



# Texas Lottery Commission

## April 12, 2018

### 10:00 a.m.

I.	The Texas Lottery Commission will call the meeting to order. Pledge of Allegiance to the U.S. and Texas flags. Texas Pledge: "Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible."	J. Winston Krause, Chairman
II.	Report, possible discussion and/or action on proposals for Advertising Services (RFP No. 362-18-0002), including approval to execute contract.	Michael R. Fernandez, Administration Division Director
III.	Report, possible discussion and/or action on agency major contracts, including amendment, renewal or extension of the contract for Internal Audit Services and Instant Ticket Manufacturing and Services.	Michael R. Fernandez, Administration Division Director
IV.	Report, possible discussion and/or action on agency prime contracts, including amendment, renewal or extension of the contracts for Security Officer Services, Website Hosting Services, Houston Claim Center Lease, and the trademark license and promotional agreement with the Houston Texans.	Michael R. Fernandez, Administration Division Director
V.	Report, possible discussion and/or action on HUB and/or minority business participation, including approval of the agency's Fiscal Year 2017 Minority Business Participation Report.	Eric Williams, HUB Coordinator
VI.	Consideration of and possible discussion and/or action on implementing the Bingo Advisory Committee.	Robert F. Biard, General Counsel
VII.	Consideration of and possible discussion and/or action, including proposal, on amendments to 16 TAC §402.102 (Bingo Advisory Committee), 16 TAC §402.300 (Pull-Tab Bingo), and 16 TAC §402.402 (Registry of Bingo Workers).	Robert F. Biard, General Counsel
VIII.	Consideration of and possible discussion and/or action on Request for Opinion RQ-0199-KP to the Office of the Attorney General, regarding transferability of rights a grandfathered bingo commercial lessor holds under a commercial lessor license.	Robert F. Biard, General Counsel
IX.	Consideration of and possible discussion and/or action, including proposal, on amendments to 16 TAC §401.308 ("Cash Five" Draw Game Rule).	Deanne Rienstra, Special Counsel
X.	Consideration of and possible discussion and/or action, including adoption, on new 16 TAC §403.800 (Savings Incentive Program).	Robert F. Biard, General Counsel

<p>XI. Report, possible discussion and/or action on lottery sales and revenue, game performance, new game opportunities, advertising, promotional activities, market research, trends, and game contracts, agreements, and procedures.</p>	<p>Katheryn J. Pyka, Controller</p>
<p>XII. Report, possible discussion and/or action on transfers to the State.</p>	<p>Katheryn J. Pyka, Controller</p>
<p>XIII. Report, possible discussion and/or action on external and internal audits and/or reviews relating to the Texas Lottery Commission, and/or on Internal Audit activities.</p>	<p>Darlene Brown, McConnell Jones Lanier &amp; Murphy LLP</p>
<p>XIV. Report, possible discussion and/or action, including approval, on the Charitable Bingo Operations Division report required by Bingo Enabling Act §2001.060 for calendar years 2016-2017.</p>	<p>Alfonso D. Royal III, Charitable Bingo Operations Division Director</p>
<p>XV. Report by the Charitable Bingo Operations Director and possible discussion and/or action on the Charitable Bingo Operations Division's activities, including licensing, accounting and audit activities, pull-tab review, and special projects.</p>	<p>Alfonso D. Royal III, Charitable Bingo Operations Division Director</p>
<p>XVI. Report by the Executive Director and possible discussion and/or action on the agency's operational status, major contracts, agency procedures, awards, and FTE status.</p>	<p>Gary N. Grief, Executive Director</p>
<p>XVII. Consideration of the status and possible approval of orders in enforcement cases:</p>	<p>Robert F. Biard, General Counsel</p>
<p><u>Lottery NSF License Revocation Cases (Default)</u></p>	
<p>A. Docket No. 362-18-1602 – Unique Liquor  B. Docket No. 362-18-1921 – Lake City Food Mart  C. Docket No. 362-18-1925 – Super Stop  D. Docket No. 362-18-1926 – K&amp;K Food Store  E. Docket No. 362-18-1927 – F &amp; A Food Mart  F. Docket No. 362-18-1928 – Albert's Beverage and Market L  G. Docket No. 362-18-1929 – Postal Annex  H. Docket No. 362-18-2181 – Corner C Store</p>	
<p><u>Lottery Agreed Orders</u></p>	
<p>I. Docket No. 362-18-0885 – Alma One Stop  J. Docket No. 362-18-1119 – Grab N Go  K. Docket No. 362-18-1223 – Express 146  L. Case No. 2017-476 – Payless Super Market  M. Case No. 2017-932 – Kwik Pik Food Store Coppel  N. Case No. 2017-1242 – Amigo Mart  O. Case No. 2017-1523 – Shop N Save</p>	
<p><u>Bingo Agreed Orders</u></p>	
<p>P. Docket No. 362-17-5424.B – AmVets Post 52, Inc. [Motion for Rehearing and Agreed Order]</p>	
<p><u>Bingo License Revocation and/or Denial Cases</u></p>	

- Q. Docket No. 362-18-0629.B – Catholic War Veterans Post 770, J.L. Garza, Inc.
- R. Docket No. 362-18-1138.B – Alashandra Gardley (Bingo Worker – Default)
- S. Docket No. 362-18-1834.B – Harold Adams (Bingo Worker – Default)

XVIII. Public comment.

XIX. Commission may meet in Executive Session:

- A. To deliberate personnel matters, including the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of the Executive Director and/or the Charitable Bingo Operations Director pursuant to §551.074 of the Texas Government Code.
- B. To deliberate the duties of the General Counsel and/or the Human Resources Director pursuant to §551.074 of the Texas Government Code.
- C. To receive legal advice regarding pending or contemplated litigation or settlement offers, or other legal advice, pursuant to §§551.071(1) and (2) of the Texas Government Code, including but not limited to legal advice regarding the following items:

Pending and potential litigation regarding Fun 5's Scratch Ticket Game #1592, including Travis Co. District Court Cause No. D-1-GN-14-005114, Third District Court of Appeals Cause No. 03-16-00172-CV (Steele, et al. v. GTECH Corp.); and Dallas Co. District Court Cause No. DC-14-14838, Fifth District Court of Appeals Cause No. 05-15-01559-CV (Nettles v. GTECH Corp. and Texas Lottery Commission).

Julam Investments, Inc. v. Texas Lottery Commission (Travis Co. District Court Cause No. D-1-GN-16-006124)

State of Texas v. Equal Employment Opportunity Commission et al.

Legal advice regarding Texas Government Code Chapters 466 (State Lottery Act) and 467, the Bingo Enabling Act, the Open Meetings Act, the Public Information Act, the Administrative Procedure Act, employment and personnel law, procurement and contract law, evidentiary and procedural law, ethics laws, and general government law.

Legal advice regarding any item on this open

J. Winston Krause, Chairman

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meeting agenda.

XX. Return to open session for further deliberation and possible action on any matter posted for discussion in Executive Session. Any matter posted for Executive Session also may be the subject of discussion and/or action in open session prior to Executive Session.

J. Winston Krause, Chairman

XXI. Adjournment.

J. Winston Krause, Chairman

Notice of Assistance at Public Meetings. Persons with disabilities who plan to attend this meeting and who need auxiliary aids or services such as interpreters for persons who are deaf or hearing impaired, readers, large print or Braille, should contact Debbie Jamieson at (512) 344-5038 at least four (4) work days prior to the meeting so that appropriate arrangements can be made.

**Simpson, MaryBeth**

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**From:** Jamieson, Debbie  
**Sent:** Wednesday, April 4, 2018 12:06 PM  
**To:** Sanchez, Sheila; Simpson, MaryBeth  
**Subject:** FW: S.O.S. Acknowledgment of Receipt  
**Attachments:** 04122018.doc

-----Original Message-----

From: TexReg@sos.texas.gov [mailto:TexReg@sos.texas.gov]  
Sent: Wednesday, April 4, 2018 12:04 PM  
To: Jamieson, Debbie <Debbie.Jamieson@lottery.state.tx.us>  
Subject: S.O.S. Acknowledgment of Receipt

Acknowledgment of Receipt

Agency: Texas Lottery Commission

Liaison: Debbie L. Jamieson

The Office of the Secretary of State has posted

notice of the following meeting:

Board: Texas Lottery Commission

Committee: Texas Lottery Commission

Date: 04/12/2018 10:00 AM "TRD# 2018004348"

Notice posted: 04/04/18 12:05 PM

Proofread your current open meeting notice at:

[http://texreg.sos.state.tx.us/public/pub\\_om\\_lookup\\$.startup?Z\\_TRD=2018004348](http://texreg.sos.state.tx.us/public/pub_om_lookup$.startup?Z_TRD=2018004348)

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