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# Tayoun Urges 85-Cent Tax on Gulf, ARCO

By KIT KONOLIGE

City Councilman James Tayoun surveyed his cluttered office and loosed a stream of venom toward the two oil refineries which, he says, have "raped our waterfront for a hundred years, given the people of South Philadelphia cancer, polluted the atmosphere, put a smell up and down the city, and made the approaches to Philadelphia an eyesore."

Tayoun is so angry, in fact, that even before Council has passed a proposed 45-cent-a-barrel tax on the Gulf and ARCO refineries, he wants to raise it to 85 cents.

Part of the Councilman's anger is embarrassment, stemming from the fact that his figures were off by \$8 million in his announcement of the controversial tax proposal.

**THE STORY** of those skewed figures, as told by several participants in their calculation, provides a glimpse into the chaotic politics of a divided City Council in a fiscally shaky city.

Faced with the unpleasant task of voting for a balanced budget that would probably contain real estate tax hikes of 30 percent or more, Councilman Al Pearlman finally hit on the idea of siphoning money instead from the two smoky, unpopular sprawls of piping along the Delaware River.

Pearlman quickly called fellow Council members Francis Rafferty, Anna Verna and Joan Krajewski to a dinner summit last Tuesday at Arthur's Steak House on Walnut St. in Center City.

**BOYD** was also present and the politicians were old favorites of former Mayor Frank Rizzo. A third Rizzoite fixture was Irvin

Davis, the former finance director who retreated to a partnership with Price Waterhouse & Co. when the Green administration took over City Hall in January.

Davis was invited to provide expert advice based on his experience in fiscal 1977, when the two refineries agreed to pay a nickel-a-barrel levy.

A final dinner at Arthur's was Tayoun, whom Krajewski had invited at the last minute. Tayoun liked the refinery-tax idea very much.

In fact, he told an audience at Cornman School in North Philadelphia that same night that the oil companies could provide the funds to save their school from the budget-based closing that threatened it.

**THE NEXT DAY**, Tayoun called a press conference to announce the proposed tax, implying he and Councilman John Street had spearheaded the legislation — an implication that reportedly infuriated Pearlman and Rafferty.

Unfortunately for the tax plan's proponents, Davis badly miscalculated the number of barrels the refineries turn out.

"It was worse than if he hadn't helped us at all," said one person familiar with the plan. "I have no comment," said Davis.

Later, Rafferty called Tom Anderson, his first cousin and the executive director of the Pennsylvania-Delaware Service Stations Dealers Association. Anderson loved the idea, but did a little quick calculation that showed that a 45-cent tariff would generate only about \$68 million, not \$126 million as advertised.

Anderson also predicted such a tax would raise the cost of a gallon of gas "only" about a cent in the region served by the refineries.



Tayoun

I. Davis

**THE OIL COMPANIES**, which testified of their displeasure with the tax last week, reacted predictably to the new, higher tax. "That's interesting, now it's going up," Gulf spokesman Jack Galloway said sarcastically. "If people didn't like the possibility of a passthrough cost of 45 cents a barrel, they really ought to love this."

The refinery tax is caught between a rock, a hard place and several other uncomfortable surfaces. Besides its supporters' hamhandedness and the oil companies' enmity, the proposal faces opposition from the Green administration — which contends it is anti-business in general and unfair to the oil industry — as well as a certain legal challenge.

City Solicitor Alan Davis believes the bill faces a challenge on two fronts. First would be

the claim that it is unconstitutional because it interferes with Congress' exclusive power over interstate commerce. Next, the companies would point out that the Commonwealth of Pennsylvania already taxes gasoline, which could put the commodity off limits to local taxation under the Sterling Act.

**GULF AND ARCO** eventually would lose those fights, Davis believes, but litigation would surely take years. The tax would not be paid and could not be used to balance the budget during those years.

The tax proposal also suffered a deflection yesterday from freshman Republican Councilman Brian O'Neill, who insisted he didn't want to support "any new taxes" until he saw an absolute need for them.

Similarly, Councilman David Cohen asked Deputy Finance Director Thomas A. Mills during hearings on the city and school budgets yesterday what would happen if Council kept taxes at their current level next year, when the administration says Philadelphia will face a \$100-million deficit.

"Councilman Cohen," Mills sighed, "that prospect is too horrible to contemplate."

## Ruling on Gasoline Fee Today

**WASHINGTON (UPI)** — A federal judge promised yesterday to decide in 24 hours whether to block President Carter's 10-cent-a-gallon gasoline conservation fee as an illegal tax. U.S. District Judge Aubrey Robinson, after hearing arguments from both sides yesterday, said a U.S. Appeals Court was standing by to hear the inevitable appeal after his decision today.

## Probers Eye Reinert Clue

Continued from Page 3

The discovery of Reinert's body, along with Smith's earlier troubles with the law, led to a string of bizarre disclosures about Upper Merion High School and its faculty.

**REINERT**, it was learned soon after her death, had taken out life insurance policies that would pay \$860,000 if she died from other than natural causes. She also had inherited \$230,000 in property and cash from her mother.

And — only a month before her death — Reinert had changed her will so that her sole heir was a fellow teacher, William Bradford, 46, whom she described in the document as "my future husband." The will even excluded her children from any part of her estate.

To date Bradford, who has consistently refused to talk to investigators, has made no attempt to probate Reinert's will or collect on any of her insurance policies, in which he had been named beneficiary. Court actions filed by Reinert's divorced husband and by her brother seek to prevent Bradford from getting either the estate or the insurance.

**BRADFIELD**, although he apparently stayed overnight frequently in Reinert's home, was sharing an apartment with another woman, also an Upper Merion High teacher.

Furthermore, he had testified in Smith's behalf at one of the principal's trials, stating he'd seen Smith at the Jersey shore at the time of the 1977 Sears robbery. The jury didn't believe Bradford and convicted Smith. Reinert also was unhappy, with Bradford's testimony. She told



Jay C. Smith, home searched

her psychologist she had "serious and deep concerns that Bradford may have committed perjury. . . ." She confronted Bradford about a month before her death and told her psychologist she found him "very indignant that she would dare question his honesty."

**AT THE TIME** of Reinert's death, Smith apparently was living alone. His wife, Stephanie, was in Bryn Mawr Hospital, where she died last Aug. 7 of cancer. His daughter, Stephanie Hunsberger, 24, and her husband, Edward, had dropped out of sight months before and have not been seen to this date by any acquaintances in this area.

(Three weeks before her death, Susan Reinert was confronted by a friend and asked if she knew what happened to the Hunsbergers. The friend told reporters that Reinert replied: "Officially or unofficially? . . . Stephanie is alive. I am not at liberty to say any more than that.")

Smith had told investigators he was visiting his wife on the Saturday night Reinert was killed, and also told them of some phone calls he'd made from his home. Investigators have told the Daily News that some of his statements do not check out.

## Panel Faces \$8B Budget Gap

**WASHINGTON (UPI)** — The Senate has revived programs long given up for dead and passed a defense budget \$8 billion larger than the House plan, setting up a tough fight between House and Senate negotiators over next year's spending.

The conferees planned to begin work today to meet a Thursday deadline on a compromise between the two proposals for fiscal 1981 spending, each side is intent on balancing the budget for the first time in 12 years.

**HOURS BEFORE** THE \$613.1-billion budget passed yesterday, senators began straying more and more from the original plan designed by the Senate Budget Committee.

### How They Voted

71-state senators voting for the \$613.1-billion federal budget: Biden, Bradley, Heinz, Williams, Aspin, Roth, Schweiker.

"They were tired. They were worn," Sen. Ernest Hollings (D, S.C.) said after the budget was passed, 68-28. Hollings is acting as Budget Committee chairman following the departure of Chairman Edmund Muskie to become secretary of state. The Senate OK'd \$300 million to maintain Saturday mail delivery. They also agreed to boost funds for veterans' benefits by \$300 million and to spend \$20 million to keep the Law Enforcement Assistance Administration alive.

**EACH OF THE** budget amendments

## City Demos Elect Ward Leaders

By JACK MCGUIRE and KIT KONOLIGE

The election of Democratic ward leaders last night produced a few upsets, at least one charge of dirty politics, and a ward that didn't even bother to hold a vote.

The voting got off on a low note for Barbara Deeley, a committeewoman in the Northeast's 56th Ward. The race in the 56th pitted Rose Stanger, daughter of Traffic Court President Judge Dominick Iannarelli, against Joseph Sabatina, a Redevelopment Authority employee.

Deeley, 32, is a Sabatina supporter, and when she arrived at the American Legion hall at Rhawm St. and Castor Ave., a Traffic Court officer and police were waiting for her.

**THE REASON?** Deeley has three outstanding parking tickets, police said. But Deeley says the real reason

was an attempt by Stanger supporters to harass her.

It all worked out for Deeley in the end. Sabatina won the election.

The ward that didn't vote was the 44th in West Philadelphia. "There apparently was a brouhaha . . . the problem was that a committeeperson who won (last November) on the Democratic slate was not a Democrat," City Committee Chairman David Glancey said. "I will have to appoint a committee on organization to hold a vote, he said."

In Wynnefield's 52d, Margaret Hippel Koral beat back a challenge by City Councilman John Anderson, Anthony Iannarelli, the judge's brother, upset State Rep. Roland Greenfield in Oxford Circle's 53d.

**FORMER STATE** Rep. Francis Gleason Jr. unseated incumbent June Asman in Mayfair's 55th, and George Naulty beat incumbent James Cum-

was accompanied by cuts in other programs. But some of the plans were particularly shaky, said Hollings, such as a proposal to cut an additional 1 percent across the board from the operating budgets of civilian agencies, which already had been cut 5 percent.

The House passed a \$611.8-billion balanced budget last week, which calls for \$147.9 billion for defense, compared to the Senate's \$155.7 billion.

House and Senate conferees last night agreed on a \$9.49-billion compromise ceiling on food stamp expenditures. The ceiling is \$3.3 billion higher than the current ceiling imposed three years ago.

ings in Crescentville's 35th.

State Sen. James Lloyd, who didn't run a committeeman slate in the April 22 primary, beat incumbent Louis Forreth in Torresdale's 18th.

Here are the other winners:

1st: James Tayoun; 2d: Joseph Vignola; 3d: Dorothy Brennan; 4th: Edgar Campbell; 5th: Peter J. Carmeli; 6th: Freeman Hankins; 7th: James McIntyre; 8th: Norman Benson; 9th: results not available; 10th: Tyrone Beverly; 11th: Eddie Marston; 12th: Phil Ralins; 13th: Ruth Harner; 14th: Benjamin Hassel; 15th: Frances Lynch; 16th: Alvin Smith; 17th: David Robert; 18th: Harold Goodenow; 19th: Henry Jamison; 20th: Joseph L. Sullivan; 21st: Alvin Pearman; 22d: Joseph Corrado; 23d: Joseph Savage; 24th: Nate Carr; 25th: Joseph Sullivan; 26th: Ronald Donatucci; 27th: Mary Goldman; 28th: Joseph Naulty; 29th: Frank O'Connor; 30th: Charles Hunter; 31st: Joseph Smith; 32d: Robert Tucci; 33d: Sam Grillo; 34th: George C. Schwartz; 35th: Cory Morange; 36th: Ann Land; 37th: Vincent Furno; 38th: Michael O'Leary; 39th: Nicholas Siamoneo; 40th: Charles McMenamin; 41st: Louis Johnson; 42th: no vote taken; 43d: George Borak; 44th: Lucien Blackwell; 45th: Herbert A. 50th: Vincent Scarfone; 46th: Abraham Szust; 47th: John F. White Jr.; 48th: Bernard Barakoff; 49th: Margaret Hildebrand; 50th: Anthony Iannarelli; 51st: Joseph Sabatina; 52nd: James Lloyd; 53rd: Michael Stack; 54th: Sam Price; 55th: Sadore Straker; 56th: Charles E. Murray Jr.; 57th: Frank Gorman; 58th: Jerry Green; 59th: Rudy Rees; 60th: John Kraviec; 61st: Frank Dillon; 62nd: Michael McAleer.