

Maryland Lottery and Gaming Control Commission

STAFF AGENDA MEMORANDUM

DATE OF MEETING: September 25, 2014

AGENDA ITEM: **Renewal Option – Video Lottery Terminals and Related Services Master Contract (#2009-12)**

PRESENTER: Gina Smith, Deputy Director/CFO

ISSUE SUMMARY: The original contract due to expire on March 31, 2015 has a one 5-year Renewal Option available. The Gaming Law was subsequently revised effective March 31, 2015 to remove the responsibility to own or lease the VLTs from the MLGCC and to require that each VLT Facility, except for Ocean Downs and Rocky Gap, acquire its own VLTs. Therefore, during the Renewal Option period this Contract will be used by the MLGCC only for VLTs for the Ocean Downs and Rocky Gap Facilities. As part of the transition of responsibility for VLTs from the MLGCC to the Facilities, the MLGCC will dispose of most of the VLTs at Ocean Downs and Rocky Gap that are presently owned by the State and will replace them with leased VLTs. There will also be a need for the maintenance and upgrade of the VLTs at Ocean Downs and Rocky Gap over the term of the Renewal Option.

COMMISSION ACTION REQUIRED/REQUESTED: Discussion, consideration, and possible action.

STAFF RECOMMENDATIONS: Staff recommends approval. Subject to Commission approval, this renewal will be submitted to DoIT for inclusion on the October 15, 2014 BPW Agenda.