



Agenda Date: 1/9/2007  
Agenda Placement: 6T

## NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

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**TO:** Board of Supervisors  
**FROM:** John Tuteur - Registrar of Voters  
Elections  
**REPORT BY:** Belle Altman, Staff Services Manager, 707-253-4295  
**SUBJECT:** Agreement with DFM Associates for an Election Information Management System

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### **RECOMMENDATION**

Assessor-Recorder-County Clerk requests approval of and authorization for the Chair to sign a sole source agreement with DFM Associates for a maximum of \$262,264 for the term December 4, 2006 through June 30, 2012 for the purchase and maintenance of Election Information Management System software.

### **EXECUTIVE SUMMARY**

Assessor-Recorder-County Clerk requests approval of and authorization for the Chair to sign an agreement with DFM Associates for a 66 month term for an Election Information Management System (EIMS) to maintain voter registration data and to process elections . Our current EIMS vendor, Sequoia Voting Systems, has announced that it will stop supporting our current system effective December 31, 2007. Our license agreement with the Sequoia system terminated on December 31, 2006. The DFM EIMS annual cost is approximately \$42,669 (total of \$234,679 for a 66 months term) fixed for 5 and one-half years with a one-time installation and conversion fee of \$27,585.

### **FISCAL IMPACT**

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	No
What is the revenue source?	For the FY 06-07, \$18,750 (\$1,562.50/month) is budgeted in the Primary-General Elections (13600) budget unit for Sequoia's Integrity support. The department will attempt to absorb the additional cost of \$39,546 for this fiscal year which is an increase of \$11,961 in monthly maintenance for 6 months plus installation and conversion cost of \$27,585.
Is it Mandatory or Discretionary?	Mandatory

Is the general fund affected?	Yes
Future fiscal impact:	All elections offices must have election management and voter registration systems under Federal and State law. The Primary-General Election budget will include the annual cost of \$42,669 in future years. Increased costs of the DFM EIMS may be offset by savings generated by increased efficiency of that system.
Consequences if not approved:	Napa County will not be in compliance with Federal and State election laws and will face severe legal and financial consequences.
Additional Information:	

### **ENVIRONMENTAL IMPACT**

**ENVIRONMENTAL DETERMINATION:** General Rule. It can be seen with certainty that there is no possibility the proposed action may have a significant effect on the environment and therefore CEQA is not applicable. [See Guidelines For the Implementation of the California Environmental Quality Act, 14 CCR 15061(b)(3)].

### **BACKGROUND AND DISCUSSION**

Sequoia Voting Systems, or one of its predecessors, has provided Napa County with an Election Management and Voter Registration system for approximately 30 years. Our existing license with Sequoia for these services expired on December 31, 2006. In mid-October 2006, Sequoia informed us that they will no longer support this system effective December 31, 2007. By making the conversion to a new system during January 2007 we can terminate our agreement with Sequoia and save funds budgeted for that license for the balance of FY 2006-07. Sequoia is also in the business of supplying and maintaining voting machines, ballots, and software to count votes and will continue to provide these services to Napa County.

This new agreement with DFM Associates for a maximum of \$262,264 has a term beginning December 4, 2006 and continuing for 66 months, ending on June 30, 2012. The County receives a significant advantage by signing a 66-month contract as the monthly fee is fixed for the entire term of the contract without the usual 7% annual increase and no adjustment for increased number of registered voters over this period.

The breakdown of the cost is as follows:

- | Initial Installation and Data Conversion Fee: \$26,938 (\$25,000 plus sales tax)
- | LeadTools Image License: \$647 (\$600 plus sales tax)
- | Monthly Fee: \$3,556 (\$3,300 plus sales tax)

The Primary-General Elections FY 2006-07 budget included \$18,750 for the serviced provided by Sequoia and will now attempt to absorb the increased cost of \$39,546 (Initial Installation and Data Conversion Fee, LeadTools Image License fee and Monthly Fee for six months less amount budgeted for existing system). Annual cost of \$42,669 will be included in future budgets of the Primary-General Elections.

There are two major vendors, DFM and DIMS (Data Information Management Systems), who could provide an Election Management System that successfully integrates with Sequoia-provided ballot layout and printing, distribution of Voter Information Pamphlets and Absentee Ballots, optical character ballot tallying and electronic voting machine technology and tallying. We have not undertaken a solicitation for proposals for the following

reasons:

1. DFM has time available now to schedule implementation and conversion which may not be available later in 2007.
2. DFM has been the vendor for the Napa County Recorder-Clerk Division software system since 1998 and has provided an excellent product and excellent support at a reasonable cost for the past 8 years.
3. A survey of selected counties on rates charged by the two vendors seem comparable in terms of monthly maintenance charges.
4. The survey results also indicate that DFM is the one vendor that offers a fixed rate for a long term.

The proposed agreement with DFM is recommended to facilitate a successful implementation at a time when there are no scheduled elections in Napa County and in a timely manner to make needed changes to elections management for the June 2008 Presidential Primary Election.

### **SUPPORTING DOCUMENTS**

None

CEO Recommendation: Approve

Reviewed By: Maiko Klieman