



STAFF AGENDA MEMORANDUM

DATE OF MEETING: July 27, 2023

AGENDA ITEM: Consulting Services Related to iGaming Contract #2023-05
Recommended Award

PRESENTER: James Nielsen, Deputy Director / COO

ISSUE SUMMARY: In the FY 2024 State Budget, the Budget Committees of the Maryland General Assembly directed the Maryland Lottery and Gaming Control Agency (“MLGCA”) to prepare a report on iGaming. The Budget Committees authorized MLGCA to contract with a third-party consultant to assist in the completion of a study for the iGaming report, and provided MLGCA with funding of up to \$100,000 for this purpose. The MLGCA is required to submit the iGaming report to the Budget Committees no later than November 15, 2023.

The General Assembly is generally interested in understanding the current regulatory landscape for iGaming; the estimated market in Maryland; the potential economic impact of legal regulated iGaming on Maryland’s brick-and mortar casinos, other gaming venues, and the MLGCA; the experience of other states; methods to transition individuals from the illegal iGaming market to the legal market; and the impact on problem gambling. The iGaming report is intended to help the General Assembly in this regard.

The Contract must be awarded before any discussion and research can begin, so it is time sensitive. We believe that holding this approval item for the Commission’s August meeting could jeopardize meeting the Budget Committees’ deadline, so we are presenting it now.

RFP Process: The MLGCA issued a Request for Proposals (“RFP”) #2023-05 for this Contract on June 2, 2023 and five proposals were timely received by July 17, 2023. An Evaluation Committee comprised of three individuals was established and was advised by the Procurement Officer.

The RFP identified the criteria to be used to evaluate each Technical Proposal for the Contract, which are listed below in descending order of importance. Unless stated otherwise, any sub-criteria within each criterion have equal weight.

6.2.1 Offeror’s Technical Response to Requirements and Work Plan (RFP § 5.3)

6.2.2 Experience and Qualifications of Proposed Staff (RFP § 5.3.2.G)

6.2.3 Offeror Qualification and Capabilities, including proposed subcontractors (RFP § 5.3.2.H)

Technical Evaluation: Each Committee member read each technical proposal in its entirety. The Committee then met to discuss the proposals and technical rankings which are shown below.

<u>Offeror</u>	<u>Technical Rank</u>
The Innovation Group	1 st
Spectrum Gaming Group	2 nd
Christiansen Capital Advisors	3 rd
WhiteSand Consulting	4 th
RSM US LLP	5 th

Financial Evaluation: The Committee reviewed the Financial proposals, which are summarized below.

<u>Offeror</u>	<u>Financial Proposal and Rank</u>	
Christiansen Capital Advisors	\$72,625.00	1 st
WhiteSand Consulting	\$82,500.00	2 nd
The Innovation Group	\$86,000.00	3 rd
Spectrum Gaming Group	\$98,875.00	4 th
RSM US LLP	\$100,000.00	5 th

Most Advantageous Proposal Determination: As stated in the RFP, the MLGCA’s goal is to obtain a Contractor that can support the MLGCA’s preparation of the required iGaming report. The Evaluation Committee believes that The Innovation Group’s proposal is the most advantageous to the State based on RFP’s technical factors and financial factors, which have equal weight in this RFP. MLGCA Staff recommends Commission approval to award the Contract to The Innovation Group. Due to the Contract value, it does not have to be submitted to the Board of Public Works.

<u>Offeror</u>	<u>Technical Rank</u>	<u>Financial Offer</u>	<u>Overall Rank</u>
The Innovation Group	1 st	\$86,000.00	1 st
Spectrum Gaming Group	2 nd	\$98,875.00	2 nd
Christiansen Capital Advisors	3 rd	\$72,625.00	3 rd
WhiteSand Consulting	4 th	\$82,500.00	4 th
RSM US LLP	5 th	\$100,000.00	5 th

COMMISSION ACTION REQUIRED/REQUESTED: Discussion, consideration and possible action approving award of the Contract to **The Innovation Group, New Orleans, LA.**

STAFF RECOMMENDATION: Staff recommends approval.