

# Maryland Lottery and Gaming Control Agency

Larry Hogan, Governor • Gordon Medenica, Director



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TO: Maryland Lottery and Gaming Commission  
Gordon Medenica, Director

FROM: James Nielsen, Assistant Deputy Director/COO

DATE: September 6, 2016

SUBJECT: Report for the September 2016 Commission Meeting

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## GAMING

See attached report from Charles LaBoy, Managing Director

## REGULATORY OVERSIGHT

See attached report from John Mooney, Managing Director

## AGENT ADMINISTRATION

	<b>07/01/2015</b>	<b>07/01/16</b>	<b>08/31/16</b>
# OF RETAILERS	4,536	4,539	4,528
# OF RETAILER TERMINALS	5,262	5,274	5,261
# XCAP RETAILERS	275	307	316

## CONTRACT MANAGEMENT

- The RFP for the Lottery central system was issued on December 10, 2015. The Pre-Proposal Conference was held on January 7, 2016 with all three of the major vendors as well as a number of MBEs attending. In February we increased the minority business participation goal from 15% to 20% and extended the proposal due date by eight weeks to April 28, 2016 to allow bidders time to adjust their proposals. The committee made its recommendation to award the contract to the Director on August 11. The selection was approved at the August 17 Commission meeting and the three offerors were advised. Debriefings are underway and a contract with the selected offeror will be submitted to DoIT and the Board of Public Works for review and approval.
- Features for Phase 2 of the My Lottery Rewards App, primarily related to e-playslips and the retailer locator capabilities, are in testing.
- A new version of the RaceTrax game was installed on September 1. This version modifies several features to enhance the viewer experience.

- MS Technologies continues to work on e-Licensing Systems improvements. We are testing a final component of Priority 4 involving Principal applications as well as Priority 5 work, with a targeted completion of November 1, 2016. Additional enhancements are being worked on as part of Priority 6. We are also cooperating with the Medical Cannabis Commission to provide them with our licensing system.
- A team has been working with several other lottery jurisdictions (GA, MI, OH, MO) on the possible launch of an add-on wager for Keno - a multistate progressive jackpot offering. If there are no technical or contractual impediments, the feature could be launched in the second or third quarter of 2017.

**FACILITIES**

- Montgomery Park continues to fine tune the security features they have added at the property. We are also working with building management to address some long outstanding maintenance issues.

**WAREHOUSE**

The instant ticket warehouse is responsible for packing all of the instant tickets that are shipped to lottery retailers. Orders are placed through our Tel Sell operation which is operated by our on-line vendor. Once an order is placed, it is sent to the warehouse for fulfillment. Fulfilled orders are shipped via UPS for next day delivery to the retailer locations. In addition to filling the orders, the warehouse is responsible for monitoring UPS to ensure proper billing and timely delivery. Instant ticket shipping activity is as follows:

<b># of Orders August 2016</b>	<b># of Packs August 2016</b>	<b>YTD Orders 7/1/16 – 8/31/16</b>	<b>YTD Packs 7/1/16 – 8/31/16</b>
14,954	167,426	28,160	311,365