

CALIFORNIA STATE LOTTERY COMMISSION

Minutes – March 22, 2012
Sacramento, California

1. Call to Order

Commissioner John Smolin called the public meeting of the California State Lottery Commission to order at 9:06 a.m. at the California State Lottery Headquarters, 700 North 10th Street, Sacramento, CA 95811.

2. Pledge of Allegiance

Smolin led the Pledge of Allegiance.

3. Roll Call

Smolin asked Elisa Topete to call the roll.

Commission Members Present:

Commissioner Phil Tagami
Commissioner Nate Kirtman
Commissioner John Smolin

CSL Staff and presenters:

Robert T. O'Neill, Director
Lisa Hightower, Chief Legal Counsel
Jim Hasegawa, Deputy Director of Business Planning
Roberto Zavala, Chief of Internal Audits
Leticia Saldivar, Chief of Consumer Marketing & Advertising
Everest Robillard, Deputy Director of Security & Law Enforcement
Russ Lopez, Deputy Director of Corporate Communications
Terry Murphy, Deputy Director of Operations
Elisa Topete, Assistant to the Commission
Mary Montelongo, Recording Secretary

4. Closed Session

The Commission convened to a closed session at 9:07 a.m. to confer and receive advice from legal counsel regarding litigation (including adjudicatory proceedings, potential litigation exposure or initiation): Invitation for Bid #3767, Security Guard Services. The Commission reconvened at 9:19 a.m.

5. Consider Approval of the Agenda

Smolin asked if any of the Commissioners wanted to make changes to the March 22, 2012 agenda as proposed. Phil Tagami moved to approve the agenda. Seconded by Nate Kirtman. The motion passed unanimously (3-0).

6. Approval of Minutes

Smolin asked if there were any additions or corrections to the February 23, 2012 minutes. The minutes were approved unanimously (3-0).

7. Director's Report

The following oral reports were presented:

Director's Comments – Robert T. O'Neill

Lottery Sales Reports – Jim Hasegawa

Follow-up on 2011 Asset Management Audit – Roberto Zavala

Marketing Presentation – Leticia Saldivar

Security & Law Enforcement Presentation – Everest Robillard

Communications Presentation – Russ Lopez

8. Consent Calendar

There were no items on the consent calendar.

9. Action Items

a. Otto Construction Contract Amendment

Staff requested approval to extend the Otto Construction (Otto) contract expiration date from June 15, 2012 to December 31, 2012. Otto is the building construction contractor of the new Lottery headquarters project. Presented by Terry Murphy, Deputy Director of Operations.

Smolin asked if anyone from the audience had any questions on Action Item 9(a). No one came forward so he proceeded to the motion of approval.

Tagami made the motion to approve Action Item 9(a). Seconded by Kirtman. The motion passed unanimously (3-0).

b. LPAS Contract Amendment

Staff requested approval to amend the LPAS contract to extend the expiration date from June 15, 2012 to December 31, 2012 and add \$60,000. LPAS provides professional Architectural and Engineering services for the design of the new Lottery Headquarters campus. Presented by Terry Murphy, Deputy Director of Operations.

Smolin asked if anyone from the audience had any questions on Action Item 9(b). No one came forward so he proceeded to the motion of approval.

Tagami made the motion to approve Action Item 9(b). Seconded by Kirtman. The motion passed unanimously (3-0).

c. Capital Program Management Contract Amendment

Staff requested approval to amend the Capital Program Management (CPM) contract to extend the expiration date from June 15, 2012 to December 31, 2012. CPM provides overall project management services for the new Lottery headquarters project that includes schedule and budget components, strategic planning for procurement items, review and advice of documents prepared by others, and oversight of quality assurance/quality control of performance objectives. Presented by Terry Murphy, Deputy Director of Operations.

Smolin asked if anyone from the audience had any questions on Action Item 9(c). No one came forward so he proceeded to the motion of approval.

Tagami made the motion to approve Action Item 9(c). Seconded by Kirtman. The motion passed unanimously (3-0).

d. BroadSpec, Inc. Contract Amendment

Staff requested approval to amend the BroadSpec, Inc. (BroadSpec) contract to extend the expiration date from May 31, 2012 to December 31, 2012 and add \$15,000. BroadSpec acts as the Lottery's Inspector of Record (IOR) and building official to support the construction of the new Lottery headquarters facility. Presented by Terry Murphy, Deputy Director of Operations.

Smolin asked if anyone from the audience had any questions on Action Item 9(d). No one came forward so he proceeded to the motion of approval.

Tagami made the motion to approve Action Item 9(d). Seconded by Kirtman. The motion passed unanimously (3-0).

10. Commissioner General Discussion

Tagami requested a small, modest "Welcome" reception for the Lottery's newest Commissioner, following the April 26th Commission Meeting. The reception would allow the Lottery's senior staff members the opportunity to meet the new Commissioner.

11. Scheduling Next Meetings

The next Commission Meeting is tentatively scheduled for April 26, 2012.

12. Public Discussion

Smolin asked if anyone from the public had anything to discuss. No one had signed up prior to the meeting and no one came forward, so he proceeded to the next item on the agenda.

13. Adjournment

Meeting adjourned at 10:59 a.m.