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CITY COUNCIL MINUTES

City Council Chambers, 7:00 P. M.
Tuesday, May 31, 1961

Council met in regular session. Present on roll call 7: Bott, Cvitanich, Easterday, Murtland, Olson, Porter, and Mayor Hanson. Absent: 2, Price and Steele. Mr. Steele coming in at 7:15 P. M.

Mr. Porter said he has spoken with Mrs. Price and found that she is quite ill. Therefore, he moved that she be excused from the meeting. Seconded by Mr. Cvitanich. Voice vote taken. Motion carried.

Mr. Easterday moved that the minutes of May 16, 1961 be approved as submitted. Seconded by Mr. Porter.

Mr. Cvitanich asked to be excused from voting on the approval of the minutes since he was absent from that particular meeting.

Mayor Hanson said he would be excused from voting.

Voice vote taken on the approval of the minutes. Motion carried.

PETITIONS:

Allen and Sadie Ward requesting the rezoning of property located at N. E. corner of 6th Ave. and Orchard Sts. from an "R-3" District to a "C-1" District.

Referred to the Planning Commission.

Mr. Steele coming in at this time.

RESOLUTIONS:

Resolution No. 16555: (postponed from the meeting of May 23, 1961)

Recommending that the City Council make all the necessary arrangements for a running audit by an independent firm of certified public accountants.

It was moved by Mr. Porter that the Resolution be adopted. Seconded by Mr. Cvitanich.

Mr. Cvitanich said speaking on behalf of the Resolution, he feels that this has created quite a bit of undue publicity in some areas and then again it has brought out some very interesting points. He said he had with him this evening all the information going back to 1954 when the City had Lybrand, Ross and Montgomery, the same firm that is doing the audit for the City at the present time, to show the difference and the transition in the type of audit that was started in 1954 by this company and what is carried through at the present time. He said he personally feels that the City does not know where it stands financially, and in addition to the City's audit, he would like to see some firm of certified public accountants come in and break down the City's books as well as the State's report for the Council. This is needed, he added.

Mr. Murtland asked Mr. Cvitanich what he meant by an audit of all financial transactions of the City of Tacoma. When does this take place as far as the transaction itself is concerned.

Mr. Cvitanich said his prime concern is that the City conform with Section 7.14 of the City Charter. He added, that Mr. McCormick has been very kind to render various legal opinions on this matter. He believed that his last opinion stated to the effect that several Freeholders expressed themselves as saying that this was not really what they meant when they drew this up. If this is correct, he added, this is an amendment that should be put to the voters; it is not up to the Council to determine who should comply with what the Charter says. Secondly, according to the Charter, it states, "The Council shall provide..." The Council selects and the Council determines into what area this audit will be made; not the City Manager's Department or any other office. It is the Council's responsibility. The Audit is directed to the Council. Mr. Rowlands' office may perhaps be included in this when the Audit is done. Therefore, he urged the members of the Council to vote in favor of the Resolution at present because we do not know where we stand financially.

Mayor Hanson said the Council has had a great number of discussions on this matter, the adequacy of the audit with reference to the financial picture, not only the current picture but the picture extended into the future according to present trends. He said he did not see where anything could be gained other than providing employment for some private firms. We have all the information we possibly need at the present. He added, if Mr. Cvitanich had a particular question about a particular fund, he was certain the information could be supplied to him very quickly. The statement made that he does not know the present status of the financial condition of the City may well be true, however, were he to look into the matter far enough to identify any particular question, he was confident the answer could be presented to him very shortly without the necessity of spending thousands of dollars for additional accounting services.

Mr. Cvitanich asked Mr. McCormick to read Section 7.14 for the record.

Mr. McCormick: (verbatim as requested by Mr. Cvitanich)

Section 7.14 - of the City Charter provides as following, and I am quoting verbatim: "The Council shall provide for a running audit of all accounts and books of the City by a firm of certified public accountants who are in no way connected with the city government. A comprehensive annual report on the financial condition of the City shall be prepared by such firm, which shall be submitted to the Council and open to public inspection."

Mr. Cvitanich asked Mr. McCormick if this provision has ever been complied with specifically according to the Charter.

Mr. McCormick said he would like to refer to the opinion that was sent to Mr. Cvitanich which was prepared by his office on April 28, 1961, wherein it stated, that the Legal staff had made a research of the background reasoning for this provision of the Charter, in determining the thinking of the various members of the Freeholders who wrote the provision into the Charter, and the opinion of the Corporation Counsel, and also the reasoning of the members of the City Council who first interpreted this section also the amount of money paid for this

audit beginning with the year of 1954 to 1959 was approximately \$9000 per year. In 1959 it dropped to a little over \$6000; in 1960 to \$4500. and in 1961 from the General Government \$2000. Mr. McCormick referred to a speech by Dr. Battin, a copy of which was provided for each Council member, and said this speech in their opinion reflected quite well the thinking of the Council on the interpretation of this Section. Dr. Battin was the person responsible for this being in the Charter. Furthermore, he added, Dr. Battin was the Chairman of the Audit Committee of the first Council, whose duty it was to look into this proposition. He said it was felt that a cycle of approximately every (3) years, a running audit should be made of every transaction of the government. Each year, in that period of 3 years, an annual report could be made to the Council on what they had accomplished so that the Council could determine what field they wish to be audited, including any department. This was the thinking of the first Council and the Corporation Counsel, and not to have a complete duplication of the Examiners Audit each year.

Mr. McCormick then added that he did think that as far as the \$2000 is concerned for this year, the Council should follow the original interpretation of what was meant by an audit and probably appropriate more funds to determine what should be done. Up to this year, based upon the past record and interpretation, the City has acted pretty much in compliance with the interpretation of the wishes of the Council.

Mr. Cvitanich asked Mr. McCormick if he would consider an expenditure of money each year as complying with a running audit.

Mr. McCormick said he was only stating that so much should be spent. It can reasonably be assumed that the more money spent, the more coverage made.

Mr. Bott explained inasmuch as there is a divergence of opinion between what is meant by a running audit, you go back to the intent of the original ordinance.

Mr. McCormick said that is what they tried to do.

Mr. Bott said in referring to Dr. Battin's letter, you take his recommendations as the recommendations of that particular group.

Mr. McCormick said Dr. Battin was a Freeholder and the one responsible for this being in the City Charter, and he also was the Chairman of the first audit Committee of the Council whose duty was to interpret and start the ball rolling as to what was meant by a running audit. He had the consent and the support of the Council on his interpretation and hired Lybrand and Ross on that basis.

Mr. Bott said then in Mr. McCormick's opinion Dr. Battin represents the opinion of the Council when he drew this up. Mr. Bott referred to page 4, paragraph 5 wherein it is stated, "The cost can easily be controlled by setting a maximum fee (as Tacoma does) in arranging for ample coverage over several years but with special coverage of specific departments each year, by this plan of running audit." Therefore, he classes that as a running audit. The main work can be done in the off season of the accounting firm when the work is slack, thus reducing the cost. He would classify that as a running audit, and in Mr. McCormick's judgment, it has been done according to the Charter.

Mr. Bott explained that a letter was received from Mr. Harvey Dodd of the Tacoma Chapter of the Washington Society of Public Accounts and as he is present this evening, he would like to ask Mr. Dodd's recommendation on this matter.

Mr. Dodd said the intent of their letter was to offer their services to the City Council in any way possible. He said, since there is so much discussion both publicly and privately in regard to what Section 7.14 means, they would like to see the City Council appoint someone in authority to meet with a committee of their group and try to work out a plan which would conform with the City Charter and also with the ethics of their profession.

Mr. Rowlands explained that he has had some conversation with Mr. Dodd on this matter and as a result Mr. Dodd wrote this letter, a copy of which was forwarded to the Council members for their information. As he understood the position of the CPA organization in the City, they would be prepared to conduct audits of the type conducted during the past seven or eight years, rather than hiring an outside firm. This is irrespective of what the City Council elects to do concerning this other detail.

Mr. Dodd said his group would be willing to work out, with the City Council, some means by which they could determine what firms or what type of firms would be best suited and best qualified to their needs.

Mr. Steele said, the Council finds itself in a dilemma whereas it is not capable of resolving because of the fact that the accountant society will not come forward with a proposal as a group, but they would consider an individual group being considered or negotiated with, through the Council to accomplish the type of auditing that we have experienced since the inception of this program. He thought that perhaps the Council should meet and consider what areas of the City Government they desired to have reviewed at this time from an audit point of view and then take it up with Mr. Dodd's committee and get a suggestion as to whom would like to negotiate with the City for this business.

Mr. Dodd said there seems to be a conflict among several individuals as to just what the Council wants and before their Society as a committee could offer any suggestions on how to select someone for this work, they would like to know what is expected.

Mr. Steele said he thought the Council should explore what departments they wish examined from an Audit function, and then make up their own minds. He thought nothing could be clearer than Dr. Battin's statement on page 2 of his letter stating, "Keeping in mind the fundamental purposes of the accounting function, the Tacoma Freeholder's in 1953 went beyond any then known plan of any then known City and provided in the Charter for an annual independent audit for Tacoma's operations. The purpose behind this provision is to give Tacoma currently available evaluation of the organization, operation and administration of its several departments of its overall performance." Mr Steele added, that was a very basic premise to begin with and that all of the confusing that has developed over this is entirely uncalled for. He thought the Council should meet with Mr. Dodd to determine what areas we desire to have examined.

Mr. Porter said after listening to the various C P A's after the meeting held with them approximately two weeks ago, he was of the opinion that several of them were breaking the Audit subject into three different branches. 1. The legal audit which is performed by Mr. Yelle's Department; a post audit which determines that everything done has been done in a legal matter complying to the State laws. 2. The financial Audit which is done now by Mr. Gaisford's Department; and 3, the Managerial Audit which has been done in different departments by Lybrand, Ross & Montgomery. He said it was his opinion that this section of the Charter on the Independent Audit was a method of providing a sum in the budget for the Council to take a part of, or parts of, the City Government, and pick a firm of auditors to audit that department, not only a managerial audit, but possibly a financial audit. To substantiate that, he quoted a sentence from Section 7.14 of the Charter: " A comprehensive annual report on the financial condition of the City shall be prepared. . ." It also seemed to him that inasmuch as the Manager in this case appoints the Treasurer and the Director of Finance who audits the Treasurer that this method was intended to give the Council the opportunity if they wished, not only to check the managerial administration of various departments, but the financial condition of these departments. It seemed to him that it was set up so that the Council could pick a firm to audit whatever they wished and also determine the subject and instruct the auditors what to do. Since he has been on the Council, he did not feel that this has been the case. There has always been the same firm of auditors and the subject has generally been recommended by the Manager. He feels this has been an instance where the Council has not actually been assuming their responsibility according to the Charter. He believed the Council should meet without the staff and Manager to decide what they want audited and how they are going to pick a firm of auditors to do this work, and then proceed to negotiate with the firm and instruct them what they want audited. He said he did not think that this has been done since he has been on the Council. Even if the Council just takes that interpretation of the Charter rather than the comprehensive complete running audit, he felt that the Council should change what has been the policy in the past.

Mrs. Olson said having listened to Mr. McCormick quoting the Section of the Charter which calls for the running audit and having read Dr. Battin's comments, and Mr. McCormick's opinion, with all due respect to Dr. Battin and Mr. McCormick, she still personally does not feel that the Council is complying with the provisions of the Charter as they are written regardless of what their intent might have been, or how Dr. Battin or other members of that Freeholder Commission might now interpret that intent. She felt that the Council should either comply with that particular provision of the Charter or the Charter should be amended so that this section becomes something with which the Council can comply.

She said she has spoken with various business men in town, some of whom are responsible for very large Corporations, and she has explained to them the type of financial statement the Council has with which to work. These Businessmen with whom she has talked have said, as a director for a 30 million dollar Corporation, how can you project, based upon the information which is available to you. She said, this echoes her own question. Budget time is

approaching and the Council is again going to budget these many millions of dollars for expenditures. It is the Council's prime responsibility to see that this money is properly spent; so that it brings back to the taxpayers the greatest possible amount of value for each dollar expended.

She said she has also checked into the matters of audits and it seemed to her that an audit is where a firm of auditors selects the department which they will audit. By doing this, there is no possible change of anything being prearranged. This makes it a truly independent audit. All that the Council would be required to do under these terms, even if they complied with the provision of the Charter, in the fashion presently done, would be to decide upon the firm to do the audit.

Mrs. Olson said it seemed to her as the Council again approaches the topic of budgeting and into the area where there is so little time to expend and such tremendous responsibility, the Council should avail itself of every possible tool in order to do the best possible job.

Mr. Bott said he thought the idea of an independent audit wherein an outside firm will come in and select the department is more in thinking in terms of an "internal audit" within a corporation where an auditing department comes within a branch and picks out a department. He said he thought the Council's responsibility would be to tell the firm which department they wanted audited.

Mr. Bott said he thought the Council was in an enviable position, as they have an organization of accountants who offer their assistance. There is a matter of interpretation as to what a running audit is. He said his interpretation of an audit is not something that shows just where things are today; it either corrects or reveals what has been done in error in the past to date. He thought the Council should avail themselves of the opportunity to meet with this organization of accountants before taking any action. As he understands it, this Resolution would mean a complete and entire audit, not of one or two departments.

Mr. Cvitanich said, that was correct, a complete audit of all City book's.

Mr. Bott said with that in mind he would like to suggest that the Council take advantage of Mr. Dodd's gracious offer before taking any action.

Mr. Steele said he opposed to this Resolution. Commenting on Mr. Porter's remarks, he said, they probably come closer to approximating what the intent of the Charter provision is, than any other comment or consideration this evening. We seem to wander astray with reference to generalization of budgets and audits which have been amplified and blown up by certain publicity people with reference to the entire matter. The Council is only concerned here, as Mr. Porter commented, to the Charter provision relating to the independent audit requirement. This does not effect in any way the legal post Audit made by the State Auditor's department or interfere with the work done by Mr. Gaisford's Department in the internal control. This is a separate proposition. He said he commended Mr. Porter for his very direct approach and thought that he and Mr. Bott should arrange a meeting between the Council and the Committee of Certified Accountants so that this matter can be resolved.

Mr. Murtland said, as a freholder and having been in on the discussions

for many months, he would agree that would come rather close to what was in mind, and it was not the complete audit that was suggested by Mr. Cvitanich and Mrs. Olson, because they do not believe that would achieve what Mrs. Olson mentioned in reference to preparing the budget. He said he agreed with Mr. Porter's suggestion that it was a Council function and they should have more voice in the matter in reference to what Departments should be checked or by whom.

Mr. Porter asked that inasmuch as it states in the Charter under Section 7.14 which provides for a running audit, if the Council is prohibited from asking for a complete audit.

Mr. McCormick said they were not. In fact, he added, it was pointed out in their Legal opinion that the Council at all times is within its power even though there were no Charter provisions to make any kind of an independent audit it wishes. The Charter sets up a minimum of what the Council should do.

Mr. Porter said he always felt although it could not be afforded each year, at least occasionally there should be a complete audit, and he was wondering if now was not the time, when the City should have a complete audit, inasmuch as this has not been done insofar as he knows.

Mr. Easterday said he would like to have the Financial reports that are submitted to the Council broken down into 5 or 6 direct statements, giving the comparisons year by year, the conditions of the various funds.

Mr. Murtland asked if the Finance Department has made any determination of how much an audit of all the financial transactions of the City would cost and when it would be available, were it to be commenced today.

Mr. Gaisford said a complete running audit would be an entire duplication of the operations of what the Finance Department is doing at the present time. It would be an impossibility for him to state the actual cost. He said he has a complete crew working on each and every transaction in the City Government day by day. He said, if this were done, it would require a crew of people to come in and duplicate these efforts. Mr. Gaisford continued, that in the audits made in the past in reference to management, criticism has been welcomed and they have been attempting to follow this criticism. Any further suggestions would also be welcomed. If the Council desires to have a running audit, his department would be very happy to have any amount of people necessary to come in and audit these transactions.

Mr. Rowlands said what Mr. Porter has said has been true as far as suggestions to the Council on areas to be examined. He said, as the City Manager, he is responsible for the administrative affairs of the City through the Department Heads and could assure the Council that his foremost thought is to provide the citizens with the most service for the least amount of money possible. These discussions held with the City Council during the last 5 or 6 years, concerning the areas to be audited have in most instances emanated from the Manager's Staff, as they are in a position to know which areas need attention. It is true that his office does submit a list of 5 or 6 areas where they think economies can be affected and thought that an analysis of the reports of Lybrand, Ross and Montgomery of the last 7 years will demonstrate irrevocably that substantial savings have been made to the taxpayers of Tacoma. Secondly, he said, he concurred with what the Council members have stated. If the City

Council members have particular suggestions as to areas to be examined that is the Council's prerogative; their recommendations will be carried out. These reports have been designed to clarify situations and to make recommendations whereby economies can be affected. As far as the Council making the final determination, in all instances when 4 or 5 suggestions were submitted, the City Council determines which suggestions would be selected for the study that particular year.

Mr. Rowlands, further stated, that he believed the City Council receives a budget during the time the budget is being prepared that is probably more inclusive and comprehensive than any other budget of any other City in the State. As the Council will recall the Washington State Research Council made several suggestions which the Council agreed were very valid suggestions. As far as the Financial Report is concerned, many of these changes were discussed with the Finance Director because he as City Manager and Chief Administrator has to know what conditions exist in the departments, also to answer questions which are raised by the Council members.

Mayor Hanson said when a budget is established the anticipated revenues are broken down and are assigned to do certain jobs in the areas of certain departments, and is placed either as budgetary items or as funds. This gives instructions and authority to proceed to expend for those purposes, and the continuing supervision of Mr. Gaisford and the State Auditors to determine whether or not those funds are actually expended for those budgeted purposes. Anytime a point is reached when the estimate of the needs for the forthcoming year or some intervening factor had made it necessary to spend more than the budgetary amount, the Council is apprised of that fact because a Resolution is presented to the Council to transfer from one fund into another to make up the difference. The Council is continually kept aware whenever the budgeted individual items are exceeded during the course of the year. In addition, to that, the Council can inquire into any area for a run-down on the status of the fund. The Council can also inquire as to the picture with reference to the present status of the funds generally by way of an estimate. The Council has available all the information the Council could possibly need with the exception of one area that we have been turning to and that is the operational audit where the procedures are analyzed and recommendations are made with reference to the recommendations of the individuals who are doing the examination. He said he could see nothing but a duplication of expenditure. The City bears the cost of this complete audit, that is, the City is ultimately responsible to reimburse the State for expenditures for the State Auditors plus the salaries of the regular employees doing the work in the Finance Department. To contemplate an additional complete audit which would cost in the neighborhood of \$50,000 a year would be extremely foolish. He said he would certainly go along with continuing the policy of determining what area should have specific examination; and could see nothing wrong in the City Manager recommending the areas that should best be examined. Simply, because, on analysis, the Council agrees with the Manager's recommendation, it does not make the decision any less the Council's own decision.

Mrs. Olson said the statement made that money has been saved because of audits of different departments is certainly sufficient reason for further audits of departments if only for the purpose of saving money alone.

Mr. Porter said he felt it is true that the way the running audit has been conducted has saved the City money. But he did not feel the intent of the running audit is being followed in his opinion. This being a business, even though it is primarily a service business, he thought the general practice of business should be followed. The basic reason for any audit is to protect the people who do a good honest job, and he is sure that Mr. Gaisford does, and also to catch the occasional embezzler or the person who is not doing his job properly. Inasmuch as this is a very big business, he thought the Council should follow the practices that any normal good business firm would do and at least occasionally have a complete audit.

Mr. Cvitanich said the intent of his Resolution is to have a complete audit of the City books so that it is known just what the City's financial status is.

Mr. Bott explained that before he votes on this Resolution he would want to know how much a complete audit would cost.

Mr. Gaisford said it would cost approximately \$50,000.

(Verbatim as requested by Mr. Cvitanich)

Mr. Dodd: This is a thing that we are trying to get at, what our original statement to the Council was. We had no clear idea yet what the Council wants. In my mind the statement that Mr. Gaisford has just made differs very substantially from the statement that Mr. McCormick just made as to the interpretation of 7.14 of the Charter, neither of which would agree with, I am sure, the committee of our Tacoma Chapter of the CPA. I want to answer one other question in this way, that I have been told by people whom I have faced and I have not personally checked this, that the City of Portland's audit by independent certified public accountants last year cost \$10,000. The City of Portland is a larger city than the City of Tacoma. I have neither seen it nor the bill. That statement was made to me by people whom I have come in contact with. As to your second question which was specifically directed to me--any audit in a sense is a post audit as provided by the terms of the laws of the State of Washington in this instance which calls for a pre-audit of certain expenses to see that they do conform to budgetary requirements. But I think it would be safe to say--there are so many terms being used here, but what you are calling for ultimately, I am sure, would be termed a post audit.

(End of verbatim)

Mr. Bott said the Resolution states a complete running audit.

Mayor Hanson said he would like to point out that the reason for the difference between the two presentations is that Mr. McCormick was stating the policy that has been followed heretofore and has not yet been changed and Mr. Gaisford was commenting on the Resolution, where it states that an audit of all the financial transactions of the City of Tacoma.

Mr. Bott said to his way of thinking the City does have a complete assurance that everything is correct as the State law must be followed and there are acknowledged State Auditors checking all the time. Furthermore, anything that comes up for which there is any doubt, may be discussed with these State Auditors as to legality. Therefore, he did not see the advantage of spending an undetermined amount of money or obligating the City to this right now until after the Council at least meets with a committee that can inform the Council so that they can come to some agreement on just what they do want.

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Again he requested that at the present time this Resolution be turned down and arrangements be made for such a meeting.

Mr. Cvitanich said he thought the Council is getting away from the provisions of the Charter. It is not what the State Auditor does or the Director of Finance or Mr. Rowlands or Mr. Bots, it is what the Council does.

Mayor Hanson said he assumes that is what the Council is attempting to determine - what the Council is going to do.

Roll call was then taken on the Resolution resulting as follows:

Ayes 4; Nays 4; Hort, McDaniel, Stecke and Mayor Hanson; Absent 1, Mrs. Price. The Resolution was then declared lost by the Chairman.

Mr. Cvitanich requested that a Resolution be drafted for the next meeting requesting that a contract audit be made of the books of the City of Income.

Resolution No. 16583.

Fixing Monday, June 26, 1961 at 4:00 P. M. as the date for hearing on L I D 3523 for sanitary sewers on Vassault and Whitmar from No. 37th to No. 45th St.

It was moved by Mr. Easterday that the Resolution be adopted. Seconded by Mr. Cvitanich.

Voice vote was taken on the Resolution.

The Resolution was then declared adopted by the Chairman.

Resolution No. 16584.

Fixing Tuesday, June 27, 1961 at 7:00 P. M. as the date for hearing on the vacation of portion of the alley lying between St. Helens & Tacoma Ave. from So. 2nd to So. 4th Streets.

It was moved by Mr. Bots that the Resolution be adopted. Seconded by Mr. Cvitanich.

Voice vote was taken on the Resolution.

The Resolution was then declared adopted by the Chairman.

Resolution No. 16585.

Awarding contract to Morris Construction, Inc. for L I D 3513 on their basic bid of \$62,354.43 and on the supplemental bid of \$2,139.50 plus tax which was determined to be the lowest and best bid.

It was moved by Mr. Easterday that the Resolution be adopted. Seconded by Mr. Cvitanich.

**Voice vote was taken on the Resolution.
The Resolution was then declared adopted by the Chairman.**

Resolution No. 16586:

Awarding contract to Lige Dickson Co., for Improvement No. 3020-E on their bid of \$260,914.90 which was determined to be the lowest and best bid.

**It was moved by Mr. Easterday that the Resolution be adopted.
Seconded by Mr. Cvitanich.**

Voice vote was taken on the Resolution.

The Resolution was then declared adopted by the Chairman.

Resolution No. 16587:

Awarding contract to E. J. Rody & Sons for Improvement No. 3026-E in the amount of \$15,879.40 plus tax which was determined to be the lowest and best bid.

It was moved by Mr. Easterday that the Resolution be adopted. Seconded by Mr. Cvitanich.

Voice vote was taken on the Resolution.

The Resolution was then declared adopted by the Chairman.

Resolution No. 16588:

Authorizing the proper officers to execute and deliver a local improvement assessment deed to Max & Sara Rosen for the sum of \$23,000 for property located between No. Pearl & Vassault and between No. 17th and the north 17th-21st St. transition.

It was moved by Mr. Steele that the Resolution be adopted. Seconded by Mr. Murtland.

Mr. Rowlands said this Resolution involves a very large area and is to be used for a sub-division development. The City is well protected on this matter and will realize a profit of \$21,835.31 on this sale which goes into the guaranty fund.

Voice vote was taken on the Resolution.

The Resolution was then declared adopted by the Chairman.

Resolution No. 16589:

Authorizing the proper officers of the City to release an easement to Mr. and Mrs. Lester L. Wilder.

It was moved by Mr. Steele that the Resolution be adopted. Seconded by Mr. Porter.

Voice vote was taken on the Resolution.

The Resolution was then declared adopted by the Chairman.

Resolution No. 16590:

Authorizing the proper officers of the City to release an easement No. 5054 to Broback Construction Inc.

It was moved by Mr. Steele that the Resolution be adopted. Seconded by Mr. Porter.

Voice vote was taken on the Resolution.

The Resolution was then declared adopted by the Chairman.

Resolution No. 16591:

Authorizing an agreement with Rembert Logging Company to cut and deliver 2100 feet of boom logs and also that they purchase and remove all remaining merchantable timber owned by the City near Elbe, Washington.

It was moved by Mr. Steele that the Resolution be adopted. Seconded by Mr. Murtland.

Voice vote was taken on the Resolution.

The Resolution was then declared adopted by the Chairman.

Resolution No. 16592:

Authorizing the proper officers of the City to execute an agreement between the City of Tacoma and Mr. Morley Brotman concerning certain property at So. 19th and Stevens St. that had been zoned "C-P-N" and amending the present contractual agreement authorized by Resolution No. 15356.

It was moved by Mr. Murtland that the Resolution be adopted. Seconded by Mr. Easterday.

Mr. Rowlands said each Council member was sent out data regarding an amendment to the "C-P-N" contractual agreement covered by this Resolution. Mr. Brotman, the Planning Staff and the Planning Commission have gone over this very carefully and he understands that this amendment has been agreed upon.

Mr. Buehler said, this agreement has been worked out to the satisfaction of both Mr. Brotman and the Planning Department.

Mr. Bott asked how this effected the recent request of Mr. Brotman for "C-2" zoning of property on South 19th Street.

Mr. Buehler said that request is still pending before the Planning Commission. However, Mr. Brotman desires that this Resolution be adopted at the present time.

Mr. Bott asked if Mr. Brotman would withdraw his "C-2" request then.

Mr. Brotman said he has mentioned to the Planning Commission that he will withdraw his "C-2" zoning request if they would consider giving him "C-P-C" zoning which would raise him one category, but would still require that he operate under the Planned Shopping Center Ordinance. This matter will be heard before the Planning Commission on June 5th, 1961, he added. He said this Resolution before the Council tonight will complete the original "C-P-N" zoning.

Mr. Porter then moved that the agreement covered by Resolution No. 16592 be amended as per the amendments provided to the Council this evening. Seconded by Mr. Cvitanich. Voice vote taken. Motion carried.

Voice vote was then taken on the resolution as amended. The Resolution was then declared adopted by the Chairman.

Resolution No. 16593:

Authorizing the establishment of a Citizens Housing Committee.

It was moved by Mr. Steele that the Resolution be adopted. Seconded by Mr. Murtland.

Mr. Maffin, Urban Renewal Director, explained that this committee was recommended for formation in the Workable Program adopted by the City Council in April of this year. He added this implements that recommendation which arose from the recognition that the Citizen's Relocation Housing Committee established by Resolution in July of 1959 had a limited responsibility in the area of housing, relating only to Urban Renewal areas. The Workable Program subsequently, adopted by the City, recognized a responsibility in the area of family, business and individual relocation by displacement from other than Urban Renewal activities such as Freeways, etc. This Resolution is to encompass these activities.

Mayor Hanson said this is implementing the procedures that have been recommended some time ago. He asked if these recommendations had been reached as a result of discussions with the Federal representatives:

Mr. Maffin answered that they had.

Mrs. Olson said there doesn't seem to be any specific term of office or specific term of appointment designated and also no provisions set for regular meetings. She thought every committee that exists should function on some basis of regularity and would like to have the Resolution amended to that effect.

Mr. Maffin explained as to the period of meetings, that the Housing Committees with which he has worked in the past, in other communities, generally establish their own meeting time.

Mrs. Olson said which ever way it is established, she thought they should meet at regular intervals. If there is any reason for its existence, then it should function in an orderly fashion, and she thought that having regularly scheduled meetings would be part of that orderly procedure. Mrs. Olson then moved to amend the Resolution by adding a paragraph to the effect that the Committee itself shall set a regular meeting time. Seconded by Mr. Cvitanich

Voice vote taken. Motion carried.

Mayor Hanson said he also agreed there should be a term of office established.

Mr. Porter said this committee does not have any particular number and may be changed in size as occasion warrants, so it does not seem very practical to set staggered terms. Mr. Porter asked Mr. Maffin if he would consider that a one or two year term of appointment for the entire committee would be practical, looking forward to reappointment.

Mr. Maffin said he would suggest two year terms.

Mr. Porter moved that the Committee be appointed to serve for a two year period. Seconded by Mr. Murtland. Voice vote taken. Motion carried.

Mrs. Olson said Mr. Porter mentioned that there was no specific number of people designated to be put on the committee. She felt that the number of people to comprise the Committee should be included in the Resolution. It can always be changed at a later date if the occasion warrants, she added.

Mr. Maffin suggested that the number be specified up to 21 members, as this will allow a good working group.

Mr. McCormick, City Attorney, suggested that this Resolution, follow the one establishing the Beautification Committee in which the terms of half of the members expire January 1, 1962 and the other half on January 1, 1963. Thereafter all members to be appointed for a period of two years. This will make it much easier to determine when the terms expire.

Mayor Hanson said if the Council wishes to follow the framework set up by the Resolution of the Beautification Committee with reference to this matter, the words, "not more than 21" should be added.

Mr. McCormick said it would also be necessary to insert a paragraph to the effect that the Committee itself shall set a regular meeting date.

Mr. Porter said, inasmuch as he is not familiar at the moment with all of the requirements in the setting up of the Beautification Committee, he moved that this Resolution be postponed for one week until June 6, 1961 and that all of the information, including proposed suggested amendments be brought to the Council at that time. Seconded by Mr. Steele. Voice vote taken. Motion carried.

Resolution No. 16594:

Authorizing and directing the proper officers of the City to purchase Parcel H-9 located at 2804 So. I St. situated in the Center St. Urban Renewal area, for the sum of \$3,860.00.

It was moved by Mr. Steele that the Resolution be adopted. Seconded by Mr. Easterday.

Mr. Murtland asked how was this amount of money determined?

Mr. Maffin, Urban Renewal Director, explained that this is State owned property which was offered for sale by bids. The City submitted a bid, and although there was one higher bid, according to new State Legislation, the City was permitted to match the high bid which was only \$10 in excess of the City's offer.

Voice vote was taken on the Resolution.

The Resolution was declared adopted by the Chairman.

Resolution No. 16595:

Amending the contract for Planning Advance No. Wash. R-3 (A) between U. S. Government and the Local Public Agency as authorized by Resolution No. 16023.

It was moved by Mr. Steele that the Resolution be adopted. Seconded by Mr. Murtland.

Mr. Rowlands said this is merely accepting the offer which is made to the City by Urban Renewal which has already been discussed previously.

Voice vote was taken on the Resolution.

The Resolution was then declared adopted by the Chairman.

Resolution No. 16596:

Establishing Urban Renewal Project positions for the Department of Urban Renewal.

It was moved by Mr. Steele that the Resolution be adopted. Seconded by Mr. Murtland.

Mr. Rowlands said this matter was discussed last week indirectly by Mr. Ketler of the Civil Service League. A meeting has been held with Mr. Ketler since that time and there are several questions which are being checked into with regard to a couple of the classifications which are in this proposal. It is desired that this Resolution be held over for one week in order that more information can be obtained.

Mr. Easterday moved that the Resolution be postponed for one week. Seconded by Mr. Steele. Voice vote taken. Motion carried.

FIRST READING OF ORDINANCES:

Ordinance No. 16814:

Amending Sec. 1.12.400 of the Compensation Plan by adding a new position of Community Services Officer. Read by title.

Mr. Rowlands explained that this pertains to the Urban Renewal positions of which there are only three at the present time: The Urban Renewal Director, the Urban Renewal Coordinator and a Clerk-Typist. The Community Services Officer, which is included in the new table of organization, is being substituted for the Urban Renewal Coordinator in the compensation plan, and is a position of the same range and salary. The other positions that were discussed recently in relation to the Urban Renewal program are called project positions and are paid entirely out of Federal Funds.

Mr. Maffin, Urban Renewal Director, said it is very necessary to keep Federal and City Budget accounts separate. It is very difficult for the City to reimburse a project person, but it is a simple matter for the project fund to reimburse the City for the Community Services Officer, the Director or the Clerk Typist.

Mr. Rowlands said these are the three positions that for the most part will be paid for out of budgeted funds.

Mr. Steele said it should be stressed that when they are engaged in Federal projects, then the City is reimbursed out of Federal funds.

Mr. Murtland asked if there were anyone hired under the category of either Urban Renewal Coordinator or Community Services Officer at the present time, or is this someone the City is hoping to bring into City service.

Mr. Maffin explained due to the recent change of personnel in the Urban Renewal Office, he moved out of the position of Urban Renewal Coordinator into that of Director's position, and therefore, the Urban Renewal Coordinator position is vacant at the present time.

Mayor Hanson said this is consistent with the reorganization that was discussed some time ago.

The Ordinance was then placed in order of final reading.

Ordinance No. 16820:

Amending the Official Code of the City relating to zoning by adding a new section known as Section 13.06.065 (10) to include property on the Nwly and Swly corners of Center and Tyler Sts. in the "R-4-L" Multiple-Family low Density Dwelling District. (A. H. Barnhisel petition.)

Read by title and placed in order of final reading.

Ordinance No. 16821:

Amending the Official Code of the City relating to zoning by adding a new section known as Section 13.06.115 (2) to include property on the east side of East Sprague Frontage Road between So. 72nd and So. 76th Sts. in a "C-P-N" Planned Neighborhood Shopping Center District. (Oscar Hokold Inc. petition)

Read by title.

Mayor Hanson said he knew the matter of great concern to the Council on this is traffic generation on the Frontage road. He said he has written a letter to Mr. Bugge asking for any information or opinion that he may submit on the question.

Mr. Porter asked if the Mayor would provide the Council with a copy of the letter sent to Mr. Bugge and the answer received at the next meeting.

Mayor Hanson said he would do so.

Mr. Rowlands called attention to the large map that was prepared by the Planning Department on this rezoning.

Mr. Buehler pointed out on the map the relationship between this proposal and other retail areas in the general vicinity.

The Ordinance was then placed in order of final reading.

Ordinance No. 16822:

Amending the Official Code of the City relating to zoning by adding two new sections 13.06.120 (21) and 130 (12) to include both sides of Center St. between Huson and Gove Sts. in the "C-1" Commercial District and repealing Ordinance No. 16786 passed May 2, 1961. Read by title.

The Ordinance was then placed in order of final reading.

Ordinance No. 16823:

Vacating So. Oakes St. and the alley between Cushman and Sheridan Ave. from the north line of So. Tacoma Way to south line of NPRR right of way. Read by title.

The Ordinance was then placed in order of final reading.

Mr. Porter moved that the rules be suspended in order that Ordinance No. 16824 which does not appear on the Agenda might be taken up at this time under First Reading of Ordinances. Seconded by Mr. Cvitanich. Roll call was then taken on the motion resulting as follows:

Ayes 8; Nays 1; Murtland; Absent 1, Price. Motion carried.

Ordinance No. 16824:

Consenting to the assignment of the franchise rights of Julio Grassi and Eugene F. Reardon, doing business as the State Wide Advertising Company, to the State Wide Advertising Co., Inc., a corporation organized and existing under and by virtue of the laws of Washington. Read by title.

Mr. Porter said he thought the title of the Ordinance was self evident as to the reason for it. The City originally granted the franchise to these gentlemen as partners and they have now incorporated. He said, Mr. McCormick, City Attorney, suggested that this Ordinance be requested in order that this change be made since this is necessary according to the laws and Charter of the City.

Mr. Murtland said he was not speaking against the Ordinance as he is actually in favor of it, but he did not think that the rules should be constantly suspended merely to put in something on the Agenda that is not an emergency unless it is clearly stated in the proposed Ordinance by note or some other way that it is an emergency.

The Ordinance was then placed in order of final reading.

FINAL READING OF ORDINANCES:

Ordinance No. 16778 (postponed from the meeting of May 9, 1961)

Amending Sections 5, 6, 10 and 11 of Ordinance No. 16660 entitled, an Ordinance granting to the State-Wide Advertising Co. the right, privilege and permission to place, construct and maintain benches with advertising at designated locations on the streets and sidewalks in the City of Tacoma.

Read by title.

Mr. Porter moved that Ordinance No. 16778 be tabled. Seconded by Mr. Easterday. Roll call was then taken resulting as follows:

Ayes 4; Nays 4; Murtland, Steele; Bott; and Mayor Hanson; Absent 1, Price. Motion lost.

Mr. Murtland said he would like to propose another amendment at this time which pertains only to the meaning of certain wording. He said copies of this amendment have been provided each council member. He moved to amend Section 6 on page 2 of the Ordinance on the 10th line after the words "unless the" by striking the words "owner, purchaser, lessee, or other person in lawful possession or in lawful control" and to insert in lieu thereof the following "person in lawful possession and control". Seconded by Mr. Steele.

Mr. Porter said as the Ordinance has been amended to date, it is completely in opposition to his feeling on the subject, and having now examined these further amendments suggested by Mr. Murtland, he is also opposed to them and intends to vote against all of them.

Mr. Murtland said it has been said many times by members of the Council, regardless of what they might feel as to the amendments placed on this Ordinance at the last discussion, that the person in control of the property and in possession, should be the person to object or consent to the placing of the bench on the abutting property. This suggested amendment achieves the same purpose as before, except it does not leave it up to the owner or the purchaser or the lessee, but rather, the person that is in control whether he be the owner; or the purchaser or the lessee.

Mayor Hanson said this would then permit the holder of the license to go to the person who was in possession or control of the property rather than securing consent from various people.

Voice vote was then taken on the motion. Motion passed.

Mr. Murtland moved to amend Section 6, page 2, 15th line by striking the same words "owner, purchaser, lessee, or other person in lawful possession or in lawful control" and inserting in lieu thereof "person in lawful possession and control". Seconded by Mr. Steele. Voice vote taken Motion carried.

Mr. Murtland moved to amend Section 10, 5th line from the bottom by striking "owner, purchaser, lessee, or other person in lawful possession or in lawful control" and inserting in lieu thereof "person in lawful possession and control". Seconded by Mr. Steele. Voice vote taken. Motion carried.

Mr. Cvitanich asked if there would be a possibility of postponing this for one week as he has received a tremendous amount of mail since being ill and has not had ample opportunity to consider all the comments received on this Ordinance. He then moved that the Ordinance be postponed for one week. Seconded by Mr. Easterday. Roll call was taken resulting as follows:

Ayes 2, Nays 6; Murtland, Olson, Porter; Steele; Bott; Mayor Hanson; Absent 1, Price. Motion lost.

Mr. Porter said sometime ago the Council granted a franchise to these people by a vote of 7 to 2. As a result, a certain amount of money has been invested, but under the existing franchise Ordinance they have found it quite difficult to operate. It is their opinion and also his opinion that this Ordinance as now amended would make it impossible to operate and the franchise given them would be meaningless and the money spent in good faith and their time would be completely lost. He thought it would be absolutely unfair for any governing body to do such a thing; therefore, he urged the Council to vote against this Ordinance.

Mr. Murtland said he has been torn with the conflict on this matter. It is not his intention to put these men out of business. However, they are the ones that accepted this particular franchise. At that time, although he voted against the Franchise Ordinance, he knew it was the will of the Council and as far as his part was concerned, there would be no further opposition. Another proposal was submitted at a later date which to his mind changed the spirit as the Council had awarded them the right to go ahead and he felt that arbitrarily they were working in opposition and against not only the spirit, but the letter of the franchise. He thought Mr. Copeland, Attorney for the State-Wide Adv. Co., agrees that some of that was done on at least one or two occasions. For that reason the amendment was perhaps more restrictive than would be necessary, but he thought that by his amendments he has tried to achieve a point where there would be less work on the part of Mr. Reardon and Mr. Grassi in attempting to place these benches. If we were to work under the original Ordinance, the adjoining property owner would have the right to contact the City Manager and say that the bench was not desired; within 30 days the bench would have to be removed.

In this instance it is removing that one extra step and asking that they first get the consent of that owner, which in his mind does not make it any more burdensome to the people involved. It rather prevents the circumstance of putting the bench in and then having to take it out again. Although the Ordinance might be more restrictive than necessary, he did not feel that it was going to be any more of a hardship for them as far as proceeding with the work they have done.

Mrs. Olson said the Council did act upon the original Ordinance in good faith and felt it an unfortunate matter if they are not able to operate under it. On the other hand she did not feel that the Council was here to pass judgment upon anything this group has done under the original Ordinance. She thought the Council would be wrong to enact any legislation in any spirit of vindictiveness or in any spirit of reprimanding this group to which the original franchise was granted. It is with that feeling in mind that she would oppose Mr. Murtland's amendment.

Mr. Bott said he had with him a copy of the original Ordinance. He referred back to a statement in Section 6 of the Ordinance which states, "No bench will be placed against the desire of the owner or his representative and person in lawful possession or control of the property abutting upon the public street at the place where the bench is proposed to be located. Such persons can veto the placing of the bench by a written request to the City Manager." He said it seemed to him that this was very clear and this is what decided him to vote for the Ordinance in the first place, as he felt that many people had a just objection to it and should have a right to exercise that objection. He could see no reason why the Council is obligated to change this.

Mayor Hanson said as he sees this it merely clarifies that basic overriding condition that made the proposition palatable to him, and that is if the property owner consents, he should be permitted to permit a bench in front of his establishment. On the other hand if he objects, he should be permitted to prevent the advertising in front of his place. The preservation of the right to object should be retained and it should be clarified, as does the amendment before the Council.

Mr. Bott said he has no objection to the benches as such because he has noticed that they are being used and he has no desire to deprive people of this privilege, but by the same token he thought the people owning the adjoining property should have the right to object.

Mr. Porter said he thought it was agreed that these benches should not be forced upon people who don't want them, but the disagreement is in the manner of conducting and arriving at an orderly way to solve the problem. It seemed to him that an authorized appeal as proposed in this Ordinance originally was a just American way to do it. However, he did agree with Mr. Murtland that there were several unnecessary provisions, but he did feel that this Ordinance as amended by Mr. Murtland would make it much more difficult for this Company to operate under, than the original Ordinance. Therefore by tabling or defeating this Ordinance as it has been amended now, the original Ordinance under which the franchise was granted, would be reverted to; and this would eliminate all these various proposed amendments. Then, perhaps, after the air has cleared any necessary amendments can again be proposed

without the conflict that seems to exist at the present time.

Mr. Robert Copeland, Attorney representing the State-Wide Advertising Co., outlined the reasons for asking Mr. Porter to introduce Ordinance No. 16778 as it first appeared to the Council. He said that after he had been retained as counsel for the State Wide Advertising Co. it appeared to him that the Ordinance in existence was most inadequate and most unfair, therefore, the best possible Ordinance was drawn up at the time allowed which was done hastily and was not perfect. He said he recognizes now that there are certain points that would be best changed for the benefit of his clients as well as for the welfare of the entire City. However, Ordinance No. 16778 as it now appears as amended by Mr. Murtland will completely crucify his clients. He asked the Council, since they have granted this franchise, to vote down the Murtland amendment which would virtually make it impossible for his clients to operate, and let them remain under Ordinance No. 16660 as inadequate as it is. Perhaps something more satisfactory can be worked out at a later date after meeting with the various members of the Council.

Mr. Hugo Metzler Jr., Attorney representing the Tacoma Retail Trade Bureau, spoke in favor of the Murtland amendment. He also pointed out that the Central Association, the Downtown Property Owners and Managers Association and Allied Arts of Tacoma were in favor of the Murtland amendment.

Roll call was then taken on the Ordinance as amended, which resulted as follows:

Ayes 4; Nays 4; Cvitanich, Easterday, Olson and Porter; Absent 1, Price
The Ordinance was then declared lost by the Chairman.

Mr. Murtland asked Mr. McCormick to prepare an Ordinance to amend Ordinance No. 16660 in line with some of the matters approved by the entire Council tonight. One of them would be that the sentence, "Commercial advertising is prohibited by the laws of the City" be deleted from Section 5. In Section 6, 14th line delete the words "owner, or his representative and person in lawful possession or control" and insert thereof "person in lawful possession and control."

He said one other matter not discussed, but which he would like included is in Section 6 so as it would read, "If there is a change in the possession and control of the property abutting said bench, the grant shall not maintain the bench against the desire of the new person in possession and control thereof."

Mr. Rowlands said as he understand the vote then, it is the Council's desire to proceed as in the past to continue to check out all the locations proposed by the company and to send notices when protests were filed. He informed the Council that this procedure is quite cumbersome, time consuming and costly because two or three operations are necessary.

Mr. Murtland said one other point he wished to mention is that in the original ordinance there is a requirement that a minimum of 50 benches in six months must be placed. Because of this controversy that has existed, he said, anyone would be willing to waive that requirement, he was sure.

Mrs. Olson requested that the City Manager or members of his staff attempt to keep some record of the time and expense necessary in his carrying out the provisions of the present Ordinance and report back to the Council.

She did not feel that it was the intention of the Council or the people who requested this franchise to create or add substantially to the burdens of the people who are employed by the City of Tacoma. On the other hand, she also thought it was the intention of the Council when they voted for this Ordinance to provide these benches as a service to the Citizens of Tacoma, and no doubt, there are many Ordinances on the books which have caused considerable inconvenience to either members of the staff or people who reside within the City. She thought as long as there are such Ordinances we are going to have to learn to live with them. However, if it is found that there is an excessive amount of time spent in seeing that these are being enforced that will perhaps aid in making recommendations for any changes.

Ordinance No. 16813:

Amending the Official Code of the City relating to zoning by adding a new section 13.06.115 (2) to include property located adjacent to the present "C-P-N" Planned Neighborhood Shopping Center District at So. 19th & Stevens St. (Morley Brotman Petition) Read by title and passed.

Roll call was taken on the Ordinance resulting as follows:

Ayes 8; Nays 0; Absent, 1, Price .

The Ordinance was then declared passed by the Chairman.

Ordinance No. 16815:

Approving and confirming the assessment roll for L I D 2256 for grading and oil mat surface on Ea. D from Ea. 82nd to Ea. 84th; Ea. 83rd east to the cul-de-sac. Read by title and passed.

Roll call was taken on the Ordinance resulting as follows:

Ayes 8; Nays 0; Absent 1, Price.

The Ordinance was then declared passed by the Chairman.

Ordinance No. 16816:

Approving and confirming the assessment roll for L I D 2277 for grading and gravel surface on Pearl St. from 6th Ave. to So. 19th; Woodlawn S. from St. 11th to So. 13th and from So. 17th to So. 19th St. Read by title and passed.

Roll call was taken on the Ordinance resulting as follows:

Ayes 8; Nays 0; Absent 1, Price.

The Ordinance was then declared passed by the Chairman.

Ordinance No. 16817:

Approving and confirming the assessment roll for L I D 3509 for sanitary sewers in No. 14th to No. 18th; No. 18th from Highland to Woodlawn Ave. and the alley west of Highland from No. 18th to 200 feet south of No. 26th St. Read by title and passed.

Roll call was taken on the Ordinance resulting as follows:

Ayes 8; Nays 0; Absent 1, Price
The Ordinance was then declared passed by the Chairman.

Ordinance No. 16818:

Providing for the improvement of L I D 2323 for grading and an oil mat surface on Woodlawn Ave. on So. 13th to 17th and on So. 15th from Pearl to Highland St. 1 Read by title and passed.

Roll call was taken on the Ordinance resulting as follows:

Ayes 8; Nays 0; Absent 1, Price
The Ordinance was then declared passed by the Chairman.

Ordinance No. 16819:

Providing for the improvement of L I D 3522 for sanitary sewers in the alley between Ea. 70th & Ea. 71st from Ea. L to Ea. M Street. Read by title and passed.

Roll call was taken on the Ordinance resulting as follows:

Ayes 8; Nays 0; Absent 1, Price
The Ordinance was then declared passed by the Chairman.

UNFINISHED BUSINESS:

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

L I D 6771-Modern St. lights on existing wooden poles on Bell from So. 72nd to So. 74th Street.

L I D 6772-Modern St. lights on ornamental poles on Lawrence from No. 13th to No. 18th Street.

Mr. Easterday moved that the date of Monday, July 10, 1961 be fixed as the date for hearing on the assessment rolls for L I D 6771 and L I D 6772. Seconded by Mr. Cvitanich. Voice vote taken. Motion carried.

REPORTS:

Report from the Housing Board of Appeals.

Mr. J. Ralph Williams, a member of the Housing Board of Appeals, was present to support the Board's request that the City Council give favorable consideration and approval to the recommendation that the Housing Code be amended as submitted.

Mr. Cvitanich explained that in checking over the minutes submitted by the Housing Board of Appeals he noticed that there are legal questions that have not been answered, and he was rather distressed in reading some portions where the general concensus of some members of this committee stated, "Well, that's all right, they don't know about it, so why bother about it?" He said this was in the minutes and asked if anything has been changed since this time.

Mr. Williams said he personally did not think there were any members of the Board who took that attitude. The Housing Code as such was passed in July of 1959 after many many weeks of study by a Board of possibly 25 people and it was scrutinized very very carefully and was then passed by the Council. Since that time it has been necessary to make certain revisions to the Code. Most of them have been of a procedural nature and in keeping with the thinking of the Housing Home and Finance Agency.

Mr. Cvitanich said he was sure the Board has done a tremendous amount of work but he was very distressed at much of the action taken as reported by the minutes. There is no concrete basis on how many of these matters will be taken care of. It is left up in the air as the minutes indicate.

Mr. Bott said there seems to be sweeping discretionary powers given the City's staff by this Code.

Mayor Hanson said this was an exercise of police powers, and that the home owner has the right to appeal any staff decision to the board. This is recognized by the Federal Government and uniformly throughout the Country where the deterioration of the cities is recognized as a problem. To correct this very serious problem there has to be definite measures taken. In the length of time this has been in existence there has been six appeals. He would say that is quite amazing and indicates the powers have not been abused.

Mrs. Olson said there is a provision which pertains to the right of entry which give the Inspectors the right to enter, inspect, examine at reasonable times in the City. She thought this was contrary to the U. S. Constitution's guarantee of the sanctity of the home. She thought that a search warrant was required before anyone could invade a private premises.

Mr. McCormick said he will check for certain, but he believes this provision was made possible by a relatively recent decision of the U. S. Supreme Court.

Mrs. Olson said she thought it should be amended to require a court order since this would not be difficult to obtain.

Mr. Murtland said he agrees with the thought that a home is a person's castle; however, if it is required that inspectors need court orders the code might as well be thrown away.

Mayor Hanson said he was certain that if there were abuse of this power, it would be called to the attention of the Council. He said he thought that perhaps the Council should set aside several hours some evening when this matter could be discussed more thoroughly.

Mayor Hanson thanked Mr. Williams and his associates for being present to explain this matter to the Council.

MC-352-Second Revenue Bond issue for Sewer Utility Improvements.

Mr. Rowlands said this matter was discussed briefly with the Council a couple of weeks ago and hopes that the Council will give authorization to prepare a \$4,000,000.00 Bond issue which is stage 2 of the long range plan. He said in checking with the Public Works and Finance Departments this money will be needed in about September of this year. The present sewer fees will be sufficient to provide servicing of the additional debt service. The Council has already authorized the City to apply for an additional \$250,000.00 Federal Grant for Sewage Treatment Works for the City. As pointed out in the MC \$4,000,000.00 will be a Revenue Bond financing and \$603,900.00 will be by Sewer Revenue Surplus Financing.

Mayor Hanson asked if the City is to continue on the basis of the program that was established which was actually the reason for the sewer rate increase.

Mr. Rowlands said it would. There will be no further increase involved. This is simply to get the wheels turning. All the proper Resolutions, papers, etc. will be brought to the Council's attention as progress is made.

Mayor Hanson asked the Council if there were any objections of proceeding upon the established plan.

Mr. Cvitanich said he had a protest that perhaps Mr. Rowlands could clarify. In MC-352 reference is made to the fact that the City did receive a Federal Grant for \$250,000 two years ago. The minutes from a meeting approximately a year ago, show both Mr. Rowlands and Mr. Schuster as denying that the City ever received such a grant. It was received about 9 months ago, to his knowledge.

Mr. Rowlands said the request was made about two years ago and the grant was received last year. That makes it even more difficult to get the additional \$250,000; but if the other large cities in the State are not prepared to take advantage of this, it was thought that a request should at least be made.

Mr. Cvitanich asked if sufficient money was not received from the sewer charge to pay for the additional sewage on a pay as you go plan.

Mr. Rowlands said, very definitely not. It was not contemplated to have sufficient funds to proceed on a pay as you go, unless you want to stretch it out for twenty-five or thirty years.

Mayor Hanson said the City has been operating under an order of the State Pollution Control Commission requiring us to correct certain conditions. When over 50% of our sewerage is being dumped raw into the bay as a result

of the growth of the City, insufficient means have been applied to take care of it, we are required to spend a great deal of money to rectify conditions that have built up over the years and we are in that process. There is enough receipts to retire the bond issues and there is also some over and above that to permit the City to spend some as the money accumulates.

Mr. Cvitanich said he did not think the City's financial condition warranted going into debt anymore.

Mayor Hanson said this is with reference to the sewer utility financed strictly and solely from the revenues of the sewer utility.

ITEMS FILED IN THE OFFICE OF THE CITY CLERK:

- a. State Audit Report-Municipal Belt Line for the year ending Dec. 31, 1960.
- b. Annual report from the Police Dept. for 1960.
- c. Water and Belt line report for the month of April, 1961.

COMMENTS:

Mr. Bott advised that he had before him the letter from the Oswald Flying Service relating to the naming of the new airport and suggesting that the Tacoma Industrial Airport be given a different name to avoid confusion since the Oswald Flying Service has had the name "Tacoma Airport" for many years. He said he also had before him the form that was attached to the letter which the Council did not receive at the last meeting. He finds that on the official government report there are three Tacoma Airports; also a 1958 U. S. Government Inspection Report lists the Tacoma Airport stating that this has been known as the "Tacoma Airport" for some time. As the Council recalls it was stated in the letter that a great deal of confusion arose when the South Tacoma Airport opened up.

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Mr. Murtland asked if anything could be done concerning this matter. He said as far as he knows the City has not adopted the name of the "Tacoma Industrial Airport" and if this will be in conflict with someone who is in private business, he thought the City should choose another name.

Mayor Hanson said perhaps we could recognize the fact that there is confusion and ask the Council members to think in terms of possible alternate names for consideration.

There being no further business to come before the Council, upon motion duly seconded and passed, the meeting adjourned at 11:15 P. M.


Mayor of the City Council

Attest:


City Clerk