96	35	94	67	1	131	2	19	22	92	41	52	96	1	15	4	8	1	3	1	4	3
Mars Hill	300	27	205	142	3	144	5	179	107	139	210	137	123	40	15	19	92	16	84	63	10	28
Beech Glen	178	21	149	77	0	156	3	65	82	122	109	67	128	11	43	7	44	7	40	34	2	14
Walnut	162	31	91	59	3	83	3	49	41	64	80	54	72	7	15	2	17	4	11	11	1	6
Hot Springs	150	36	165	29	0	69	2	29	31	112	71	70	110	7	20	4	23	2	20	15	2	8
Ibbs Chapel	62	17	63	19	0	65	4	12	12	46	39	21	54	4	34	3	34	5	24	16	3	15
Spring Creek	165	48	185	40	0	88	1	118	27	137	91	139	94	3	2	2	4	5	1	4	1	1
Sandy Mush	94	16	41	16	0	32	0	21	10	35	29	15	45	2	5	1	3	3	1	1	3	4
Grapevine	120	18	97	49	1	57	2	25	26	90	90	76	92	3	31	3	21	6	10	10	2	9
Absentees	5	5	47	6	0	37	0	15	6	47	71	41	20	1	3	2	5	1	6	3	0	4
TOTAL	1711	519	1471	716	10	1148	28	735	889	245	209	203	164	89	29	31	92	16	84	63	10	28