

BEFORE THE VOTING MODERNIZATION BOARD

STATE OF CALIFORNIA

JOHN A. PEREZ, CHAIRMAN

Voting Modernization Board)
Board Meeting)
_____)

TRANSCRIPT OF PROCEEDINGS, taken at
354 South Spring Street, Sixth Floor Boardroom,
Los Angeles, California, commencing at 10:40 a.m.,
on Wednesday, January 16, 2008, heard before
JOHN A. PEREZ, Chairman, reported by
Marcena M. Munguia, CSR No. 10420, a Certified
Shorthand Reporter in and for the State Of
California.

APPEARANCES:

Board Members: John A. Perez, Chairman
 Stephen Kaufman, Vice Chairman
 Michael Bustamante
 Tal Finney
 (appearing telephonically)
 Carl Guardino
 (appearing telephonically)

Elections Analyst: Katherine Montgomery

Program Manager: Jana M. Lean

Also Present: John Arntz

I N D E X

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Proceedings on the record

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E X H I B I T S

(None)

1 Los Angeles, California, Wednesday, January 16, 2008

2 10:40 a.m.

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5 CHAIRMAN PEREZ: I'd like to call to order the
6 meeting of the Voting Modernization Board for
7 January 16th, 2008. If you would, please call the roll.

8 MS. MONTGOMERY: John Perez?

9 CHAIRMAN PEREZ: Here.

10 MS. MONTGOMERY: Stephen Kaufman?

11 MR. KAUFMAN: Here.

12 MS. MONTGOMERY: Michael Bustamante?

13 MR. BUSTAMANTE: Here.

14 MS. MONTGOMERY: Tal Finney?

15 MR. FINNEY: Present.

16 MS. MONTGOMERY: Carl Guardino?

17 MR. GUARDINO: Here.

18 CHAIRMAN PEREZ: I'm happy to note that we not only
19 have a quorum, but a Board that's fully present today.

20 The next item before us is public comment for
21 items not on our agendas. I don't see any cards.

22 Next is Item IV, adoption of the November 19th,
23 2007 Actions and Meeting minutes.

24 MR. KAUFMAN: I'll move the action.

25 CHAIRMAN PEREZ: Mr. Kaufman moves.

1 MR. GUARDINO: Second.

2 CHAIRMAN PEREZ: Mr. Guardino seconds?

3 MR. GUARDINO: Yes.

4 CHAIRMAN PEREZ: All in favor?

5 (Whereupon all Board members responded "Aye")

6 CHAIRMAN PEREZ: It is unanimous and approved.

7 Next is the change to the Approved Project

8 Documentation Plan for the City and County of

9 San Francisco. Can we bifurcate this and just approve

10 the City and not the County or --

11 MS. LEAN: I don't think you can do that. It's all

12 one big package.

13 CHAIRMAN PEREZ: Okay.

14 MS. LEAN: Okay. We're ready?

15 CHAIRMAN PEREZ: Yes, please.

16 MS. LEAN: Okay. So San Francisco has come forward

17 to change their existing Phase 2 Project Documentation

18 Plan.

19 We do have San Francisco here, John Arntz, who

20 is the Director of Elections in San Francisco, and is

21 here to answer any questions on behalf of our Board.

22 The Phase 2 plan is being changed to now come

23 forward for their entire allocation of \$3,544,109.50.

24 They are now purchasing the Sequoia AVC Edge DRE with

25 printers, 610 units; the Optech Insight Precinct

1 tabulators, 610 units; and two 400-C high-speed scanners,
2 optical scan units.

3 The City and County of San Francisco has secured
4 its new voting equipment and this new equipment will be
5 used for the first time during the February 5th, 2008
6 Presidential Primary Election.

7 The AVC Edge II DRE units purchased by
8 San Francisco include a printer, which will fulfill the
9 VVPAT component requirement.

10 San Francisco's new Phase 2 Project
11 Documentation Plan meets the requirements for
12 completeness under Prop 41, and the Sequoia AVC Edge II
13 DRE units, Optech Insight scan units, and the 400-C
14 high-speed optical scan units are certified for use in
15 California.

16 San Francisco came forward first on March 19th
17 of 2003 and the Board approved their Phase 1 Project
18 Documentation Plan and awarded funding for reimbursement
19 of the County's purchase of the 682 ES&S Optech III-P
20 Eagle precinct-based optical scan units. San Francisco
21 received a total of \$2,198,230.32 for the reimbursement
22 of this precinct-based voting system, and it is not
23 eligible for reimbursement for costs associated with the
24 purchase of another precinct-based system.

25 At the May 2005 -- sorry.

1 At the May 25th, 2006 meeting of the Voting
2 Modernization Board, the Board approved San Francisco's
3 original Phase 2 Project Documentation Plan to purchase
4 the voting equipment to meet the Help America Vote Act
5 accessibility requirements. San Francisco was awarded
6 funding for the purchase of 565 ES&S AutoMARK units, but
7 did not seek reimbursement for this equipment from the
8 VMB. The AutoMARK units were used by San Francisco to
9 meet the State and Federal accessibility requirements
10 during the 2006 election cycle. However, the
11 certification status of the ES&S voting systems was
12 called into question when ES&S chose to exclude its
13 voting systems from the Secretary of State's
14 top-to-bottom review of the voting machines certified for
15 use in California. San Francisco now views the purchase
16 of the AutoMARK units as a temporary solution to meet the
17 HAVA requirement that each polling place have at least
18 one accessible voting unit.

19 San Francisco is changing its Phase 2 plan to
20 now implement the Sequoia voting system that is certified
21 for use in California and meets the present-day testing
22 standards. The Sequoia voting system underwent the
23 Secretary of State's top-to-bottom review and the Rank
24 Choice Voting software component, which is mandated by
25 the City and County of San Francisco's charter, has been

1 filed with the Federal Testing Authority for review.
2 San Francisco will place one AVC Edge III -- AVC II DRE
3 and one Optech Insight optical scan unit in every polling
4 place. San Francisco believes that upgrading to this new
5 voting system equipment and software will allow them more
6 efficient and effective methods of processing their
7 ballots and allay the uncertainty of the certification
8 status of their voting system.

9 San Francisco plans to conduct a voter education
10 and outreach program for voters in their County on how to
11 use the new system. The County has been developing
12 several methods to evaluate the effectiveness and overall
13 impact of the new system on the voters.

14 San Francisco will only receive a VMB payment
15 once it has submitted detailed invoices for the certified
16 voting equipment and software. Please note that the
17 staff-proposed funding award is based upon allowable
18 reimbursement under Proposition 41 for voting equipment
19 hardware and software only. The charges associated with
20 the purchase of the precinct-based optical scan units,
21 installation and training, outreach materials, and all
22 warehouse line items listed in San Francisco's contract
23 with Sequoia would not be covered as a reimbursable claim
24 under Proposition 41.

25 It is our staff recommendation that

1 San Francisco's Phase 2 Project Documentation Plan be
2 approved and a Funding Award letter be issued in the
3 amount of \$3,544,109.50.

4 CHAIRMAN PEREZ: Any questions?

5 MR. KAUFMAN: Yeah. I had one. I had one question.

6 So essentially San Francisco came to us before,
7 we awarded the funding, it was never issued, and the
8 funding was never paid?

9 MS. LEAN: Correct.

10 MR. KAUFMAN: And now they've had to change their
11 system yet again?

12 MS. LEAN: That's correct.

13 MR. KAUFMAN: I was just going back and looking at
14 the Phase 2 -- a copy of the Phase 2, the original
15 Phase 2 plan --

16 MS. LEAN: Yes.

17 MR. KAUFMAN: -- where we had a remaining allocation
18 amount of 1,151,000 and change, and now the remaining
19 allocation amount is 928,000 and change, and I was just
20 wondering where the money's going.

21 MS. LEAN: If you go to the next page, there was an
22 amendment to that phase, the Phase 2 plan, for the taxes
23 that were associated with the purchase of that system, so
24 we upped it. Then it was 928,605.57.

25 MR. KAUFMAN: So there was a Phase 2 that never got

1 paid and then an amendment to Phase 2, and now we've got
2 a change to Phase 2?

3 MS. LEAN: That's correct.

4 MR. KAUFMAN: Okay.

5 MS. LEAN: It's very complicated, but because of the
6 certification issues, this is what's happened to
7 San Francisco.

8 CHAIRMAN PEREZ: And the difference is the taxes?

9 MS. LEAN: From the amendment, to the taxes, yes.

10 CHAIRMAN PEREZ: Who gets the 1 percent for local
11 fiscal sales?

12 MS. LEAN: I have no idea, sir.

13 CHAIRMAN PEREZ: 1 percent of sales tax stays in the
14 place in which the transaction occurred.

15 MR. KAUFMAN: Okay.

16 CHAIRMAN PEREZ: One of the great issues of our state
17 and local fiscal alignment.

18 Gentlemen on the phone, Carl, Tal, any
19 questions?

20 MR. FINNEY: I have no questions.

21 CHAIRMAN PEREZ: Okay. Is there a motion?

22 MR. GUARDINO: Not from me.

23 I'd make a motion to approve staff's
24 recommendation.

25 MR. BUSTAMANTE: I'll second the motion.

1 MR. FINNEY: I'll second.

2 CHAIRMAN PEREZ: Mr. Guardino moves; Mr. Bustamante
3 seconds. Before we go proceed to a vote, if Mr. Arntz
4 has anything he'd like to say.

5 MR. ARNTZ: No. I just want to thank you guys for
6 coming today and holding this meeting, a one-item agenda.
7 I really appreciate the time you're putting into this and
8 I know this is the fourth time I've been before the
9 committee.

10 We were talking about it before the meeting in
11 2002 and you were saying, "Let's get this done." So
12 we're done now. It's taken a while and I really
13 appreciate it. Thank you.

14 Also, I want to thank Jana. I think everyone
15 knows her job on this and the job that she does.

16 CHAIRMAN PEREZ: Thank you.

17 So we have a motion by Mr. Guardino, seconded by
18 Mr. Bustamante.

19 Would you please call the roll.

20 MS. MONTGOMERY: John Perez?

21 CHAIRMAN PEREZ: Aye.

22 MS. MONTGOMERY: Stephen Kaufman?

23 MR. KAUFMAN: Aye.

24 MS. MONTGOMERY: Michael Bustamante?

25 MR. BUSTAMANTE: Aye.

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MS. MONTGOMERY: Tal Finney?

MR. FINNEY: Aye.

MS. MONTGOMERY: Carl Guardino?

MR. GUARDINO: Aye.

CHAIRMAN PEREZ: Very good. We have an approved
plan. I see nothing else before us except for
adjournment.

MS. MONTGOMERY: That's correct.

CHAIRMAN PEREZ: Very well. We stand adjourned.

(Proceedings concluded at 10:48 a.m.)