

NOTICE OF INTENT TO AWARD SOLE SOURCE CONTRACT

Date: February 28, 2018

Pursuant to NMSA 1978, § 13-1-126.1, the New Mexico Lottery Authority hereby announces its intent to award a sole source contract for lottery services (the “Contract”) upon the expiration of 30 days from the date of this Notice as follows:

Parties to the contract:

New Mexico Lottery Authority (“NMLA”) and New Mexico Council on Problem Gambling, (hereinafter “NMCPG”), a New Mexico non-profit corporation with offices located at 5850 Eubank Blvd NE, Ste. B14, Albuquerque, NM 87111.

Sole Source Justification:

Since 1998, NMCPG has been the only contractor to submit a proposal in response to the NMLA’s requests for proposals to provide the services that are the subject of the Contract. Upon a review of the industry conducted by the NMLA, there are no similarly situated contractors in the State of New Mexico who can provide the comprehensive services that are the subject of the Contract, and there are no contractors outside the State of New Mexico who can provide cost-effective services without interruption to New Mexico residents in need of information, treatment and rehabilitation services for problem gambling.

Nature and quantity of the service being contracted for:

The NMLA is contracting with NMCPG for compulsive gaming information, treatment and rehabilitation services in furtherance of the NMLA’s obligation under NMSA 1978, § 6-24-7(J) of the New Mexico Lottery Act to support problem gambling initiatives and provide information to players about where to obtain problem gambling assistance in New Mexico. The contractual services to be provided by NMCPG include, but are not limited to, the following:

- Operate and maintain a telephone crisis hotline (the “Hotline”) to provide callers with information, treatment and rehabilitation services specific to problem gambling; the Hotline shall be toll-free, bilingual (Spanish and English), and accessible to the general public from anywhere in New Mexico twenty-four (24) hours per day, seven (7) days per week.
- Provide the NMLA with detailed quarterly statistical reports resulting from all calls to the Hotline. These quarterly reports shall include statistical information about the callers, but shall not include any information that specifically identifies any caller by name, address or similar personal identifying information. All information obtained, collected and/or maintained by the NMCPG from callers shall be treated and maintained as confidential by NMCPG. NMCPG represents, warrants and covenants that all information and data obtained, collected or maintained by NMCPG pursuant to the contract, and all quarterly

statistical reports prepared and provided by NMCPG to the NMLA, shall comply with all applicable laws, regulations, and ordinances.

- Provide the NMLA guidance in the development of a problem gambling program, brochures, and other materials related to problem gaming.
- Meet with NMLA staff on a quarterly basis, if requested by the NMLA.
- Provide the NMLA with quarterly budgets and financial reports.

Contract Term:

The term of the Contract shall be two (2) years commencing on April 1, 2018, and expiring on March 31, 2020, unless sooner terminated by the NMLA in accordance with the terms and conditions of the Contract. The NMLA shall have the option to renew the Contract for up to two (2) additional years, in whatever increments deemed most beneficial to the NMLA, on the same terms and conditions specified in the Contract.

Contract amount:

Total compensation to be paid under the Contract by the NMLA to NMCPG shall be Seventy Thousand Dollars (\$70,000.00) per contract year for all contractual services provided by NMCPG, which shall be paid in quarterly increments. Commencing with the second year of the Contract term, the NMLA will increase the total compensation to be paid to NMCPG by One Thousand Dollars (\$1,000) over the preceding year's contract amount in the event the NMLA's net lottery revenues increased by at least 4% (four percent) over the preceding contract year. In no event shall the total amount payable for any contract year exceed Seventy-Three Thousand Dollars (\$73,000) during the term of the Contract.

End of Notice.