



INTEROFFICE MEMO

Gary Grief, Executive Director

Alfonso D. Royal III, Charitable Bingo Operations Director

To: J. Winston Krause, Chairman
Carmen Arrieta-Candelaria, Commissioner
Peggy A. Heeg, Commissioner
Doug Lowe, Commissioner
Robert Rivera, Commissioner

From: Mike Fernandez, Administration Division Director *MRF*

Date: April 14, 2016

Re: Report, possible discussion and/or action on agency major contracts, including the status of the lottery operator contract, and whether discussion of the negotiation of the lottery operator contract in an open meeting would have a detrimental effect on the Commission's position in the negotiations

Staff is seeking Commission approval to open discussion and negotiation with IGT for the potential extension of the Lottery Operations and Services Contract.

Service or Goods Provided	Lottery Operations and Services
Vendor(s)	IGT Global Solutions Corporation
Proposed Action	Renew current contract
Description	Provide lottery operations services and equipment, including, but not limited to, a Lottery Gaming System and sales, marketing, warehouse, distribution and related services to implement and operate Texas Lottery games as authorized by law
Current Term of Contract	December 14, 2010 to August 31, 2020, three 2-year renewals remaining
Estimated Annual Cost	\$ 97,263,577