

Texas Lottery Commission

December 13, 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 the 2018 demographic report on lottery players.	Ryan Mindell, Lottery Operations Director
III.	Report, possible discussion and/or action on the biennial security study of the lottery.	Toni Erickson, Support Services Manager, Administration Division
IV.	Report, possible discussion and/or action on agency major contracts, including amendment, renewal or extension of the contracts for Instant Ticket Manufacturing and Services and Drawing Studio and Production Services.	Toni Erickson, Support Services Manager, Administration Division
V.	Report, possible discussion and/or action on agency prime contracts, including amendment, renewal or extension of the trademark license and promotional agreement with the Houston Texans and the contract for Lottery Drawing CPA Services.	Toni Erickson, Support Services Manager, Administration Division
VI.	Consideration of and possible discussion and/or action, including proposal, on amendments to 16 TAC §§401.315 ("Mega Millions" Draw Game Rule) and 401.317 ("Powerball®" Draw Game Rule).	Robert F. Biard, General Counsel
VII.	Consideration of and possible discussion and/or action, including adoption, on revisions to Commission Policy Number P-002 (Division of Responsibilities).	Robert F. Biard, General Counsel
VIII.	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.	Katheryn J. Pyka, Controller
IX.	Report, possible discussion and/or action on transfers to the State and the agency's budget.	Katheryn J. Pyka, Controller
X.	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, including approval of the Personal Identifiable Information Audit Report and the Copy Center Operations Audit Report.	Darlene Brown, McConnell Jones Lanier & Murphy LLP
XI.	Report by the Bingo Advisory Committee Chairman; possible discussion and/or action on the Bingo Advisory Committee's activities.	William Smith III, Presiding Officer of the Bingo Advisory Committee

<p>XII. 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>Michael P. Farrell, Charitable Bingo Operations Division Director</p>
<p>XIII. 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>XIV. 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> <ul style="list-style-type: none"> A. Docket No. 362-18-5016 – First Shot Liquor B. Docket No. 362-19-0128 – Keenan Grocery C. Docket No. 362-19-0416 – Swadeshi Plaza of Plano Inc. D. Docket No. 362-19-0417 – Shop Smoke N Beverage 	
<p><u>Lottery Agreed Orders</u></p> <ul style="list-style-type: none"> E. Docket No. 362-18-4350 – 100 Shady Oaks Food F. Docket No. 362-18-5142 – Kingsland Food Mart G. Case No. 2018-598 – Lockhart Grocery H. Case No. 2018-599 – Jiffy Mart #3 I. Case No. 2018-741 – Tip Top Food Mart 1 J. Case No. 2018-743 – Stripes No. 2406 K. Case No. 2018-744 – Fuel Maxx 14 	
<p><u>Other Lottery Cases</u></p> <ul style="list-style-type: none"> L. Docket Nos. 362-18-3432 – Coyote Den 	
<p><u>Bingo Agreed Orders</u></p> <ul style="list-style-type: none"> M. Case No. 2018-676 – Jeffrey Trevino (Bingo Worker) N. Case No. 2019-27 – Arturo Esquivel (Bingo Worker) O. Case No. 2019-28 – Samuel D. Macklin (Bingo Worker) P. Case No. 2019-110 – Kameron Bernal (Bingo Worker) 	
<p>XV. Public comment.</p>	<p>J. Winston Krause, Chairman</p>
<p>XVI. Commission may meet in Executive Session:</p> <ul style="list-style-type: none"> A. To deliberate personnel matters, including the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of the Executive Director and/or 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 	<p>J. Winston Krause, Chairman</p>

§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 Tex. Supreme Court Docket No. 18-0159 (Steele, et al. v. GTECH Corp.) and Tex. Supreme Court Docket No. 17-1010 (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.

State of Texas v. C.D. (On Petition for Review from the Twelfth Court of Appeals)

Prescott Lovern, Sr., Private Attorney General v. Texas Lottery 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 meeting agenda.

- XVII. 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.

- XVIII. Adjournment.

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.

J. Winston Krause, Chairman

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Simpson, MaryBeth

From: Jamieson, Debbie
Sent: Wednesday, December 5, 2018 12:17 PM
To: Sanchez, Sheila; Simpson, MaryBeth
Subject: FW: S.O.S. Acknowledgment of Receipt
Attachments: 12132018.doc

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

From: TexReg@sos.texas.gov <TexReg@sos.texas.gov>
Sent: Wednesday, December 5, 2018 12:16 PM
To: Jamieson, Debbie <Debbie.Jamieson@lottery.state.tx.us>
Subject: S.O.S. Acknowledgment of Receipt

CAUTION: This email originated outside the Texas Lottery's email system.
DO NOT click links or open attachments unless you expect them from the sender and know the content is safe.

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: 12/13/2018 10:00 AM "TRD# 2018009672"

Notice posted: 12/05/18 12:16 PM

Proofread your current open meeting notice at:

[http://texreg.sos.state.tx.us/public/pub_om_lookup\\$.startup?Z_TRD=2018009672](http://texreg.sos.state.tx.us/public/pub_om_lookup$.startup?Z_TRD=2018009672)

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- XII. 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.
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