

CITY COUNCIL BUDGET HEARING

Wednesday, October 4, 1961
City Council Chambers, 7:00 P. M.

Present on roll call: 6; Cvitanich, Easterday, Olson, Porter, Price and Mayor Hanson. Absent 3, Bott, Murtland and Steele. Mr. Steele coming in at 7:10 P. M. Mr. Bott and Mr. Murtland coming in at 8:15 P. M.

Mayor Hanson announced that the first person to speak this evening will be Mr. Stelmack of the Technical Engineers. Mayor Hanson asked Mr. Rowlands if he would first like to review the recommendations.

Mr. Rowlands explained that the Council has reviewed the proposed recommendation on several different occasions. Basically the proposed increases range from a 1 to a 1 1/2 range for the upper ratings.

Mr. Stelmack, representing Local 17 of the Technical Engineers and Architects Union, urged that a two range increase be given to the city engineering employes. He said City salaries are nine percent behind State salaries and Tacoma is just fortunate that the time for engineering is a little slack although the work load in Tacoma is in the neighborhood of \$9,200,000.

Mr. Steele coming in at this time.

Mr. Easterday asked what this 2 step increase would cost the General Government.

Mr. Rowlands said at the present time it is proposed that the salaries be increased by 1 to 1 1/2 range depending on the ratings which would involve a cost of approximately \$301,000. To grant the additional step increase requested by Mr. Stelmack, it will amount to \$29,000 more. It has been difficult to come up with a balanced figure so whatever the Council approves over the \$301,000, it will mean that this extra money will have to come from somewhere else, he added.

Mr. Stelmack said he felt that \$29,000 is not a very large figure compared to the work load of the engineers, and asked that the Council consider his request.

Mayor Hanson said the Council will now hear from the Transit representatives after Mr. Rowlands makes his report.

Mr. Rowlands said that they have proposed for the Transit drivers a 4 1/2% increase and for the mechanics a 1 and 1/2 step increase. It has also been recommended that two additional holidays be granted.

Mr. Rowlands said he would like to give the Council the report on the financial situation of the Transit system as it appears at the moment. In the future, if adjustments are to be given, it is inevitable that this system be subsidized from some other source. Unfortunately so far this year, the

revenues continue to decrease. The Council discussed last evening ways and means of possibly encouraging more use of the Transit system. Mr. Lee, Transit Director, today, very adequately explained that due to the unusually warm weather there has been a fall off in transit fees; at this point the Council had to absorb in 1961 an additional \$125,000 and it was possible to decrease expenses \$43,700.00. Mr. Rowlands thought that Mr. Lee had done a marvelous job in order to do this. Other reorganizations are anticipated in the future, and the way it looks right now, instead of ending up in the black this year and unless there is a reversal in the patronage, it is conceivable that they will end up anywhere from \$50,000 to \$75,000 in the red.

Mr. Rowlands said as far as the year 1962 is concerned, the proposal at the moment would involve an expenditure of \$71,300.00 more in 1962 over this year. However, due to further reorganization, it is anticipated that costs can be decreased by approximately \$67,000 in 1962 so there is about a \$4,000 differential which is not too serious, but the City is still confronted, unless patronage is increased, with a \$50,000 or \$75,000 deficit. It is hoped this can be reduced before the end of the year. The deficit will have to be made up somehow out of General Fund monies during the next year. This is a real serious problem, he added.

Mr. Clary, business agent of the Motor Coach Employees, said he was present to plead for the salary increase for the Transit employees because the increase proposed by the City would result in serious wage inequities in the Transit Department. The City has proposed an hourly rate of \$2.85 for Transit Repairmen II which is exactly 26 cents less on the hourly rate proposed for Service Repairmen II employed in other city shops. The scale proposed by the City for the Service Repairmen III is 36 cents an hour less than paid in other departments. The City has proposed the rate of \$2.51 an hour for Transit drivers as against the rate of \$2.89 which is being paid to City truck drivers. He said there is no way to justify this 30 cents an hour differential. He thought the City bus drivers are just as important to the community as a City truck driver. Seattle bus drivers are expected to get a 6% wage increase effective November 1, 1961 which will bring their pay up to \$2.73 an hour. Further, he added, the Transit Co. employees are not receiving equal fringe benefits as other City employees such as Pierce County Medical, vacations or holidays.

If the records were checked, it would be found that there are many letters including a Citizens' Report that state the Transit system cannot pay its own way by the fare box alone. Yet in the budget message on Transit, it states very plainly that a subsidy is not needed for the year of 1962. He said he agrees that the City will never have to subsidize this system as long as the employees are expected to subsidize it for the City. It is their request that the Transit employees be treated as other City employees and that they receive comparable pay for comparable work.

Mr. Clary further stated that the Transit system is fast completing its first year of City employment and he, for one, hopes that the second year will be better than the first, as the first year has been one of "confusion, disillusion, heartbreak and broken dreams." At the time the City took over the Transit system, the impression was that there would be no reduction in shop personnel for many years. Since February 1, 1961 nine shop employees have been laid off

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and it is proposed that six more will be laid off next year. To accept the rates that have been recommended would put the Transit employees in the position with Tacoma Labor of performing work for less than the union scale. It is their understanding that the City of Tacoma is prepared to spend \$18,000 to induce people to patronize the bus system. They feel that this money could be better spent if it were given to the employees for wages and better working conditions. He said the subsidy should come from the City as a whole, not from the Transit employees' wages. It is imperative that their morale be kept high.

Mr. Cvitanich asked why has the City decreased the shop force by nine employees and further anticipates reducing it by 6 more employees.

Mr. Rowlands explained that all the departments are trying to do the best job possible with the smallest number of people available. In order to do that job in some departments there has been additional mechanization. He asked Mr. Lee, Transit Director, to give his version of what has been done in the Transit system.

Mr. Lee said the only possible way they could approach the proposed increase which involves approximately \$71,000 is through maintenance. He said the labor cost for August was 83.6% of each dollar taken in. The average over the entire year was 82%, which leaves only 18% out of each dollar to pay insurance, taxes, gasoline, etc. He said he realizes the employees problem but the management problem is that they simply do not have anything to operate with; this is a very serious situation which is being faced by other systems in other cities such as Sacramento, etc. It's going to be difficult to make it through next year even with what they have, he added.

Mr. Gaillard, Finance Director, said the main problem here is very easily understood. The operation of the system is practically identical for 1960 as it is for 1961 in the expenditure operation. It's actually 2/100 of 1% down or less than \$2000. The big factor is the Revenue. In the same period in 1960 the revenue was \$833,000; in 1961 there is \$790,000 which is a \$43,000 difference.

Mayor Hanson said even with the increase in employees' benefits under the operation of the City, it has been possible to absorb part of this through economy in cutting down on labor, etc. but the decrease in revenue is what hurts.

Mayor Hanson further stated that under the proposed increase the bus drivers will get \$2.51 and it appears that Seattle will be getting \$2.73. He asked Mr. Rowlands what other additional benefits will the Transit employees be receiving.

Mr. Rowlands explained that all of the Transit employees will also be receiving two additional holidays. Five of the mechanic series will receive an additional 6 cents increase. He said whether it is right or wrong in many cities, the Transit drivers have not been equated with the truck drivers in other city employment. In Seattle, he was certain this would be found to be true also. He was certain that it was never suggested that it would even be possible to equate the Transit employees in one year's time in Tacoma.

Mr. Cvitanich said he thought Mr. Clary's point in reference to the Transit employees subsidizing the system was well taken because it is the City's responsibility to provide that basic service. Whether the City is losing money or not on the operation, the City of Tacoma has acquired the Transit System and has to provide buses. It is the City's responsibility by the same token to see that these people are paid a fair and comparable pay scale rather than to have them subsidize it.

Mr. Murtland and Mr. Bott coming in at this time.

Mayor Hanson said it is Mr. Clary's contention that we are losing ground in bringing the employees' working conditions up to what they should be. He was certain that everyone recognized the fact that this couldn't be done all at once, that it would take over a 3-year period. How big a step should be taken this year, is the question.

Mrs Olson asked if work of the 9 employees who were laid off was being done by mechanized equipment.

Mr. Rowlands said, not entirely, some of it was done through the organization of the shop.

Mr. Lee explained prior to the City taking over the system, considerable work was done in repairing equipment of various churches, etc. and this is no longer being done.

Mrs. Olson asked Mr. Lee if he felt the buses were being maintained at the same level.

Mr. Lee said that he did.

Mr. Cvitanich asked what was the percentage of the outside repair work the Transit used to handle.

Mr. Lee said he did not know the percentage but that it totaled approximately \$30,000 a year.

Mr. Steele said the Council received a data sheet entitled salary recommendations in addition to the preliminary recommendations. On this, is included Item 16. 0730-0746, an additional 1/2 range increase for the Transit Garage employees and Item 19-two additional holidays for Transit employees. He asked if a motion would be necessary to incorporate this into the budget.

Mr. Rowlands said if the Council wishes to take action on any of these items they will be incorporated in the Budget.

Mr. Steele moved that the recommendation 16 and 19 relating to the Transit System be incorporated into the Budget. Seconded by Mrs. Price.

Mr. Clary said he would again like to ask that a further meeting be scheduled with the Council before final action is taken so that they could attempt to come to a meeting of the minds and further discussion be had on the 6 employees contemplated to be laid off.

Mr. Bott asked if it were not the action of Management rather than Council action in reference to reduction of the number of employees.

Mayor Hanson said he would feel that it would be the management's responsibility to run the department at an efficient level and at as low a cost as possible, although he thought the Council is not completely divorced from it.

Mr. Cvitanich asked what provision is made for these employees that are let out. Are they placed on another eligible list if they have comparable ratings for City garage.

Mr. Bixel, Personnel Director, said that some have been put on the

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employment list. He did not know that any have as yet been placed as it has only been in effect for a month. He did know that some have taken examinations on other classifications.

Mrs. Olson said last evening members of the City Council, after the regular meeting, met for an additional two hours to compare the various wages paid within the City and attempted to determine what was fair. She did not know if any of the Council members came to any decision in their own minds, but she did feel, however, that Mr. Steele's motion is premature and she was not prepared to vote on this tonight. Therefore, she would move that his motion be tabled. Seconded by Mr. Murtland. Voice vote taken. Motion carried.

Mayor Hanson said he thought the Council should now hear from the representatives of the Police Union.

Mr. Clayton Buchholz, representing the Tacoma Police Local, said the number one point on their agenda is the longevity pay whereby Police personnel would receive an annual increase equivalent to 1 1/2% of a Patrolman's base pay.

Mr. Buchholz added as it stands now, a patrolman completes his steps in a three year period and can go no further except through promotion. A 3-year patrolman working along side of a 18-year patrolman receives the same compensation under this plan. As in any other craft, the man with the longer experience can render decisions in any and all types of situations and is able to render them without any supervisory help. In police work, it is necessary to make fast decisions; there usually isn't time for consultation as there is in many other lines of work. It is known that only about 8% of the patrolmen will be able to be promoted. At least 80 people took the recent Detective test and there is only one opening. There is only one Sergeant position opening; the Lieutenant grade is occupied by all relatively young men who have at least 12 to 15 years to go before retirement and there are no immediate openings in the Captain grade. Spokane has a 2% longevity plan, and many other cities in Washington also have longevity plans.

Mr. Rowlands explained that the longevity plan for the Police on the basis of 1 1/2% would cost the City \$40,500 more a year.

Mr. Buchholz said the in-grade longevity plan would cost approximately \$15,000 less.

Mr. Rowlands said that was correct.

Mr. Buchholz advised in reference to the pay increase, the police local is asking a flat \$50 increase to bring the wages up comparable to other crafts and up to the standards that are required.

Mr. Easterday asked how much of an increase was being proposed for the police officer.

Mr. Buchholz said a \$25.00 raise was recommended.

Mr. Buchholz said they are also asking an additional clothing allowance for the non-uniformed personnel. At the present they are receiving \$50 which is a very small amount for clothing and cleaning.

Mr. Murtland asked, what are the uniformed personnel allowed?

Chief Hager said the initial issuance is two uniforms. After that, they are surveyed periodically by the supervisors and are granted a new uniform as needed.

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Mr. Murtland said inasmuch as the uniforms have been granted to the personnel for a number of years, hasn't there been an average determined per year?

Chief Hager said there probably would be one uniform a man per year.

Mrs. Price asked what is the cost of a uniform.

Chief Hager replied that the entire original uniform issued at the present time costs over \$300.00. This includes, a uniform, a light jacket, two shirts plus the heavy reefer jacket for winter wear, the Sam Brown belt and accessories and summer shirts.

Mr. Easterday asked how much would it cost to replace a uniform.

Chief Hager replied that most of the clothing that has to be replaced are trousers and shirts. The wool shirts cost approximately \$25.00 and the trousers approximately \$30.00.

Mr. Murtland said he could see perhaps, as far as the non-uniformed personnel is concerned, they couldn't buy one suit on their allowance, and the City certainly must be furnishing more on a dollar basis to the uniformed men on a yearly set up, than it is to the non-uniformed men.

Mr. Rowlands said prior to two years ago there was no clothing allowance for the non-uniformed personnel. In various cities this allowance varies. If the \$120 request is granted, this means a cost of \$4760.00.

Mr. Murtland said he was not particularly questioning the \$120, but it did seem to him that \$50 was certainly not enough, he thought, perhaps, another \$25.00 should be allowed.

Mr. Rowlands said that would mean about \$1600.

Mr. Bott asked if this would include the Clerks as well as the Detectives.

Mr. Rowlands said this includes all the non-uniformed personnel of the Police Department that come under the Police Pension Fund which amounts to about 50 people.

Mayor Hanson asked what the thinking of the Council was on the clothing allowance.

Mr. Cvitanich said he would like to ask Mr. McCormick if it would be a conflict of interest if he were to vote on any of the Police Department matters due to the pending litigation on the widow's pension.

Mr. McCormick said in reference to this Senate Bill 167 - the only possible conflict there could be, would be in the event of Mr. Cvitanich's death his wife would receive a pension equal to 1/3 of the amount of salary at any time hereafter attached to the position held by such member of the Police Department at the time of death or retirement; so he said there would be no direct interest as far as he was concerned. Mr. McCormick stated that the only pecuniary benefit that Mr. Cvitanich could acquire would be indirectly, just what his wife and children may acquire in the event of his death, if he voted for a raise of the position that he would hold. It has been the legal Department's position and still is that Senate Bill 167 is unconstitutional so as far as their own opinion is concerned, they do not think that Mr. Cvitanich would have any conflict of interest that would be to the point that would deprive him of a vote. However, Mr. McCormick added, if it is constitutional, there is that question as to whether or not that constitutes a direct conflict of interest. He thought it

probably remote to the point that it would not effect the validity of Mr. Cvitanich's vote, but someone might take issue with his opinion.

Mr. Cvitanich thanked Mr. McCormick.

Mr. Porter moved that the non-uniformed personnel of the Police Dept. be granted \$120 per year clothing allowance. Seconded by Mr. Cvitanich.

Mr. Rowlands said it would cost an additional \$4700 a year.

Mr. Bott said he felt that the non-uniformed personnel active in the field be granted this clothing allowance, but did not see why the personnel not required to go out on active police service should be given a clothing allowance any more than a clerk in any other department. He felt that this should be set up on that basis.

Chief explained when the clothing allowance was first set up, to simplify matters all those persons vested with police authority were given clothing allowances. If those persons who are basically inside workers, but go out occasionally were not allowed the clothing allowance, the amount would be reduced by one-third.

Mr. Bott said he would like more time to explore this.

Mr. Murtland said he would move to amend Mr. Porter's motion by making the total amount granted for the next year \$75.00. Seconded by Mrs. Price.

Mr. Murtland added it would seem that one replacement a year would be an average. Therefore, he thought that the non-uniformed personnel could obtain a good suit for working purposes for \$75.00 a year. This should compensate them for what the uniformed personnel receive.

Mr. Porter said he would like to amend his motion so as to state that this increase should go to all non-uniformed personnel who are now receiving the \$50 allowance. Seconded by Mr. Cvitanich.

Mayor Hanson said he believed that would be understood in the motion.

Mr. Bott suggested that this motion be held in abeyance until more investigation is made on the matter.

Mrs. Price moved that the motion be postponed until Thursday evening. Seconded by Mr. Bott. Voice vote taken. Motion carried.

Mr. Buchholz thanked the Council for their attention and said they would be present at the Council meeting on Thursday evening.

Council recessed at 9:45 P. M.

Council reconvened at 9:55 P. M.

Mayor Hanson said at this time representatives of the Fire Dept. wish to present their requests.

Mr. John A Willis, representing the Fire Fighters' Local, said their number one request this year, and which was on a contingency basis last year, is for a 52 hour work week. The Washington State Council has gone on record supporting a 40 hour week but it is realized that this would be difficult to put into effect. On a 52 hour week, 18 additional firemen would be required at an additional cost of \$100,000 the first year. The reason for desiring this shorter work week is, according to the U. S. Dept. of Labor, that Fire Fighters suffer six times as many injuries as other workers; their deaths are 70% greater than other workers. Firemen still work 64 hours a month more than other scaled workers and 32 hours a week more than the fire fighters working for the City of Seattle. He said it has been 13 years since the Firemen have had a change in hours. They are the only public employees besides the Police

Department working holidays and weekends on regular wages.

Mr. Willis further stated they have also asked for a two-step salary increase for all grades per month in addition to any step increases which an employee may be entitled. A one-step raise has been offered which amounts to \$25. In 1960 in Seattle, the U. S. Dept. of Labor made a survey of the average skilled worker and his salary at that time was \$5652 a year or \$546 a month. In 1962 with the cost of living going up the Firemen are being offered \$525 a month; a \$50 raise would put them \$4.00 above what a skilled worker was receiving in Seattle in 1960.

Mr. Willis said the Firemen, the same as the Police, feel that they should have a longevity program as it will make the job more inviting and help to hold men on the job which would cost approximately \$51,000.

He said they are also requesting that the Battalion Chief drivers be given a \$10 raise as they respond to 4 times as many fires as do the individual fire companies and have more special duties.

Mr. Willis further stated that they also request the Fire Inspector's salary be raised up to other inspectors pay scale as he is being paid \$62.50 less a month than other Inspector's in the City Service.

Mr. Rowlands said it has been recommended that the Fire Inspector's salary be increased an additional range which will make them only one step behind the other inspectors.

Mr. Porter said he was certain one day, sooner or later, by legislation, it will be necessary to cut the Firemen's working hours to a 40 hour week. Then the City will be faced with a terrific blow of trying to adjust the budget to reflect this. He felt that it would be wise for the City to start in the direction of a 40 hour week by cutting the hours gradually.

Mr. Willis said they are willing to start on a 3, 4 or 5 year program in order to end up with a 40 hour week. He thanked the Council for allowing him to appear before them.

Mayor Hanson thanked Mr. Willis for his presentation.

Mr. Steele leaving at this time.

Mr. Rowlands said there was one other matter that he and Mr. Benedetti would like to get the Council's recommendation on and that is the (19) recommendations on the memorandum dated October 3, 1961. He said they feel that the recommendations made to the City Council and Utility Board are predicated, to the best of their ability, and judgement, on what would be the reasonable going rate and what is justifiable and supportable under the current situation. He said these are merely the recommendations, and it is the Council's prerogative to make the final determination.

Mr. Porter said if Item 16 and 19 had not been tabled previously in the meeting, he would move that all of the (19) recommendations be added to the preliminary salary recommendations.

Mayor Hanson said it could be taken off the table. He said he would entertain such a motion.

Mrs. Price moved that the matter be taken off the table. Seconded by Mr. Porter. Voice vote taken. Motion carried.

Mr. Porter then moved that the preliminary salary recommendations dated September 20, 1961 be amended to contain the 19 recommendations on the data sheet dated October 3, 1961. Secnded by Mr. Cvitanich.

Mr. Murtland said he was still in question as to these additional amounts. He said he has been opposing the consideration of a half step increase as the money is not available and thought the City was hurting itself in other fields as having to grant certain range increases. He said he was not in favor of this package deal.

Mr. Benedetti said these increases are what management feels can be recommended. There has been no acceptance on the part of the union representatives of these scales because in no instance do they come up to the original requests.

Mr. Bett and Mr. Easterday leaving at this time.

Voice vote was taken on the motion. Motion carried.

Mayor Hanson said he would like to inquire when it would be convenient for the Council to meet to discuss the Utility Board appointment. Unless there are other suggestions, perhaps the Council could meet on the matter following the Thursday night budget hearing, he added.

He asked if there were any further matters.

Mr. Lloyd Worrell, representing Local 252 asked that an additional 11 cents for sewer men be allowed to bring them in line with water servicemen. He said he has received no satisfaction that any adjustment would be made to correct this inequity in pay.

Mr. Rowlands said in discussing this matter on two different occasions, management feels very sympathetic toward this group and the work they do. They are doing a very fine job and have a very excellent crew. However, at the present time, the nearest comparable figure is the City of Seattle and they are paying their sewer men only \$2.37 an hour compared to Tacoma's \$2.66. Portland pays \$2.58. Unfortunately, he said the only reason some type of an additional adjustment would not be recommended is the fact that the large cities comparable to Tacoma pay their men considerably less.

Mr. Worrell said this would mean an additional \$3000 a year to the City and 1/4 of 1% for about 15 people who every day are subject to call to do something that no one enjoys doing.

Mr. Rowlands pointed out there is a 12 cent recommendation.

Mr. Worrell said he agreed with this but there is still a 11 cent an hour inequity between them and the people who work on water mains.

Mr. Benedetti pointed out that while the names are similar - Water servicemen and Sewer men, there is a difference in the duties and responsibilities. The Water servicemen are what is called a leadman. He is a journeyman in charge of a crew of 3 or 4 people and is in turn responsible for their activity.

Mr. Worrell said the sewer department is going into a much more dangerous job day after day than the people in the water department yet they receive eleven cents an hour less. He asked that the City Council consider this matter further.

Mr. Murtland asked if it would be proper for him to change his negative vote on the motion to accept the 19 recommendations. If permissible, he would do so, as he would then move to reconsider the motion Thursday evening in

order that Mr. Bott who was absent at the time of the vote, be given an opportunity to vote.

Mayor Hanson said he felt it would be proper.

Mr. Murtland said he would like to change his vote then for that purpose.


Mr. Porter said he was told a few meetings ago that a vote could be changed only up to the time the results had been announced by the Chair.

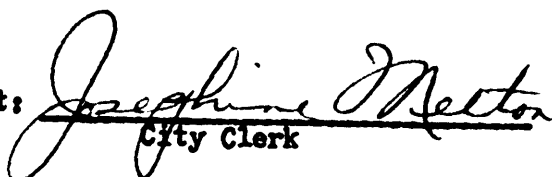
Mr. Hamilton said according to Roberts Rules of Order that is correct.

Mayor Hanson said Mr. Murtland cannot change his vote at this time in that event.

Mrs. Price said that if Mr. Murtland wishes this motion to be reconsidered tomorrow evening, since she voted on the prevailing side, she would be happy to move for reconsideration Thursday.

Meeting recessed at 10:40 P. M.


Mayor of the City Council

Attest: 
City Clerk