MEETING
STATE OF CALIFORNIA
SECRETARY OF STATE
VOTING MODERNIZATION BOARD

SECRETARY OF STATE
1500 11th STREET
AUDITORIUM
SACRAMENTO, CALIFORNIA

THURSDAY, MAY 25, 2006
10:30 A.M.

KATHY L. SWINHART, CSR
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LICENSE NUMBER 10150

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APPEARANCES

1  PANEL MEMBERS:
2  Mr. John A. Perez, Chair
3  Mr. Stephen Kaufman, Vice Chair, via telephone
Mr. Carl Guardino, via telephone

STAFF:
Mr. Michael Kanotz, Staff Counsel
Ms. Jana Lean, Staff Consultant
Ms. Katherine Montgomery, Executive Assistant
Mr. Chris Reynolds, HAVA Coordinator

ALSO PRESENT:
Ms. Candace Grubbs, Butte County
Mr. Steve Weir, Contra Costa County
Mr. Victor Salazar, Fresno County
Ms. Gail Pellerin, Santa Cruz County
Mr. John Arntz, San Francisco County
Mr. Lou Deidier, ES&S

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CHAIRMAN PEREZ: All right. I'm going to call this meeting to order. We'll operate on what we can until we establish a quorum, and then we'll proceed with doing the course of business.

I'd like to call to order the May 25th meeting -- the May 25th, 2006 meeting of the Voting Modernization Board.

If you would please do a preliminary roll call, Katherine.

EXECUTIVE ASSISTANT MONTGOMERY: Sure.

John Perez.
CHAIRMAN PEREZ: Here.

EXECUTIVE ASSISTANT MONTGOMERY: Stephen Kaufman.

BOARD MEMBER KAUFMAN: Here.

EXECUTIVE ASSISTANT MONTGOMERY: Okay. Michael Bustamante, Tal Finney and Carl Guardino are not here yet.

CHAIRMAN PEREZ: Okay. As soon as one of the three of them joins us, we will have a quorum and we'll have them go on the record at that point.

The next item before us is public comment. Do we have any public comment cards on your agenda?

STAFF CONSULTANT LEAN: No.

CHAIRMAN PEREZ: Okay. The next item is Item IV, adoption of our March 27th meeting. We'll have to put that over until we establish a quorum.

We can now go to Item V, project documentation plan review and funding. We can receive our staff reports on each of the items, Mr. Kaufman and I can begin asking questions, and then we'll revisit them individually to take approval action once we establish a quorum and take action at that point.

So if you would, Jana, please start us off.

Is our first one Alpine or Butte?

STAFF CONSULTANT LEAN: Alpine.

CHAIRMAN PEREZ: Here it is. Very good.

Jana, if you would walk us through Alpine, please.

STAFF CONSULTANT LEAN: Alpine County is --

BOARD MEMBER KAUFMAN: Before you start, was there any report [unintelligible] on this item?

CHAIRMAN PEREZ: On this item, no.
BOARD MEMBER KAUFMAN: Okay.

CHAIRMAN PEREZ: Matter of fact, other than Item V are there any supplemental documents.

BOARD MEMBER KAUFMAN: Okay. Sorry to interrupt. Go ahead.

STAFF CONSULTANT LEAN: Okay. Alpine County, they're coming forward for their full allocation of $8,115.19. They're purchasing the Diebold AccuVote optical scan Central Count, two units, and the Diebold-TSX with the AccuView printer, two units.

Alpine County anticipates receiving its new voting equipment by late April of this year. The county plans to begin using this equipment for the June 6 Primary Election.

The AccuVote-TSX units are equipped with the AccuVote printer, which is a VVPAT component, a voter verified paper audit trail component.

Alpine County's project documentation plan meets the requirements for completeness. The Diebold AccuVote optical scan -- central optical scan units and the AccuVote-TSX touch screen units are certified for use in California.

Alpine County will be converting from the Datavote punch card voting system. The county is the smallest county in California with approximately 790 registered voters and has only five voting precincts in the entire county. Since 1993, Alpine County has conducted all countywide elections as all-mail ballot elections and has received good response from its voters.

Alpine chose to purchase the Diebold system because the equipment uses current technology and software, and it
has been determined by the county to be the easiest to
install and implement in their small-sized county.

For the June 6, 2006 Primary Election, a touch screen
unit will be available for use at the county clerk's office
located in the central region of the county. The county is
considering placing a touch screen unit at a drop-box
location at the western side of the county during the
November 2006 General Election.

Alpine County will only receive VMB payments once it
has submitted detailed invoices for its certified voting
equipment. Please note that the staff-proposed funding
award is based upon allowable reimbursement under
Proposition 41 for voting equipment hardware and software
only. The support service line items listed in Alpine
County's contract with Diebold would not be covered as a
reimbursable claim under Proposition 41.

Would you like me to do the --

THE REPORTER: I'm sorry, would you like -- I can't hear you.

STAFF CONSULTANT LEAN: I wanted to ask him if he
wanted the staff recommendations at this point.

So it is our recommendation that Alpine County's
project documentation plan be approved and a funding award
letter be issued in the amount of $8,115.19.

CHAIRMAN PEREZ: Mr. Kaufman, do you have any
questions?

BOARD MEMBER KAUFMAN: Not on this one.

BOARD MEMBER GUARDINO: And I -- Mr. Chairman, I
stepped -- this is Carl Guardino. I stepped away for a
moment with apologies, but I am back.

CHAIRMAN PEREZ: Very good. Now let's -- let's
re-call the roll, please.


CHAIRMAN PEREZ: Here.

EXECUTIVE ASSISTANT MONTGOMERY: Stephen Kaufman.

BOARD MEMBER KAUFMAN: Here.

EXECUTIVE ASSISTANT MONTGOMERY: Carl Guardino.

BOARD MEMBER GUARDINO: Here.

CHAIRMAN PEREZ: We now have a quorum.

I'd like to take a break in the item that we're
currently in, which is Item V(A), and go back to Item IV
for a minute. Item IV is adoption of our March 27th action
and meeting minutes.

Mr. Guardino, have you had a chance to review those?
And would you move approval, please.

Carl?

BOARD MEMBER GUARDINO: Sorry. I was on -- I had you
on mute --

CHAIRMAN PEREZ: No problem.

BOARD MEMBER GUARDINO: -- so that my office
environment back here wouldn't be disruptive.

CHAIRMAN PEREZ: Would you move approval of the
minutes.

BOARD MEMBER GUARDINO: Yes. I move approval of the
minutes of our last meeting.

CHAIRMAN PEREZ: Mr. Kaufman?

BOARD MEMBER KAUFMAN: I'll second.
CHAIRMAN PEREZ: All in favor, aye?
CHAIRMAN PEREZ: We have those approved.

Back to Item V(A), Alpine County. We've now heard the staff report and the staff recommendation.

Is there a representative from Alpine here?

STAFF CONSULTANT LEAN: No.

CHAIRMAN PEREZ: No representative. I just have a quick question.

Given that all their countywide elections since '93 have been done as all-mail, what they're proposing for June 6th, is that for early voting or is that for election day voting at that one or potentially two locations for the DRE?

STAFF CONSULTANT LEAN: The touch screen unit will be available out there for election day.


Is there a motion on the staff recommendation?

BOARD MEMBER KAUFMAN: I'll move approval of the staff recommendation for issuance of a funding award letter for Alpine County in the amount of $8,115.19.

CHAIRMAN PEREZ: Mr. Kaufman moves.
BOARD MEMBER GUARDINO: I'll second the recommendation.

CHAIRMAN PEREZ: Mr. Guardino seconds.

Call the roll, please.

CHAIRMAN PEREZ: Aye.

EXECUTIVE ASSISTANT MONTGOMERY: Stephen Kaufman.
BOARD MEMBER KAUFMAN: Aye.
EXECUTIVE ASSISTANT MONTGOMERY: Carl Guardino.
BOARD MEMBER GUARDINO: Aye.
CHAIRMAN PEREZ: The item is approved.
Item V(B), Butte County. Jana, if you will walk us through Butte County.

STAFF CONSULTANT LEAN: Butte County is coming forward for their full VMB funding allocation of $1,469,905.57. They are purchasing the Diebold AccuVote-TSX with AccuView printer, 600 units, and the AccuVote optical scan Central Count scan, four units.

Butte County anticipates receiving its new voting equipment by the beginning of this month, May 2006. The county plans to begin using this equipment in the June 6, 2006 Primary.

The AccuVote-TSX unit is a compatible component of the voter verified paper audit trail when the printer is attached to the DRE.

Butte County's project documentation plan meets the requirements for completeness. The Diebold AccuVote-TSX touch screen units and the AccuVote-OS Central Count optical scan units are certified for use in California.

Butte County will be converting from the Mark-A-Vote optical scan voting system. Butte considered only DRE, direct recording electronic units for the polling place and optical scan for absentee and vote-by-mail ballots. Butte County believes that it would be too complicated for poll workers to work with two different systems; therefore, they decided to only provide DRE units at the polling sites.

Butte County has begun an extensive outreach program
to educate voters on the new voting system and to allow voters a chance to use the system before the June 6, 2006 Primary.

Butte indicated that they also plan to purchase the Express Poll 4000 vote card creation device and associated accessories. This equipment is not yet certified for use in California; therefore, any costs associated with this device would not be eligible for reimbursement under Proposition 41 until this equipment is certified.

Butte County will only receive VMB payments once it has submitted detailed invoices for its certified voting equipment. Please note that the staff-proposed funding award is based upon allowable reimbursement under Proposition 41 for voting equipment hardware and software only. The support services and extended warranty line items listed in Butte County's contract with Diebold would also not be covered as a reimbursable claim under Proposition 41.

It is our staff recommendation that Butte County's project documentation plan be approved and a funding award letter be issued in the amount of $1,469,905.57.

Any questions?

CHAIRMAN PEREZ: Mr. Kaufman -- oh, well, actually, first, is there anybody here from Butte?

STAFF CONSULTANT LEAN: Yes.

CHAIRMAN PEREZ: Please come forward just to save us time.

Okay. And joining us at the podium is Candace Grubbs, the county clerk registrar of voters for Butte
MS. GRUBBS: Correct.

CHAIRMAN PEREZ: Mr. Kaufman, any questions?

BOARD MEMBER KAUFMAN: I had -- actually, I just was not clear on what the Express Poll 4000 voter card creation device is --

CHAIRMAN PEREZ: My question --

BOARD MEMBER KAUFMAN: -- and what it does.

CHAIRMAN PEREZ: My question as well.

MS. GRUBBS: Well, the Express Poll is an electronic poll book. That will be coming forth for certification. I think a letter is already in on that.

BOARD MEMBER KAUFMAN: I'm sorry. I know we're going to go through this again, but you're fading out. Could you speak up a little bit.

CHAIRMAN PEREZ: What I'll do is I'll summarize, too --

BOARD MEMBER KAUFMAN: Okay.

CHAIRMAN PEREZ: -- just to make sure we cover the main points.

MS. GRUBBS: Okay. The Express Poll is essentially an electronic poll book which the whole voter registration roll is -- is uploaded to. And it will also create the voter access card.

These have not been approved yet, we -- we know that, but a letter for their certification has been sent to the Secretary of State, and we're assuming that that process will go on right after this election.

STAFF CONSULTANT LEAN: That is my understanding as well.
CHAIRMAN PEREZ: So for you, Carl and Steve -- and I know, you know, you don't pick this up well with our sound system -- in essence it's an electronic poll book that captures the entire list of registered eligible voters, and it creates the enabling card, the smart card that activates the system for the voter to be able to vote.

BOARD MEMBER KAUFMAN: Okay. So it's not -- it's not anything that falls within HAVA requirements. It's just an add-on component that makes the system work even more efficiently.

STAFF CONSULTANT LEAN: Correct.

CHAIRMAN PEREZ: Although isn't there a HAVA requirement with respect to the countywide poll book?

STAFF CONSULTANT LEAN: That would have to be -- we have Chris Reynolds here, who is our HAVA coordinator for the Secretary of State. I can't really answer the question.

BOARD MEMBER KAUFMAN: I thought it was statewide registration.

CHAIRMAN PEREZ: Yeah, so did I.

MR. REYNOLDS: Chris Reynolds, HAVA coordinator for the Secretary of State's office.

No, there's no requirement for a county to have such a device available. But what is required is a statewide voter registration list that contains the name and information of every registered voter in the state.

CHAIRMAN PEREZ: You were right, Steve.

BOARD MEMBER KAUFMAN: Okay.
CHAIRMAN PEREZ: Okay. Any other questions? Carl, do you have any questions for -- for Ms. Grubbs?

Hearing none, is there a motion?

BOARD MEMBER KAUFMAN: Yeah. I will move to accept the staff recommendation to issue a funding award letter to Butte County in the amount of $1,469,905.57.

CHAIRMAN PEREZ: Okay. And, Mr. Guardino, do you second?

BOARD MEMBER GUARDINO: I'll second.

CHAIRMAN PEREZ: Would you go ahead and call the roll.

EXECUTIVE ASSISTANT MONTGOMERY: John Perez.

CHAIRMAN PEREZ: Aye.

EXECUTIVE ASSISTANT MONTGOMERY: Stephen Kaufman.

BOARD MEMBER KAUFMAN: Aye.

EXECUTIVE ASSISTANT MONTGOMERY: Carl Guardino.

CHAIRMAN PEREZ: Carl?

BOARD MEMBER KAUFMAN: Oh, Carl?

BOARD MEMBER GUARDINO: Yeah, sorry. A journalist just stepped in and interrupted me, but I'm here.

And are we on the motion or the -- or the second for Butte?

CHAIRMAN PEREZ: We've got a motion and a second.

Steve and I have voted in favor. We're waiting for your vote.

BOARD MEMBER GUARDINO: I do, too. I heard both the report and then the reporter to speak to me right now, so it's with deep apologies.

CHAIRMAN PEREZ: Very good.
BOARD MEMBER GUARDINO: It's very busy around here today.

CHAIRMAN PEREZ: Mr. Guardino votes aye. So three ayes. We are approved. Thank you very much.

MS. GRUBBS: I thank you and Butte County thanks you.

CHAIRMAN PEREZ: Thank you.

Next item for us is Contra Costa. If you would walk us through the Gunaden [phonetic] report.

STAFF CONSULTANT LEAN: Contra Costa County is coming forward with their Phase 2 project documentation plan. Based upon the allowable expenses, the staff is recommending an allocation of $2,018,156.25. This will leave them a remaining allocation of approximately $9,000.

The county is purchasing the ES&S AutoMARK Voter Assist terminals, the additional terminals that were not being purchased in Phase 1. So they're purchasing 668 units. They're also purchasing the Pitney Bowes Relia-Vote system.

Contra Costa has secured their Phase 2 voting equipment, and they anticipate using this new additional AutoMARK unit for the first time in the June 6, 2006 election.

The voter verified paper audit trail requirement does not apply to Contra Costa County's Phase 2 project documentation plan as the system is a paper-based optical scan system.

Contra Costa County's Phase 2 project documentation plan meets the requirements for completeness. The ES&S AutoMARK voter assist terminals are certified for use in June 6, 2006.
The deployment of Contra Costa County's Phase 2 AutoMARK voting equipment will bring the county into compliance with the Help America Vote Act and the state accessibility requirements.

Contra Costa is planning to purchase the Pitney Bowes Relia-Vote base system for use in conjunction with ES&S ballot counting system for absentee ballots. Contra Costa County asserts that the Relia-Vote system will enable them to increase security of returned absentee ballots, improve the accuracy of sorting the ballots into counting groups and provide a complete audit trail for the ballots from the time the ballot arrives in the election office. The county believes that it is imperative to modernize their processing and preparation for the counting of increasing numbers of absentee ballots. The Relia-Vote system is a third-party combination of hardware and software to support the county's voting system and does not itself require certification as a system for use in California.

Contra Costa County will only receive VMB payments once they have submitted detailed invoices for their Phase 2 voting equipment. Please note that the staff-proposed Phase 2 funding award is based upon allowable reimbursement under Proposition 41 for voting equipment hardware and software only. The election support system -- or sorry -- election support services listed in Contra Costa County's contract with ES&S and the extended price and annual licensing fee items on the Pitney Bowes quotation list would not be covered as a reimbursable claim under Proposition 41.
It is our staff recommendation that Contra Costa County's Phase 2 project documentation plan be approved and a funding award letter be issued in the amount of $2,018,156.25.

Do we have any questions?

CHAIRMAN PEREZ: We have Steve Weir with us from Contra Costa, if you'd come forward.

I have -- I guess I just have one question.

On the Pitney Bowes system, you're only looking for one. Is that because if there's failure in the system, it's not a voting system, therefore you need -- you don't need backup since it's just a supplemental support?

MR. WEIR: Correct.

CHAIRMAN PEREZ: Okay. Mr. Kaufman, any questions?

BOARD MEMBER KAUFMAN: Yeah.

So I understand what's going on here, it looks to me like your county then purchased a limited number of the optical scan terminals for purposes I guess of a special election held within the county earlier this year.

was that basically attached to the limited amount and now you're purchasing the balance and bringing the number up to the number of polling locations that you have?

MR. WEIR: That's -- that's correct. We acquired for the -- excuse me -- November 8, '05 election about a hundred units so that we could roll those out in 20 percent of our precincts. This will bring us up to a full compliment.

BOARD MEMBER KAUFMAN: Okay. So both -- essentially both phases of your award here are the same equipment just
in different amounts?

MR. WEIR: Right.

BOARD MEMBER KAUFMAN: Okay.

CHAIRMAN PEREZ: Very good.

BOARD MEMBER KAUFMAN: And I assume that based on your initial run-throughs, this is a successful voting system for you.

MR. WEIR: Yes, it is.

CHAIRMAN PEREZ: Any other questions? Carl?

Okay. Is there --

BOARD MEMBER GUARDINO: None from me.

CHAIRMAN PEREZ: Is there a motion?

BOARD MEMBER GUARDINO: I move that we approve Contra Costa County's request from the staff recommendation.

CHAIRMAN PEREZ: Carl Guardino moves.

BOARD MEMBER KAUFMAN: I'll second.

CHAIRMAN PEREZ: Steve Kaufman seconds.

EXECUTIVE ASSISTANT MONTGOMERY: John Perez.

CHAIRMAN PEREZ: Aye.

EXECUTIVE ASSISTANT MONTGOMERY: Stephen Kaufman.

BOARD MEMBER KAUFMAN: Aye.

EXECUTIVE ASSISTANT MONTGOMERY: Carl Guardino.

BOARD MEMBER GUARDINO: Aye.

CHAIRMAN PEREZ: Very good. We have approval.

Next item, V(D), Fresno County.

STAFF CONSULTANT LEAN: Fresno County, their staff recommended a funding award based upon allowable reimbursement. They have approximately $700,000 remaining in their allocation. They're purchasing the Diebold AccuVote-TSX with the AccuView printer, a thousand units,
and the AccuVote-OS optical scan, 80 units.

Fresno County anticipates receiving the first 500 of the AccuVote-TSX units by mid May 2006 and plans to begin using this equipment for the June 6, 2006 Primary. The county anticipates receiving the second 500 AccuVote-TSX units and 80 AccuVote optical scan by mid September 2006 and plans to implement this equipment in the November 7th, 2006 General Election.

The AccuVote-TSX units possess the voter verified paper audit trail.

Fresno County's project documentation plan meets the requirements for completeness. And the Diebold AccuVote-TSX touch screen units and the AccuVote optical scan units are certified for use in California.

Fresno County will be augmenting their existing Diebold optical scan voting system with the touch screen units and additional optical scan units. Fresno County believes that the deployment of one optical scan unit and one touch screen unit in all of its polling places will bring the county into full compliance with the requirements of the Help America Vote Act.

As stated earlier, Fresno County plans to deploy 500 of its TSX units during the June 6 Primary and the other 500 units and the 80 additional optical scan units during the November General Election. The county believes that by using this quasi-phased approach, it would provide the county's staff and poll workers an easier transition to the new blended voting system. Fresno County will offer early
Fresno County will only receive VMB payments once it has submitted detailed invoices for its certified voting equipment. Please note that the staff-proposed funding award is based upon allowable reimbursement under Proposition 41 for voting equipment hardware and software only. The support service line item listed in Fresno County's contract with Diebold would not be covered as a reimbursable claim under Proposition 41.

It is our staff recommendation that Fresno County's project documentation plan be approved and a funding award letter be issued in the amount of $3,527,333.19.

CHAIRMAN PEREZ: Okay. Joining us is Victor Salazar, the county clerk registrar of voters for Fresno.

Any questions, Mr. Kaufman?

BOARD MEMBER KAUFMAN: No questions from me.

CHAIRMAN PEREZ: Mr. Guardino?

BOARD MEMBER GUARDINO: None here.

CHAIRMAN PEREZ: I have no questions.

Is there a motion?

BOARD MEMBER KAUFMAN: I will move to approve the staff recommendation and issue a funding award letter to Fresno County in the amount of $3,527,333.19.

BOARD MEMBER GUARDINO: I second the motion.

CHAIRMAN PEREZ: Okay. It's been moved and seconded. Mr. Salazar knows that if we're going to move approval, he's not going to have to speak. Never belate a deal that's being sealed.
Call the roll.

EXECUTIVE ASSISTANT MONTGOMERY: John Perez.

CHAIRMAN PEREZ: Aye.

EXECUTIVE ASSISTANT MONTGOMERY: Stephen Kaufman.

BOARD MEMBER KAUFMAN: Aye.

EXECUTIVE ASSISTANT MONTGOMERY: Carl Guardino.

BOARD MEMBER GUARDINO: Aye.

CHAIRMAN PEREZ: Okay. We've got approval.

If there's no objection, I'd like to move next to Santa Cruz and then come back to San Francisco, just because I have several questions for San Francisco and I'd like to deal with Santa Cruz quickly.

STAFF CONSULTANT LEAN: Okay. We'll begin with Santa Cruz County.

Staff is recommending the funding award of $1,661,152.11. This will -- this is not their full allocation. There will be -- have a remaining allocation of approximately $37,000.

Santa Cruz County is purchasing the Sequoia Voting System AVC Edge II touch screen units with the VeriVote printer, 165 units, and the optical -- sorry -- the Optech Insight Precinct Ballot Counter optical scan units, 165 units, and also the Optech 400-C ballot counters, two units.

Santa Cruz County anticipates receiving their new voting equipment by mid July 2006. The county plans to begin using this equipment in the November 7, 2006 General Election.

The AVC Edge DRE units being purchased by Santa Cruz County...
County includes a VeriVote printer, which is a voter verified paper audit trail component.

Santa Cruz County's project documentation meets all the requirements for completeness. The Sequoia AVC Edge with the VeriVote touch screen units, the Optech Insight units and the Optech 400-C units are certified for use in California.

Santa Cruz County will not be able to convert to their new voting system until the November 7th, 2006 General Election due to the vendor's inability to deliver the new equipment before the June 6, 2006 Primary Election.

For the June 6, 2006 Primary Election, Santa Cruz County will continue using its existing Mark-A-Vote optical scan units in their polling places and will be borrowing 12 AVC Edge touch screen units from Monterey County to be strategically placed around the county on election day. The county also plans to have one screen unit available at the county clerk's office for early voting and on election day. The deployment of the 12 units during the June 6, 2006 Primary Election is an attempt to comply with the Help America Vote Act and state law accessibility requirements.

During the November 7, 2006 General Election, Santa Cruz County will be fully converting from their existing Mark-A-Vote optical scan voting system. The county intends to employ one AVC Edge II with VeriVote touch screen unit and one Optech Insight optical scan unit at all their polling places to bring the county into full compliance with the requirements of HAVA and state accessibility requirements. The touch screen units will provide access to those voters with disabilities and also satisfy the...
second-choice voting requirements by allowing over votes --
by not allowing over votes and identifying under votes to
each voter.

Santa Cruz County is developing an extensive outreach
program to introduce the new voting system to their voters.

Santa Cruz County will only receive VMB payments once
it has submitted detailed invoices for its certified voting
equipment. Please note that the staff-proposed funding
award is based upon allowable reimbursement under
Proposition 41 for the voting equipment hardware and
software only. The installation and training line items
listed in Santa Cruz County's contract with Sequoia would
not be covered as a reimbursable claim under Proposition
41.

It is our staff recommendation that Santa Cruz
County's project documentation plan be approved and a
funding award letter be issued in the amount of
$1,661,152.11.

Questions?

CHAIRMAN PEREZ: Yeah, I think we're going to have a
couple.

Joining us is Gail Pellerin, the county clerk.

Do you want to go first or shall I, Stephen?

BOARD MEMBER KAUFMAN: Why don't you go ahead.

CHAIRMAN PEREZ: My big question is with respect to
the deployment of the 12 touch screen units.

Can you just kind of help us understand how you got
to 12. Was it just that was what Monterey was willing to
lend or was there some -- was there some thinking, you
know, that got you to the number 12, and how is it that you came to the disbursement of the 12 that you came into?

MS. PELLERIN: Sure.

We definitely tried to get as many touch screen units as we could for June, and they were able to give us 12. And we did ask a number of different counties and the vendor.

We have one that's been operating in our office for early voting and one that's starting in Watsonville at the city clerk's office today. And that will be available for weekend voting as well, from 9:00 to 5:00 on the weekend before the election. And we're doing outreach to each of the disability groups.

As far as the ten other locations, we're training the individual who is going to manage the touch screen at each of those ten locations, and they're pretty much scattered geographically throughout the county in accessible locations. So we just picked the best, most successful sites that we have that meet the requirements of ADA and Title 24 for accessibility.

CHAIRMAN PEREZ: So there wasn't -- for example, the polling location I use when I vote early in Los Angeles is the Braille Institute. So that, you know, obviously makes a tremendous amount of sense for placement of a -- of an audio system unit.

MS. PELLERIN: We have a senior center. We have a local -- a fire station because it meets all the requirements for accessibility. We did pick an area up at the summit for anybody -- so they don't have to drive all the way into town. We selected sites in -- at health
centers over in Watsonville.

So we did take that into consideration as well as we have six voters who do request the audio cassettes, and we made sure they were near their home precincts.

CHAIRMAN PEREZ: Very good.

How many languages do you offer your ballot in?

MS. PELLERIN: We only -- we're not covered under the Voting Rights Act, but we do have Spanish on our ballots. I'm sorry. On the DRE, not on the ballots. We provide a written translation of the local measures and the state props. But with the new touch screen, we're able to offer Spanish as well with the instructions and the propositions and local measures translated.

CHAIRMAN PEREZ: Very good.

Mr. Kaufman, any questions?

BOARD MEMBER KAUFMAN: I think you covered it, Mr. Chair. Thank you.

CHAIRMAN PEREZ: Mr. Guardino?

BOARD MEMBER GUARDINO: No questions, but hello, Gail Pellerin.

MS. PELLERIN: Hi. I could have picked you up on the way here, Carl.

BOARD MEMBER GUARDINO: Next time.

MS. PELLERIN: Okay.

CHAIRMAN PEREZ: Is there a motion?

BOARD MEMBER KAUFMAN: Carl, do you want the honor or should I do it?

BOARD MEMBER GUARDINO: You are so good at it,
please, Mr. Kaufman.

BOARD MEMBER KAUFMAN: Okay. I will move to accept
the staff recommendation and issue a funding award letter
to Santa Cruz County in the amount of $1,661,152.11.

BOARD MEMBER GUARDINO: Second.

CHAIRMAN PEREZ: Mr. Kaufman moves. Mr. Guardino
seconds.

Katherine.

EXECUTIVE ASSISTANT MONTGOMERY: John Perez.

CHAIRMAN PEREZ: Aye.

EXECUTIVE ASSISTANT MONTGOMERY: Stephen Kaufman.

BOARD MEMBER KAUFMAN: Aye.

EXECUTIVE ASSISTANT MONTGOMERY: Carl Guardino.

BOARD MEMBER GUARDINO: Aye.

CHAIRMAN PEREZ: We have approval.

Lastly, 5(E), San Francisco.

BOARD MEMBER KAUFMAN: You say that with such an
ominous tone.

STAFF CONSULTANT LEAN: The City and County of San
Francisco is simply --

CHAIRMAN PEREZ: I have to pay particular attention
to the three counties I've lived in. So, you know, San
Francisco will have to deal with the fact that I used to
live there.

STAFF CONSULTANT LEAN: They have submitted their
Phase 2 project documentation plan. Staff is recommending
a funding award of $2,392,695.90.

They will be purchasing the ES&S AutoMARK voter
assist terminals, 565 units. San Francisco anticipates
receiving the AutoMARK units by the beginning of May 2006. The jurisdiction plans to use the AutoMARK units for the first time at the June 6, 2006 Primary.

The voter verified paper audit trail requirement does not apply to San Francisco's Phase 2 project documentation plan as the system is a paper-based optical scan system. San Francisco County's Phase 2 project documentation plan meets the requirements for completeness. And the ES&$ AutoMARK voter assist terminals are certified for use in California.

At the March 19th, 2003 meeting of the Voting Modernization Board, the Board approved San Francisco County's Phase 1 project documentation plan and awarded funding for reimbursement of the county's purchase of 682 ES&$ Optech III-P Eagle precinct based optical scan units and two Optech central count ballot tabulators.

Fresno [verbatim] County's current optical scan voting system includes the ranked choice voting enhanced system software component mandated by the City and County of San Francisco's charter. The certification of the ranked choice voting component expired in December 2005.

The AutoMARK is not certified for use with San Francisco's existing voting system. So currently, if San Francisco uses the AutoMARK with their existing voting system, it must run it separately as an independent voting system with two different versions of the Unity Election Management system, and San Francisco will be required to print two ballot types, two types of ballots for each polling place. Finally, it should be noted that an obstacle to the
possible certification of existing Optech III-P Eagle to work with the AutoMARK units and the newer version of Unity is that the Optech III-P Eagle are not compliant with the federal 2002 voting system standards.

Based upon feedback from the public, the certification status of the AutoMARK and the county's existing contract with ES&S, San Francisco extended its existing contract with ES&S to purchase the AutoMARK units to comply with the Help America Vote Act.

San Francisco County will only receive VMB payments once it has submitted detailed invoices for the certified voting equipment. Please note that the staff-proposed funding award is based upon allowable reimbursement under Proposition 41 for the voting equipment hardware and software only. The delivery, installation, package removal, battery chargers and related support service line items listed in San Francisco County's contract with ES&S would not be covered as a reimbursable claim under Proposition 41.

It is our staff recommendation that San Francisco County's project documentation Phase 2 plan be approved and a funding award -- a funding award letter be issued in the amount of $2,392,695.90.

And I know you have questions.

CHAIRMAN PEREZ: Joining us is John Arntz, the director of elections for the City and County of San Francisco.

Do you have any comments you want to make before we ask questions or do you want to just wait for our questions?
MR. ARNTZ: No. Well, I mean, not any questions, but I have a comment.

When I was stuck in traffic on the way here, I was thinking about this whole process. And I want to thank Jana, and I think the Board ought to be very thankful and acknowledge Jana's work in this whole process. Because I know working with San Francisco, she hasn't had an easy job and she's had many questions come her way and she's fielded them very well. I feel that the application we put forward, a lot of it was because of the structure and the information that Jana provided us, so I want that to go on the record.

But other than that --

CHAIRMAN PEREZ: Thank you.

Mr. Kaufman or Mr. Guardino, would either of you like to go further or shall I proceed?

BOARD MEMBER KAUFMAN: Well, let me just ask the beginning one -- one question.

So is the current plan -- I think the Chair will probably ask you to explain the whole -- how the voting will work, but is the current plan that you're going to have, what, one -- is there going to be one AutoMARK unit in each precinct or what's the allocation, I guess, of what's being sought here in Phase 2?

MR. ARNTZ: Yeah, correct. Well, each polling place will have one AutoMARK. And we have 561 polling places, so an AutoMARK in each of those polling places. But also at City Hall, which is our early voting central voting center, we have two or three AutoMARKs there.
CHAIRMAN PEREZ: Did you get that, Stephen?
BOARD MEMBER KAUFMAN: Yes.
CHAIRMAN PEREZ: Okay. I -- and Mr. Kaufman's correct about my questions. Here -- here are the things that kind of stick out in my mind, and I'm trying to figure out how the pieces fit together.

One, that the certification for your ranked choice expired in December 2005, but the people in San Francisco are very clear that this is a priority for them; two, the fact that the system is already integrated; and three, that your Optech -- Optech III-P Eagles are not compliant with the 2002 voting system standards.

So help me get my head around those three issues as we vote to give you this approval.

MR. ARNTZ: Well, one step at a time. So for this election, we'll have the AutoMARKS to be compliant with the HAVA requirements for this election.

And the Eagles are -- I don't know of any reason that they would be prohibited from being used in San Francisco for this election. But then --

BOARD MEMBER KAUFMAN: And I'm sorry to interrupt, but is that because there's no -- there's no race that you need to be concerned with?

MR. ARNTZ: Correct. There is no ranked choice voting for June, so November is a question for ranked choice voting.

The Eagles have been certified for ranked choice voting traditionally in the past by the voting procedures panel. And ES&S has indicated that it will go forward with the certification requests a third time to the O'Connell --
the Secretary of State's office to have the Eagles and the Unity system certified for ranked choice voting this November.

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The AutoMARKs will also have to in some way mark the ranked choice cards. And at this time, ES&S has not gone forward to the Secretary of State's office. Any -- any application of the AutoMARKs will be incorporated not with the Eagles, but with the ranked choice voting.

So, I mean, there will be ranked choice voting in San Francisco this November. I do think that the Eagles can -- can handle the job. I still think they're capable of handling the election. But moving forward into the future, I mean, San Francisco will have to upgrade the technology from the Eagles. It's a lower technology. It probably would not -- would not pass scrutiny under the new 2005 standards.

The City as a policy has not yet decided if it's going to move forward with ES&S in the future. Most likely it would at this point. The reason I say this is that San Francisco as of March had a contract with essentially Sequoia Voting Systems. Sequoia indicated by its actions that it could not provide and support San Francisco in the equipment to be ready for the June election. So basically I ended those contract negotiations, and we moved to ES&S.

So even though there's been a decision essentially by the department and also supported by the City, present in the formal recognition is ES&S. But since we're purchasing the AutoMARKs and since ES&S has the ranked choice voting
or it developed and certified it conditionally twice, and also ES&S and RP response indicated that the 100 would be upgraded and put forth in the ranked choice voting, I think that San Francisco does have, you know, a very solid set of options going forward for ranked choice voting and also for future technology that would be more -- more compliant and meet the stricter standards of the 2005 requirements.

CHAIRMAN PEREZ: Stephen, anything else on that?
BOARD MEMBER KAUFMAN: No. I think -- I think that covers it.

CHAIRMAN PEREZ: Carl?

Oh, Jana --

BOARD MEMBER GUARDINO: No, nothing.

STAFF CONSULTANT LEAN: I actually do have a question.

I do know that an ES&S representative is here in the audience and perhaps he can come forward and address when they plan to submit that application to the Secretary of State so you might feel more comfortable with this funding award.

CHAIRMAN PEREZ: And you're making your way down.

I -- I'm sure you can understand kind of where my discomfort lies --

MR. DEIDIER: Sure.

CHAIRMAN PEREZ: -- with the fact that we have gone through -- there have been two -- what's the term again?

Not -- two temporary certifications, two conditional certifications for a finite period of time.

What I don't want to see us getting into is a
situation where we come forward and San Francisco's got more money invested with a given vendor anticipating, you know, that -- that the -- another conditional approval and finding ourselves not having that conditional approval and having to go back and being a little hamstrung by how far we are.

So --

MR. DEIDIER: Hi. My name is Lou Deidier. I am a vice-president and regional manager for ES&S.

To give you a little insight, San Francisco on ranked choice voting is jurisdictionally specific. The AutoMARK is currently ITA-qualified with both the Eagle ballot and the oval [phonetic] ballot. That report is on file with the Secretary of State. We did not take it forward because we did not have a customer at the time.

So all we have to do to initiate basically the use of the Eagle, the AutoMARK and Eagle ballot, is bring that back in and go through the certification testing. There would be no changes to the Eagle, no changes to the AutoMARK. The AutoMARK will mark that ballot.

CHAIRMAN PEREZ: What timeline do you anticipate?

MR. DEIDIER: We'll submit it after the election. We're looking probably July we'll submit a letter.

And basically understand that we will go through whatever requirements the State wants us to. But there will be no ITAs because those are done. They're already on file and here.

CHAIRMAN PEREZ: Carl or Stephen?

BOARD MEMBER KAUFMAN: No, nothing further.
BOARD MEMBER GUARDINO: No.

CHAIRMAN PEREZ: Is there a motion?

BOARD MEMBER KAUFMAN: Yeah.

Well, you know, I -- I understand the predicament that faces San Francisco, and it seems to be an extremely complicated scenario. Having said that, I think the project documentation plan that is before us meets all the requirements that -- that we need to look for in issuing our funding award.

So I am going to move that we accept the staff recommendation and issue a funding award letter to San Francisco in the amount of $2,392,695.90. And add to that that we hope that San Francisco is able to reconcile all of these issues by the November election.

BOARD MEMBER GUARDINO: I will second the motion.

CHAIRMAN PEREZ: It's been moved by Mr. Kaufman and seconded by Mr. Guardino on the question.

I want to preface my vote by saying I am cautiously optimistic that we get there by November, but I do have some concerns. This is one of several instances where the -- because of the number of moving pieces and the timing and the variety of standards that have to be dealt with, I am very concerned that our approval is helpful to the county but doesn't give the county a false sense of hope of putting all the pieces together. And so I'll leave it at that.

And you wanted to add something before we vote?

MR. ARNTZ: I don't want to interrupt you, but I do.

CHAIRMAN PEREZ: Okay. Go ahead.

MR. ARNTZ: I want to say that I appreciate the
Board's basically understanding of San Francisco's challenge to move forward. Your assessment is correct, absolutely. And what -- if -- I don't know how the Board operates, but I would be more than happy to keep the Board informed of our progress going forward. I can provide reports or I could appear before the -- before the Board.

And I think it's important that, you know, since the Board is giving us money, that it does understand or does have the comfort to know that the assurances that have been provided for various equipment have been met. So I'd be happy to do that.

CHAIRMAN PEREZ: We'd appreciate that.

EXECUTIVE ASSISTANT MONTGOMERY: John Perez.

CHAIRMAN PEREZ: Aye.

EXECUTIVE ASSISTANT MONTGOMERY: Stephen Kaufman.

BOARD MEMBER KAUFMAN: Aye.

EXECUTIVE ASSISTANT MONTGOMERY: Carl Guardino.

BOARD MEMBER GUARDINO: Aye.

CHAIRMAN PEREZ: We have three votes. We have approval. And we are now done with Item V on our agenda, move forward to Item VI, change to approved project documentation plan.

The first item, VI(A), is San Diego County.

STAFF CONSULTANT LEAN: This is the first time that the Board has heard any changes to the project documentation plan, so it's a little different.

San Diego County is requesting that their full funding award be issued and that the change to their
At the February 9th, 2004 meeting of the Voting Modernization Board, the Board approved San Diego County's project documentation plan and awarded a funding award for reimbursement of the county's purchase of 10,200 AccuVote-TSX units and the four optical scan units. The county used this equipment at the March 2nd, 2004 Presidential Primary Election.

On April 30th, 2004, the prior Secretary of State issued orders decertifying the use of all DRE voting systems in California and specifically banned the use of the Diebold AccuVote-TSX hardware and firmware voting equipment.

After the decertification of the voting system, San Diego County amended their contract with Diebold to supply the county with non-DRE voting equipment at no cost to the county for all future elections until January 1, 2007, or until new DRE units were recertified.

On February 17th, 2006, the current Secretary of State certified for use in California the Diebold AccuVote-TSX with the AccuVote -- or AccuView printer optical scan central count units, AccuVote-OS and other related voting system components.

San Diego County used these newly certified Diebold AccuVote-TSX units with the printer and optical scan without tabulators for the first time at their April 11, 2006 countywide Special Election for the 50th Congressional District.
San Diego County is requesting the Voting Modernization Board approve the change to their existing project documentation plan which incorporated the amendments to the contract and the receipt of the newly certified AccuVote-TSX units with the related hardware and software.

So it is our staff recommendation that San Diego County's change to their approved project documentation plan be approved and that a new funding award be issued in the amount of $16,726,146.64.

CHAIRMAN PEREZ: Okay. Mikel Haas is with us.

STAFF CONSULTANT LEAN: He is not -- he was not able to attend today. If any questions arise that would preclude you from voting on this, we can get him on the line.

CHAIRMAN PEREZ: Okay. Mr. Kaufman?

BOARD MEMBER KAUFMAN: Yeah, I have one clarification, Jana.

So at one point -- well, I guess it was in February 9, 2004, we issued an award letter in the same amount?

STAFF CONSULTANT LEAN: Correct.

BOARD MEMBER KAUFMAN: And the only thing that -- and so the -- but the funds were not released --

STAFF CONSULTANT LEAN: No.

BOARD MEMBER KAUFMAN: -- or they were released?

STAFF CONSULTANT LEAN: No funds were released because by the time that they would have submitted invoices, the system was decertified.
BOARD MEMBER KAUFMAN: Okay. So essentially all we're doing is issuing the same funding amount but based on different documentation and contract to support the payments.

STAFF CONSULTANT LEAN: That's correct.

BOARD MEMBER KAUFMAN: Okay.

CHAIRMAN PEREZ: Mr. Guardino, any questions?

BOARD MEMBER GUARDINO: No, sir.

CHAIRMAN PEREZ: Okay. Is there a motion?

BOARD MEMBER KAUFMAN: I'll move to approve the staff recommendation and I guess issue a new funding award letter to the County of San Diego in the amount of $16,726,146.64. Do we need to indicate that this supersedes the prior funding award letter?

CHAIRMAN PEREZ: I think it would be -- I think it would be wise to do that.

BOARD MEMBER KAUFMAN: Okay. So let's add that to the motion, that that letter will supersede the prior letter that I guess was issued following the February 9, 2004 meeting.

CHAIRMAN PEREZ: Mr. Kaufman moves.

BOARD MEMBER GUARDINO: I second.

CHAIRMAN PEREZ: Mr. Guardino seconds.

Katherine.

EXECUTIVE ASSISTANT MONTGOMERY: John Perez.

EXECUTIVE ASSISTANT MONTGOMERY: Stephen Kaufman.

BOARD MEMBER KAUFMAN: Aye.

EXECUTIVE ASSISTANT MONTGOMERY: Carl Guardino.
BOARD MEMBER GUARDINO: Aye.
CHAIRMAN PEREZ: We have three votes. We have approval.
Next, Tulare County.
STAFF CONSULTANT LEAN: Tulare County is also moving forward with a change to their project documentation plan, but they're asking for some additional money. At the -- they're purchasing the Optech Insight Plus with the LCD display.

At the January 18, 2006 meeting of the Board, the Board approved Tulare County's project documentation plan and awarded funding for reimbursement of the county's purchase of 115 Optech Insight Ballot Counter optical scan units, 126 AVC Edge touch screen units, and 160 VeriVote printers.
The VMB approval of Tulare's plan extended to equipment currently certified in California as of January 18th, 2006. The county was informed by the Board that upon certification of the Optech Insight with the LCD component, the county could submit an amendment to their application for consideration. This is what they're doing.

On March 20th, 2006, the Secretary of State certified the Optech Insight Plus ballot counter with the LCD display. Tulare County is requesting that the Voting Modernization Board approve the change to their existing project documentation plan which would incorporate the option in their contract to purchase the Optech Insight with the LCD display now certified for use in California.
So it is our staff recommendation that Tulare
County's change be approved and that a new funding award letter be issued in the amount of $1,407,590.89. It's essentially a new funding award amount.

CHAIRMAN PEREZ: How much larger is this amount than the previous one?

STAFF CONSULTANT LEAN: About $30,000.

CHAIRMAN PEREZ: Okay. Any questions?

BOARD MEMBER KAUFMAN: I have none.

CHAIRMAN PEREZ: I have none.

Mr. Guardino?

BOARD MEMBER GUARDINO: No.

CHAIRMAN PEREZ: Okay. Is there a motion?

BOARD MEMBER KAUFMAN: I'll do it one more time. I move that we accept the staff recommendation and issue a new funding award letter to Tulare County in the amount of $1,407,590.89. And that this funding award letter supersede the prior funding award letter issued by this Board following the January 18th, 2006 meeting.

BOARD MEMBER GUARDINO: While he seems less enthusiastic than on most motions, I will second the motion.

CHAIRMAN PEREZ: It's been moved and seconded.

Katherine.

EXECUTIVE ASSISTANT MONTGOMERY: John Perez.

CHAIRMAN PEREZ: Aye.

EXECUTIVE ASSISTANT MONTGOMERY: Stephen Kaufman.

BOARD MEMBER KAUFMAN: Aye.

EXECUTIVE ASSISTANT MONTGOMERY: Carl Guardino.

BOARD MEMBER GUARDINO: Aye.

BOARD MEMBER KAUFMAN: Tulare County, don't take the
tone of my voice as anything other than full support.

STAFF CONSULTANT LEAN: Well, the good news is
there's no one from Tulare County present to hear your
tone, sir.

CHAIRMAN PEREZ: Okay. What do we have next?

Item No. VII, staff report on related issues. First
is the report on county second quarterly status for April
through June of 2006.

STAFF CONSULTANT LEAN: As the Board requested, they
have -- you asked that counties who have not begun their
project documentation plans and submitted them to the Board
or any counties who are in a phased approach submit
annual -- sorry -- quarterly reports to the Board on the
status of where they are.

I'm sorry, Stephen and Carl, they were not in your
original packet. I have packets here for you, but they can
be accessed on the Prop 41 site. I did not e-mail you the
reports. My apologies.

CHAIRMAN PEREZ: Let's accept these and discuss them
at our next meeting, if that's okay with everyone.

BOARD MEMBER KAUFMAN: That's fine.

Can we get the e-mails, though, Jana?

STAFF CONSULTANT LEAN: I will mail you the packet
because it's a big packet, but I will e-mail you the
report.

BOARD MEMBER KAUFMAN: Okay.

CHAIRMAN PEREZ: Okay. Next -- well, Item VII(B),
the VV --

BOARD MEMBER KAUFMAN: One second before we jump
Are there any -- just one overall question. Are there any counties we should be concerned about in terms of responsiveness, timing?

STAFF CONSULTANT LEAN: There's one county who I did not get a report from, but I will by the next meeting.

BOARD MEMBER KAUFMAN: Okay.

CHAIRMAN PEREZ: Okay. Item VII(B), VVPAT retrofit funding.

STAFF CONSULTANT LEAN: I would like to turn this over to Chris to come up on the stage and address you -- come up here.

CHAIRMAN PEREZ: Yeah, come up here so they can hear you.

STAFF CONSULTANT LEAN: Chris Reynolds from our executive office. He's the HAVA coordinator. And he is bringing forward a proposal for the Board just to discuss and review.

MR. REYNOLDS: Hi. For the record, this is Chris Reynolds, the HAVA coordinator with the Secretary of State's office.

The staff report and background materials that the committee has -- the Board has received lay out the issues succinctly. I guess I would only add that the concept or the proposal that the Board is considering or reviewing today is simply a wait and make sure that the right source of funding is used for the right purpose.

Specifically, we're talking about funding for retrofitting existing voting systems with the voter verified paper audit trail to meet state requirement.
The state law that created the requirement for a VVPAT, voter verified paper audit trail, stipulates that equipment voting systems with a VVPAT will be paid for with federal funds; in other words, the Help America Vote Act of 2002 funds, HAVA funds or VMB funds.

However, the Secretary of State was informed by the federal oversight agency, an authorizing body for HAVA, the Election Assistance Commission, that a retrofit of an otherwise HAVA-compliant voting system is a state requirement and not a federal mandate and, therefore, was not an allowable HAVA cost.

This would leave VMB as the legislatively identified source of funding. However, some counties have used those funds already to meet the federal requirements.

HAVA has a provision that addresses this situation, however. Section 251(c)(1) allows for retroactive payments to states to reimburse the cost for purchasing compliant voting systems so long as the purchase occurs after November of 2000. And I can explain the rationale for this if the Board desires to hear it.

But what appears to complicate this matter to some extent is that the state funding has been provided to the counties just like HAVA funds will be provided to the counties to actually purchase voting systems.

So we sought clarification from the EAC, the Election Assistance Commission on this matter, and we were told that a county remittance of VMB funds and a subsequent reimbursement of those now unreimbursed costs for purchase...
of a HAVA-compliant voting system is consistent with the
provisions of HAVA Section 251(c)(1) that I mentioned.

And we know that there are counties that are
interested in availing themselves of this mechanism to
realize full cost recovery for voting system upgrades that
are required by the state and federal law. And because the
Secretary of State administers HAVA, and because for lack
of a better way to express it we came up with this
mechanism, we're presenting it to the VMB for
consideration.

You are the policymakers as it relates to all things
involving Prop 41. We would only say that we believe this
would be of great benefit to some counties, those that are
in this situation, and it is a viable policy option.

With that, I'm available to answer any questions.

CHAIRMAN PEREZ: I'll defer to the only lawyer on the
call first.

BOARD MEMBER KAUFMAN: Gee, thanks.

Well, as I recall this discussion, myself and Mr. Phinney, the other lawyer on the committee, I mean, our
main concern is less about policy and more about whether
legally we could do this. And we asked staff to seek this
opinion from the Election Assistance Commission.

Now that we have the remand in which they seem to
give the go-ahead, I would think that there are no -- no

It seems to me it's something that can only help the
counties, to meet obligations that may have come into play
after they purchased their original equipment.
So, Chris, is that kind of your recollection of how we got there and your opinion of where we are now?

CHAIRMAN PEREZ: And I would only add that I shared yours and Tal's concerns and am feeling much more comfortable with this issue looking at the EAC's response.

HAVE COORDINATOR REYNOLDS: And we appreciate the -- the early direction that we had received from members about seeking EAC concurrence and verification that this was a viable policy option.

CHAIRMAN PEREZ: Michael, procedurally what's before us?

STAFF COUNSEL KANOTZ: Mr. Chair, Michael Kanotz.

Procedurally what is before us is an outline of how a county would come forward with a request like this for, in my mind, the Board's input into the procedure. In terms of actually considering this concept and approving these kind of changes for the counties, the Board would have to do that on a county by county basis.

But I -- I can say that this is something that I --
evaluate county by county requests that come forward in --
not a policy decision as such today.

STAFF COUNSEL KANOTZ: That's correct.

And in -- and in addition, the report gives counties
some guidance -- because this is a little bit of a unique
situation, gives counties some guidance in constructing and
submitting their amended project documentation plans.

CHAIRMAN PEREZ: Very good.

Mr. Kaufman, any other questions?

BOARD MEMBER KAUFMAN: Nothing further.

CHAIRMAN PEREZ: Mr. Guardino?

BOARD MEMBER GUARDINO: No, sir.

CHAIRMAN PEREZ: Very good.

Then I think we're --

STAFF CONSULTANT LEAN: I'd like to make one --

CHAIRMAN PEREZ: Yes, Jana, please.

STAFF CONSULTANT LEAN: -- one quick comment.

So this is the staff's proposal. If a county
would -- chooses to do this process, this is what the staff
would propose us telling the counties, that they would have
to at a minimum supply this information one through eight,
and it's all in a case by case basis.

The only reservation that we would have is to just
make sure that we could accounting wise, just number to
number, make sure that we know where the funds are coming
from and how to account for the money. But staff is very
much behind this concept.

CHAIRMAN PEREZ: Very good. Thank you.

With that, I will move on from Item VII to Item VIII.

And Item VIII is other business, the voting modernization

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finance committee meeting.

So --

STAFF CONSULTANT LEAN: I want to give just a brief overview of that.

We had to hold a voting modernization finance committee meeting on May 17th. When the bonds were issued last time, as of last year, they had the wrong provisions of -- they had it within 35 years, but our bond specifically says it has to be within 10 years. So it's just an amendment to the ability for the finance committee to sell the voting modernization bond.

So I just wanted to let you know that that meeting did occur and everything went smoothly.

CHAIRMAN PEREZ: Very good.

Seeing no other items before us, do either of you have anything else to add before we go forward with the adjournment?

BOARD MEMBER GUARDINO: No, sir.

BOARD MEMBER KAUFMAN: When is the next meeting date?

CHAIRMAN PEREZ: When is our next meeting day?

STAFF CONSULTANT LEAN: The next meeting date would be June 21st. Are we all still available for that date?

CHAIRMAN PEREZ: Let's take a second and look. It is fine on my calendar.

BOARD MEMBER KAUFMAN: Yeah, I'd be able to make it. It shouldn't be a problem.

CHAIRMAN PEREZ: It shouldn't be. He said it's fine on his calendar so long as he'd be able to make it back in the evening. And that was Mr. Kaufman.
Now, I have a question. Is this one of those meetings where we might actually be able to hold it in Los Angeles?

STAFF CONSULTANT LEAN: Can I get back to you on that?

CHAIRMAN PEREZ: Absolutely. Let's try to do June or July --

STAFF CONSULTANT LEAN: In Los Angeles.

CHAIRMAN PEREZ: -- in Los Angeles.

STAFF CONSULTANT LEAN: We have one county who has submitted something for the June meeting. It's Kern County, and it's --

CHAIRMAN PEREZ: Kern County you have to drive from Bakersfield to Burbank to fly to Sacramento.

STAFF CONSULTANT LEAN: Okay. Well, that looks like a good -- a good possibility, then. We'll let you know. I will look and see what other counties submit their plans.

CHAIRMAN PEREZ: Very good.

Okay. With that, is there a motion to adjourn?

BOARD MEMBER KAUFMAN: So moved.

BOARD MEMBER GUARDINO: We actually don't need a motion, but we'll all make it.

CHAIRMAN PEREZ: Makes me feel better.

BOARD MEMBER GUARDINO: Okay.

BOARD MEMBER KAUFMAN: We'll all make it, and we'll all second it.

CHAIRMAN PEREZ: It's been moved by Mr. Kaufman, seconded by Mr. Guardino.

All in favor, Aye?

THE BOARD MEMBERS: Aye.
CHAIRMAN PEREZ: We are adjourned.

(whereupon the proceedings adjourned at 11:49 a.m.)

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REPORTER'S CERTIFICATE

STATE OF CALIFORNIA ) ss.
COUNTY OF SACRAMENTO )

I, KATHY L. SWINHART, certify that I was the official
Court Reporter for the proceedings named herein, and that
as such reporter, I reported in verbatim shorthand writing
those proceedings;
That I thereafter caused my shorthand writing to be
reduced to typewriting, and the pages numbered 1 through 55
herein constitute a complete, true and correct record of
the proceedings.

IN WITNESS WHEREOF, I have subscribed this certificate
at Sacramento, California, on the 13th day of June 2006.

KATHY L. SWINHART
CSR NO. 10150