

CITY COUNCIL BUDGET HEARING

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Monday, October 3, 1966  
City Council Chambers, 7:00 P.M.

Present on roll call 9: Bott, Cvitanich, Finnigan, Haley, Herrmann, Johnson, Murtland, Mrs. Price and Mayor Tollefson. Mayor Tollefson presided.

This is the date set by state law for the hearing on the budget for 1967.

Mayor Tollefson greeted the audience and thanked them for showing an interest in the operating plan of the city for 1967.

Mr. Rowlands, City Manager, explained that in many instances there has been an exercise of frustration. The staff has pointed out the programs that the city needs and deserves and it has been extremely frustrating. The city has become an urban nation as approximately 70 to 75% of the people live in urban areas now.

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Mr. Rowlands added that he has tried to point out in the budget message the various categories under which this type of urbanism should occur.

I. PROGRAMS AND SERVICES DELETED FROM THE 1967 PRELIMINARY BUDGET

1. Clean Air	\$240,000
Three additional staff members	\$ 31,000
Equipment	164,000
Maintenance & Operation	45,000

Mr. Rowlands explained that with a great deal of reluctance he has made the above recommendation.

Mr. Rowlands also reminded the Council as programs are deleted, so are the federal matching funds.

The City of Tacoma has to come up with a permanent solution to the rapidly increasing pollution problem.

II. CREATING A SAFE URBAN ENVIRONMENT

1. Crime Prevention	\$397,000
33 patrolmen	\$230,000
12 police cadets	70,000
Equipment-maintenance and operation	54,000
Harbor Patrol	43,000

Any new patrolmen would replace the officers that retire throughout the year.

Additional training is very essential for police cadets as the staff has to be sure that the procedure is followed as it is difficult to convict anyone due to the recent Supreme Court decision.

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The equipment, maintenance and operation item would be used to take care of the various benefits necessary to implement these officers.

The harbor patrol is necessary as the waterways should be patrolled.

2. Fire Prevention \$408,000

17 firefighters	\$120,000
Equipment-maintenance & operation	288,000

Mr. Rowlands said there should be more emphasis on prevention of fires. Five of these firefighters would train in that category, and the additional 12 men would bring the complement of men on the trucks to what it should be.

The equipment must be up-dated so it would not have to be replaced all at one time.

3. Safe Traffic Flow \$502,200

Traffic signals equipment	\$108,000
Street lighting	138,200
Street maintenance - Equipment	256,000

Mr. Rowlands explained that traffic signals would be placed at schools, as many citizens have requested more signal lights at these intersections. A number of streets should be lighted and since much of the system has become antiquated, it must be replaced and brought up to date.

There is a tremendous need for heavy equipment to maintain the streets. It is costly, but should be placed in the budget so that all of the equipment would not have to be replaced at one time.

4. Public Safety Communication Systems \$211,000

Police	\$ 79,000
Fire	132,000

The Police Department would like to go into a transistorized system which would involve a new central headquarters for radio and additional equipment for all of the police cars. This would be on a different and more effective frequency and would have greater transmission facilities.

5. Public Health Service \$110,000

15 Health personnel, maintenance and operation, equipment	\$110,000
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There is a need for additional personnel, equipment, maintenance and operation of the department. Medicare has placed additional burdens on the nursing staff. It is hoped that the City might get some help from the Federal government as the nurses are now undertaking a survey to determine unit cost for serving the public.

III. CREATING AN ACTIVE AND BEAUTIFUL URBAN ENVIRONMENT

1. Parks	\$362,000
11 full-time, 59 part-time positions	\$137,000
Parks & recreation area development	225,000

Mr. Rowlands stated he had been accused of over estimating the figure in this budget but he assured the Council that the items listed are urgently needed. Rather than have the parks ask for millage every four or five years, the staff felt it was more sensible to provide for funds which could be used to take care of their additional operating budget and also the money would be available for developing the parks. It is felt this is very vital for the future well-being of the citizens of Tacoma.

2. Beautification and open space	\$490,000
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This item involves such projects as the Ruston Way Development, development of the old Firemen's park, improvement of parkways in the city at this time and things of that nature. Again, there are 50-50 matching funds available under the Department of Housing and Urban Development.

IV. CREATING A QUALITY URBAN ENVIRONMENT

1. Library	\$37,400
2. Allied Arts	\$87,500

The Library Board has asked for \$37,400 over and above the budget they submitted. This holds true with the Allied Arts budget and \$87,500 had to be removed from that particular project.

V. CREATING A TRANSPORTATION ORIENTED URBAN ENVIRONMENT

1. Airport	\$112,000
2. Highways and Streets	1,022,000
3. Motor Pool Equipment	227,000

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In connection with the airport there are a number of items that should be improved. The City would like to make some improvements with the lessee which in turn would help the City and for which it would receive an additional rental in the sum of \$35,000. If the funds are available, the staff suggested that a small restaurant would attract more passengers and would bring in another \$12,000. Other small buildings for the housing of equipment should be built which would cost approximately \$14,000, which would make a total of \$112,000.

The Highways and Streets, with the population explosion, should be completed under the major street projects. However, plans are to eliminate some of the dangerous intersections, but without funds it is impossible.

The motor pool equipment is a re-occurring situation and the equipment is such that if the city is to be served, the new equipment is needed. A revolving equipment rental fund should be set up on a fiscally-sound basis.

VI. CREATING A REVITALIZED URBAN ENVIRONMENT

- 1. Code Enforcement \$35,000
- 2. Comprehensive Planning 29,000

The City of Tacoma has a very interesting, active code enforcement program. There are three programs involved. The new construction as well as the demolition of old buildings have to be inspected. Also involved is the Urban Renewal Program.

There is a need for more contractors to do the job. Urban Renewal makes it possible for private enterprise to assemble and redevelop an area in conformity with a proposed plan.

Mr. Rowlands added he would like to brief the Council in areas where the city must receive additional revenues in 1967 over 1966.

REVENUES BY SOURCE - 1967 over 1966

Property taxes	\$256,635
B & O Taxes, Licenses & Permits	250,084
Utility taxes	67,005
Use of streets	(42,500)
Fines & Forfeitures	( 6,500)
Use of property & money	3,500
State collected revenue	148,195
Charges & current service	(67,958)
Other Revenues	123,284
Unexpended balances	(222,749)
<b>Total Revenues</b>	<b>\$508,996</b>

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Last year at this time \$445,000 was available due to the tax on telephone and gas and a small surplus was created which is not available now.

Briefly, the revenues by source comes to \$508,996.

ADDITIONAL FIXED OBLIGATION - 1967 over 1966

	1967
Election expense	\$33,100
Dangerous building demolition	96,583
Social Security, industrial insurance, health & welfare	46,000
Salary & wage in-range increase	20,738
Pension cost	76,000
Park Board	30,000
Library	38,383
Fire reduction in duty hours (56 to 54)	70,000
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Total	\$410,804

The revised Schedule II which has to do with the Revised Estimated Expenditures has been changed from the estimated requirements in 1967 in the amount of \$8,493,295 to the revised requirements of \$7,201,721.

Under the title of Non-Departmental there is an item "Available for appropriation" in the amount of \$479,073. One other item which does not show under the General Fund is the fact that one-half million dollars was taken out of the general fund for transit, and in order to offset that, he would like to recommend to the Council that a \$1.00 charge be added as a household users tax to take care of the deficiency in the Transit facility.

The total City of Tacoma's revised estimate is \$46,920,603 for 1967 from the estimated requirements of \$50,871,409.

Many of these problems can be solved with the passage of Initiative #226 on November 8, 1966, Mr. Rowlands added.

DISTRIBUTION OF THE TOTAL TAX DOLLAR IN WASHINGTON STATE IN 1965

Federal	53%
State	25%
Schools	14%
Cities and towns	4%
Counties and special districts	4%

Mr. Rowlands said that the cities only receive 4% of the total tax dollars, and he felt some adjustment must be made which is long over due.

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WASHINGTON STATE GENERAL FUND EXPENDITURES AND STATE  
COLLECTED LOCALLY SHARED REVENUE

1945 - 1947	to	1965 - 1967
Public Schools \$68.5	700.3% Increase	\$548.2
Public Institutions \$14.8	551.4% Increase	\$96.4
Public Assistance \$120.1	118.9% Increase	\$262.9
Higher Education \$17.2	843.0% Increase	\$160.3
Cities & Towns \$34.6	87.9% Increase	\$65.0

Mr. Rowlands noted that the cities have only an 87.9% increase which is the lowest percentage increase. The City has had tremendous burdens, such as in the Police and Fire Pension funds, which is \$20,000,000 unfunded at this time.

For years the cities have tried to get legislation to give the cities the right to tax themselves when the sales tax was 3%, and were denied. In 1963 the cities asked the legislature to give them home-rule, and to give the people in the State of Washington the right to vote whether they wished home-rule for the cities, which was also denied. A small amount of 10% of the sales tax would allow the cities to do the things that were deleted from the budget.

Mr. Rowlands stated he felt confident that the members of the City Council will carefully evaluate the recommendations contained in the 1967 preliminary budget and will provide the most economical and effective level of municipal services possible to the citizens and taxpayers of Tacoma within the City's presently available financial resources.

Mayor Tollefson explained the budget is the formation of the policy of the City for the coming year. In the budget we determine where the funds are to be put and which areas are to be developed in the City, keeping in mind the fixed costs. He added he had asked Mr. Rowlands, City Manager, to prepare a budget that would reflect what the city should do if it had the funds.

Mayor Tollefson said the city must maintain a Transit System and the City has done everything possible to help this system break even, however, this problem is universal. Street lighting, water systems, the library fund, the metropolitan park fund, the play grounds and recreation fund, police and fire prevention funds; all are derived from the General Fund along with many other items not mentioned. If the cities are able to share in the sales tax revenue which is now \$551,000,000, we have reason to believe that unemployment will be cut down, crime could be cut down, and all

other things that could become a state or national problem. The cities believe they can do this at the city level, and will be a benefit to the State and to the entire United States.

Everett Landon, Chairman of the Citizen's Committee for Tacoma's Future Development, urged everyone to get out and support Initiative 226 as he felt the cities should have more money.

The Rev. John R. Williams of the Allen A M E Church commended the City Manager for his dedication and diligence in presenting the matter of finances of the city and the dilemma that the city is faced with financially. He felt that the citizens of the State of Washington should give their full support to Initiative No. 226 so that the cities can fulfill their commitments and add what has been deleted from the budget for 1967.

Mrs. Myrtle Price, President of the League of Women Voters, stated their organization agreed to support the air pollution ordinance of the City, and they feel it should definitely be included in the 1967 budget.

Judy Alsos said that Tacoma must have a good air pollution ordinance and that it should be enforced.

Orvis Harrelson, M.D. of the Public Health Committee of the Pierce County Medical Society, stated there is a very predictable hazard from air pollution and he was present to urge that in some manner the \$240,000 for clean air in the city be included in the 1967 budget.

Mr. Rowlands explained when the matter on air pollution was brought up four years ago, the City was considering proceeding but the Puget Sound Governmental Council asked that they be allowed to organize and take care of the situation. The City has been disappointed in the fact that the Governmental Council has not proceeded as they should, but they did have organizational problems even to the financing of their own group.

Mr. Rowlands added that Mayor Tollefson, Mrs. Price and himself are the three members on the Puget Sound Governmental Conference representing the City of Tacoma. He said he thought the matter of air pollution should be done on a regional basis. In 1966 the Puget Sound Air Resources Council found the money and submitted a report which was incomplete. It was returned and the date of re-submission is approximately December of 1966. The staff feels it is proper to transfer this activity to the Health and Welfare Department.

At a meeting last week, it was decided that the Puget Sound Governmental Conference would try to solve the general region-wide problem. Each particular community, however, has specific problems which it should try to solve on the local level. The staff has been in touch with Mr. Tipton of the Battelle firm to find out his schedule, and they are trying to come up with

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two specific answers: (1) in regard to the St. Regis plant - how to condense the steam to eliminate the odor, and (2) the Tacoma Smelter - how to introduce some chemical equation to neutralize the effect of the sulphuric acid. The City Council has been advised of these things and the staff expects to proceed as far as humanly possible, but again, it is a matter of first things first and how much money the City can afford right now to secure matching funds.

Many firms have bent over backwards to correct the black smoke emitting from their establishments, however, some have not and they believe the City has been most tolerant.

Mr. Bob Means proposed that a significant portion of the \$240,000 be replaced in the budget for air pollution control.

Col. Andrus, Bob Sizer and Pastor Erazzil all stated they felt that the complete budget should be passed and the passage of Initiative No. 226 will take care of the shortage of revenues.

Mr. Haley said he is in favor of including funds in the 1967 budget toward the problem of controlling air pollution and making the entire area in which we live pleasant. He added there must be action and he was not content to leave the problem on a regional basis; he felt the City should be working it out, here and now. The City should establish a survey to determine what pollutes the air, by whom, and the nature. A program should be established by April of 1967, and then the period of time from April until October the surveys should actually be made. It is only then that the staff would know what it is to be dealt with, and a solution would be promising. We cannot find a solution until a competent survey is made.

Mr. Haley proposed that \$20,000 be appropriated to commence the survey.

Mr. Finnigan stated that over 50% of the polluted air is caused by the automobile. However, there are many industries that have taken care of the pollution their plants have created. He felt there was too much money being spent on surveys and not enough in research. He felt that the budget should be thoroughly scrutinized, particularly funds requested by the Police and Fire Departments which have been deleted, before appropriating a certain amount of money for a survey for air pollution.

Mr. Johnson felt that a reasonable figure should be included in the budget for air pollution but not an amount as large as \$240,000.

Mr. Rowlands explained there could be approximately \$450,000 available for an appropriation under Schedule II of the revised estimated expenditures. He said he wished to inform the audience that the Council has been very conscious of the property tax imposed on the citizens of Tacoma. They realize that the schools have had to go out to get more millage; that is one reason why the Council urges the citizens to support Initiative 226 because they do not wish to compete for special millage when they know the schools need assistance.



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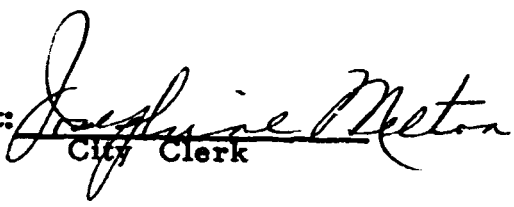
Mr. E. E. Coates, President of the Washington Society of Professional Engineers, offered their support for Initiative 226 and any help that they could give on the air pollution problem.

Mayor Tollefson explained that the next few days there will be differences in opinion from many persons, as well as within the Council, but when this week has passed the City will have a budget that is balanced although, perhaps, it won't have everything in it that everyone wishes.

He added the cities throughout the state are asking for only 10% of the State collected sales tax through Initiative 226. For ten years the cities have asked the State for assistance, but it has to be now as there are things that must be done.

Mr. Cvitanich moved to recess the budget hearing until Tuesday just after the Council meeting on October 4, 1966. Seconded by Mr. Finnigan. Voice vote taken. Motion carried.

  
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Mayor of the City Council

Attest:   
City Clerk