CITY COUNCIL MINUTES

City Council Chambers Tuosday, Sept. 23, 1969.

The meeting was called to order by Mayor Rasmussen at 4 P.M.

Present on roll call 7: Banfield, Eott, Cvitanich, Finnigan, Herrmann, Johnson and Mayor Rasmussen. Absent 2: Murtland and Zatkovich. Mr. Murtland arriving at 2:25 P.M. and Mr. Zatkovich at 4:30 P.M.

The Flag Salute was led by Mr. Johnson.

Mr. Leonard Wakeman of the Public Works Dept. was presented with an award for 325.00 relative to the development of a new form for use by Tacoma junk dealers an reporting purchases of material received as junk from individuals.

Mayor Resmussen, Mr. Rowlands and members of the City Council congratulated Mr. Wakeman for his suggestion.

Mayor Rasmussen asked if there were any omissions or corrections in the minutes of Aug. 26, 1969. Dr. Herrmann moved that the minutes be approved as submitted. Seconded by Mr. Cvitanich. Voice vote taken. Motion unanimously carried.

HEARINGS & APPEALS:

This is the date set for hearing for the vacation of the property at So. 57th from Mullen to Gove St. and the alley between Mullen & Gove from So. 56th to So. 58tt Sts., submitted by Donald J. Golden et al.

Mr. Wiley, Asst. Director of Planning explained this vacation involves several unimproved street rights-of-way for a more logical block development which will be used for additional building sites and will allow for a more desirable single-family residential development since the short blocks would be eliminated.

No protests being made, Mr. Finnigan moved to concur in the recommendation of the Planning Commission to approve the above vacation and that an ordinance be drafted approving same. Seconded by Dr. Herrmann, Voice vote was taken, resulting as follows: Ayes 7: Banfield, Bott, Cvitanich, Finnigan, Herrmann, Johnson and Mayor Rasmussen. Absent 2: Murtland and Zatkovich. Motion carried.

This is the date set for hearing on the appeal filed by Carl Laursen on the demial of the request for rezoning for the north side of So. 76th from approx. 250 feet east of Sheridan Ave. to approx. 900 feet east of Sheridan, from an "R-2" to an "R-3-PRD" District.

Carl Laursen, 1207 So. 76th St. explained he felt this development is a unique project and would be for the good of the community as a whole. The opponents of the rezone feel that this development would open the door for future apertment house requests. He explained the land is adjacent to a church and is across the street from an elementary school. This would obviously make the site a logical location for a community service such as this multiple family development. He added they will construct five tri-plexes at first.

Mr. Finnigan asked if there is any time schedule set up for the construction.
Mr. Laursen explained they would start processing this fall as the financing
for the first phase has been discussed through a bank in Montana.

Mr. Finnigan explained that the Planning Commission felt this area is developing into prime single family residences, and no other multiple family developments have been constructed. Mr. Ron Thompson, attorney felt there was a substantial change in the acreage for the development. He mentioned that this is not an apartment but a town house development under an "R-3-PRD" District. This type of development provides for amenities that are not provided in a single family development. There will be open space provided for a playground, recreational trea and perhaps a swimming pool, which is not provided under single family dwellings.

Mr. Wiley explained that the Planning Commission had no argument with the applicant's motives, however they felt that a number of safeguards would have to be imposed and also the site is too small for the plan. Since this area is clearly in a single family neighborhood, they felt that an "R-3-PRD" would tend to discourage the "R-1" and "R-2" development and would encourage department levelopers to ask for higher density zoning.

Mr. Murtland arriving at 4:25 P.M.

A number of property owners spoke against the development.

Mr. Zatkovich arriving at 4:30 P.M.

After some discussion, Dr. Herrmann moved to concur in the recommendation of the Planning Commission to deny the above rezone. Seconded by Mr. Finnigan. Voice vote was taken, resulting as follows: Ayes 9: Banfield, Bott, Cvitanich, Finnigan, Herrmann, Johnson, Murtland, Zatkovich and Mayor Rasmussen. Absent 0. Motion carried.

COMMINICATIONS:

Mr. Rowlands submitted copies of the Jr. League Lease with Allied Arts Inc. He said the lease was received in his office today. He said he had been informed that the League of Women Voters do not wish to continue their lease and are looking for another location.

Mayor Rasmussen asked that the Allied Arts lease be resubmitted to the Council

even though it was sent out approx. two months ago.

Mr. Cvitanich moved to continue the matter for two weeks, until Oct 7, 1969. Seconded by Mrs. Banfield. Roll call was taken on the motion, resulting as follows: Ayes 7: Banfield, Bott, Cvitanich, Herrmann, Johnson, Zatkovich and Mayor Rasmussen. Nays 2: Finnigan and Murtland. Absent 0. Motion carried.

RESOLUTIONS:

Resolution No. 20392

Authorizing the proper officers to submit to the Urban Arterial Board a project prospectus.

Mr. Cvitanich moved that the resolution be adopted. Seconded by Dr. Herrmann.

Mr. Cvitanich requested that the people in the community be informed so that a decision can be made in terms of the location, height, etc. of the Tacoma Spur. He also asked that the staff alert the Council in sufficient time on the matter so they could prevent what had occurred in Seattle with the Alaskan Way viaduct.

Mr. Anderson, City Engineer, explained that the Tacoma Spur route has been approved as a corridor from approx. So. 13th St. along to So. 7th St. Ho ever, he agreed that the Council should certainly be kept alert as to what the consulting engineers are doing. He noted there were also certain agencies in the downtown area that should also be kept informed. He felt that in so doing and having a common interest, the project will truly satisfy the needs of the City of Tacoma. Mr. Anderson said that his department plans to inform everyone adequately and in sufficient time.

Mayor Rasmussen said it was his understanding that the Highway Dept. has settled on the less desirable oute which ould create a viaduct right off Pacific Ave. He felt there would be many people objecting to such a design for the Tacoma Spur.

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Mr. Anderson explained that the route has not been definitely approved. He also noted that it is a very complex project and he knew that at the appropriate time several routes will be submitted to the Council for their consideration.

Mr. Anderson felt that the alternate route Mayor Rasmussen was referring to was under the System Six plan submitted a few years ago which lies along the railroad tracks immediately in front of the Union Station, however the Council will be cognizant of the situation.

Mr. Eott suggested that the Council might go to Olympia to the Highway Dept. and observe what progress has been made relative to the various suggested routes for the Tacoma Spur.

Mr. Rowlands explained there are models which can be inspected at the Highway Dept. and he suggested that a Monday noon study session be devoted to viewing them

at the State Highway Dept.

Mr. Rowlands also mentioned MC-627 that was submitted to the Council on Sept. 17, relative to Urban Arterial Projects, Eayside Drive and Tacoma Spur. He added, it was felt that a Civic Advisory Committee should be formed which would be the most effective way of securing community participation during the design phase of these projects. Letters have been written to eight organizations who would have the greatest interest in the project. It has also been suggested that the Committee meet monthly with the Council and engineers to review and analyze the progress of the design.

Mr. Cvitanich explained he wished the citizens of the community and the elected officials to have their say in what they are interested in, relative to preserving the downtown area. He wanted the Council responsible in the final analysis to make certain that they are not confronted on "A" St. with a structure above the height of the cliff. He also felt that the Council should go on record as soon as possible so that the State Engineers know exactly how it stands on this matter.

After further discussion, Mr. Anderson explained that the only steps that remains is that the Council should authorize the proper official to submit each prospectus by Oct. 1 for the projects then the Public Works Dept. will receive agreements from the State and Urban Arterial Board.

Mr. Anderson also mentioned Warner St. from So. 38th to So. 47th St., and under the terms of the guide lines of the Urban Arterial Board there is a possibility that these streets could be placed on this prospectus because of their emergent nature.

Mayor Rasmussen explained that a petition has been submitted by the citizens of So. 12th and Pearl St. asking that a traffic light be placed at that intersection. He asked if that light had been installed.

Mr. Anderson explained the Dept. is presently programming the signal installations for the year 1970 and that particular intersection is the first on the list. If it is at all possible they would install the traffic light before 1970 as they are fully aware of the problem.

Voice vote was taken on the resolution, resulting as follows:

Ayes 9: Banfield, Bott, Cvitanich, Finnigan, Herrmann, Johnson, Murtland, Zatkovich and Mayor Rasmusson.

Nays 0: Absent 0.

The Resolution was declared passed by the Chairman.

Resolution No. 20393

Granting an extension of time until Jan. 1, 1970 for commencing construction in the Center St. Urban Renewal area to Saxon Enterprises, Inc.

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Dr. Harrmann moved that the resolution be adopted. Seconded by Mr. Finnigan. Voice vote was taken on the resolution, resulting as follows:

Ayes 7: Bott, Finnigan, Herrmann, Johnson, Murtland, Zatkovich and Mayor Rasmissen. Nays 2: Banfield and Cvitanich. Absent 0.

The Resolution was declared passed by the Chairman.

Pesolution No. 20394

Granting an easement to Pierce County to construct and maintain two County road crossings in the area of So. of Buckley Highway, East of Sunner, Washington.

Mr. Cvitanich moved that the resolution be adopted. Seconded by Mr. Zatkovich. Voice vote was taken on the resolution, resulting as follows:

Ayes 9: Banfield, Bott, Cvitanich, Finnigan, Herrmann, Johnson, Murtland, Zatkovich and Mayor Rasmussen.

Nays 0: Absent 0.

The Resolution was declared passed by the Chairman.

Resolution No. 20395

Authorizing the sale of various types of timber to the Scott Paper Company.

Mr. Cvitanich moved that the resolution be adopted. Seconded by Mr. Finnigan. Voice vote was taken on the resolution, resulting as follows:

Ayes 9: Banfield, Bott, Cvitanich, Finnigan, Herrmann, Johnson, Murtland, Zatkovich and Mayor Rasmussen.

Nays O: Absent O.

The Resolution was declared passed by the Chairman.

Resolution No. 20396

Authorizing a partial release of an easement by the Light Division to John F. Graham owner of property at 8423 Phillips Road, S.W. which is no longer needed.

Dr. Herrmann moved that the resolution be adopted. Seconded by Mr. Cvitanich. Voice vote was taken on the resolution, resulting as follows:

Ayes 9: Banfield, Bott, Cvitanich, Finnigan, Herrmann, Johnson, Murtland, Zatkovich and Mayor Rasmussen.

Nays 0: Absent 0.

The Resolution was declared passed by the Chairman.

Resolution No. 20397

Authorizing a memorandum of agreement between the City of Tacoma and Local No. 120 of the Washington State Council of County and City Employees, AFL-CIO.

Dr. Herrmann moved that the resolution be adopted. Seconded by Mr. Cvitanich. Voice vote was taken on the resolution, resulting as follows:

Ayes 9: Banfield, Bott, Cvitamich, Finnigan, Herrmann, Johnson, Murtland, Zatkovich and Mayor Rasmussen.

Nays 0: Absent 0.

The Resolution was declared passed by the Chairman.

Resolution No. 20398

Authorizing the sale of Antique Fire Pcles to various bidders.

Dr. Herrmann moved that the resolution be adopted. Seconded by Mr. Bott. Mrs. Banfield felt that these prices were still too low compared to the going rate of antiques.

Mr. Rowlands explained these bids were \$242.50 higher than the bid received

at a precious date.

Voice vote was taken on the resolution, resulting as follows:

Ayes 8: Bott, Cvitanich, Firmigan, Herrmann, Johnson, Murtland, Zatkovich and Mayor Rasmussen.

Nays 1: Banfield. Absent 0.

The Resolution was declared passed by the Chairman.

Resolution No. 20399

Approving revocation of the license of the Rack & Cue at 3816 So. Yakima Ave.

Mr. Finnigan moved that the resolution be adopted. Seconded by Mr. Cvitanich. Mr. Zatkovich explained he had made a point to investigate this matter. He felt that revoking the license was no solution to this problem and believed that the difficulties could be resolved by an agreement between the City Attorney and Mr. Hutson's attorney. He thought that far worse acts are occurring in the K St. and downtown area and if this license is revoked others should be revoked.

Mr. Zatkovich felt that Chief Zittel had succumbed to pressures of certain businessmen in the 38th St. area without reading the reports of policemen hired to supervise the premises in their off-duty hours. He also wondered why the license of the hamburger stand around the corner had not been pulled as there had been trouble there this past weekend.

Mr. Zatkovich asked Mr. Hamilton if Mr. Hutson takes this matter to court,

how long would it take to resolve the matter.

Mr. Hamilton explained if Mr. Hutson files an appeal in court the judge would probably let the establishment operate as usual, until at least the preliminary hearing. This could not be determined until March or April of 1970.

Mr. Zatkovich thought if an agreement could be executed the time limit would certainly be shortened, so that Mr. Hutson could operate his business. He urged the

Council to defeat this resolution.

Mrs. Banfield informed the Council that the Narcotic's Center has now rented a building for an Annex, across the street from the Rack & Cue. She further stated that it was supposedly going to be used for Youth Guidance and Counseling. She wondered if this could also be a valid reason to cose the Rack & Cue, as it would certainly add more problems to that establishment.

Mayor Rasmussen wondered if anyone on the staff was following the activities

of the Narcotic Center.

THE OF THE PARTY

Mr. Cvitanich asked if Mr. Hutson was tried in Justice Court last week by the County Prosecutor.

Mr. Hamilton explained that hearing arose out of a similar type of operation in the Lakewood area, and it involved the licensing or non-licensing of certain tables and amusement devices in the County. It was his understanding that he was

found guilty on a couple of counts, and five or six were dismissed.

Mr. Cvitanich said he agreed with Mr. Zatkovich if there are other areas that are operating under the same method as the the Rack & Cue, they should also be censored. However, he did feel that a point has been reached in society and the Legislative group must step in and do something. He is satisfied in his own mind that the license of the Rack & Cue must be revoked.

Mr. Johnson wondered if closing the Rack & Cue would help the real problem which is peddling of dope on the streets of Tacoma and the actions of the young people. He was not sure the Council is getting at the root of this problem because it seemed to him that the persons who are engaged in peddling dope would not stop just because one of their favorite places is closed.

Mayor Rasmussen pointed out that the group which patronizes this establishment is very undesirable. He also asked that Mr. Hamilton inquire as to what type of license the Narcotic's Center has, to be able to establish an annex across the street from the Rack & Cue.

Mr. Hamilton asked if the Narcotic's program was a State program or an O.D.I. program.

Mrs. Banfield explained that in the beginning the program was financed by federal funds but they are now trying to place it under a State program.

Mr. Finnigan felt that the Council should act on this matter as it is in their province and the Council's responsibility.

Dr. Herrmann felt that after a full hearing last week and other avenues of appeal that are open to the owners he would support the resolution.

After some discussion, roll call was taken on the resolution, resulting as follows:

Ayes 8: Banfield, Bott, Cvitanich, Finnigan, Herrmann, Johnson, Murtland and Mayor Rasmussen.

Nays 1: Zatkovich. Absent 0.

The Resolution was declared passed by the Chairman.

Resolution No. 20400

Fixing Monday Oct. 27th at 4 P.M. as the date for hearing for L I D 3692 for sanitary sewers in the alley between Ea. 59th & 60th from Ea. K to Ea. L Street.

Mr. Bott moved that the resolution be adopted. Seconded by Mrs. Banfield. Voice vote was taken on the resolution, resulting as follows:

Ayes 9: Banfield, Bott, Cvitanich, Finnigan, Herrmann, Johnson, Murtland, Zatkovich and Mayor Rasmussen.

Nays 4: Absent 0.

The Resolution was declared passed by the Chairman.

Resolution No. 20401

Fixing Monday, Nov. 10th at 4 P.M. as the date for hearing for L I D 6911 for street lighting along 27th St. N.E. from 53rd Ave. N.E. to 59th Ave. N.E. and other nearby Sts.

Mr. Bott moved that the resolution be adopted. Seconded by Mrs. Banfield. Voice vote was taken on the resolution, resulting as follows:

Ayes 9: Banfield, Bott, Cvitanich, Finnigan, Herrmann, Johnson, Murtland, Zatkovich and Mayor Rasmussen.

Nays 0: Absent 0.

The Resolution was declared passed by the Chairman.

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Resolution No. 20402

Fixing Tuesday, Oct 7th at 4 P.M. as the date for hearing for rezoning of the west side of No. Oakes approx. 100 feet north of No. 21st from a "C-1" & "R-2" to an "R-4" District. (petition of James J. Petrich)

Mr. Bott moved that the resolution be adopted. Seconded by Mrs. Banfield. Voice vote was taken on the resolution, resulting as follows:

Ayes 9: Banfield, Bott, Cvitanich, Finnigan, Herrmann, Johnson, Murtland, Zatkovich and Mayor Rasmussen.

Nays 0: Absent 0.

The Resolution was declared passed by the Chairman.

FIRST READING OF ORDINANCES:

Ordinance No. 18902 (postponed from the meeting of Sept. 9th)

Authorizing the Franchise for CATV services.

Mr. Hamilton explained that Mr. McCormick has submitted an explanation of the changes made in the two ordinances, Nos. 18902 and 18903 pursuant to the request of the Council on Sept. 9th.

Mrs. Banfield moved to amend the ordinances as suggested by the City Attorney which will protect the City's rights in regard to future cable uses other than for entertainment and news dissemination. Seconded by Mayor Rassmussen. Voice vote taken. Motion unanimously carried.

Mayor Rasmussen explained that a motion had been made by Mrs. Banfield and seconded by Mr. Zatkovich on Sept. 9th that the name of Tacoma Cable Co. of Washington be inserted in Ord. No. 18902. However, a vote was not taken as the ordinance was postponed for two weeks, until this date.

ordinance was postponed for two weeks, until this date.

Dr. Herrmann felt that placing of any name in the ordinance at this time would be premature as representatives of the Cable TV Companies should be allowed to speak at the first reading of the ordinances.

Mr. Murtland called for the question on Mrs. Banfield's motion.

Mayor Rasmussen explained he felt that the Council would be wise to award the franchise to a local company. He felt this would allow the revenues from the cable operations to remain in the Tacoma area.

Mr. Bott felt that the other representatives should be allowed to present their recommendations at the first reading. Mr. Bott asked Mr. Hamilton if there was anything under Section 6 that would require the successful bidder to put up the performance bond as well as stating when the installation would be started and when it would be completed.

Mr. Hamilton explained that Section 7, Operation-Beginning, indicated that the company shall begin the operation of its system or systems, in the City within one year from the date of the acceptance of the franchise. Also, under Section 6 it is noted that the company will indemnify and save the City harmless from all claims, actions or damages of every king and description which may accrue to or be suffered by any person, as well as replacing and restoring any street, alley avenue, planting or other public or private property or improvement, to its original condition at the start of work.

Mr. Rowlands explained that in discussing this matter further with the technical personnel, it was felt that \$10,000 for a performance bond was inadequate to assure proper execution of the franchise once it is made by the Council.

Mayor Rasmussen asked the representatives of the TV companies what type of performance bond is required in other cities.

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Mr. John Munson, representing Tacoma Cable Co., explained that the highest bond to his knowledge was required by the City of Seattle at \$25,000. However, on an average most cities required only a \$10,000 performance bond.

Mr. William Sinkunas, representing Nationwide Cablevision, Inc., explained that bonds on cable television throughout the U. S. range from \$5,000 to a quarter of a million dollars. His firm has forty-six cable TV systems in operation and the bonds do range within these amounts. However, on an average in the cities the size of Tacoma, the bonds will be from \$100.000 to \$150,000.

Mrs. Banfield also felt that the local companies should be awarded the franchises as top management would be immediately available, as well as the profits that would

be kept within the community.

Mr. Murtland spoke against the amendment as he felt the Council did not have sufficient information relative to the financing of this particular operation. He felt the Council should look more closely into the benefits to the City and the subscribers, not profits to the local TV company.

Mr. Mirtland mentioned that the Tacoma Cable Co. has indicated in their bid certain assets, and he wished to know whether the million dollars shown was in cash or in property. He said, to his knowledge this company is new and is being organized strictly for the purpose of obtaining the franchise for cable TV within Tacoma.

Mr. Murtland also felt that the Nationwide Cablevision's proposal relative to gross receipts for Tacoma certainly varies quite substantially from the firm of Tacoma Cable Co.

Mr. Johnson requested that representatives of Nationwide Cablevision Inc. and Telecable Communications Co. be allowed to speak since they have also submitted bids.

Mayor Rasmussen explained that the Davis Eroadcasting Co. of Calif. has withdrawn its bid for the franchise.

Mr. Patrick C. Comfort, attorney representing Nationwide Cablevision, Inc. explained that this company operates over thirty cable systems in Calif., Oregon and Washington. They believe the proposal submitted to the Council is the best and the most beneficial to the citizens of Tacoma. As an established company, operating with proven experience they will put their operation on the line in support of their proposal. Mr. Comfort further pointed out in detail what their company had promised to Tacoma in their proposal, which included an advance payment of \$20,000 to be credited against future franchise tax payments. They also offer to the City six to ten percent of the gross receipts, to be paid over the first five years. After the fifth year of operation, ten percent of the gross receipts each year will be paid to Tacoma.

Mr. Comfort also reported that the proposal of Nationwide Cablevision contained the lowest rate shhedule for Tacoma residents, which is twenty to fifty cents cheaper than any other rate proposal submitted. He assured the Council that the company can produce, as they were one of the largest cable TV operators in the world.

Mr. Sinkunas commented on the technical advantages contained in their franchise proposal. He also felt they had the financial capability, knowledge and experience to construct a television stystem in the City of Tacoma that would be second to none.

Mr. Bott asked Mr. Sinkunas if his company was interested in a dual franchise.
Mr. Sinkunas explained they would be most happy to have one half of the City
to construct cable television.

Mr. Sinkunas also explained how they would staff the entire project and would generate a payroll in the City, as their employees have to live in facoma while working on the cable. They also buy every piece of equipment that is available locally, he added.

Mr. Finnigan asked what control does the Council have if a cable television company feels that its rates must be raised after it has been in operation.

Mr. Sinkunas stated the City controls the rate structure by ordinance. The company contacts a subscriber and they install the cable free and give thirty days free service. If the subscriber wishes to cancel, they can terminate free of charge.

He explained monthly statements are issued to subscribers.

Mr. Finnigan asked what authority does the City have over the franchise holder if the subscribers wish better service.

Mr. Hamilton read portions of Article 8 of the City Charter relative to franchises which states that the Council has the right to repeal, amend, or modify the same, with due regard to the rights of the grantee and the interests of the public. They also have the right to cancel, forfeit and abrogate the same if the franchise, right or privilege is not operated or exercised in full accordance with its provisions, or any part theroof, or at all. The Council also has the right to regulate rates, fares and charges for service, where not otherwise provided by law.

Mr. Sinkunas explained his company is a service company, they have nothing

to offer the public but service.

Mr. Jim Key, representing Telecable Corp. Communications also explained that the Council should consider the financial return to the City, the experience of the cable operator and if a company has the technical and business knowledge to construct and continue operating the system as well as the integrity of the company. Mr. May proposed a payment formula which he folt would give the City more than what the local companies would pay, in fact, up to 15% of their gross revenues.

Mr. Max H. Bice, representing Cable Television Puget Sound, explained their company had been operating in Pierce County over the past three years. There are over 2,000 customers connected and very few have cancelled because of dissatisfaction of service. He noted they were proposing to pay a six percent gross tax return to the City. He also mentioned they are entirely financed locally to support, build and operate their system. They are ready to perform immediately after agreemnt has been reached with the telephone company or the City, and they would be happy to share a franchise within the City because of the terrain. He hoped that the Council would award local firms the franchises.

Mr. Marshall Riconosciuto, Pres. of Tacoma Cable Co., explained his company was offering the best possible proposal to the City. He further stated that cable television is a new concept within the U.S. He pointed out that the City would be benefited by a local cable television company, and as a Tacoma firm, they would build exactly as stated in their proposal. He noted that all the applicants for the franchise, as well as their company will be using the finest equipment available out of economic necessity. He also urged the Council award these franchises to

Tacoma based companies.

Mr. John Munson explained he had been installing cable television primarily in the Pacific N.W. His primary business has been to improve television receptions. The percentage of gross revenues offered to the City depends entirely upon the success of the franchise operator as to what the actual dollar value will be paid to the City. He also pointed out that in the end it is the subscriber who pays the percentage of the gross. He also said that their franchise proposal includes initially mineteen channels and one rate is charged for all channels. He continuei, their company promises a \$10,000 payment to the City and another \$10,000 one year from the date of the franchise grant. He also explained that in order to receive more than twelve channels on a television set a convertor is required.

Mayor Rasmussen asked that the legal staff check with the technical advisors to see if it were possible to limit the number of commercials they would be shown.

After some discussion, Mr. Hamilton explained that the ordinance cannot be placed on final reading until fifteen days after its introduction.

Roll call was taken on the motion by Mrs. Banfield to insert the name of Tacoma Cable Co. in Ord. 18902, resulting as follows: Ayes 4: Banfield, Bott, Cvitanich and Mayor Rasmussen. Nays 5: Finnigan, Herrmann, Johnson, Murtland and Zatkovich. Absent O. Motion LOST.

After some discussion, Mr. Zatkovich stated since he voted on the prevailing

side he would now change his vote on Mrs. Banfield's motion.
Therefore Mayor Rasmussen announced that the amendment to Ord. No. 18902 has now passed as follows: Ayes 5: Banfield, Bott, Cvitanich, Zatkovich and Mayor Rasmussen. Nays 4: Finnigan, Herrmann, Johnson and Murtland. Absent 0.

The ordinance was placed in order of final reading which is fifteen days on a franchise, until Oct. 14, 1969.

Mr. Murtland asked what section of the proposed franchise will have to be

changed to coinci swith Tacona Cable Co.'s proposal.

Mr. Hamilton explained the blanks in the proposed ordinance will be filled in with the name of the grantee, as well as in Section 31, pertaining to franchise payment. Gooss earnings will be changed specifically to the operation of Tacoma Cable Co.

Ordinance No. 18903 (postponed from the meeting of Sept. 9)

Authorizing the Franchise for CATV services.

Mr. Cvitanich moved that the name of Cable TV Puget Sound be inserted in Ordinance No. 18903. Seconded by Mrs. Banfield.

Mr. Rowlands explained that the Council had received a memorandum concerning the different proposals. The Finance committee's evaluation was that the two outside concerns, namely Nationwide Cablevision, Inc. and Telecable Communications Corp., offered the best financial returns to the City of Tacoma. The technical committee reported that all the proposals were adequate but felt that the Nationwide Cablevision Inc. proposal was worthy of merit.

VERBATIN REQUESTED BY MR. MURTLAND:

Mr. Murtland: I cannot understand the thinking that some of the Council are always out looking supposedly for the good of the City, where we can find the most money, what is best for the citizens, and still come up with the idea that we should patronize local concerns. I'm very much in favor of that, and I think that some who have been on the Conneil here, know that we've tried to give it to paint companies locally; we've tried to give it to bread companies locally; we've tried to do all the things to benefit local concerns. But in most instances we have found that that's just not the way you can do business. In the first place, it's not for the best of the citizens of Tacoma, they're the ones that are paying the bill. Secondly, you cannot take and cut out competition from outside the City of Tacoma, or otherwise, certainly they're not going to patronize our concerns.

Perhaps, some of you on the Council remember when we had the Bakery Union come before us when Jordan's went to Seattle. They wanted us to buy no more bread from Jordan's regardless of what the price might be. You can't set up a fence around

Tacoma, and say we won't deal with other people.

We have to look at this as my first statement when I spoke tonight, that is as far as the returns to the City. Unless I'm mistaken, no matter whether it is \$1,000 or \$100,000 made a year, percentage is still going to bring in the same amount

as the same percentage.

We talk about Nationwide, they show from 6 to 10% over their spread, Telecable, 7 to 15%, although there might be some question as to just what our gross is going to be after six years, whether we ever get up to the 15. As far as Nationwide is concerned they also will make a deposit of \$20,000. Sure, that's an advance as far the others are concerned but it's protection to the City. Telecable happens to make it \$10,000; I think also, so does Tacoma Cable.

As far as the rates are concerned, I asked Mr. Munson and he came up with the convertor idea, but I think that's been explained that the lowest rates that are shown here are from Nationwide. Now, as far as what we are giving the subscriber, that's the citizens of Tacoma, and Mr. Mayor, some 14,000 of them voted for you I believe, and they certainly are entitled to have the lowest rates that we can give them. Not because of the fact that we come up with the idea that we have to patronize the local concern. I'm for that. I hope Max Bice and I are still friends, but I mean, we are now, we are neighbors and a few other things, but that has nothing to do with it. We have to look at this thing, as to what is the benefit to the City and to the citizens. I can't find where Nationwide is offering anything less in the way of services than are the others. I can't find really where TeleCable is. We've put this \$10 installation fee in there that might make some difference although that's not excessive.

But, the only difference I can see in those two, as to what you might prefer one over the other.

But to take and make this strictly on a basis that these are home town people is fine. That might have been a good fifty years ago, but we are dealing now nationally, and we are in this thing nationally. We expect people to buy from us; if they don't buy from Nalleys or they don't buy from St. Regis, they don't buy from a few other things, we're not going to get very far.

Now to come back to the point. What is the benefit to the City and what is the benefit to the citizens. And I waintain that it is to take and give it to the one

that can provide the best service.

There is one other point. It's very possible as far as the Television Puget Sound, or whatever that particular name is for KTNT-TV, on this particular basis, as far as their financial background is concerned. But as to the background of both Nationwide and TeleCable, they show assets, they show performance. I think that is something we have to be ready to take and offer to our city and the citizens. I urge you not to vote for the amendment, but to consider one of these other two.

END OF VERBATIM

Mr. Finnigan felt the Council was buying a product and he felt that one of the bidders, The Tacoma Cable Co. had absolutely no experience in the operations of a cable television system. He noted that the other local firm, Cable TV Puget Sound has had experience in the field, however the other two concerns have had more years of experience and have built adequate systems according to ordinances of cities as well as being conversant with the rules of the F.C.C.

Mayor Rasmussen explained that he thought John Munson of Tacoma Cable Co. has probably had more experience because of his longtime employment with the TV industry.

Mr. Joe Cockerell, a member of the Technical committee stated they had not made a recommendation for any individual company. The other point was the concern of the Public Utilities Dept. relative to more than one franchise holder operating in one area of the City. They felt as a utility, they could work with any company or companies who are granted franchises, however, they do not wish to have more than one set of cable on any particular poles within the area of Tacoma.

Roll call was taken on Mr. Cvitamich's motion to insert the name of Cable TV Puget Sound in Ord. 18903, resulting as follows: Ayes 7: Banfield, Bott, Cvitamich, Herrmann, Johnson, Zatkovich and Mayor Rasmussen. Hays 2: Finnigan and Murtland.

Absent O. Motion carried.

Mr. Murtland asked that his vote be changed so as to be on the prevailing side.

Mayor Rasmussen stated that the vote is now as follows: Ayes 8: Banfield, Bott,
Cvitanich, Herrmann, Johnson, Murtland, Zatkovich and Mayor Rasmussen. Nays 1:
Finnigan. Absent 0.

The Ordinance was placed in order of final reading which is fifteen days on a franchise, until October 14, 1969.

Ordinance No. 18935

Vacating a portion of East 36th and also a portion of East C St. (petition of Forrester Realty & Mortgage Co.)

The Ordinance was placed in order of final reading.

Ordinance of No. 18936

Amending Chap. 13.06 of the official code to add Sec. 13.06.067-11 to include property on the N.E. corner of East 36th & B Sts. in an "R-4-L-PRD" District. (petition of Forrester Realty & Mortgagg Co.)

The Ordinance was placed in order of final reading.

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FINAL READING OF ORDINANCES:

Ordinance No. 18928

Amending Chap. 13.06 of the official code to add Sec. 13.06.050-23 to include property on the west side of Pearl approx. 150 feet south of No. 48th in an "R-3" District. (petition of Forrester Realty & Mortgage Co.)

Roll call was taken on the ordinance resulting as follows:

Ayes 8: Bott, Cvitanich, Finnigan, Herrmann, Johnson, Murtland, Zatkovich and Mayor Rasmussen.

Nays 1: Banfield. Absent 0.

The Ordinance was declared passed by the Chairman.

Ordinance No. 18929

Amending Chap. 13.06 of the official code by adding a new Sec. 13.06.067-10 to include property on the corner of So. 19th & Tyler Sts. in an "R-4-L-PkD" District. (petition of Conifer Company)

Mrs. Banfield asked how many vacation petitions have been approved by the Council for the Company.

Mayor Rasmussen asked that the Planning Dept. staff obtain this information.

Roll call was taken on the ordinance resulting as follows:

Ayes 7: Bott, Finnigan, Herrmann, Johnson, Murtland, Zatkovich and Mayor Rasmussen. Nays 2: Banfield and Cvitanich. Absent 0.

The Ordinance was declared passed by the Charman.

Ordinance No. 18930

Vacating the vicinity of So. 17th between 19th, Tyler and Monroe Streets. (petition of Conifer Company)

Roll call was taken on the ordinance, resulting as follows:

Ayes 7: Bott, Finnigan, Herrmann, Johnson, Murtland, Zatkovich and Mayor Rasmussen. Nays 2: Benfield and Cvitanich. Absent 0.

The Ordinance was declared passed by the Chairman.

Ordinance No. 18931

Vacating the alley between Columbia Ave. & George St. from East T to approx. 84 feet west. (petition of Lloyd Mathison)

Roll call was taken on the ordinance, resulting as follows:

Ayes 9: Banfield, Bott, Cvitanich, Finnigan, Herrmann, Johnson, Murtland, Zatkovich and Mayor Rasmussen. Absent 0.

The Ordinance was declared passed by the Chairman.

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Ordinance No. 18932

Amending Sec. 12.12.090 of the official code making permanent the removal of the limitation on bus passes for Semior Citizens.

Mr. Murtland moved to strike the word "repealing" on the first line of the ordinance and insert the word "amend". Delete the word "repealed" which is the last word in Section 1; then after the word hereby, add "amended to read as follows: Section 2: That this amendment shall take effect ten days after publication thereof and shall be effective to an including the 30th day of November, 1969. Seconded by Mr. Finnigan. Voice vote was taken. Motion unanimously carried.

Roll call was taken on the ordinance, as amended, resulting as follows:

Ayes 9: Banfield, Bott, Cvitanich, Finnigan, Herrmann, Johnson, Murtland, Zatkovich and Mayor Rasmussen.

Nays O. Absent O.

The Ordinance was declared passed by the Chairman.

Ordinance No. 18933

Appropriating the sum of \$85,000 or so much thereof as may be necessary from the General Fund for the purpose of paying the cost of an audit to be performed by certified public accountants.

Mr. Cvitanich explained that on Feb. 13, 1962 the citizens voted against any effort to change the Charter provisions to clarify Section 7.14 relative to the running audit. He read the names of freeholders who prepared a new charter and submitted it to the City on Sept. 3, 1952. The Charter, under Section 7.14, states "The Council shall provide for a running audit of all accounts and books of the City by a firm of certified public accountants who are in no way connected with the City government. A comprehensive annual report on the financial condition of the City shall be prepared by such firm, which shall be submitted to the Council and open to public inspection. " He further stated that the City Attorney's office had repeatedly explained that the word "shall" is mandatory, therefore, he would compromise and suggest that the \$85,000 figure in the ordinance be changed to \$15,000 which would be sufficient for auditing work that could be accomplished during the remainder of this year. The balance of the money could be placed in the 1970 budget which would pay for an accounting firm. He asked Mr. Gaisford to explain what procedure to follow to bring an ordinance before the Council in the amount of \$15,000 on an emergency basis.

VERBATIM REQUESTED BY MR. CVITANICH:

Mr. Gaisford: Mr. Mayor and members of the City Council, yes, it is true, the City Council could even go as far as appropriating \$85,000. The point of an emergency ordinance is that it is not necessary that the money be available at this time. The emergency appropriation is nothing more than to state that if the funds are available in the ensuing year, for instance, in 1970, the emergency appropriation that Mr. Cvitamich is asking for of \$15,000, will be placed in the annual budget for 1970 as an expenditure. If there are funds available to pay for this expenditure there will be a contra-entry made on the expenditure side, which will wipe it out, indicating that the City did have, during the year of the expenditure in 1969, sufficient funds to pay for this emergency.

If the funds are not available in 1969 to pay for this emergency expenditure, it will be listed only as an expenditure in the year of 1970. Therefore, it will be taken care of through the revenue received in the normal fashion.

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Mr. Cvitamich: Thank you Mr. Gaisford, now that should clarify one point. Then, included in the budget is \$5,000 that the Council appropriated for an audit, which makes a total of \$20,000. So comes time for the 1970 budget and the Council will have to find the additional \$65,000 in the coming year to complete the audit.

The reason I'm taking this approach is that it's the 23rd of Sept.; it's almost physically impossible for a firm of auditors to come into the City and expend over \$15 or \$20,000 to complete a small portion of the audit. Then, when the Council, however it's constituted, will have to make the decision in terms of where do we get the \$65,000. I can assure you there's areas in the budget where we can certainly garner the \$65,000 to complete the total appropriation for the audit, as the Charter calls for and which we've never had since 1953. So I urge your unanimous support for this provision.

Mr. Johnson: First of all, I'd like to thank Mr. Cvitanich for the history lesson that he has just given to us here, but in effect, what he is trying to do is, have us now put items in next year's budget, and we're not yet prepared to know what is going to be available next year. So, the answer is still, No.

END OF VERBATIM

Mayor Rasmussen explained that Mr. Cvitamich has been battling for many years for an audit. In the conference with the audit firm of Knight, Vale and Gregory they very plainly pointed out that no auditing firm would issue a comprehensive annual report unless an audit has been made.

Mr. Cvitanich quoted from a number of annual reports relative to monies being borrowed by the general fund from a number of categories in the City.

Mr. Cvitanich moved to amend the ordinance by striking the figure \$85,000 and inserting the figure \$15,000. Seconded by Mr. Zatkovich.

Mr. Murtland left the meeting at 11:15 P.M.

Mr. Finnigan explained that the 1970 budget hearing will be conducted within a few months and he felt the Council's first consideration should be the financial needs of city employees. He felt an appropriation of this amount would be premature.

Mr. Cvitanich explained it was a question of priority and non-essential things

that are budgeted could be eliminated.

Mr. Bott explained that the City's transactions already are being adequately audited in the proper manner and also by the State of Wash.

Roll call was taken on Mr. Cvitanich's amendment to change the figure to \$15,000, resulting as follows:

Ayes 6: Banfield, Bott, Cvitamich, Herrmann, Zatkovich and Mayor Rasmussen. Nays 2: Finnigan and Johnson. Absent 1: Murtland. Motion carried.

Mr. Hamilton suggested that in the first paragraph, 3rd line down, the words, "a portion" be inserted, as the \$15,000 is not the full cost of the audit.

Mayor Rasmussen moved that Ord. 18933 be postponed for one week, until Sept. 30th, for the purpose of clarifying the amendments. Seconded by Mr. Cvitanich. Roll call was taken, resulting as follows: Ayes 5: Banfield, Cvitanich, Finnigan, Zatkovich and Mayor Rasmussen. Nays 3: Bott, Herrmann and Johnson. Absent 1: Murtland. Motion carried.

The Ordinance was postponed until Sept. 30, 1969.

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Ordinance No. 18934

Fixing the amount of ad valorem tax levies for the fiscal year 1970.

Roll call was taken on the ordinance, resulting as follows:

Banfield, Bott, Cvitanich, Finnigan, Herrmann, Johnson, Zatkovich and Mayor Pasmissen.

Nays O: Absent 1: Mr. Murtland.

The Ordinance was declared passed by the Chairman.

UNTINISHED BUSINESS:

Dr. Herrmann moved that Mr. Gaffin be authorised to proceed with making a formal application for a computer grant to the City of Tacoma. Seconded by Mr. Finnigan.

Dr. Herrmann also mentioned that this would not cost the City anything. Mrs. Benfield explained she could not vote on such a proposal as it had not been submitted to the Council before now.

Mr. Rowlands, explained that Mr. Gaffin of Teknekron, Inc. was to have made a presentation Monday at the study session, however, he became ill. He also explained he had been trying to present this program to the Council since August. This would be a 100 percent federal grant for development and purchase of a computer system which, in equipment alone, might cost over one million dollars. He felt the City could have everything to gain and nothing to lose because the Council would again review the application on Oct. 20.

Dr. Herrmann explained his motion was intended to allow Mr. Gaffin to assist in preparing the application which would be submitted to the Council for approval. He also mentioned that a film shown at the Monday study session indicated that these computer techniques were being used in other cities, particularly in the areas of public safety, public finance and human resources development. In passing this resolution by Oct. 21 would indicate that the City of Tacoma is interested in this program.

Mr. Finnigan explained the Council would have an opportunity at a later date to make a final decision. He felt the Council should look at the situation as of today. He thought the Council would be remiss in its duty if it did not accept 242 this opportunity.

Mayor Rasmussen felt that if this motion is passed and Mr. Gaffin assists the City to fill out the application forms for a computer grant, he would definitely expect that his firm Teknekron, Inc. would be performing the service if Tacoma is allowed the grant.

William Flack, 2509 No. Stevens, felt that other firms should have the oppor-

tunity to apply to perform the service.

Mr. Rowlands explained although it may be wide open to everyone, as a practical matter, the firms will have to be approved by HUD. The departments of government recognise the firms that have the ability and backup to perform the operation. There were four firms who contacted the City, as they knew of this grant. The only other firm willing to utilize their resources to help the City of Tacoma prepare the application form had asked to be reimbursed for their efforts. Teknekron would be doing this at their own expense for the opportunity to enter into a contract if the grant is received by Tacoma.

Mr. Bott spoke in favor of the application as it would give Tacoma federal funds to take care of the initial investment for the very latest model computer

system, if approved.

Mr. Gaisford explained the gentlemen who would make the survey would have nothing to do with the type of equipment used. He would recommend the installation but there are many firms who can supply the same type of equipment. He noted the City already has a 1440 system of IFM as well as a 1401 system.

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Mr. Rowlands felt if the grant is offered to Tacoma, Teknekron would have the resources and the capability to do a good job for the City and then the Council could determine the type of equipment that would be needed to get the program underway.

Mr. Firmigan explained that the grant would pay whoever was instrumental 13 in setting up the system and no funds will have to be disbursed by the City, if 242

Tacoma is selected.

After some discussion, Mayor Rasmussen stated that Dr. Herrmann moved to engage the firm of Teknekron to prepare a proposal to be sent to HUD. Roll call was taken, resulting as follows: Ayes 5: Bott, Finnigan, Herrmann, Johnson and Zatkovich. Nays 3: Banfield, Cvitanich and Mayor Rasmussen. Absent 1: Murtland. Motion carried.

Mr. Cvitanich moved that the meeting be adjourned and that the balance of the business on the Sept. 23rd agends be carried over and listed at the beginning of the next meeting on Sept. 30, 1969. Seconded by Mr. Zatkovich. Motion carried. The meeting was adjourned at 12:15 A.M., Sept. 24, 1969.

A. L. Rasmussen - Mayor

ATTEST:

ine Melton - City Clerk