

Supreme Court Rules Authority Can Charge County Lower Rates

BY TERRY POPE

Brunswick County officials were not surprised by a N.C. Supreme Court ruling handed down last week in the county's favor.

The decision represents the last hurdle cleared by the county in its quest for lower water rates from the Lower Cape Fear Water and Sewer Authority.

The ruling also releases \$250,000 that will be returned to the county's general fund balance, said Board of Commissioners Chairman Kelly Holden.

That money had been posted by the county to pay for repairs and maintenance to the authority's water system from 1984 to 1987. It will now help pay for the county's garbage disposal, said Holden.

Although a legal ruling was welcomed by both parties as a "friendly lawsuit," it had been all but neutralized by a resolution adopted last December by Brunswick County Commissioners.

Before the two-year-old case had cleared the legal system, commissioners and the authority signed an agreement giving the county a cheaper rate for raw water.

Brunswick County argued that it should be charged a cheaper rate than new customers, which must pay a rate based on capital improvements to Phase II of the authority's system. Since the county would not benefit from those improvements, it should be given a different water rate, it argued.

The Supreme Court agreed, stating that the authority "could not have become viable if Brunswick County had not made the contributions that it made" to the regional water system.

LCFWSA members are Brunswick, New Hanover, Bladen, Columbus and Pender counties, plus the city of Wilmington. In 1982, construction of the authority's 14-mile pipeline and 45 million gallons per day intake plant near King's Bluff on the Cape Fear River in Bladen County began when Brunswick County advanced the authority \$5.6 million in general obligation bonds.

Presently, Brunswick County is the authority's only customer. The authority has reached agreement with three other customers, Cape Industries and Takeda

Industries, both on U.S. 421 near Wilmington, and the city of Wilmington. New distribution lines must be financed to supply them with water.

District 3 Commissioner Gene Pinkerton said the court ruling was good timing for the county.

"A different rate will certainly improve our dollars and keep Brunswick County paying our fair share," said Pinkerton. "We have gotten a lot of benefit from that."

The authority must also issue replacement bonds to pay the county its \$5.6 million used to help build the system. That loan helped the authority obtain \$8 million in grants from the U.S. Economic Development Administration, the ruling states.

The county also paid the operating and administrative expenses of the authority from October 1984 to July 1987, the court found.

"These were substantial contributions to the authority without which it would not have been able to begin its operation or stay in business," the court ruling filed last Wednesday, Aug. 14, states.

The authority had argued that a prior ruling, in *Utilities Co. vs. Mead Corp.* in 1953, would block the authority from giving the county a different water rate from its other customers. The authority's "common law duty not to discriminate is the same as for public utilities," it argued.

The court agreed that a wholly-owned utility could not discriminate in rates between its parent company and other customers. However, it noted a difference for Brunswick County.

"In this case, the county does not own the authority," the ruling states. "It has made a substantial contribution to the authority which puts it in a position different from other members."

Cape Industries has agreed to pay \$900,000 in cash as a down payment to extend water lines to the company, provided the remainder of the \$3 million pipeline is financed by the authority over a period of years.

Takeda Industries is willing to pay \$1.8 million in cash to become a water customer. Wilmington has agreed to pay its cost of the pipeline the moment water becomes available to the city.



STAFF PHOTO BY SUSAN USHER

Sunday Afternoon Catch

With waves crashing offshore, John McAdams (right) of Chapel Hill and sons (from left) Wes and Wade took advantage of a sunny Sunday afternoon to catch minnows and sand crabs at Sunset Beach. They were using a small cast net and a hand net to stock a bucket on the strand.

Leland Parents, Teachers To Meet

Parents of Leland Middle School students will meet with teachers at one of two evening sessions next week to "get into the swing of things".

Spokesman Joyce Caffee said parents of fourth, fifth and sixth grade students will meet with teachers at the school at 7 p.m. Tuesday, Aug. 27, while parents of seventh and eighth graders will meet Thursday, Aug. 29.

More information is available from her at 371-6361.



STAFF PHOTO BY SUSAN USHER

Catching A Big One

In search of a thriller ride to shore, Steve Voss of Salt Lake City heads into the surf Sunday with his float. From Salt Lake City, Utah, he and his family are vacationing this week at Sunset Beach.



BEMC PHOTO BY PHIL MORGAN

Lessons In Electricity

Twenty-three Brunswick County school teachers, including (above from left) Karen Wilmoth, Nancy Coble and Louise Gause, learned about electricity in a two-day workshop last week sponsored by Brunswick Electric Membership Corp. BEMC is the first North Carolina electric cooperative to team up with a local school system to offer teacher in-service education. Ms. Coble and fellow teacher Torie Williamson joined at least eight BEMC employees in presentations during the hands-on session. Teachers will have access to activity packets, speakers and check-out from BEMC of a Van de Graaff static electricity demonstrator for classroom use as part of the joint effort to enhance science education in the local schools.

Call Us On The Carpet!
We Specialize in EXPERT Cleaning of Carpet And Upholstery
1-800-649-3013
Not Delighted? Don't Pay!
GUARANTEE CARPET CLEANING & DYE CO.
Serving Brunswick County for 15 years

AT SUNSET HARBOR BRING HOME THE BEACON
On Sale At SUNSET GROCERY

AT SHALLOTTE POINT BRING HOME THE BEACON
On Sale At VILLAGE MART

HURRICANE BOB
August 18 1991
Well, you almost had the ultimate Birthday Blowout
Happy 32nd Birthday Rahn Adams



What do you do when you're 32 years old and still can't read? He's getting help in a literacy program for adults. They got help from the United Way. All because the United Way got help from you.
You're making it possible for a man to learn to read. So a job application can be a beginning, not an end.
United Way
It brings out the best in all of us.

NOW YOUR AD CAN REACH ALL OF NORTH CAROLINA FOR ONLY \$200
25 WORDS
\$6 each additional word

N.C. STATEWIDE CLASSIFIEDS

BLANKET NORTH CAROLINA
OVER 120 NEWSPAPERS
(For more information, call this newspaper or...)

SIMPLY FILL OUT THIS FORM AND SEND WITH YOUR CHECK.
(No Phone Orders. Larger order forms are available from this newspaper.)

Name _____
Address _____
Zip _____

Advertising Copy: _____

25 Words—\$6 each additional word over 25.
Word count: Telephone numbers (including area code) equal one word. Post office box numbers as two words, box numbers and route numbers as two words. The name of the city, state and zip code each count as one word. Other customary words count as one.

SEND TO:
THE BRUNSWICK BEACON
CLASSIFIED ADVERTISING DEPT.
P.O. BOX 2558, SHALLOTTE, NC 28459
(919)754-6890