

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 July 21, 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 the members of the Board for their time, efforts and commitment to serving the Company. He also thanked Mr. Jamison and recording secretary, Terri Braun, for their service. He commented that the Resort looks great and asked that Mr. Jamison pass on the Board's appreciation to staff.

ROLL CALL

Mr. Pappi called roll. With the exception of Mr. Hearne, Mr. Nelson 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 May 19, 2018, be accepted as submitted. Mr. Willems seconded, and the motion carried.

CHIEF EXECUTIVE OFFICER/GENERAL MANAGER'S REPORT

Mr. Jamison, Chief Executive Officer/General Manager, reported that, fiscal-year-to-date, occupancy is ahead of last year by 2,866 site nights (3%), and we are still on track to end the year ahead of last year's occupancy record. So far, it has been a good Summer, and staff is working hard to keep the Resort maintained and our guests happy.

The installation of the City of Pismo Beach's new sewer line along Dolliver Street/ Highway One is still in progress, but they are waiting for parts before they can continue the work. Mr. Jamison commented on the challenges that our Trailer Movers have had to deal with during the project, which include lane closures, traffic, visibility and other issues. The construction company is storing their equipment and materials in the corner of A-Lot and the project superintendent has commented on how much they appreciate our staff accommodating the project and dealing with inconveniences. The installation of the City's new sewer lift station in A-Lot has not yet started. We are expecting that Pismo Coast Village will connect to the new sewer line sometime after the first of next year.

There has been no change in the status of the Verizon cell tower that was installed in A-Lot. Verizon is still needing CalTrans' approval to trench under Dolliver Street/Highway One to connect to power and fiber optic utilities by the State Campground. Also, Verizon does not care for the current appearance of the cell tower, which has been made to look like a eucalyptus tree, and they will be redoing the tree shape.

The plans for the new RV Shop in Oceano are progressing. We are working to get the grading permit and hope to have it by the end of July. We did have an issue with the proposed location for the transformer, which was in the middle of 21st Street. It was determined that this street is going to be abandoned, so this would not be a problem. However, to expedite things, the plans were changed to relocate the transformer to within the existing property line. We are on track to get the building permit within the next 45 days.

Mr. Jamison said that the most recent billing statement from Pacific Gas and Electric was \$52,000, which is \$20,000 more than last month's statement, and \$18,000 more than the same period last year. He called PG&E to discuss the billing, and it was determined that on July 6, 2018, during a heat wave, our usage increased, which triggered a higher price point. Based on this event, he will be looking at the Operating Budget for Fiscal Year 2018/2019 to see if adjustments are needed.

EXECUTIVE AND PERSONNEL & COMPENSATION/BENEFITS COMMITTEE REPORT

Due to the absence of Mr. Nelson, Chair of the Personnel and Compensation/Benefits Committee, Mr. Nunlist gave the report. A joint meeting of the Personnel and Compensation/Benefits Committee and Executive Committee was held yesterday. All committee members were present, except for Mr. Nelson and Mr. Pappi. Mr. Jamison also attended. Mr. Jamison gave the committees updates on the resort and the purchase of new storage property on Sheridan Road. The Committees also reviewed some personnel issues and discussed the most recent billing statement from PG&E.

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 the June 2018 financial statement and capital expenditures for the current fiscal year and found no issues. The Committee reviewed the balance sheet, which remains strong. The Committee discussed the documents submitted for the purchase of the Sheridan Road property and determined that we will be requesting further review of this matter. The Capital Expenditures Budget and Operating Budget planned for Fiscal Year 2018/2019 were discussed. 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, except for Mr. Hearne. The Committee discussed share time usage, reviewed guest comments posted on the www.guestreviews.com website report, reviewed car passes submitted upon guests' departure, and discussed how the Committee can better communicate with the President and Mr. Jamison.

AUDIT COMMITTEE REPORT

Mr. Enns, Chair, said the Committee met yesterday. All committee members were present, except for Mr. Willems. Mr. Jamison also attended. Mr. Jamison and the Committee discussed the procedures for salaried and hourly employees, including clocking in and out, vacations and sick time.

ENVIRONMENTAL, HEALTH & SAFETY ADVISORY COMMITTEE REPORT

Mrs. King, Committee Chair, reported that the Committee met yesterday morning. All committee members were present. Also attending were Charles Amian, Operations Manager, and Joshua, Security Department Lead. Mr. Amian gave an update on accidents and injuries to guests and employees since the Committee's last meeting. There were no incidents involving employees, however, there were some involving guests. The List of Advisories were reviewed, and one of the ten items listed has been completed. The Committee interviewed Josh, who shared his vision, concerns and gave feedback regarding security at the Resort. The Committee also toured and inspected the Maintenance Yard. There were no new advisories noted, and the Committee was pleased by the improvement in the appearance of the Maintenance Yard.

NOMINATING COMMITTEE REPORT

Due to the absence of Mr. Hearne, Committee Chair, Mr. Fischer gave the report. He said that, because there were no new applications and the Committee had no pressing business, no meeting was held.

SHAREHOLDERS' COMMENTS

A shareholder asked for clarification on the protocol for deliveries and outside vendors entering the Resort, and asked if forms were required to allow them in. Mr. Jamison responded that they would be required to provide a copy of their current business license and proof of insurance before they would be allowed to enter, and they would also have to name the guest and give the correct site number to confirm their destination. Outside vendors are not permitted to travel the resort to solicit business.

A shareholder said that the "Pismo Coast Village Resort in 200 feet" sign on our fence along Dolliver Street is looking ragged and should be considered for refurbishment.

A shareholder thanked the members of the Board for their time and their commitment to the Company. He said that the character of a place is defined by the character of the individuals who serve in that place. He complimented Tommy, Maintenance Lead, on his positive interactions with guests and his work ethic. He then asked that Mr. Jamison pass on to Tommy, who is currently not working due to health issues, that he is missed and appreciated. He asked Mr. Jamison to thank the Maintenance staff for having the swimming pool cleaned and ready for use at 8 AM.

Mr. Hughes recessed the meeting at 10:27 AM, asking the shareholders to leave the meeting room. He reconvened the meeting in Closed Session at 10:44 AM.

There being no further business, the meeting was adjourned at 11:26 AM.

The above minutes of the July 21, 2018, Board of Directors' Meeting are correct and accepted as presented.

George Pappi, Jr.

George Pappi, Jr., V. P. – Secretary

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