



Board of Directors

Charles Nunes–President & Park Maintenance
John Watkins–Vice President
Lorena Lemus–Secretary (Absent)
Brenda Critzer–Treasurer (Absent)
Fernando Da Silva–Management

Mark Schieber–Rules and Regulations
Leroy Laird–Public Relations
Brien Carlson–Park Use
Tom Barcellos–Collections

Owners Present

36

Meeting was called to order at 9:02 am by Charles Nunes

Flag Salute by Charles Nunes

President’s Address

1. Please turn off all cell phones.
2. This meeting is restricted to Owners only.
3. This is a volunteer Board. No one is paid for their time. Board Members are reimbursed for out-of-pocket expenses.
4. Discussion of issues can become heated and emotional, but everyone deserves to be treated with dignity and respect.
5. Regular and special meeting of the Board are open to all Members of the association, Members who are not on the Board may not participate in any deliberations or discussions unless expressly so authorized by a majority of a quorum of the Board of Directors.
6. Owners may participate in meeting during the Owner’s Comments section of the agenda.
7. Questions, comments or suggestions will be referred to a Board Member, as appropriate or taken into consideration by the Board for research, review and discussion, and placed on next month’s agenda.
8. Holiday RV Park’s procedures and meetings are governed by our bylaws, CC&Rs, and rules adopted by the Board.
9. Motion to accept the minutes of the June 9, 2018 meeting was made by Leroy Laird and seconded by Tom Barcellos.
10. Other reportable actions from the executive session last month include a carried motion from Tom Barcellos to rent the Park’s mobile home, seconded by John Watkins. Also, the Board voted unanimously to purchase new shirts for themselves at personal cost.

Correspondence – Leroy Laird

I’ve been reading and researching these comments for a while now and I have come to realize that the cards we receive from guests while they are staying in the Park tend to be a little more reactionary since someone might be upset while they are writing them.

The evaluations we receive from the online guest surveys are more considerate and reflect a thoughtful approach. Just something I have noticed recently. Here is the written correspondence from last month:

- “Loved the cleanliness, will be back again.”
- “Quiet, central location and the laundry room was extra good. Very nice people and staff.”
- “Katya and Aaron were very helpful.”
- “Very accommodating service, office girls you rock!”

Committee Reports

Management – Fernando Da Silva

Once again, if you have questions or concerns please speak with the Manager first before visiting “Rumorville.” We have an open-door policy here at Holiday RV Park.

Collections –Tom Barcellos

Collections are in a good place right now, the amount past due is at \$3,275 and we are working to resolve that. There are a few people currently in the Park that still owe from February and they will be notified after this meeting that if payment is not remitted ASAP for the February dues they will be asked to leave the Park.

The July assessment is down to \$16,536 remaining and if an Owner has not paid their July dues by August 1, all Park reservation privileges will be suspended until that balance is resolved.

Park Maintenance – Charles Nunes

Julio had to make some repairs to the pool gates and weld some new rod iron bars for safety reasons. Otherwise, we have no ongoing projects besides it being our busy season and working to keep the Park clean and running efficiently.

Financial Report: Brenda Critzer (Absent) – Fernando Da Silva (Representing)

Accounts	Balance
Rabobank – Operating	\$115,809.41
Rabobank – Laundry	\$5,617.68
Rabobank – MM	\$0.00
Rabobank – Dues	\$30,356.56
Morgan Stanley Dean Witter	\$148,201.03
Mission Bank CD	\$105,970.74

Item	June 2018	June 2017	Difference
Income	\$164,994.37	\$70,632.01	\$94,362.36
Expense	\$73,075.69	\$68,516.68	\$4,559.01
Net Income	\$91,918.68	\$2,115.33	\$89,803.35

The Park's revenue from January through June this year was \$567,999.79, compared to \$467,971.73 in 2017. An increase of \$100,000 is a very welcome improvement.

Total expenses through June this year are right at \$471,848.

Looking to net income for the same period, we are at \$95,873, compared to only \$31,804 in 2017. This is an increase of \$64,069, which is great.

Tom Barcellos made a motion to pay bills in the amount of \$60,585 seconded by John Watkins.

Rules and Regulations – Mark Schieber

Nothing too urgent to report back on this month. There were a few incidents that Julie had to resolve here and there. We will be conducting site inspections shortly to make sure our Owners are in compliance with the rules pertaining to site condition and cleanliness.

Public Relations/Publicity – Leroy Laird

Remember, these are the survey results from our guests that have had more time to think about their responses, so I think these are more detailed and collected.

- “Great and courteous staff. Wish there was more things to do for kids like a play area. And it’s just too tight. But I don’t think you can do anything about it. Overall it was a very good experience.”
- “Holiday RV is our happy place.”
- “The staff was beyond helpful and friendly.”
- “A great facility and a wonderful area!”
- “Restroom toilet seat came off, I told Julio, it was fixed in an hour. Maintenance guys do a great job.”
- “New manager was very rude and it was very uncalled for we have been members for many years and have never had a problem it was very upsetting and uncalled for.”
- “I didn't see any recycle (glass plastic) bin.”
- “Everyone is doing a great job. Very friendly staff. Thanks for all that you do.”
- “Thank you! See you in August!”
- “Excellent location. Extremely clean park. There is always a staff member on site cleaning, etc. Highly recommend. Can't beat it for the price. Great place for kids to feel safe and play.”

- “Trailers stacked way too close. Friday night noise at pool area was all night long. Very upsetting.”
- “Sites are ridiculously tight. Could barely park our tow vehicle. Dog run was a 10x15 cage that stunk like pee. Staff and residents couldn't have been nicer. Great location.”
- “Space was so narrow we couldn't fit our pickup alongside our RV and get the doors open. No additional parking available. Spaces need to be WIDER! The one we had was almost unusable.”
- “Quiet and clean.... that's about it! The spots are HORRIBLE!!!! You're just out to make money and don't care about comfort. Your lady in the office told me it was a state law you could not make the spots wider... really!! No one at the other park, RV Repair Shop or RV Sales has ever heard of such a law! Never will we ever come to your park again! I would rather stay at the State Beach with no power than stay at your concrete sardine-can storage yard!”
- “When we made our reservation, we were told we would be parked side by side with my son. They put someone between us. Awkward. Our dog will not poop on fake grass or pee on cement. Dog park could use great improvement. It is very small. Guys who help you back in are excellent help. Overall, we enjoyed our stay and will return. I felt like most of the park is full of full-time folks. Spaces are extremely small. Not much space to park your pull vehicle. Spaces are only 16' wide, so if you put your awning out you are almost touching the rig next to you. Only 4 spaces for trailers of our size, 40 ft. Very clean park. Very friendly people, workers and other campers.”
- “Ron and the morning maintenance people were great and I would give them 5/5.”
- “We have NO COMPLAINTS in this park. We will be coming back. Thank you 😊”

Beach Social Club Report – Glennita “Nink” Miles – We had a Chili Verde Cook-off last week and that went very well, I was the winner actually! Ferne Kindell won the big drawing for the Traeger BBQ. We will plan for a new raffle in September.

We are hosting a chicken BBQ on July 21st, from 3pm to 5pm. We will also be selling breakfast burritos on August 1st for Snowbird application day. Lastly, we will be serving meatloaf on August 11th, so look for more information on these events in the coming weeks.

Park Use – Brien Carlson

Park usage last month was down 3%, at 84.08% overall occupancy when compared to 87.75% for June 2017. However, it should be noted that our revenue is up due to an increase of paying customers using spaces unreserved by Owners. The office staff has been more diligent and aggressive in making sure non-Owners are filling up the Park every weekend.

Manager's Report – Julie Hill-Taylor

As a reminder, there are Snowbird applications in the office available and it will now include the instructions and procedures for submitting them. Please ask for help if you need it because I will not be any accepting incomplete applications.

As Leroy mentioned, our often guests complain about the size of our spaces and how tight parking is. During the summer months we generally don't have additional parking because we are so busy with reservations. So, if you happen to see a neighboring RV leave their space, please do not park in that site, even temporarily. There has been several instances of Owners parking illegally in empty spaces when a reserved guest is trying to check-in. It really impedes our daily business and has even caused reservation requests to get shifted around because we don't have time to ask an RV to wait up front while a tow truck pulls out an illegally parked car. If you need to temporarily double-park in front of your RV, please notify a maintenance employee or turn your hazard lights on so it communicates to other people that you are going to only be double-parked momentarily. If you are a Snowbird or a Monthly, please stop by the office to pick up a parking pass for your space because it helps us better keep track of everyone's cars and where to find you if there is a problem.

Also, we are noticing a trend of Owners buying larger and larger RVs recently. Please keep in mind the limited size of our Park and be sure to measure any RVs you are interested in buying from end-to-end. If your RV cannot fit in your assigned space due to the incorrect size being reported to the office staff at the time of reservation, then we may not be able to accommodate you. It is not our responsibility if we are working with the wrong information. This same condition applies to all potential Snowbirds; if you cannot fit you may not get to Snowbird.

Old Business

1. Project List & Costs – Charles Nunes

There have been some adjustments made to the project list since last month, so I will update everyone here today. We are still looking at, over the next five years, a restroom remodel at \$400,000, the elevator lift installation at \$90,000, electrical improvements at \$110,000, roadwork at \$120,000, ADA handrails & walkways around the Park at \$9,000, and lastly improvements to the laundry facility and restoration of our reserves account at \$247,500. We have made several adjustments to these costs based on new estimates, which lowers the total assessment down to \$976,500 instead of the previously quoted 1.2 million dollars.

2. Special Assessments – Ad-Hoc Committee – Charles Nunes (Representing)

This brings us back to special assessments, which were discussed previously by the Ad-Hoc Committee composed of myself and Brenda Critzer representing the Board and John Souza and Kip Hayes representing the general Membership. We've covered a lot of ground on the topic already, and John Watkins will discuss a little bit more about the decision made this morning:

Comment from John Watkins – We discussed this assessment again this morning at length and based on a unanimous Board vote we are implementing the options presented by the Ad-Hoc Committee. That will be a total assessment of \$1,116 per share over the course of 3 years, or \$31 monthly. We are going to provide options for our Owners, including a 5% discount for a year's payment upfront or a 10% discount for the entire assessment payment in advance. To apply for any discounts, payment must be made within 30 days. All funds derived from the assessment will be held in a new, separate checking account apart from other Park revenue. This account will only be used to pay for the improvements as outlined in our project list and reserve study. Stipulations include that 2 requests for proposals are obtained for each project item, there will be a monthly oversight committee composed of 2 Board Members, 2 Owners, the Project Manager and the Park Manager that will report every month on the progress of the assessment and project completion. All expenses are to be approved by a purchase order system headed by the Board President, Treasurer and Project Manager. Successful bidders for each project must show proof of insurance and be bonded for their work. If the projects are completed under budget, expenses will be paid back to the Owners, except for the reserve study.

This assessment must be approved by the vote or written consent of the majority of the Ownership before going into effect. All the information from this motion will be included in a ballot that will be sent to every Owner by mail very shortly. Our goal is set a deadline for return votes by August 22nd, 2018. The Board will hold a special meeting on Saturday, August 25th to report the results of the vote. Not returning your ballot will be considered a "yes" vote.

We are going to have the people vote on this assessment, but we have to make every effort possible to repair this Park and get things up to code before it is too late. This is crucial; and this is why we have been discussing assessments with you now for at least the past 3 meetings. We will be open for your comments later during the Owner Comments section of the agenda so I welcome everyone to provide their opinion.

Comment from Steve Scottish (Locker 39) – Do you guys have a backup plan in case we get a lot of "no" votes? A plan "B" or even plan "C"?

Response from John Watkins – *To be honest, no, there is no plan "B" or "C" at this time. Plan "B" could end up being closing down the Park, to be very candid with you. Everyone here can look at the balance sheets and quickly figure out that there is not enough revenue to pay our normal expenses and still complete these projects. As you are aware the Board had to borrow \$90,000 last month from our CD just to pay bills, which we are paying back as we speak. But if the Board had to close out of our savings tomorrow it would not even come close to covering the costs of these improvements. This is why we need your support.*

Response from Tom Barcellos – *Some of the changes that the Board has made within the last year are starting to take an effect if you review our occupancy for June compared to last year. Actual occupancy is down, yet revenues are up over \$20,000 based on increases to rates, the reduction in length of the Snowbird season and stronger efforts to get in more off-the-street paying customers here. So I want to emphasize that while we are making good progress as a business, these projects will not wait until for our reserves to slowly build up over time.*

Comment from Dominic Fornaro (Locker 601) – While I do support making an assessment to get the Park up to where it needs to be, I believe that the Snowbirds and Monthlies that get to live here in Pismo should pay more than Owners that just stay and use their time only.

Response from Fernando Da Silva – *The Board has made a decision to stop the old system of only using revenue derived from Snowbirds, Monthlies and off-the-street customers for these big, expensive projects. The problem has been that for years instead of assessing all our Owners to make large improvements that benefit everyone, the Board has been using all our operational revenue; the money that keeps the Park open as a business. We are trying to stop that routine, but we cannot do this without your cooperation, nor can we only fine a small group of Owners for these improvements, or for a greater amount than other Owners. Not only would that be unfair to them, but they already pay sufficient usage fees for rent that continue to increase every year or so.*

Response from Kip Hayes (Locker 366) – *Even if the Board made a decision to raise fees and rates for Snowbirds, Monthlies or off-the-street customers today, it would take years for that to generate enough hard assets to pay for all the projects listed. There is a real timetable involved with the ADA projects too. I worry that if this assessment is not taken seriously and funded in time there would be state agencies coming to the Park to close us down for lack of compliancy or someone could file a lawsuit against the Park.*

Comment from John Watkins – We are trying to protect this Park and your investment here, that is why we sought out help in finding out which ADA-required improvements we needed to make. We have a timeline of this needs to be completed so an assessment is considered necessary to get everything funded and completed in time to protect everyone from either a lawsuit or closure of the Park. I personally know of attorneys out of San Diego that are going around Southern California trying to sue any business they can for these kinds of ADA complaints.

Comment from Justin Fornaro (Locker 601) – Why don't we issue a temporary assessment on non-Members when they stay? We are the ones paying for all these improvements and the non-Members come in and don't take pride in any of this work that has been done, they abuse the facilities, and then we get stuck fixing it. Their rates are too cheap.

Response from Julie Hill-Taylor – *Just to clarify with everyone here today, we as a business charge non-Members a little more than \$71 per night to stay here at the Park. Our competitors over at Pismo Coast Village charge their customers \$75 per night so there is a limit to just how much more we can charge our non-Members and we are right at the limit based on what we have to offer compared to other RV parks. We are definitely getting top dollar here.*

Comment from Paul Nunes (Locker 826) – A big difference between us and them is that our Park caters to the Owners. If you go Pismo Coast Village and buy a share it is much harder to get a reservation than at our Park because we always put Owners first. PCV caters to the non-members because that is where they make their money.

New Business

No new business was discussed during today's meeting.

Owner's Comments

Christie Atkins (Locker 825) – I really wish the Board and Ownership would carefully look into the meanings of "handicap" and how that applies to our Park. Even though this is private property, you cannot ask disabled drivers to move their vehicles after 2 hours like how we are doing right now. Every shopping mall or hotel is private property too and once you park there with your disabled placard you are good to go. We cannot intimidate persons into believing that they have to move their cars after a certain time.

Next is the issue of the cross-hatched areas next to the handicap spaces; that is for loading and unloading of handicap persons only. You cannot allow people to park in them for any other reasons. So when our Owners park their golf carts and leave them, even if they are licensed disabled vehicles that is wrong. Right now as we speak someone is doing this, so I want this to be addressed, reviewed and someone needs to get it done right.

Response from Charles Nunes – *Christie, thank you for your comments and the information you have provided today. The Board will take this under consideration for review next month and we will report back in August.*

Ed Aldrich (Locker 440) – Is this assessment earmarked for ADA only? If not, can we just focus on ADA improvements based on our needs? Also, while I can understand where you are coming from regarding Owners that don't return their ballots, I firmly believe that you cannot count those persons as voting "yes." You should only go with what you get back.

Response from Charles Nunes – The Board is prioritizing the ADA projects first, and the only non-ADA improvements would be the electrical upgrades, future roadwork, laundry improvements and restoration of the Park's reserve funds.

Response from Tom Barcellos – The reason we are adding that stipulation is because it will take a majority of all Owners to approve an assessment like this. It is not like amending the Bylaws where only a majority of actual votes returned is required.

Meredith Oates (Locker 91) – As partial Owners of this business, there has been an understanding from day-one that if there is not enough money available to repair and take care of this Park then it is the Board's responsibility to bill each and every Owner for their equal share of the costs required. We have to at least maintain the value of our shares.

Charlotte Medford (Locker 513) – I would think that sometimes people need incentive to do what it is that they need to do, so I might make a suggestion that the statement regarding an unreturned ballot being counted as a "yes" vote be bold and highlighted in red so as to draw people's attention to it. It would hopefully make the Owner stop to take a moment and respond.

Response from Julie Hill-Taylor – It was definitely a struggle to get our message across this year during the annual voting and we as a staff did everything we could from our end to engage the Owners. So I would like each of you here today as Owners to communicate and speak with your friends and family about this assessment. It is very likely that every Owner in the Park knows at least one other person besides themselves that it is a Member, since it is a family Park. Your encouragement could make all the difference for certain Owners that feel unengaged or disinterested in their responsibilities as shareholders.

Dominic Fornaro (Locker 601) – I think that as Owners here together we need to understand that we do share the maintenance costs and have an obligation to take care of our Park. Now, some Owners might think that they own more than others, and I hope that conceit will stop someday. It doesn't matter if you are a Monthly or a Snowbird, every Owner here is equal. The people that won't vote are the people that probably don't even stay here at all. If we need to incentivize people to vote then give them a free day if we have to.

On an unrelated topic, it would be nice to see some of our Owners be a little bit friendlier to those persons that have dogs and show a little bit more common courtesy if a dog happens to have an accident on the way to the dog run. People often have a strong attachment to their pets and if Members treat guests unkindly they might go stay at another park.

Joyce Aldrich (Locker 440) – The Board should consider following the same voting rules that we observed earlier in the year. As we know, there was not enough affirmative votes to amend the CC&Rs of the Park. The Board made a decision not to count those unreturned ballots as "yes" votes then. We should try to be consistent.

Joe Nunziato (Locker 115) – Rather than returning any surplus back to the Owners if the projects are completed under budget, I would suggest spending some of that money on better advertising for the Park to help boost our occupancy. Also, our neighbors at Pismo Coast Village across the street bring in considerable revenue with their RV storage and towing business. There is a growing demand for storage here on the Coast and if Holiday RV could invest money into a business like that it would quickly pay for itself. Some studies into reinvestment could be a greater benefit for all the Owners in the years to come rather than just returning the money that borrowed.

Larrey Noia (Locker 590) – Are there actual rules in place that explain how the Park is supposed to count votes received from Members? Would we be breaking some kind of rule by counting non-participation a certain way?

Response from Charles Nunes – No, there are no specific rules dictating how the Board should have to count votes for a ballot of this nature.

Harriet Garret (Locker 313) – When I worked on two separate voting committees it was a long and exhaustive process to call every Owner in the Park, and we barely got back the votes we needed at the time. People would say that they would turn their ballots in but they never did.

Response from John Watkins – I remember that you ladies did an amazing job and worked very hard on calling everyone, myself included. Even with all that effort, we were very close that year to not even reaching a Quorum. It is your responsibility to participate; it's your Park!

Meredith Oates (Locker 91) – Last month I received an explanation as to why our children and grandchildren can no longer use our free time. So, my friend and I went to the San Luis Obispo Clerk-Recorder's office and recorded new deeds for our shares with our children and grandchildren listed as Co-Owners. It cost us \$95 for the Recorder's fees and \$15 to notarize the deeds. Now my family can use our free time any way they choose; so it is a relatively simple task for Owners to accomplish if they choose to.

Christie Atkins (Locker 825) – I would like to make a suggestion for a way to make more revenue for the Park. We should be selling bags of ice in the office instead of having everyone go across the street to 7-Eleven. We should invest in a new machine or lease an outdoor one that guests can put money into like a vending machine.

Response from Julie Hill-Taylor – I was not working here when the Park still had complimentary ice machines but my understanding is that a lot of guests and non-registered guests abused them.

Response from Brien Carlson – The Board at the time looked at many different options for ice machines but we were unable to come up with a solution that we could all agree on; there is no silver bullet here.

Harriet Garrett (Locker 313) – The monitors in the laundry room are absolutely useless, what are they up there for? There is no useful information on them.

Response from Julie Hill-Taylor – The monitors were purchased a few years ago by previous management and I have used them to show information like Beach Club events, or local bus schedules and other things I felt were useful to guests and residents. However, during the transition between our previous IT provider and our new team in San Luis Obispo the programs I used stopped working. Our new tech group has been working on other projects for the Park that are a higher priority like Wi-Fi and our security camera system. I will be instructing them to continue to work on our TV advertisement programs.

Ed Aldrich (Locker 440) – The priority for these projects should be focused on meeting ADA requirements. I don't foresee the Park being closed down if the roads don't get repaired or if the RV sites aren't 50 amp service. If you remove those unessential items from the list that would cut the total assessment down to \$600,000.

Response from Charles Nunes – The restroom remodel and the elevator lift are the Board's top priority on improvements should the Membership approve the assessment.

Response from John Watkins – If you look to the dates on the project list you will see that roadwork will be completed last, by the year 2022. Per the bylaws and CC&Rs the Board can only call for a special assessment once within a 5 year period, and we don't want to take another bite of the apple in only 1 or 2 years.

Response from Brien Carlson – The electrical changes are definitely a serious concern for the Park because of the corrosive, salt air environment we inhabit. It's not so much about getting 50 amp service to every site; the Park will not have enough electrical throughput to install 50 amp service in every single site anyways. But we have to protect the guests plugging-in their RVs from damages caused by grounding issues and the like. Many of our utility panels are degrading too rapidly to leave unrepaired for very much longer.

Charlotte Medford (Locker 513) – As a business owner myself I recognize that the costs of improvements and construction can change over the course of a few years. So do these estimates factor inflation and other unforeseen variables?

Response from Charles Nunes – Yes, these estimates already exceed the greatest estimated cost if these projects were not completed within 1 to 2 years so inflation and the unforeseen is definitely being accounted for.

Board Members Comments

Comment from Brien Carlson – I think another Owner brought up a very good point today, we are all in a 30-year old house. If you had serious damage to your home like dry rot you would make a decision to repair it sooner rather than later. At Holiday RV we have 875 Owners of this house that have to come together and agree or disagree to repair this house. It is so important that our Owners vote "yes" to support this assessment so we can finally take care of these problems now. I don't want to have this black cloud hovering over all of us for years to come.

Comment from Mark Schieber – This assessment is the result from years and years of cheap living here at the Coast. Years of abuse have resulted in an empty checkbook for the Park and now we can't afford to pay the bill; it's very simple. This is going to hit, and hit hard, but it is just the reality of the situation.

Going back to the ice machines for a moment, ice machines are designed to be "loss-leaders" for business. The point of having ice machines at a store like 7-Eleven is not to make money off of ice sales, because they don't. It is an attempt to get customers in the store to buy other items to go with their ice, like soda, beer, candy, sandwiches etc.

Comment from Tom Barcellos – I know I have said this before, but I would like to remind everyone that because of the changes we have implemented, the value of your shares has nearly doubled in the last 3 to 5 years. Prices went down very low after the recession and I think a lot of people looked at this Park and said “I’m not going to invest any money there.” Back then, shares were sold for as little as \$6,000 or \$7,000, but today Owners are listing their shares at \$15,000 to \$18,000. I really think these improvements will continue to drive the value up even more in the years to come.

Comment from Charles Nunes – I wanted to thank everyone in the Park a few weeks back during the heat wave we had here in Pismo. Our guests were very considerate with their electricity usage and I was pleased to find out that there were no blown-out transformers or melted fuse boxes.

All Motions

Leroy Laird made a motion to approve the minutes from the June 9th, 2018 meeting, seconded by Tom Barcellos. Roll Call: Brien Carlson, Fernando Da Silva, Lorena Lemus and Charles Nunes voted yes. Brenda Critzer and Lorena Lemus absent. Motion carried.

Tom Barcellos made a motion to pay bills in the amount of \$60,585 seconded by John Watkins. Roll Call: Brien Carlson, Fernando Da Silva, Leroy Laird, Charles Nunes and Mark Schieber voted yes. Brenda Critzer and Lorena Lemus absent. Motion carried.

Meeting adjourned at 10:55 am

Respectfully Submitted,

Lorena Lemus

Board of Directors – Secretary

CC

Aaron Cartwright

Senior Reservation Agent