

STATE OF CALIFORNIA
TRANSCRIPT OF PROCEEDINGS

CALIFORNIA STATE LOTTERY COMMISSION
COMMISSION MEETING

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DATE: March 21, 2024

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A P P E A R A N C E S

California State Lottery Commission

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Chair of the Commission
Commissioner

Keetha Mills
Vice Chair of the Commission
Commissioner

Tiffani Alvidrez
Commissioner

Alexandre Rasouli, MD
Commissioner

Participating Lottery Commission Staff

Harjinder K. Shergill Chima
Director

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John Lowden
Deputy Director of Security and Law Enforcement

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Sharon Allen
Deputy Director of Sales and Marketing

Jennifer Chan
Deputy Director of Information Technology Services

Elisa Topete
Assistant to the Commission

Rebecca Estrella
Recording Secretary

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1 **MS. TOPETE:** Commissioner Alvidrez?
2 **COMMISSIONER ALVIDREZ:** Yes.
3 **MS. TOPETE:** Commissioner Rasouli?
4 **COMMISSIONER RASOULI:** Yes.
5 **MS. TOPETE:** Chairman Ahern?
6 **CHAIR AHERN:** Yes. All right, Item #5 is the
7 Approval of the Minutes. Are there any corrections to the
8 Minutes? None noted. Do I hear a motion to approve the
9 minutes of the January 25th, 2024 Commission Meeting?
10 **COMMISSIONER ALVIDREZ:** Move to approve.
11 **CHAIR AHERN:** We have a motion. Is there a
12 second?
13 **COMMISSIONER RASOULI:** Second.
14 **CHAIR AHERN:** A motion and a second; will the
15 Secretary please call the roll?
16 **MS. TOPETE:** Commissioner Mills?
17 **COMMISSIONER MILLS:** Yes.
18 **MS. TOPETE:** Commissioner Alvidrez?
19 **COMMISSIONER ALVIDREZ:** Yes.
20 **MS. TOPETE:** Commissioner Rasouli?
21 **COMMISSIONER RASOULI:** Yes.
22 **MS. TOPETE:** Chairman Ahern?
23 **CHAIR AHERN:** Yes. Okay, Item #6 is the next
24 item on the agenda for Informational Items, and we have our
25 Director, Harjinder Shergill Chima.

1 **DIRECTOR CHIMA:** Good morning, Commissioners.

2 **CHAIR AHERN:** Good morning.

3 **DIRECTOR CHIMA:** For my Sales update today, I'm
4 pleased to share with all of you that as of March 9th, sales
5 estimates across all of our Lottery games are close to \$6.5
6 billion. So we are right on track from where we were last
7 year, and we're about nine percent above goal for this year.
8 In addition, our Scratchers sales have stayed strong since
9 my last update in January, and we've now exceeded the \$4.5
10 billion mark. I know it may not seem like a lot to say one
11 percent above goal or three percent above goal, or more than
12 last year, but I want to point out that we actually -- it
13 means that we're rebounding. As you may recall, when we
14 were forecasting our budget for this year, thought that we
15 would be below where we were last year; we are actually
16 exceeding that right now, and we're pacing very close to our
17 record sales from two years ago, which is fantastic.

18 Moving on to our Draw Games, the multi-state games
19 have been creating buzz again, and recently they have over a
20 billion dollars up for grabs right now. On Friday, the Mega
21 Millions jackpot is slated for \$977 million. The Powerball
22 for Saturday is \$750 million, and SuperLotto, not to be left
23 behind, is at \$20 million for Saturday. We've been lucky
24 this year, and we got to offer eight jackpots over a billion
25 dollars, which is something that I did not believe was true,

1 and we had them double-check, but that is in fact what we've
2 gotten this year. California players have helped us reach
3 \$1.1 billion in sales so far through early March, and so I'm
4 happy to say that both our national games are pacing well
5 above the goals that we had projected for this year.

6 Our Daily Games, as well as Hot Spot, are both
7 very close to their sales goals for the year, with almost
8 \$300 million each, and Hot Spot in particular, while
9 slightly below the goal that we had set for it, is still
10 pacing four percent above from last year, and I just
11 realized I'm not following along with it. So, the Hot Spot
12 is also really due to the large jackpots that I've mentioned
13 earlier, plus a little push from our Scratchers sales.

14 At the last Commission meeting I shared with you
15 how we compared to other lotteries in the U.S., and at that
16 time, we were trending number one. Well, recently, we
17 received the update of sales through December 1st, and I'm
18 very pleased to say that California still is at number one,
19 but as you can see, we're just hanging on by a thread. So,
20 Florida is right on our tail at \$4.77 billion, or just \$7
21 million behind us. So, our team is already working on ways
22 that we can figure out how to really kick it up a notch and
23 make sure that we hold on to that number one spot for the
24 rest of the year and finish strong.

25 **CHAIR AHERN:** Is there any way we could damage

1 Florida's --

2 **DIRECTOR CHIMA:** We will definitely look into
3 that.

4 **CHAIR AHERN:** Just thinking about defense a
5 little bit.

6 **DIRECTOR CHIMA:** Can you get on that, Jim?
7 Okay.

8 As you may already know, March is also Problem
9 Gambling Awareness Month, and so this month we've supported
10 the key program in conjunction with the California
11 Department of Public Health, their Office of Problem
12 Gambling through extra messaging at our retail, our website
13 and mobile apps, and through our paid advertising. Within
14 the organization, we've also made a conscious effort to
15 share more information with our own teams to make sure that
16 they understand the importance of problem gambling and the
17 issues that it may cause, and we really do work hard to make
18 sure that they understand that we always should focus on
19 responsible gaming and the resources that are available to
20 our players.

21 So, while March may get the extra spotlight,
22 responsible gaming practices are very much a key component
23 of our work throughout the year, and it's important for all
24 of us to understand the impact of problem gambling and the
25 part that we have to play in promoting responsible play at

1 all times.

2 So, this actually concludes my report for this
3 month, but I'm happy to answer any questions that you might
4 have.

5 **CHAIR AHERN:** Anyone have any questions? Okay.
6 Thank you very much.

7 **DIRECTOR CHIMA:** Thank you.

8 **CHAIR AHERN:** Great numbers.

9 **DIRECTOR CHIMA:** Yes.

10 **CHAIR AHERN:** Pretty exciting times. Item #7 is
11 the Consent Calendar. There are no items under Consent
12 Calendar, so we'll proceed to the Action Items. We'll first
13 start with John Lowden, Action Item #8a, Ratification of the
14 Contract for Security Guard Services.

15 **DEPUTY DIRECTOR LOWDEN:** Good morning,
16 Commissioners and Director Chima.

17 **CHAIR AHERN:** Good morning.

18 **DEPUTY DIRECTOR LOWDEN:** Item #8a, Ratification of
19 Security Guard Contract. The Lottery contracts security
20 guard services on a 24-hour, seven-day-a-week basis. These
21 services include monitoring and controlling access to
22 Lottery facilities, responding to alarms, escorting
23 visitors, providing security services at special events, and
24 protecting Lottery assets.

25 The contract for Security Guard Services with

1 Securitas, was expiring on December 27th, 2023. Staff
2 initiated the process to solicit an invitation to bid for
3 Uniformed Security Services in November of 2022, and a
4 formal invitation for bid, #R001132, was released on
5 September 27th, 2023. On October 4th of 2023, a bidder's
6 conference was held to assist bidders with Lottery
7 requirements, and all bids were due on October 20th, 2023.

8 The Lottery received 19 bids, with many of the
9 bidders representing large, well-known security guard firms
10 that conduct business in the State of California. In early
11 November, the screening process for applicants was ongoing,
12 and it was clear a vendor would not be identified in time
13 for the November Commission Meeting. Staff consulted with
14 Legal, who advised this item was not ready for the November
15 Commission and based on the lack of critical information and
16 high-dollar amount, the recommendation was for the Director
17 to execute the contract when it was ready to ensure there
18 were no gaps in security guard services.

19 In November 2023, staff identified Citiguard as
20 the prospective winner of this award. This was based on
21 their ability to perform on the contract and their responses
22 to the screening criteria. Their contracted rates were
23 deemed feasible and met fiscal responsibility requirements.
24 In addition, Citiguard has experience with other large,
25 long-term contracts which require the deployment and

1 management of guards to a variety of locations for extended
2 periods of time.

3 During this same time frame, the Lottery received
4 a Notice of Intent to Protest from another prospective
5 bidder. Due to the Notice of Intent to Protest the Lottery
6 received, the award for Citiguard was not resolved until
7 early December 2023. This delay in process did not afford
8 staff the ability to present the Security Guard Contract to
9 the Commission in January with adequate lead time. Based on
10 the impending expiration of the Securitas Contract, the
11 Lottery entered an extension for services with Securitas
12 while we finalized the terms and agreements of a new
13 contract with the winning bidder, Citiguard. This extension
14 afforded us the ability to have overlapping transitional
15 security services through April 2024.

16 The approval of the Citiguard Contract per Lottery
17 Regulations 8.6.6A, in advance of the March Commission
18 Meeting, was warranted based upon the unique circumstances
19 of this particular bidding process and the need to maintain
20 continual security services for all Lottery facilities. A
21 successful transition from Securitas to Citiguard took place
22 on March 7th, 2024.

23 This contract was the result of a formal
24 invitation for bid, wherein Citiguard was thoroughly vetted
25 for feasibility of performance and cost efficiency. This

1 contract has a term of five years, from January 16th, 2024
2 through January 15th, 2029 with two one-year options to
3 extend. Total expenditure authority is \$12,500,000.

4 Staff recommends the Commission approve the
5 ratification of the award of Contract 101234 to Citiguard
6 for security guard services pursuant to Lottery Regulations
7 8.6.6A. And with that, I'll take any questions.

8 **CHAIR AHERN:** All right, any questions? Go
9 ahead.

10 **COMMISSIONER MILLS:** Thanks, John, for the
11 presentation. This is a new vendor?

12 **DEPUTY DIRECTOR LOWDEN:** It is.

13 **COMMISSIONER MILLS:** Okay. Do you know about how
14 many people this covers? Like, how many security guards
15 does this cover?

16 **DEPUTY DIRECTOR LOWDEN:** Well, for our contract?

17 **COMMISSIONER MILLS:** Uh-huh.

18 **DEPUTY DIRECTOR LOWDEN:** Approximately 80.

19 **COMMISSIONER MILLS:** Eight?

20 **DEPUTY DIRECTOR LOWDEN:** Eighty.

21 **COMMISSIONER MILLS:** Oh, 80 -- I was, like, eight?
22 Wow. Do the math on that. Eighty, okay, thanks. And it
23 covers the entire State, is that --

24 **DEPUTY DIRECTOR LOWDEN:** Correct, all of our
25 facilities, our distribution centers, and our sales offices

1 as well.

2 **COMMISSIONER MILLS:** Okay, great. And being a new
3 vendor, I assume that since the contract has been executed,
4 they're already in process, that we're confident about their
5 ability to execute, and it's been a seamless transition?

6 **DEPUTY DIRECTOR LOWDEN:** Yes. Yes, ma'am. It's
7 been seamless. We'd been working with them prior to the
8 transition --

9 **COMMISSIONER MILLS:** Uh-huh.

10 **DEPUTY DIRECTOR LOWDEN:** -- and we ironed out all
11 of our questions and our concerns with their management
12 team, and primarily our concerns were related to continual
13 services, compensation, and maintaining our level of
14 security, and that has all taken place in our -- I think the
15 only difference you might see is there's a different
16 uniform, but the faces, for the most part, are the same.

17 **COMMISSIONER MILLS:** Oh, that's great. So, a lot
18 of the staff were able to transition over?

19 **DEPUTY DIRECTOR LOWDEN:** Probably 95 percent
20 maintained the transition to Citiguard.

21 **COMMISSIONER MILLS:** That's terrific; great. Thank
22 you.

23 **DEPUTY DIRECTOR LOWDEN:** Sure.

24 **CHAIR AHERN:** And in our briefing, I just was
25 impressed that all of our staff were given the opportunity

1 to stay on, and as you explained to me, just a few of them
2 wanted to go to another type of employment and do other
3 types of security work. So it's nice that we keep the same
4 stability in people for them as well as at the Lottery.

5 **DEPUTY DIRECTOR LOWDEN:** Yes, a handful stayed
6 with their employed vendor of Securitas.

7 **CHAIR AHERN:** Okay. All right, thank you, John.
8 Any other questions? Does any member of the public want to
9 address the Commission at this time regarding Action Item
10 #8a? Seeing none, do I hear a motion to approve Action Item
11 8a, Ratification of Contract for Security Guard Services?

12 **COMMISSIONER MILLS:** I'll move to approve.

13 **CHAIR AHERN:** We have a motion to approve --

14 **COMMISSIONER ALVIDREZ:** Second.

15 **CHAIR AHERN:** -- and we have a second. Will the
16 Secretary please call the roll?

17 **MS. TOPETE:** Commissioner Mills?

18 **COMMISSIONER MILLS:** Yes.

19 **MS. TOPETE:** Commissioner Rasouli?

20 **COMMISSIONER RASOULI:** Yes.

21 **MS. TOPETE:** Chairman Ahern?

22 **CHAIR AHERN:** Yes. Okay, thank you, again. Item
23 #8b, NorCal Ticket Shredding Services, and Erik.

24 **MANAGER HORNBAKER:** Good morning, Commissioners.

25 **CHAIR AHERN:** Good morning.

1 **MANAGER HORNBAKER:** Morning. My name's Erik
2 Hornbaker, Facilities and Business Services, Administration
3 Branch Chief, and I'm here to present two items today.

4 Item #8b is NorCal Ticket Shredding Services. The
5 California State Lottery is requesting a ratification of a
6 new, three-year, \$1.5 million contract with Viking Shred,
7 LLC, to provide Scratcher ticket shredding services at the
8 Northern Distribution Center and four Northern California
9 District Offices.

10 The Northern Distribution Center is the primary
11 Northern California facility used to conduct Lottery
12 warehousing operations. The Northern Distribution Center is
13 the repository, short-term and long-term, and distribution
14 point for various items, which include, but aren't limited
15 to tickets, point-of-sale, computers, office supplies,
16 assorted supplies, and records. As a point of distribution,
17 each facility packages tickets and point of sale into orders
18 and ship to retailers in district offices throughout
19 Northern California. The Northern Distribution Center also
20 processes all ticket returns from retailers and district
21 sales representatives. The efficient flow of products is
22 dependent upon the Northern Distribution Center's ability to
23 safely accept and ship items.

24 The Northern Distribution Center is limited in its
25 ability to operate safely and efficiently when a backlog of

1 tickets grows. The backlog takes up needed pallet positions
2 on the racking systems. Due to old tickets taking up the
3 racket pallet positions, new games at point of sale arriving
4 from manufacturers need to be stored on the warehouse floor.
5 The storage has consisted of lining aisleways and the
6 loading dock space. Lining aisleways and the loading dock
7 space of pallets creates safety and organizational issues.

8 The Northern Distribution Center's best practices
9 for shipping and receiving products is to have the dock
10 clear of any other products. Best practices are designed to
11 prevent accidental commingling of products. The commingling
12 of product could have a negative effect for the Lottery if
13 the wrong products are shipped to the wrong locations or
14 destroyed prematurely. Additionally, storing products in
15 the aisles prohibits the efficient movement within each
16 facility; entrance and egress to each aisleway shouldn't be
17 impeded. Furthermore, the storage of pallets and aisleways
18 could prevent entrance and egress of staff in the event of
19 an emergency or a delay in emergency services from accessing
20 the facility in the most efficient way possible.

21 Therefore, it is recommended that the Commission
22 ratifies a new contract with Viking Shreds for tickets and
23 recycling services in the amount of \$1.5 million for three
24 years, and I'm happy to take any questions.

25 **CHAIR AHERN:** Okay, any Commissioners have any

1 questions? Go ahead.

2 **COMMISSIONER ALVIDREZ:** A couple of thoughts:
3 So, I know that we have been dealing with this issue of
4 backlog for quite some time.

5 **MANAGER HORNBAKER:** Correct.

6 **COMMISSIONER ALVIDREZ:** We've been talking about
7 it from a Commission perspective at least for the amount of
8 time that I've been on the Commission, which is about a
9 year. Can you give us just a quick, brief summation of the
10 history of this backlog and the need for shredding services?

11 **MANAGER HORNBAKER:** Certainly.

12 **COMMISSIONER ALVIDREZ:** And then can you give us
13 an estimated timeline as to when we can see the complete
14 elimination of the backlog, so that this -- it feels as
15 though it's a bit of a stockpile, because we're never really
16 addressing the actual bulk of the backlog. Can you talk to
17 us about that a little bit?

18 **MANAGER HORNBAKER:** I certainly can, and I'll
19 start with the first part of the question on how we got to
20 where we are. A big part of it was, during COVID, during
21 the Pandemic, there were concerns with supply-chain
22 constraints, as we all experienced throughout our lives.
23 Therefore, when we did stockpile tickets a little bit
24 longer, I think in case there were printing supply-chain
25 issues, we would still have some product to push out to our

1 retailers, as long as it wasn't the top prize paid out. We
2 were not allowed to sell at that time, so there was a
3 backlog there. There was also a backlog due to a contract
4 expiring and not having the ability to add more funding to
5 that contract or extend for time, so that created a long-
6 term backlog. So, when it was apparent that these supply-
7 chain issues were not going to impact the printing and
8 distribution of tickets, we started to address that backlog.

9 And to address the second part of the question,
10 this is a three-year contract with two one-year options to
11 extend, but that also gives the Operations Team an
12 opportunity to look at other permanent solutions, such as
13 potentially purchasing our own industrial shredding
14 equipment and doing our own shredding onsite, so we're not
15 reliant upon others to do that for us. But we also added
16 about a 30 percent year-over-year contingency to address any
17 potential backlogs. So, I know it seems we've come to the
18 well quite a few times on this issue, but we're hoping this
19 is the last time we come to the well for at least five years
20 to ask for either additional funding, you know, another
21 term, or another contract.

22 **COMMISSIONER ALVIDREZ:** How long do we think it
23 will take to address this existing backlog that occurred due
24 to COVID?

25 **MANAGER HORNBAKER:** So, we've already addressed

1 the COVID backlog piece of it, so I think we're pretty close
2 to being finished. I can get you the final numbers, but I
3 think we're pretty close to finalizing the backlog for
4 Northern California, and we'll talk about Southern
5 California next, but we should be close to addressing the
6 current backlog in Northern California, so then it just
7 becomes a maintenance part of the contract, where we're just
8 maintaining the trucks coming out on a regular schedule to
9 do whatever we have.

10 So, we hope to have the backlog resolved for
11 Northern California I think it's this month, so I can
12 validate with my staff and get back to you on that. And
13 then it just becomes what we call a "maintenance contract;"
14 we're just maintaining our services.

15 **COMMISSIONER ALVIDREZ:** And so, we're taking the
16 time with this contract to assess whether it makes sense for
17 us to purchase our own equipment?

18 **MANAGER HORNBAKER:** Correct. At one time, the
19 Lottery used to shred tickets, up until probably 2002, 2003,
20 when we were a much smaller and contributed much less to
21 Education. You know, we've grown exponentially, which is a
22 great problem to have. So, something we're looking at doing
23 again is shredding onsite and having a waste hauler or
24 recycler haul off the waste.

25 **COMMISSIONER ALVIDREZ:** Thank you.

1 **MANAGER HORNBAKER:** You're welcome.

2 **CHAIR AHERN:** I should have asked this during the
3 briefing, but do they only shred tickets for us, or do they
4 shred other documents for us?

5 **MANAGER HORNBAKER:** So, it was more attractive to
6 the Bidding Committee for us to only -- because of the
7 volume, to only ask to do the shred of the tickets. The
8 non-ticket destruction is such an inconsequential amount
9 that that would be a separate, smaller contract -- much
10 smaller. The volume of PII-type paperwork pales in
11 comparison to the volume of shreds. So, they are only doing
12 ticket shred.

13 **CHAIR AHERN:** All right, and do the Lottery
14 regulations require us to maintain these tickets for any
15 length of time? Is there a time restriction that then we
16 can shred them, or we can shred them anytime we want?

17 **MANAGER HORNBAKER:** I would defer to -- I don't
18 know if Sharon would be able to answer the question? I
19 think there is, but I don't want to misspeak, and I'm not
20 sure. Sharon might be able to answer that. Hi, Sharon.

21 **DEPUTY DIRECTOR ALLEN:** For various reasons, we
22 try to sell through as much product as we can, but when
23 there are top prizes that are sold, and they're not
24 available, we recall them, so that is a reason when we
25 shred. Also, if there are retailers that close down, and we

1 have to collect their inventory. Anything that is a partial
2 pack, we cannot sell. If it's a full pack, we put that back
3 in stock, and we re-sell it. So, it's a variety of
4 different things, and we need to securely shred them from a
5 brand perception. While they have no value, they're not
6 activated, obviously, if somebody were to see a bucket or a
7 lot of Scratchers in the trash, that might create some brown
8 perception issues, so that's why we securely shred them.

9 **CHAIR AHERN:** Okay. Thank you.

10 **MANAGER HORNBAKER:** And I think -- we've all heard
11 about 180 days that (inaudible).

12 **DEPUTY DIRECTOR ALLEN:** Yes, there's a time
13 period after the end of the game to close. Yes.

14 **MANAGER HORNBAKER:** Okay. So, I think that was
15 the question, the practice. I think we hold them for 180
16 days, we're required to, from the close of the game.

17 **CHAIR AHERN:** Okay.

18 **DEPUTY DIRECTOR ALLEN:** For the shredding, I know
19 that's when it's claiming, but I will have to look
20 (overlapping).

21 **CHAIR AHERN:** That's what I was looking at, from
22 my previous employment, there's requirements to keep
23 documents for two years, five years, and, like --

24 **DEPUTY DIRECTOR ALLEN:** But the actually unsold,
25 you know, unsellable product, and, you know, it depends on

1 the game. Not every game sells through. A lot of games do,
2 and that's what really happened in COVID. We were so mixed
3 up in the supply and demand, and we cleared that backlog,
4 and happy to have a long-term contract in place.

5 **CHAIR AHERN:** And I didn't understand businesses
6 go out of business, and then we have to take care of it.
7 That's a great explanation. I thank you for that
8 clarification. All right. Any other questions?

9 **COMMISSIONER MILLS:** I do have one.

10 **CHAIR AHERN:** Go ahead.

11 **COMMISSIONER MILLS:** I do have one other question
12 because I feel like there's kind of two sides of the coin to
13 this issue, right? There's the service provider, right, and
14 we need to have the right service provider in place to be
15 able to meet our needs, but there's also kind of the
16 operational side and our piece of it, and I wondered if you
17 can talk about, are there any kind of operational
18 improvements that have been identified on our side that have
19 been implemented to keep this backlog from continuing to
20 happen over and over again?

21 **MANAGER HORNBAKER:** There is, and that's a great
22 question, Commissioner Mills. So, yes, so the Operations
23 Team is working closely with our partners in Sales and
24 Marketing on the distribution side to better forecast and
25 better understand what their shared needs are going to be

1 quarter over quarter. They have an End-of-Game Committee
2 that meets quarterly, so the Operations Team will be
3 involved with getting briefings from them, so we have a
4 better understanding of what that looks like year over year
5 or quarter over quarter with the -- as they do end the game.
6 So, there are opportunities for us to kind of improve our --
7 I don't want to say relationship -- but our communications
8 with our partners in Sales and Marketing and have a better
9 long-term understanding of what their needs will be and kind
10 of addressing it from a long-term standpoint instead of a
11 just-in-time standpoint.

12 **COMMISSIONER MILLS:** Great, thank you.

13 **MANAGER HORNBAKER:** You're welcome. Great
14 question.

15 **CHAIR AHERN:** Okay. Any other questions? All
16 right, does any member of the public want to address the
17 Commission at this time regarding Action Item #8b? Hearing
18 none, do I have a motion to approve Action Item #8b, NorCal
19 Ticket Shredding Services?

20 **COMMISSIONER RASOULI:** Motion.

21 **CHAIR AHERN:** We have a motion, and is there a
22 second?

23 **COMMISSIONER MILLS:** I'll second.

24 **CHAIR AHERN:** We have a motion and a second; will
25 the Secretary please call the roll?

1 **MS. TOPETE:** Commissioner Mills?
2 **COMMISSIONER MILLS:** Yes.
3 **MS. TOPETE:** Commissioner Alvidrez?
4 **COMMISSIONER ALVIDREZ:** Yes.
5 **MS. TOPETE:** Commissioner Rasouli?
6 **COMMISSIONER RASOULI:** Yes.
7 **MS. TOPETE:** Chairman Ahern?
8 **CHAIR AHERN:** Yes. Don't go anywhere.
9 **MANAGER HORNBAKER:** Thank you. So, let's move on
10 to the next one. Let's move on to --
11 **CHAIR AHERN:** Item #8c, Southern California
12 Ticket Shredding Services.
13 **MANAGER HORNBAKER:** Southern California Ticket
14 Services. So, Item #8c is SoCal Ticket Shredding Services.
15 The California Lottery is requesting Commission approval of
16 a new, three-year, \$1.5 million contract with Shred Source,
17 Inc. to provide Scratcher-ticket shredding services at the
18 Southern Distribution Center and the five Southern
19 California District Offices.
20 The Southern Distribution Center is the primary
21 Southern California facility to conduct Lottery warehousing
22 operations, similar to Northern California. The Southern
23 Distribution Center is the repository, short-term and long-
24 term, and distribution point for various items, which
25 include, but are not limited to, point of sale, computers,

1 office supplies, custodial supplies, and records retention.
2 As a point of distribution, each facility packages tickets
3 and point of sale in their orders. We ship to retailers and
4 district offices throughout the State. The Southern
5 Distribution Center also processes all ticket returns from
6 retailers and District Sales Representatives.

7 The efficient flow of products is dependent upon
8 the seven distribution centers' ability to safely accept and
9 ship items. Similar to Northern California, the SDC is
10 limited in its ability to operate safely and efficiently
11 when a backlog of tickets fills. The large volume of
12 tickets needing to be shredded becomes an issue for the
13 Southern Distribution Center. The backlog takes up needed
14 pallet positions and racking systems in each facility. Due
15 to old tickets taking up racking pallet positions, new games
16 and POS, point of sale, arriving from manufacturers need to
17 be stored on the warehouse floor. The floor storage has
18 consisted of lining aisleways and loading dock space, and
19 lining the aisleways and loading dock spaces of pallets
20 creates safety and organizational issues.

21 The lesser of the storage issues are storing
22 pallets in the loading dock area. The best practices for
23 shipping and receiving products is to have the dock clear of
24 any other products. Best practices are designed to prevent
25 accidental commingling of the products. The commingling of

1 products could have a negative effect on the Lottery for the
2 wrong products are shipped in the wrong location.

3 I do want to add that this was a competitively bid
4 formal contract. It got us to this point where we are. So,
5 we are asking for ratifying a new contract with Shred
6 Source, Inc. for Southern California's ticket facility
7 shredding and recycling services in the amount of \$1.5
8 million. I'm happy to take any questions.

9 **CHAIR AHERN:** All right. Do we have any
10 questions for Action Item #8c?

11 **COMMISSIONER MILLS:** I do have a question. Can you
12 talk about why there are two contracts instead of just one
13 for the whole state?

14 **MANAGER HORNBAKER:** Certainly. So, again, to try
15 to get as much interest from the bidding community, we did
16 basically an and/or contract. You could bid just Northern
17 California or Southern California, or you could bid both
18 together. The hope was to try and have a statewide
19 contract. In the past, we had a statewide contract that was
20 subcontracted out to another one that created some issues,
21 so we did want to get one statewide contract, but there was
22 no vendor large enough to fill that need. So, we had the
23 and/or option, so you could bid just Northern California or
24 just Southern California, and that's why we ended up with
25 two separate bidders and two separate awards in this case.

1 There was just nobody that could handle that volume
2 Statewide for us. You know, we cover from San Diego south
3 all the way to up here, up north, so, there was just nobody
4 that had that reach, if you will.

5 **COMMISSIONER MILLS:** Okay, thank you. And then, is
6 there a significant pricing differential between North and
7 South, or?

8 **MANAGER HORNBAKER:** Yes, so, I think between North
9 and South was about seven percent, so it wasn't significant,
10 and it's in line with what we've seen with our past
11 solicitations for these same services. They've gone up
12 somewhat but not as much as we would have thought, right?
13 So, it still seemed to be a good value for the Lottery.

14 **COMMISSIONER MILLS:** Thank you.

15 **MANAGER HORNBAKER:** Certainly.

16 **CHAIR AHERN:** Any other questions? All right,
17 seeing none, are there any members of the public who want to
18 address the Commission at this time regarding Action Item
19 #8c? Seeing none, do I hear a motion to approve Action Item
20 #8c, Southern California Ticket Shredding Services?

21 **COMMISSIONER MILLS:** I'll move to approve.

22 **CHAIR AHERN:** We have a motion to approve; is
23 there a second?

24 **COMMISSIONER RASOULI:** Second.

25 **CHAIR AHERN:** Motion and a second. Will the

1 Secretary please call the roll?

2 **MS. TOPETE:** Commissioner Mills?

3 **COMMISSIONER MILLS:** Yes.

4 **MS. TOPETE:** Commissioner Alvidrez?

5 **COMMISSIONER ALVIDREZ:** Yes.

6 **MS. TOPETE:** Commissioner Rasouli?

7 **COMMISSIONER RASOULI:** Yes.

8 **MS. TOPETE:** Chairman Ahern?

9 **CHAIR AHERN:** Yes. All right, thank you very
10 much.

11 **MANAGER HORNBAKER:** Thank you.

12 **CHAIR AHERN:** Okay, Sharon Allen, action Item
13 #8d, Extension and Addition of Funds to the David&Goliath
14 (D&G) contract.

15 **DEPUTY DIRECTOR ALLEN:** Thank you. Before I
16 start on that one, I got some clarification from staff on if
17 we have to maintain the tickets before shredding, and once
18 the game ends, players have 180 days to claim the prize, but
19 we do not have to keep the game, so we can shred them
20 immediately. And we have the backlog because we haven't had
21 a contract to shred, and so that's why it's been piling up.
22 All right. So, now I'm ready to go over to Item #8d.

23 **COMMISSIONER ALVIDREZ:** Question. That raises a
24 question. How long have we not had a contract in place to
25 shred?

1 **DEPUTY DIRECTOR ALLEN:** It's been several months.
2 Erik, can you address that?

3 **COMMISSIONER ALVIDREZ:** And I'm sorry to take us
4 back, I know we closed, but.

5 **MANAGER HORNBAKER:** I'm getting my exercise,
6 though, so thank you for that. Yes, so, we've been without
7 a contract for about four-and-a-half months, both North and
8 South. We had an interim contract in place, but one
9 contractor failed to perform, and luckily, they weren't one
10 of the competitive bidders for the two contracts that we
11 have, but we've been without a contract for about four
12 months.

13 **COMMISSIONER ALVIDREZ:** Thank you.

14 **MANAGER HORNBAKER:** All right, thank you.

15 **DEPUTY DIRECTOR ALLEN:** All right, are you ready
16 for #8d?

17 **CHAIR AHERN:** We are.

18 **DEPUTY DIRECTOR ALLEN:** All right. This is the
19 Extension and Addition of Funds to our David&Goliath
20 contract. The Lottery currently contracts with
21 David&Goliath, or D&G, for lead agency advertising services.

22 D&G is responsible for assisting the Lottery, its
23 overall market analysis, strategy development, creative and
24 messaging, and media planning and buying for the Lottery's
25 Marketing and Advertising Initiative. In 2018, the

1 Commission awarded D&G a five-year contract for lead agency
2 advertising services with initial contract expenditure
3 authority of \$295 million and two one-year extension
4 options. Last year, the first option was exercised, and the
5 agreement was extended by one year, through August 18th of
6 this year, and the expenditure authority was increased by
7 \$129 million.

8 Exercising the second one-year extension option
9 will enable the Lottery to continue essential marketing
10 services without interruption. Over the course of the
11 contract, D&G has consistently provided a high level of
12 service required to develop, plan, and execute complex and
13 multifaceted marketing and advertising efforts. They are an
14 important part of our Roster of Agencies and bring a unique
15 set of skills to address the Lottery's Marketing and
16 Advertising objectives. D&G has been instrumental in
17 developing and coordinating the launch and ongoing
18 advertising initiatives supporting our Strategic Business
19 Objectives and Programs, including the Scratchers category
20 repositioning effort.

21 The last time the Lottery went out to bid for this
22 contract was in 2018, and there have been many changes in
23 the advertising industry that require time to research, to
24 define the scope of work, and the desired qualifications for
25 the next lead agency procurement. The contract extension

1 will allow the staff the needed time to carry out the
2 extensive and lengthy procurement process and address the
3 strain on staff resources.

4 While the Lottery considered going out to bid this
5 year, the team determined that it was not necessary while we
6 have a capable agency partner in place. Staff estimates
7 that the D&G Contract will have approximately \$18 million in
8 funding available for the remaining contract term. To allow
9 the Lottery sufficient funding until the current and
10 proposed terms end in August of 2025, Lottery staff
11 recommend increasing the contract expenditure authority by
12 \$105 million. The additional funding will allow Lottery
13 staff to carry out new and ongoing marketing efforts to
14 support the Business Plan Initiative and other important
15 efforts in the year ahead. It will also help the Lottery
16 address ongoing challenges to reach consumers in a more
17 fragmented media universe in some of the most expensive
18 advertising markets in the U.S. and address ongoing
19 inflation in the advertising and media industry.

20 Lottery staff recommend that the Commission
21 approve a one-year extension and an increase in expenditure
22 authority of \$105 million for the David&Goliath contract.
23 The amendment will extend the term through August 18th, 2025,
24 with a maximum authorized contract expenditure of \$529
25 million. With that, I'd be happy to answer any questions.

1 **CHAIR AHERN:** Do any Commissioners have any
2 questions?

3 **COMMISSIONER MILLS:** I have a question. Thanks,
4 Sharon, for the presentation. So, this is going to be the
5 last extension on this contract, and you talked about kind
6 of the extensive resources --

7 **DEPUTY DIRECTOR ALLEN:** Uh-huh.

8 **COMMISSIONER MILLS:** -- it will take to go through
9 the RFP process for this type of --

10 **DEPUTY DIRECTOR ALLEN:** Yep.

11 **COMMISSIONER MILLS:** -- work for a State agency.
12 So, can you talk a little bit about the plan to make sure
13 that we are able to go through the RFP process that is
14 required of us in the appropriate amount of time so that we
15 have a new contract in place by the time this last extension
16 expires?

17 **DEPUTY DIRECTOR ALLEN:** We are gearing up right
18 now, starting to put together the timeline and put our
19 resources in place so we can get this done. This is very
20 critical. It's a business plan proposal for the next fiscal
21 year. We're working on that to make sure that the entire
22 organization understands the importance. We partner with
23 the Operations Division and the Procurement, also Legal and
24 Internal Audits, Finance -- all contribute to looking at the
25 contract. So, we're making sure that not only in Sales and

1 Marketing and the key needs there, but also outside of the
2 Division, all of the stakeholders are prepared and ready to
3 contribute with the business planning is another area as
4 well.

5 **COMMISSIONER MILLS:** Great, thank you.

6 **CHAIR AHERN:** Okay. Any other questions?

7 **COMMISSIONER ALVIDREZ:** Yes, I have a question
8 about the dollar amount. So, I think that you said that
9 it'll increase, and this is the one-year extension for \$129
10 (million).

11 **DEPUTY DIRECTOR ALLEN:** \$105 (million).

12 **COMMISSIONER ALVIDREZ:** \$105 (million). Okay.

13 That is nearly a 40 percent increase above the total
14 contract amount for the five years. Is that standard?
15 Because that feels significant.

16 **DEPUTY DIRECTOR ALLEN:** Last year's extension
17 request was for \$129 million. When the initial five-year
18 term and that expenditure authority was set, it was in 2018,
19 and over the course of those five years, several things
20 changed that reflect -- where it shows that we had
21 underspent, and also the scope increased. First, we
22 consolidated the majority of our media planning and buying
23 in this contract with David&Goliath and Horizon Media.
24 Previously, it was held by different contracts, so our
25 Hispanic Marketing agency would do their buying; our Asian

1 Marketing agency, our African-American agency, all of them
2 would do their own buying, and so, by consolidating it in
3 one contract, we recognized inefficiencies in planning and
4 going out to market with one agency voice. So, when the
5 original expenditure was estimated, that wasn't considered.

6 We also had two years impacted significantly by
7 the pandemic, and this is where we suspended and paused
8 advertising. We had a couple of major campaigns that we
9 paused, as well as Jackpot Alerts. And so, a couple of
10 those years, we were underfunded there. We also fund a
11 program called Jackpot Alerts, and this program is -- when
12 the jackpot reaches a certain threshold where it starts to
13 get buzz but not massive buzz like we have right now, we
14 create a mass awareness alert that the jackpot has reached
15 these thresholds, \$3-400 million -- before the momentum has
16 caught on from organic and PR.

17 And in 2019, we had multiple jackpots that hit at
18 lower levels, so we never activated the Jackpot Alert
19 Program, so that spending was not reflected. And then
20 finally, the media industry consumer landscape has changed
21 so much just in the last -- from 2018 to now. We're much
22 more fragmented. We have to make sure our messages get
23 where our players and consumers are, so that means we're
24 looking at multiple streaming platforms -- digital, social;
25 it's much more expensive to reach the same amount of people

1 because people are consuming media differently, and we are
2 in the State of California, where media is very expensive,
3 between Los Angeles and San Francisco being two of the top
4 10 markets in the U.S. So, if the pandemic and some of
5 these other things hadn't happened when we suspended
6 advertising, we most likely would have been coming to the
7 Commission and requesting an increase during that initial
8 five-year term.

9 **CHAIR AHERN:** Are a lot of these expenses
10 consistent with what Florida's doing?

11 **DEPUTY DIRECTOR ALLEN:** We usually have to
12 measure per cap, and I think we are about in the middle of
13 what we spend per capita. It's hard to compare costs
14 because our state is different, and each state has a little
15 bit different, so, I don't have that answer off of the top
16 of my head, but --

17 **CHAIR AHERN:** Okay, I just --

18 **DEPUTY DIRECTOR ALLEN:** -- other ways we can go
19 after Florida, but we're just, we're very challenged,
20 because even in our markets, like, San Diego is not
21 necessarily a top 10 market, for example, but it is priced
22 in a way that is in line with being a top 10 market. So the
23 media costs are significant and just a challenge, and I
24 don't think Florida -- well, they have some big markets; I
25 don't think it has the same level that we do, and that's the

1 bulk of that cost is driven by the media costs in addition
2 to agency fee for production and things like that.

3 The other thing I forgot to mention, too, is we
4 changed our media strategy and have launched the Scratchers
5 Category Repositioning Initiative, and so that requires a
6 different approach, where we are reaching more casual
7 players to change brand perceptions with our paid
8 advertising versus single Scratchers campaigns. That's
9 another reason for the difference. All right. Any other
10 questions?

11 **CHAIR AHERN:** Any questions? No? And I just
12 comment, I just think it's really cool you call them D&G.

13 **DEPUTY DIRECTOR ALLEN:** That's what they call --

14 **CHAIR AHERN:** Really cool stuff.

15 **DEPUTY DIRECTOR ALLEN:** -- David&Goliath.

16 **CHAIR AHERN:** All right. Does any member of the
17 public want to address the Commission at this time regarding
18 Action Item #8d? Seeing none, do I hear a motion to approve
19 Action Item #8d, Extension and Addition of Funds to the
20 David&Goliath Contract?

21 **COMMISSIONER MILLS:** I'll move to approve.

22 **CHAIR AHERN:** We have a motion to approve; is
23 there a second?

24 **COMMISSIONER RASOULI:** Second.

25 **CHAIR AHERN:** A motion and a second; will the

1 Secretary please call the roll?

2 **MS. TOPETE:** Commissioner Mills?

3 **COMMISSIONER MILLS:** Yes.

4 **MS. TOPETE:** Commissioner Alvidrez?

5 **COMMISSIONER ALVIDREZ:** Yes.

6 **MS. TOPETE:** Commissioner Rasouli?

7 **COMMISSIONER RASOULI:** Yes.

8 **MS. TOPETE:** Chairman Ahern?

9 **CHAIR AHERN:** Yes.

10 **DEPUTY DIRECTOR ALLEN:** Thank you.

11 **CHAIR AHERN:** Thank you, Sharon. Next, we'll
12 have Item #8e, with Jennifer Chan. Good morning, Jennifer.
13 Epicor Maintenance and Operations Contract Amendment 1.

14 **DEPUTY DIRECTOR CHAN:** Good morning,
15 Commissioners.

16 **CHAIR AHERN:** Good morning.

17 **DEPUTY DIRECTOR CHAN:** Item #8e is a request for
18 the Commission to approve adding an additional \$250,000 in
19 expenditure authority to our current Epicor M&O Contracts
20 for maintenance and support, enhancements, and new
21 functionality.

22 As you may be aware, Epicor is the Lottery's
23 mission-critical financial system, which includes core
24 functions such as accounts payable and receivable;
25 procurement management and tracking; asset management and

1 task management; general ledger accounting; and business
2 reporting.

3 At the November 2023 Commission Meeting, the
4 Commission approved a new four-year contract with Epicor for
5 managed hosting and disaster recovery, as well as software
6 support. At that time, you may recall that I mentioned that
7 I would be coming back to the Commission in Spring for
8 another Epicor item, so this is that item. Our current
9 contract for Epicor M&O Support will expire in June of 2025;
10 however, this is a contract amendment to add funds, as we
11 are anticipated to run out of funds by the end of April of
12 this year. When the contract was originally developed, we
13 had anticipated a burn rate of 36 hours per month for three
14 years. However, unfortunately, when the E-10 Project
15 Upgrade project was successfully completed in September of
16 2022, there were some not as critical functionality that the
17 Lottery made a decision to defer that to be addressed in the
18 M&O phase and not within the actual project. As a result of
19 that, because Epicor is a proprietary system, this M&O
20 Contract had to be leveraged to have the consultants do the
21 additional work.

22 Those unanticipated post-project activities
23 resulted in utilizing about 30 percent of the overall
24 contract funds, which exceeded our original anticipated burn
25 rate. Additionally, the Lottery had to address some

1 unexpected break fits issues, which also contributed to the
2 funds being utilized sooner than expected. Currently, we
3 are working on a new long-term M&O Support Contract that
4 would align with the new software- managed Hosting and
5 Discovery Recovery Contract that was approved in November.
6 However, until that new contract is ready to be executed,
7 this is a contract amendment to continue addressing those
8 M&O needs and to address any future break fits issues.

9 Therefore, the Lottery recommends the Commission
10 approve the requested contract amount to increase
11 expenditure authority by \$250,000 for the Epicor M&O Support
12 Services. This would bring the new maximum contract
13 expenditure to \$484,000, and as mentioned, the contract term
14 would remain unchanged with its expiration date of June 30th
15 of 2025. And I can answer any questions you may have.

16 **CHAIR AHERN:** Okay. Do any of our Commissioners
17 have any questions regarding Epicor, Action Item #8e? Go
18 ahead.

19 **COMMISSIONER MILLS:** A clarifying question.
20 Thanks, Jennifer, for the presentation. I think what I
21 heard you say is that part of the reason that this contract
22 is over is because some of the services were originally
23 anticipated to be covered in another contract but got pushed
24 into this one? Did I hear that right?

25 **DEPUTY DIRECTOR CHAN:** So, there were some -- as

1 with any project, there are a lot of items that need to be
2 addressed, and the Epicor Project was under a different
3 implementation contract and having -- the project had been
4 going on for several years. And the Lottery made a business
5 decision that once all critical functionality was addressed,
6 the project would go live; we would successfully complete
7 that, and so there was a business decision made at that time
8 that the less critical or non-critical functionality could
9 be deferred, to be addressed in the Maintenance and
10 Operation portion.

11 **COMMISSIONER MILLS:** I see. Okay, that's helpful.
12 And so, does that mean there were cost savings in the
13 original contract?

14 **DEPUTY DIRECTOR CHAN:** Yes, a little bit.

15 **COMMISSIONER MILLS:** Okay, but the other contract
16 was an implementation?

17 **DEPUTY DIRECTOR CHAN:** Correct.

18 **COMMISSIONER MILLS:** Okay. Got it. Thank you.

19 **DEPUTY DIRECTOR CHAN:** Sure, thank you.

20 **CHAIR AHERN:** Any other questions? Okay. Does
21 any member of the public want to address the Commission at
22 this time regarding Action Item #8e? Seeing none, do I hear
23 a motion to approve Action Item #8e, Epicor Maintenance and
24 Operations Contract Amendment 1?

25 **COMMISSIONER ALVIDREZ:** Motion to approve.

1 **CHAIR AHERN:** We have a motion to approve; is
2 there a second?

3 **COMMISSIONER RASOULI:** Second.

4 **CHAIR AHERN:** There's a motion and a second; will
5 the Secretary please call the roll?

6 **MS. TOPETE:** Commissioner Mills?

7 **COMMISSIONER MILLS:** Yes.

8 **MS. TOPETE:** Commissioner Rasouli?

9 **COMMISSIONER RASOULI:** Yes.

10 **MS. TOPETE:** Chairman Ahern?

11 **CHAIR AHERN:** Yes. Thank you, Jennifer.

12 **DEPUTY DIRECTOR CHAN:** Thank you.

13 **CHAIR AHERN:** Don't go anywhere. We'll go to
14 Item #8f: ServiceNow Software Licensing and Implementation.
15 Is there a Jennifer Chan here? Jennifer?

16 **DEPUTY DIRECTOR CHAN:** Thank you. Item #8f is a
17 request for the Commission's approval to enter into a new
18 agreement with a company called Ahead, Inc. to renew the
19 Lottery's existing ServiceNow licensing, add some additional
20 licensing for asset management efforts, and for some
21 additional consulting services.

22 Since 2020, ServiceNow has been the Lottery's
23 platform for IT Service Management. This platform is highly
24 flexible, adaptable, and robust in functionality, so the
25 Lottery has made a business decision to continue leveraging

1 and investing in this platform as we expand to improve and
2 implement long-term operational efficiencies throughout the
3 Department. As such, we've been implementing some new
4 ServiceNow functionality for divisions across the
5 Department. Some examples of this are we have the Human
6 Resources Modernization project for our Human Resources
7 Division, the Field Incident Management Project for the
8 Sales and Marketing Division, and various enhancements to
9 the platform for our Security and Law Enforcement and
10 Information and Technology Services Divisions.

11 With these multiple efforts to implement new
12 functionality, new modules and enhancements, this has
13 resulted in what we call the phase roll outs to the platform
14 to meet business needs, and the result of that has been
15 several separate ServiceNow Software Agreements have been
16 put into place to address these needs at different times.
17 Examples of that include our HR Service Delivery Module
18 Licensing is set to expire at the end of May of this year.
19 The Module Licensing supporting our Field Incident
20 Management System expires in August of this year, and the
21 Module Licensing for the IT Service Management and Strategic
22 Portfolio Management is scheduled to expire in December of
23 this year.

24 Because of those separate agreements and the
25 overhead associated with contract management, vendor

1 management, and just administrative overhead, we've decided
2 that is in the Lottery's best interest to co-term these
3 separate agreements, combine them onto a single,
4 comprehensive agreement, which would allow us to streamline
5 our contract management efforts and reduce that
6 administrative overhead, with the plan to align those
7 agreements with the next scheduled software renewal, which
8 is in May of this year.

9 Additionally, the Lottery is in the process of
10 implementing Asset Management functionality, which will
11 require us to procure some additional licensing, as well as
12 some consulting services to help with implementation to Alta
13 Consulting Services to help us with some backlog, and more
14 importantly, to provide critical knowledge transfer and
15 training to our staff. We utilized the Leverage Procurement
16 Agreement; specifically, the Software Licensing Program for
17 this, and Ahead, Inc. was the lowest cost offer submitted.

18 Therefore, the Lottery recommends the Commission
19 approve the ServiceNow Software Renewal and Implementation
20 Services with Ahead, Inc. The agreement will be for a term
21 of two years, with a maximum authorized expenditure of
22 \$2,368,467.24. The initial term of the agreement would
23 begin on May 30th of 2024, and I can answer any questions you
24 may have.

25 **CHAIR AHERN:** Who comes up with the 24 cents?

1 Big, big money. Any questions? No questions. All right.
2 Do we have any member of the public who wants to address the
3 Commission at this time regarding Action Item #8f? Seeing
4 none, do I hear a motion to approve Action Item #8f,
5 ServiceNow Software Licensing and Implementation?
6 **COMMISSIONER MILLS:** I'll move to approve.
7 **CHAIR AHERN:** We have a motion; is there a
8 second?
9 **COMMISSIONER RASOULI:** Second.
10 **CHAIR AHERN:** We have a motion and a second.
11 Will the Secretary please call the roll?
12 **MS. TOPETE:** Commissioner Mills?
13 **COMMISSIONER MILLS:** Yes.
14 **MS. TOPETE:** Commissioner Alvidrez?
15 **COMMISSIONER ALVIDREZ:** Yes.
16 **MS. TOPETE:** Commissioner Rasouli?
17 **COMMISSIONER RASOULI:** Yes.
18 **MS. TOPETE:** Chairman Ahern?
19 **CHAIR AHERN:** Yes. Okay.
20 **DEPUTY DIRECTOR CHAN:** Thank you.
21 **CHAIR AHERN:** Thank you very much. Okay. Item
22 #9 is Commissioners General Discussion. Do any of the
23 Commissioners have anything they'd like to bring up at this
24 time? Hearing none, Scheduling Next Meetings is Item #10.
25 We have tentatively scheduled Commission Meetings on May

1 23rd, June 27th, September 26th, and November 21st of 2024, all
2 in Sacramento. With that, if there are no other comments,
3 I'd just like to congratulate our Director on getting an
4 award this week. It's really remarkable, and I believe one
5 of the first ones ever to get such an award, right? That's
6 not an often (inaudible)?

7 **DIRECTOR CHIMA:** Yes, thank you. It was for
8 the California Women in Politics. I was awarded for my
9 service, over 20 years in State service, and this class,
10 I'll say, all four of us that were awarded this year, it was
11 the first time they were recognizing women that were not
12 active Senators or Assemblymembers in California, so thank
13 you.

14 **CHAIR AHERN:** Well done. Just for the record,
15 Item #11 is Public Discussion. I don't think we have any
16 public discussion. Counting to three, two, one. Okay.
17 With that, Item #12 is Adjournment. Please go out and have
18 a great Thursday. Happy Spring. (End of Recording)

19 **(MEETING ADJOURNED)**
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