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Reagan revising budget plan

Wealthy won't receive full tax cut

© New York Times

WASHINGTON — The Reagan administration has decided not to give high-income Americans — individuals above \$42,500 and families above \$60,000 in taxable income — the full 30-percent tax cut being proposed for most taxpayers, according to administration and congressional sources.

As a result, Rep. Jack F. Kemp, R-N.Y., broke Monday with the White House and said he would pursue his own tax-cut plan. Kemp, who has been a staunch supporter of the Reagan efforts, is an architect of the three-year tax reduction known as Kemp-Roth.

"I no longer am bound," said Kemp in a telephone interview. "Obviously I support the president but I will pursue my own program."

The new tax development came as administration economic officials labored on a balmy holiday to put the finishing touches on Reagan's economic program, which President Reagan plans to unveil in a State of the Union message to Congress Wednesday night.

White House Press Secretary James Brady said

Monday that Reagan's 20-minute address would emphasize that "it's not going to be business as usual."

The decision to limit tax relief for upper-income Americans was reportedly made to reduce political criticism of the program and to hold down the loss of tax revenues, administration sources said.

The action was the second such move for political and budgetary reasons. Last week, Reagan decided not to propose the immediate reduction of the top tax rate on investment income from 70 percent to 50 percent.

In the eyes of Kemp-Roth supporters, the latest action represents an abridging of a program to which Reagan committed himself during the campaign. For his part, Kemp said he had an understanding not to oppose the decision on investment income, if the full 30 percent reduction was applied to all taxpayers.

Kemp attributed the administration decision to "timidity" and also said the administration's decision to postpone an annual adjustment of tax rates for inflation (known as indexation) was a "mistake."

"Every attempt was made to hold this tax package simple and clean and consistent with what Reagan said in the campaign," said Martin Anderson, the president's assistant for policy development.

"The administration view among senior aides at the White House is that there was not an agreement or understanding," said one official who cited "an unfortunate break in communication with Jack Kemp."

At question is a provision known as the "maximum tax," which limits taxes on wages and salaries to a 50 percent rate. The administration would retain that limit, which applies to families with taxable income above \$60,000 and individuals with taxable income of \$42,500 and up.

Kemp argued that the same 10 percent reductions for three years should be applied to that rate, which would reduce the maximum rate to 36.5 percent.

Congressional sources said Monday that Reagan would offer few details Wednesday about the second tax bill that the administration plans to propose Wednesday, a package that would include a variety of changes, such as easing the penalty on married taxpayers.

Council to give voters final say on buying rink

It took an hour and a half to iron out the details, but the Columbia City Council Monday night voted to place a bond issue on the April 7 ballot that would allow the city to purchase the Columbia Centre ice rink — if it's still on the market.

With Fifth Ward Councilman Ed Vaughan dissenting, the council approved a revised version of the bond referendum that would allow the city to buy the rink but not other property on which it might develop a similar facility.

Earlier in the evening, the council rejected an emergency version of the proposal, drafted by City Manager Dick Gray and the city staff last week, that would have let the city spend the bond money on property other than the rink.

The rejected proposal was written after the city discovered last Tuesday that the rink's owner, Mark Twain Bancshares Inc., of St. Louis, is entertaining offers from several private buyers. The bank is asking \$850,000 for the property, but it could be sold by the spring election.

The measure that was rejected would have required a 6-1 approval to pass since it was an "emergency" version of the bond proposal the council considered previously. After the council rejected the emergency revision, Gray pointed out the precarious negotiating position the city could face with

the version that was approved. "The situation we're in is that, although they (Mark Twain Bancshares) have quoted a figure of \$850,000, no firm figure has been put before us," Gray said. "My concern is that if 67 percent of the people vote in April and we're locked into this one site, the city staff goes to this organization, and they say the price has gone up to \$1.2 million."

To keep that from happening, City Counselor Scott Snyder had ready a resolution that allows the council to withdraw its bid for the rink if an acceptable price cannot be agreed on. The council unanimously approved that measure.

The council also sent to the voters a companion bond issue which would assess a 5-cent increase in property tax assessment to finance the first five years of the recreation center's operation.

In other action, the council unanimously approved a proposal to purchase the 6.7 acre (2.7 hectare) Lions-Stephens portion of Stephens Park.

The council passed the proposal in the wake of a recent compromise between the city staff, a development group planning a medical complex near Stephens Park and a citizen group seeking to preserve the area.

The council also approved a revision of the local taxi ordinance that will allow single-cab companies to operate.

Farmer grabs beans while marshals watch

NEW MADRID, Mo. (UPI) — With more than 3,000 farmers from 15 states standing by, the federal government stepped aside Monday and let Wayne Cryts retrieve his soybeans from a bankrupt grain elevator.

Cryts' beans — 31,000 bushels valued at about \$250,000 — were among \$6 million worth of crops under padlock in the bankrupt Ristine Grain Elevator. A federal judge in Arkansas had said the farmers could not have the crops until the bankruptcy issue was settled. That decision was upheld by a federal appeals court in St. Louis Friday.

But Cryts, saying he faced bankruptcy unless he could sell the beans harvested in the fall of 1979, drove his truck to the elevator and vowed to take his crops.

The soybeans had been locked in the Ristine elevator since last Sept. 15 by the order of U.S. District Judge Charles W. Baker in Little Rock, Ark.

Baker took the action after the Memphis-based First Tennessee Bank called in a \$3 million loan made to the James Bros., owners of 11 grain elevators, including Ristine.

The brothers had pledged the grain and soybeans in the elevators as secu-

urity, and Baker ordered the crops sold to pay the company's debts. The farmers who owned the beans were told to stand in line for repayment just like the rest of the creditors.

That led to Monday's showdown. While the crowd of interested farmers watched — and grain trucks with license plates from more than 15 states lined the highway to the elevator — Cryts was met by U.S. Marshal Howard Safir who told him it would be a felony to take the grain.

"We are here today to carry out our duty and enforce the court order," said Safir, director of operations for the U.S. marshal's office.

Cryts, a 34-year-old farmer from Puxico who was wearing an American Agriculture Movement hat, had his own statement ready.

"I am a sovereign individual and a citizen of the state of Missouri and am operating under common law. The court order is without the weight of the law and does not have jurisdiction over me. I intend to come in and remove my private property from these elevators," Cryts said to cheers from the on-lookers.



Jim Wheeler



Steve Yarbrough

Ice men

Jim Wheeler, left, of 901 Virginia Ave., changes out of his wetsuit, after a cool round of scuba diving in a quarry north of

Columbia. Jerry Griffen, right, of 2303 Sears Court, sips hot tea, after emerging from the 34-degree F water near Rocky

Ford State Park. The two joined other University Scuba Club members Sunday for the chilling experience. See story, Page 14.

City's electricity rates hit a middle ground

By Kurt Evans
Missourian staff writer

Electricity rates in Columbia have increased 39 percent for the average household in the past six years, but the city's municipal utility is no longer the most expensive supplier of power in the mid-Missouri area.

At the city's present rates, Columbia residents now pay \$40.59 for 800 kilowatt hours of power, which represents the monthly lighting and appliance use of an average middle-income family. In 1975, the same amount of electricity cost the city's customers \$29.26.

But, when compared with the rates

SYSTEM	400 Kwh	800 Kwh	1,200 Kwh
Fayette	\$26.80	\$44.60	\$62.50
Boone Electric Co-op	25.50	42.50	58.50
Columbia	21.41	40.59	58.50
Vandalia	24.00	40.50	55.50
Boonville (winter)	23.53	39.79	54.17
Boonville (summer)	23.53	40.81	58.09
Centralia	20.30	38.00	52.60
Fulton	15.85	33.21	52.23

electricity from a new municipal utility plant in Sikeston, beginning June 1.

The city also generates some power of its own and is debating whether to build a large, coal-fired unit to meet energy needs when the Union Electric and Sikeston purchasing agreements expire in 1986 and 1991, respectively.

Dick Malon, director of Columbia's Water and Light Department, said a general across-the-board rate increase isn't projected for the fiscal year ending in September.

However, Malon said, when the Sikeston power becomes available, Columbia residents should be prepared for rate increases because that power will be purchased at a higher rate than current supplies. The increased wholesale charges will be passed on to city ratepayers soon after, Malon said.

"There's no question rates will increase; it's just a question of when," he said. "In July, when we sit down and

(See AREA, Page 14)

The candidates

School Board

Fourth candidate joins race for two board vacancies

By Maria Rudensky
Missourian staff writer

A last-minute filing by an official of a local half-way house brought to four the number of candidates competing for two vacancies on the Columbia Board of Education.

Monday at 5 p.m. was the filing deadline for candidates in the April 7 election. The four are:

- James Oglesby, current board president.
- Calvin Roebuck, a State Farm Insurance Co. executive.
- Lana Jacobs, a laboratory technician at the University School of Medicine.
- Ken Jacob, director of the Front Door, a home for troubled teenagers.

The four candidates are vying for two positions on the six-member board. Board members, all unpaid, are to establish administration policy for the school district and usually meet once a month.

Jacob, 32, of 2491 Carter Lane, said he would encourage integrating basic education into the Columbia curriculum.

"But back-to-basics means starting with good mental health," he said. "With that, a youngster's capacity for learning is much greater." Jacob believes his greatest contribution on the board would be expertise on special needs of disturbed teenagers and minority groups. He said he also favors a 12.6 percent pay raise local teachers have requested.

Of the quartet, only Oglesby, 39, has made school administration his career. He works at the University as director of facilities utilization, handling data on the use of campus facilities.

Development of basic skills and public school facilities. (See LOCAL, Page 14)

City Council

24 candidates squaring off in race for city's ruling body

By Kurt Evans
Missourian staff writer

The guessing is over. After months of speculation among Columbia's political quarters about possible City Council candidates, names of candidates on the April 7 ballot became official Monday, but not before the city clerk's office received several last-minute nominating petitions.

Before the 5 p.m. deadline, three new faces had filed — two in the mayoral race and one in the Second Ward.

Harold Smith, a 59-year-old retired University watchman, and John Westlund, chairman of the city's Planning and Zoning Commission, became candidates for the city's top post. The pair joins current Fifth Ward Councilman Ed Vaughan and X-ray clerk Reuben Key in the race to replace outgoing Mayor Clyde Wilson, who previously had announced he would not seek re-election.

A newcomer to city politics, Smith, 809 Donnelly Ave., has mostly worked in law enforcement. But he said his lack of council experience should not handicap him.

"When you consider the dissension that has plagued the present council," he said, "it may be an advantage to bring in someone with a clean slate."

Among the issues Smith said he'll stress include the city's energy future and economic efficiency in city government. He also said he wants to organize and streamline council meetings so they wouldn't drag past midnight.

Westlund's decision came after he received pressure from the city business leaders seeking a candi- (See COUNCIL, Page 14)

Hospital Board

Six Columbians beat deadline and make the April 7 election a 9-candidate race for three seats

By Gail Stobaugh
Missourian staff writer

It looked for a while like there would be no contest for three open positions on the Boone County Hospital Board. But by the 5 p.m. deadline Monday, six new candidates had filed for the April 7 election.

The six are:

- Dr. J. Regan Thomas, 34, of Route 4, an ear, nose and throat specialist.

- Barbara Weaver, 46, of 13 Countryside Estates, business manager for Columbia Anesthesia Services.

- John Berkbuegler, 44, of 101 E. Green Meadows Road, director of the Stephens College Health Information Management Program.
- David A. West, 46, of 305 W. Burnham Road, a University finance professor.

- Elizabeth Dickhaus, 48, of 1203 Danforth Drive, a University system health economist and University assistant professor of health service management.

- Rex A. Waid, 47, of 2304 Ridgefield Road, a University professor of electrical engineering and director of the engineering minority program.

The three candidates who filed previously are Martin R. Barnard, 31, of 66 S. Trails Drive, a staff administrative assistant at the U.S. Army Reserve Center in Columbia, and incumbents Charles G. Gibbens, 50, of 3300 Westcreek Circle, and Marvin E. "Bunky" Wright, 44, of 1200 Danforth Drive.

The nine candidates are vying for three four-year positions. Incumbent Ira Hubbell did not file for re-election.

In town today

9:30 a.m. Meeting, Boone County Court, fifth floor, court chamber, County-City Building.

6 p.m. Boys Basketball, Hickman High vs. Rockhurst, Hickman High.