

**COUNTY OF SACRAMENTO
CALIFORNIA**

For the Agenda of:
May 24, 2017
Timed: 2:00 P.M.

To: Board of Supervisors
From: Department of Voter Registration and Elections
Subject: Request To Approve Vote Center Model Elections In Sacramento County
Beginning In 2018 And Authorize Release Of Request For Proposal For
Replacement Voting System

Supervisory
District(s): All

Contact: Jill LaVine, Registrar of Voters, 875-6060

Overview

In 2016, the State of California passed the Voter's Choice Act, Senate Bill 450 (SB450), allowing counties to conduct elections by vote-by-mail (VBM) ballot while also providing regional Vote Centers to be open 10 days prior to Election Day through close of voting on Election Day. In order to determine voter's interest in this new Vote Center model, Voter Registration and Elections (VRE) engaged an independent survey company to gauge the level of support for Vote Centers and all VBM voting. With information regarding cost savings for the Vote Center model, 68% of respondents supported the new system.

The County's current voting system acquired in 2004 is now past its useful life and needs to be replaced. Staff is prepared to issue a Request for Proposal (RFP) to acquire new voting system equipment and components needed to implement either the Vote Center model or continue with the current voting model. VRE, the Department of General Services, and the Department of Technology will prepare and evaluate responses to the RFP, and return to the Board with a recommendation.

Recommendations

That your Board adopt a Resolution to:

1. Authorize the Registrar to implement Vote Center model elections in Sacramento County beginning in 2018 and direct her to perform all activities required in the Voter's Choice Act;
2. Direct the Purchasing Agent or his designee(s) to perform all activities necessary for recommending a vendor for the acquisition of a new voting system for Sacramento County.

Measures/Evaluation

Implementing the Vote Center model and acquiring an approved voting system will provide Sacramento County voters increased options for casting their vote, beginning with the June 2018 Primary Election.

Fiscal Impact

Staff is recommending pursuing a lease of equipment of up to eight years. The cost of a new voting system will vary depending on whether the Board approves staff's Vote Center model recommendation or chooses to retain the current polling place voting model. The former will require less equipment than the latter. Staff anticipates an annual lease cost of approximately \$1.1 million for sufficient equipment for the Vote Center model. This amount has been included in the department's Fiscal Year 2017-18 Requested Budget. Staff is proposing to cover this cost with Help America Vote Act (HAVA) funds being held by the State of California. Future year costs would be covered by remaining HAVA funds, County General Fund reserves for technology, and County General Fund allocations. In addition to the lease costs for voting system equipment, the Department will also need to replace peripheral equipment estimated at \$633,888 in the next two to three years, which may also require a general fund allocation; however, current legislation is being considered that could provide further resources.

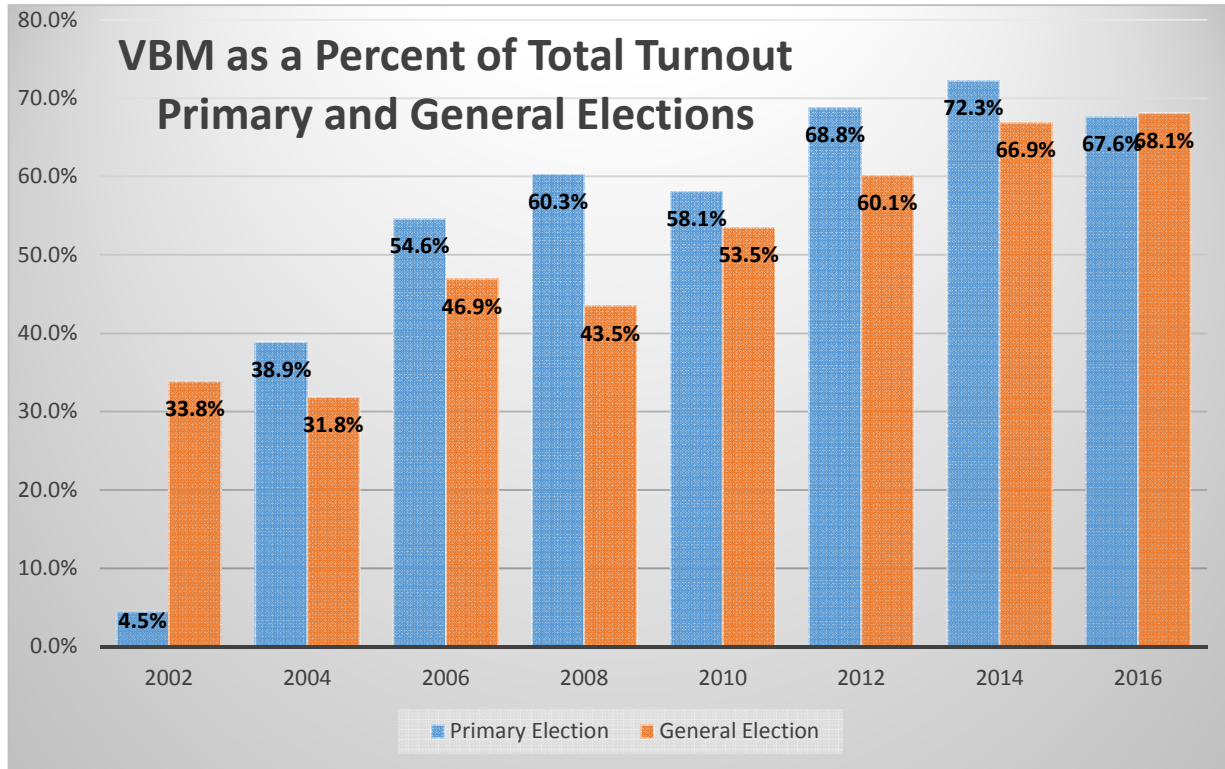
The Secretary of State is promoting Assembly Bill 668, the Voting Modernization Bond Act of 2018, which would provide up to a 75% funding match for voting systems used by Counties implementing the Vote Center model.

When VRE returns to the Board for contract approval, the Board will be provided detailed information on costs related to acquiring and leasing a new voting system.

BACKGROUND

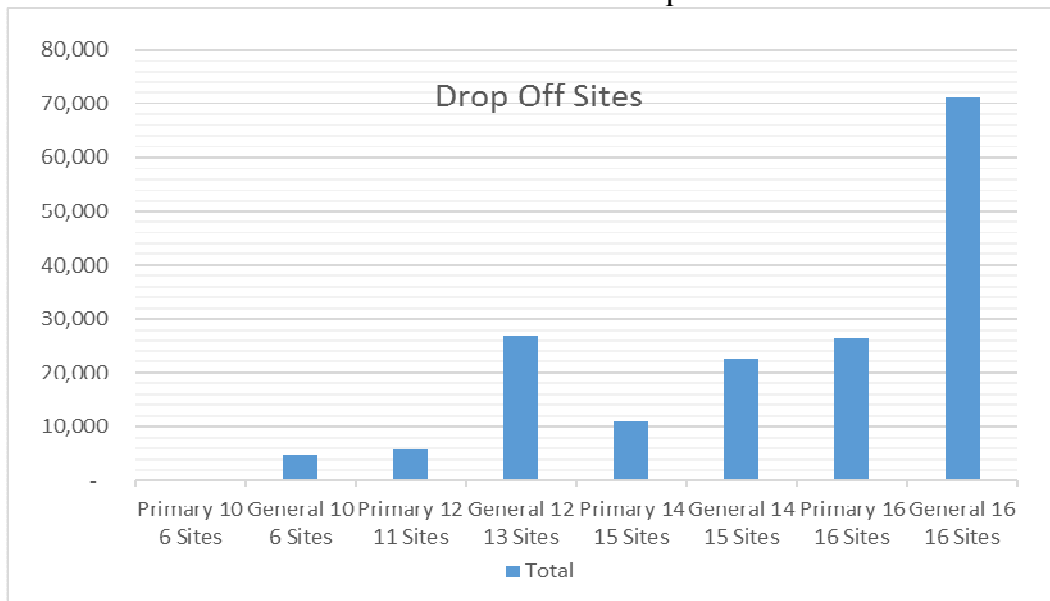
Vote By Mail - State election law prior to 2002 restricted access to being a Permanent VBM (PVBM) voter only to voters with a permanent disability and their primary caregivers. Any other voter wanting to vote by mail had to request a VBM ballot at each election, a cumbersome process for the voter. In 2002, the state enacted legislation that allowed any voter to become a PVBM voter, opting to receive a ballot automatically in each election. This law precipitated a substantial growth in the number of voters on the PVBM file, from 9,000 voters in March of 2002 to over 90,000 in November of 2002. The Chart 1 below shows the increase in VBM voting beginning in 2002 with sharp increases starting in 2008. Between 2002 and 2016, the percent of voters using VBM increased from 4.5% to 67.6% in the Primaries and 33.8% to 68.1% in the General Elections.

Chart 1 - VBM as a percent of total turnout in Primary and General Elections 2002 to 2016



Voters' use of VBM drop-off boxes has continued to grow since first being offered in 2010. Chart 2 below illustrates this growth, starting with 304 VBM ballots received in the 2010 Primary Election to over 71,000 VBM ballots received during the 2016 General Election.

Chart 2 - VBM ballots received at VBM drop-off sites 2010 to 2016



Voter's Choice Act - In 2016, the State of California enacted the Voter's Choice Act, changing election laws to reflect trends towards voting by mail and allowing polling places to be replaced with Vote Centers. Beginning in 2018, select counties can conduct elections by all mail balloting and Vote Centers throughout the County. Sacramento County is one of the selected counties and can take advantage of offering its voters increased access and voting opportunities with the new Vote Center model.

The Voter's Choice Act includes two major changes for voters: establishing regional Vote Centers in place of polling places; and mailing all voters a VBM ballot. The Act also contains specific outreach requirements for extensive community involvement to ensure voters are well informed on the new voting model.

Regional Vote Centers are to be located based on specified demographics and public input to ensure the greatest access for all voters. Consideration must be given to population centers, access to public transportation, low rate of VBM usage, minority language communities, access to accessible voting equipment, and proximity to low-income or geographically isolated communities. Staff will also be evaluating each location for accessibility, computer connectivity and building security.

The number of Vote Centers used in any election is required to be based on a percent of total voter registration. Using today's registration figures, Sacramento would have a total of 77 Vote Centers, 61 will be open on Election Day and the three days immediately prior, and 16 Vote Centers will be open the preceding seven days. Voters will no longer be assigned to vote at a specific polling place. Instead, any voter can use any Vote Center over an 11-day period.

All Vote Centers are to be equipped with an interactive registration file, ballot printing equipment and at least three accessible voting units.

The Act provides for increased numbers of VBM drop-off boxes to be available beginning 29 days before each election based on the current voter registration figures. With today's voter registration numbers, the County will have 54 ballot drop-off sites beginning 29 days before the election, in addition to any of the County's 77 Vote Centers.

Voting Equipment - The County has used several voting systems over the years and converted to the current Optical Scan voting system following the 2004 Federal and State decertification of pre-scored punch card systems. The Optical Scan system, a fill-in-the-bubble ballot voting system, was a significant change for voters in Sacramento County who had been using a punch card system for over 35 years. As detailed in a Status Report provided to the Board on February 28, 2017 (Agenda Item #70), there are several components of the voting system that need to be replaced, including:

- M650 central count ballot scanners used to count the VBM ballots at the Registrar's office
- M100 precinct count ballot scanners that are distributed to each polling place on Election Day to scan voted ballot cards. These scanners experienced a high failure rate during the required November 2016 pre-election testing and also during use on Election Day.

DISCUSSION:

Voter Survey - The department, in reviewing the options for voting models moving forward, engaged a professional survey company, JD Franz Research, Inc., in March 2017 to assess voter opinions of a possible new Vote Center model voting procedure in the County. The survey of 402 registered voters from across the County focused on determining how voters feel about the proposed new Vote Center model of voting. (See Attachment 1 for the full survey report.)

The results show that the Vote Center model over the Polling Place model was preferred by more than half of respondents stating a preference. When respondents were informed that a Vote Center model would save the County about four million dollars, the proportion favoring the Vote Center model increased to two-thirds.

Recommendation – Staff is recommending adopting the Vote Center model allowed under the Voter’s Choice Act, effective for the June 2018 Primary Election. The Vote Center model is a good fit for Sacramento based on trends in voting behavior moving towards all VBM voting and declining dependence on polling place voting.

Offering voters the opportunity to vote where they are, whether it be Vote Center or ballot drop-off site located in a supermarket, a coffee house, or a community center will increase their engagement in the voting process. VRE piloted four Voter Service Centers the two weekends prior to Election Day to assist voters with obtaining replacement VBM ballots. More than 1,800 voters took advantage of the Voter Service Centers located at the Carmichael Library, Central Library, Elk Grove City Hall and the VRE office.

The Vote Center model has been presented to the County's Disability Advisory Committee and the City Clerks of Sacramento, Citrus Heights, Elk Grove, Isleton and Rancho Cordova. All support the model and have offered their assistance with its implementation.

Proposed Implementation of Voter’s Choice Act – The location of Vote Centers and ballot drop boxes must be based on 13 specific evaluation criteria identified in the Voter’s Choice Act, including population centers, access to accessible voting equipment, and proximity to low-income or geographically isolated communities. If the Board approves implementation of the Vote Center Model in Sacramento County, VRE will establish language and voter accessibility advisory groups that, along with neighborhood and community associations, and members of the public, will develop a draft Vote Center location plan using the county's specific demographic data. The resulting draft plan will be presented at public meetings for review and comment before it is adopted. The adopted plan will be forwarded to the Secretary of State for review and approval. The plan is to be updated periodically to stay current with changes in populations relative to the 13 required evaluation criteria.

Based on this plan, VRE will set up Vote Centers at 16 sites ten 10 days before Election Day, beginning with the June 2018 election. The department will open 61 additional Vote Centers three days prior to Election Day, making 77 locations open on Election Day. This would expand access for voters to voting sites for 11 days, rather than just one day (Election Day) with the current Polling Place model.

In addition to drop boxes at each Vote Center, the County would be required to establish 54 VBM drop-off boxes, three times the number available in the November 2016 election. Vote Centers and drop-off boxes will be located throughout the County.

All voters will automatically be mailed a VBM ballot beginning 29 days before each election. Once the voter receives their VBM ballot, all they need to do is make their selections and return the ballot in the envelope provided, either by mail or by dropping it off at any of the County's drop-boxes or Vote Centers. A list of all drop boxes and Vote Center locations will be provided with the voter's VBM ballot as well as in the official voter information pamphlet.

Key elements of this model include:

- Vote Centers will keep the same 'look and feel' of traditional polling places while offering more services for all voters including accessible voting equipment.
- Voters will no longer be assigned to vote at a specific polling place. Instead, voters can go to any Vote Center, giving the voter options for where and when to vote.
- Voters can vote in person on Election Day or any time in the 10 days leading up to Election Day.
- An interactive electronic list of voters at each Vote Center will enable officials to quickly update a voter's registration, and allow eligible citizens to register to vote and get a VBM ballot.
- Voters will have expanded access to replacement ballots, eliminating the need for provisional ballots, a time-consuming and costly process under the current Polling Place model.

Security and Fraud Prevention - Security of the voting process is an important part of the Vote Center model. All voting equipment at the Vote Centers will be secured after-hours, with security seal cross-checks upon opening each morning and upon closing each night. Discrepancies in the security seals will prompt replacement of the affected equipment with stand-by equipment housed at the VRE offices. Each night, the VBM ballots received at each Vote Center will be securely transported to the VRE offices for secure storage and processing.

VBM balloting has many security checks to prevent voter fraud. All VBM ballots are issued only to a voter's specified address as shown on the registration file. A request for a replacement ballot is recorded in the registration file and the first ballot issued is cancelled. All VBM return envelopes require the voter's signature, which is compared against the signature on the registration file before the ballot is counted. VRE staff already has a process in place to notify voters who missed signing their envelope, providing them the opportunity to correct the missing signature.

Costs - The preliminary cost estimates provided by vendors put the cost of a voting system for the Vote Center model at \$4 million, which is about half the \$8 million cost needed to supply a voting system for the current Polling Place model. The cost difference results from having fewer voting sites to supply with the Vote Center model (77) compared to the number of sites in the Polling Place model (over 550). Cost estimates to lease a voting system for eight years under the Voter Center Model are \$8.8 million and \$12.5 million under the current polling place model.

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Information collected from Colorado, Indiana and Oregon indicate that the Vote Center model provides significant cost reductions once the system was installed. These reductions were attributable to reductions in the number of polling sites and poll workers, needing less voting equipment, and a steep reduction in provisional balloting (a labor intensive and lengthy activity in this County). However, all noted that there were higher costs the year the systems were implemented due mainly to voter outreach and education programs.

Implementation costs will occur when acquiring a new voting system, whether for a Vote Center model or for a Polling Place model. The Voter’s Choice Act requires extensive voter education activities and requires counties to establish language and accessibility engagement committees. Voters will receive several informational contact letters and will have the opportunity to learn more about their voting options at community educational events. The Department will absorb these outreach costs within its base budget, primarily through savings on equipment maintenance.

FINANCIAL ANALYSIS:

Staff is recommending seeking a vendor to lease equipment for an eight-year period. This recommendation is based on preliminary estimates of purchasing the equipment outright versus leasing for varying periods. While voting system components vary from one vendor to another, all voting systems will include operating software systems used to create ballots, program ballot counting plans and hardware used to cast ballots and to count ballots, and hardware used for accessible voting.

The purchase cost of a new voting system for the Vote Center model is estimated at \$4 million with additional annual costs of \$435,000 for licensing and election support. Preliminary estimates for an 8-year lease (including licensing and support) for the same model range up to \$1.1 million per year, totaling \$8.8 over the term of the lease. The table below shows a plan for funding the lease over 8-year term, including the use of Federal Help America Vote Act (HAVA) funds currently in reserve for Sacramento County (\$1,243,000), some of the technology reserve that the Board created in Fiscal Year 2016-17, and County General Fund beginning in Fiscal Year 2020-21. The lease will not require General Fund in Fiscal Year 2017-18.

Fiscal Year	Payment	HAVA	Technology Reserve	General Fund
17-18	\$ 1,100,000	\$ 1,100,000	\$ -	\$ -
18-19	\$ 1,100,000	\$ 143,000	\$ 957,000	\$ -
19-20	\$ 1,100,000	\$ -	\$ 1,100,000	\$ -
20-21	\$ 1,100,000	\$ -	\$ 943,000	\$ 157,000
21-22	\$ 1,100,000	\$ -	\$ -	\$ 1,100,000
22-23	\$ 1,100,000	\$ -	\$ -	\$ 1,100,000
23-24	\$ 1,100,000	\$ -	\$ -	\$ 1,100,000
24-25	\$ 1,100,000	\$ -	\$ -	\$ 1,100,000
<i>Total</i>	<i>\$ 8,800,000</i>	<i>\$ 1,243,000</i>	<i>\$ 3,000,000</i>	<i>\$ 4,557,000</i>

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In addition to the lease costs for voting system equipment, the Department will also need to replace peripheral equipment estimated at \$633,888 in the next two to three years, which may also require a general fund allocation; however, current legislation is being considered that could provide further resources.

At the request of the California Secretary of State, the California legislature is currently considering Assembly Bill 668, the Voting Modernization Bond Act, which would provide up to a 75% funding match for voting systems used by Counties implementing the Vote Center model. To the extent that the State provides funding for voting equipment upgrades, the County's General Fund obligation will diminish. In addition, responses to the Request for Proposal will result in adjustments to the estimates and funding plan delineated above. When VRE returns to the Board for contract approval, the Board will be provided detailed information on costs related to acquiring and leasing a new voting system.

Respectfully submitted,

APPROVED:
NAVDEEP S. GILL
County Executive

JILL LAVINE, Registrar of Voters
Voter Registration and Elections

By: _____
DAVID VILLANUEVA
Deputy County Executive

CONCUR:

Concur as to purchasing procedures:

RAMI ZAKARIA, Chief Information Officer
Department of Technology

MICHAEL M. MORSE, Director
Department of General Services

Resolution
Attachment 1 Voter Preference Survey Final Results