NOTICE OF INTENT TO AWARD SOLE SOURCE CONTRACT

Date: October 16, 2025

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 gaming system services and associated products and 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), 4511 Osuna Rd. NE, Albuquerque, NM 87109, and Intralot, Inc. (Intralot), 11360 Technology Circle, Duluth, Georgia, 30097-1502.

Sole Source Justification:

Since November 22, 2015, Intralot has supplied the New Mexico Lottery Authority (NMLA) with a Lottery Gaming System and Associated Products and Services. On June 20, 2024, NMLA issued an RFP (#24-002) to solicit proposals for a new Lottery Solutions System (Lottery Gaming System and Associated Products and Services). NMLA awarded a contract to Scientific Games, LLC (SG), following the RFP. Intralot protested this award and later withdrew the protest, significantly delaying implementing the new gaming solutions system contract with SG. NMLA must maintain the Intralot gaming system to prevent negative impacts on scholarship funding until the SG system is operational. The Intralot gaming system used by NMLA is proprietary, and only Intralot can provide uninterrupted service until the SG gaming system goes live.

Nature and quantity of the service being contracted for:

The NMLA is contracting with Intralot to continue using the integrated Gaming System and related services, including the necessary hardware, software, systems, network operations, maintenance, consumables, and support services provided under the current contract.

Contract Term:

The term of the Contract shall not exceed four months, starting on November 22, 2025, and ending on March 22, 2026, unless extended or terminated earlier by the NMLA in accordance with the terms and conditions outlined in Section 3.5.1. (Emergency Extension) of the RFP dated May 1, 2015, and agreed upon by the parties on September 16, 2015, or as may be specified in a subsequent contract. The contract may be extended for an additional two months, until May 22, 2026, if necessary, by mutual agreement under the same terms and conditions, unless otherwise amended.

Contract amount:

Pursuant to the "Gaming Systems and Associated Products and Services" RFP dated May 1, 2015, and the related contract executed on September 16, 2015, NMLA is exercising its right to extend Intralot's contract, including pricing as provided in Section 3.5.1. (Emergency Extension). Section 3.5.1., an Emergency Extension, states that Intralot will continue to be paid at "the rates and upon the terms and conditions in effect thirty (30) days" before notice of extension is given to Intralot. The "SECOND AMENDMENT TO AGREEMENT FOR LOTTERY GAMING SYSTEM AND ASSOCIATED PRODUCTS AND SERVICES" was executed on October 30, 2018, between NMLA and Intralot, and provides that, commencing on November 22, 2020, Intralot shall be paid 2.89% of Total Net Sales as the base pricing rate. The actual compensation paid to Intralot varies based on actual weekly sales. NMLA estimates the contractor will be paid between four hundred twenty thousand and four hundred fifty thousand dollars monthly. (Payment estimates to Intralot may increase depending on jackpot runups.)

End of Notice.