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Sacramento, California, Wednesday, February 3, 2010

2:00 p.m.

P R O C E E D I N G S

CHAIRMAN PÉREZ: ...specifically agendize before we can seek any cards from members of the public seeking to address us?

JANA LEAN: We have not, sir.

CHAIRMAN PÉREZ: Ok, I endorse adoption of the July 16th actions and meeting minutes.

STEPHEN KAUFMAN: I'll move the action.

MICHAEL BUSTAMANTE: I'll second.

CHAIRMAN PÉREZ: Mr. Kaufman moves. Mr. Bustamante seconds. Please call the roll.

KATHERINE MONTGOMERY: John Pérez?

CHAIRMAN PÉREZ: Aye.

KATHERINE MONTGOMERY: Stephen Kaufman?

STEPHEN KAUFMAN: Aye.

KATHERINE MONTGOMERY: Michael Bustamante?

MICHAEL BUSTAMANTE: Aye.

CHAIRMAN PÉREZ: Ok, the motion carries. Next, is Project Documentation Plan review of funding award approval. If we could start with the report on Santa Cruz County, Phase 2.

JANA LEAN: Ok. Santa Cruz County submitted a Project Documentation Plan for Phase 2. They requested funding of their remaining funds of \$37,175.68. Their approach is seeing thirty (30) units as AVC Edge No. 2 Touch Screen, and the VeriVote Touch Screen Printers, sixty (60) units. Santa Cruz

1 County secured equipment in January 2008, and this equipment
2 was used for the first time during the June 2008, Primary
3 Election. Santa Cruz County's Phase 2 Project Documentation
4 Plan meets the requirements for completeness, and the Sequoia
5 Voting AVC Edge Touch Screen and VeriVote Touch Screen printers
6 are certified for use in California.

7 At the May 25, 2006, meeting of the Voting Modernization Board,
8 the Board approved Santa Cruz County's Phase 1 Project
9 Documentation Plan and awarded funding in the amount of
10 \$1,661,152.11, and this funding was received for the purchase
11 of their voting system of AVC Edge Touch Screen, Optec Insight
12 Optical Scan precinct counts...

13 CARL GUARDINO: Carl Guardino.

14 CHAIRMAN PÉREZ: Carl, welcome. This is John. We also have
15 Mr. Kaufman and Mr. Bustamante. We are on Agenda Item Number
16 5-A, the Project Documentation on Santa Cruz County, Phase 2.

17 CARL GUARDINO: Thank you, Mr. Chairman.

18 JANA LEAN: Ok. ...the Optec Insight Optical Scan precinct ballot
19 counters and the Optech-400 Central Count Optical Scan Unit.
20 After implementing the new voting system during the November 7,
21 2006, General Election, Santa Cruz County determined that they
22 would need additional AVC Edge units in order to provide one at
23 every voting precinct versus one at every polling location.
24 Santa Cruz County was able to borrow thirty (30) touch screen
25 units and sixty (60) touch screen printers from Monterey County
26 to use in the 2008 elections and all elections thereafter.
27 Monterey County has requested that Santa Cruz County purchase
28 this equipment that they have borrowed for almost the past two

1 years. The additional equipment has been used for poll worker
2 training purposes and has provided the county with a sufficient
3 number of back-up equipment to deploy on Election Day if
4 needed.

5 Santa Cruz County will only receive Voting Modernization Board
6 payments once it has submitted detailed invoices for its
7 certified voting equipment.

8 It's our staff recommendation that Santa Cruz County's Phase 2
9 Project Documentation Plan be approved and a Funding Award
10 Letter be issued in the amount of \$37,175.68.

11 CHAIRMAN PÉREZ: Any questions on this report?

12 STEPHEN KAUFMAN: I did have a question. So, this is equipment
13 that was borrowed from Monterey?

14 JANA LEAN: Correct.

15 STEPHEN KAUFMAN: Did they need help paying for Monterey's
16 original purchase of this equipment? Did the Voting
17 Modernization Fund help fund the original purchase of this
18 equipment?

19 JANA LEAN: I don't believe so, sir.

20 CHAIRMAN PÉREZ: Then the issue here is we have consolidated
21 polling locations, multiple precincts?

22 JANA LEAN: We have representative Gail Pellerin who is County
23 Clerk for Santa Cruz County here.

24 CHAIRMAN PÉREZ: Ms. Pellerin.

25 GAIL PELLERIN: Sure. What, a couple of things happened. We had
26 originally intended to have one touch screen at every location
27 so more than one voting precinct could share it. When we first
28 deployed the equipment in 2006 we had the Grand Jury monitoring

1 our progress and they came to the same conclusion we did, which
2 was, we didn't like that system. We'd rather have one per
3 voting precinct. We also found, that after the top-to-bottom
4 review, that if there's any sort of malfunction, of the polling
5 machine and if a new one goes out because that's our accessible
6 unit, we need to have a good supply of back-up. We also
7 operate a lab up until the day before the election for our
8 poll-workers to come and get hands-on so we have equipment
9 there that can't be just deployed to the polling site.
10 So we just needed extra units. It so happened that our
11 neighboring county had a warehouse full of extra units so they
12 allowed us to go ahead and borrow those and they complied with
13 all the top-to-bottom review, and they were certified and the
14 extra sixty (60) printers, printers are one of the things that
15 don't always successfully function on Election Day, so we want
16 to have those out with our rovers in their vehicles so they
17 could put a new one in should that, should there be a paper
18 jam. So we got 60 of those and that meets our needs really
19 well. So that is how the equipment is being used.

20 CHAIRMAN PÉREZ: Mr. Bustamante?

21 MICHAEL BUSTAMANTE: Well, I was just curious if maybe you knew
22 the answer to Stephen's question about Monterey County because
23 they plunked down all of their funds.

24 GAIL PELLERIN: I believe so.

25 JANA LEAN: They did, and they did it early on in the process.
26 I believe that they purchased, I can, I can get back with you
27 on that if we want to break for a moment, I can get you that
28 answer, or we can go through the rest of the agenda items.

1 CHAIRMAN PÉREZ: [Unclear] I mean, I think that's a pretty good
2 question.

3 MICHAEL BUSTAMANTE: Yeah, I mean if you want. I thought you
4 sounded pretty sure about that.

5 JANA LEAN: I'm pretty sure about it but

6 MICHAEL BUSTAMANTE: But if you're not, I'd just like to
7 confirm that we're not paying for something twice.

8 JANA LEAN: Twice, right.

9 CHAIRMAN PÉREZ: Why don't we, why don't we...

10 GAIL PELLERIN: We had that conversation with Linda and and it
11 is not Prop.41 money. I can't remember for sure if it's county
12 money or HAVA money but I it it...

13 JANA LEAN: I think you have to use that money...

14 GAIL PELLERIN: You have to use it for HAVA purposes.

15 CHAIRMAN PÉREZ: So let's do this, let's see if there's nobody
16 else you recognize on this matter, I assume there's no members
17 of the public who have cards?

18 JANA LEAN: No.

19 CHAIRMAN PÉREZ: Why don't, why don't we hold off on Santa Cruz
20 and go to our next county while you're trying to verify...

21 JANA LEAN: Ok.

22 CHAIRMAN PÉREZ: ...about Monterey?

23 JANA LEAN: Ok.

24 CHAIRMAN PÉREZ: Do you want us to hold off for a few minutes
25 while you do the verification?

26 JANA LEAN: I can have Katherine do the next report and I'll
27 go.

28

1 CHAIRMAN PÉREZ: Perfect. Thank you. So, Katherine, if you
2 would, let's move to Item 5-B, the Sonoma County Project
3 Documentation Plan.

4 KATHERINE MONTGOMERY: Ok. Sonoma County has secured the Phase
5 2 equipment and this new equipment was implemented during two
6 small county elections in November 2009.

7 Sonoma County's Phase 2 Project Documentation Plan meets the
8 requirements for completeness.

9 Sonoma County has augmented their existing Mark-A-Vote optical
10 scan voting equipment with the Bowe, Bell & Howell automated
11 vote-by-mail signature verification and sorting system.

12 The number of permanent vote-by-mail voters has doubled in
13 Sonoma County since the law changed to allow for any voter to
14 apply to become a permanent vote-by-mail voter. This new
15 acquisition will assist Sonoma County to accommodate their
16 ever-growing vote-by-mail voter population. Sonoma County has
17 had over 77% of its ballots cast via vote-by-mail ballot in the
18 May 2009 Statewide Special Election, which was a greater voter
19 turnout than at the polls. The county believes that given the
20 increasing number of vote-by-mail ballots it is imperative to
21 modernize their vote-by-mail ballot counting processes. This
22 signature verification and sorting system streamlines the vote-
23 by-mail processing. This new automated system processes
24 incoming vote-by-mail ballots at high speed with in-line
25 signature capture, signature verification, and ballots sorted
26 by precinct number. Sonoma County has projected that the
27 implementation of this system will save the County
28 approximately 500 staff hours in major elections and will

1 significantly increase the accuracy in preparing the ballots
2 for tabulation, by decreasing the potential for error.

3 The Bowe, Bell & Howell automated vote by mail signature
4 verification and sorting system is a third party combination of
5 hardware and software to support the County's voting system and
6 does not itself require certification as a voting system for
7 use in California.

8 Sonoma County will only receive VMB payments once it has
9 submitted detailed invoices for its voting equipment. Please
10 note that the staff-proposed funding award is based upon
11 allowable reimbursement under Proposition 41 for voting
12 equipment hardware and software only. The extended service
13 maintenance line items listed in the Sonoma County contract
14 with Bowe, Bell & Howell Company would not be covered as a
15 reimbursable claim under Proposition 41.

16 It is our recommendation that Sonoma County's Phase 2 Project
17 Documentation Plan be approved and a Funding Award Letter be
18 issued in the amount of \$398,649.32.

19 CHAIRMAN PÉREZ: Is there a representative here from Sonoma
20 County?

21 GLORIA COLTER: I am.

22 CHAIRMAN PÉREZ: Is there anything you would like to add to the
23 report?

24 GLORIA COLTER: We stand on the staff report recommendation,
25 and I can only say that we are very happy with it [unclear].
26 We've tried it already for two elections and it's worked very
27 successfully and we expect that in the upcoming June Primary
28 Election, that it will be equally successful.

1 CHAIRMAN PÉREZ: And you have no use for the additional
2 \$6,506.10?

3 GLORIA COLTER: At this point we have no eligible expenses so
4 we've claimed everything that's eligible under our current
5 Phase 1 Modernization [unclear].

6 CHAIRMAN PÉREZ: So we now clearly have \$6,000.00 into our
7 second round funding[unclear].

8 TAL FINNEY: Put it in the state budget!

9 CHAIRMAN PÉREZ: All in favor?

10 MICHAEL BUSTAMANTE: I'll move [unclear].

11 STEPHEN KAUFMAN: I'll second.

12 CHAIRMAN PÉREZ: Mr. Bustamante moves. Mr. Kaufman seconds. If
13 you would, please call the roll.

14 KATHERINE MONTGOMERY: John Pérez?

15 CHAIRMAN PÉREZ: Aye.

16 KATHERINE MONTGOMERY: Stephen Kaufman?

17 STEPHEN KAUFMAN: Aye.

18 KATHERINE MONTGOMERY: Michael Bustamante?

19 MICHAEL BUSTAMANTE: Aye.

20 KATHERINE MONTGOMERY: Tal Finney?

21 TAL FINNEY: Aye.

22 KATHERINE MONTGOMERY: Carl Guardino?

23 CARL GUARDINO: Aye.

24 CHAIRMAN PÉREZ: The motion passes. Next is Nevada County. So
25 with that we're going to a change to the approval of the
26 Project Documentation Plan. If you would please [unclear] the
27 Staff Report for Nevada County?

28

1 KATHERINE MONTGOMERY: Sure. At the November 19, 2007, meeting
2 of the Voting Modernization Board, the Board approved Nevada
3 County's original Project Documentation Plan for the
4 reimbursement of the county's purchase of the Hart InterCivic
5 voting system. At the July 16, 2008, Board meeting, Nevada
6 County requested the approval of a change to their original
7 Project Documentation Plan to include funding for the
8 additional voting system software and vote-by-mail signature
9 verification equipment. The county was awarded a revised
10 funding award of \$743,603.41.

11 Nevada County is now requesting a second change to their
12 original Project Documentation Plan to request funding for
13 purchase of a second workstation related to the Hart InterCivic
14 election management software system called the System for
15 Election Records and Verification of Operations (SERVO).
16 Nevada County asserts that the SERVO workstation will make
17 recounting election results part of every election cycle and
18 will also increase the Hart InterCivic voting system's
19 reliability and security. The cost for the additional SERVO
20 workstation is \$9,497.22.

21 The additional VMB funding amount would be \$7,122.91.

22 Please note that the staff-proposed funding award is based
23 upon allowable reimbursement under Proposition 41 for voting
24 equipment hardware and software only.

25 It is our recommendation that Nevada County's second change to
26 their approved Project Documentation Plan be approved and a new
27 Funding Award Letter be issued in the amount of \$750,726.32.

28

1 CHAIRMAN PÉREZ: Very good. Any representatives from Nevada
2 County here?

3 GREGORY DIAZ: Greg Diaz, County Clerk-Registrar of Voters. I
4 stand by the report. I'd just like to quickly add that we do
5 have certain challenges in a rural county. We first applied
6 the Hart System in late 2007. It became evident that the
7 distance we have to travel between, especially Truckee and
8 Nevada City, that the additional SERVO was going to be
9 necessary.

10 CHAIRMAN PÉREZ: Very good. Any questions?

11 STEPHEN KAUFMAN: I just had a question of staff just to
12 understand the process here, the procedure.

13 JANA LEAN: Yes.

14 STEPHEN KAUFMAN: So, we approved, a year-and-a-half ago I
15 guess, when we last met, the Project Documentation Plan.
16 Nothing's been [unclear] since we sent the letter?

17 JANA LEAN: Yes.

18 STEPHEN KAUFMAN: And nothing's been released then in funding
19 since then and that's being amended? Is that, that whole
20 thing's being amended as opposed to just this additional amount
21 being added on because it's still considered under Phase 1? Is
22 that it?

23 JANA LEAN: Correct. Correct. That is correct because this is
24 under their initial Documentation Plan. This isn't a whole
25 other phase. This is why it's been presented this way. And
26 that's, it's in our application and procedural guide that it
27 would go this way.

28

1 CHAIRMAN PÉREZ: And it's consistent with a couple actions that
2 we have taken in the past.

3 JANA LEAN: Correct. Correct. I actually did talk to Nevada
4 County and I said if they have any additions that they want to
5 do a Plan if it's anything significant and that's what the
6 distinction is if it's a Phase 2 in order to purchase something
7 different, then they needed to move forward and have another
8 Phase 2 Plan. So, does that answer your question?

9 STEPHEN KAUFMAN: Yeah. Thank you.

10 CHAIRMAN PÉREZ: Other questions? Is there a motion?

11 STEPHEN KAUFMAN: I'll move to approve the Staff
12 Recommendation.

13 TAL FINNEY: I'll second.

14 CHAIRMAN PÉREZ: Mr. Kaufman moves, Mr. Finney seconds. If you
15 would, please call the roll please.

16 KATHERINE MONTGOMERY: John Pérez?

17 CHAIRMAN PÉREZ: Aye.

18 KATHERINE MONTGOMERY: Stephen Kaufman?

19 STEPHEN KAUFMAN: Aye.

20 KATHERINE MONTGOMERY: Michael Bustamante?

21 MICHAEL BUSTAMANTE: Aye.

22 KATHERINE MONTGOMERY: Tal Finney?

23 TAL FINNEY: Aye.

24 KATHERINE MONTGOMERY: Carl Guardino?

25 CARL GUARDINO:

26 CHAIRMAN PÉREZ: Mr. Guardino, are you still with us? We will,
27 the motion carries. We will go back to Item 4-A, Santa Cruz
28

1 County. Were we able to establish whether or not Monterey
2 County used VMB money for its initial purchase?

3 JANA LEAN: My initial recollection was correct. I was
4 confident that they hadn't used Voting Modernization Fund money
5 for those units.

6 CARL GUARDINO: Sorry [unclear] I broke up. I vote yes.

7 CHAIRMAN PÉREZ: Very good. Thank you for that. Mr. Guardino
8 is a yes on Item 6-A, Nevada County.

9 JANA LEAN: So we did reimburse Monterey County for
10 \$1,991,025.00. Their total system cost was \$3,776,085.91. So
11 these thirty (30) units you take out the price and that would
12 be their county match money.

13 CHAIRMAN PÉREZ: Very good. Is there a motion?

14 MICHAEL BUSTAMANTE: I'll move.

15 CHAIRMAN PÉREZ: Mr. Bustamante moves.

16 STEPHEN KAUFMAN: I'll second.

17 CHAIRMAN PÉREZ: Mr. Kaufman seconds. If you would call the
18 roll, please?

19 KATHERINE MONTGOMERY: John Pérez?

20 CHAIRMAN PÉREZ: Aye.

21 KATHERINE MONTGOMERY: Stephen Kaufman?

22 STEPHEN KAUFMAN: Aye.

23 KATHERINE MONTGOMERY: Michael Bustamante?

24 MICHAEL BUSTAMANTE: Aye.

25 KATHERINE MONTGOMERY: Tal Finney?

26 TAL FINNEY: Aye.

27 KATHERINE MONTGOMERY: Carl Guardino?

28 CARL GUARDINO: Aye.

1 CHAIRMAN PÉREZ: Very good. That is also approved. That
2 completes that section of our agenda. Now we'll move on to
3 other business, status of Voting Modernization Funds.

4 JANA LEAN: And thank you for your patience while letting me
5 run upstairs and just verify that. I was 99% confident but I
6 did want to just alleviate any kind of question.

7 STEPHEN KAUFMAN: Thank you for double-checking.

8 JANA LEAN: Thank you. Ok. So I just want to give you a status
9 of where the Voting Modernization Funds are right now. As you
10 are aware, in December 2008, there was a freeze put on the
11 funds. We are funded through the Pool Money Investment Loan
12 Account and all those funds were frozen in 2008. We did get
13 contacted by the Department of Finance and asked if we had a
14 specific need in 2009 to have some money un-frozen. We were
15 approached by a few counties saying there was a very specific
16 need, that they've already purchased equipment and they wanted
17 to get reimbursed. So, we contacted those counties, figured
18 out how much money that would be so we knew we weren't going to
19 be able to un-freeze all of the funds. We have \$66 million of
20 funds left. But, based on their specific need we were able to
21 get approximately \$2.6 million un-frozen. So, after today's
22 allocations that we did today, we still have \$2.2 million un-
23 frozen. So but to date we have over the last 40 meetings of
24 the Voting Modernization Board, we have allocated...

25 CHAIRMAN PÉREZ: How many?

26 JANA LEAN: Forty.

27 CHAIRMAN PÉREZ: That's how long we've both been doing this?

28 JANA LEAN: Forty meetings!

1 TAL FINNEY: We should get a picture with the staff [unclear].

2 JANA LEAN: We, you have met with us, and I know you're happy
3 to say that, with us for, this is the fortieth meeting since
4 2002.

5 TAL FINNEY: Nine years?

6 JANA LEAN: Eight years. Eight years. But yeah. Katherine
7 Montgomery..

8 CHAIRMAN PÉREZ: Glad we're all still here.

9 JANA LEAN: And thank you so much for that. Well, Katherine
10 Montgomery was a student back in 2002 and now she's one of our..

11 KATHERINE MONTGOMERY: ...a real state employee!

12 JANA LEAN: So..

13 CHAIRMAN PÉREZ: So, as I look at this, tell me if I'm reading
14 this correctly, Los Angeles, Modoc and Trinity used none of
15 their money?

16 JANA LEAN: Los Angeles used just a small amount.

17 CHAIRMAN PÉREZ: Only \$600,000.00.

18 JANA LEAN: Yeah.

19 MICHAEL BUSTAMANTE: Basically..

20 JANA LEAN: Yes. Trinity is actually another that's a little
21 further on the agenda that I was going to ask you about and if
22 you were available for another meeting, maybe at the end of
23 summer. Trinity did approach us in the last few weeks to see
24 if they could move forward to use their money. They have a new
25 registrar and they have a need for the money. So,

26 STEPHEN KAUFMAN: Is that the county that we couldn't get to
27 submit anything?

28

1 JANA LEAN: That is correct. That is correct. But with the
2 new change in administration on their end, they are very
3 interested in the money.

4 CHAIRMAN PÉREZ: What was the other county you and I were going
5 to fly up to get them to apply?

6 [UNKNOWN]: Was it Trinity?

7 JANA LEAN: I think it was Trinity.

8 CHAIRMAN PÉREZ: It was Trinity.

9 JANA LEAN: It was Trinity.

10 CHAIRMAN PÉREZ: I thought there was another one too. Ok.

11 MICHAEL BUSTAMANTE: Well San Luis Obispo was in that category.

12 CHAIRMAN PÉREZ: Yeah, San Luis Obispo has used almost as much
13 as Los Angeles, though.

14 CHAIRMAN PÉREZ: That's ok.

15 CHAIRMAN PÉREZ: Very good. Does anybody else have anything
16 else for us to consider before we...?

17 JANA LEAN: I had one...

18 STEPHEN KAUFMAN: I guess I had one question before we finish
19 our discussion of this. Have there been any counties that have
20 used all of their funding that have contacted us in the last
21 year-and-a-half indicating that they, you know, had additional
22 needs beyond which they had already used?

23 JANA LEAN: I have not gotten anything in any sort of specific
24 formal plan. Have I been asked if there's going to be a second
25 funding round, award? Yes. I have gone with what has been
26 stated in the past ruling by this board that you would consider
27 it at a later date but not at this time because of the (I don't
28 want to, what's the word I'm looking for?) the atmosphere of

1 the voting systems and their certification right now, I knew
2 that you had previously said you wanted to give the counties
3 enough time to purchase. And I have been in contact with Los
4 Angeles. They are investigating a voting system so they're out
5 right now so I know they have the biggest portion of the pot,
6 that they are the biggest jurisdiction in the nation, so, not
7 that I'm speaking on their behalf, I just wanted to give you
8 that information.

9 CHAIRMAN PÉREZ: Given that we are on our fourth Secretary of
10 State...

11 JANA LEAN: Yes.

12 CHAIRMAN PÉREZ: ...and about to be on our third governor since
13 our inception, maybe we ought to notice before the next meeting
14 when we discuss Trinity, the discussion of closing out the
15 first round...

16 JANA LEAN: Ok.

17 CHAIRMAN PÉREZ: ...and figuring out whether or not we start
18 allocating money for a second round consideration.

19 JANA LEAN: I think you will have a very well attended meeting
20 and I will definitely put that on the agenda.

21 TAL FINNEY: [Unclear]...that's not through the Pool Financing?

22 CHAIRMAN PÉREZ: Yeah.

23 TAL FINNEY: [Unclear]

24 CHAIRMAN PÉREZ: That's right.

25 CHAIRMAN PÉREZ: But the issue, the issue is,

26 TAL FINNEY: [Unclear]

27 CHAIRMAN PÉREZ: ...early on we had issues where counties wanted
28 to get better clarity before they make their decisions...

1 TAL FINNEY: Right right.

2 CHAIRMAN PÉREZ: ...but sometimes having to go back and correct
3 given changes. And, four years ago we had a...

4 STEPHEN KAUFMAN: Recertification.

5 CHAIRMAN PÉREZ: ...recertification, we had an effort to have a
6 deadline and then we extended, and said we would extend
7 indefinitely at that point. I think we've reached the
8 indefinite time frame.

9 MICHAEL BUSTAMANTE: Yeah, one of those was highly critical of
10 some of these counties. I was very sad to see that, all of us
11 where.

12 TAL FINNEY: So this \$6 million dollar figure again is what's
13 left [unclear].

14 [UNKNOWN]: Basically,

15 [UNKNOWN]: Yes.

16 [UNKNOWN]: Basically [unclear] includes Los Angeles...

17 [UNKNOWN]: Basically this works out to be about \$17.3 million
18 bucks, well actually more than that [unclear]...

19 JANA LEAN: No, no, \$128 million you've allocated and that's

20 [UNKNOWN]: Oh I'm sorry I'm still looking at the remaining
21 allocation.

22 JANA LEAN: Yes. We've disbursed over \$128 million.

23 [UNKNOWN]: [Unclear] just about \$17.3 million...

24 [UNKNOWN]: Of the first round.

25 JANA LEAN: Of the first round, yes. Yes, that's correct.

26 MICHAEL BUSTAMANTE: That's just irritating [unclear] assuming
27 they spent 100% of their money, which, you know, eight years
28 later [unclear]

1 JANA LEAN: I would assume they would based on their
2 jurisdiction size.

3 MICHAEL BUSTAMANTE: But, you know, in terms of the
4 accessibility of these funds, what is the, when you, when you
5 went to them and asked for, you know, some funding what was
6 the, did they say anything about the Proposition 41?

7 JANA LEAN: The only thing that's specific in the Proposition
8 is that we have to sell the bonds within ten (10) years. The
9 fund doesn't have...

10 JANA LEAN: This is true. If we sell all those bonds within
11 ten (10) years, the fund itself doesn't have a deadline.

12 CHAIRMAN PÉREZ: But, we're not going to sell the bonds unless
13 we have a likelihood of actually being able to move the money
14 forward.

15 JANA LEAN: That is correct.

16 CHAIRMAN PÉREZ: So here's where we're at, is we likely have
17 counties who would be interested...

18 MICHAEL BUSTAMANTE: That's right.

19 CHAIRMAN PÉREZ: ...in competing for additional monies, and I
20 think especially since they're in a [unclear] 10 year limit on
21 this[unclear]

22 MICHAEL BUSTAMANTE: [Unclear]I never in my wildest dreams
23 thought [unclear]...

24 MICHAEL BUSTAMANTE: But you said that you had been contacted
25 by some counties. For our next meeting can we get an
26 indication of some of those counties that have already
27 approached you? Not to say that that's a finite, I mean that
28 that's a final list but I mean that would just give us some

1 idea you know as we go through and having a discussion about
2 the second round.

3 JANA LEAN: I will invite all the counties who I know have
4 contacted about that to come to the meeting and I'll definitely
5 try to secure a list for you.

6 MICHAEL BUSTAMANTE: Well, I don't think they need an invite.
7 If they want to come that's fine.

8 JANA LEAN: I can tell you when we put this on the agenda
9 they'll come. I know that we have one comment. I don't have a
10 comment card but it's. Gail?

11 GAIL PELLERIN: Just something that's on my mind here, we're
12 having a Secretary of State hosting of the, "Future of Voting
13 Systems", a public informational hearing on Monday, and when I,
14 when my county purchased equipment back in 2006 I thought, "ok
15 this is it, we're going to have this system for the next 20
16 years." As it turns out, that's not the case.

17 TAL FINNEY: Where are you, where are you from again?

18 GAIL PELLERIN: Santa Cruz.

19 TAL FINNEY: Oh, you're from Santa Cruz.

20 GAIL PELLERIN: Santa Cruz County. And basically what we're
21 finding is, is that with the voting system standards changing
22 and the requirements changing basically what I've got in my
23 warehouse is probably going to be replaced more in the area of
24 five years. I plan to still be around hopefully in the next..

25 TAL FINNEY: [Unclear] Sequoia?

26 GAIL PELLERIN: Yeah. Yeah. And it's just because it's, it's
27 technology and you all know it with your own home computers.

28

1 TAL FINNEY: [Unclear] we're all brilliant with technology
2 because [unclear]

3 GAIL PELLERIN: So, so I have a hunch that you're going to get
4 a lot of folks interested, and you know, in seeing some funding
5 sources down the road, especially L.A. They've been doing a
6 lot of work on on their voting systems.

7 MICHAEL BUSTAMANTE: Well, this is why the People passed the
8 Initiative in the first place. Right? So.

9 STEPHEN KAUFMAN: Yeah, and none of this is to say we're trying
10 to put pressure on folks who, like L.A., who are still having
11 to make decisions but we do want to make sure that if people
12 wanted all of this money ultimately get it disbursed [unclear]

13 JANA LEAN: I will definitely put that on the agenda. I will
14 run it past you gentlemen to make sure it is exactly that you
15 what the verbage is you want on the agenda.

16 I have one other thing I want to let you to know about. There
17 was a settlement agreement with Diebold for Alameda County. We
18 were informed about it in, last year, and it was deposited back
19 into the Voting Modernization Fund. For that agreement for
20 Alameda, we had \$654,100.82 deposited back into the Voting
21 Modernization Fund. It was part of the settlement agreement we
22 didn't even know about and they notified us that it was being
23 deposited back in September of '09. We got it back in our
24 account. So it's set aside in a sub-account. It was Alameda's
25 original allocation. They've already switched their voting
26 system from Diebold to a different type of voting system,
27 Sequoia I believe. And I believe they are going to upgrade
28

1 that system to a Rank Choice system so I know that they may
2 want...

3 TAL FINNEY: To re-apply.

4 JANA LEAN: ...the ability to apply for that money that they got
5 for the reimbursement.

6 TAL FINNEY: But either way, for right now we have technically,
7 have \$2.8, roughly over \$2.8 million?

8 JANA LEAN: Correct. Yes. So this was deposited in a fund
9 tied back to Alameda's original allocation. I will put that on
10 the agenda for the next meeting. I wanted to make you aware of
11 it but we, it's it's there.

12 CHAIRMAN PÉREZ: Very good.

13 JANA LEAN: Ok.

14 CHAIRMAN PÉREZ: So there are no other items before us? We
15 are adjourned.

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