



ANNEXATION APPROVED

Sunset Beach Extends Town Limits To Seaside

BY DOUG RUTTER
Sunset Beach will have its very own mainland business district come New Year's Eve. That's when annexation of a strip of property that extends the town limits to the Seaside shopping area takes effect. Town council voted 4-1 in favor of annexation during a special meeting last Thursday. Owners of the annexed property had asked to be brought into the town. The annexed area consists mainly of property owned by Sea Trail Corp., including a commercial strip bordering Seaside Station along one side of N.C. 179 and nine holes at Sea Trail Golf Links on the other side. Also included in the annexed area is a portion of the Long Bay Developers Inc. property on N.C. 904 that includes a shopping center.

Sunset Beach Town Administrator Linda Fluegel said the annexation takes effect Dec. 31, which means the town can tax those areas next year. Town council had delayed a vote on the annexation request at its Dec. 3 meeting because some board members had questions about what annexation would cost the town and how the town would benefit from it. Mrs. Fluegel said there wasn't much discussion during last week's meeting after she informed council members that the only immediate cost to the town would be \$811 per year for sanitation. "We came, we conquered and we went home," she said. Councilman Al Odom cast the only vote against annexation. He had said during previous discussions that annexation would not be

in the best interest of the town. "We're being asked to fix something that's not broke," Odom said at the Dec. 3 meeting. "I'm against growth for the sake of growth." Councilman Ed Gore, who is a principal in Sea Trail Corp., said at the time that the only motive for the corporation seeking annexation was community spirit. "They want to be a part of Sunset Beach and will be a part whether accepted or not," Gore said. He characterized the annexation as the next logical step in the town's growth and unification. The town administrator said the only other possible expense to the town as a result of the annexation would be \$8,000 for a part-time police officer to patrol the area. However, Police Chief J. B. Buell said earlier that an extra full-time

officer would be needed at least during the summer season if the annexation was approved. Earlier this month, Mayor Mason Barber pointed out that annexation of the land would allow the town to extend its extraterritorial jurisdiction farther up N.C. 179 toward Ocean Isle Beach. Sunset Beach could enforce zoning in that area as well as subdivision regulations and the state building code. The Sugar Sands development at Sea Trail Plantation was not included in the area approved for annexation last week. But Barber said the residential area could be annexed in the future. Town council has already adopted a resolution of intent to bring the area into the town through the involuntary annexation process.

Ocean Isle Realtor Cleared In Seizure Of Three Condos

BY TERRY POPE
A local real estate agent whose Ocean Isle Beach condominium was seized by federal marshals last week was described Tuesday by the U.S. Attorney's office as an "innocent victim" in the incident. Three Ocean Isle condominiums, two at Starboard By The Sea and one at 504 Ocean Point, were seized last week and placed under a seal by FBI agents. They were alleged to have been purchased by Victor S. Blackwell of Saddleview Court, Charlotte, with money gained through illegal activity, said U.S. Attorney Tom Ashcraft, of the western North Carolina district office. Blackwell was indicted last week by a federal grand jury in Charlotte on 35 counts of mail fraud, money laundering, embezzlement and conspiracy in connection with a \$21 million investment and insurance scam that left more than 1,300 families with no health insurance coverage. Blackwell had purchased a share in the two Starboard By The Sea condominiums from John Cooke of Cooke Realty at Ocean Isle Beach. The men had an agreement on the purchase of the Ocean Point condo but no financial transactions had ever taken place from that agreement, Cooke said. "Mr. Cooke has never been a target of this investigation," Ashcraft said from his Charlotte office Tuesday. "Our understanding is that he was a victim of the same sort of scam that this office investigated." Ashcraft said his office will be reviewing documents forwarded by Cooke regarding the status of the Ocean Point condo and expects the

department to "take prompt action" in returning the property. "We have no reason to doubt his (Cooke's) innocence," Ashcraft added. Cooke said he had no argument with the seizure of the Starboard By The Sea condos since Blackwell still owed money for his share of the units. Blackwell had wanted to buy the Ocean Point unit, Cooke said, but "there had never been any transfer of ownership." The Ocean Point unit remained under seal Tuesday, Cooke said he is willing to patiently wait for the condo to be returned to his family through the proper channels with federal authorities. Cooke said he had been told that the property would be returned following an investigation. All six men indicted by the grand jury in the insurance scam lived outside of Brunswick County. Some property was also reportedly seized at Cherry Grove, S.C. In all, seven homes, 26 vehicles and numerous business and personal bank accounts of the six men involved were seized under civil action. The property was worth about \$3 million. Civil action allows agents to seize personal property that is "traced as the proceeds of, facilitated by, or involved in money laundering," Ashcraft said. Court documents alleged that the two Starboard By The Sea condos at Ocean Isle were associated with Blackwell, he added. The investigation that led to the seizures and indictments was part of an effort coordinated by the FBI, Internal Revenue Service and insur-

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School Board Finally Adopts 1990-91 Budget

BY DOUG RUTTER
The Brunswick County Board of Education this week adopted an operating budget for the 1990-91 fiscal year—even though the year is nearly half over. School board members voted unanimously at their meeting Monday night in Southport to accept the \$40 million budget as presented by the school system's finance officer, Rudi Fallon. Brunswick County Schools had been operating under an interim budget since the beginning of the fiscal year, which started July 1 and

ends June 30, 1991. A question regarding how much money the school system had in its fund balance kept the board from adopting a budget before the fiscal year started. Since then, more finance-related questions have been raised concerning expense accounts of some top administrators and former employees receiving health insurance benefits after they stopped working for the school system. Although the audit report for last fiscal year is still not finished, Ms. (See SCHOOL, Page 2-A)

County Won't Let Court Delay Water Authority Contract

BY TERRY POPE
A complicated deal worked out between Brunswick County and the Lower Cape Fear Water and Sewer Authority has county officials happy. The agreement all but nullifies a state Supreme Court ruling on the matter which has been in the works since April. A third revised contract negotiated with the authority will finally open the door for adding new customers to the regional water supply. It will also repay Brunswick County its \$6.2 million in bonds used to help build the system. "I think we are step by step by painful step realizing our goals in this matter," said Brunswick County Attorney David Clegg. "The bottom line is, we're getting what we want and requiring that they (authority) pay for it." The resolution Brunswick County Commissioners unanimously approved Monday contains several provisions. It requires that the authority: a) release half of the \$250,000 the county posted for repairs and maintenance to the system to help pay for expenses; b) offer the county a different rate structure for water than other customers; c) issue replacement bonds to help repay Brunswick County for its role in construction of the system; and

d) share the cost of extending services to new customers in the future. "It contains all of the goodies that was in the amended contract," said Alfred Carlton Jr., consulting attorney for Brunswick County, plus it adds a clause for helping the county pay its operation and maintenance expenses. The contract contains a separate agreement giving the county a lower rate for raw water. Last year, the debate over lower rates entered the courts. Brunswick County filed a "friendly lawsuit" against the authority seeking a judgment over whether the authority could refuse to charge a discriminatory rate to a county government. A decision that went against Brunswick County was appealed to the N.C. Supreme Court, Carlton said. "We are legally awaiting an answer," Carlton said. "Practically speaking, what has happened since then has answered the problem." The case was heard in April, but no decision has yet been handed down from the court. Meanwhile, the authority has agreed to issue a separate agreement with the county for reduced water rates that won't be included in the contracts for new customers, a deal that neutralizes the court's impending decision. (See COUNTY, Page 2-A)



Caroling Crew Of Sailors

This crew of high-spirited sailors ushered in the holiday season at Holden Beach Sunday night by cruising the waterway in a decorated boat and singing Christmas carols. The sailboat stopped at the entrance of the main canals at Holden Beach and finished its voyage at Captain Pete's Seafood, where about 50 people gathered to join in the singing. Pictured, from left, are Susan Gible, William Williamson, Ann Williamson, Linda Hasque, Elizabeth Dameron, Wanda Feldt, Banks Hasque, Martin Feldt, Allan Dameron as Santa Claus and Tim Gible operating the boat.

STAFF PHOTO BY DOUG RUTTER