

Council Chambers, 7:30 P. M.
Thursday, October 4, 1956

Council reconvened, Present 7; Battin, Bratrud, Goering, Humiston, Jensen, Berdue, Stojack. Absent 2; Tollefson, Anderson. In the absence of the Mayor, Dr. Battin, Vice-Chairman of the City Council presided.

UNFINISHED BUSINESS:

This being the date to which hearing on the Preliminary Budget was continued, the matter was taken up at this time.

Dr. Battin stated that the first item to be taken up tonight was the Admission Tax that theatres are paying to the City. Will Conner from John Hamrick's Theatres, John R. Kane, Sidney Dean and Frank J. Murtough (representing the Theatrical Union) were present to discuss this matter. Mr. Conner acted as spokesman for the group and outlined briefly the circumstances under which the Admission Tax was first levied by the State of Washington in 1934 when there was an economic crisis in State Finances. Governor Martin promised the tax would be removed as soon as finances improved, Mr. Conner stated. In 1943 Governor Langlie turned the collecting of this tax over to the Counties and municipalities to aid their financial dilemma. Since the advent of T. V. the Motion Picture Theatre business has been very bad, Mr. Conner said. The Federal Government has removed this tax on all admissions under 90¢ and they are hoping the Federal tax will soon be taken off admissions up to \$1.50 Mr. Conner stated. He pointed out that Theatres are paying 1/4% Business Tax as against 1/10% paid by other businesses, admission tax and license fees. The Theatre owners now need this tax money to balance rising costs and declining admissions in order to survive and are asking to have the City tax removed if possible.

A memo containing Admission Tax information compiled by the City Manager's Staff was distributed to Council members and theatrical representatives. This memo listed three alternatives on the Admission tax: (1) present 5% tax which will give the City an estimated \$55,000 in 1957; (2) 5% tax on tickets over 60¢ making \$30,000; (3) 3-1/3% on gross admissions amounting to \$38,000. Mr. Bratrud asked Mr. Conner how he felt about proposal #3, which would be the same as the sales tax of 3 1/3% paid by other merchants. Mr. Conner replied that he felt this was as high a tax as they should pay and that it was not unfair. Sidney Dean stated that if they could keep the admissions tax it would be a tremendous help. John Kane stated that two theatres have closed, and if these had been able to retain the admission tax, they undoubtedly would have been able to keep their doors open.

Mr. Conner pointed out that King County has voted to abolish all amusement taxes and he has been told that Pierce County may also do away with this tax. He would hate to see anything done that would drive the movie business out of the City he added. Dr. Humiston said he was not in favor of entirely abolishing this tax because of the impact this might have in the future, should the City ask the State to relinquish any other tax in its favor. State officials might be inclined to point to this instance as a reason for refusing Tacoma's request, he added. However he was in favor of reducing the admission tax to 3 1/3% making it the same as the sales tax, Dr. Humiston added.

It was moved by Dr. Humiston, seconded by Mr. Perdue that an ordinance be prepared to change the admission tax from the present rate to 3 1/3% of the gross admissions. Motion carried on roll call: Ayes 7; Nays 0; Absent 2, Anderson, Tollefson.

Mr. Conner thanked the Council for giving them some relief by reducing the admission tax.

The Park Budget was the next item of business considered. Ralph Williams, Vice President, presented the park Board's budget in the absence of the President, Mr. Brown, who was unable to be present. He stated that the District had 39 parks and playgrounds, comprising 1700 acres, and 80 projects in their all year round recreation program, which between 800,000 and 900,000 persons will have taken advantage of during 1956. He pointed out that they have set up three separate accounts, one each for Fircrest, Tacoma and Pierce County and that their tax levy is spent in the district or area from which it comes.

The item of \$60,000 on page 7 for Local Improvement Districts was discussed, and Mr. Williams stated that it was their intention to pay these assessments in cash as they become due. The City records show \$48,000 against the Park Board for L I D's. Mr. Gaisford said, Mr. Williams advised that they have received notice of pending improvements amounting to the additional \$12,000 and therefore the amount in their budget for this purpose is \$60,000.00.

The 1 mill levy, which the Park Board is continuing to receive, was discussed. Mr. McCormick was asked what would happen to this levy should the Park District be dissolved. Mr. McCormick said in his opinion, if the District is dissolved before the levy is made, it would become a loose levy and the City could not take it except perhaps for Firemen's Pension purposes should that fund be in need of it. If the Park Board were in the process of collecting the levy at the time it was dissolved, it would be considered an asset of the Board and could be used by the City in the operation of the Parks, Mr. McCormick added.

Mr. Gaisford advised the Council of the increased cost of Firemen's Pensions, stating that he has just paid out \$27,000 in back pensions to comply with the ruling on a recent Seattle case in which the Court decided that retired firemen are entitled to receive a pension of one-half their pay at the time of retirement rather than not to exceed \$125.00 per month, which they have been receiving heretofore. The future monthly pension payments will be substantially increased as a result of this case, as firemen who are retiring now receive not less than \$200.00 a month pension, Mr. Gaisford stated. He did not know how long it would be until the Firemen's Pension would be forced to use the 1 mill levy now enjoyed by the Park Board, he added, and in that event the City will be compelled to take over the Parks.

Dr. Humiston said in his opinion this is not the time to ask the Park Board to dissolve although he felt the time was not too far off when the City must take over the parks. There should be a closer relationship developed between the Park Board and the Manager's Office so that when this time does come, the transfer can be made smoothly, Dr. Humiston said.

Mr. Williams said he felt he was speaking for the entire Board when he said the Park Board would be willing to accede to the City Council's request for dissolution of the Park District whenever they were so requested.

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Mr. Bratrud agreed with Dr. Humiston that the Manager should have a very close relationship with the Park Board.

It was moved by Mr. Stojack that the Council petition the Park Board to dissolve and that the City take over their assets and liabilities effective January 1, 1957. Motion seconded by Mr. Perdue.

Mr. Bratrud said he felt this was a poor motion now, before the Park District has actually lost the one mill levy. Dr. Humiston said the Council has all next year up to October 1 to think and talk this matter over and he was against the motion. Mr. Williams advised caution in this matter as it might have a detrimental effect.

Mr. Perdue offered a substitute motion, that we ask the Park Board to consider eventual dissolution and ask the Board to work closely with the City Manager toward this end. NO SECOND.

Roll was called for on Mr. Stojack's motion, which resulted as follows: Ayes 3; Goering, Perdue, Stojack; Nay 4 Battin, Bratrud, Humiston and Jensen Absent 2, Anderson, Tollefson. Motion declared lost on roll call.

It was again moved by Mr. Perdue that we ask the Park Board to consider eventual dissolution and ask that they work closely with the City Manager to this end. Motion seconded by Mrs. Goering.

Mr. Bratrud branded this motion as untimely. Mr. Perdue defended his motion, saying it would give the manager the authority to delve into this problem.

Moved by Dr. Humiston to amend the motion by striking all reference to the word "dissolution". Motion seconded by Mr. Bratrud.

Mrs. Goering said she feels that Mr. Perdue's motion was properly worded. Mr. Bratrud said he thought a motion like this shows lack of confidence and is uncalled for. Mr. Williams agreed with Mr. Bratrud and said the Park Board has been cooperating in every way and he too feels it is a reflection on them.

Mr. Bratrud offered an amendment that we add to the motion "we thank them for a job well done." NO SECOND.

Roll was called on Dr. Humiston's amendment to strike all reference to the word "Dissolution", which carried: Ayes 4; Battin, Bratrud, Humiston, Jensen, Nays 3; Goering, Perdue, Stojack. Absent 2; Tollefson, Anderson.

Roll was then called on the original motion as amended which is "That the City ask the Park Board to work closely with the City Manager" resulting as follows: Ayes 1, Bratrud; Nays 6; Absent 2, Tollefson, Anderson. Motion declared lost on roll call.

Dr. Battin stated that the Council is grateful to the Park Board and is appreciative of what they have done. He pointed out that at Budget time is the one time when the Council looks especially on the Park Board and its operation.

Dr. Humiston brought up the item at the bottom of page 3 of the Park Board

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Budget - "Reserve for maintaining wage increases in 1958, etc., - \$32,500.00". He felt that this amount should be deducted from the two mills the City is granting the Park Board for 1957, he said.

Moved by Dr. Humiston, that the City's appropriation to the Park District be reduced by \$32,500, the amount set aside for reserve for 1958, making the City's appropriation \$239,324, instead of \$271,824. Motion seconded by Mr. Bratrud and carried unanimously on roll call.

Dr. H. J. Tudor said he felt that not enough attention was paid by the Park Board to neighborhood playgrounds and too much emphasis was put on sports. He asked the Council and Park Board to think about this because it is directly related to Juvenile Delinquency. Dr. Tudor also suggested that the City Council or City Planning Commission demand that provision for playgrounds be made by promoters of new developments. Tom Cross, Athletic Director, talked on these points and explained what the Park Board was endeavoring to do about these problems.

D. H. Ketler, Secretary of the Joint Labor Committee asked to speak to the Council on the labor negotiations. He said they were not too happy with what they received in the way of increases for City employees, since it amounted to from 2% to 5% instead of the 7% they asked for. They felt that progress was made in the negotiating this year, although they have not been able to negotiate with management in the manner in which negotiating is usually carried on, Mr. Ketler stated. Mr. Ketler also said the Range change suggested by the Manager was appreciated whereby a person can get through the range program in 2 1/2 years instead of 4 1/2 years. He said they would like to have a contract with all the Unions and employees in the Utility Dept., and not just Local 483, so they can have a representative on the Labor Management Committee and get some other advantages which go with such a contract, such as overtime. They would appreciate any consideration which can be given to further increases in wages prior to the adoption of the 1957 Budget. Mr. Ketler said.

Mr. L. H. Pedersen, representing Painters Local 64 and the Carpenters Union said they were not satisfied with the raise the painters and carpenters received, which was actually was only 7¢ an hour and asked that these crafts be raised to \$2.60 1/2 per hour instead of \$2.55 per hour, which is the wage set up in the 1957 budget.

Mr. Ed. C. Bucholz representing the Teamster's Union, claimed the survey used in the wage determination was unfair, as only 9 of the 69 firms used, which they investigated, were comparable to the City.

Russell R. Richardson, representing the Police Local, said they were opposed to the plan to place 4 Sargeants over the 40 Lieutenants in the Police Department and said this would have a demoralizing effect on the morale of these 40 men. He asked Council to set aside this provision so further study can be made of the organizational effect.

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Mr. Rowlands said that negotiations were carried on in a cordial atmosphere, and he felt they had negotiated realistically. They negotiated with 18 different unions and at least two meetings were held with each union. A great deal of work was done and a great deal of time was consumed, Mr. Rowlands said. Although they didn't agree on everything, much was accomplished and many things not of a budget nature were discussed and are going to be studied over the next 6 months.

Upon motion, duly seconded and carried, the Budget hearing was continued to Friday, October 5th at 7:30 P. M.

At 10:10 P. M. upon motion, duly seconded and carried Council recessed to Friday, October 5th, at 7:30 P. M.



President of City Council

Attest:



City Clerk