

MINUTES
OF THE
MEETING OF THE BOARD OF DIRECTORS

CALL TO ORDER

The regular Meeting of the Board of Directors of Pismo Coast Village, Inc. was called to order May 19, 2018, by President Terris Hughes at 10:00 AM.

PLEDGE OF ALLEGIANCE AND INVOCATION

Mr. Hughes led the Pledge of Allegiance. Mr. Plumley gave the invocation.

PRESIDENT'S MESSAGE

Mr. Hughes welcomed the shareholders and directors to the meeting. He expressed his appreciation to Mr. Jamison and staff for all of their hard work on the arrangements for this weekend's 11th Annual Vintage Trailer Rally event.

ROLL CALL

Mr. Pappi called roll. With the exception of Mr. Bessom, Mr. Buchaklian, Mrs. King and Mr. Pettibone, all members of the Board of Directors were present. Mr. Pappi declared a quorum.

PRIOR MINUTES REVIEWED

Mr. Williams moved that the minutes of the Board of Directors' Meeting held March 17, 2018, be accepted as submitted. Mr. Hearne seconded, and the motion carried.

CHIEF EXECUTIVE OFFICER/GENERAL MANAGER'S REPORT

Mr. Jamison, Chief Executive Officer/General Manager, reported that there are more than 300 vintage trailers here for this weekend's Rally. The event has been well-promoted with press releases, local television announcements, and reporters here from outside publications. Pismo Coast Village prepares and pays for the Rally program booklet, trailer placards, and the seven trophies for the event. Mr. Jamison introduced Tom Gaither from RVIA, who was in the audience and will be emceeding the award ceremony later today. A local boy scout troop was given permission to direct visitor parking in A-Lot during today's Open House, with the proceeds going to their club.

Mr. Bessom arrived at the meeting at 10:12 AM and took his seat at the table.

Mr. Jamison reported that occupancy for the current fiscal year is increased 4.1% (3,000 site nights) above the occupancy for the same period last year, and last year was the best year for occupancy in the history of the Company. Seven hundred of those site nights were nights in December donated to evacuees from the Thomas Fire.

The new cell tower that was constructed in Storage Lot A is completed, but they have not yet been able to trench under Dolliver Street/Highway One to connect with the electrical power and fiber optics services. Verizon is still working to get approval for an easement from CalTrans to do this. The City of Pismo Beach's new lift station in A-Lot and the high-pressure sewer line up Dolliver Street/Highway One have this same challenge. Next week the contractor will begin surveying and doing preliminary work along the street. Mr. Jamison also reported on the City of Pismo Beach's plan to change some streets to one-way-only to assist with traffic flow through downtown Pismo Beach.

The construction documents for the new RV Shop in Oceano were submitted to the County for review and the permit issuance. Our team of engineers and architects have said that the permit process should take 6 - 8 weeks. We did have a slight challenge with our electrical plans when the engineer we have worked with for years unexpectedly passed away. Fortunately, he had completed most of the plans, so his office staff was able to complete the work, and his business partner, also an engineer, was able to sign off on the plans.

Mr. Jamison reported on the capital projects for the current fiscal year. The new Hino truck for the Trailer Movers' fleet will be delivered on Monday. Later this year, we will be purchasing another Hino truck to replace the last International Truck. We completed the installation of the new heating and air-conditioning system in the General Store.

Staff is doing a great job and the Resort looks good. Overall, we are happy with the work that the new landscaping contractors have been doing with the resort's grounds. Our staff has taken over the weed control responsibilities in our storage lots, and we have purchased the needed equipment to support that job. We are still looking to hire more staff for the Housekeeping Department and Recreation.

EXECUTIVE AND PERSONNEL & COMPENSATION/BENEFITS COMMITTEE REPORT

Mr. Nelson, Chair of the Personnel and Compensation/Benefits Committee, reported that there was a joint meeting held yesterday with the Executive Committee. All committee members were present; Mr. Jamison also attended. Mr. Jamison gave the committees an update on the resort, the Pismo Coast Village Honorary and Memorial Scholarship Fund, the new RV Shop project, property issues, and equipment issues. Following that, the Committee reviewed and approved the annual review proposal for one of Mr. Jamison's direct report employees.

FINANCE COMMITTEE REPORT

Mr. Hardesty, Chair, reported that the Committee met this morning. Except for Mr. Pettibone, all committee members were present. Mr. Hughes and Mr. Jamison also attended. The Finance Committee reviewed income and expenses for the first seven months of the fiscal year, and comparisons were made to budgeted amounts. The Committee also reviewed variances, capital expenditures and the balance sheet, which was found to be strong. Mr. Jamison presented the first draft of the Operational Budget and the Capital Expenditures Budget for Fiscal Year 2018/2019 to the committee. A motion from committee will be presented during Closed Session.

OPERATIONS COMMITTEE REPORT

Mr. Plumley, Chair, said that the Operations Committee met this morning; all committee members were present. The Committee reviewed the draft of the 2019 Shareholder Information Manual/Calendar. They also reviewed the guest comments from the www.guestreviews.com website report and car passes submitted at checkout. The Committee will present a motion to Board during Closed Session.

AUDIT COMMITTEE REPORT

Mr. Enns, Chair, said the Committee met yesterday; all committee members were present. Accounting Manager Kitty Karstetter and Reservations Supervisor Darrell Sisk also attended to report on the procedures for handling general public reservation cancellations. The Committee also reviewed the advance deposits adjustments.

ENVIRONMENTAL, HEALTH & SAFETY ADVISORY COMMITTEE REPORT

Due to the absence of Mrs. King, Committee Chair, Mr. Skaggs gave the report. The Committee met yesterday morning. With the exception of Mrs. King and Mr. Buchaklian, all committee members were present. At the meeting, Charles Amian, Operations Manager, gave an update on accidents and injuries to guests and employees since the Committee's last meeting. He was pleased to report that there were no incidents involving employees, however, yesterday there was an accident at Restroom 4 involving a guest that tripped and fell. The Committee interviewed Stacy, Maintenance Worker, regarding safety issues. They toured the General Store and the restaurant facility and updated the Committee's List of Advisories.

NOMINATING COMMITTEE REPORT

Mr. Hearne, Chair, said the Committee met yesterday. All committee members were present. The Committee reviewed their list of candidate interview questions. The Committee interviewed one new prospective candidate for Board membership. Following that, the Committee reviewed the Active Board Application Packet Log and Active Top Candidates for Board Membership Report.

SHAREHOLDERS' COMMENTS

Jeanne Sousa, owner/broker of Pismo Coast Investments, reported that she has her first listing of a share for sale at a price of \$40,000.

A shareholder said that she likes the new gravel that is being tested on several campsites and asked if others had commented about the material. Mr. Jamison said that we have received all positive comments about it, and we do plan on putting the gravel on more sites. She loves that we are having the Vintage Trailer Rally this weekend.

A shareholder commented that he likes the new industrial bike pump that was installed by the bicycle rack at the Square.

Mr. Hughes recessed the meeting at 10:37 AM, asking the shareholders to leave the meeting room. He reconvened the meeting in Closed Session at 10:50 AM.

There being no further business, the meeting was adjourned at 11:39 AM.

The above minutes of the May 19, 2018, Board of Directors' Meeting are correct and accepted as presented.

George Pappi, Jr.

George Pappi, Jr., V. P. – Secretary

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