

MEETING
STATE OF CALIFORNIA
SECRETARY OF STATE
VOTING MODERNIZATION BOARD

SECRETARY OF STATE BUILDING
1500 11TH STREET
AUDITORIUM
SACRAMENTO, CALIFORNIA

WEDNESDAY, NOVEMBER 16, 2005

10:30 A.M.

Reported by: Michael Mac Iver
Shorthand Reporter

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

APPEARANCES

PANEL MEMBERS

Mr. John Perez, Chairperson

Mr. Stephen Kaufman

Mr. Tal Finney

Mr. Michael Bustamante

Mr. Carl Guardino (by telephone)

STAFF

Ms. Jana Lean

Mr. Michael Kanotz

Mr. Bruce McDannold

Ms. Katherine Montgomery

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

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1 PROCEEDINGS

2 CHAIRPERSON PEREZ: Okay, I'd like to call to
3 order the meeting of the Voting Modernization Board for
4 November 16th, 2005. Good morning everybody.

5 And, Katherine, would you call the roll, please.

6 MS. MONTGOMERY: John Perez?

7 CHAIRPERSON PEREZ: Here.

8 MS. MONTGOMERY: Stephen Kaufman?

9 BOARD MEMBER KAUFMAN: Here.

10 MS. MONTGOMERY: Michael Bustamante?

11 CHAIRPERSON PEREZ: Expected, but not here.

12 MS. MONTGOMERY: Tal Finney?

13 And Tal is in the building.

14 And Carl Guardino?

15 BOARD MEMBER GUARDINO: Here.

16 CHAIRPERSON PEREZ: Thank you for joining us,
17 Carl.

18 BOARD MEMBER GUARDINO: Mr. Chair, just to let you
19 know, I am home in bed with the flu and a fever. I will
20 stay on as long as I can, but I've had better mornings.

21 CHAIRPERSON PEREZ: Lots of liquids.

22 BOARD MEMBER KAUFMAN: Thank you, we appreciate
23 the effort.

24 CHAIRPERSON PEREZ: And Mr. Finney is only three
25 minutes late.

1 BOARD MEMBER FINNEY: But I was actually in the
2 building, so that would be 20 minutes normally.

3 CHAIRPERSON PEREZ: That actually counts you late.
4 Okay. The first item before us, well, actually,
5 we have a quorum.

6 Next we have public comments for items that are
7 not on our agenda.

8 Do we have any cards, Jana?

9 MS. LEAN: No.

10 CHAIRPERSON PEREZ: No cards, okay.

11 Next is Item 4, adoption of our October 17th
12 action items and meeting minutes.

13 BOARD MEMBER KAUFMAN: And I will move adoption of
14 the minutes.

15 BOARD MEMBER FINNEY: And I reviewed them and I
16 will second them.

17 CHAIRPERSON PEREZ: Mr. Kaufman moved and Mr.
18 Finney seconds.

19 Anything on the item, Mr. Guardino?

20 BOARD MEMBER GUARDINO: Nothing.

21 CHAIRPERSON PEREZ: Okay. All in favor?

22 (Ayes.)

23 CHAIRPERSON PEREZ: None opposed. That's
24 approved.

25 Item 5, Project Documentation Package Review and

1 Funding Award Approvals. The first one before us, 5A, is
2 Contra Costa.

3 MS. LEAN: Okay. Contra Costa County plans to
4 upgrade their voting system in phases. For their first
5 phase, staff is recommending them \$4,959,984.00. They're
6 upgrading to the ES&S Model 100 Precinct Count Ballot
7 Counters, 758 units, and the ES&S Model 600 High Speed
8 Central Count Ballot Counters, 4 units. They are also
9 upgrading to the AutoMARK Voter Assisted Terminals. They
10 used a hundred in this current election and they will be for
11 their second phase getting 658 units by the June 6, 2006,
12 Primary Election.

13 Contra Costa County has secured the Phase 1 voting
14 equipment and used it in the November 8th election. As I
15 said, during the second phase they will receive the
16 additional 658 units by December of '05, and these units
17 will be implemented in time for the June 6th, 2006, Primary.

18 They expect their project completion date to be
19 upon certification of the June 6th, 2006, Primary.

20 The Accessible Voter Verified Paper Audit Trail
21 requirement does not apply to Contra Costa County as this
22 system is a paper-based optical scan voting system.

23 Contra Costa County's Phase 1 Project
24 Documentation Plan meets the requirements for completeness
25 and the ES&S Model 100, 650 and AutoMARK units are certified

1 for use in California.

2 Contra Costa began acquiring their new ES&S
3 optical scan voting system in October of 2005, and the
4 County has received all of their Model 100s and 650s, and a
5 hundred of their AutoMARK units for the November 8 Special
6 Election.

7 The County will be using the 100 AutoMARK units
8 for the first time at the November 8th election. Contra
9 Costa County will be implementing the AutoMARK units in a
10 limited number in the Phase 1 rollout and have an
11 opportunity to effect the smaller implementation and make
12 adjustments for the Primary Election in June of '06.

13 The AutoMARK offers touchscreen capabilities, but
14 it is not a vote recording device, and it provides voters
15 with a variety of disabilities to vote privately and
16 independently. During their Phase 2, the County will
17 receive another 658 AutoMARK units and they will be
18 implementing those for the June 6th, 2006, Primary. With
19 the placement of one AutoMARK unit in every one of their
20 polling places, it will bring the County into compliance
21 with the Help America Vote Act and state accessibility
22 requirements.

23 Contra Costa County will only receive Voting
24 Modernization Board payments once they have submitted
25 invoices for the purchase of any voting equipment. Please

1 note that the staff proposed funding award is based upon
2 allowable reimbursement under Proposition 41 for voting
3 equipment hardware and software only. The Election Support
4 Services, Voter Education/Outreach and warehouse racking
5 costs listed in Contra Costa Phase 1 plan would not be
6 covered as reimbursable claims under Prop 41.

7 It is our recommendation that Contra Costa's Phase
8 1 Project Documentation Plan be approved and a Funding Award
9 letter be issued in the amount of \$4,959,984.00.

10 Any questions?

11 CHAIRPERSON PEREZ: I have none.

12 Does anybody else have questions?

13 MS. LEAN: We do have one card for Steve Weir,
14 he's the Registrar of Contra Costa.

15 CHAIRPERSON PEREZ: Steve, if you would come
16 forward. Good to see you again.

17 MR. WEIR: Thank you, Mr. Chairman, Members
18 present and not here.

19 Just very briefly, I once again appreciate the
20 work that you've put into this. You guys have labored long
21 and hard. I have a feeling there is more to come, but I'm
22 just grateful to have the chance to finally be bringing part
23 of our application before you.

24 CHAIRPERSON PEREZ: Thank you.

25 BOARD MEMBER KAUFMAN: I was just curious to ask

1 how the implementation went for last week's election?

2 MR. WEIR: Very well. We actually rolled out the
3 M-100s March 8 and June 7 at Special Elections, which was
4 great for us. So we're getting the M-100s down very well.
5 We took delivery of a hundred AutoMARKs, we placed them in
6 77 polling places, those polling places that we used March 8
7 and June 7 so we wouldn't be introducing two pieces of
8 equipment to our pollworkers at one time. We did not
9 heavily advertise the fact that the AutoMARK was out there
10 and it was used very sparingly.

11 The feedback that I've gotten from reading the
12 journals for the pollworkers and some cards were that the
13 AutoMARK was well received. I don't think it's fully been
14 tested under a full steam of a lot of people trying to vote
15 it. And the majority of the people that voted it could have
16 voted a regular ballot, they did it for the novelty and
17 again they were appreciative.

18 We'd actually tested it separately with people who
19 have certain impairments without priming them and they
20 navigated the system very, very well, had extraordinarily
21 complimentary things to say about it, that it's intuitive,
22 that it was easy to use. They made some suggestions for us
23 which we will take to heart. I'm glad to have the chance to
24 roll it out on a test basis before we have to roll it out
25 countywide.

1 CHAIRPERSON PEREZ: So there's going to be two or
2 three Special Elections you've had this year.

3 MR. WEIR: We had two Specials, plus November 8.
4 So we're now getting the real experience which is great to
5 test how you've trained, because no matter how you set it
6 up, there are nuances in your training programs that you
7 need to address. So we've now rolled it out for three
8 elections, and we're going to end up with a 58 percent turn
9 out, so it got a good test.

10 CHAIRPERSON PEREZ: Very good.

11 Mr. Finney?

12 BOARD MEMBER FINNEY: I'm good.

13 CHAIRPERSON PEREZ: Mr. Guardino?

14 BOARD MEMBER GUARDINO: I'm fine.

15 CHAIRPERSON PEREZ: Okay, is there a motion?

16 BOARD MEMBER FINNEY: I will make the motion.

17 BOARD MEMBER KAUFMAN: And I will second.

18 CHAIRPERSON PEREZ: Mr. Finney moves, Mr. Kaufman
19 seconds.

20 BOARD MEMBER FINNEY: The staff recommendation.

21 CHAIRPERSON PEREZ: Yes. The staff recommendation
22 in the amount of \$4,959,984.00.

23 MS. MONTGOMERY: John Perez?

24 CHAIRPERSON PEREZ: Aye.

25 MS. MONTGOMERY: Stephen Kaufman?

1 BOARD MEMBER KAUFMAN: Aye.

2 MS. MONTGOMERY: Tal Finney?

3 BOARD MEMBER FINNEY: Aye.

4 MS. MONTGOMERY: Carl Guardino?

5 BOARD MEMBER GUARDINO: Aye.

6 CHAIRPERSON PEREZ: All in favor. Thank you very
7 much.

8 The next item before us, 5B, Kings County.

9 MS. LEAN: Kings County will be upgrading their
10 voting system in one phase. Staff recommends allocating
11 their full allocation of \$581,008.11.

12 Their precinct-based system will be the AVC Edge,
13 the Sequoia-based system, it's a touchscreen unit, 200
14 units. They are also purchasing 250 units of the VeriVote
15 DRE Printers, and they are purchasing one Optech 400 Ballot
16 Counter unit for their absentee system.

17 Kings County plans to begin using the DRE voting
18 equipment as a precinct-based system in the November 8th
19 election. Kings County projects that their project
20 completion date will be upon certification of the June 6th,
21 2006, Primary. The AVC Edge DRE unit being purchased by
22 Kings include a VeriVote Printer, which is an AVVPAT
23 component.

24 Kings County's Project Documentation Plan meets
25 all of the requirements for completeness. The Sequoia AVC

1 Edge units with the VeriVote Printers and the Optech 400
2 unit are certified for use in California, as has been stated
3 before.

4 Please note that the software being used to run
5 the AVC Edge units currently has a condition on the
6 certification for its use as the software cannot be used in
7 a California Primary. This condition is expected to be
8 resolved shortly.

9 Kings County will continue to use their Optech
10 400-C Optical Scan with their absentee system and they will
11 be implementing the AVC Edge DRE units in the November 8th
12 election.

13 Kings County staff has had an opportunity to talk
14 to all their pollworkers individually while preparing for
15 the November 8th Special Statewide Election. And the County
16 plans to solicit feedback from the staff, the pollworkers
17 and voters after the election and will adjust their
18 procedures accordingly.

19 Kings County believes that by deploying a DRE unit
20 in all of their polling places it will bring the County to
21 full compliance of the requirements of the Help America Vote
22 Act, as a DRE system provides access to voters with
23 disabilities and it also satisfies the second-choice voting
24 requirement by not allowing overvotes and identifying
25 undervotes to the voter.

1 Kings County will only receive VMB payments when
2 they have submitted invoices for the purchase of their
3 voting equipment.

4 Please note that the staff proposed funding award
5 is based upon allowable reimbursement under Proposition 41
6 for voting equipment hardware and software only. The
7 training and other support services listed in Kings County
8 would not be covered as a reimbursable claim under
9 Proposition 41.

10 Staff recommends, it is our recommendation, that
11 Kings County's Project Documentation Plan be approved and a
12 Funding Award letter be issued in the amount of \$581,008.11.

13 Any questions?

14 CHAIRPERSON PEREZ: I have none of staff.

15 Does anybody else have any questions of staff?

16 Is Ken Berry here or somebody else from Kings?

17 MS. LEAN: I'm unaware of their attendance.

18 CHAIRPERSON PEREZ: Nobody from Kings in the room?

19 Okay, then I actually do have the question you
20 anticipate. Where are we on our Primary application on the
21 issue?

22 MR. MCDANNOLD: My last conversation with a
23 representative of the vendor last week was they are now,
24 actually with two different representatives of Sequoia, are
25 talking about timingwise not coming forward to us with an

1 application until January most likely. Still possibly
2 December, but very possibly it's going to be January now.

3 CHAIRPERSON PEREZ: So we will amend the staff
4 report to be the beginning of 2006, not the end of the year.

5 MS. LEAN: As I indicated in my oral report, I
6 said --

7 CHAIRPERSON PEREZ: She said very soon.

8 (Laughter.)

9 BOARD MEMBER KAUFMAN: She said shortly.

10 CHAIRPERSON PEREZ: I just want to amend the
11 written report that said end of the year, although it
12 doesn't say which year.

13 MS. LEAN: No, it does not. And we do hope that
14 they will have it in by then.

15 CHAIRPERSON PEREZ: We are talking about the
16 condition of -- and Mr. Bustamante is now with us. The
17 condition and the inability for using the technology in
18 California primaries, something a couple of us think might
19 be an important thing for the technology to be able to be
20 used for.

21 MR. MCDANNOLD: There is a log jam at the federal
22 level in terms of qualification right now and the
23 overwhelming number of systems and applications that are
24 trying to go through the federal process and meet the
25 January 1 deadline.

1 CHAIRPERSON PEREZ: But the issue is a state
2 standard, not a federal standard, but it has to be federally
3 approved first?

4 MR. MCDANNOLD: It has to be federal qualified
5 first.

6 CHAIRPERSON PEREZ: All right. Okay. Anybody
7 else on this item?

8 Is there a motion?

9 BOARD MEMBER KAUFMAN: I will move to adopt the
10 staff recommendation.

11 BOARD MEMBER FINNEY: I will second the motion.

12 CHAIRPERSON PEREZ: Mr. Kaufman moved and Mr.
13 Finney seconds.

14 Please call the role.

15 MS. MONTGOMERY: John Perez?

16 CHAIRPERSON PEREZ: Aye.

17 MS. MONTGOMERY: Stephen Kaufman?

18 BOARD MEMBER KAUFMAN: Aye.

19 MS. MONTGOMERY: Michael Bustamante?

20 BOARD MEMBER BUSTAMANTE: Aye.

21 MS. MONTGOMERY: Tal Finney?

22 BOARD MEMBER FINNEY: Aye.

23 MS. MONTGOMERY: Carl Guardino?

24 BOARD MEMBER GUARDINO: Aye.

25 CHAIRPERSON PEREZ: Okay. We have an approval.

1 That is the end of Item 5 for us.

2 Now, Item 6, Staff Report on Related Issues. The
3 first is discussion of proposed language for County
4 Quarterly Status Reports. I note that we have a copy of
5 your draft in each of our packets and I hope we've all have
6 a chance to review.

7 Do you have anything to add to this?

8 MS. LEAN: I just wanted to indicate that at the
9 September 23rd, 2005, meeting, the Board unanimously
10 approved extending the deadline to submit the Project
11 Documentation Plan to 1/1/07, but will require counties who
12 have not submitted their plan by December 31st, 2005, to
13 submit quarterly status reports. After we indicated that
14 staff would come up with some draft language, we did include
15 the language that Stephen Kaufman requested at the last
16 meeting into the quarterly status report. The only question
17 that I have and I brought it back forward to you again is
18 because Mr. Bustamante had indicated he wanted some language
19 and you were not in attendance last time, but I still want
20 you to take a look at this and make sure that you're okay
21 with this?

22 BOARD MEMBER BUSTAMANTE: Yeah, the BOS.

23 MS. LEAN: Yes, okay, great. We will make minor
24 adjustments. But if the language is approved, staff
25 recommends that the report be due to us by January 20th,

1 which is a Friday, and the report to be given to the Board
2 in the February meeting on the status of where all the rest
3 of the counties who do not submit a plan by December 31st.

4 CHAIRPERSON PEREZ: The first couple of them are
5 right. On Item 4, as you county. And Item 8, it's during
6 not suring. They changed the first letter.

7 So are we correct that your is the second word in
8 Point 4 and during is the first word in Point 8?

9 MS. LEAN: That's correct.

10 CHAIRPERSON PEREZ: We do read what you give us.

11 MS. LEAN: We are glad that you pay attention,
12 thank you, sir.

13 CHAIRPERSON PEREZ: Do we need to approve this? I
14 don't think we do, I think we already -- we directed staff
15 to create this, I don't think we need to go backwards.

16 MS. LEAN: You've adopted this and it is adopted.
17 I will send out notice to all the counties who have not
18 submitted a plan by December to make sure that they submit
19 this interim or this quarterly status report by January
20 20th.

21 CHAIRPERSON PEREZ: Very good. The next item
22 before us, 6B, update on Del Norte County and San Benito
23 County's amendment from their vendor contract language.

24 Jana, do you want to start us off on this or does
25 Michael.

1 MS. LEAN: I will go ahead and start us off on
2 this.

3 Sequoia Voting Systems and our executive office
4 did come to an agreement on the contract language. It was
5 provided in your package, I did e-mail it out as soon we got
6 it finalized. It was finalized on November 4th, so it
7 wasn't that long ago.

8 San Benito County very diligently got their
9 contract amended and they have submitted the amendment in
10 their packet. Del Norte County did get their contract
11 amended. They signed it, but they haven't had the vendor
12 sign it yet. So they currently have it in the works, but
13 they haven't actually submitted the forms yet.

14 But I wanted to bring these forward to let you
15 know that the contract language was changed and it was
16 agreed upon, and we can issue funding awards if we choose
17 to, Funding Award letters, if you choose to at the time.

18 CHAIRPERSON PEREZ: It satisfies the issues that I
19 raised in our last two meetings from my perspective, but I
20 want to see if it satisfies everybody else's issues.

21 I do have one question on the final paragraph of
22 the language in our packet. See the bold type, the any
23 voting system purchase or funds allocated by the Secretary
24 of State's office. Do you follow where I'm reading?

25 MR. KANOTZ: Yes, sir.

1 CHAIRPERSON PEREZ: My question is this, am I to
2 not read that to be applicable to the actions of this Board
3 because technically it's not an allocation by the
4 Secretary's Office?

5 Jana?

6 MS. LEAN: It does actually go further on and say
7 that the California Elections Code and the Voting
8 Modernization Board was created through those bonds acts,
9 which is part of the code. So if you read it that way.
10 Although the Secretary of State doesn't authorize the money,
11 the Board does.

12 CHAIRPERSON PEREZ: Right. My only concern was
13 the reference of the term allocated.

14 MS. LEAN: Okay.

15 CHAIRPERSON PEREZ: I track with you in terms of
16 the reference to the Code, but I would just -- either way
17 we're coming from the same point of view as the Secretary's
18 Office, I just wanted to flag that because I don't think
19 that allocation actually -- allocation by the Secretary
20 doesn't actually capture from my perspective, although I may
21 be wrong on that, the actions that we undertake here.

22 BOARD MEMBER KAUFMAN: The Secretary of State, as
23 I understand it, allocates money that comes to the State
24 through HAVA.

25 MS. LEAN: Correct.

1 BOARD MEMBER KAUFMAN: But the money that we
2 allocate, this Board allocates, is coming from a pool of
3 money that this Board got it's allocation, and not the
4 Secretary of State. So I think that's where the Chair's
5 comments were directed. So I guess the only issue is
6 whether this somehow limits this language, limits this
7 application.

8 CHAIRPERSON PEREZ: I think regardless of whether
9 this language limits, I think in concept and in spirit we're
10 in the same place as the Secretary's Office. My reading of
11 it though doesn't limit or control our actions. I just want
12 to hear feedback on that as I read that again this morning
13 on the plane.

14 MR. KANOTZ: Well, I don't think via contract the
15 Secretary of State could impose these requirements on the
16 Board, and therefore I think that's probably why they phrase
17 it as they have.

18 CHAIRPERSON PEREZ: We don't have a problem with
19 that, I just wanted to flag the issue.

20 BOARD MEMBER KAUFMAN: We just wanted to
21 understand and make sure everybody understands it the same
22 way.

23 CHAIRPERSON PEREZ: And it's not to raise the
24 issue or raise an issue of contention, it's just to get some
25 consistency and understanding of what the language means.

1 But we're coming from I think through our previous
2 discussions and through our previous actions from the same
3 area of concerns that the Secretary has stressed.

4 So anything else on that?

5 BOARD MEMBER KAUFMAN: No. But I did want to go
6 back to the Del Norte and San Benito issue. I just want to
7 make sure that we're following the procedure that we voted
8 on last time, if we specifically said that the approval was
9 contingent on amendment of the contract?

10 MS. LEAN: That's correct. San Benito County, in
11 your packet, but in front of you today, has signed the
12 contract, has amended the contract. And they did make some
13 minor adjustments when they went back to review the
14 contract. They are going to purchase some additional DRE
15 equipment and one less of their special count ballot
16 counters. It all comes out to the same amount of money.
17 But their information is here.

18 Del Norte County, it is true we do not have their
19 signed, amended contract in front of us. I did talk to
20 Vicky Frasier. It was done right at the very end of Friday,
21 November 4th, and the election was on the 8th. So while I
22 really applaud San Benito for getting it done and getting
23 the job done really quickly, I understand why Del Norte
24 County hasn't been able to provide us with that information.
25 What the Board could do, if you want to is we could just

1 make a caveat to awarding them the money, but they will not
2 receive any money until we've received that signed
3 amendment.

4 CHAIRPERSON PEREZ: I think the way we addressed
5 our concern was about the adoption of the language, it
6 wasn't about the execution of the signatures on the
7 document.

8 MS. LEAN: Okay.

9 CHAIRPERSON PEREZ: So I'm satisfied with that.
10 But my only concern would be that they not further amend the
11 document after November 15th. If there was further
12 amendment after November 15th, then I actually think it's
13 inconsistent with our previous action and I would want it to
14 come before us.

15 MS. LEAN: Okay.

16 BOARD MEMBER KAUFMAN: You mean to further amend
17 the contract to add more purchases?

18 CHAIRPERSON PEREZ: Anything.

19 BOARD MEMBER KAUFMAN: They are only approved for
20 a certain amount.

21 CHAIRPERSON PEREZ: Right. No, no. But further
22 amended terms of their contract, not expanding purchase.

23 BOARD MEMBER KAUFMAN: But my understanding is Del
24 Norte is that the contract may or may not even be amended.

25 CHAIRPERSON PEREZ: No, no, the contract's

1 amended, it's signed by the county, but not signed by the
2 vendor, even though the vendor signed the same language with
3 a different county.

4 MS. LEAN: Correct.

5 CHAIRPERSON PEREZ: So that's why, as long as --

6 BOARD MEMBER KAUFMAN: Is it just the signature
7 that's missing?

8 MS. LEAN: That's correct. And it wasn't any
9 fault of the vendor or the county, it just happened right at
10 the election time.

11 CHAIRPERSON PEREZ: So that's why I raised the
12 issue. As long as they're signing a document consistent
13 with the document that was approved prior to November 15th,
14 I'm fine with it.

15 MS. LEAN: Okay.

16 CHAIRPERSON PEREZ: But if the parties decide to
17 reopen discussions at any point prior to the final signature
18 by the vendor, then I think it comes back before us. So
19 that's the caveat I would rather have in the letter, as long
20 as it's the document that is partially signed at this point.

21 MS. LEAN: We can amend the letter after the
22 meeting.

23 BOARD MEMBER FINNEY: Should we have the originals
24 to this or did they make original copies for us or
25 something?

1 MS. LEAN: They gave us original copies.

2 BOARD MEMBER BUSTAMANTE: Yes, I was wondering
3 about that.

4 CHAIRPERSON PEREZ: For all the Board Members?

5 MS. LEAN: They did, yes. They went above and
6 beyond.

7 CHAIRPERSON PEREZ: So I guess a motion would be
8 in order to issue the funding allocation letters consistent
9 with the conversation we just had.

10 BOARD MEMBER BUSTAMANTE: So moved.

11 CHAIRPERSON PEREZ: Mr. Bustamante moves and is
12 there a --

13 BOARD MEMBER KAUFMAN: I will second.

14 CHAIRPERSON PEREZ: Kaufman seconds.

15 MS. LEAN: Would you like me to read the staff
16 recommendation so that it's on record?

17 CHAIRPERSON PEREZ: Sure.

18 MS. LEAN: Okay. For San Benito County, it is our
19 recommendation that San Benito County's Funding Award Letter
20 be issued in the amount of \$303,222.05.

21 CHAIRPERSON PEREZ: So we will take these
22 separately.

23 Mr. Bustamante is your motion on that?

24 BOARD MEMBER BUSTAMANTE: Yes.

25 CHAIRPERSON PEREZ: Mr. Kaufman, do you still

1 second?

2 BOARD MEMBER KAUFMAN: Yes, I still second.

3 BOARD MEMBER FINNEY: Did you put in the
4 contingency?

5 CHAIRPERSON PEREZ: We're not getting there yet.

6 BOARD MEMBER FINNEY: Okay.

7 CHAIRPERSON PEREZ: That's the next one.

8 BOARD MEMBER FINNEY: Well, wait a minute, I'm
9 still not comfortable voting yet. Could you please restate
10 the motion for the record.

11 MS. LEAN: I'm sorry. For San Benito County who
12 has amended their contract and that's provided in your
13 packet, it is our recommendation that San Benito County's
14 Funding Award Letter be issued in the amount of \$303,222.05.

15 CHAIRPERSON PEREZ: Mr. Finney?

16 BOARD MEMBER FINNEY: I was under the impression
17 that you added some --

18 CHAIRPERSON PEREZ: No, that was to Del Norte that
19 I added some.

20 BOARD MEMBER FINNEY: Oh, I see. Okay. Okay.
21 I'm fine.

22 MS. MONTGOMERY: Now?

23 CHAIRPERSON PEREZ: Please.

24 MS. MONTGOMERY: John Perez?

25 CHAIRPERSON PEREZ: Aye.

1 MS. MONTGOMERY: Stephen Kaufman?

2 BOARD MEMBER KAUFMAN: Aye.

3 MS. MONTGOMERY: Michael Bustamante?

4 BOARD MEMBER BUSTAMANTE: Aye.

5 MS. MONTGOMERY: Tal Finney?

6 BOARD MEMBER FINNEY: Aye.

7 MS. MONTGOMERY: Carl Guardino?

8 BOARD MEMBER GUARDINO: Aye.

9 CHAIRPERSON PEREZ: Very good.

10 Now, would you walk us through the staff
11 recommendation and capture the amendment to the extent that
12 you can for Del Norte.

13 MS. LEAN: Okay. And it is the staff
14 recommendation that Del Norte County's Funding Award Letter
15 be issued in the amount of \$164,420.41 -- let me make sure I
16 get this.

17 CHAIRPERSON PEREZ: The caveat being that the
18 letter reflect the Board's assertion that it not be based on
19 any modifications to the agreement after November 15th,
20 2005, because that was the deadline we set for them to
21 resolve this matter. The matter was resolved, they just
22 don't have a wet signature on it. So I just want to make
23 sure that the wet signature is on the document that was
24 negotiated prior to our deadline.

25 Is there a motion?

1 BOARD MEMBER KAUFMAN: I will so move.

2 BOARD MEMBER BUSTAMANTE: And I'll second.

3 CHAIRPERSON PEREZ: Mr. Kaufman moves, Mr.
4 Bustamante seconds.

5 If you would call?

6 MS. MONTGOMERY: John Perez?

7 CHAIRPERSON PEREZ: Aye.

8 MS. MONTGOMERY: Stephen Kaufman?

9 BOARD MEMBER KAUFMAN: Aye.

10 MS. MONTGOMERY: Michael Bustamante?

11 BOARD MEMBER BUSTAMANTE: Aye.

12 MS. MONTGOMERY: Tal Finney?

13 BOARD MEMBER FINNEY: Aye.

14 MS. MONTGOMERY: Carl Guardino?

15 BOARD MEMBER GUARDINO: Aye.

16 CHAIRPERSON PEREZ: Very good.

17 The next item I have before us is Item 6C, an
18 update on the Voting Modernization Finance Committee
19 meeting.

20 MS. LEAN: I wanted to let you know that on
21 October 19th, the Pool Money Investment Board extended our
22 loan for \$93,870,000 for this year, calendar year, and they
23 also backed the -- the Finance Committee approved the sale
24 of the bonds of up to \$137,370,000.

25 CHAIRPERSON PEREZ: Let's try that number one more

1 time.

2 MS. LEAN: Yes, okay. \$137,370,000. Is that
3 right? That's right. Sorry about that. This will bring us
4 up to the \$195 million that's been allocated. So for this
5 year, we have the money available, so if all the counties
6 that are supposed to come in front of us this coming year in
7 2006, the money is available to allocate for that.

8 I just wanted to give you an update on that.

9 CHAIRPERSON PEREZ: Any questions?

10 Then it will be the third year we will be here
11 that we didn't think we were going to be here.

12 MS. LEAN: The next thing I wanted to bring up to
13 you also in your packet is the proposed dates for 2006. I'm
14 proposing that the Board meet every third Wednesday of the
15 month, if that will work for your calendars. Of course,
16 these dates can be changed if you can't make it, but I
17 wanted you to take a look at this calendar and perhaps you
18 could at least adopt the first two months, January and
19 February for next year.

20 CHAIRPERSON PEREZ: Let's take a second.

21 BOARD MEMBER GUARDINO: Mr. Chair, this is Carl
22 Guardino, with your permission, I'm fading fast here, so I'm
23 going to disconnect if may.

24 CHAIRPERSON PEREZ: Well, I'm not going to give
25 you permission to fade fast, but I give you permission to

1 sign off.

2 BOARD MEMBER GUARDINO: I appreciate that.

3 CHAIRPERSON PEREZ: Get better, Carl.

4 BOARD MEMBER GUARDINO: Thank you very much. Have
5 a nice holiday. Bye bye.

6 CHAIRPERSON PEREZ: January is fine with me.

7 BOARD MEMBER FINNEY: It's the what, the --

8 CHAIRPERSON PEREZ: The 18th. February 15th is --

9 BOARD MEMBER FINNEY: At what time, 10:30?

10 MS. LEAN: 10:30.

11 CHAIRPERSON PEREZ: January and February are both
12 fine with me.

13 Anybody else have a problem with January or
14 February?

15 BOARD MEMBER KAUFMAN: Not so far.

16 BOARD MEMBER FINNEY: Fine by me.

17 CHAIRPERSON PEREZ: Let's try March too. Yes,
18 right now my January, February and March, all three dates
19 are doable. So if could each try to clear our calendars for
20 these dates, but feel as confident as we can to move forward
21 especially for January and February.

22 You don't need adoption on this, do you?

23 MS. LEAN: No. I'm going to go ahead and place
24 these dates on our website, indicating this is subject to
25 change, but we do have January and February set or we have a

1 quorum set.

2 CHAIRPERSON PEREZ: And our next meeting is
3 December 5th?

4 MS. LEAN: That's correct.

5 CHAIRPERSON PEREZ: And just again for everybody,
6 it's in Los Angeles at the Ronald Reagan State Office
7 Building, correct.

8 MS. LEAN: That's correct. At 300 South Spring
9 Street at 10:30 in the morning.

10 BOARD MEMBER FINNEY: The one in January.

11 MS. LEAN: The one in December. December 5th,
12 it's a Monday. It's coming up pretty close. I just got off
13 the phone before the meeting with Ventura County, they will
14 be submitting their plans and we will have at least one
15 county ready with their plans for that meeting.

16 CHAIRPERSON PEREZ: It's a shorter drive for me,
17 come down to LA.

18 BOARD MEMBER KAUFMAN: Do we anticipate we're
19 going to see anything from LA?

20 MS. LEAN: They have indicated at the last meeting
21 they had submitted another phase to their plan and they
22 withdrew that.

23 CHAIRPERSON PEREZ: Okay. Any other business that
24 you have for us?

25 MS. LEAN: No, sir.

1 CHAIRPERSON PEREZ: And no other cards to come
2 before us?

3 Anybody else have anything to discuss before we
4 adjourn?

5 Then we stand adjourned.

6 (Thereupon the meeting of the Voting
7 Modernization Board was concluded at
8 11:03 a.m. on November 16, 2005.)

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1 CERTIFICATE OF SHORTHAND REPORTER

2 I, MICHAEL J. MAC IVER, a Shorthand Reporter, do
3 hereby certify that I am a disinterested person herein; that
4 I reported the foregoing Voting Modernization Board
5 proceedings in shorthand writing; that I thereafter caused
6 my shorthand writing to be transcribed into typewriting.

7 I further certify that I am not of counsel or
8 attorney for any of the parties to said Voting Modernization
9 Board proceedings, or in any way interested in the outcome
10 of said Voting Modernization Board proceedings.

11 IN WITNESS WHEREOF, I have hereunto set my hand
12 this 1st day of December 2005.

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18 Michael J. Mac Iver
19 Shorthand Reporter
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