

1957

225

COUNCIL CHAMBER, 7:30 P. M.

Monday, September 23, 1957

Council met in regular session. Present on roll call 5; Battin, Goering, Humiston, Stojack and Mayor Anderson. Mr. Bratrud and Mr. Jensen taking their seats at 7:40 P. M. and Mr. Perdue and Mr. Tollefson at 7:45 P. M. Absent 0.

It was moved by Dr. Humiston, seconded by Mr. Stojack that the minutes of the previous meeting be approved and the reading thereof be dispensed with. Motion carried. Ayes 5; Nays 0; Absent 4, Bratrud, Jensen, Perdue and Tollefson.

PETITIONS:

4-8

x Investment Exchange Development Corporation, et al, for rezoning from an R-2 District to a C-2 District of property located near Southeast intersection of North 7th and Pearl Streets. Referred to the City Planning Commission.

FIRST READING OF ORDINANCES:

Ordinance No. 15947:

Authorizing the repair and reconstruction of storm drains on South 13th Street between Broadway and Market and on South Park Avenue near South 38th Street; appropriating the sum of \$18,000, from the General Fund for payment of said repair and reconstruction; and declaring a public emergency making necessary the appropriation. Read by title. The Clerk called attention to an error in the amount of the appropriation which was due to a mistake in the Request for Ordinance as the amount should have read \$13,000 instead of \$18,000. Dr. Humiston asked if this should be amended at this time, and Mr. McCormick advised that the motion to amend could be made at the final reading of the Ordinance. Placed in order of final reading.

FINAL READING OF ORDINANCES:

Ordinance No. 15945:

372

Amending Section 13.06.050 and 13.06.120 of the Official Code - Zoning Ordinance, by including south side of Center Street from South Madison Street to South Gunnison in a C-1 Commercial District. Petition of Investment Exchange Development Corporation. Ordered by Council on appeal from Planning Commission denial of petition. Read by title and passed.

Roll call: Ayes 3; Battin, Goering, Mayor Anderson. Nays 2, Humiston and Stojack; Absent 4, Bratrud, Jensen, Perdue and Mr. Tollefson.

Ordinance No. 15946:

35

Amending Sections 13.06.050 and 13.06.120 of Official Code - Zoning Ordinance - by addition of 50' on the north and east sides of existing "C-1" District

of the N. E. Corner of South 66th and Tyler. Petition of James, Lawrence and Clarence Healy, et al, 8-5-57. Read by title and passed.

Roll call: Ayes 5; Nays 0; Absent 4, Bratrud, Jensen, Perdue and Tollefson.

UNFINISHED BUSINESS:

335

The report of L. P. Staman, Director of Public Works on the petition of Breta D. Aubry, et al, (8-5-57) requesting installation of a 4-way light at the intersection of South 54th and Pine Streets, and also report on traffic check at South 56th and Pine and North 30th and Proctor Streets was brought up at this time.

This report concluded by saying that a check of traffic shows that at the present time signals are not justified at any of these intersections.

Mr. Rowlands advised that the Traffic Engineer had set up a traffic count at the three locations and according to the survey the installation of lights is not justified at this time, but the Department will continue to keep the intersections under survey. White Stop signs have been painted on the street<sup>at</sup> 54 and Pine and the same will be done at 56th.

Dr. Humiston asked if there was any Council action necessary inasmuch as the Traffic Engineer did not recommend the installations. Mr. Rowlands replied that no action was necessary at this time.

It was moved by Dr. Humiston, seconded by Mr. Perdue to adopt the Preliminary Budget for the year 1958 in the amount of \$33,246,803.00.

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439

Dr. Battin asked if any corrections or amendments could be made in the Budget. Mr. Rowlands replied that the Council could make any changes they desire prior to the adoption of the final budget as long as the amount does not exceed the amount in the preliminary budget, other than those amounts that will be derived from additional sources of revenues. Mr. Rowlands advised that it is his understanding that there is some jurisdiction allowed when the budget is presented to Council strictly in an unbalanced form, and the Council will at least balance it before adopting it in a preliminary form. A motion to adopt the Preliminary Budget is all that is necessary, Mr. Rowlands stated. Mr. Bratrud asked Mr. Rowlands if he meant that the Council could not change any portion of the budget unless it changed the revenues. Mr. Rowlands replied that Council can change any portion or any part they want as long as the overall total does not exceed the amount of the preliminary budget other than conditions that are included by Council in the final determination of new sources of revenue or change of revenue estimates. Dr. Humiston said that as he understood it, the more simple explanation is that by adopting the budget all Council actually does is "peg" the total revenue.

Mr. Bratrud asked what decision had been made relative to levying one mill for the Firemen's Pension Fund. Mr. Rowlands replied that at the present time as he understood it, one mill is in the Budget for the Firemen's Pension Fund, and he presumed the Park Board has also requested one mill. Mr. Bratrud said his question was specifically "Did we levy in our revenue this one mill levy for the Firemen's Pension Fund?" Mr. Rowlands replied that the request was made for one mill to go to the Firemen's Pension Fund at this moment. Mr. Bratrud then asked "Is this one mill, which has to be filed with the County Auditor, going to be levied for the Firemen's Pension?" Mr. Rowlands replied that this one mill was included for Firemen's Pension.

Mr. Bratrud asked the purpose of adopting the Preliminary Budget and Mr. McCormick advised this is for the purpose of giving notice that it has been adopted and is available for anyone to look at.

Mr. Stojack asked if the one mill is in the budget for Firemen's Pension and if it is already ear-marked, can it be changed. Mr. Rowlands advised that it could not be increased but it is his understanding the Council can do anything they want with it.

Mr. Stojack asked if, after all the facts are presented, if this mill could still go to the parks, although it is ear-marked for the Firemen's Pension Fund. Mayor Anderson asked City Attorney McCormick if it were not true that, if the Firemen demand that one mill, they can get it. Mr. McCormick replied that the Council has the discretion, if they find after investigation they have sufficient funds in the Firemen's Pension Fund, to meet the ordinary and estimated expenditures for the ensuing budget year, to take part of that mill or all of it for the Park, leaving what they feel will be enough to meet the Firemen's Pension Fund expenditures. He pointed out that the Firemen's Pension Fund is not an actuarially sound fund. Mayor Anderson asked if the City could arbitrarily disburse this mill anyway they want, and Mr. McCormick replied that the Council is strictly limited by State Law as to where it should go.

Mr. Stojack asked who made this decision as to whether the fund is in need of the mill. Mr. McCormick replied that the Council made the determination based upon their facts and figures.

Mayor Anderson asked if the Firemen's Pension Fund did not come first, and if the fund is in the red, did not a sufficient amount from that mill have to go into it to keep it in the black.

Mr. Rowlands said he thought this should be further clarified. "Actually we all know that the Firemen's Pension Fund is not actuarially sound. There are no arguments about it being eight million dollars in the hole from the standpoint of being sound like any program should be. But the law states very specifically that, if the request is made of Council for the one mill, the Council has the right to put just as much of that one mill as is necessary, together with other funds available, to meet current obligations for the following year. In a sense it is just a pay as you go plan the same as the Police plan and is not sound at all. To answer your question specifically, if the Council wants to say that \$50,000 of the \$141,000 is needed to pay the obligations next year, that's all you have to pay them whether its \$50,000, \$90,000, \$80,000 or \$10,000. It is entirely up to Council to get the facts."

Mr. Bratrud said he was not interested in the merits or demerits of the fund. His question is "Was it deemed advisable to include additional funds in the Budget and has the one mill been levied for the Firemen's Pension Fund?"

Mr. Rowlands replied "Yes. You see on page 123-Firemen's Pension Fund- the current appropriation for 1957 is \$264,392, while the estimate requirement for 1958 is \$405,696. We did include in there one mill in a tentative sort of way." Mr. Bratrud asked "But where in the Budget does it set forth the additional mill, if you are going to levy it?" Mr. Rowlands said that on page XVI of the preliminary budget under Firemen's Relief and Pension Fund under "general property taxes" the equivalent of two mills is shown under estimates for 1958, which makes a total of \$405,696. This year it was \$135,888 and the two mills included next year is \$281,999 based on the request of the Firemen's Pension Board.

Mr. Tollefson said that it appears to him that Mr. Bratrud's question is "Is the 16 mill an automatic proposition or must we go out and ask for it?" Mr. Rowlands said it was automatic if used for the Firemen's Pension Fund and if no part of it is used for this purpose, the Park Board makes a request for it also. If the Firemen's Pension Fund does not use it, the Park Board has a right to use the one mill, he added.

Mr. Tollefson said the City would have to request it so therefore it is not automatic as far as the City is concerned. Mr. Rowlands agreed it would have to be requested, but it is automatic in the fact it would have to be voted upon by the Council.

Mr. Bratrud referred to Page XI, "General Property Taxes." If one mill is \$141,999, then 15 mills should be \$2,115,100, and when this other \$39,000 is added the figure should be \$2,154,000.00 instead of \$1,934,645 as set forth in the budget.

Dr. Humiston said that the only thing he can see that the Council is doing tonight is notifying the public that the Council has accepted the preliminary budget and that it will be available. The setting of the tax levy comes with the adopting of the final budget, so the Council has between now and the first of October to decide this matter of the 16 mills, if his interpretation is correct, Dr. Humiston added.

Mr. Bratrud said he was still confused over the arithmetic.

Roll was then called on the adoption of the preliminary budget. Ayes 9;

Nays 0; Absent 0.

Mr. Bratrud said he would still like to have his questions answered, as he still does not understand. Mr. Rowlands said he would have the answer available before the meeting is over, and agreed the manner in which it was presented was rather confusing.

**NEW BUSINESS: /**

Mr. Rowlands called Council's attention to the Regional Meeting of the Association of Washington Cities on Thursday, October 10, 1957, at the Top of the Ocean. This is during the week of the Budget Hearings, he pointed out. It was suggested by Mr. Stojack that, inasmuch as the dinner is at 6:30 P. M., the Council meet at 4 P. M. for the Budget Hearing on October 10th. This was agreeable to Council, so it was moved by Mr. Stojack, seconded by Mr. Tollefson that the Council meet at 4 P. M. on Thursday, October 10, 1957 for the Budget hearing. Motion carried unanimously.

Mayor Anderson announced that all the members of the Port Commission are present for the meeting which Council scheduled for 8 P. M. Mayor Anderson welcomed the delegation by saying: "We are indeed honored to have the Port Commission here. Over the many years the Council from time to time has an opportunity to get together with the Port Commission and discuss some of the many things that are going on at the Port. We are indeed happy tonight to have you here to discuss the possibility of the hearing before the Army Engineers. I personally like to commend the Port for the splendid job they have done in the past few years at the Port. I know that it is alive down there, and the Council would like to go over some of these things before the hearing that is to be held September 26th. The Council is well aware of the need for commerce and additional payrolls and additional tax revenue to balance the City's Budget. We know that certain things have to happen with the Port or there will be a stalemate. We are happy that you have come. Mr. Stan Erdahl, as Chairman of the Port Commission, will you explain part of the Port's plans for the Industrial Waterway and the Hylebos Waterway?"

Mr. Stan Erdahl, Chairman of the Port Commission, read the following statement relative to the Port Industrial District Plans: 312  
57-238

"The development of the Port Industrial District, and the extension of the Port Waterways has been a matter of study and promotion by the citizens of Pierce County for some time.

This was pointed up in the report by the eminent engineers, Tippetts-Abbett-McCarthy-Stratton of New York, who, incidentally, are making the report for the Port of Seattle on the Duwamish Development. This report was completed as of September, 1955, and twenty-two copies were submitted to officials of the City of Tacoma. The Port of Tacoma adopted and are following in general the engineering plan by this firm, with small details being adapted to present conditions and circumstances.

We wish to point out that this was done with the intensive study and consultations with Federal, state, county and city officials and experts.

In addition to this, the plan was submitted in detail to the public in the election of 1956, who supported our \$5,400,000 bond issue with the very favorable vote of: Yes: 60,218. No: 22,704.

Also, we held a public hearing on September 25, 1956, covering Port development and the adoption of the Comprehensive Plan of Port Development to benefit our local economy.

As to the utilities, our Board has had a series of meetings with your Utilities Board, and, in our letter of August 28, 1957 to them, we agreed to assume the expense, including right-of-way, of necessary relocation of water lines and electric transmission lines across or around the extended Port-Industrial Waterway by the shortest practicable route and the most economical practicable method.

As to the rail, the Port District agreed to assume the expenses of fill, right-of-way around the extended Port-Industrial Waterway by the most practical route, and, in our last meeting, we agreed to finance the rail tie expenses, to be paid back from revenues received from additional business generated by the expansion. This was offered as we understand the Belt line is without funds.

We urge a united front in our appeals to obtain these Federal Funds and support. In our previous extension we received Federal funds, which is the first time a local community has received direct economic assistance, and we are sure, with a united front, we will be successful. Over the period of the next two or three years, when we find it necessary to provide the right-of-way for the waterway, we will apply to the City for the vacation of the street instead of a bridge, which is not economically possible or feasible at this time. "

Mayor Anderson asked Mr. Erdahl how much they anticipate or hope to get from the Federal Government. Mr. Erdahl replied that this was a matter of conjecture, but they hoped that the development could possibly develop as much as three and one-half million dollars.

Mr. Bratrud said it seemed that at the last Council meeting the biggest concern was that the Belt Line would have to go around the waterway on a steel track, which would somewhat hamper the Belt Line Activities. The most important point Mr. Kime stressed was the additional cost of bringing the Belt Line up to what he referred to as "air", and switching back and forth, Mr. Bratrud stated. They would have to change their system, as they can only go a mile without air being in the cars, and they also claimed that going around the waterway will cause considerable inconveniences to several large industrial plants, as it would take up to five hours where it now takes about 30 minutes, Mr. Bratrud added.

Mr. Maurice Raymond, Port Commissioner said: "We have heard rumors to that effect and we are also aware, and are sure the Council is aware, of the engineering report that the Belt Line recently received, of which we saw a copy, that outlines the Belt Line program. This was very much in keeping with the "Tippetts-Abbett-McCarthy-Stratton Report" which contemplated a new classification yard for the Belt Line in the area that is yet to be developed. It is true there will be more footage of track, but there will also be more industry, and when the Belt Line is expanded and gets more industry, there should be more income. The statements I have heard relative to "air" etc., I think is something that the Belt Line or any other group of people, including the most qualified accountants, could not determine the actual cost involved in moving the freight yards around the Port Industrial Waterway. By extending the waterway we are confident we will have new industries. We extended the Port Industrial Waterway from South 11th Street to Lincoln Avenue and with the exception of the piece of property we are retaining for further development of the Port Terminal, the property is all sold. So it is reasonable to assume that the way property is moving over there, this other property will be sold and the new industries which come in will mean further revenues."

Mr. Bratrud said he thought the Council is well sold on that, but the problem is that of the additional costs of extending the tracks, as against going across with some type of bridge. It looks like it is going to impose hardships that perhaps could be alleviated by spending more money to construct a bridge across instead of running a single track clear around the waterway, Mr. Bratrud added.

Mr. Archie Blair, Port Commissioner said that the reason they have contemplated the development of the plan to go around the waterway is because the Engineers have told them a bridge across Lincoln Avenue was not feasible. If it's impossible to build a bridge for less than five million dollars to handle vehicular traffic and rail traffic, it's much more feasible to go around the waterway, Mr. Blair claimed.

Mr. Bratrud said this particular method of going around with a single track is going to cause an unsurmountable amount of problems that could be relieved by the bridge.

Mr. Raymond said: "These arguments and the figures that are given are based on premises that the Port is going to develop 150,000 hundred acres of new industrial land and about three and one-half miles of new water front land for ocean going vessels. We are going to do all this development without one rail car going through and on that premise it would be foolish to cut through Lincoln Avenue. We might just as well leave this thing stand as it is, and forget about it. Obviously when you stop to analyze it, even though the Bridge is going to be there and even if we can find through magic some six million dollars to build the bridge, the City of Tacoma still has the obligation and problem of carrying the Belt Line across and extending its line into this new industrial area. We are anywhere from two to four years ahead on the discussion of the Belt Line, as obviously there will be no cut through on Lincoln Avenue nor any occasion to build a bridge until we prosecute the project to the end and as a result receive our appropriation from the Congress of the United States

Anyone who has had any experience with a project of this kind knows that normally it takes three, four or five years, and four years is considered a minimum, to prosecute a project of this length. What we are doing here is discussing in detail what might happen. I am sure Gentlemen of the Port, Gentlemen of the Council and Lady that when the right time comes all these details will be well worked out, well studied and considered and I am sure that a good answer will come."

Mayor Anderson said that the main thing that they are working on now is the right to appear before the Engineers and be united in their discussion and requests for the fund and for the right to dredge the waterway.

Mr. Erdahl agreed that this was correct and asked for an opportunity to review for just a minute. He said: "We proposed to the Citizens of Pierce County the bond issue for the Port Industrial Development District and that the first phase was the extension of the Hylebos Waterway to a pioneer depth of fifteen feet and that the dirt will be used to fill in the area around the Port Industrial Waterway and will develop land for sale to industries. The cut of Lincoln Avenue is a long way in the future and if we get Lincoln Avenue cut in five years I think we will be fortunate."

Dr. Humiston said: "I am not too sure of the procedure. There is going to be a hearing on Thursday, September 26th, and anyone that has an interest in the matter is invited to state their position. I haven't seen the documents of the engineers but I would like to be entirely clear on this point. If the City of Tacoma is to go up there and completely endorse this program, would that mean that the City would be endorsing the idea of cutting Lincoln Avenue, or is that mentioned in the application?"

Mr. Erdahl said; "I am not sure that I got all of Dr. Humiston's question, but if I understand you correctly, if the Council endorses the program on next Thursday would it mean that you agree to the cutting of Lincoln Avenue at this time." Dr. Humiston said; "Would we agree at this time to the cutting of Lincoln Avenue when the project went through?" Mr. Erdahl said; "In my opinion, and I have just talked to the legal minded member of the Port Commission, and we have discussed this before, we consider the step necessary to cut Lincoln Avenue, is to send a letter to the City of Tacoma and request that it be vacated. We have not come to that. We have repeatedly, in our discussion with the Utility Board, said what we have to arrive at now is a matter of policy that we will assume the expense of relocation of Utility lines, but such things as vacation of streets, and things of that nature that are presently dedicated, would have to be enacted by the request of the Port Commission through the City or the body concerned for vacation of same."

Dr. Humiston asked Mr. McCormick if he had seen the application that is before the Engineers. Mr. McCormick said; "I have not seen any plans or anything but it would appear to me that if the plans of the Engineers definitely show the cutting of Lincoln Avenue, were we to unqualifiedly endorse those plans, we would at least be consenting to the cutting of Lincoln Avenue. However, Mr. Blair has in mind, notwithstanding that endorsement, when it came to the actual vacation of the streets in question to be cut such as Lincoln Avenue, etc., we might legally by Council action refuse to vacate it and stop such a cutting."

Mr. Raymond said; "I would like to say that our engineers' report, and those of you who got these copies in September of 1955, if you have read them, will know that our engineering firms practically said that possibly in the future the economics of our country around here and of our area would well cause the expenditure of this amount of money for the building of the bridge at some later period of time. So nothing has been said in the report which we adopted in our comprehensive plan that excludes formally for all times the building of a new bridge. We are talking about the economics to date as we see it at this moment, but what it is four years from now, when the chips are on the table, I don't know. I don't think it is fair for the Port or the City Council to enter into an agreement so long into the future. It is quite obvious that none of us will be in office at that time."

Mr. Stojack asked if the cutting or not cutting of Lincoln Avenue has any particular bearing on whether the Federal Government will participate and if they would have to commit themselves whether there is going to be a bridge or not.

Dr. Humiston asked if there was some kind of an application in writing before the Army Engineers that the Port Commission has filed for the hearing.

Mr. Raymond said: "It was not an application but was merely a letter asking that we have a hearing which had been previously approved by the Congress and the Corps of Engineers regarding the extension of waterways in the Port of Tacoma. The purpose of this is to have a notice of a public hearing in the City and it is understood from the information furnished by the local Port authorities that a proposal for the extension of Hylebos and Port Industrial Waterways will be presented for consideration at the hearing."

Dr. Humiston asked if that is the extent of the specifications that they are holding the hearing on. Mr. Raymond replied that this is a very preliminary hearing.

Mr. Stojack asked if the Federal Government will appropriate the money before or after the vacation of the street. Mr. Raymond said, "The Port of Tacoma will have to pass a resolution and in that resolution they would have to make certain guarantees to the Federal Government such as (1) To have enough money to take care of our share of the problems (2) To see that we own all the property where the dredging is done (3) We would have to hold the Government free and harmless from any damage (4) We would have to provide the Government with a disposal area (5) We would have to agree to pay for all such other costs in the area (6) We would have to provide a statement that right of ways will be provided. If we can't provide the right of ways, then this is the time we will need the City's cooperation."

Mr. Tollefson asked, "If it is not true if at this preliminary hearing plans are presented tentatively for construction of the Bridge on Lincoln Avenue to accommodate not only the Belt Line Railroad in servicing the area, but also to take care of vehicular traffic for citizens of Tacoma, there will be a better chance that the entire plans will be accepted by the Corps of Army Engineers for the development of that area. This in turn will then have to come before the Appropriation Committee of Congress to obtain funds to have the bridge built. This is desirable for the overall planning of the City rather than have the Port Industrial Waterway cut through at the present time without any plans for a bridge. I see it if we cut the Port Industrial Waterway through without any plans for a bridge, then at a later date a bridge is desired, the burden will be entirely on the City of Tacoma to provide for the payment of the erection of the bridge. It would have to then meet not only with the approval of the Port Commission but also with the approval of the Federal Government which had previously sanctioned the development of the waterway without a bridge."

Mr. Blair said: "I want to clear up a point. First the issue is whether or not there should be a bridge on Lincoln Avenue. I've heard no one through the last week even suggest there should be a bridge on Lincoln Avenue. There is now a bridge across the water on 11th Street, which is about one-half mile away. Every time you build a bridge on a waterway you destroy part of the usage. Any time you put a bridge on Lincoln Avenue which would be equate for the operation for railroad crossing you would have a bridge that would be just a few feet above the surface of the water and you will have to open the bridge for every tug boat and barge that moves through, so the railroad will lose more time waiting for the bridge to close than it will lose going around the end of the waterway. The situation will be exactly the same for vehicular traffic. Your fire hazard will increase substantially because of the bridge being open, as you know how long those bridges stay open for some tug or barge to get through. I think you will find with the proposed street lay-out which will be parallel to Highway 99, the slight inconvenience to some vehicles of having to go to 11th Street or out to Marshall Avenue will far overcome any complaint that you need a bridge there 10, 12 or 15 feet above the water, which will be open every time a vessel comes down the waterway. So as the desirability of a bridge, I don't think it is desirable at all. As far as the Belt Line is concerned, we offered to put up money to put the Belt Line around the waterway. Now these objections that you have heard about 'added operating costs' are based in very large part on a theory that is completely unsound. At the present the Belt Line interchange yard is 300 feet down there next to the bridge inside of Lincoln Avenue next to the Milwaukee Yard. Every car that comes in on the N. P. or Great Northern has to come across from the vicinity of the Puyallup River Bridge. Now the theory is that they all will go down there, that you will take them out of there in long trains and haul them clear back around the end of the Port Industrial Waterway. The plans for the set-over there are not that way at all. The plans are that there will be a new interchange yard for the traffic that is going over to the east side of the Port Industrial Waterway extension, which will be south of the waterway. That is where the trunk line road will deliver the cars to the Belt Line. They will go from the head of the waterway down on the other side. The theory is that there will be switches on the line around the Port Industrial Waterway, which in my mind is a completely unsupportable theory that won't be borne out by facts. As a matter of fact, the line that

goes down the west side will be wholly a service line and not a trunk movement part at all. We feel very strongly that relative to the operating problems of the Belt Line, in three or four years from now when this thing gets 'jelled', there will be so many changes that you can't now determine from your present day to day operations what the future effect will be, whether or not there is a bridge on Lincoln Avenue."

Mr. Bratrud asked if the Belt Line had ever made any request of the Port Commission so that there would be two lines around there. Mr. Blair replied: "They had not and I see that according to the drawings of the experts employed by the Belt Line, they could go around the same track there."

Mr. Tollefson asked if it was the position of the Port that with the development of this waterway without a bridge that there will be a new interchange yard for the Belt Line. Mr. Blair replied "Yes. Would you like me to show you on the map." Mr. Bratrud and Mr. Tollefson both replied in the affirmative, and Mr. Tollefson asked who would pay for the cost of the change. Mr. Blair said: "There won't be a change, there will be just one added to the present interchange yard." Mr. Raymond pointed out on the map the location of the interchange yard.

Mr. Tollefson said: "My view of this entire operation is that we want to assist the Port Commission in obtaining an extension of the Waterway, and we want to be prepared to attend the hearings with full support, bearing in mind however, while we are doing this we are not jeopardizing other developments. It seems to me that the purpose of this hearing is to be fully aware of what is transpiring, so that we can be assured when we go to the hearing that we will get not only assistance for the Port Commission for the protection and the development of the overall plan of the City of Tacoma and funds to help the Port, as well as to help the general budget of the City of Tacoma, but also to be sure that the plan of the Port is accepted by the Corps of Engineers and the recommendation made that certain monies will be available. I have in mind a hearing recently held relative to the development of the Eagle Gorge Dam, which is to be developed primarily for the benefit of King Co., the City of Seattle, and the Duwamish Waterway and takes care of flood control in that area. The Federal Government had to pay for the entire cost of the relocation of the railroad at a higher level, because the new dam would flood out their existing track. I think we must approach this particular problem in the same manner so that we can be assured that the Federal Government through its Corps of Engineers will recognize that this waterway is being developed for the benefit of the entire nation. I would like to have some comments at this particular time from Mr. Kime, if he is present, and if he is not, from Mr. Barline, so the Council and the Port Commission will be aware, and in order that we can testify in the proper manner at the hearing to obtain our assistance from the Federal Government. If the Port Commission figures we need three and one-half million, we may need five and one-half million instead, based upon the changes that will have to take place as a result of developing this particular area." Mr. Blair said that the Federal Government will not pay for any relocation of water, electric or rail lines. Mr. Tollefson said: "As I understand it, the Federal Government does not contribute in the same manner as they do for flood control projects. We must be assured at this time whether or not we put the bridge through at present, and then at a later date approach the problem of the feasibility and practicability of a bridge for vehicular or rail traffic, or both, and then ascertain who is going to pay for it. Now on some projects, if it ties in with the State Highway plan or a State Highway project, we might get State Highway contributions and that is the thing we must ascertain at the present time, so we can be certain in the future we won't be left high and dry, or the City have to pay the entire expense."

Mayor Anderson asked Mr. Erdahl if he had any discussion or any requests from any industry located on Port property about a bridge across Lincoln Avenue. Mr. Erdahl replied that they had received none. Mr. Anderson also asked the City Manager the same question, and he also replied in the negative.

Mr. Jensen said: "The question has been raised about the costs of switching, which is one thing that should be qualified at this hearing, as it was very emphatically pointed out by Mr. Kime last week when he was here that there was no question but what the cost of operating the Belt Line would be materially increased by this longer track routing. You can't deny the fact that there will be so many extra feet of rail,



and if you have an additional switching yard, which will facilitate the moving of cars, this yard will be an added expense, and you can't get around the fact that it costs so much a mile to move those cars. The question was raised last week if the Belt Line could petition the Interstate Commerce Commission for an increase in rates, in view of the added costs of moving these cars. We will have to get an increase of rates for the Belt Line through the Interstate Commerce Commission or else someone is going to take the "rap" for the Belt Line. It is quite a touch and go proposition anyway, as some years they are losing money and some years they come out with a profit, and this is something they just have to face. It is inevitable that we are not going to show a good operating statement and we're either going to have to subsidize the Belt Line through the General Fund or get some help from our Port Commission or else we will have to increase the rates. It is an established fact that in figuring the cost of the operation, and the matter of equipping all of the equipment with "air" is something too. It is an Interstate Commerce Law that when they move those cars over a mile, they have to be equipped with air, and that means the establishment of stationary air compressor equipment, and that is quite a decided investment. Then they have to equip all the trains with air that do not have air, then they have to go to the trouble of hooking up the air in all those cars when they are being switched, and that is an added expense again. So all I can see facing them over there is considerably increased cost of operation and somebody has to face up to it, as the bill has to be paid by somebody. I think at this hearing they are having, there should be some reference made to the problems that the Belt Line is facing, and some sort of a solution be made that will be on record concerning these added costs."

Mayor Anderson said: "It seems to me that the Council in their thinking are worrying about the Belt Line. I know that in the past years they have always been running in the red with the Belt Line and at the present time we are worried about it. I know that about a year or two ago we discussed with some of the members of the Port Commission the possibility of the Port Commission taking over the Belt Line at some time."

Mr. Bratrud said: "It seems to me that we are talking about a problem that was given out last week and it seems that it was quite a serious problem, and I think the men were sincere. The Port Commission has not been advised by the Belt Line as to the problem they are facing. I think the Port Commission should hear Mr. Kimes' story, and maybe they can answer it in full. At the moment I am somewhat confused, after listening to Mr. Kime and listening to the Port Commission. Maybe those questions which Mr. Kime brought up can be answered, and they should be."

Mr. Tollefson said: "I am sure that the Port Commission was aware of the studies that were made on the proposed toll road and I know Mr. Erdahl was present at a meeting I attended with the Highway Commission and the Pierce County Commissioners. This planned idea of extending the Waterway will have its effect on the overall plan of the highway. The present plan of the Highway Department relative to the interchange in Pierce County calls for such an interchange that permits traffic to come through the County on a good road or an existing road into the City of Tacoma. This will go across either the present 11th Street Bridge or the Port Industrial Waterway or across Lincoln Avenue. If the Port Industrial Waterway is extended and if we use the argument of Mr. Blair who said that the bridge at Lincoln Avenue will be opened so much that it will cause a great deal of delay to vehicular traffic, then by the same token the bridge at 11th Street will be open just as much or more because it will be accommodating more traffic. Hence the 11th Street Bridge being open so much, all of the people in the northeastern section of the City and those adjacent thereto will be compelled to go all the way around the edge of the proposed Industrial Waterway Extension when they want to come into the City proper, and you can see what the result and effect it would be upon the development of the portion of the City outside of the development of the Industrial Waterway and the business in that particular area. We are very anxious, and we have had many plans proposed to us relative to accepting vehicular traffic in the City of Tacoma relative to parking etc. If we cut off more of them and shove them away and drive them to Federal Way or Seattle, of course we won't have as much of a problem in the City of Tacoma, but we want to have the problem where we have so much traffic that we have to do something about it, rather than a case where we have so little traffic that we just let things stay as they are. It is the comprehensive plan that we are worrying about. The Mayor

said: "A lot of the area that we are discussing tonight, where the waterway is going to be extended to or where they are hoping to extend it to, is farm land and is not built up at all."

Mr. Tollefson said: "I appreciate that fact but if we sever the connecting link and cause the 11th Street Waterway Bridge to be open more because of the increase of water borne traffic down here, it will necessitate the bridge being open a great deal, which would tend to cause people in the Northeast Tacoma area to say 'we don't want to go to Tacoma because we may be caught by the bridge, otherwise we will have to go all the way around to get into the City of Tacoma.'"

Mr. Erdahl said "The engineers that we retained consulted all of the engineering departments of the City and Pierce County relative to this plan before they submitted it to us, and we discussed it with them in detail. This matter of the bridge, let me remind you that there is no bridge at Hylebos Waterway Extension from Lincoln Avenue. When you get to Lincoln Avenue and go across Lincoln Avenue to Taylor Way on the way to Browns Point you have to go back to 11th Street to go across the bridge. The Engineer reported to us that the people at Browns Point and up on the hill want a road around the waterway so that the Fire Department can reach them in case their houses catch fire. That is the first thing the Engineering Firm observed. The Engineers proposed that this road extension across here should be a four-lane highway, which would extend to a road which ultimately would go up through Julius Gulch. They wanted to avoid bridges. The people up there say they are delayed in getting home and coming to work by finding the bridge up and they want to get away from bridges. The amount of time involved in driving around the waterway is less than fifteen minutes on a four-lane highway. When this project was discussed with our engineers, they talked of having an elevated bridge across 15th Street. Later we were told that the Council was talking about an elevated bridge across the tracks at 19th Street, which was to be a thoroughfare to Day Island, and this would fit into the picture. Now, for you to say to us that you don't think that we have considered your planning, we think the plans came from the City Hall. The Engineers will find it rather difficult to understand this thinking. It is proposed to have a four-lane road across here for vehicular traffic which will continue on up around the waterway to serve the people in Crescent Heights, Browns Point and Dash Point."

Mr. Tollefson said: "The statement the Port has not considered our thinking is not appropriate because we appreciate the Port in thinking in terms of the City of Tacoma as well as the Port. What we are trying to do here, I think is to find a solution to a common problem, and the only way we can do it is to raise all of the problems and see what is the best way of solving them. If that is the best way of solving them I am certainly in favor of it."

Mr. Erdahl said: "When I referred to the Engineer, I was referring to Tippetts-Abbett-McCarthy-Stratton of New York, whom the Port retained. Their recommendations were a result of discussing with your people and the County how access could be made to the far side of these waterways."

Mr. Tollefson said: "As I recall the report last week, it was to the effect that the Utility Department consulted with these particular industries. The Engineers asked the Utility Department what was needed, and the Department said that it needed the bridge across that particular waterway. However the report came out and it did not follow this recommendation. Mr. Barline, is that not true?" Mr. Barline replied that was correct.

Mr. Rowlands said: "The Council requested me to ask for some suggestion from the standpoint of planning, engineering, public works and traffic flow from the Traffic Engineer, and a memo was prepared and given to the Port Commissioners. Mr. Calkins, will you point out the original four-lane road to which reference was made by Mr. Erdahl and then the suggestion which was made by our people? Basically the general area is the same but there are a few changes that could be pointed out. It is proposed not only to serve the entire port area in the future, but also to do what Mr. Erdahl said about taking care of the Northeast part of the town, because people have complained that when the 11th Street Bridge is up, they can't get around readily."

Mr. Calkins said: "I think it is essential to consider vehicle movement as well as rail movement when we think of the extension of the waterway and what effect it will have on both of these facilities. In the report submitted by Tippetts-Abbett-McCarthy-Stratton it was pointed out that certain highways and certain roads will be necessary to carry vehicular traffic across the Port Industrial District. In the Engi-

neers' report it was also pointed out that certain roadways will be needed in addition to what was proposed to carry a link around the end of the Hylebos Waterway and connect with Taylor Way." Mr. Calkins pointed out on the map the area where changes are proposed.

Mr. Rowlands said: "Long-range wise, maybe years in the future, it is possible that some extension would be made on Lincoln Avenue but that is not in the immediate offing, and you might want to give consideration to the retention of the right of way if and when such a thing comes to pass. In the meantime, after the construction of this road around the area, it might prove that a bridge would be warranted. I imagine that is what the Engineers had in mind when they talked about long range."

Mr. Erdahl said: "I wish to emphasize again that the report was adopted in general, and that such specific things as the exact location of roads are yet to be determined, and this matter has been discussed. All we are looking for now is a matter of policy prior to the public hearing. Seattle held its preliminary hearing about a month or so ago relative to the extension of the Duwamish Waterway and they never even discussed the matter of penetrating Highway 99 or how they were going to get onto, over, or under the new Freeway."

Mayor Anderson said: "As I understand it, you are here tonight to have the City assist you in appearing before the Corps of Engineers at the hearing in an effort to get the funds for the extension of the Waterway, is that correct?" Mr. Erdahl replied: "Yes, we solicit your support of the overall program for the development of the Port Industrial Development District."

Dr. Humiston said: "There are two questions involved here as far as the City of Tacoma is concerned (1) is in respect to the Belt Line (2) is with respect to the matter of handling vehicular traffic. The matter that concerns me, and which is not clear, in my mind, is if the City of Tacoma does not make it a matter of record, perhaps only in general terms, that we have certain needs, which will have to be in the final plan or, if we endorse the Port's plan, do we vacate the right to assert ourselves in the future?"

Mr. Erdahl said: "It occurs to me that the Council has to decide if it wants to support this thing or not. It is a development that will benefit the entire community. Again I repeat that I think this is the wrong time to try to arrive at engineering details. If the City feels they have to reserve some right regarding Lincoln Avenue, I think that we have had our say, unless some of the other Port Commissioners want to add to what has been said."

Mr. Bratrud said: "According to the letter Mr. Erdahl read we do not have to commit ourselves on the cutting of Lincoln Avenue, but I think we should back their program wholeheartedly as long as we do not have to be committed on any details at all in the cutting of Lincoln Avenue and let it go at that."

Mr. Bratrud then moved that the City Council endorse the extension of the Port Industrial Waterway at the hearing before the Army Engineers on September 26th. Motion seconded by Mr. Stojack.

Mr. Tollefson said he would like to amend the motion by adding "reserving to the City of Tacoma in the future in conjunction with the Port of Tacoma, the right to consider the construction of the bridge across Port Industrial Waterway at Lincoln Avenue." Motion seconded by Dr. Humiston.

Dr. Battin asked: "Would the reservation be necessary, and is the reservation necessary to preserve the City's right?" Those are the two phases of the same question."

Mr. McCormick said: "Insofar as this hearing is concerned, and I am not too sure that I am familiar with this type of a hearing, I understand the purpose is to determine and gather the facts as to the feasibility and practicability of the project for presentation to the appropriate committees in Congress. I think what some of the Councilmen want to be sure of is that the record does not forever bind them and foreclose them from having a bridge constructed after the cutting of Lincoln Avenue. Later on when the actual cutting of Lincoln Avenue may take place, at that time Council can reserve whatever rights they want and they can then determine what is best. They don't want it understood that the fact they are wholeheartedly endorsing the

Port to mean that by so doing they waive the right at a later date. I think that is what they want."

Mr. Blair said: "I can see no harm in the reservation, only if you decide to build a bridge on Lincoln Avenue I think it would jeopardize the chance of getting the project through, but that is a decision we should not try to make at this time."

Mr. McCormick said: "The only decision you are making is, that by so endorsing, you are reserving the right of future consideration of a bridge at a later date, so far as the records are concerned." Mr. Blair said they have no objections to that.

Roll was called on the amendment, which was carried: Ayes 7; Nays 2; Bratrud, Stojack, Absent 0.

Roll was then called on the original motion as amended, which carried. Ayes 9; Nays 0; Absent 0.

Mayor Anderson thanked the Port Commissioners for coming in and wished them well at the hearing, and said the Council will be there to represent the City, as we know it is for the benefit of the Community.

A five minute recess was declared.

Meeting reconvened at 9:15 P. M. Present 9.

Mayor Anderson said the meeting will reconvene with the Metropolitan Park Board, which was scheduled for 9:00 P. M.

Mayor Anderson asked Mr. Rowlands if he wished to say a few words before the Council considers the Park Board Budget. Mr. Rowlands said: "I want to mention to the Council and the Park Board that Lybrand Ross Bros. & Montgomery have appreciated the cooperation shown by the Park Board personnel in compiling some of this information. I might also add that they did not come up with any definite conclusion. They presented four recommendations. These reports did not arrive until late Friday afternoon and the Council members each received a copy. We knew that the Park Board would be coming in tonight so each member of the Board was also given a copy. The Council members, as well as the Park Board members, have, I presume, had the opportunity to review the information contained therein."

Mr. Ralph Williams, Chairman of the Park Board, spoke for the Board members. Mr. Williams said: "We would like to express our appreciation for allowing us an opportunity to present our case. We sent all members of the Council and staff copies of our proposed 1958 Budget and hope all of you have had an opportunity to study it and that you have some questions you would like to ask us. Also we want to thank you for your kindness in supplying us with a copy of the Lybrand Ross Bros. report. We tried to be as factual as we could be and also unbiased in presenting a picture that was made in deriving at these conclusions. The overall gross amount of our budget runs up to approximately \$700,000, which is rather a large amount of money due to the fact that it includes certain operating departments of income and expenses. When you boil it down to the actual cost of maintaining and operating our parks and recreations, you get a much lower figure shown on our budget. At the time we prepared this budget we were not too sure as to the exact status of that one mill but since that time the point seems to have very well clarified itself. Our original request, assuming that we were to get the one mill, asked for \$348,000 and now inasmuch as that one mill has been lost to the Firemen, we need \$488,000 to maintain our parks and recreation centers on the same basis as we have been operating in the past. As with you people we have spent a lot of time working over the minute details of the budget. We recognize the fact that you people have money problems also and we have taken a realistic approach to this thing. We have instructed our Superintendent to hold the line, even though we would like to continue to grow with the City, and maintain our next year's budget at approximately the same amount as we had for 1957. Our next year's budget is approximately the same amount as we budgeted for 1957 and we endeavored to do that with a few minor exceptions. We would like to ask your consideration and hope for your approval of \$488,000."

Mr. Bratrud moved, for the sake of putting the matter on the floor for discussion, that the City give the Park Board \$488,000.00. Motion seconded by Mr. Tollefson.

Dr. Humiston asked Mr. Rowlands how much was in the preliminary budget for the Parks, and Mr. Rowlands replied that \$348,000.00 was appropriated.

The Mayor asked if the Firemen's Pension Board told them how much of that one mill they will need. Mr. Rowlands said: "The Pension Board requested the one mill of the Council, and that the request was made by the Board as a result of an actuarial report study that was just completed about three weeks ago. To make the Firemen's Pension actuarially sound it would require a considerable amount of money, because the fund is running about eight million dollars short. Mr. McCormick gave me an opinion on the law that it was not necessary for this fund to be actuarially sound. The law states that an actuarial study should be made every year if necessary in order to determine the exact amount which must be available on a pay as you go basis to take care of the annual requirements of the pensioners. So for example, if you need \$200,000 whether the thing is as unsound as anything could be, \$200,000 must be made available for them in cash to pay off the requirements for 1958, and that is all that is necessary, whether it is \$10,000 or \$50,000 or \$150,000. From all indications the Council did not want to levy the entire mill for the Firemen's Pension Fund. It seems that the Pension Fund could get along with about \$40,000, which would be sufficient to meet the obligations for next year and those expenses which were anticipated might occur in the way of requirements over and above what we have in there now. We feel that possibly \$40,000 would be sufficient, but it is up to the Council to determine what is actually needed to take care of the requirements next year. Is that not correct, Mr. McCormick?"

Mr. McCormick replied that this was correct, and according to the actuarial survey they could delegate at least a portion of this mill to bring it up to meet the expenditures of the current year.

Mr. Stojack asked how much the Firemen's Pension Fund would need to meet their expenditures for the coming year. Mayor Anderson said he thought it was around \$28,000 that they actually know they will be short.

Mr. Rowlands said: "This would mean roughly that instead of \$140,000, they will need an additional \$28,000 or \$30,000 of that one mill or somewhere in that neighborhood."

Mayor Anderson said that some cities are paying to the Firemen's Pension System on some suits that were filed against the cities some time back, and he asked Mr. McCormick if Tacoma has agreed to pay any of this judgment so far. Mr. McCormick replied: "We have paid back some with the exception of a few that are contingent on liability, about ten or fifteen firemen who have retired on disability and the widows of the firemen who died while in service. That case is pending before the Supreme Court and we should have had an answer several months ago. The only claim the City has paid so far are those covered by the two acts passed by the last Legislature, which raised the pension of the firemen and policemen who have already retired. As far as the firemen are concerned, Seattle is paying but Spokane is not."

Mr. Rowlands said: "In the Lybrand Ross & Montgomery report there are four possibilities for the Metropolitan Park District outlined: (1) Continued operation by the present Metropolitan Park District; (2) City operation of the Board of Recreation and Facilities; (3) Metropolitan Municipal Corporations; (4) Combined City and County Recreation Parks. In this report the advantages and disadvantages of each particular proposition are outlined."

Mayor Anderson had the report from the Finance Director, with reference to what amount would be needed for the Firemen's Pension Fund, brought in and he reported that it was \$31,000. Mr. Tollefson asked if this was \$31,000 of the 16th mill. Mayor Anderson replied that they were asking for the 16th mill, but as he understands it the Council does not have to give them the entire 16th mill, but only have to give them the amount needed from this mill.

Mr. Tollefson said: "I think the Council has all agreed that as a matter of history we recall the Park had 3 mills. 37 of the 40 mills were taken up by the various corporate municipal bodies. The State Legislature took 2 of the 3 floating mills and gave them to the schools and left only one for the parks. At that time we

adopted a policy that we would make up that difference after the first year. We asked the Park Board to at least try the first year to get some millage and then we would adjust our budget accordingly and the next year we would take care of it. We have given them 2 mills since, and now we come to a new phase by reason that again the Legislature's enactments have placed more burdens on the City without providing any funds for the payment of them, and hence we have only our same amount of millage to meet the increased expenses. Now the question is how much more will our policy be changed relative to the Park Board as a result of the fact that we no longer have complete access to the single mill. How much money is 2 mills?"

Mayor Anderson said 2 mills is \$282,000 and 3 mills would be \$423,000.

Mr. Tollefson said: "But we have \$355,000 budgeted for the Park Board at the present time." Mr. Rowlands said that the exact amount budgeted for the Park was \$355,938.

Mr. Williams said: "I would like to refresh the Council's memory. In our budget discussions last year, you expressed the willingness to help us to the extent of 2 mills. We had certain monies set aside in our reserve fund, which were given to us by a vote of the people for maintenance and operation, to permit us to meet salaries for 1957 and 1958, and also to enable us to pay back to the City delinquent L. I. D. assessments. However, it was your wish at that time that we use these monies, and after they were expended you would give them back to us this year. So we used \$47,000 last year because of the fact that we had these reserves. My secretary advised me there was an additional \$11,000 due next year."

Mr. Bratrud asked if the amount the City took out of the Park's surplus for increased wages for 1957, is what is causing their budget figure to go over three mills this year. Mr. Williams replied: "Yes, it is slightly over because last year we put in our budget certain capital expenditure items, which we thought were essential for our continued maintenance and operation and in an effort to try to hold the line they were deleted. Of course each continuing year the need becomes more critical for those capital pieces of equipment, so we put them in again this year."

Dr. Humiston said he has a recollection there is more to the story that the Park Board cannot have a surplus. Mr. McCormick said: "If I am not mistaken, didn't the Park Board have something in their budget that was three years in advance, which was illegal?" Mr. Williams said: "The State Auditor said that we are not supposed to carry surpluses, and we were all agreeable to the action that took place. The money was secured on the basis of certain promises to the people and we pledged ourselves to spend that money for certain purposes. Since on the strength of our pledge they saw fit to give us that money and we feel duty bound to fulfill our promises."

Mr. Fred S. Henriksen of the Park Board, said: "With reference to last year's budget, this additional mill which we asked of the voters for maintenance and operation was a result of an agreement which we reached with the employees of the Park System and the representatives of the employees, wherein we would stabilize the wages for 1957 and 1958, and we tried to reach the goal of what we thought would be the third grade of similar work of the City employees and with that money we then proposed to pay that raise for 1958 and 1958. So we were carrying part of that over in the budget for 1958, and this present budget carries no rate increases whatever and we are merely carrying on the same wage schedule as last year. It was at your request that we used those funds because they were available, on the promise that you would give them back to us this year. It is not for an increase but to pay the same schedule which we paid this year and which was voted by the people for maintenance and operation and for meeting those wage problems and also to try to get ourselves in better position as far as the L. I. D. assessments are concerned."

Mayor Anderson asked Mr. Henriksen if they did not have some funds in their budget for some type of raise for the employees, and Mr. Henriksen replied that they did not have any wage increases or cost of living adjustments in the budget.

Dr. Battin said: "Mr. Tollefson mentioned some of the considerations and provisions when the State took the two mills and gave it to the schools. The question came up also at that time as to what should be done. Should the Park Board throw themselves at the mercy of the Council or should it dissolve. The Park Board discussed that question with the Council and the Manager and it was finally agreed by the City Council that the City would grant to the Park Board a certain sum of money (\$250,000) with a

stipulation at that time the expenditures of that money would be with the knowledge and cooperation of the City Finance Department. I have seen since that time no evidence that such a coordination has taken place. Another point was what should happen to the Park District as a result of the State's action in taking away from the Park monies it has previously operated on and previously had available. It was agreed on several occasions by the Park Board and by the representatives of the Council that so long as it is possible to secure the one mill, so called floating mill, for the Parks, it might be desirable for the Park Board to continue as an independent organization and to continue from year to year on that basis. However there was always a contingency that if and when the Firemen's Pension Fund should find itself in need of the mill or a portion of the mill, there would only be one thing that the Park Board could do and that is dissolve and the City would have to take the Parks over. Now we have come to the point where the Pension Fund is actuarially unsound and is unable to meet its current annual expenses and costs and the fund is set up in such a way that it is out of our control and there is nothing we can do about it. Now comes the time when we have to take part of that mill for the Pension Fund and the rest of it the Council has to make available to the Park District. Now the question comes, which I think is a serious one and I think we have to face it. The City has Public Utility, Public Works, Fire and Police, Sewer and Garbage Departments. It has all these functions which it has been responsible for and has been financing and handling for a number of years and their budgets are tight and plans for handling are of long standing. Now the Park Board came in and asked for money, which was not their fault, if the State threw them over, and took the money away from them, and they are asking for a quarter of a million to begin with and now they are asking us for a half million and where is the money coming from. If it is given to the Parks, it will have to be taken from some department of the City. I think this matter demands the most serious consideration and I don't think it can be settled on an emotional basis. It has to be settled on a dollar and cents basis."

Mr. Williams said: "I realize it is impossible to cover all the phases of our City's operations and it is hard to delve down into all your departments to see everything that is going on. We want to assure everyone here that we have tried wholeheartedly to cooperate with the City in the expenditures of those funds. I want to explain that we have spent our money in accordance with good budgetary control practices. Evidently the pattern fell into place because after a certain length of time the Finance Department felt that it was unnecessary to send them all of the detail involved and gave us a freer rein in the way we started out originally. We are still waiting and willing to go back to that original procedure but we seem to have secured the confidence of the Finance Department in proceeding along the general lines that the City uses in following budget control. I know that your City Manager gets a copy of our minutes, and I am sure any one is welcome to attend our meeting if they wish to see how we are spending our money."

Mayor Anderson said: "Lybrand-Ross Bros. and Montgomery have a recommendation in their report, and I think part of it should have been carried out before. But as far as the City is concerned, for the City to give up \$355,938, which is in the budget this year, plus what they are going to get from the one mill, and actually if the City takes over the parks I believe we will entirely lose the one mill as far as General Government is concerned so it would cost another \$111,000 out of the General Fund. No matter what is discussed and agreed upon in the budget, it seems that the City and the Metropolitan Park Board should enter into an agreement (this is the recommendation of Lybrand Ross on page 44 of the report) as some day it looks as if the Firemen's Fund will be taking over the entire mill, and when that happens the City will be taking over the Park District. This recommendation is important and should be carried out as soon as possible so that when we do take over the parks, if we do, we will know what is going on. Mr. Williams will you read the recommendation on page 44. I think it should be carried out in 1958. I heard that there was a twelve year lease made on the operation of a concession, is that true?" Mr. Brown said that it was for six years. Mr. Anderson said: "If the City has to take over the Parks eventually, I feel they should know something about it, especially from the business standpoint."

Mr. Williams said: "This has been mentioned, and this has been brought up at our meetings and was also mentioned in the minutes of the Board. I feel if

anyone wished to go into detail further, they have that opportunity. Frankly, we feel that with the experience that we had with our concessions, it has not been good for some of our operators, but we can more than justify this lease. Actually they wanted a ten year lease, but we held it to six years, but it happens to be a party who has had it on a one year basis. It happens to be a former employee of ours and we have explicit faith in him. The fee and the percentage are not out of line and in order to keep a good operator, so we can provide our people with the right type of service, we made the longer lease. The type of service we offer the people is actually paramount in our minds, and in the past we haven't done too good a job of it. We felt this year we could be proud of the operations. Now there is one more important point, which I forgot and which I would like to mention in just a few words. Some of the Council members may have a preconception regarding the Park Board. We have discussed this and I want to assure you all of us are in accord, and we have no desire to perpetuate ourselves. Our prime interest is in the Parks, and that is why we are serving on the Park Board. We are interested in seeing that standards are maintained. We very much hate to see the Parks go backwards for lack of sufficient funds."

Mayor Anderson said: "The Park Board wants to understand the City's position too. We know you are doing a good job and we are not trying to take it over. It is something that has been pushed on the Council and we have other ways and means of spending our money and when we have to put \$355,000 out for the Parks we have to take it from other places."

Mr. Bratrud said: "In Dr. Battin's remarks he said that there was a lack of coordination between the Parks and the Finance Department, and this was new to me. Has there been a lack of coordination between the departments?"

Mr. Rowlands referred to page 45 of the Lybrand Ross report. He said: "Their recommendations are for more stringent internal control over the District's cash receipts. I would like to point out that the problem of more fidelity insurance should be covered just as we are covered in the City. In brief, it might be desirable, if it could be worked out, whereby we could have all of the funds that are dispensed by the Parks placed with the City instead of the County. The County, according to this report, is not contributing as much as it might be contributing, as they contribute only something like \$27,000 of the total budget. The City naturally contributes considerably more than that, so if you are going to have control of the expenditures, since we are actually going to be underwriting over half of the budget of this one mill, then to do it properly it seems to me that we would want to work with them and have more control. Otherwise if you don't have proper control, certainly the Finance Director would not want to assume any responsibility."

Mr. Bratrud said: "That does not answer this question. My question was has there been a lack of coordination. I think this recommendation might be good but the way the law is at present all Park monies go to the County and then they are disbursed by warrants. I mean you can't change that. My point was has there been a lack of coordination?"

Mr. Rowlands said: "To answer your question very honestly, for example, our Finance Director and myself would not feel free to go over and sit in the Park Board meeting and ask the questions concerning the contractual commitments or reviewing their fee schedules or working with them, I would feel rather presumptuous, unless there was some agreement as suggested in the law. I think this was actually contemplated when it was put in the law, if and when it was necessary for a Municipality to advance funds to a Park Board in substantial amounts and in order to insure the proper control over this fund or participation by the Governing Body in that program, that such an agreement as is suggested on page 44 should be drawn up."

Mr. Bratrud again said his question was has the Park Board refused to cooperate with you or the Finance Office in any questions that you have asked them?"

Mr. Rowlands said: "There hasn't been too many questions asked the Park Board this last year. We haven't been in a position to ask too many questions, Frankly, there has not been any refusal to cooperate. We have had discussion and questions about the road and Pt. Defiance, but there has not been any occasion for them to refuse. In other words there has been no interference by any administrative official from the City Government with the Park Board Program this year."



Mr. Williams said: "We felt for lack of interference we were doing the right kind of job for you and we felt, if for any reason we did get out of bounds, that the City Manager or someone else would come in and discuss the matter with us. We have gone on the assumption that as long as we did the right kind of job, you would just let us alone and we would run our operation and when we do get into trouble or do something that is out of line you would step in and say so. As Mr. Rowlands pointed out there hasn't been too many occasions to necessitate his office doing that."

Mr. Henriksen said: "I did not know we were not cooperating, and I assumed we had been cooperating all the way along. I think we have kept faith in spending your funds. May I offer the suggestion that you may be justified in entering into an agreement along lines similar to the one we have had, and I would also like to suggest that you don't put too many strings in it, because I think you might be justified, inasmuch as we submit a budget, in letting us exercise our judgment as elective officials. We will not violate our trust in the people nor our trust in you. We are in a little different position than possibly some on the Board as we have been serving for some little time as elective officials the same as you. You have the right to place any restriction that you wish on us, but if you put too many restrictions on establishing policy in the operation of our parks and playgrounds, you might find the Park Board Commission might not be quite as anxious to carry on and might not be in as good a position to carry on as we have in the past. I'd like to say the fewer restrictions you have placed on the Board of Park Commissioners as to the funds that you make available to them, the better. You might be justified in relying on us in this particular case to carry out the terms of our budget appropriations."

Mr. Bratrud said: "The way the situation is now this one mill that goes to the Firemen's Pension Fund will have to be changed or else they will be \$130,000 short in their 1958 budget. Are we going to give them enough revenue to increase this budget to make up this \$130,000 shortage or just what are we going to do?"

Dr. Battin asked from what Department Mr. Bratrud would take this \$130,000 to give to the parks.

Mayor Anderson said that we are not actually short the complete mill, but only about \$40,000.

Mr. Rowlands said: "I want to point out to Council before we have some discussion on the over-all program between now and the final budget, that we would probably want to take another look where certain economies could be affected or additional revenues could be secured."

Mr. Williams said: "If the City Firemen's Pension Fund only needed \$31,000 for the current year, we would still be able to get \$110,000 out of the \$141,000, and that amount with the \$355,000 would give us \$465,000, which would make us pretty close and we would be short only \$23,000, assuming we would get that portion of the one mill"

Dr. Humiston said: "I would like to have one item clarified, which is: Where does the figure of \$355,938 shown on Page 165 of the City Budget for the Metropolitan Park Board come from?"

Mr. Rowlands replied: "This figure of \$355,938 came from a request by the Park Board of the amount they would like the City to appropriate for the 1958 Budget, not taking into consideration the fact that the Board members assumed they were going to get the entire mill."

Dr. Humiston said: "We have to do one of two things. We have a Park Board or we have to run the parks this next year. They haven't enough income of their own so they have been looking to us and we have been furnishing them with some funds. I think we have to do one of two things. What we have done in the past was to say we have to have some kind of a pattern and the Park Board go along one way or another for some time on 3 mills and now they are short two mills so we will furnish them the two mills. Now their request is for \$356,000, expecting also to get the other \$141,000, making a total income of \$497,000 from the City and the millage. Now I think the Council has to do one of two things, and it seems to me either we must say that we stick to this three mill pattern, which adds up to roughly \$423,000 and then whatever they get from the 16th mill, which is 75% or \$106,000, leaving \$317,000 from the City to bring them up to their three mill income and turn the money over to the Park Board and let them operate it. The other alternative is for the City to really get into their budget and really be responsible for the items in it and have control over it. To jump this up to \$356,000 we would be giving them two mills plus \$76,000, plus the difference of whatever the Firemen's Pension Fund mill would pay. This departmental jump is out 65

proportion to any other department we have, isn't that correct?" Mr. Rowlands said that this statement was correct.

Mr. Tollefson said: "To comment on your figures, it is your feeling that we should see that the Park Board gets the 3 mills in the same manner that it did before. That is we gave them two mills and they received one from the millage. This year \$31,000 means we are going to give them 2 mills plus \$31,000."

Dr. Humiston said: "We should do one of two things, either have an arbitrary yardstick, which is one mill, or put ourselves in judgment of the items in their budget, and it seems to me the question is not just that simple. The alternative of the third possibility that we have offered to us is the budget which they would like to be able to finance. It is my personal opinion that we should see to it that through the year 1958 they receive either the 16th mill or part of it, and the rest from us the total sum equivalent to three mills as a cash grant."

Mr. Tollefson said: "My thinking is along the same lines as Dr. Humiston, that the Park Board has formed their own pattern as to how that money should be spent, how large their program should be to fit the needs of the City of Tacoma and they generally stay within the three mills. The City of Tacoma has 15 mills and they have their own perfect circle administering that amount of money and determining the needs of the various departments, placing things first that have to come first. Now with this contribution that the City has to make, we are either in a position where we arbitrarily give them the equivalent of the money they lost or we go in the pattern of a single perfect circle."

Mayor Anderson said to Mr. Tollefson: "In regards to your line of thinking, the two mills is \$282,000 and the third mill is still \$141,000 and, if the Firemen's Pension Fund takes approximately \$30,000, that will leave \$110,000, which means that \$282,000 plus the \$110,000 adds up to \$392,000."

Mr. Tollefson replied: "No. They will get the two mills on their own and they also will get the balance of the other mill after \$31,000 has been deducted for the Firemen's Pension Fund Board."

Dr. Battin said: "The point I have in mind, which has been brought out by both Dr. Humiston and Mr. Tollefson, is at the time the mill was taken away by the State, the City came in and said, We'll give you \$250,000 on condition, that was pretty definitely and clearly stated, that is orally, I never saw it in writing, that you do the second alternative that Dr. Humiston has mentioned, that is we will fiscalize the \$250,000. and Dr. Humiston has stated that he thinks the alternative is very well, and he is willing to buy that bill of goods."

Mr. Bratrud said: "There was just one question about the money that we told the Parks to take out of the Capital Funds last year for the increase in wages in 1957, and which we promised to put back this year, will that be in addition to the three mills. What would this amount to Mr. Williams?" Mr. Williams advised him that it would be \$47,000. Mr. Bratrud said: "If we asked them to go into their capital resource fund, which had been set aside for other things, in the amount of \$47,000, so they wouldn't have a surplus, then we should at some time return this \$47,000 to them." Mr. Tollefson asked if the Park Board used the \$47,000 or just a portion of it. Mr. Williams advised that they used all of it. Mr. Tollefson said: "That being the case, we are pretty close to what the budget calls for right now. The budget calls for \$355,000, and if you add up these figures two mills, plus \$31,000 and \$47,000 we get \$350,000."

Mr. Bratrud said we are just about at the same figure that is in the budget today.

Dr. Humiston said: "I would like to have a better understanding of this \$47,000. Now I will have to draw on my recollection and I would like to be corrected. My recollection is when you set your budget up for M & O with the pay raises you put into effect and the size of the M & O program you desired to continue, you had \$47,000 more in M & O than you expected to spend that year."

Mr. Williams said: "We had a cash fund of \$47,000 we pointed out to the Council. We thought as long as we are supposed to operate on a balanced budget without any cash carry over, that we should use it as there wasn't much percentage in your giving us \$47,000 and letting our \$47,000 rest in the bank until 1958, which we could not do according to law."

Mr. Tollefson asked: "Did we give you \$47,000 less than 2 mills last year?" Mr. Williams replied: "You gave the Park Board \$272,000 and when you finally accepted our budget you deducted \$47,000. If the City wants to establish the procedure of giving us two mills plus what we can get from the Fire Pension Fund that is a decision you are going to have to make if we go along as your Park Administrators, At least for the time we can carry out your wishes. That is true, we are not too far away at the present time, as you have given us \$282,000 and \$47,000 plus what we get from the Firemen's Pension Fund, so we can still do the job."

Mr. Bratrud asked: "That would still give you what you asked for, wouldn't it?" Mr. Williams replied: "Almost, within \$23,000 and if year after year the same pattern is adopted, at least we know what your thinking is and we can gear ourselves to your thinking and carry out your mandates."

Dr. Humiston said: "My recollection of this \$47,000 and what was to be done about it this year and what was done last year, is just a little bit different. My recollection is that we pretty much adopted conversationally in the discussion, prior to the action of the Council setting this amount, that we would bring you up to 2 mills contributed by the City, if you needed it. But you didn't need it, as you had \$47,000 of your own money which relieved us of the necessity of furnishing the entire full two mills, that is my recollection."

Mr. Williams said: "That is where I think we lose you, Dr. Humiston, because that \$47,000 was for 1958, but we had \$12,000 to pay on L I D's and \$35,000 was for salaries. It cost us \$35,000 for salary increases in 1957 and it is going to cost us that much for salary increase in 1958. That money was given to us by the taxpayers so you said as long as you have it in your bank, you use it this year and then we'll give it back to you next year."

Dr. Humiston said: "I would like to have the Council minutes changed with reference to the statement that we'll furnish you this additional money in 1958 because I don't recall that any such pledge as that was made."

Mr. Tollefson said: "You use what you have on hand now together with what we'll give you to take care of your budget and next year we'll cross the bridges again, that is about the size of it."

Mr. Bratrud said: "The actual appropriation in last years' budget was \$227,000 which was less than the year before, but it has come up some this year."

Dr. Humiston said: "I have no recollection that we made any pledge that we were going to carry over this \$47,000 that was appropriated in addition to matching the millage which we struck at from time to time."

Mr. Williams said: "Basically we go back to the original thinking. This was given to us by the taxpayers for a specific purpose, and wouldn't you be remiss in your duties if you took moneys given to us for a specific purpose by the taxpayers and used it for other purposes?"

Mr. Tollefson said: "We might be remiss in our duties to give you as much as we are. We can't tell, because no one has been able to determine just how much the Firemen should have, how much the Policemen or in fact all the departments should have. It is up to the Council, in conjunction with the Park Board to look over those funds and see what is the best policy of expenditure for the best welfare of the City of Tacoma. The Library would like more funds, so would the Police and Firemen, and, if we met all those demands for increase, we would be apt to be a million and a half dollars short of the taxpayers money."

Mr. Henriksen said: "I would like to refresh the Council's memory. From the discussion last year, I felt that the funds that were voted for special millage last year for the wages and L I D's were in the nature of trust funds. I felt badly that they had to be used. Can you remember anything like that, Dr. Humiston. We feel that those were trust funds and must be held in trust, but then you were practical and there is no need of leaving them in trust yet. You can get along and use them this year and then maybe the wording was--my impression of the wording was--'we'll give it to you next year' or maybe it was--'we'll cross the bridge when we get to it' and maybe that was the situation. That is what we relied on because we had made an agreement with our employees and we are standing pat on the same schedule--no wage increase this year--and that is the reason that we need that \$35,000 and it is true that we would like to make a little better showing on L I D's because when the time comes for us to dissolve, you realize the load will be yours as far as our liabilities are concerned. If those L I D's are not paid, they will have to be paid by the City. We would like to meet the L I D's that are confronting us and we thought with



Park Board will have to decide what will have to give."

Mayor Anderson asked Mr. Williams: "In working over your budget, can some reduction be made to cut it down below the \$18,000." Mr. Williams said: "We can always cut our budget if we have to, but in so doing we lower the standards of our operations."

Mr. Jensen said: "The Park Board might have to adjust some of their fees in order to get some increased revenues, so we could adjust our appropriation to a more favorable amount."

Mr. Williams said: "I am in favor of the motion that is on the floor now. I am sure we can get along on that basis."

Mr. Jensen said: "I move an amendment to the motion on the floor that we follow the recommendation on page 44 of the report from Lybrand, Ross Bros. and Montgomery, which states that the City and the Metropolitan Park District enter into a written operating agreement for 1958, which agreement should provide the City with a measure of control over the district's expenditures and operating policies." Motion seconded by Mr. Tollefson.

Dr. Humiston said he would like to speak to the Motion of Mr. Tollefson. Dr. Humiston said: "I can't find any promise in the minutes of the budget hearing for 1957, so I still have to rely on my recollection that what we actually did as I recall it was to give them what they needed in money to bring the City's contribution up to three mills plus whatever income they had. Now I am in favor of all of Mr. Tollefson's motion except that \$47,000 item. I am in favor that we furnish them one way or another the total of three mills whether they get it through the 16th mill or whether they get it from us, I think that we must not overlook this point, that if we see to it that they get three mills plus \$47,000, then we are going to be faced next year with a budget that is operating for 1958 with three mills plus \$47,000. That is an operating budget, not capital outlay, and we are then committing ourselves to really what amounts to 3 and 1/3 mills."

Mr. Tollefson said: "I thought they got two mills last year, less \$47,000."

Dr. Humiston said: "They had available tax funds amounting to three mills. They had some money left over in the amount of \$32,500, which they had in reserve for 1958 and it was pointed out that it wasn't legal to carry that over. If this motion passes we must realize what we are doing, that is we are underwriting not three mills but approximately three and one-third mills."

Mr. Bratrud said: "By the same token next year there is not any wage increase for the Park employees. If the Park District should dissolve at the end of 1958, the City in its 1959 Budget is not going to be concerned about three and one-third mills because the Park employees will go up to City Standards, which they are entitled to."

Mrs. Stewart, Park Commissioner, said that the park employees got out and worked to put over the millage for the parks so they could get a raise in 1957 and 1958.

Roll was then called on the amendment made by Mr. Jensen to include the recommendation of Lybrand-Ross Bros. on page 44 of their report. Ayes 8; Nays 1; Stojack; Absent 0.

Moved by Dr. Humiston, seconded by Dr. Battin, to amend Mr. Tollefson's motion by deleting the \$47,000 item.

Mr. Bratrud said: "I hope you know what you are doing. Here you are cutting off \$47,000 in addition to the \$18,000 you already cut, which makes a \$65,000 cut in their budget. I hope you realize this."

Dr. Humiston said: "I would like to make my position entirely clear. I am of the impression that we should see to it that the Park Board income for a year's operation from tax sources is three mills. That is the purpose of my motion, and that is what we did last year."

Roll was then called on Dr. Humiston's amendment to delete \$47,000 from Mr. Tollefson's motion. Ayes 4; Battin, Goering, Humiston and Perdue. Nays 5; Bratrud, Jensen, Stojack, Tollefson, Anderson. Motion declared lost on roll call.

Roll was then called on the original motion as amended. Ayes 8; Nays 1; Battin; Absent 0. Carried.

Mr. Anderson said: "This is the preliminary budget and when we work out the final budget, if we find we are unable to meet this, naturally we will have to do some cutting. If there are available funds, it will be the figure we arrived at tonight, otherwise it will be what the City Manager can dig up."

Mr. Henricksen and Mr. Williams both thanked the Council for the consideration given the Park Board.

Dr. Battin said, if it was in order, he would like to change his vote on the original motion to Aye, which made the vote unanimous.

Upon motion, duly seconded and carried, Council then adjourned at 11:30 P. M.

John H. Anderson  
President of the City Council.

Attest: Joseph M. Helton  
City Clerk.