

BEFORE THE VOTING MODERNIZATION BOARD

STATE OF CALIFORNIA

JOHN A. PEREZ, CHAIRMAN

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

APPEARANCES:

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

Elections Analyst:        Katherine Montgomery

Program Manager:         Jana M. Lean

Also Present:              John Arntz

I N D E X

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E X H I B I T S

(None)

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

2 10:40 a.m.

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4  
5 CHAIRMAN PEREZ: I'd like to call to order the  
6 meeting of the Voting Modernization Board for  
7 January 16th, 2008. If you would, please call the roll.

8 MS. MONTGOMERY: John Perez?

9 CHAIRMAN PEREZ: Here.

10 MS. MONTGOMERY: Stephen Kaufman?

11 MR. KAUFMAN: Here.

12 MS. MONTGOMERY: Michael Bustamante?

13 MR. BUSTAMANTE: Here.

14 MS. MONTGOMERY: Tal Finney?

15 MR. FINNEY: Present.

16 MS. MONTGOMERY: Carl Guardino?

17 MR. GUARDINO: Here.

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

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

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

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

25 CHAIRMAN PEREZ: Mr. Kaufman moves.

1 MR. GUARDINO: Second.

2 CHAIRMAN PEREZ: Mr. Guardino seconds?

3 MR. GUARDINO: Yes.

4 CHAIRMAN PEREZ: All in favor?

5 (Whereupon all Board members responded "Aye")

6 CHAIRMAN PEREZ: It is unanimous and approved.

7 Next is the change to the Approved Project  
8 Documentation Plan for the City and County of  
9 San Francisco. Can we bifurcate this and just approve  
10 the City and not the County or --

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

13 CHAIRMAN PEREZ: Okay.

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

15 CHAIRMAN PEREZ: Yes, please.

16 MS. LEAN: Okay. So San Francisco has come forward  
17 to change their existing Phase 2 Project Documentation  
18 Plan.

19 We do have San Francisco here, John Arntz, who  
20 is the Director of Elections in San Francisco, and is  
21 here to answer any questions on behalf of our Board.

22 The Phase 2 plan is being changed to now come  
23 forward for their entire allocation of \$3,544,109.50.  
24 They are now purchasing the Sequoia AVC Edge DRE with  
25 printers, 610 units; the Optech Insight Precinct

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

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

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

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

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

25           At the May 2005 -- sorry.

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

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

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

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

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

25 It is our staff recommendation that

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

4 CHAIRMAN PEREZ: Any questions?

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

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

9 MS. LEAN: Correct.

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

12 MS. LEAN: That's correct.

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

16 MS. LEAN: Yes.

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

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

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

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

3 MS. LEAN: That's correct.

4 MR. KAUFMAN: Okay.

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

8 CHAIRMAN PEREZ: And the difference is the taxes?

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

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

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

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

15 MR. KAUFMAN: Okay.

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

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

20 MR. FINNEY: I have no questions.

21 CHAIRMAN PEREZ: Okay. Is there a motion?

22 MR. GUARDINO: Not from me.

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

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

1 MR. FINNEY: I'll second.

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

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

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

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

16 CHAIRMAN PEREZ: Thank you.

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

19 Would you please call the roll.

20 MS. MONTGOMERY: John Perez?

21 CHAIRMAN PEREZ: Aye.

22 MS. MONTGOMERY: Stephen Kaufman?

23 MR. KAUFMAN: Aye.

24 MS. MONTGOMERY: Michael Bustamante?

25 MR. BUSTAMANTE: Aye.

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MS. MONTGOMERY: Tal Finney?

MR. FINNEY: Aye.

MS. MONTGOMERY: Carl Guardino?

MR. GUARDINO: Aye.

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

MS. MONTGOMERY: That's correct.

CHAIRMAN PEREZ: Very well. We stand adjourned.

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