

The meeting was called to order by chairman H.C. Ziegler. Board members present were Pete Place, Henry Schwartz, and Don Vaughan. Also present were Budget Committee member Bob Scott, Roger Mackaness and Cliff Graff of Pit Run, Inc. and Carol Quinn, district clerk.

The minutes of the last meeting were read and approved as printed.

Roger and Cliff presented a report on their Pit Run Hydro Electric Generating process which uses an abandoned water line belonging to the district. They went on line March 9, 1983, and their permit allows them to generate power for only six months a year from Dec. 1, to May 31. They are required to pay the district 5 % of the net according to the records, but felt that it should be 5 % of the gross. So far they have made \$849.00 and owe the district \$42.39 at this time. They have about two months of generation that has not been included in this total. If agreeable with the Board, they will make a yearly payment in June after the end of their generating season and after all totals have been figured. The Board agreed to this payment schedule.

The Board discussed a letter to customers of the District informing them of the situation in the district, the results of the water study report, costs of the filtration plant, etc. which Don Vaughan had prepared. The Board agreed to send the letter to the District's customers as soon as it could be prepared.

The Budget Committee Meeting was called to order at 8:00 p.m. Carol read the letter from the TSCC regarding their recommendations and objections to the budget which indicated that the equipment fund and filtration plant funds must be spent on specific items if placed in the capital outlay account. If they are placed in the budget to have "in case" something is needed, they must be placed in the contingency or if the filtration plant funds are to be accumulated for future use, they can be placed in the unappropriated fund balance. After some discussion it was decided that these funds would be placed in contingency to be used as necessary when the need arises except that \$1,000 will be left in the equipment fund to purchase a roll-bar for the tractor for safety purposes. Bob Scott so moved. Pete seconded. Passed. The Budget Committee adjourned at 8:30 p.m.

The Board then discussed how to improve communication and morale in dealing with the district employees. Carol informed the Board that Tim Holsti would no longer be working for the district in a parttime position as he had a fulltime job with Parkrose Water District at \$10.10 an hour starting with health, vision, and dental insurance paid and full retirement paid. The Board indicated that they felt that Supt. Vance Hubbard and Ass't Supt. Randy Stark were doing a good job of running the district because they do not hear any complaints from customers.

The meeting was adjourned at 9:00 p.m.