

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 November 8, 2014, by President Ronald Nunlist at 10:00 a.m.

INVOCATION

Mr. Nelson gave the invocation.

ROLL CALL

Mr. Nunlist affirmed that all members of the Board of Directors were present, and he declared a quorum.

PRIOR MINUTES REVIEWED

Mr. Pettibone moved that the minutes of the Board of Directors' Meeting held September 20, 2014, be accepted as submitted. Mr. Hearne seconded, and the motion carried.

PRESIDENT'S MESSAGE

Mr. Nunlist welcomed the shareholders to the meeting and said that the Company had just finished the best year ever. He expressed his appreciation to Mr. Jamison and asked that he pass along to staff the Board's thanks for the tremendous job that they did this past year. He said that some of the trees would be taken out next week in preparation for the perimeter fence project, and it is expected that a portion of the new fence will be up before the 2015 Annual Shareholders' Meeting. All of the planned capital projects for last year were completed, including the rebuilding of Restroom 2.

CHIEF EXECUTIVE OFFICER/GENERAL MANAGER'S REPORT

Mr. Jamison, Chief Executive Officer/General Manager, was pleased to report that this was a very good year for the Company. Occupancy was strong, and we set a new record for fiscal year occupancy of 114,616 total site nights. With the improving economy, current fuel prices, and the overall state of the RV industry, we hope to enjoy another good year.

He spoke to Ryan Nielsen of Brown Armstrong CPA yesterday, who commented about how much the audit team appreciated the fact that Accounting Manager Kitty Karstetter and Morgen Houllis of Glenn Burdette CPA had everything well organized for their review. The fiscal-year end audit went very smoothly.

The Verizon cell tower installation project for C and D Lots was approved by San Luis Obispo County last month, and immediately following that, we received the completed agreement with Verizon. Due to the close proximity of the lots to the Oceano Airport, there is one document pertaining to an airspace easement that must still be signed and notarized. This will be accomplished next week.

The new security camera surveillance system went on-line in C and D Lots on October 20, 2014. Management has access to the system through cell phones and computers. The system is monitored during nighttime hours by an outside security company. There are seven cameras set up across the perimeter of the property, and all but one are thermal cameras that pick up movement and body heat. We will move forward with installing the camera system into each of the storage lots until all of the lots have coverage.

The Executive Committee met with another representative from Verizon yesterday to discuss the possibility of installing a local limited cell tower facility on the Resort's property. During the discussion it was mentioned that because we have such a high concentration of customers, Verizon is responding to the need for improved cell service at the Resort. They originally felt that putting a cell tower on the cupola was the best location, but because there is a possibility that work may be done on the Clubhouse building in the future, they did not want to install there if the equipment would later have to be moved. The Committee and the representative went to see the new facility at Restroom 2 and they have proposed that the tower could be installed on that building. If we need to modify the roof structure for the installation, the project will require permitting by the State Department of Housing.

A new 32-by-50 foot metal structure will be put in at the RV Shop that can accommodate two full-size RVs at one time and will allow our technicians to do roof repairs out of the elements. We expect to have the project application submitted for review next week. We must notify all of the residents within a 300-foot radius of the property, and this project will be appealable to the California Coastal Commission.

On Monday of next week, tree removal will start for the perimeter fence project. Mr. Jamison apologized to those that might be affected by the noise and activity during the time the workers are removing the trees and construction is in progress.

Pismo Coast Village made a \$25,000 donation to the San Luis Obispo County Land Conservancy Group for the purchase of property for a park overlooking Pismo Beach and the ocean. The total cost was \$12.3 million, and \$1.3 million was generated through community efforts and includes Pismo Coast Village's donation. Construction of the parking, trail, and staging areas is planned to start Spring/Summer 2015.

Our storage lots are at capacity, and we are now taking names on a waiting list for our RV storage program. There are a couple of projects that will occur in B-Lot, which is the property that is leased from San Luis Obispo County. The Oceano Community Services District's drainage project will cause us to permanently lose 52 spaces in the lot. In addition, the construction of a new pipeline in Spring/Summer 2015 will temporarily displace many of the stored units and disrupt our normal traffic flow through the lots.

Mr. Jamison reviewed the status of the proposed plan to install a floating bridge across Pismo Creek. The California Coastal Commission initially approved the concept of a floating bridge, however, when it reached the point of being included in the management plan, there has been reconsideration by the Commission based on the perception that the bridge would only benefit Pismo Coast Village. Mr. Jamison searched our files for documentation of an agreement with the Department of State Parks and Recreation from 1975/1976 showing that we provided public access to the beach through the resort. He was able to locate the original agreement and has provided a copy to them. We have had no contact from them since that time.

EXECUTIVE COMMITTEE REPORT

Mr. Nunlist, Chair, reported that the Executive Committee met yesterday. The Committee discussed the proposed Verizon cell tower in the Resort, the construction of the perimeter fence, and acidizing the concrete areas around the swimming pool to reduce the potential for slip and fall accidents.

FINANCE COMMITTEE REPORT

Mr. Hardesty, Chair, said his Committee met this morning and reviewed the financial statement for the fiscal year ending September 30, 2014. It was a great year financially for the Company. He reported that Mr. Jamison had done an analysis of water usage for the resort. The analysis showed that irrigation costs have been reduced by 38.4% and the overall cost of guest usage is 21.5% less than last year's expense. The Committee also discussed the planned capital expenditures for the 2014/2015 fiscal year.

OPERATIONS COMMITTEE REPORT

Mr. Plumley, Chair, said that the Operations Committee met this morning and discussed the perimeter fence project. For the benefit of the shareholders in the audience, he described what the new fence would look like and the changes that must be made to allow for the installation of the fence. The Committee is also doing an in-depth review of the verbiage and information contained in our published rules and regulations. He thanked the members of his committee for their hard work this year.

AUDIT COMMITTEE REPORT

Mr. Enns, Chair, said the Committee met yesterday and reviewed the Brown Armstrong CPA audit for the fiscal year ended September 30, 2014. The Committee dispensed with the conference call that has occurred at previous years' Audit Committee meetings in November. Instead, the Committee reviewed Brown Armstrong's walkthrough documentation and the draft of the formal written communication that is required between the auditors and the Audit Committee resulting from the audit. The Committee also reviewed the financial statement, specifically the Board Summary Report. The Committee recommended that the Board Summary Report be reviewed to see if revisions are needed to the information that is contained in the report. The Committee also discussed their work during this year as well as proposed plans for next year's Committee.

NOMINATING COMMITTEE REPORT

Mr. Hearne, Chair, said the Committee met yesterday afternoon. He thanked the members of his committee for their work during the year. The Committee received one new application for board membership, and reviewed the current list of active candidates.

ENVIRONMENTAL, HEALTH & SAFETY ADVISORY COMMITTEE REPORT

Mr. Buchaklian, Chair, said that the Committee met yesterday morning. Charles Amian, Operations Manager, gave the Committee an update on accidents and safety issues involving guests and employees. Mr. Buchaklian said that one of the staff parking spaces located by the Maintenance Yard has been closed off to allow for a wider turning radius for RV's trying to make the turn along that area. The Committee also toured the RV Service Department for safety issues, and was pleased to report that everything was fine. He thanked the members of the committee for their hard work this year, and expressed his appreciation to Mr. Amian for his assistance with the committee's work.

SHAREHOLDERS' COMMENTS

A shareholder commended the Board, Mr. Jamison, and staff for the great job that they do. He commented that all of the employees are very courteous and helpful, which makes his family's vacation time here at the Resort very enjoyable.

A shareholder reported that her RV was one of the units involved in the fire in February that occurred outside the fence of our storage lot in Oceano. She expressed her appreciation to Mr. Amian who contacted them early in the morning to report the damage and sent them pictures of their unit. She also expressed her appreciation to Jason who was the first to notice the fire in progress as he was patrolling the lot in our Security Truck. She said that the Resort is beautiful and they love staying here.

A shareholder said that his trailer was parked next to the shareholder that just spoke about the fire. His unit was totaled. He thanked Mr. Amian for his courteous handling of the situation.

A shareholder commented that Restroom 2 is beautiful, and complimented the persons responsible for the construction and design.

Mr. Nunlist recessed the meeting at 10:37 a.m., asking the shareholders to leave the meeting room. He reconvened the meeting in Closed Session at 10:51 a.m.

There being no further business, the meeting was adjourned at 11:53 p.m.

The above minutes of the November 8, 2014, Board of Directors' Meeting are correct and accepted as presented.

George Pappi, Jr.

George Pappi, Jr., V. P. - Secretary

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