

CITY OF PALOS VERDES ESTATES



September 28, 2020

David Conforti, General Manager
Palos Verdes Golf Club
3301 Via Campesina
Palos Verdes Estates, California 90274

Samuel Rotondi,
President of the Board of Directors
Palos Verdes Golf Club
3301 Via Campesina
Palos Verdes Estates, California 90274

Re: Preferential Standing Tee Times at the Palos Verdes Golf Club

Gentlemen:

The Palos Verdes Golf Club, Inc. (the "PVGC"), manages and operates the City-owned Palos Verdes Golf Club pursuant to a concession agreement dated December 11, 2018. Section 26 of that agreement requires the PVGC to operate the Club in compliance with the concession agreement, the PVGC Bylaws and Membership Handbook, and all applicable rules and regulations.

On September 21, 2020, several City officials received an anonymous letter (dated September 8, 2020) making them aware of a practice at the Club that grants a small group of members standing tee times on Wednesday, Friday and Sunday mornings, when demand for tee times is highest. While we understand that the PVGC recently implemented an online registration system to facilitate the booking of tee times, the City also understands that the computer registration system has not curbed the practice and has highlighted those members who somehow regularly have preferred tee times during peak times. The letter concludes by demanding that tee times be provided on a first come-first serve basis and threatening legal action if the standing tee time practice does not end. The threat of litigation against the City over the standing tee time practice got our attention. As City liaisons to the Golf Club, we are concerned about the allegations of unequal treatment of members.

PVGC's Bylaws state specifically that "all regular members shall have or be subject to the same rights, privileges, preferences, restrictions, and conditions." PVGC's Membership Handbook also notes that regular members can play at any time the course is open and are otherwise entitled to full participation on the same basis as all other regular members. Allowing a select few members to regularly reserve preferred tee times appears to run afoul of both the Bylaws and the Handbook. Furthermore, this practice appears to also impact the residents who are not members that have right to utilize the course under certain conditions.

If PVGC has a practice of granting preferential tee times to select members, please confirm whether you intend to end it immediately. If not, we would like to meet with you and your Board of Directors within next five days to understand your position. We intend to bring this matter to the full council's attention to discuss the City's options, including termination of the concession agreement, at our next regularly scheduled meeting (October 13, 2020). Also, please be aware that, should litigation over the practice be initiated against the City, PVGC must defend and indemnify the City under paragraph 13 of the concession agreement.

We thank you for your prompt attention to this letter and look forward to amicably resolving this issue. Should you have any questions, do not hesitate to contact City Manager Laura Guglielmo at (310-750-9801 or via email at lguglielmo@pvestates.org).

Sincerely,



David McGowan
Mayor

cc: Kenny Kao, Councilmember
Laura Guglielmo, City Manager
Christi Hogin, City Attorney