

GOVERNMENT OF THE DISTRICT OF COLUMBIA  
Office of the Chief Financial Officer



2019 JUN 10 PM 2:16

OFFICE OF THE  
SECRETARY

Jeffrey S. DeWitt  
Chief Financial Officer

JUN 10 2019

The Honorable Phil Mendelson  
Chairperson  
Council of the District of Columbia  
1350 Pennsylvania Avenue, NW, Suite 504  
Washington, DC 20004

Dear Chairman Mendelson:

Pursuant to D. C. Official Code §1-204.51, enclosed for consideration by the Council of the District of Columbia is the proposed legislation and proposed Contract CFOPD-19-C-041 with Intralot, Inc. The not-to-exceed amount of the proposed contract action is \$215,000,000.

The purpose of the proposed contract is to allow Intralot, Inc. to provide Sports Wagering, Lottery Gaming Systems and Related services for the District of Columbia's Office of Lottery and Gaming.

As always, I am available to discuss any questions you may have regarding the proposed contract action. In order to facilitate a response to any questions concerning the proposed contract action, please have your staff contact Dorothy Whisler Fortune, Director of the Office of Contracts for the Office of the Chief Financial Officer at (202) 442-8078.

Sincerely,



Jeffrey S. DeWitt

cc: Nyasha Smith, Secretary, Council of the District of Columbia

## **COUNCIL CONTRACT SUMMARY**

Pursuant to D.C. Official Code §1-204.51, the following contract summary is provided.

**(1) The proposed contractor, contract amount, unit and method of compensation, contract term, type of contract and source selection method:**

- **Prime Contractor:** Intralot, Inc.
- **Subcontractors:** Veterans Services Corporation dba Vital Services Contractors; M Jones & Companies LLC; Octane LLC; Goldblatt Martin Pozen LLP; SBC LLC; District Services Management; and Potomac Supply Company LLC
- **Contract Amount:** The proposed contract amount for the five (5) year base period is not to exceed \$215,000,000.
- **Unit and method of compensation:** United States Dollars (USD) in accordance with Section B, Pricing, of the contract.
- **Contract Term:** The contract has a base period of one (5) year term with one (1), five (5) year option period. This proposed contract action is for the five (5) year base period.
- **Contract Type:** Requirements contract type
- **Source Selection Method:** Noncompetitive Negotiations, pursuant to Financial Management and Control Order No. 19-02, dated February 26, 2019, Section 1013.1

**(2) The goods or services to be provided, the methods of delivering goods or services, and any significant program changes reflected in the proposed contract:**

The purpose of this proposed contract with Intralot, Inc. is to provide Sports Wagering, Lottery Gaming Systems and Related Services to the District of Columbia's Office of Lottery and Gaming (OLG). The services and deliverables are approved by the COTR in accordance with Sections B and C of the Contract.

**(3) The selection process, including the number of offerors, the evaluation criteria, and the evaluation results, including price, technical or quality, and past-performance components:**

Pursuant to the Sports Wagering Procurement Practices Reform Exemption Act of 2019, effective April 18, 2019 (D.C. Law 23-1; 66 DCR 5539), this proposed Contract is exempt from the Procurement Practices Reform Act of 2010 (D.C. Law 18-371; D.C. Official Code §§ 2-351.01 et seq. Pursuant to Financial Management and Control Order No. 19-02, dated February 26, 2019 (CFO Order No. 19-02), the OCFO Contracting Procedures for the Exempt Gaming Contract shall govern this proposed Contract.

Pursuant to Section 1013.1 of CFO Order No. 19-02, the contract for the Exempt Gaming Contract is necessary to meet an immediate essential requirement of the OCFO. The procurement contract for Exempt Gaming Contract shall be awarded through noncompetitive negotiations to a source that is readily available to perform in the time necessary to meet the essential requirement of the OCFO.

Intralot, Inc. is the incumbent OLG gaming system vendor. Intralot, Inc. was awarded the current contract through a competitive request for proposal process. Intralot, Inc. has the inherent and unique knowledge base and gaming system to provide immediate and consistent services to implement sports wagering and modernize the DC Lottery with a digital platform and state-of-the-

art technology. The proposed contract was successfully negotiated with Intralot, Inc. to achieve the best value for the District, exceed the District's CBE requirements, and meet the needs of the OLG.

- (3A) A description of any bid protest related to the award of the contract, including whether the protest was resolved through litigation, withdrawal of the protest by the protestor, or voluntary corrective action by the District, and the identity of the protestor, grounds alleged in the protest and any deficiencies identified by the District as a result of the protest:**

The contract is pending award upon Council approval. At this time no protests have been filed.

- (4) The background and qualifications of the proposed contractor, including its organization, financial stability, personnel, and performance on past or current government or private-sector contracts with requirements similar to those of the proposed contract:**

Intralot, Inc. is a global company that has extensive expertise in the creation, implementation and maintenance of lottery systems, and sports wagering services through a digital/mobile platform. They have award winning technology, a talented marketing team and success in building partnerships, both nationally and globally.

A June 7, 2019 Dun and Bradstreet report on Intralot presents that company is financially stable to provide the proposed contract services. Further, the District Treasurer has reviewed the financials of Intralot, Inc. and determined that the company is financially stable to perform the proposed contract services. Intralot has satisfactory prior performance on its contract with the District government and with its current clients. Intralot is in full compliance with the District tax requirements.

- (4A) A summary of the subcontracting plan required under D.C. Code § 2-218.01 et seq., including a certification by the District that the subcontracting plan meets the minimum requirements and the dollar volume of the portion of the contract to be subcontracted, in both total dollars and as a percentage of the total contract amount:**

The Contractor has provided a subcontracting plan that exceeds the 35% requirement per D.C. Code §2-218.01. A copy of the subcontracting plan is included in this package.

- (5) Performance standards and expected outcomes of the proposed contract:**

The contract shall be performed as defined in Section C of the contract.

- (5A) The amount and date of any expenditure of funds by the District pursuant to the contract before its submission to the Council for approval:**

There have been no expenditures to date.

- (6) A certification that the proposed contract is within the appropriated budget authority for the agency for the fiscal year and is consistent with the financial plan and budget adopted in accordance with D.C. Official Code §§ 47-392.01 and 47-392.02:**

The funding certification is included in this Council package.

- (7) A certification that the proposed contract is legally sufficient, including whether the proposed contractor has any currently pending legal claims against the District:**



Legal Sufficiency is provided in this Council package.

- (8) A certification that the Citywide Clean Hands Database indicates that the proposed contractor is current with its District taxes. If the Citywide Clean Hands Database indicates that the proposed contractor is not current with its District taxes, (1) a certification that the contractor has worked out and is current with a payment schedule approved by the District or (2) a certification that the contractor will be current with its District taxes after the District recovers any outstanding amount.**

The Clean Hands compliance document is included in this Council package.

- (8A) A certification that the proposed contract that it is current with its federal taxes, or has worked out and is current with a payment schedule approved by the federal government:**

The Bidder Offeror Certification is included in the Council package.

- (9) The status of the proposed contractor as a certified local, small, or disadvantaged business enterprise, as defined in the Small, Local, and Disadvantaged Business Enterprise Development and Assistance Act of 2005, effective October 20, 2005 (D.C. Law 16-33; D.C. Official Code § 2-218.01 *et seq.*):**

Intralot is not a Certified Business Enterprise (CBE). Intralot, Inc. has seven (7) CBE contractors working on this proposed contract: Veterans Services Corporation dba Vital Services Contractors; M Jones & Companies LLC; Octane LLC; Goldblatt Martin Pozen LLP; SBC LLC; District Services Management; and Potomac Supply Company LLC. Their CBE certifications are included in the Council package.

- (10) Other aspects of the proposed contract that the CPO considers significant:**

None.

- (11) A statement indicating whether the proposed contractor is currently debarred from providing services or goods to the District or federal government, the dates of the debarment, and the reasons for debarment:**

Intralot, Inc. does not appear on the Federal Excluded Parties List System (EPLS) or the District Excluded Parties List.

- (11A) Any determination and findings issued in relation to the contract's formation under Financial Management and Control Order No. 19-02, dated February 26, 2019:**

All determination and findings issued in relation to the contract formation are included in this package.

**(12) Where the contract, and any amendments or modifications, if executed, will be made available online:**

The contract and all amendments and modifications shall be available online at the following website address: <https://dc.cobblestonesystems.com/public/default.aspx>

**(13) Where the original solicitation, and any amendments and modifications will be made available online:**

Not applicable.

A handwritten signature in blue ink, appearing to read "Dorothy Whisler Fortune", is written over a horizontal line.

Dorothy Whisler Fortune, Esq. CPPO  
Director  
Office of Contracts



Government of the District of Columbia

## CERTIFICATE OF CLEAN HANDS

INTRALOT, INC  
11360 TECHNOLOGY CIR  
DULUTH, GA 30097-1502

EIN : \*\*\*\*\*6402

As reported in the Citywide Clean Hands system, the above referenced individual or entity has no outstanding liability with the District of Columbia. As of the date herein, you have complied with the following official DC code and therefore are issued this Certificate of Clean Hands.

TITLE 47. TAXATION, LICENSING, PERMITS, ASSESSMENTS AND FEES  
CHAPTER 28. GENERAL LICENSE LAW  
SUBCHAPTER II. CLEAN HANDS BEFORE RECEIVING A LICENSE OR PERMIT  
D.C. Code § 47-2862 (2006)  
§ 47-2862. Prohibition against issuance of license or permit.

Authorized By Marc Aronin  
Chief, Collection Division

Date: Wednesday this 5th day of June 2019 04:02 PM

Tracking#: 1040457


This document is a certified, complete and true copy.

GOVERNMENT OF THE DISTRICT OF COLUMBIA  
OFFICE OF THE CHIEF FINANCIAL OFFICER  
OFFICE OF LOTTERY AND GAMING



MEMORANDUM

**TO:** Dorothy Fortune,  
Director, Office of Contracts

**FROM:** Craig D. Lindsey,   
Agency Fiscal Officer

**DATE:** June 6, 2019

**SUBJECT:** Certification of funding availability for a proposed contract in the amount of *two hundred fifteen million dollars (\$215,000,000)* from July 15, 2019 through July 14, 2024 with Intralot, Inc. to provide a lottery and sports wagering gaming system, equipment and services for the Office of Lottery and Gaming to administer its Lottery and Sports Wagering Programs

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I hereby certify that the Office of Lottery and Gaming will make available twenty-eight million, seven hundred thirty-five thousand, seven hundred dollars (\$28,735,700) in its FY'20 requested budget, forty-one million, fifteen thousand, two hundred one dollars (\$41,015,201) in FY'21, forty-four million, eight hundred fifty thousand, seven hundred seventy-eight dollars (\$44,850,778) in FY'22, forty-eight million, three hundred three thousand, sixty-four dollars (\$48,303,064) in FY'23 and fifty-two million, ninety-five thousand, two hundred fifty-seven dollars (\$52,095,257) for a proposed contract to provide a lottery and sports wagering gaming system, equipment and services for the Office of Lottery and Gaming to administer its Lottery and Sports Wagering Programs.

The proposed contract is within the requested FY'20 budget authority and is consistent with the financial plan and budget adopted in accordance with DC Code, Sections 47-392.01 and 47-392.02.

All spending in future years is contingent upon the approved appropriated budget for that year.

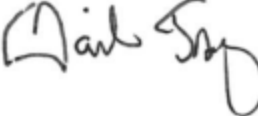
Should you have any questions or concerns regarding this certification, please contact me on 202.645.8064 or at [craig.lindsey@dc.gov](mailto:craig.lindsey@dc.gov).

**GOVERNMENT OF THE DISTRICT OF COLUMBIA**  
**Office of the Chief Financial Officer**



**MEMORANDUM**

**TO:** Jeffrey S. DeWitt  
Chief Financial Officer

**THRU:** David Tseng  
General Counsel 

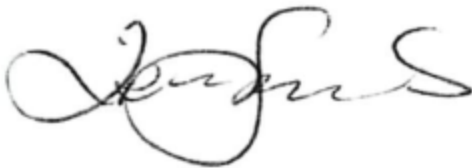
**FROM:** Treva Saunders  
Associate General Counsel,  
Personnel and Procurement

**DATE:** June 7, 2019

**SUBJECT:** **Certification of Legal Sufficiency**  
**Contract No.:** CFOPD-19-C-041  
**Contract Action:** Initial Award  
**Contractor:** Intralot, Inc.  
**Contract NTE Amount:** \$215,000,000  
**Contract Purpose:** To provide Sports Wagering, Lottery Gaming Systems  
and Related Services.

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***This is to Certify that*** this Office has reviewed the above-referenced contract and that we have found it to be legally sufficient. If you have any questions in this regard, please do not hesitate to contact me at 442-7127.



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**Treva Saunders**