

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 September 20, 2014, by President Ronald Nunlist at 9:58 a.m.

INVOCATION

Mr. Nelson gave the invocation.

ROLL CALL

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

PRIOR MINUTES REVIEWED

Mr. Williams moved that the minutes of the Board of Directors' Meeting held July 19, 2014, be accepted as submitted. Mr. Hearne seconded, and the motion carried unanimously.

PRESIDENT'S MESSAGE

Mr. Nunlist welcomed the shareholders to the meeting. He commented on how beautiful the new facilities are at Restroom 2 and invited everyone to go to see the new building. We have completed all of our planned projects for the fiscal year, the Company's finances look good, and occupancy for the year is great.

CHIEF EXECUTIVE OFFICER/GENERAL MANAGER'S REPORT

Mr. Jamison, Chief Executive Officer/General Manager, said that the Company had a good year. He expressed his appreciation to the members of the Board that helped with the staff barbecue lunch in the Maintenance Yard yesterday. For various reasons, some departments were operating with less staff than they would normally have, and he thanked everyone for their hard work this year.

Fiscal-year-to-date, occupancy is 4.6% (3,397 sites) ahead of last year for general public usage, and 2.14% (699 sites) ahead for shareholder usage. We have had great weather this year, which makes a big difference, and we are on track for a record year.

He reported on the status of the three Verizon cell phone towers that the Company is involved with. The tower in Storage Lot K, which is shaped like a eucalyptus tree, was completed almost a year ago. The hearing with the San Luis Obispo County Planning Commission for the cell tower in D-Lot is taking place October 7, 2014. Yesterday Mr. Jamison heard that the cloud over the transfer of ownership of this property from the 1980s has been resolved and this project appears to be moving forward. We also were recently contacted by another Verizon representative for a mini-cell tower on the Resort's property. The Verizon representatives have visited the Resort and they would like to install a piece of equipment on top of the restaurant location and some antennas in our cupola. The Executive Committee discussed this project at their meeting yesterday. The biggest consideration is the potential that the visual effect of the equipment might negatively impact the beauty of our Resort.

We are currently working on the installation of the security camera surveillance system in C and D Lots. All of the underground utilities have been put in and we ran the conduit to house the electrical wiring and Cat-5 cable for the cameras. There will be seven cameras installed, and six of them will be thermal cameras. The seventh one will be on the entry gate and will be a detail-type camera.

The abandonment of the paper streets in C and D Lots in Oceano is completed, and the final hearing with the San Luis Obispo Planning Commission took place last week. As of this moment, the paper street that potentially might have had an impact on our storage property has been removed.

He reported that the Pismo Preserve Project being pursued by the San Luis Obispo Land Conservancy has been approved for the 900-acres behind F McLintocks Dining House for development as hiking and riding trails. Pismo Coast Village donated \$25,000 toward this project. There have been several nice comments made by local entities regarding our contribution.

EXECUTIVE COMMITTEE REPORT

Mr. Nunlist, Chair, reported that the Executive Committee met yesterday. Mr. Hughes gave the committee's report. The Committee discussed the perimeter fence along Dolliver Street/Highway One, the status of the 2014 capital projects, ideas for the 40th Anniversary celebration for Pismo Coast Village, additional new investment funds for the employees' 401(k) Plan, personnel issues, the proposed Verizon cell phone tower on the Resort's property, and additional security for the storage lots. Mr. Nunlist reported that the Committee discussed including verbiage in the Verizon lease agreement stating that the cell tower would not interfere with any improvements, additions, etc., that the Company might want or need to make to the Clubhouse building.

FINANCE COMMITTEE REPORT

Mr. Hardesty, Chair, said his Committee met this morning and reviewed the financial statement for the eleven-month period ended August 31, 2014. The financial condition of the Company remains strong. The Committee discussed the final drafts of the operating and capital expenditures budgets for fiscal year 2014/2015. The Committee also discussed water conservation in the restroom facilities.

OPERATIONS COMMITTEE REPORT

Mr. Plumley, Chair, said that the Operations Committee met this morning and discussed the rules for the resort and the shareholder information manual. The Committee is doing a comprehensive review of all of the verbiage to make sure everything is current. The Committee also reviewed the progress on the plans for the replacement of the perimeter fence along Dolliver Street/Highway One. He mentioned that there was a sample of the type of material being considered for the fence outside the Clubhouse doors and he encouraged everyone to take a look at it.

AUDIT COMMITTEE REPORT

Mr. Enns, Chair, said the Committee met yesterday. Also present at the meeting was Darrell Sisk, Reservations Supervisor. The Committee reviewed the procedures used for making reservations, handling advance deposits, and shareholder time usage. Mr. Hardesty, V.P.-Finance/C.F.O., was also at the meeting for discussion on the upcoming fiscal year end audit with Brown Armstrong CPA and the financial statement for the current period.

NOMINATING COMMITTEE REPORT

Mr. Hearne, Chair, said the Committee met yesterday afternoon. The Committee reviewed the current Board of Directors' Application Log and will be revising the document. The Committee interviewed one candidate at their Friday meeting. They have an interview scheduled with another applicant at a meeting this afternoon.

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 thefts, accidents, and safety issues involving guests and employees. Charles gave the committee a tour of Restroom 2 and the Oceanview Room. The Committee toured the Maintenance Yard and also updated the List of Advisories.

SHAREHOLDERS' COMMENTS

A shareholder commented that he had been camping in the resort since 1979, and in 1984 he started making requests for specific campsites for his stays. He was pleased to report that, since 1984, he was able to get a requested campsite three times.

A shareholder said that yesterday he had an opportunity to use Restroom 2 and commented on how fantastic the new facility was.

A shareholder asked about the capital improvements planned for next year. Mr. Nunlist stated that the Capital Expenditures Budget for 2014/2015 would not be approved until later today. Mr. Jamison reviewed the items included in the proposed budget, which included the replacement of the perimeter fence, road paving, new security cameras in four storage lots, a metal structure for the RV Shop, replacement of equipment in the walk-in cooler, a new ice machine for the General Store, and renovation of the www.pismocoastvillage.com website. The shareholder also asked if he could have a tour of the new Oceanview Room, and Mr. Jamison confirmed that this would be possible.

A shareholder asked what profit the Company can expect from the leases for the Verizon cell phone towers. Mr. Jamison explained that for the cell tower in K-Lot we receive \$1,900 per month, with a three-percent annual increase in the lease amount. The same contract and terms are being used for the cell tower planned in Oceano. The cell tower being discussed for the Resort is still in negotiations. Verizon has proposed \$400 per month, and the Executive Committee has given Mr. Jamison the authority to negotiate the monthly lease amount.

A shareholder commented that she has had issues with the Wi-Fi system the last few times that they have been in the resort. She asked if there were plans to address this. Mr. Jamison reported that there is new equipment that is being brought in. We are also talking to a couple of companies that could possibly come in and work on the system. The cost trade out is almost the same, however, the reason that we have not yet moved forward with this is because the equipment that they want to bring in is the equipment that we are already using or planning to use. Darrell will be attending a meeting of our state association, CalARVC, next week and he will have an opportunity to talk to vendors at that time.

Mr. Nunlist recessed the meeting at 10:28 a.m., asking the shareholders to leave the meeting room. He reconvened the meeting in Closed Session at 10:48 a.m.

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

The above minutes of the September 20, 2014, Board of Directors' Meeting are correct and accepted as presented.

George Pappi, Jr.

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