

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 March 17, 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 asked Mr. Jamison to extend the Board's appreciation to staff for the work that was done for the Annual Shareholders' Meeting and Wine Reception events. He thanked the Board for their support and for reelecting him as president for another year.

ROLL CALL

Mr. Pappi called roll. With the exception of 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' Reorganizational Meeting held January 20, 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 the new Verizon cell tower in Storage Lot A is finished, and Verizon is now waiting for the permit to trench under Highway One to connect to electrical power and fiber optics. Unfinished conditions for the cell tower are that improvements must be made to the fence along Highway One and plants must be replaced. Mr. Jamison spoke to the contractor for the City's new sewer lift station location in A-Lot, and it is expected that they will start the project in the next sixty days. During construction, we will temporarily lose nine parking spaces to allow them to store equipment and materials. In conjunction with that project, trenching will be done down Dolliver Street/Highway One and new sewer lines will be installed, which will interrupt the flow of traffic and impact the entryway to our Resort.

A new heating/air-conditioning system is being installed in the General Store. The new landscaping company is doing a good job. Equipment was purchased, and our staff has taken over the maintenance and weed control in our storage lots. He commended staff for their efforts in keeping the resort beautiful by painting and cleaning pedestals, planting new flowers, cleaning restrooms, etc. Occupancy for the fiscal year is well ahead of the same period for last fiscal year. Because the resort has been so busy, sealing work for the resort's roads was delayed until Fall.

He gave an update on the new RV Shop project, stating that our architect is now collecting drawings from the electrical, mechanical, and structural engineers, which will be consolidated into the packet that will be submitted to the County for review and approval. He thanked Mr. Skaggs for his assistance in reviewing plans and making suggestions.

A new Hino truck was ordered for the Trailer Movers' fleet to replace the oldest International truck that recently died. The old truck is now at the facility that will transfer the towing hardware from the old truck to the new truck to make it operational.

Because we are dog-friendly, Pismo Coast Village is a sponsor for the Pismo Paw'p Fest, a fundraiser event for Woods Humane Society with dog-oriented activities. Sky River will film a commercial next week that will feature a new RV owner coming to stay at our Resort as their first RVing adventure. Last week, Mr. Jamison attended a meeting in Sacramento to participate in a discussion on tourism and promoting the RV and camping industries in California. He reminded everyone that the third weekend in May will be the 11<sup>th</sup> Annual Vintage Trailer Rally, with approximately 300 vintage RVs in the Resort. In conjunction with that event, journalist Jeff Crider, who writes for national publications and our state association, CalARVC, will be in the Resort to report on the Rally. Visit California expects to send someone to report on the event, and Sky River will also be here with a film crew.

#### 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. Except for Mr. Nunlist, all committee members were present. Mr. Jamison also attended. At the meeting, Mr. Jamison informed the committees that the transition of the 401(k) Plan to Merrill Lynch is now complete, and plan participants have made positive comments about the change. Mr. Jamison also gave the committees an update on the resort. Following Mr. Jamison's report, the Committee went into a closed session.

#### 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 five 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.

#### 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 and will continue discussion at their May meeting prior to presenting the document for adoption by the Board. Also discussed was trash enclosures, and the Committee's suggestions will be forwarded to management.

### AUDIT COMMITTEE REPORT

Mr. Enns, Chair, said the Committee met yesterday; all committee members were present. Accounting Manager Kitty Karstetter also attended. The Committee reviewed audit documents, letters and other documents from Brown Armstrong CPA.

### ENVIRONMENTAL, HEALTH & SAFETY ADVISORY COMMITTEE REPORT

Mrs. King, Chair, reported that the Committee met yesterday. 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 in November 2017 and presented a report with information from 2008 to the present time so that new committee members can get a sense of the activity on this subject. Mr. Amian distributed copies of the Company's Tsunami Evacuation Plan for review. He also gave the committee a tour of the Company's storage lots, and Mrs. King was pleased to report that the weed abatement efforts by staff are tremendous and very much improved since the Committee's last tour of the lots.

### NOMINATING COMMITTEE REPORT

Mr. Hearne, Chair, said the Committee met yesterday. All committee members were present except for Mr. Nunlist. At their meeting, the Committee interviewed one new prospective candidate for Board membership. The Committee also reviewed their Top Candidate List and confirmed the Nominating Committee's goals for the year.

### SHAREHOLDERS' COMMENTS

There were no shareholder comments.

Mr. Hughes recessed the meeting at 10:30 AM, asking the shareholders to leave the meeting room. He reconvened the meeting in Closed Session at 10:47 AM.

There being no further business, the meeting was adjourned at 11:30 AM.

The above minutes of the March 17, 2018, Board of Directors' Meeting are correct and accepted as presented.

*George Pappi, Jr.*

---

George Pappi, Jr., V. P. – Secretary

\\tb\C:\Old\_Drive\Old Computer\datasyst\CORPORATE\BOD.MINUTES\2017\BOD.Min.March18,2017.doc