

Texas Lottery Commission

April 11, 2019

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 scratch ticket games benefitting the Texas Fund for Veterans' Assistance under Texas Government Code §466.027, including sales and revenue information, programs to benefit Texas veterans, and coordination with the Texas Veterans Commission.	Melissa Villaseñor, Governmental Affairs Liaison; Katheryn J. Pyka, Controller; Robert Tirloni, Products Manager
III.	Report by the Bingo Advisory Committee Chairman; possible discussion and/or action on the Bingo Advisory Committee's activities, including removal and appointment of committee members.	William Smith, III., President Bingo Advisory Committee
IV.	Report, possible discussion and/or action on agency major contracts, including amendment, renewal or extension of the contract for Internal Audit Services.	Michael R. Fernandez, Administration Division Director
V.	Report, possible discussion and/or action on agency major contracts, including amendment, renewal or extension of the contracts for Drawing Studio and Production Services and Instant Ticket Manufacturing and Services.	Michael R. Fernandez, Administration Division Director
VI.	Report, possible discussion and/or action on agency prime contracts, including amendment, renewal or extension of the contracts for Security Officer Services, Lottery Drawings CPA Services and Risk Review and Compliance Monitoring Services.	Michael R. Fernandez, Administration Division Director
VII.	Report, possible discussion and/or action on HUB and/or minority business participation, including approval of the agency's Fiscal Year 2018 Minority Business Participation Report.	Eric Williams, HUB Coordinator
VIII.	Consideration of and possible discussion and/or action, including proposal, on amendments to 16 TAC §402.403 (Licenses for Conduct of Bingo Occasions and to Lease Bingo Premises).	Tyler Vance, Assistant General Counsel
IX.	Consideration of and possible discussion and/or action, including adoption, on amendments to 16 TAC §§ 401.101 (Lottery Procurement Procedures) and 401.105 (Major Procurement Approval Authority, Responsibilities and Reporting).	Lea Garey, Senior Contracts Attorney

<p>X. 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>XI. Report, possible discussion and/or action on transfers to the State.</p>	<p>Katheryn J. Pyka, Controller</p>
<p>XII. Report, possible discussion and/or action on the 86th Legislative Session.</p>	<p>Nelda Treviño, Governmental Affairs Director</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 & Murphy LLP</p>
<p>XIV. 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>XV. 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>XVI. 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. 362-19-1441 – 1st Stop Beverage Barn</p>	
<p>B. Docket No. 362-19-1532 – Valley Food Mart 1</p>	
<p>C. Docket No. 362-19-1534 – Liberty Crossing</p>	
<p>D. Docket No. 362-19-1746 – Kountry Mart</p>	
<p>E. Docket No. 362-19-1747 – Raceway</p>	
<p>F. Docket No. 362-19-1795 – Super Quick Mart</p>	
<p>G. Docket No. 362-19-1941 –Xpress Beer & Wine</p>	
<p>H. Docket No. 362-19-1942 – Z K L Food Mart</p>	
<p>I. Docket No. 362-19-1944 – Madi Food Mart</p>	
<p><u>Lottery Agreed Orders</u></p>	
<p>J. Case No. 2018-513 – Lionbacker Drive</p>	
<p>K. Case No. 2018-633 – Uptown Liquor</p>	
<p>L. Case No. 2018-745 – Texan Mart #7</p>	
<p>M. Case No. 2018-802 – Lone-Star Mini Mart</p>	
<p>N. Case No. 2019-42 – Speedy Mart</p>	
<p>O. Case No. 2019-121 – Express Lane Exxon</p>	
<p>P. Case No. 2019-122 – MJ Food 10</p>	
<p>Q. Case No. 2019-123 – New Sunshine Food Mart</p>	
<p>R. Case No. 2019-152 – I-40 Eastern Liquor</p>	
<p>S. Case No. 2019-161 – Handi Plus #19</p>	
<p>T. Case No. 2019-163 – Lexington Food Mart</p>	
<p>U. Case No. 2019-264 – Kountry Korner</p>	
<p>V. Case No. 2019-265 – Hwy 290 Shell Truck Stop</p>	
<p>W. Case No. 2019-379 – Triple E Corner Store #2</p>	

X. Case No. 2019-380 – Quik Shop

Other Lottery Cases

Y. Docket No. 362-19-0857 – Stephens Country Corner

Bingo Agreed Orders

Z. Docket No. 362-19-0858.B – Knights of Columbus 5155

AA. Case No. 2019-624 – Heather Martinez (bingo worker)

XVII. Public comment.

XVIII. 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 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 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,

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procurement and contract law, evidentiary and procedural law, ethics laws, and general government law.

Legal advice regarding any item on this open meeting agenda.

XIX. 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.

XX. 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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