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CITY COUNCIL MINUTES

City Council Chambers
Tuesday, September 1, 1970.

The meeting was called to order by Mayor Johnston at 7:00 P. M.

Present on roll call 9: Banfield, Cvitanich, Dean, Finnigan, Herrmann, Jarstad, O'Leary, Zatkovich and Mayor Johnston.

The Flag Salute was led by Deputy Mayor Cvitanich.

Mayor Johnston asked if there were any omissions or corrections to the minutes submitted for August 4th and August 11th, 1970.

Mrs. Banfield remarked although she had been excused from the meeting of August 4th, she noticed that Mrs. Coonan had finally been allowed to speak, and that under Rule 12 any person is permitted to speak on any item on the agenda; whereas, the Mayor had violated the rule by not allowing her to speak. Mrs. Banfield asked if there has been a legal opinion on this ruling, whether the resolution has been nullified, and where the situation now stands.

Mayor Johnston explained Mrs. Coonan had not been allowed to speak because five Council members had retired from the meeting, leaving no quorum to vote on the matter at the time Mrs. Coonan was to have spoken. He added the matters that were not taken up at the July 28th meeting were taken up at the August 4th meeting and Mrs. Coonan was allowed to speak at that time. 73

Mrs. Banfield asked Mr. Hamilton, Acting City Attorney, for a legal opinion on the subject of being allowed to speak.

Mr. Hamilton explained that an opinion had not been rendered prior to this time, and secondly that there may have been some irregularity in following the Council Rules. He did not think it had been a jurisdictional occurrence, per se, which would have invalidated the adoption of the motion and resolution by the Council.

Mrs. Banfield further stated that on page 16 of the August 11th minutes, Mr. Hamilton had indicated there is no State law governing this, but it seemed to her that if the Council operates under the Council Rules, a citizen should be allowed to speak. She asked that a legal opinion in writing be given before adopting or rejecting the minutes.

Mr. Hamilton said it was up to the Council to enforce its own rules--that no one else in the chambers is allowed to enforce them.

Mrs. Banfield further asked if it is not true that a vote should be announced after each question. She said on page 5 of the minutes of August 11th, the vote had not been announced after consideration of Resolution 20834.

Mayor Johnston said he would review the recording of the minutes.

Mrs. Banfield also asked if it is proper for the Mayor to move for adoption.

Mr. Hamilton advised this is proper.

Mrs. Banfield referred to page 17 of the minutes of August 11th regarding the utilization of office and storage and some existing hazards in the building. She asked that a report of these hazards be made. She commented that the overlapping of City government had been criticized, but possibly if some of the departments were combined they would not need additional space. 99
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Mayor Johnston moved to continue the approval of these minutes for one week, until Mr. Hamilton could furnish a legal opinion on the Rules for allowing persons to speak, and until the Mayor could recheck the announcement on the vote for Resolution No. 20834. Seconded by Dr. Herrmann. Voice vote was taken. Motion carried.

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HEARINGS & APPEALS:

This is the date set for a meeting on the Preliminary Plat of Carl Laursen's First Addition on the north side of South 76th and on both sides of L Street, extended.

Mr. O'Leary commented if the plat is approved as planned, it would completely cut off any future extension of L Street. He asked if the petitioner would be allowed to put a building over the top of a sewer easement.

Mr. Buehler explained they could, but that another owner in that area plans a cul-de-sac and would not need a through street. The builders preferred to have the property for a building site which has frontage on 74th Street. There would be a loop for access to the rear of the property. If there were a street right-of-way, there would be an allowance for additional sideyards which could project into the sewer easement which is already there.

Mr. Finnigan moved to concur in the recommendation of the Planning Commission. Mayor Johnston said inasmuch as there was a question on how a vote should be reported, he then asked the City Attorney to review the rules to clarify reporting the votes taken on all matters other than the minutes of the Council.

Mr. Hamilton advised, under the provisions of the City Charter with regard to legislation passed by the Council; i. e., ordinances or resolutions, the Charter specifies the vote shall be taken and the "Ayes" and "Nays" recorded and entered in the journal. Other than that he added, there is no need for keeping a record.

Mrs. Banfield said she would like to ask a question of Rev. Laursen before the vote is taken.

Mrs. Banfield asked Rev. Laursen if he was planning at any future date to come in for his property to be tax exempt.

Rev. Laursen said he was not planning to do so. He added this subdivision is his private property not the property of the church.

Dr. Herrmann seconded the motion to concur in the recommendation to approve the preliminary plat. A voice vote was taken and the motion carried unanimously.

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Mr. Cvitanich moved to suspend the rules to discuss the recall and other various items. Roll call was taken as follows: Ayes 6: Banfield, Cvitanich, Dean, Jarstad, O'Leary and Zatkovich. Nays 3: Finnigan, Herrmann and Mayor Johnston. Motion carried.

Mr. Cvitanich pointed out the editorial in the evening News Tribune that quoted why the Charter changes were "more bad propositions" and referred to former Mayor Rasmussen having been appointed by a "hand-picked committee". He said he wished to point out he was elected by a majority of the Council.

He added an article by Jack Pyle concerning vetoes, had omitted some important facts and had misconstrued the facts whereby the Mayor, under the proposed changes, would appoint department heads, subject to Council approval. Mr. Cvitanich said the concentration of power in the City Manager is what they are trying to avoid.

Mr. Cvitanich further stated he had noted another article in the News Tribune regarding the recall, which had stated there were reputedly no "large contributors" for the recall campaign. He added he and Mr. Jarstad reviewed the list of contributors, which included Lawrence Brigham, Dr. Kuntz, Carl Bergman, Richard North, Dr. Billingsly, and others who had contributed amounts from \$10 to \$300 each. He commented on the fact there were also several former candidates for political offices for the November, 1969 election on the list, who had contributed from \$1.00 to \$50.00.

He alleged the principal backer of the recall was the former City Manager, Dave Rowlands, and said the newspaper would like the public to believe this is not so, but for ten years Mr. Rowlands has had only certain releases which he himself advocated. Mr. Rowlands had been the "fair-haired boy" of the news media and had claimed to bring about all the important changes in the City.

Mr. Cvitanich said he feels it is important to have articles about these facts in the papers. The former City Manager claimed to bring about all the great changes in the City; whereas, he had left the City with a deficit of \$2,000,000. From time to time additional adverse articles had appeared concerning Mr. Rowlands, but had been obscured by being on the inside pages. The news media does not give the public a fair view as they would lead them to believe, but twist the facts.

He said this "fair" broadcasting company had suddenly sent a letter to each member of the Council stating they would no longer broadcast the City Council meetings. The letter was signed by Max Bice, vice president and general manager, but the person who dictated the letter, Ted Knightlinger, initials had been shown as TRK, and he does not know if it was dictated by the Tribune Publishing Company or one of its wholly owned subsidiaries, the KINT radio station.

Mr. Cvitanich said he had a prepared statement which he wished to be inserted verbatim into the record which reads as follows:

"A couple of weeks ago each of the members of the City Council received a letter dated July 29 from KINT AM-FM radio, and signed Cordially, Max M. Bice, Vice President and General Manager. But the dictating initials show it was apparently written by Mr. Ted R. Knightlinger. At the same time essentially the same thing was being broadcast at the radio station, many times a day, for several days. Except for the saturation broadcasts, it was attributed to Mr. Ted Knightlinger, who was assistant manager, and being a recent import. I think he worked for the State in some capacity--the Tourist Bureau in Seattle or Olympia, I can't remember which.

In any event, that letter and those saturation broadcasts are too full of blatant misstatements to remain unchallenged and uncorrected. This captive radio station, KINT AM-FM is really owned by the Tribune Publishing Company, and we all know how much that affects their independence, reliability and credibility.

Some months ago, the News Tribune in its captive, and I like to use the word "captive" as you will see throughout, KINT AM-FM radio station and its captive KINT-TV television station and its captive Cable TV franchise in this county, the second largest county in the 39 counties of this state, tried to blackmail the City Council into giving them an exclusive Cable TV franchise in this City, the third largest in the state. But they not only didn't get their way about that--the City Council, recognizing the viciousness of their news syndicate monopoly, promptly took away the TV franchise and it has been awarded to another bidder--one from New York, Teleprompter.

I might point out, if memory serves me correctly, there wasn't just the five members of the Council who voted to take it away, it was the seven members of the City Council. However, I am surprised to say that only five of us are being recalled.

I sent all this information to the Federal Communications Commission in Washington, D. C., to U. S. Senator Warren Magnuson, and other interested leaders asking them to help the people of Tacoma and elsewhere to break up the syndicate monopoly that is using such law power to plant and control the news, all in the business of making money out of the news. And I might add that one widely respected and most talented executive of the Tribune Publishing thought so much of my suggestions and the actions of the City Council that he wrote to each Tribune Publishing Company stockholder telling them all that has been written about this.

Now here is what was said in Washington, D. C., about these matters: U. S. Senator Thomas J. McIntyre of New Hampshire introduced a bill to take radio and TV stations and the newspapers which own them, free from the ownership and dictating control of these newspapers. And secondly, the Federal Communications Commission in Washington, D. C., is not going to give licenses to radio and TV stations to newspapers anymore. And in five years any radio and TV station which is owned by a newspaper and is a captive of that newspaper

would be taken away from that newspaper and set free, according to an FCC proposal which is coming up for a hearing. I would like to point out that I am going to be present at that hearing to testify, as many people in this community have prepared documentation, and that is all being forwarded to Washington, D. C.

Now I would like to point out that no syndicated monopoly, that's what I like to call the Tribune Publishing Co., is going to take lying down, this chance to increase their millions. So, of course, the Tacoma News Tribune and its captive KINT AM-FM radio station and television station retaliated by helping tooth, nail and claw to sponsor the recall of five members of the Tacoma City Council. And I merely point out that if you check the newspapers since this started, see the tie-in, see the misleading editorials, the misinformation, omissions and articles, Mr. Rowland's particular prominence in the community for thirteen years with the support of the newspapers and draw your own conclusions. I will point out that they made this the number one priority on all the front pages of this paper, and on a captive radio station and on a TV station. And they have had the pure gall to use any of these charges for recall the fact that we ignored the well-named "Bull Report", which was the first time studies from answers to questionnaires that Cable TV studies did to the Council, and a check of the minutes will indicate that the gentleman stated he had done it before, and he never did visit any of the facilities that he recommended. And I point out here, that without having seen any of these facilities and those seven of the nine members of the Council moved to take away the Tribune Publishing Company's TV franchise--and I might point out they weren't blackmailed on the front pages. Now the Tribune's front page article proclaimed that the recall has enough signatures for an election, and they demand that the election be hurried up to a September 15th vote, when everybody knows that most people vote in November and not in September, and so November is the time to find out--not September.

Now, I, speaking for myself and on behalf of the other four members of the City Council, would like to point out here that we are being blamed by those people in the community that we are not concerned about the taxpayers and want to spend your money on a special election. I would point out again to the News Tribune, and I can't state fully about the credibility gap, but they quoted Dr. Billingsly of the Municipal League as stating they don't want to put the election on the Primary. By way of refreshing your memory, they were pushing for a July or August election, but I didn't hear any great concern about the taxpayers at that time. But suddenly they turned the thrust around to try to put the "illness" on the Council.

Anyway, this is the setting for the KINT letter from Mr. Bice, or Knightlinger, or whoever really wrote the letter to each member of the Council. Now that letter announced that KINT AM-FM radio would no longer be able to broadcast the Tacoma City Council meetings because Mr. Bice or Knightlinger, or whoever wrote the letter claims the F.C.C. policies, as a practical matter, won't let them do it any more. Of course, blaming the F. C. C. for KINT AM-FM not broadcasting the City Council meetings is an undeserved and vicious misrepresentation. I sat through an election a couple of years ago--no problems. I would like to point out that the first radio station broadcast of the entire Tacoma Council meetings was not KINT-AM-FM, but radio KAYE of Puyallup. And KAYE has broadcast the whole Council meeting, without comment, ever since the very first time they did it more than two years ago. I point out here it was not until KAYE made its arrangements to broadcast the meetings in their entirety, unedited and without comment, that KINT-AM-FM decided to do it too. And KINT AM-FM didn't do it always fully verbatim. It was on a "come and go" edited basis for a time.

And KINT AM-FM was so undedicated to the public interest, it has preferred to take money from the broadcast of baseball games rather than broadcast the Council meetings. So if you thought City Council business was more important than baseball, you had to buy an FM radio set or listen to KAYE radio, Puyallup, to hear the Tacoma City Council meetings. Anyway, KINT AM-FM in its July 29th letter, blames the FCC for not letting them broadcast the City Council meetings any more. Meantime, KINT AM-FM radio claims that it has discontinued the Council broadcasts in the spirit of fairness. That is a joke coming from them. They have a morning mouthpiece--a so-called news broadcaster for a local Tacoma bank; and I'll digress from this prepared text to say that in the last three campaign reports he has been involved up to his neck. We have the pickle king involved up to his neck, and he was in the last one, he was in the one before. Anyway this paid mouthpiece tells everybody his version of what happened at the City Council meeting although he is not ever at the Council meetings, and in fact he has to get his information from listening to KAYE, Puyallup Radio. This morning mouthpiece for the bank, which has been headed for so many years by that important former City Manager from California, is so undedicated to the best interests of Tacoma and Pierce County that he doesn't even live in Tacoma. And he doesn't even live in Pierce County. And one of KINT's AM-FM radio other broadcasting refugees from Seattle said over that radio station how ashamed he was to live in Tacoma. But even the people at KINT couldn't let that stand, and made him apologize for it the very next morning. This fellow is a former record twirler up there, so they worked something for him--some problem-solving roll up there of some title or something. He is really dedicated to helping Tacoma. If there's one thing that absolutely everybody in this City and this County can agree on, it's this--that the Tacoma News Tribune is not, and so far as we all know, will never be truthful in its news column. It blatantly and shamelessly editorializes the news. We five, who are being subject to the recall, have for a period of eight months with utter disregard for the truth, been editorialized on the front page, to the eternal shame of the newspaper business in this town. They regularly and intentionally misstate the news by leaving out the facts and everybody who has ever been to a City Council meeting or has listened to the Council meeting on KAYE Puyallup radio is puzzled and even shocked to read the Tacoma News Tribune editorial news column version the very next day of what the Tacoma News Tribune wants everybody to think what really happened at the City Council meeting.

Anyway, I do want you to know that the pious reasons given by KINT AM-FM radio for not broadcasting the City Council meetings any more are just not the truth and that the KINT reasons are so far from the truth that they are a mockery of justice. If it were not so important, it would be hilarious. The people of Tacoma own Tacoma--not the Tribune Publishing Company and its radio-TV monopoly. The voters of Tacoma own the ballot box, and not the Tribune Publishing Company, its radio-TV monopoly or the recall committee. And by the way, I am sending a copy of this statement to the Federal Communications Commission, and to Senator Warren Magnuson to bring him up to date. I will also make this one additional comment, and I am sorry to have been so lengthy, Your Honor, and members of the Council, that for eight months this Council majority of five have never had the opportunity to present their point of view, and we are taking that privilege tonight, with the indulgence of the other members of the Council, in the event we end up on the ballot on the 15th, our time will be limited. However, I will make this challenge publicly here tonight--that on the recall statute as presently constituted, we who are being recalled are in essence giving away four to one odds. I will make this challenge publicly here. I would like to say on behalf of Councilman Finnigan, the comment in the community that some members of the Council are involved in the recall--I can say on behalf of poor Mr. Finnigan, I know that he has argued quite long and hard, and in

several places against the recall--and I want to thank you publicly, Councilman Finnigan, for your position and stand, and the others can speak for themselves if they so chose.

But here again I want to stress the tie-up between the newspaper, the recall committee--and I put this challenge out to Mr. Gierke, who is an attorney; to Mr. Thompson, who is an attorney; to Dr. Billingsly, who is head of the Municipal League, and to Mr. Warnick. I would welcome the opportunity to meet all four of them by myself--the odds would be about fair, four to one--in any public forum in this community so that the people of this community know exactly what the facts are. And I utter that challenge publicly, and I would welcome the opportunity to make arrangements at any school in the community. I am sure the School Board would grant it. So that you, in essence, who are being tried by the recall committee and the News Tribune can tell the people of the community what the status of this whole thing is.

With that I would conclude my remarks for the time being, your Honor."

END OF VERBATIM

Mr. Zatkovich also commented on an editorial from the Tribune relative to Mr. Rowlands which stated, "We do not want him back as City Manager, regardless of the fact that much progress was made during his 13 years of administration". He said he wishes the newspaper would censor the ex-manager.

Mr. Zatkovich was then excused from the meeting to attend to personal business.

Mr. O'Leary referred to the type of campaign that is approaching concerning the Primary and Special Election. He said the recall election has precipitated faster than what was anticipated, but in view of what has happened in the Seattle Council, the Tacoma majority members, who were formerly the minority, have made the decision not to require the City Manager to inform the City Council on the alleged tolerance policy at regular Council meetings, but if the City requests, it will be considered at Study Sessions or at Executive Meetings of the Council. The decision was amended later on, but the vote had been 5 Ayes, 3 Nays and 1 Absent.

He added the present majority had been elected as a reform movement, and they are duty bound to go all the way. The tolerance policy had always been a secret between the City Manager and the Police Chief, but under the newer regime this policy has changed, and he now would like to request information on seven points including: the locations and addresses of all gambling establishments in the City where they allow pin ball, bingo, punch boards, etc.; also the names of all gambling operators; the names of all people who have federal gambling stamp permits; names and addresses of all City employees who are in any way connected with any type of gambling of any type; names of all organizations who sponsor gambling in Tacoma, whether fraternal, non-profit, church, sporting, etc.; and the names of police officers who are on duty and should know the names and locations of gambling places on their patrol areas. Mr. O'Leary further asked that the staff research and obtain names of all property owners where any type of gambling takes place.

Mr. McCormick said he would obtain the desired information and asked that the Council advise him what policy should be followed.

Mr. O'Leary continued he would like to verify the fact if Tacoma has a gambling cruise boat operating from the Old Tacoma Dock and a fly-in group meeting in Tacoma.

Mr. Jarstad said he would like to add to the list and include all bingo games. He said he would like to have a resume of the times the Council has asked the Manager to look into the problem of tolerance. -20

Mr. McCormick said he would talk with the License Department which collects the B&O taxes to find out all he can. Mr. McCormick indicated he had turned down several requests for private operations, but if the Council wanted to give instructions to refuse such operations, he would follow their instructions.

Mr. Dean asked if the Council has the power to appoint its own investigative teams on such matters and if the Council has a right to subpoena.

Mr. McCormick replied the Council has a right to appoint anyone to investigate any matter, but he was uncertain about the Council's power of subpoena, but thought it would include anything involved in a City matter, although it would not mean they could investigate everything that went on in the City.

Mr. Dean said he referred to records, not only people, being subpoenaed and the subject Mr. O'Leary has brought up has concerned the Council for sometime. He wanted to know what power the Council has to aid in this investigation.

Mr. McCormick commented the policy on the extent tolerance has long been recognized throughout the state and his office would be glad to follow any policy the Council adopts.

Mr. Dean said he has some information he could give the Manager.

Mr. Cvitanich said the former Chief of Police had stated publicly that the former City Manager had blocked him from informing the Council of existing conditions in the City and the former City Manager had not informed the Council. Mr. Cvitanich asked if the Council has a right to subpoena people on this matter.

Mr. McCormick said the Charter does provide certain such powers.

Mr. Hamilton said Section 2.9 of the City Charter reads: "The Council shall have authority to punish its members and others for disorderly or otherwise contemptuous behavior in its presence and to compel the attendance of its members and witnesses and the production of papers and things before the Council."

Mr. McCormick referred to the fact that both federal and state grand juries do have subpoena powers and they could investigate the matter of tolerance anytime.

Mrs. Banfield said it would be interesting to compare some of the names on the recall when they investigate.

Mr. Finnigan said he thought such comments should be kept to the Council members.

Mr. Charles E. Lane, Jr., a citizen, asked to speak.

Mr. O'Leary pointed out he should be asked to write a letter to the Council to be brought into the "Citizen's Comments" section of the agenda at another time.

Mr. Jarstad said he had read Mr. Lane's letter pertaining to pollution and it could be taken up at a future time. He said he had received another letter from a citizen, which stated specifically the name and place where people could participate in "book-making" on racing and he had turned the letter over to be investigated by the proper authority.

Mrs. Banfield said, as she had been on the Board of Equalization for three years, she is somewhat familiar with taxes on property and noticed a receipt had been issued for a donation to the recall committee in the name of the Episcopal Church property known as Wells Hall. The church has tax-exempt property and she would like to know who is responsible to see that the state law is not broken--in regard to taxation--the assessor, prosecuting attorney or the legal department.

She continued, on the Al Cummings' radio show a woman had answered questions posed by Mr. Cummings and stated that only one side of the recall would be presented. An ad in the paper also referred to a "Referendum for Peace" to be presented at a church and wonders whether it is true under State Law 84.36.020 being tax exempt property, the grounds must be used wholly for church purposes. She added churches should not be tax exempt when their properties are used for other than church purposes. She pointed out churches charge for rental stalls for automobiles, which is illegal. There are also other tax exempt properties which are subsidized by the taxpayers. She said in the future, homeowners might not be able to pay their high taxes which result from so many properties being exempt and tax free.

She mentioned one of the large parking garages downtown went on the tax rolls this year, but another was put on only three days after the assessor had checked the properties and as a result, that property has been tax exempt all this year, causing

the other taxpayers to make up the difference. She added there are many other such cases and she thought it is time someone looked into this situation and take some people off the tax-exempt list.

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In connection with the suspension of rules to discuss the recall and other assorted items, Mr. O'Leary asked if the Salmon Beach area was in the City of Tacoma. He said the land had now been sold to the Baker Development Company or the News Tribune per se. He added they rent property at \$13.00 per month and are not paying taxes on the homes, but that he understands the City has nothing to do with this tax as there is no garbage or sewer service and the inhabitants do not pay a transit tax. He asked that someone check into this matter.

Mayor Johnston asked that Mr. McCormick, City Manager, check into the matter.

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Mrs. Banfield brought up the subject of narcotics, saying the Narcotics Center has been under attack by anti-federal money people. She pointed out that the Council has never been against drug control, but the original plans of that Center were to locate twelve beds at Western State Hospital, where trained personnel had been hired to care for such patients. She said the paper had stated there was a surplus of \$100,000, but the truth is that if this money is not used by the Narcotics Center by a designated date, it will revert to the federal government and if they wish to retain the money, they will have to go to the State for matching funds. She added the news media is so twisted at times and this was another example of the Council being accused of being derelict in its duties.

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Mr. Dean moved to resume the regular order of the agenda. Seconded by Mayor Johnston.

Mr. Zatkovich returned to the meeting at 8:30 P.M.

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RESOLUTIONS:

Resolution No. 20870 (Continued from the meeting of August 25th)

Awarding contract to International Harvester Company on its bid of \$15,045.30 for the furnishing of one cab & chasis.

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

Mr. Schuster, Public Works Director, reported that additional information was submitted to the Council as requested and that Mr. George Graham was present to answer any further questions.

Mr. O'Leary asked how the company had arrived at their bid. Comparing the gasoline operated equipment to the diesel, he asked if the diesel would have twice the life expectancy as the other since the diesel fuel cost only half as much as the gasoline., how can one figure which is the lowest and best bid.

Mr. Schuster explained that the uses meet the specifications which is the primary consideration when selecting equipment. He stated the diesel equipment will perform better than the gasoline machines.

Mr. George Graham, Fleet Manager for Public Utilities, advised that any of the companies could bid on gasoline or diesel, but he questioned if the torque would be adequate in the engine.

Mr. Jarstad questioned the advisability of accepting the lowest bid and assuming it would do the best job. He thought additional bids should be obtained to see how competitive they would be and still get the best value for the money.

Mr. Graham pointed out that another department had two failures in diesel rigs and are now using gas engines. He said the gas engines are better suited to variable speeds, such as the front loader refuse trucks, but the diesels that have been made recently which will handle light loads.

Mr. O'Leary stated that most fuel and wrecker companies are light duty rigs and have gone more to diesel and have had good results.

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

Ayes 5: Cvitanich, Finnigan, Herrmann, Jarstad and Mayor Johnston.

Nays 4: Banfield, Dean, O'Leary and Zatkovich.

The Resolution was declared passed by the Chairman.

Resolution No. 20871 (Continued from the meeting of August 25th)

Awarding contract to Transport Equipment Company on its bid of \$12,591.00 for the furnishing of a refuse compactor body.

Mr. Dean moved that the resolution be adopted. Seconded by Mr. Jarstad.

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

Ayes 9: Banfield, Cvitanich, Dean, Finnigan, Herrmann, Jarstad, O'Leary, Zatkovich and Mayor Johnston.

Nays 0.

The Resolution was declared passed by the Chairman.

Resolution No. 20874

Accepting and approving the Final Plat of Fern Hill Terrace No. 3 on the west side of I St. between So. 88th & So. 90th St. extended.

Mr. Finnigan moved that the resolution be adopted. Seconded by Mr. Jarstad.

Mr. Russ Buehler, Director of Planning, stated this is a section of a final plat which had been previously submitted and all improvements are in order.

Roll call was taken on the resolution, resulting as following:

Ayes: 9: Banfield, Cvitanich, Dean, Finnigan, Herrmann, Jarstad, O'Leary, Zatkovich and Mayor Johnston.

Nays: 0.

The Resolution was declared passed by the Chairman.

Resolution No. 20875

Requesting the Pierce County Commissioners and the County-City Building Committee to adopt a policy of flying the American flag at half-mast at the County-City Building at such times or times as a resident or residents of the greater Tacoma-Pierce County area serving in the Military Service are killed in the Vietnam war.

Mr. Cvitanich moved that the resolution be adopted. Seconded by Mrs. Banfield.

Mr. Cvitanich moved to amend the resolution in the Be It Resolved section after

the word Commissioners to delete "and the County-City Building Committee" in both sections. Seconded by Mr. O'Leary. Carried unanimously.

Mr. Finnigan asked for a review concerning the President's approval.

Mr. Cvitanich reported this had been researched by the legal department and reported there is no prohibition against the City's flying the flag at half mast.

Mr. Tom Wells reported that a Tacoma man had just lost his life in Vietnam the day before and asked that the flag be flown at half mast the next day. The Council concurred.

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

Ayes: 9 Banfield, Cvitanich, Dean, Finnigan, Herrmann, Jarstad, O'Leary, Zatkovich and Mayor Johnston.

Nays: 0.

The Resolution was declared passed by the Chairman.

Resolution No. 20876

Authorizing the extension of 90 days for the performance of conditions provided in the agreement of the Labor Temple Corporation for property located within the Fawcett Urban Renewal project Wash. R-3.

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

Mr. Gary Sullivan, Director of Urban Renewal, reported that Resolution No. 19238 had accepted the bid of the Labor Temple on the property in question and was adopted on June 20, 1967. He said the Agreement of Sale was executed on October 26, 1967. This provides that 90 days after execution, the redeveloper will submit to the City final plans for development and 45 days to evaluate the plans by the City and if necessary 30 additional days to clear any technicalities. He added the building should have been built by March, 1969, according to the schedule.

Mr. Sullivan reviewed for the City Council what has transpired since 1969 and mentioned that several extensions of time had been granted to the Labor Temple Corp. He added they have now retained another architect and anticipate construction will commence in October, 1970.

Mr. O'Leary asked if the delay had actually been caused by the architect's design problem for the inability to meet the deadline.

Mr. Sullivan said he had seen the application for the financing commitments from banks and was not aware of any other problem.

Mr. Jarstad said he could understand the prior delay which was caused by rise of construction costs; whereas, some very very competitive bids can be obtained these present days. Therefore, it is conceivable they could build now.

Mrs. Banfield asked when the City had acquired the property prior to selling it to the Labor Temple and if it had been off the tax rolls ever since.

Mr. Sullivan said he could provide the information later, but since there has been no building on the property, it would not be on the tax rolls, and vice versa. He added they own the property now and it would be on the tax rolls, he thought.

Mrs. Banfield moved that an error be corrected in the first paragraph of the resolution by changing the date from 1970 to 1967. Motion seconded by Mr. O'Leary. Voice vote was taken and carried unanimously.

Mr. Cvitanich asked about the appreciation value of the property and the Agreement of Sale and if something could be incorporated through the Dept. of Urban Development in the event the City enters into an agreement when such a delay as this is encountered inasmuch as an appreciation of the property would reduce the amount paid to the City.

Mr. Sullivan said he was in the process of going over the various agreements with the legal department from the standpoint of requiring and analyzing the financial commitments before signing future agreements. He said he would try to work things out in regard to any speculation provisions.

Mr. Zatkovich moved to postpone the resolution for one week, to September 8th. Seconded by Mr. O'Leary. Roll call was taken resulting as follows: Ayes 4: Dean, Jarstad, O'Leary and Zatkovich. Nays 5: Banfield, Cvitanich, Finnigan, Herrmann and Mayor Johnston. Motion Lost.

Roll call was then taken to adopt the resolution, resulting as follows:

Ayes 7: Dean, Finnigan, Herrmann, Jarstad, O'Leary, Zatkovich and Mayor Johnston.
Nays 2: Banfield and Cvitanich.

The Resolution was declared passed by the Chairman.

Resolution No. 20877

Authorizing the exchange of property with Mayer Built Homes, Inc., in the vicinity of the S. E. corner of So. 25th and Wilkeson.

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

Mr. Schuster explained the City had previously purchased several lots in the area for an urban arterial improvement that is planned on South Wilkeson Street from South Tacoma Way to South 19th. He said additional rights of way are needed near South 25th in order to cut a roadway into the area and one owner has offered to exchange some property on the corner of So. 25th and Wilkeson for some that is surplus to the City. This would leave the builder one site for one home on 25th and also allow slope easements for the City, which is necessary because there would be a change in grade for the urban arterial improvement planned. He said this exchange would be a good opportunity for the City and still allow the builder one building site which would be remaining.

Mr. Schuster said the property in question has no bearing on an L.I.D., but was rather an improvement on an urban arterial program.

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

Ayes 8: Banfield, Cvitanich, Dean, Finnigan, Herrmann, O'Leary, Zatkovich and Mayor Johnston.

Nays 1: Jarstad.

The Resolution was declared passed by the Chairman.

Resolution No. 20878

Fixing Tuesday, Sept. 22nd at 7 P.M. as the date for hearing for the rezoning of the north side of So. 12th between Vassault and Pearl Sts. from "R-2" to "R-4-L". (Submitted by Walker & Rhea)

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

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

Ayes 9: Banfield, Cvitanich, Dean, Finnigan, Herrmann, Jarstad, O'Leary, Zatkovich and Mayor Johnston.

Nays 0.

The Resolution was declared passed by the Chairman.

Resolution No. 20879

Authorizing a temporary loan in the sum of \$39,000.00 from the General Fund to the Model Cities Revolving Fund to continue the Model Cities Program for 90 days.

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

Clar Gaisford, Finance Director, said a letter has been expected from HUD approving the program whereby moneys could be advanced to the Model Cities Program so it could continue to operate. He added he has received a request from Mr. Herman Walker, Model Cities Director, asking for funds to continue the program for 90 days, therefore, he asked for a resolution to be prepared for an appropriation of \$39,000 to operate for another 90 days. After the resolution was prepared, a letter was received from HUD stating the cost for furthering the program could not be completely reimbursable at this point. He thought HUD would approve the rest of the program for the First Action Year, but the letter did not so state. It did say the conditions and agreements are satisfactory, but they could not guarantee reimbursement.

Mr. Gaisford further explained the resolution as now written could not be operative and said if the last four lines of the resolution were deleted, the resolution could be approved and the appropriation granted. This would allow the appropriation, but provides that the money would not be expended until a commitment had been received from HUD. This was done in the operation of the City Transit System in 1961 when a loan was made from the General Fund. He advised that if the funds were not received from the federal government the general fund would have to stand the cost of the 70 to 90-day operation of the Model Cities Program.

Mayor Johnston moved to delete the words which follow "provided, however" in the last paragraph to the end of the resolution and insert a period after "Program". Seconded by Mr. Finnigan. Motion carried.

Mrs. Banfield asked that the letter from the Dept. of Housing and Urban Development be read into the minutes. The letter was read into the record dated, August 25, 1970, from the San Francisco office of HUD and signed by Robert H. Baider, Regional Administrator, which affirms the statements hereinabove made by Mr. Gaisford. The last paragraph of this letter is quoted as follows:

"Costs incurred on and after August 17, 1970, which are in accordance with the attached budget and work program will be eligible for reimbursement only if a Grant Agreement is executed and if the terms and conditions of the agreement and CDA Letter No. 8 are satisfied."

Mrs. Banfield pointed out that the \$39,000 being requested was not to be used for the needy but to operate the office and pay the eleven employees for three months, also to pay for travel to conferences expenses, office space, supplies, equipment and telephone. Mrs. Banfield commented she thought it would be to no avail to pay out that much money for running the program and not be actually helping the goals of the program.

Mr. Jarstad said he would like to have Mr. Walker, Model Cities Director, and Mrs. Marian Gleason, Chairman of the Executive Board, give any further information to explain the situation or any alternate plans.

Mr. Walker explained the Council members had been given copies of the letter of request which is a standard HUD procedure and it is normally anticipated that the Model Cities Program will finish its planning and the review process period in the twelve month period allowed by HUD. A request for the letter to proceed is also a standard procedure and this in turn becomes the authorization to expend money beyond the planning year. It was planned to hire all the staff members needed, but that the budget being submitted at this time includes only the positions established at the outset of the program. There were no programs in the nation that had been disapproved, although some have had major discrepancies and were delayed for a while. The committee had reviewed the program that morning and were recommending approval, which must come from the office in Washington, D. C. He stated they would have to check with the

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legal department to clarify contract proceedings. The citizen-participation project outlined is considered one of the best in the region.

Mr. O'Leary asked if the funds, which were under controversy in Washington, D.C. and being cut off by the President, had any connection with the funds the Tacoma program anticipates.

Mr. Walker replied they did not. He said the \$1.8 million had been earmarked for the First Action Year.

Mrs. Banfield asked how much had been collected as contributions to the program, as a result of letters sent out to the public.

Mr. Walker remarked the minimum amount required by HUD was approximately \$37,000 and that there is \$76,000 in federal contribution. He said they had received the \$37,000 from the City and the remainder came from the State Dept. of Health, Dept. of Institutions and Welfare Dept. He said the outside operating agencies have given a great deal of participation and technical assistance. One school is donating space, a local industrial company is providing training expertise, etc. and making contributions in that manner.

Mrs. Banfield asked Mr. Hamilton to check into the legality of using in-kind contributions from other sources and taxpayers dollars going into them as opposed to contributions that are supposed to be donated. She said she would like to know if the federal government would accept in-kind services from other federally supported programs or other organizations as contributions by the Model Cities program.

Mr. Dean asked if any letters had been sent to the Tacoma community asking for support, monetary or otherwise, by business and/or individuals.

Mr. Walker advised that the operating agencies had been asked to share some of the responsibility in getting the projects started. HUD agrees they should try to share each others problems. He added no individual letters have been sent out to the people of the City.

Mr. Dean asked if it were possible to consider the outcome if the program did not proceed, in the event approval was not received from the federal government. He thought the plans should be held in abeyance until the decision is finally made. He questioned whether or not the City is in a position to back a project, which they only hope will proceed and whether all expenses except the very bare minimum should be curtailed. He questioned if the office needed personnel to be on duty while no activity would be underway.

Mr. Jarstad reviewed the various items of the program's budget and thought that it could be trimmed down, which included travel expense, office supplies and equipment and personnel.

Mr. Walker said he would check to see where it could be cut down.

Mr. O'Leary said there have been many projects put off due to shortage of money. He felt they should keep the department going only until the money is authorized. He said he feel they should not go into such work as Mr. Walker has authorized, but adhere only to administrative expenses and projects.

Mr. Walker pointed out that the key to the program was its ability to start operating, and if there is a very limited core staff, it would require three to four months to get into action after approval is received. He added the \$1.8 million grant would commence the day the Council accepts the contract and that if the projects have not been implemented there would be money left over at the end of the year.

Mr. O'Leary pointed out the Council's current approval would allow spending the City money not the federal money.

Mrs. Banfield asked if there was such a thing as a dedication under which the program could operate rather than involving the City, before the funds were finalized.

Mr. Walker remarked he did not think the present employees would be willing to miss several paychecks and then resume later as they have commitments also.

Dr. Herrmann said if the City were to make an orderly transition from the time of submission of the plan to the approval by HUD, it would probably take about 10 months.

He asked if taking that amount of time was unique or if in some cases, plans had been submitted, reviewed and then a contract not tendered.

Mr. Walker said that hasn't been experienced. He said some programs had gone beyond the 90 days before approval was tendered and remarked that there have been no programs where they were approved and yet did not operate in the interim period. The Seattle program was the first to be funded and that it took six months before the contract was tendered and that city had committed half a million dollars to their program.

Dr. Herrmann said he would like to satisfy himself that the general fund would in fact not be obligated--that there is no precedent for that.

Mr. Walker said this was correct.

Mr. Finnigan said, looking at it from HUD's point of view, if Tacoma discontinued the program now, the federal people would certainly not be very responsive to Tacoma's request for funds to carry on the first action years and the whole prior planning year would have been a complete waste. He added he has confidence in the Finance Dept. as the \$39,000 would be handled by Mr. Gaisford in the same manner as every other fund is handled and released as it is needed. He said he realizes that department is interested in seeing the program developed and feels the Council should support the program.

Mayor Johnston said he concurs in Mr. Finnigan's remarks and that he had attended a review period in Seattle where it had been indicated that any lack of evidence of commitment on the part of this legislative body would be looked upon unfavorably by the government in terms of reaching a decision on the planning program.

Mr. Cvitanich said he thought if the Model Cities personnel were not given the proper tools to work with, the program could not be implemented. Further if the Council did not have enough faith in the program to support it up to this point, then it should be voted down.

Mr. Jarstad said he disagreed with Mr. Cvitanich and pointed out there was a reasonably economical budget to allow proceeding with the program. He agreed with Mr. Dean that other items could be cut down if necessary and that is the decision to be made. He said an office could be administratively maintained on considerably fewer people than are listed. He said he doesn't think the City would be allowed to legally appropriate that amount of money and they should not proceed until they obtained a verification. He doesn't think it is a matter of either accepting the whole program or rejecting it, but that if it is followed in good faith in an economical manner it can be done.

Mayor Johnston called for the roll on the amendment to delete the last four lines of the resolution starting with the words "provided, however".

Roll call was taken, resulting as follows: Ayes 6: Dean, Finnigan, Herrmann, Jarstad, Zatkovich and Mayor Johnston. Nays 3: Banfield, Cvitanich and O'Leary. Motion carried.

Mayor Johnston asked Mr. Zatkovich to state the areas in which he wished to correct the budget as outlined.

Mr. Zatkovich suggested it was not up to him to do this, but that some areas could be abolished and that further study with the Board would be advisable in the very near future. He said the matter could not be postponed unless some action is taken.

Mr. Cvitanich asked if it was the Council's intention to approve the appropriation of the \$39,000 and then meet with the Board.

Mayor Johnston said the budget could be amended at a later date.

Mr. Dean commented on the fact that the Labor Temple, which is under the Urban Renewal Program, has hired another architect so as to come up with a desirable figure and likewise he thinks it is the Council's responsibility to come up with a desirable figure in the Model Cities appropriation and then meet with the Board. He moved to change the temporary loan of \$39,000 in paragraph three of the resolution to make it \$10,000 and to change the period of time from ninety days to thirty days. Seconded by Mr. O'Leary.

Mrs. Marian Gleason, Chairman of the Executive Board, said there had been good attendance at the Board meetings and would like to meet with the Council to finalize this program. She said it would be possible to agree on some figures now, but she did not agree with the 30-day period suggested by Mr. Dean. She said they had a personnel committee working at present and already had about 200 or 300 applications, and have formulated job descriptions and started to screen applications. A minimum staff would be mandatory to carry on the work they were doing. She commented Tacoma could be very proud of the people who had contributed their time free of charge to the program.

Mr. Dean said there had not been a meeting prior to this resolution and this is why he recommended the amendment for a 30-day period to insure a joint meeting with the Council.

Mr. O'Leary moved to amend Mr. Dean's amendment to read \$13,000, which would be 1/3 of the money, and allow one-third of the time or 30 days. Seconded by Mr. Cvitanich.

Mr. Jarstad said it was agreed, if the amount were reduced to \$10,000, this would keep the program at the present time and that 30 days should allow them to get together with the Board.

Mr. Dean said if the loan could be set at \$39,000 for 90 days and then be assured by the Chairman of the Executive Board and the Director that each month they could discuss what funds had been expended, that way the funds would not be curtailed nor show a lack of confidence. He did not feel this is an unjust request and would show that they do have faith in the program. He felt that 90 days would be beyond the Council's control.

Mr. O'Leary said as long as \$10,000 would cover the cost of personnel for thirty days, with the permission of his second, he would withdraw his amendment.

Mayor Johnston called for the roll on Mr. Dean's motion to change the amount to \$10,000 for thirty days. Roll call was taken and resulted as follows: Ayes 4: Dean, Jarstad, O'Leary and Zatkovich. Nays 5: Banfield, Cvitanich, Finnigan, Herrmann and Mayor Johnston. The motion was declared lost.

Mr. Jarstad said he would like to ask Mr. Walker what would happen if the resolution was voted down.

Mr. Walker said they would have to close the program, as they only have enough funds to last three more days.

Mrs. Gleason said they would be willing to readjust to a new budget, but not willing to close down.

Mr. Jarstad said he thought the federal government would look more favorably on all of Tacoma's projects if they saw the City was trying to economize on the Model Cities Program and the program should work toward economy in order to work to its fullest capabilities and thus insure its success.

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

Ayes 5: Finnigan, Herrmann, Jarstad, Zatkovich and Mayor Johnston.

Nays 4: Banfield, Cvitanich, Dean and O'Leary.

The Resolution was declared passed by the Chairman.

Resolution No. 20880

Providing for the issuance and sale of \$25,000,000 Light & Power Revenue Bonds 1970 series.

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

Mr. Cvitanich asked to have the remarks concerning this resolution verbatim.

- Mr. Cvitanich: For the record, Mr. McCormick, regarding the inquiry of the Finance Committee from the Attorney General's office, you did not get the document, did you?
- Mr. McCormick: Mr. Mayor and members of the Council, I will not go into the conversation, but I did go in and talk to the Assistant Attorney General, and they have it under advisement now. They are taking an over-all look at it, but they would not release the Commission's report because it is still confidential until they get through with it.
- Mayor Johnston: Is there any further discussion?
- Mr. O'Leary: I presume we should move to insert this substitute page five into the bid sheet that was left with our agenda tonight. Is that the proper motion to make on this?
- Mayor Johnston: What changes were involved, Mr. Benedetti?
- Mr. Benedetti: On the fifth page of the Notice of Sale, the fifth paragraph, you will find we have added to the last sentence of the bid sheet the provision that "a specific ruling to that effect issued by the Internal Revenue Service with respect to the Bonds". The bond counselor advised that this should be included and application is being processed by all of the public agencies for this specific ruling as it relates to this bond sale. The resolution itself is merely a procedural matter that would approve the official bid form and Notice of Sale. We have appeared before you the two previous weeks to explain the need, and this just follows the procedural steps necessary to get to the bid call date of October 6th.
- Mayor Johnston: Any further discussion by the Council?
- Mr. Dean: Mr. McCormick, in relation to this problem, Mr. Cvitanich referred to the fact this puts the Council in a rather unique position of having some information, and yet not having enough information, and where we really find ourselves without adequate information to make a decision on this particular resolution.
- Mr. McCormick: Mr. Mayor, members of the Council and Mr. Dean, I don't think that is the particular issue that we were discussing or trying to find out about that would have any bearing at all on this particular bond issue, because that is all done--the reports are all in, and the financial reports, etc. It would have a bearing on future bonds, such as our sewer bonds and like that. But I don't think that either way, because the New York-- and Mr. Benedetti could go into that, firm of financial advisors that were the main advisors on this, as I understand it, can explain that further. So I don't think this would have any particular bearing on it.
- Mr. Dean: Then that would not have any bearing at all?
- Mr. McCormick: That would be my opinion. That it would not have any at all.

Mr. O'Leary: I would just like to refresh Mr. Dean's mind--we have heard a lot of legal opinions lately, and some will hold up in court, and there are some that don't.

Mayor Johnston: Mr. O'Leary, you had a long period at the beginning of this meeting to discuss the elements of that problem.

The roll has been called for on the motion to adopt.

Mrs. Ursich: Mr. Dean: Aye
Mr. Finnigan: Aye
Dr. Herrmann: Aye
Mr. Jarstad: Aye
MR. O'Leary: Aye
Mr. Zatkovich: Absent (Temporarily)
Mrs. Banfield: No
Mr. Cvitanich: No
Mayor Johnston: Aye

6 ayes, 2 nays and 1 absent.

Mayor Johnston: It carries 6 to 2, with 1 absent.

END OF VERBATIM

FIRST READING OF ORDINANCES:

Ordinance No. 19197

Appropriating the sum of \$23,000 or so much thereof as may be necessary from the General Fund for the purpose of paying additional expenses of an independent audit.

Mr. Cvitanich requested the discussion on this ordinance be verbatim.

Verbatim Transcript

Mr. Cvitanich: We have the auditing firm of Knight, Vale and Gregory present tonight to answer any questions that any members of the Council may have. As you recall, I sent an invitation to all members of the Finance Committee and the City Council as well, to attend the meeting the committee had with the firm of Knight, Vale & Gregory and with rest, Marwick, Mitchel & Co. Various councilmen responded they were leaving town on trips etc., but Mr. Dean, Mrs. Banfield and myself did attend. We discussed it, and they submitted reports which I will now distribute to the Council.

The reason for the request of \$23,000 is that in the 1969 budget there was an appropriation of \$85,000, but over the 10 years this audit has been discussed the cost figure has gone up from -- we have a figure, in terms of trying to comply with that provision of the Charter -- all the way up to \$150,000, with the figure being in the \$100,000 category at least. But because of budgetary limitations we did completely delete the \$85,000 that was appropriated, and we put in \$45,000 as a starter. This particular year we need another \$23,000 to complete the over-all audit as envisioned. However, if

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you review the reports that they presented, and they are present to answer any additional questions, it boils down to a question of priorities. And when you are talking in terms of roughly \$100,000 to complete this audit, you are talking about less than one-half of 1% of the total budget. I certainly don't want to belabor the point tonight in terms of the philosophy of why we should have an audit, but the auditors have waited patiently in the audience and if any member wants to ask any specific questions, I am sure they would be more than pleased to answer them.

Mr. Jarstad: What is the timing on these? Is there a need for an emergency appropriation, or could we wait a week and get a chance to read all this?

Mr. Cvitanich: You will have a week before you have to take action on this, which will be next week, and fortunately the auditors have completed their audit, as it were, and are into the "management consultant" stage. This should have been on a week sooner, where they could have retained all of their personnel without any interruptions. As a result of this one week's delay they will have to reduce a certain number of personnel. But the people we have available will devote their energy in preparing some of the management aspects of the audit. And the tentative completion date will be October 2nd. But as you go through these reports, and if you wish --- I have certainly gone through them --- just to show you what is entailed here, they came up with five separate copies here (which every member of the Council has). For example, one is on Financial Systems, to show that it is money well invested. And on page 2 one comment reads as follows:

"One comment which is pertinent to all of the discussions in this memorandum is that we have noted a lack of written procedural manuals. The systems of the City are operated on the basis of precedent and historical methods, and there is no central source information for use as reference in the case of questions. A City of the size of Tacoma has many complex operations which should be documented in the form of procedures. Such documentation is essential to maintaining control and avoiding inefficiencies creeping into the system."

Then they go into the Finance Department, which is very enlightening in terms of the new law -- the budgetary procedures spelled out by the State. They indicate areas where if we implement --- and I might point out that these various proposals do have additional cost factors involved, but if you put them altogether, coupled with the \$23,000 that we are speaking about here on first reading, it will still fall well below the original estimate.

But to put the people's minds at ease as to where this \$23,000 may perhaps come from, and we may be taxing some particular area that is very critical, I might point out that we have a breakdown in the Finance, Audit and Investigating Committee, which any member of the Council has the right of inquiry.

By way of comparison, in 1969 travel and subsistence expenditures amounted to \$31,028.44, and so far this year in the first seven months it amounts to \$10,534 -- a net savings of over \$20,000 so far in travel and subsistence expenses. And just by way of illustration, the City Manager's expenses for the first seven months of the year amounted to \$7.85, but last year they were \$1,264.23. And in the police department with its curtailment on travel and subsistence, the first seven months of this year came to \$1,694 as opposed to \$4,307 for last year. So we have picked up some substantial savings. I don't think we have prohibited any department director from attending his key function on an annual basis, for the betterment of the community.

And as you review these things you will find areas where, if the City were to implement some other recommendations, regardless of whether you have the City Manager form of government or the Council-manager form, within the memorandum dealing with City organization they do recommend consolidation, as Mrs. Banfield stated on numerous occasions, and other members of the Council regarding Urban Renewal, Model Cities, and that particular category. They envision, with the implementation of various recommendations, that the City in the first year could perhaps realize a savings of \$50,000 to \$100,000.

The money we have spent to date is certainly an excellent expenditure on behalf of the people in the community, and hopefully when we appropriate the other \$23,000, and additional funds, if need be, to complete the total, the City will have a document that, if they endeavor to implement it, will mean a savings in effect in the final analysis.

Mr. Jarstad:

My question is since we just got this, and I would like to read it over, I wonder if the people from Knight, Vale & Gregory could be here next week and we could be assured we could have an opportunity to ask them questions at that time. That would be my concern, rather than postponing it. Normally we don't have comments from others, but I think it would be in order. I think we would all have questions, but we haven't read it, so that way we don't know what has been said at this point. Unfortunately we did not get to it at the committee meeting and I don't know if we could have the assumption that we could hear from them. Maybe if they are here they could tell us now if they could come back next week.

Mayor Johnston:

Mr. Vale, would you come forward, please.

Mr. Vale:

Mr. Jarstad asked if we could be here next week -- would that be on Tuesday? Yes, I think we can. I have the Product Manager here and his two assistants, and if they thought in the affirmative we certainly can be.

Mr. Mayor, they actually had planned to be out of town, so this would be a matter of changing their plans. I am sure we will do everything we can for the benefit of the Council.

Mr. Jarstad: I don't have any question so much about continuing the audit, but as long as we have it reported to this point, I would like to have some opportunity to ask questions that might come up, either next week or the following week, or some time when this comes up.

Mr. Vale: Mr. Jarstad, may I make a suggestion here? Would you consider meeting with us the latter part of this week during the day or sometime in the evening? We would be prepared to do that, and could of course do it the following week, but it might be in order if the Council would consider this suggestion.

Mr. Dean: We wouldn't need everyone present. Were they all planning to leave town together? In reference to your staff, I would hate to take away somebody's vacation or previous commitment if the information could be imparted by another person.

Mr. Vale: Mr. Dean, I am sure we could do that. We could work either way. If you would like to have us at the next Council meeting we will be here. I merely suggested the other as an alternative.

I might make one point of clarification now. This audit is being performed on a joint basis with the national accounting firm of Peat, Marwick and Mitchell. Mr. Demarest of that firm is the Product Manager --- that is to say, he is in charge of the entire audit, and he would like to be here at the meeting. If it is not possible, we will have representation here.

Mr. Cvitanich: Well, Mr. Vale, I don't think you should have to come up with your hat in hand. As Mr. Jarstad stated, certainly as a former candidate last November he was committed to the audit as well as Mr. O'Leary and Mr. Dean and myself. I get the impression that somebody is trying to make light of this \$23,000 somehow, but the fact of the matter is that it is far below the \$85,000 we had appropriated, and hopefully will conclude the type of audit the City has long required.

Mayor Johnston: As long as you raised that point, Mr. Cvitanich, I will ask you a question this evening, Mr. Vale. When the initial orders came up, having also gone through that campaign and having heard almost every evening the question of the audit in the language of the Charter, I raised the question at the time we considered the ordinance. Would this satisfy Mr. Cvitanich in terms of the language of the Charter? And I discovered it would not. Unfortunately there was no one present that evening from the association of your firm and the other one so that I could ask, so I will ask you now. As a prominent and professional man in your field, do you think what you are doing is satisfying the terms of our Charter?

Mr. Vale: I can't quote the Agreement verbatim, but in my opinion it does answer the provision of the Charter. There have been many discussions on what an audit means. I am not here to discuss that but I think the answer to your question is yes.

Mayor Johnston: Thank you.

Mr. Cvitanich: You brought up a very valid point. Mr. Vale, doesn't have to stand to answer this. One of the Charter amendments submitted to the people on the fall ballot is an amendment to Section 7.14 to clear up the ambiguity that exists, and this is all the more reason why we should urge the people of the community to get out and vote yes for the amendment to Section 7.14 so that future councils will know exactly what we are endeavoring to do. And in terms of satisfying me, I think if you read your Agreement you would have found that, based on their professional ability and integrity, this is as close as they can come to Section 7.14 as presently worded. I don't think you can find anybody in the City or in the legal department who can really say what that section means. That's been the controversy.

Mr. O'Leary: I think the \$23,000 is money well spent and I would urge the members of the Council (I look upon this as my duty) to make sure that we have a very thorough audit in this case. We are building a foundation for future audits and hopefully we will have them regularly from now on. And if we have a slipshod one or cut it short, anywhere on this original one or the first one in a long time, if we on't go all the way and get a very thorough audit, we are not getting a good foundation for future audits on future bookkeeping.

Mayor Johnston: Any further comments? Mr. Hamilton, do we have to take action to permit this questioning of the firm, or do we do that at the second reading of the ordinance, and of course if you call for information, they are not discussing it "ex parte," shall we say.

Mayor Johnston: Thank you. We will pass that ordinance on for final reading next week.

End of verbatim

Ordinance No. 19198

Creating a new fund known as Neighborhood Youth Corps Revolving Fund for the purpose of conducting the Neighborhood Youth Corps program beginning Sept. 1, 1970, thru July 16, 1971.

Mr. O'Leary said there had been some question by the public concerning the first paragraph, which says a "new fund" will be set up.

Mr. Gaisford explained this would merely phase out the prior program and set up a new one, as the federal government requires this action.

The Ordinance was placed in order of final reading.

Ordinance No. 19199

Vacating George Street from "A" to East "B" Street. (Petition of Bethlehem Lutheran Church)

The Ordinance was placed in order of final reading.

FINAL READING OF ORDINANCES:

Ordinance No. 19188

Vacating the east and west ten feet of alley between Yakima & I St. from South 25th to approximately 290 feet south. (William B. Swensen, etal)

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

Ayes 6: Dean, Finnigan, Herrmann, Jarstad, O'Leary and Mayor Johnston.

Nays 2: Banfield and Cvitanich. Absent 1: Zatkovich (temporarily).

The Ordinance was declared passed by the Chairman.

Ordinance No. 19189

Amending Chapter 14.04 of the official code to add a new section 14.04.020-1 and Section 14.04.040 relative to tenant rates within the Urban Renewal projects.

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

Ayes 6: Dean, Finnigan, Herrmann, Jarstad, O'Leary and Mayor Johnston.

Nays 2: Banfield and Cvitanich. Absent 1: Zatkovich (temporarily).

The Ordinance was declared passed by the Chairman.

Ordinance No. 19190

Providing for improvement of LID 5504 for water mains and fire hydrants in 61st Ave. N.E. from 29th N.E. to 31st N.E.

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

Ayes 8: Banfield, Cvitanich, Dean, Finnigan, Herrmann, Jarstad, O'Leary and Mayor Johnston.

Nays 0. Absent 1: Zatkovich(temporarily).

The Ordinance was declared passed by the Chairman.

Ordinance No. 19191

Providing for improvement of LID 3706 for sanitary sewers in alley between Prospect & Wapato Sts. from South 49th to 51st Sts.

Mayor Johnston asked if anyone in the audience wished to speak about this ordinance. There was no comment.

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

Ayes 8: Banfield, Cvitanich, Dean, Finnigan, Herrmann, Jarstad, O'Leary and Mayor Johnston.

Nays 0. Absent 1: Zatkovich (temporarily).

The Ordinance was declared passed by the Chairman.

Ordinance No. 19192

Providing for improvement of LID 4947 for paving on So. 72nd from Oakes to Prospect; So. "I" from So. 63rd to 64th Sts. and other nearby streets.

Mr. Hugh Smith a tenant at 6865 S. Mullen St., asked to speak in protest on behalf of his neighbors who wished to have the area paved, but resented being assessed for paving on an adjoining street while having none on their own street. He submitted nine letters of protest.

Mr. Cvitanich asked about the percentage of protests in that area.

Mr. Schuster advised at the time of hearing there was a 23% protest and this would bring it to 34%.

Mr. Smith said it was his understanding at the hearing that the percentage was 40% and added he has additional protests which are written but not yet signed. He said he had asked for time to complete the list.

Mr. Finnigan moved to continue the matter for one week. Seconded by Mr. Dean. Roll call was taken, resulting as follows: Ayes 8: Banfield, Cvitanich, Dean, Finnigan, Herrmann, Jarstad, O'Leary and Mayor Johnston. Nays 0. Absent 1: Zatkovich (temporarily).

The Ordinance was continued for one week, until September 8th, for final reading.

Ordinance No. 19193

Providing for improvement of LID 4948 for paving on So. 8th Street from Stevens to Verde; Verde from So. 9th to 10th Sts.

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

Ayes 8: Banfield, Cvitanich, Dean, Finnigan, Herrmann, Jarstad, O'Leary and Mayor Johnston.

Nays 0. Absent 1: Zatkovich (temporarily).

The Ordinance was declared passed by the Chairman.

Ordinance No. 19194

Approving and confirming the assessment roll for LID 6870 for lighting at intersections in the vicinity of No. 31st to 34th from Madison to Tyler Sts.

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

Ayes 8: Banfield, Cvitanich, Dean, Finnigan, Herrmann, Jarstad, O'Leary and Mayor Johnston.

Nays 0: Absent 1: Zatkovich (temporarily).

The Ordinance was declared passed by the Chairman.

Ordinance No. 19195

Approving and confirming the Assessment Roll for LID 6871 for lighting at intersections in the area between 6th Ave. and So. 12th St. from Junett to Puget Sound Ave.

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

Ayes 8: Banfield, Cvitanich, Dean, Finnigan, Herrmann, Jarstad, O'Leary and Mayor Johnston.

Nays 0. Absent 1: Zatkovich ((temporarily).

The Ordinance was declared passed by the Chairman.

Ordinance No. 19196

Approving and confirming the Assessment Roll for LID 6892 for lights at intersections on No. Whitman St. from View Ridge Drive (No. 37th St.) to No. 45th St.; No. 46th St. from Vassault to Frace St.

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

Ayes 8: Banfield, Cvitanich, Dean, Finnigan, Herrmann, Jarstad, O'Leary and Mayor Johnston.

Nays 0. Absent 1: Zatkovich (temporarily).

The Ordinance was declared passed by the Chairman.

UNFINISHED BUSINESS:

The Director of Public Works presents the assessment rolls for the cost of the following:

LID 6902 installation of modern street lights on existing wood poles at intersections along Asotin St. from Alaska St. to 600 feet southeast; and other nearby streets.

Dr. Herrmann moved that the date of hearing be set for Monday, October 26th at 4:00 P.M. Seconded by Mr. Finnigan. Voice vote was taken. Motion carried unanimously.

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Mrs. Banfield said she had a comment to make regarding a matter which was to have been handled through Mr. McCormick's office. The Army Corps of Engineers was to have been advised by September 1st what is being done to protect the bridges on the Hylebos Waterway and the Puyallup River, to brace the bridges and prevent logs from going down into the water and causing damage on the waterways. She said she thought something should be done as soon as possible.

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Mrs. Banfield asked about a moratorium on federally-subsidized programs in competition with private enterprise.

Mr. McCormick said he had talked to the City Attorney about this, but did not have the legal opinion as yet.

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Mrs. Banfield said she had received a letter from Wichita about the mini-buses¹⁵⁰ she had inquired about. She said they had not found this type of conveyance very satisfactory, especially in regard to the upkeep on the bus brakes. On the other hand the letter recommended a new type of bus which has overcome the problems. She thought it advisable to look further into the problem. Mr. McCormick said he would also look into the use of this type vehicle, but he thought it would require two fleets in view of the heavy load of school children at certain times of the day and might not be economical. ✓

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Mrs. Banfield said she had previously asked about the lights to the ferry landing and with all the boats launching at night it was dangerous. She said she had determined the property belongs to the City of Tacoma. ✓

Mr. McCormick said the City had entered into an agreement with the Ferry System a few years ago, however, regarding maintenance of the approach road to the ferry. He asked the legal department to check the matter.

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Mrs. Banfield said she would like to instigate a moratorium on the vacation of streets until such time as the true value can be determined. She said she could foresee some future problems if precautions were not taken now. She said in some cases streets have been vacated and then the land given away as tax-exempt property; whereas they should be evaluated first. ✓

Mr. McCormick advised there was a resolution or ordinance two or three years ago wherein street vacations should be appraised and the continuation or the vacation stated. He said the Council could always refuse the vacation request, particularly on the first reading of the ordinance. Therefore a moratorium should not be necessary. He thought most of the vacations had been granted whereby the owner was going to deed the property to the City without cost. He added he would check with the Planning Dept. to see that the suggested procedure is followed.

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Mr. O'Leary said he had advised Douglas Hendry, Director of Transit, that the Council would consider the extensions of the bus routes and would let him know the decisions, as he could not be present tonight. ✓

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Mr. O'Leary referred to a newspaper article by Mr. Pyle regarding the "Fly-In Games" being held in Tacoma, which indicated that Mr. Pyle seemed to have reliable information¹⁵⁰ on this subject, and suggested the Council ask him questions if they wished. ✓ 212

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Mr. Jarstad reported the "Telecaster" representative from New York would be in Tacoma on Sept. 2nd and all members of the Council had been invited to meet with him at noon at the Winthrop Hotel. He said Jack Kent Cook from Los Angeles would also be there. The City of New York has issued a franchise to extend the Teleprompter electronic service to burglar alarms and electronic transmissions and recommended their service be used in Tacoma.

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Mr. O'Leary said some of the public had commented they would like to have the titles of the "Items to be Filed" by the City Clerk read aloud in order that they could be broadcast over the air rather than filing without reading. ✓

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Mr. Cvitanich said he had attended a meeting in Orcas Island which he was asked to attend to testify before the Inter-Agency Outdoor Recreation Committee regarding the property acquisition on Ruston Way for open space. The City is endeavoring to get the State to change the original plan by coming up with an increase in the State grant in the amount of \$12,119.35 and the City's matching fund should have been increased by \$14,619.00. There has been an opportunity to buy a piece of property 700 feet wide right in the middle of the project and in testifying before the committee, he added Thor Tollefson, State Director of Fisheries endeavored to help measurably. However, because of the composition of the committee, he wasn't too successful. There was an employee from Boeing's representing the small boat owners that moved that the total funds be withdrawn and the project not be allowed but be consolidated in a smaller scope. Mr. Cvitanich urged that Tacoma come up with the additional \$12,119.35 in conjunction with HUD to purchase this piece of property.

COMMITTEE REPORTS:

Mr. Cvitanich reported the FA&I Committee would meet on Thursday, September 3rd, at 10:00 A.M. in the Council Chambers.

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Mr. Dean advised that the welcoming committee for the Tacoma Symphony students back to Tacoma after their 22 days trip to Switzerland had been arranged for Sept. 3rd. He said the students would have a short parade through Tacoma and go to the Tacoma Mall Theatre by 4:00 P.M. to be greeted by City officials and be given Certificates of Achievement. Mr. Dean read a sample Certificate expressing the City's pride, which was signed by the Mayor. He urged the public to join in the welcome.

Mayor Johnston declared September 3rd as Tacoma Youth Symphony Day.

CITIZEN'S COMMENTS:

Mayor Johnston explained that Mr. Frai had to leave earlier and he had told Mr. Frai he would be allowed to speak at the next meeting.

Mr. Dean said he took exception to Mr. Frai's being allowed to speak inasmuch as he had taken part in the recall activities propaganda and did not wish to allow him to use the Council Chambers as a political forum.


Mayor Johnston said they would consider the decision next week.


ITEMS FILED IN THE OFFICE OF THE CITY CLERK:

- a. Monthly Report - Fire Dept., Month of July, 1970.
- b. Monthly Financial Report - Light Division, July 31, 1970
- c. Monthly Financial Report - Water Division, July 31, 1970
- d. Monthly Financial Report - Belt Line Division, July 31, 1970
- e. Report - Direct of Finance, July, 1970.
- f. Financial statements for Light, Water, & Belt Line Div.-Dec. 31, 1969, by Knight Vale & Gregory.

Placed on file.

Dr. Herrmann moved to adjourn the meeting. Seconded by Mr. Fimmigan. The meeting was adjourned at 12:00 P.M.


Gordon W. Johnston - Mayor

Attest: 
Josephine Melton - City Clerk