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VOTING MODERNIZATION BOARD

BOARD MEETING

WEDNESDAY, AUGUST 9, 2006

Community Redevelopment Agency of Los Angeles

Board Room

354 South Spring Street

Los Angeles, California

1 ATTENDEES:

2

3 CHAIRMAN: John A. Perez

4 PANEL MEMBERS: Stephen J. Kaufman

5 Michael Bustamante

6 Tal Finney

7 Carl Guardino (telephonically)

8

9 STAFF MEMBERS: Chris Reynolds

10 Katherine Montgomery

11 Jana M. Lean

12

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14 PARTICIPANTS: Ira Rosenthal

15 Deborah Seiler

16 Lee Lundrigan

17 Neal Kelley

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1 THE CHAIRMAN: I would like to call to order the
2 Voting Modernization Board meeting. This is John Perez.

3 MS. MONTGOMERY: Stephen Kaufman?

4 MR. KAUFMAN: Here.

5 MS. MONTGOMERY: Carl Guardino?

6 THE CHAIRMAN: Carl, are you still with us? Carl,
7 can you hear us?

8 As soon as Carl joins us, we'll start our
9 meeting. We'll hold off until he either comes back on
10 line or we get another member in.

11 MR. GUARDINO: Mr. Guardino is present.

12 THE CHAIRMAN: We now have that quorum.

13 The first item before us or the next item
14 before us is public comment. Do I have any cards for
15 public comment for items on the agenda?

16 MS. MONTGOMERY: No, sir.

17 THE CHAIRMAN: Okay. Items 4, June 21 action items
18 and the meeting minutes. Did you have that change to
19 review that?

20 MR. KAUFMAN: I did, and I actually have one change
21 and then I will make a motion. On the transcript on
22 Page 5 on Line 20 it says "Imperial County will get a
23 Funding Award later." I think that's supposed to be
24 "letter." And pending that one change, or with that one
25 change, I will move to adopt the action items and

1 meeting minutes from the May 25 meeting.

2 MR. GUARDINO: Second.

3 THE CHAIRMAN: Then moved and seconded. Any
4 discussion? Hearing none all, in favor say aye.

5 MR. GUARDINO: Aye.

6 MR. KAUFMAN: Aye.

7 THE CHAIRMAN: Next Item 5, Project documentation
8 of plan Review and Funding Award Approval. First up is
9 5(A) Solano County Phase 2.

10 MS. LEAN: Solano County is coming in for their
11 Phase 2. They are purchasing the ES&S AutoMARK 160
12 units. They are also getting some additional ES&S Model
13 100 Precinct Counters, 46 units, and a Ballot on Demand
14 Printer. Staff is recommending a Funding Award letter
15 of \$914,332.41. This will leave them with an additional
16 allocation of \$131,827.09. Solano County used the
17 AutoMARK units for the first time during the June 6,
18 2006 Primary Election. The VVPAT requirement doesn't
19 apply to Solano as it's a paper-based optical scan
20 system.

21 Solano County's Phase 2 Project Documentation
22 Plan meets the requirements for completeness and the
23 ES&S AutoMARK Voter Assist Terminals and the Model 100
24 optical scan units are certified for use in California.

25 At the September 23, 2005 meeting of the

1 Voting Modernization Board, the Board approved Solano
2 County's Phase 1 Project Documentation Plan and awarded
3 funding for reimbursement of the county's purchase of
4 225 ES&S Model 100 precinct-based optical scan units and
5 2 Model 650 high-speed central count optical scan ballot
6 tabulators.

7 Solano County's Phase 2 plan includes the
8 purchase of not only the 160 AutoMARK units, as I
9 mentioned earlier, but also the 46 additional Model 100
10 units. And 250 ADA-compliant voting booths, one
11 additional ballot on demand printer and 225 upgrade
12 ballot boxes.

13 Solano County is requesting reimbursement of
14 \$415,000 that was expended by the county to lease voting
15 equipment and software, and for the services provided by
16 Diebold for the purpose of the March 2004 -- purposes
17 for the March 2004 Presidential Primary Election.
18 Election Code Section 19234(d) requires the Voting
19 Modernization Act funding to be used only for the
20 purchase of voting systems. Thus, reimbursement for
21 leasing cost and services related to the voting system
22 are not allowable expenses under the Act; therefore,
23 staff would not recommend reimbursement for these
24 expenses.

25 Solano County believes that the deployment of

1 the Phase 2 AutoMARK Voter Assist Terminal optical scan
2 units will bring the county into compliance with the
3 HAVA and state accessibility requirements.

4 Solano County will only receive VMB payments
5 once it has submitted detailed invoices for the Phase 2
6 certified voting equipment. Please note that the staff-
7 proposed Funding Award is based upon allowable
8 reimbursement under Proposition 41 for voting equipment
9 hardware and software only. The "Election Support
10 Service" listed in the Solano County contract with ES&S,
11 the maintenance and warranty cost associated with the
12 Ballot on Demand Printer, and the Diebold settlement
13 costs would not be covered as a reimbursable claim under
14 Proposition 41.

15 It's our recommendation that Solano County's
16 Phase 2 Project Documentation Plan be approved and a
17 Funding Award letter to be issued in the amount of
18 \$914,332.41.

19 We do have Solano County here present if you
20 have any questions for them.

21 THE CHAIRMAN: Sure. If they would like to come
22 forward and make any comments.

23 MS. LEAN: This is Ira Rosenthal.

24 MR. ROSENTHAL: Ira Rosenthal for the county of
25 Solano. We really have no comments. I think the

1 summary is concise and accurate.

2 THE CHAIRMAN: Very good. Mr. Kaufman, any
3 questions?

4 MR. KAUFMAN: I just had a question about the
5 equipment itself. What is a Ballot on Demand Printer?

6 MR. ROSENTHAL: It's a particular model ink jet
7 printer that will print the ballot, the same ballot that
8 the M100 or the M650 can use. So it's a six-color
9 printer, high quality and can handle the 17-inch long
10 ballot to print both sides. You essentially have an
11 identical document as you would sending it out to a
12 professional printer.

13 MR. KAUFMAN: So is that so that you can just
14 continue to print them or is that some backup for a
15 specific purpose?

16 MR. ROSENTHAL: Well, especially for a primary when
17 we have so many different ballot types and small parties
18 we use that to take care of that need, we need ten
19 ballots for a precinct. We also could use it in some
20 other settings if we ever wanted to actually print
21 ballots at a vote center which is something we have
22 submitted legislation for, but you know it's essentially
23 a backup small volume, you know, it can handle small
24 volumes. It also helps us with doing testing on the --
25 on those machines because we can get that printed ahead

1 of when our printer has our large bulk shipments.

2 MR. KAUFMAN: And also, again, just on the
3 equipment. Upgraded ballot boxes just trying to keep up
4 with all the changes here. What is different about
5 these ballot boxes?

6 MR. ROSENTHAL: These ballot boxes have a diverter
7 for write-in votes so if the scanner detects that a
8 write in space has been filled in, it will divert it to
9 another bin so it doesn't get it wrinkled with all the
10 other ballots so that at close of election night the
11 poll workers have an easier time sorting through and
12 doing their manual verification of what has been voted
13 and they can package it separately for us for orderly
14 processing.

15 THE CHAIRMAN: So in neither the voter nor the poll
16 workers place the ballots in the ballot box that the
17 machine does?

18 MR. ROSENTHAL: Yes, because the scanner is
19 essentially attached to the machine. It's locked in
20 place.

21 MR. KAUFMAN: All right.

22 THE CHAIRMAN: Is there some sort of visual
23 verification that one is able to make that their ballot
24 is actually going from the scanner into one of these
25 ballot boxes?

1 MR. ROSENTHAL: I believe, if I remember, on the
2 scanner itself, I think it says "accepted" -- does it
3 say "accepted" on it?

4 MS. SEILER: It does. And it increments by one and
5 you can also hear it, definitely.

6 THE CHAIRMAN: We just get so many questions about
7 paper trail I like to understand the way some of these
8 things work. So you see an increase -- it says
9 "accepted" you see an increase in the counter --

10 MR. ROSENTHAL: Right.

11 THE CHAIRMAN: -- and you kind of hear the paper
12 drop?

13 MR. ROSENTHAL: Right, yes.

14 THE CHAIRMAN: Mr. Guardino, any questions? Do I
15 hear a motion?

16 MR. KAUFMAN: Aye.

17 MR. GUARDINO: No, sir. It takes a while, by the
18 way, to push the mute button on and off. So if there is
19 a delay that is why.

20 THE CHAIRMAN: Would you like to make a motion,
21 Mr. Guardino?

22 MR. GUARDINO: I move approval.

23 MR. KAUFMAN: I will second.

24 THE CHAIRMAN: Been moved and seconded. If you
25 would call the roll?

1 MS. MONTGOMERY: John Perez?

2 THE CHAIRMAN: Aye.

3 MS. MONTGOMERY: Stephen Kaufman?

4 MR. KAUFMAN: Aye.

5 MS. MONTGOMERY: Carl Guardino.

6 MR. GUARDINO: Aye.

7 THE CHAIRMAN: Very good. Next item 5(b)

8 Stanislaus County Phase 2.

9 MS. LEAN: Stanislaus County is coming forward
10 with their Phase 2. They are also purchasing the ES&S
11 AutoMARK Voter Assist Terminals, 250 units. Staff is
12 recommending that they be funded their remaining
13 allocation of \$1,312,353.37. Solano County began
14 securing their Phase 2 voting equipment after
15 the Secretary of State certified the use of an AutoMARK
16 system in August of 2005 and they used the AutoMARK
17 system for the first time during the June 6, 2006
18 Primary Election.

19 The Accessible Voter Verified Paper Audit
20 Trail does not apply to Stanislaus County's Phase 2, as
21 the system and is the paper-base optical scan system.

22 We are going to hold just one moment. We have
23 a new member joining us.

24 THE CHAIRMAN: Let the record reflect that
25 Mr. Bustamante has joined us. Welcome, Mr. Bustamante.

1 We are now on Item 5b. We are just beginning a record
2 on Stanislaus County Phase 2. We just approved Solano
3 County Phase 2.

4 MS. LEAN: I will continue with the staff report.

5 Stanislaus County Phase 2 Project Documentation
6 Plan meets the requirements for completeness. The ES&S
7 AutoMARK Voter Assist Terminals are certified for use in
8 California. At the June 15, 2005 meeting of the Voting
9 Modernization Board, the Board approved Stanislaus
10 County's Phase 1 Project Documentation Plan and awarded
11 funding for reimbursement of the county's purchase of

12 --

13 Just one moment.

14 (Discussion off the record.)

15 MS. LEAN: At the June 15, 2005 meeting of the
16 Voting Modernization Board, the Board approved
17 Stanislaus County's Phase 1 Project Documentation Plan
18 and awarded funding for reimbursement of the county's
19 purchase of 250 ES&S Model 100 precinct-based optical
20 scan units and 2 Model 650 high-speed central count
21 optical scan ballot tabulators.

22 Stanislaus County believes that the
23 deployment of one AutoMARK unit in every polling place
24 in the county will bring them into compliance with the
25 Help America Vote Act (HAVA) and the state accessibility

1 requirements.

2 Stanislaus County will only receive VMB
3 payments once it has submitted detailed invoices for
4 their Phase 2 certified voting equipment.

5 It's our recommendation that Stanislaus
6 County's Phase 2 Project Documentation Plan be approved
7 and that a Funding Award letter be issued in the amount
8 of \$1,312,353.37. We do have a representative from
9 Stanislaus County, Lee Lundrigan, here. Do you have any
10 questions?

11 THE CHAIRMAN: Sure. Lee, do you want to come
12 forward?

13 MS. LUNDRIGAN: Good morning to the Board. It's a
14 pleasure to be here today. Are there any questions that
15 you have for us? The information that Jana Lean has
16 given you is accurate as to Stanislaus County.

17 THE CHAIRMAN: Very good. Mr. Kaufman?

18 MR. KAUFMAN: I have none.

19 THE CHAIRMAN: Mr. Guardino, any questions?

20 MR. GUARDINO: No, sir.

21 THE CHAIRMAN: Mr. Bustamante, any questions?

22 MR. BUSTAMANTE: No, not for me.

23 THE CHAIRMAN: Is there a motion? Mr. Kaufman?

24 MR. KAUFMAN: I will move to approve the Staff

25 Recommendation awarding Stanislaus County \$1,312,353 --

1 THE CHAIRMAN: \$53.37.

2 MR. KAUFMAN: I am the one who had the margaritas
3 last night -- \$353.37.

4 MR. GUARDINO: I will second that.

5 THE CHAIRMAN: Just for the record again, since I
6 interrupted him, that's \$1,312,353.37.

7 Very good. It's been moved and seconded.
8 Seeing no discussion on the matter, if you would call
9 the roll.

10 MS. MONTGOMERY: John Perez?

11 MR. PEREZ: Aye.

12 MS. MONTGOMERY: Stephen Kaufman?

13 MR. KAUFMAN: Aye.

14 MS. MONTGOMERY: Michael Bustamante?

15 MR. BUSTAMANTE: Aye.

16 MS. MONTGOMERY: Carl Guardino?

17 MR. GUARDINO: Aye.

18 MS. LUNDIGAN: Thank you very much.

19 THE CHAIRMAN: Next is Item 6, Change to Approved
20 Project Documentation Plans. 6A is San Joaquin County.
21 And for you folks from Solano and Stanislaus and San
22 Joaquin, I'm sorry, we've tried to do a couple of
23 meetings in Southern California because of the number of
24 counties down here as well and, quite frankly, because
25 three of the five board members live down here and just

1 trying to balance things out. Unfortunately, this has
2 been one of those meetings where it has been primarily
3 Northern California counties coming before us and I
4 apologize for having scheduled in such a way that made
5 you all travel this time.

6 San Joaquin?

7 MS. LEAN: San Joaquin was unable to attend today;
8 however, we do have availability by phone if we have any
9 questions for them.

10 San Joaquin County is coming forward to a
11 change to their approved Documentation Plan. They
12 purchased the Diebold AccuVote-TSX with the AccuView
13 Printer which is the WPAT, 1,625 units and the Optical
14 Scan 2 units.

15 At the December 17, 2002 meeting of the Voting
16 Modernization Board, the Board approved San Joaquin
17 County's Project Documentation Plan and awarded funding
18 for reimbursement of the county's purchase of the 1,625
19 Diebold AccuVote-TSX units and 6 AccuVote-Optical Scan
20 central count ballot tabulators. The county used this
21 equipment at the March 2, 2004 Presidential Primary
22 election.

23 On April 30, 2004, the prior Secretary of
24 State issued orders decertifying the use of DRE voting
25 systems in California and specifically banned the use of

1 the Diebold AccuVote-TSX hardware and firmware voting
2 equipment. After the de-certification of this system,
3 San Joaquin County amended their contract with Diebold
4 to supply the county with non-DRE voting equipment (at
5 no cost to the county) for all future elections until
6 January 1, 2007, or until new DRE units were recertified.

7 On February 17, 2006, the current Secretary
8 of State certified for use in California the Diebold
9 AccuView-TSX with the Printer, and the AccuVote-Optical
10 Scan central count ballot tabulators and other related
11 voting system components. San Joaquin County used the
12 newly certified TSX units central count optical scan
13 units for the first time at the June 6, 2006
14 Gubernatorial Primary Election.

15 San Joaquin County is requesting the Voting
16 Modernization Board approve the change to their existing
17 Project Documentation Plan, which incorporated the
18 amendments to their contract and the receipt of the
19 newly certified TSX units and related hardware and
20 software.

21 It is our staff recommendation that San
22 Joaquin County's change to their approved Project
23 Documentation Plan be approved and a new Funding Award
24 letter be issued in the amount of \$3,279,406.93.

25 They did make some minor changes to their

1 contracts. They went down from 6 optical scan units to
2 2 and they will be receiving some high speed optical
3 scan units once they are certified under the new Diebold
4 application. Do you have any questions?

5 THE CHAIRMAN: Now, is that the regular ring tone
6 or is that a ring tone assigned to a specific
7 individual?

8 MR. BUSTAMANTE: It's -- I don't know to work the
9 phone, it rings when it rings.

10 THE CHAIRMAN: Mr. Kaufman, do you have any
11 questions?

12 MR. KAUFMAN: I did have a question so I'm clear on
13 this, so did the -- so we never issued payment?

14 MS. LEAN: We did not.

15 MR. KAUFMAN: Okay.

16 MS. LEAN: They were approved but before they had a
17 chance to send a reimbursement their system was
18 decertified just like San Diego and Kern.

19 MR. KAUFMAN: That was a little fact that was
20 confusing me. Okay. They were approved but not funded.

21 MS. LEAN: That's correct.

22 THE CHAIRMAN: Mr. Bustamante?

23 MR. BUSTAMANTE: No questions.

24 THE CHAIRMAN: Mr. Guardino? Okay. Is there a
25 motion?

1 MR. KAUFMAN: I will move to accept the staff
2 recommendations for the change to the Project
3 Documentation Plan for San Joaquin County.

4 MR. BUSTAMANTE: I will second it.

5 THE CHAIRMAN: It has been moved and seconded.

6 Ms. Montgomery?

7 MS. MONTGOMERY: John Perez?

8 THE CHAIRMAN: Aye.

9 MS. MONTGOMERY: Stephen Kaufman?

10 MR. KAUFMAN: Aye.

11 MS. MONTGOMERY: Michael Bustamante?

12 MR. BUSTAMANTE: Aye.

13 MS. MONTGOMERY: Carl Guardino?

14 MR. GUARDINO: Aye.

15 THE CHAIRMAN: Very good. Next item 6B, Orange
16 County.

17 MS. LEAN: This is a different -- a brand new thing
18 to bring in front of the Board. You have discussed it
19 at a prior meeting as to funding for the VVPAT, the
20 Voter Verified Paper Audit Trail retrofitting. I know
21 you have been briefed on it, but let me go over the
22 whole report and if you have questions we have Chris
23 Reynolds here, he's the HAVA Coordinator, to answer any
24 questions and we also have Orange County here to address
25 any concerns you might have.

1 The VMB did approve an allocation to Orange
2 County and they did receive \$16,782,377.26. They
3 received their whole allocation. They are proposing to
4 refund about \$12,121,875.00 in order to come back for a
5 new request to get that \$12,121,875.00 back. They are
6 purchasing or they have purchased the Voter Verified
7 Paper Audit Trail devices for their cart system. They
8 have 9,000 units they have purchased these printers for.

9 Some background, state law requires that the
10 Voting Modernization Funds received from the VMB be used
11 for the purpose of placing at least one accessible
12 voting unit in each polling place. It also reflects
13 that all DREs receive federal qualification and include
14 an accessible Voter Verified Paper Audit Trail (VVPAT)
15 by January 1, 2006, in order for the equipment to be
16 certified and used in California. It also states that
17 to the "extent that they are available for expenditure,"
18 federal funds or moneys from the Voting Modernization
19 Fund shall be used to comply with the Voter Verified
20 Paper Audit Trail requirements (Elections Code 19250,
21 19251.)

22 The Help America Vote Act of 2002 (HAVA)
23 specifies standards that voting systems meet in order to
24 comply with federal mandates. However, HAVA does not
25 require that DRE systems come equipped with a VVPAT.

1 The Secretary of State has received guidance from the
2 Election Assistance Commission, the EAC, that HAVA funds
3 may not be used to retrofit otherwise HAVA-compliant
4 voting systems with a VVPAT. A voting system that is
5 equipped with a VVPAT at the time of its purchase,
6 however, is eligible for HAVA expense because the VVPAT
7 meets the federal voting system standard for a manual
8 audit capacity.

9 HAVA Section 2519(c)(1) allows a state to "use
10 a requirement payment as reimbursement for costs
11 incurred in obtaining voting equipment which meets the
12 requirements of Section 301 if the state obtains the
13 equipment after the regular scheduled general election
14 for Federal office held in November 2000."

15 The Secretary of State's Office received an
16 opinion from the EAC that permits a county to remit
17 funds it has received through the Voting Modernization
18 Bond Act and to receive a "retroactive payment,"
19 pursuant to Section 251(c)(1), to pay the costs of
20 purchasing the HAVA Section 301-compliant voting system
21 from HAVA resources received by the state.

22 At the July 16, 2003, meeting of the Voting
23 Modernization Board, the Board approved Orange County's
24 Project Documentation Plan and awarded funding for the
25 reimbursement of the 9,000 eSlate units. The county

1 used this equipment at the March 2, 2004 Presidential
2 Primary Election.

3 Orange County began its voting modernization
4 plans before the state requirements for the VVPAT were
5 enacted; however, due to subsequent state requirements
6 for all DREs to possess a VVPAT, the county retrofitted
7 9,000 e-slate touch screens to include the required
8 printer. These machines were used for the first time
9 countywide during the June 6, 2006 Primary Election.

10 Orange County is requesting that the Board
11 allow the county to return funds received from the VMB
12 in order to qualify for retroactive reimbursement from
13 HAVA for their purchase of a HAVA Section 301 compliant
14 voting system and concurrently is requesting funding
15 from the VMB to fund their VVPAT retrofit costs.

16 Orange County would be required to refund the
17 retrofit cost of \$12,121,875.00 to the Voting
18 Modernization Fund from the county's general fund before
19 the county would be eligible for any VMB funding for the
20 VVPAT retrofit or any retroactive reimbursement from
21 HAVA Section 301. Once the refund for the retrofit cost
22 has been received and deposited back into the Voting
23 Modernization Fund and confirmation of that deposit has
24 been received from the State Controller's Office, the
25 VMB would notify Orange County and the Secretary of

1 State's HAVA coordinator that the deposit has been made.

2 If this proposal is approved by the Board,
3 the Board could then amend the original Funding Award
4 Letter issuing to Orange County to explicitly state that
5 the VMB will allocate the \$12,121,875.00 in funding
6 returned by the county to the Voting Modernization Fund
7 for the purpose of reimbursement of the VVPAT retrofit
8 costs.

9 Orange County would then be required to submit
10 to the VMB an acknowledgement letter certifying that the
11 new funds will be used in accordance with the Voting
12 Modernization Bond Act of 2002. Orange County could
13 concurrently submit a Payment Request Form with the
14 required documentation to receive reimbursement for the
15 VVPAT retrofit costs. Please note that the time frame
16 for the receipt of payment after submitting a Payment
17 Request Form is estimated to be between 45 and 60 days
18 to receive payment. The VMB staff will make every
19 effort to expedite the payment process, but the county
20 will not receive payment within 48 hours of returning
21 the funds to the VMV, as proposed in the county's amended
22 project documentation plan.

23 It is our staff recommendation that the
24 Orange County's change to their Approved Project
25 Documentation Plans be approved, contingent upon receipt

1 of the funds as outlined above.

2 Once confirmation of the deposited funds is
3 obtained, the VMB staff will notify the Chair of the
4 Voting Modernization Board and an amendment to the
5 original July 16, 2003 Funding Award letter may be
6 issued in the amount of \$12,121,875.00 to fund the VVPAT
7 retrofit costs only.

8 This is a very complicated issue. We have
9 gone over it before, so I'm sure you have some
10 questions.

11 THE CHAIRMAN: Let the record reflect that
12 Mr. Finney has joined us. We now have a full complement
13 of VMB Board members.

14 We are on Item 6b which is changed to approve
15 project documentations. This has been one of those
16 issues we have discussed a couple of times with respect
17 to counties that acted early in good faith based on all
18 the, you know, all the applicable laws at the time.
19 Moved forward to quickly modernize their technology,
20 have then been challenged by changes in the law and
21 limitations of what they could use all the money for, so
22 what we have before us is a multi-step proposal that
23 would have Orange County refunding to us money that we
24 had allocated to them so that they could fully draw --

25 MR. KAUFMAN: And paid.

1 THE CHAIRMAN: -- allocated and paid to them so
2 they can then avail themselves for HAVA funds for
3 appropriate HAVA uses and then have us again issue them
4 funding for uses that are allowed under the Voting
5 Modernization Act in California, but for which they
6 couldn't use HAVA funds. That would then allow them to
7 fully implement the changes that they wanted to at this
8 time. Is that fair enough characterization? If Orange
9 County would come forward I would appreciate it.

10 MR. KELLEY: Good morning Mr. Chairman, members of
11 the Board. Neal Kelley of Registrar of Voters, Orange
12 County.

13 THE CHAIRMAN: What would you like to add to the
14 staff report and to my brief summary for Mr. Finney?

15 MR. KELLEY: I would like to agree to this
16 complicated process. We have been working closely with
17 staff, they have been very supportive for the last eight
18 months in coming up with a solution to try and get the
19 county to be in a position where we are made whole for
20 this process. So I really have nothing else to add
21 other than we are almost at the end of the road here to
22 get this reimbursement.

23 THE CHAIRMAN: And you are comfortable with the
24 staff report understanding that the timing of the monies
25 are different than you had originally anticipated in

1 your proposal?

2 MR. KELLEY: That was a concern to us because this
3 is another hit that the County would take on its General
4 Funds to release another 12 million dollars. I can't
5 speak for the Board of Supervisors, they have not
6 reviewed this process yet but I can assure you that
7 there would be concern that we would be out an
8 additional 12 million for another 60 days before we
9 would start this process.

10 THE CHAIRMAN: Right.

11 MS. LEAN: There is a possibility that it will not
12 take that long, but that is the current process that the
13 Voting Modernization Board has approved. So we could
14 not in good faith say to staff that it could happen
15 within 48 hours. We just know that logistically
16 bureaucracy will not move that fast.

17 MR. KELLEY: And we appreciate that.

18 THE CHAIRMAN: And where are hold ups in terms of
19 the time line?

20 MS. LEAN: Well, we do -- we have made some inroads
21 with our State Controller's Office. We have meetings
22 set up to make sure that once we return the funds into
23 the bond that -- we were told it's fine, we can return
24 the funds to the bond act, that's not an issue -- that
25 we get receipt back from them so that we have records

1 that it has been deposited and the HAVA coordinator has
2 records so that they can get their retrofitted
3 reimbursement under HAVA. And then we can issue
4 another check.

5 So it --

6 THE CHAIRMAN: The hold up is an administrative
7 hold up primarily in the Controller's Office?

8 MS. LEAN: It may not even be a hold up there. We
9 are making sure that we are making everyone fully aware
10 of this so that when it gets down to actually depositing
11 the money back into the fund, there is no issue
12 withdrawing it back out. So we don't anticipate any
13 problems, but we just want to make sure that there is --

14

15 THE CHAIRMAN: And when do we anticipate Orange
16 County forwarding the money?

17 MR. KELLEY: I would like to take this to our
18 Board mid-September, if not sooner.

19 (Telephonic interruption.)

20 MR. KELLEY: We would plan then by the end of
21 September --

22 MR. GUARDINO: I assume that I have not been
23 terminated. Did everyone hear that announcement?

24 THE CHAIRMAN: You have not been terminated.

25 MR. GUARDINO: Good to hear, thank you.

1 MR. KELLEY: The hope is by October 1st we would
2 have those funds remitted back to the board or to the
3 VMB.

4 MR. FINNEY: August 1st?

5 MR. KELLEY: October 1st.

6 MR. FINNEY: Exactly, that's what I'm saying.

7 THE CHAIRMAN: Even on your calendar.

8 MR. FINNEY: It's hard here in L.A. for me. I have
9 court, you know.

10 MS. LEAN: I would think even through all of the
11 administrative hurdles, it would definitely be solved by
12 then. I want to make sure -- I'm back to Board --

13 THE CHAIRMAN: That we don't over promise to Orange
14 County.

15 MS. LEAN: Exactly.

16 MR. FINNEY: Time-wise.

17 MS. LEAN: Time-wise. We will do everything we can
18 to expedite it as quickly as possible.

19 THE CHAIRMAN: I would like to offer -- I would be
20 more than happy to personally talk to the Controller
21 about the timeliness of his office's activities along
22 these areas as well.

23 MR. KELLEY: We appreciate that.

24 MR. FINNEY: He's more worried about our internal
25 processing.

1 MS. LEAN: I'm just worried about what would happen
2 once the money gets back over there and then we get --
3 we return the money and like two weeks later or a week
4 later we ask for the same amount back. That might be a
5 red flag. We just want to make sure that everybody is
6 on the same page and as long as the board is okay with
7 this concept I believe that there is nothing -- it is
8 very legal, there is a whole process set out but we just
9 want to make sure everyone is aware of what is going on.

10 THE CHAIRMAN: So again we are not going to over
11 promise anything in terms of the quickness, but I think
12 we are all committed to making it happen as quickly as
13 possible and I, for one, and I know other members of the
14 Board would be happy to talk to the Controller.

15 MR. KELLEY: Thank you Mr. Chairman.

16 THE CHAIRMAN: Any questions for Orange County or
17 for staff on this?

18 MR. KAUFMAN: I actually had one, just a mechanical
19 question, I guess more for staff. Why are we, with
20 respect to the letter, amending the original letter as
21 opposed to issuing a new letter and rescinding the old
22 letter and issuing a new letter? What was the thinking
23 on that?

24 MS. LEAN: It was our staff attorney who is not
25 here today to address this, but because it's not a clean

1 amount, it's not the same amount that we originally
2 allocated, it's a portion of the amount, so the original
3 allocation was for 16 million, this is for 12 million,
4 and he thought it would be cleaner if we did an
5 amendment specifically stating that they've already
6 received the 4 million, they are not returning that 4
7 million.something. They are returning 12 million and
8 lay it out really specifically as an amendment to the
9 original award letter. It's up to the board on how we
10 do that mechanically, but until you -- until the money
11 is received back you can't really issue any funding
12 award at all and I figure we have enough time to figure
13 out the awarding of all that.

14 MR. KAUFMAN: Okay.

15 THE CHAIRMAN: Mr. Bustamante?

16 MR. BUSTAMANTE: No questions.

17 THE CHAIRMAN: Mr. Finney?

18 MR. FINNEY: No questions.

19 THE CHAIRMAN: Mr. Guardino? Is there a motion?

20 MR. GUARDINO: No questions.

21 MR. BUSTAMANTE: I move.

22 THE CHAIRMAN: Mr. Bustamante moves.

23 MR. FINNEY: I'll second that.

24 THE CHAIRMAN: Mr. Finney seconds. Please call
25 the roll.

1 MS. MONTGOMERY: John Perez.

2 THE CHAIRMAN: Aye.

3 MS. MONTGOMERY: Stephen Kaufman.

4 MR. KAUFMAN: Aye.

5 MS. MONTGOMERY: Michael Bustamante?

6 MR. BUSTAMANTE: Aye.

7 MS. MONTGOMERY: Tal Finney?

8 MR. FINNEY: Aye.

9 MS. MONTGOMERY: Carl Guardino?

10 MR. GUARDINO: Aye.

11 THE CHAIRMAN: Very good, we have approval.

12 Any other items before we adjourn?

13 MS. LEAN: Just to notify you of the next meeting
14 is September 20. Make sure it's still on your calendars
15 and it's scheduled to be in Sacramento.

16 MR. FINNEY: It's actually easier for me in
17 Sacramento than it is here in L.A. I'm able to, like,
18 totally put my calendar focus on this one. Unless they
19 want to start paying us -- just kidding. How long have
20 we been on this board, guys?

21 THE CHAIRMAN: Five years longer than we expected.

22 MS. LEAN: So as long as we have that all fixed up.
23 Is that still okay on your schedule?

24 MR. FINNEY: What day is that?

25 MS. LEAN: Wednesday at 10:30 a.m. We have one

1 Project Documentation Plan already.

2 THE CHAIRMAN: Which county?

3 MS. LEAN: San Francisco is making a change to
4 their project --

5 THE CHAIRMAN: Let them come to L.A.

6 MS. LEAN: That's all we have.

7 MR. KAUFMAN: Out of curiosity, with the last
8 meeting there was one county that was kind of off the
9 radar screen. Has anything happened to that in the last
10 month or two months?

11 MS. LEAN: Modoc County we are definitely still in
12 contact with them because not only for the Voting
13 Modernization Board purposes, but for HAVA purposes and
14 make sure they are compliant. We are having
15 conversations with them. We do have that, that is one
16 other thing, the quarterly status report, I'm going to
17 send letters out to the counties and just ask for the
18 end of the year, not just use this quarter just get an
19 estimate in September so we have an idea.

20 THE CHAIRMAN: Where is Modoc again?

21 MR. FINNEY: That's a geographic question? It's
22 near Madera.

23 MS. SEILER: It's the very northeast corner of the
24 state.

25 MR. FINNEY: North and east of Lassen Volcanic

1 Park.

2 MS. SEILER: Alturas.

3 THE CHAIRMAN: Got it.

4 MR. FINNEY: It's a nice place, actually.

5 MR. KAUFMAN: Not for voting, apparently.

6 MR. FINNEY: Good people, but we have a voting
7 issue.

8 THE CHAIRMAN: Motion to adjourn.

9 MR. FINNEY: I will move.

10 MR. KAUFMAN: Second.

11 THE CHAIRMAN: All in favor.

12 MR. GUARDINO: Aye.

13 THE CHAIRMAN: We are adjourned. Thank you all.

14 11:17 am.

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1 STATE OF CALIFORNIA)
) ss.

2 COUNTY OF LOS ANGELES)

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IN WITNESS WHEREOF, I have subscribed my name
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