

**PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY**

<b>Meeting Date:</b>	<b>May 20, 2008</b>	<input type="checkbox"/>	<b>Consent</b>	<input checked="" type="checkbox"/>	<b>Regular</b>
		<input type="checkbox"/>	<b>Ordinance</b>	<input type="checkbox"/>	<b>Public Hearing</b>

**Submitted By:** Administration  
**Submitted For:** Supervisor of Elections

**I. EXECUTIVE BRIEF**

**Motion and Title: Staff recommends motion to approve:**

- A) Tri-Party Agreement with the Palm Beach County Supervisor of Elections (SOE) and Runbeck Election Services, Inc. (Runbeck), for the use of the Sentio Ballot Printing System in the amount of \$1,460,000;
- B) Budget Transfer of \$279,960 in the Optical Scan Voting Equipment fund to establish a transfer to the Ballot-on-Demand Equipment fund;
- C) Budget Amendment of \$279,960 in the Ballot-on-Demand Equipment fund to provide sufficient budget for the FY 2008 payment to Runbeck.

**Summary:** As mandated by the Florida Legislature, the SOE is currently in the process of converting from touch screen to optical scan voting equipment. The Sentio Ballot Printing System for ballot-on-demand printing is the only system certified by the State of Florida for printing paper ballots for early voting and absentee ballots used in conjunction with optical scan voting equipment. Through the negotiation process, a tri-party agreement was reached with the SOE and Runbeck for the use of 31 base printing systems, inclusive of early voting software, absentee voting software, integrated production software, security and audit functionality, and pricing for ballot paper and printer related consumables. The total equipment cost for the use of the Sentio Ballot Printing System is \$1,460,000 for a four (4) year period. The cost of the paper ballots and printer related consumables are charged per ballot in the form of a ballot service fee, will be billed based on actual usage, and is estimated for the four year period to be approximately \$970,000. The County has the option to renew this agreement for four (4) additional one (1) year periods at the cost of approximately 25% of the original cost per unit.

**Background and Justification:** In 2007, the Florida Legislature passed a law prohibiting touch screen voting equipment and mandating the use of optical scan based voting systems effective July 1, 2008. In December 2007, the County purchased optical scanners from Sequoia Voting Systems, Inc. as a sole source per Resolution R-2007-1861. Due to the conversion to an optical scan based voting system, a ballot-on-demand printing system for early voting and absentee ballots is necessary. At this time, Runbeck is the sole provider of such ballot printing equipment certified by the State of Florida. Through the negotiation process, a tri-party agreement was drafted in order to set forth the responsibilities of the County, the SOE, and Runbeck. Runbeck will provide the use of 31 base printing systems, inclusive of early voting software, absentee voting software, integrated production software, security and audit functionality, ballot paper, and printer related consumables.

This agreement will provide the necessary equipment for a ballot-on-demand printing system at 10 early voting sites and the printing of absentee ballots. Runbeck will also provide training as well as dedicated personnel during elections, including the 2008/2010 primary and the general early voting cycles. The total equipment cost for the use of the Sentio Ballot Printing System is \$1,460,000 for a four (4) year period, and approximately \$970,000 for consumables.

The State of Florida has provided a one-time grant of \$486,260 for ballot-on-demand equipment. The balance of \$973,740 plus the ongoing per-ballot printing costs are the responsibility of the County.

- Attachments:**
- 1. Agreement
  - 2. Budget Transfer
  - 3. Budget Amendment

**Recommended by:**  5-8-08  
**Supervisor of Elections** **Date**

**Approved by:**  5/7/08  
**Assistant County Administrator** **Date**



## II. FISCAL IMPACT ANALYSIS

### A. Five Year Summary of Fiscal Impact:

Fiscal Years	2008	2009	2010	2011	2012
Capital Costs	_____	_____	_____	_____	_____
Operating Costs	<u>856,349</u>	<u>696,300</u>	<u>337,600</u>	<u>524,800</u>	_____
External Revenues	<u>&lt;486,260&gt;</u>	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	<u>370,089</u>	<u>696,300</u>	<u>337,600</u>	<u>524,800</u>	_____
No. ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____
Is Item Included In Current Budget? Yes <u>X</u> No _____					
Budget Account No.: Fund <u>various</u> Department _____ Unit _____					
Object _____ Reporting Category _____					

### B. Recommended Sources of Funds/Summary of Fiscal Impact: State grant funds, interest earnings and County contribution

### C. Departmental Fiscal Review:

## III. REVIEW COMMENTS

### A. OFMB Fiscal and/or Contract Dev. and Control Comments: Fiscal impact includes installment payments and consumables.

Shwillhite 5.9.08  
OFMB  
5/9/08

Dr. J. Faust 5/13/08  
Contract Dev. and Control

### B. Legal Sufficiency:

David H. John 5/14/08  
Assistant County Attorney

The contract language complies with County requirements. At the time of our review, the contract was not executed, and the insurance certificate was not available.

### C. Other Department Review:

\_\_\_\_\_  
Department Director

REVISED 9/03  
ADM FORM 01

(THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT.)

**USE AGREEMENT BETWEEN PALM BEACH COUNTY,  
THE SUPERVISOR OF ELECTIONS, AND  
RUNBECK ELECTION SERVICES, INC. FOR  
SENTIO BALLOT PRINTING EQUIPMENT**

**THIS USE AGREEMENT** is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2008, (the "Effective Date") by and between the Palm Beach County Board of County Commissioners ("County"), located at 301 North Olive Avenue, West Palm Beach, FL 33401, the Palm Beach County Supervisor of Elections ("SOE"), located at 240 South Military Trail, West Palm Beach, FL 33415, and Runbeck Election Services, Inc. ("Runbeck"), a foreign corporation authorized to do business in the State of Florida, located at 2404 West 14<sup>th</sup> Street, Suite 110, Tempe, AZ 85281-6929.

**RECITALS**

**WHEREAS**, Runbeck is the owner of Sentio ballot printing equipment and related consumables ("the Equipment") as is more fully described in "Exhibit A", which is attached hereto and incorporated herein; and

**WHEREAS**, the SOE desires to use the Equipment for election purposes in accordance with the terms and conditions set forth in this Agreement; and

**WHEREAS**, the County, pursuant to Section 101.294(1), F.S., is mandated to purchase voting equipment that has been certified by the State of Florida for use by the SOE; and

**WHEREAS**, the SOE has determined that the "pick and pull" method of retrieving ballots during the "early voting" period is inefficient and impracticable; and

**WHEREAS**, Runbeck is the sole provider of ballot printing equipment certified by the State of Florida; and

**WHEREAS**, the County and the SOE (collectively referred to as "Customer") and Runbeck desire to enter into this Agreement.

**NOW, THEREFORE**, in consideration of the mutual benefits and promises set forth herein, the parties agree as follows.

**1. SCOPE OF AGREEMENT**

This Agreement shall consist of the terms and conditions set forth herein together with "Exhibit A", which is attached hereto and incorporated herein. Exhibit A includes a detailed description of the Sentio Ballot Printing System including, but not limited to the Early Voting System Design, the Absentee Voting System Design, Support Services, and Price Page. In the event of a conflict between a term or condition in the body of this Agreement and a term or condition contained in Exhibit A, the term and condition in Exhibit A, to the extent inconsistent, shall control.



**2. TERM**

This Agreement shall commence upon the Effective Date set forth hereinabove and shall remain in full force and effect for a period of four (4) years. Thereafter, this Agreement may be renewed for a period of four (4) one (1) year renewal periods pursuant to Exhibit A, End of Contract Options, based upon mutual consent of the parties hereto. At the end of the Term of this Agreement, the SOE shall return all Equipment to Runbeck at the sole expense of the SOE.

**3. OWNERSHIP OF EQUIPMENT**

Throughout the Term of this Agreement, the Equipment, as fully described in Exhibit A to this Agreement, is, and shall remain, the sole property of Runbeck. The Customer shall have no ownership right or interest in the Equipment. Any alteration, modification, addition, replacement, or improvement to the Equipment made by Customer will immediately become the property of Runbeck.

**4. USE OF EQUIPMENT**

The SOE agrees to use the Equipment in accordance with the terms and conditions provided herein. In addition, the SOE may use and move the Equipment, in a careful manner, to other location(s) within Palm Beach County for election related purposes without prior consent of Runbeck.

**5. DELIVERY OF EQUIPMENT**

On or about June 1, 2008, Runbeck shall deliver the Equipment to the location(s) designated by the SOE. The date(s) and time(s) for delivery of the Equipment shall be mutually agreed upon by the SOE and Runbeck; however, in no instance will delivery occur after July 15, 2008. Delivery of the Equipment shall be FOB, and shipping, insurance, and the risk of loss associated with delivery of the Equipment shall be the sole responsibility of Runbeck.

**6. MAINTENANCE OF EQUIPMENT**

The SOE will maintain the Equipment in good working condition throughout the Term of this Agreement. Runbeck will be responsible for paying all costs associated with any maintenance, repairs, or replacements that are a result of the ordinary use, operation, and possession of the Equipment by the SOE. The SOE will not misuse or neglect the Equipment and will be responsible for all costs associated with any maintenance, repair, or replacement required as a result of misuse, neglect, or accidental damage caused while in possession of the Equipment. The SOE will permit Runbeck to inspect the Equipment at reasonable dates and times during normal operating hours.

**7. SUPPORT SERVICES**

Runbeck shall provide support services to the SOE as specifically set forth in Exhibit A of this Agreement. Said support services include, but are not limited to, consumables, materials management, software and hardware maintenance, the provision of spare units, a dedicated account manager, early voting support, training, ballot set up support, election support, staffing of the printing system for initial absentee ballot printing, an absentee folder, an absentee print server, and one (1) router for each early voting site.

- A. The SOE agrees to replace all consumables while operating printers during an election cycle from the supply provided by Runbeck under this Agreement.
- B. The SOE agrees to provide a storage area for the storage of the printers and all consumables as described herein. The SOE will maintain the storage area at proper environmental conditions, i.e., between sixty (60) degrees and eighty-five (85) degrees Fahrenheit and



between thirty percent (30%) and seventy-five percent (75%) humidity. The SOE agrees to transport paper to be printed at least three (3) days prior to intended use if the paper is stored at a facility apart from the printing operation. Further, the SOE agrees to provide Runbeck notice of an election at least sixty (60) days in advance of the first (1<sup>st</sup>) day print services will be required.

- C. Runbeck agrees to provide three (3) spare printers and one (1) audit computer system during the early voting cycle. These units will be pre-configured for immediate use upon installation at a site, thereby minimizing downtime in the event of a major component failure.
- D. Runbeck agrees to assign a dedicated team member whose sole responsibility will be to support the Customer during declared election cycles upon installation of twenty (20) or more Sentio units.
- E. Runbeck agrees to assign two (2) fully trained technicians for the 2008/2010 primary and general early voting cycles to provide expedited response and remedy of problems which may occur at early voting sites. These technicians will be in addition to any temporary staff assigned to EV sites for start up support and the dedicated account manager.
- F. Runbeck agrees to provide training on a pre-scheduled basis in advance of a declared election. Number and length of training sessions will be mutually agreed upon in advance by the SOE and Runbeck. The SOE agrees to provide a facility to hold training sessions.
- G. Upon the SOE's final proofing and release of ballot PDFs, Runbeck's support team shall be responsible for the proper printer set and testing of the printers to ensure mechanical alignment for the production of readable ballots.
- H. Runbeck agrees to provide all staffing to load and operate all printers and folder(s) for the printing of the initial absentee request run. The SOE will be responsible for the operation of the printers and folder(s) for daily absentee ballot printing.

## **8. PAYMENT**

### **A. Use of Equipment**

The County agrees to pay Runbeck for the use of the Equipment in accordance with the Price Page included in Exhibit A of this Agreement. Upon delivery of the Equipment, Runbeck shall submit an itemized invoice listing the Equipment for which payment is sought. The SOE shall review the invoice(s) submitted by Runbeck. The SOE shall review the invoice and, once approved, shall forward the approved invoice to the designated Assistant County Administrator for review. Upon review, the Assistant County Administrator shall forward the invoice to the Clerk and Comptroller for payment. The County and the Clerk and Comptroller shall make every attempt to pay Runbeck within thirty (30) days of the SOE's approval of said invoice. Runbeck shall submit all invoices to the SOE at 240 South Military Trail, West Palm Beach, FL 33415.

The County shall pay each annual payment to Runbeck on the date set forth in Exhibit A of this Agreement. Runbeck will provide the SOE with an invoice for each payment approximately forty-five (45) days prior to the specified due date. The SOE shall review



the invoice and, once approved, shall forward the approved invoice to the designated Assistant County Administrator for review. Upon review, the Assistant County Administrator shall forward the invoice to the Clerk and Comptroller for payment. The County and the Clerk and Comptroller shall make every attempt to pay Runbeck within thirty (30) days of the SOE's approval of said invoice. Runbeck shall submit all invoices to the SOE at 240 South Military Trail, West Palm Beach, FL 33415.

Should the parties renew this Use Agreement, payment for Use of Equipment shall be made in accordance with the provisions as set forth in Exhibit A, End of Contract Options.

**B. Ballot Service Fee**

County agrees to pay Runbeck the Ballot Service Fee as set forth in the Price Page included in Exhibit A of this Agreement. For the purposes hereof, "Ballot Sheet" means a sheet of paper, regardless of whether printed on one (1) or two (2) sides that is produced through the SOE's use of the Equipment and is registered on the Equipment as such. Ballot usage will be determined by the Sentio Print Audit Software, which will account for every ballot request, by ballot type, processed through the software for printing. For the purposes hereof, "Absentee Ballot" means a ballot requiring folding that has been generated through the Sentio Absentee production Software. Runbeck shall submit for review an itemized invoice for said service fee to the SOE within forty-five (45) days of the election. The SOE shall review the invoice and, once approved, shall forward the approved invoice to the designated Assistant County Administrator for review. Upon review, the Assistant County Administrator shall forward the invoice to the Clerk and Comptroller for payment. The County and the Clerk and Comptroller shall make every attempt to pay Runbeck within thirty (30) days of the SOE's approval of said invoice. Runbeck shall submit all invoices to the SOE at 240 South Military Trail, West Palm Beach, FL 33415.

Should the parties renew this Use Agreement, payment for the Ballot Service Fee shall be made in accordance with the provisions as set forth in Exhibit A, End of Contract Options.

**9. USE OF EQUIPMENT SOFTWARE**

The Equipment incorporates software which constitutes an Intellectual Property Right, currently owned by Runbeck. Runbeck agrees to allow the SOE to use the software included in the Equipment for the operation of same, as contemplated by this Agreement. The Customer shall not, and shall not permit any third party to, reverse engineer, disassemble, decompile, decipher, analyze, or modify the software in whole or in part without the prior written authorization of Runbeck. Runbeck shall retain its rights in any Intellectual Property Rights owned by or licensed to it prior to the Effective Date of this Agreement. For purposes of this Agreement, "Intellectual Property Rights" shall include, but not be limited to rights in inventions, know-how, patents, registered designs, design rights, trade names, trademarks, service marks, trade secrets, copyrights, semiconductor design rights, mask works and topography rights whether or not registered and including any application to register any of the same, and all rights or forms of protection of a similar nature or having equivalent effect which may subsist anywhere in the world.

**10. TAXATION**

The County is exempt from the payment of Florida State Sales and Use Taxes. Upon request, the County shall provide a copy of its certificate establishing its exemption. Runbeck shall not be exempted from paying sales tax to its suppliers for materials used to fulfill contractual obligations with the County, and is not authorized to use the County's Tax Exemption Number in securing such materials. Runbeck shall be responsible for payment of taxes on Runbeck's income and withholding of payroll taxes on Runbeck's employees as required by law.

**11. INDEMNIFICATION**

Runbeck hereby agrees to protect, defend, indemnify and hold Customer, its agents, employees and elected officials harmless from and against any and all claims, liability, loss, expense, cost, damages, or causes of action of every kind or character, including attorney's fees and costs, whether at trial or appellate levels or otherwise, arising, during and as a result of Runbeck's performance of the terms or conditions of this Agreement. Runbeck will have no liability to Customer for damages resulting from Customer's misuse or neglect in the use, operation or possession by Customer of the Equipment.

**12. INSURANCE**

**A. Insurance Required**

Throughout the term of this Agreement, Runbeck shall maintain in full force and effect the following insurance coverage:

**1) Worker's Compensation**

Runbeck shall maintain during the term of this Agreement, Workers' Compensation Insurance, including Employers' Liability Coverage, in accordance with Florida Statute Chapter 440. Coverage shall be provided on a primary basis.

**2) Commercial General Liability**

Runbeck agrees to maintain Commercial General Liability at a limit of liability not less than \$1,000,000 Each Occurrence. Coverage shall not contain any endorsement(s) excluding nor limiting Premises/Operations, Personal Injury, Product/Completed Operations, Contractual Liability, Severability of Interests or Cross Liability. Coverage shall be provided on a primary basis.

**3) Business Automobile Liability**

Runbeck agrees to maintain Business Automobile Liability at a limit of liability not less than \$1,000,000 Each Occurrence. Coverage shall include liability for Owned, Non-Owned & Hired automobiles. In the event Runbeck does not own automobiles, Runbeck agrees to maintain coverage for Hired & Non-Owned Auto Liability, which may be satisfied by way of endorsement to the Commercial General Liability policy or separate Business Auto Liability policy. Coverage shall be provided on a primary basis.



**B. Additional Insured**

Runbeck agrees to endorse the County as an Additional Insured with a CG026 Additional Insured – Designated Person or Organization endorsement to their Commercial General Liability policy. The Additional Insured endorsement shall read “Palm Beach County Board of County Commissioners, a Political Subdivision of the State of Florida, its Officers, Employees and Agents”. Coverage shall be provided on a primary basis.

**C. Waiver of Subrogation**

By entering into this Agreement, Runbeck agrees to a Waiver of Subrogation for each required insurance policy herein. When required by the insurer, or should a policy condition not permit Runbeck to enter into a pre-loss agreement to waive subrogation without an endorsement, Runbeck agrees to notify the insurer and request the policy be endorsed with a Waiver of Transfer of Rights of Recovery Against Others, or its equivalent. This Waiver of Subrogation requirement shall not apply to any policy which includes a condition to the policy specifically prohibiting such an endorsement, or voids coverage should Runbeck enter into such an agreement on a pre-loss basis.

**D. Certificate(s) of Insurance**

Runbeck agrees to provide the County with a Certificate(s) of Insurance evidencing that all coverages, limits and endorsements required herein are maintained and in full force and effect. Said Certificate(s) of Insurance shall include a minimum thirty (30) day endeavor to notify County due to cancellation (10 days for nonpayment of premium) or non-renewal of coverage. The Certificate Holder address shall read: Palm Beach County c/o Purchasing Department, 50 South Military Trail, Suite 110, West Palm Beach, FL 33415.

**E. Right to Revise or Reject**

The County, by and through its Risk Management Department, reserves the right to review, modify, reject, or accept any required policies of insurance, including limits, coverages, or endorsements, herein from time to time throughout the term of this Agreement. The County reserves the right, but not the obligation, to review and reject any insurer providing coverage because of poor financial condition or failure to operate legally.

**13. ASSIGNMENT**

Neither Runbeck nor Customer shall not assign, convey or transfer any right or interest under this Agreement without the prior written consent of the Customer. Notwithstanding the foregoing, Runbeck may assign this Agreement to any entity owned or controlled by, or under common control with Runbeck. In no case shall such consent relieve Runbeck from its obligations or change the terms of this Agreement.

**14. SEVERABILITY**

If any term or provision of this Agreement, or the application thereof, to any person or circumstances shall, to any extent, be held invalid or unenforceable, the remainder of this Agreement, or the application of such terms and provisions, to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and every other term and provision of this Agreement shall be deemed valid and enforceable to the extent permitted by law.



**15. NONDISCRIMINATION**

Runbeck warrants and represents that it is an equal opportunity employer that does not discriminate on the basis of race, color, religion, disability, sex, age, national origin, ancestry, marital status, or sexual orientation.

**16. EXCUSABLE DELAYS**

Neither Customer nor Runbeck shall be considered in default by reason of any failure in performance if such failure arises out of causes reasonably beyond the control of the Customer or Runbeck and without fault or negligence. Such causes include, but are not limited to, acts of God, force majeure, natural or public health emergencies, labor disputes, freight embargoes, and abnormally severe and unusual weather conditions.

**17. DUE AUTHORIZATION**

Customer and Runbeck each represent to the other that this Agreement has been duly authorized and executed on behalf of each party, and is a legally binding obligation of each party. County represents that all funds necessary for it to satisfy its payment obligations hereunder have been duly appropriated and authorized.

**18. TERMINATION**

This Agreement may be terminated by any non-breaching party upon thirty (30) days written notice to the party breaching the terms or conditions of this Agreement who fails to cure such breach within thirty (30) days of receipt of written notice from a non-breaching party, or within a reasonable shorter or longer period of time as determined by a non-breaching party. In the event this Agreement is terminated, all amounts owing to Runbeck accrued prior to such termination shall be due and payable, and the SOE, at its sole expense, will return the Equipment to Runbeck. The termination rights under this Agreement are in addition to and not in lieu of all other remedies available to any party by law, equity or otherwise, all of which remedies are reserved and each of which may be exercised simultaneously or in the alternative.

**19. ENTIRE AGREEMENT**

This Agreement, inclusive of Exhibit A attached hereto, is the entire agreement between the parties and supersedes any other agreement between the parties hereto. This Agreement may be amended only by written Agreement executed by the County, SOE, and Runbeck. No term or condition of this Agreement can be waived except by a written Amendment executed by the parties hereto.

**20. NOTICES**

Any notice given under the provisions of this Agreement shall be in writing and shall be sent by U.S. Mail to:

**FOR COUNTY:**

Director  
Office of Financial Management and Budget  
Palm Beach County  
301 N. Olive Avenue, 7<sup>th</sup> Floor  
West Palm Beach, FL 33401

**FOR SOE:** Supervisor Of Elections  
Palm Beach County  
240 S. Military Trail  
West Palm Beach, FL 33415

**FOR RUNBECK:** President  
Runbeck Election Services, Inc.  
2404 West 14<sup>th</sup> Street, Ste. 110  
Tempe, AZ 85281-6929.

**21. LAW; REMEDIES**

This Agreement shall be governed by and construed in accordance with the laws of the State of Florida. Any and all legal action necessary to enforce the Agreement will be held in Palm Beach County. No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder now or hereafter existing at law, or in equity, by statute or otherwise. No single or partial exercise by any party of any right, power, or remedy hereunder shall preclude any other or further exercise thereof.

**22. NO THIRD PARTY BENEFICIARIES**

Runbeck and Customer agree that this Agreement is not intended to confer any rights or benefits on any third party, and that there are no third party beneficiaries of this Agreement or any part or specific provision of this Agreement, and no third party shall have any right to enforce this Agreement or any provision hereof. Anything herein to the contrary notwithstanding, Customer may loan Equipment within the County of Palm Beach, Florida to municipalities, special districts, home owner associations, or other entities that currently utilize the voting machine and equipment as approved by the SOE.

**23. PUBLIC ENTITY CRIMES**

As provided in Section 287.132-133, F.S., by entering into this Agreement or performing any work in furtherance hereof, Runbeck certifies that it, its affiliates, suppliers, subcontractors, and consultants who will perform hereunder, have not been placed on the convicted vendor list maintained by the State of Florida Department of Management Services within the thirty-six (36) months immediately preceding the date hereof. This notice is required by Section 287.133(3)(a).

**24. CRIMINAL HISTORY RECORDS CHECK**

Runbeck shall comply with the provisions of Ordinance 2003-030, the Criminal History Records Check Ordinance ("Ordinance"), if Runbeck's employees or subcontractors are required under this contract to enter a "critical facility" as identified in Resolution R-2003-1274. Runbeck acknowledges and agrees that all employees and subcontractors who are to enter a "critical facility" will be subject to a fingerprint based criminal history records check. Although Runbeck agrees to pay for all applicable FDLE/FBI fees required for criminal history record checks, Runbeck shall be solely responsible for the financial, schedule, and staffing implications associated in complying with Ordinance 2003-030.



**25. REGULATIONS; LICENSING REQUIREMENTS**

Runbeck shall comply with all laws, ordinances and regulations applicable to the Equipment and services contemplated in this Agreement. Runbeck is presumed to be familiar with all federal, state and local laws, ordinances, codes and regulations that may in any way affect the services offered.

**26. CONFLICT OF INTEREST**

Runbeck shall fully complete and execute a "Disclosure of Ownership Interests" Form. Runbeck represents that it presently has no interest and shall acquire no interest, either directly or indirectly, which would conflict in any manner with the performance or services required hereunder, as provided for in Chapter 112, Part III, Florida statutes. Runbeck further represents that no person having any conflict of interest shall be employed for said performance or services.

Runbeck shall promptly notify the Customer's representative, in writing, by certified mail, of all potential conflicts of interest for any prospective business association, interest or other circumstance which may influence, or appear to influence, Runbeck's judgment or quality of services being provided hereunder. Such written notification shall identify the prospective business association, interest or circumstance, the nature of work that Runbeck may undertake and request an opinion of the Customer as to whether the association, interest or circumstance would, in the opinion of the Customer, constitute a conflict of interest if entered into by Runbeck. The Customer agrees to notify Runbeck of its opinion by certified mail within thirty (30) days of receipt of notification by Runbeck. If, in the opinion of the Customer, the prospective business association, interest or circumstance would not constitute a conflict of interest by Runbeck, the Customer shall so state in the notification and Runbeck shall, at its option, enter into said association, interest or circumstance and it shall be deemed not in conflict of interest with respect to services provided to the Customer by Runbeck under the terms of this Agreement.

**27. AVAILABILITY OF FUNDS**

The County's performance and obligation to pay under this Agreement is contingent upon an annual appropriation for its purpose by the Board of County Commissioners.

**28. ARREARS**

Runbeck shall not pledge the County's credit or make it a guarantor of payment or surety for any contract, debt, obligation, judgment, lien, or any form of indebtedness. Runbeck further warrants and represents that it has no obligation or indebtedness that would impair its ability to fulfill the terms of this Agreement.

**29. INDEPENDENT CONTRACTOR RELATIONSHIP**

Runbeck is, and shall be, in the performance of all work, services, and activities under this Agreement, an Independent Contractor and not an employee, agent or servant of the County or the SOE. All persons engaged in any of the work or services performed pursuant to this Agreement shall at all times, and in all places, be subject to Runbeck's sole direction, supervision, and control. Runbeck shall exercise control over the means and manner in which it and its employees perform the work, and in all respects Runbeck's relationship, and the relationship of its employees to the County or the SOE shall be that of an Independent Contractor and not as employees or agents of the County or the SOE.

**30. CONTINGENT FEE**

Runbeck warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for Runbeck, to solicit or secure this Agreement and that it has not paid or agreed to pay any person, company, corporation, individual, or firm, other than a bona fide employee working solely for Runbeck, any fee, commission, percentage, gift, or any other consideration contingent upon or resulting from the award or making of this Agreement.

IN WITNESS WHEREOF, the Board of County Commissioners of Palm Beach County, Florida has made and executed this Agreement on behalf of the County and has hereunto set its hand the day and year above written.

**ATTEST:**

**SHARON R. BOCK**  
**CLERK AND COMPTROLLER**

By: \_\_\_\_\_  
Deputy Clerk

**PALM BEACH COUNTY, FLORIDA BY ITS**  
**BOARD OF COUNTY COMMISSIONERS**

By: \_\_\_\_\_  
Chair

**WITNESSES:**

\_\_\_\_\_  
Name (Type or Print)

\_\_\_\_\_  
Signature

**PALM BEACH COUNTY**  
**SUPERVISOR OF ELECTIONS**

By: \_\_\_\_\_  
A.W. Anderson, Supervisor of Elections

**WITNESSES:**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Type or Print)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Type or Print)

**RUNBECK ELECTION SERVICES, INC.**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (Type or Print)

\_\_\_\_\_  
Title

**APPROVED AS TO FORM**  
**AND LEGAL SUFFICIENCY**

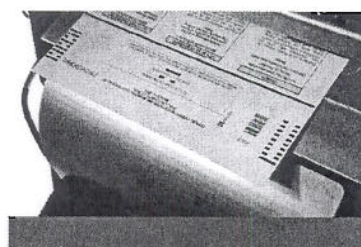
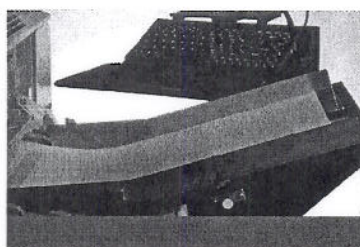
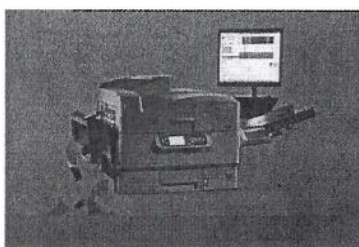
By: \_\_\_\_\_  
County Attorney





# ***Sentio***

## **BALLOT PRINTING SYSTEM**



### **Exhibit A**

**Palm Beach County  
Supervisor of Elections**



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## **Sentio Ballot Printing System**

The Sentio Ballot Printing System is a comprehensive solution that addresses the unique challenge of printing ballots on demand by providing the technology and services to ensure accurate, efficient and secure ballot printing for both absentee and early voting applications in Florida. Following is a description of our Sentio Ballot Printing System, with specific features that are included on our proposed system.

### **Early Voting System Design**

#### ***Base System***

The Sentio is a turnkey system that includes all components necessary for safe, accurate and secure ballot printing. This minimizes the number of employees needed to transport the system, reduces the time and labor resources needed to move the units into the early voting sites, and eliminates the need to train county employees on system installation, allowing them to focus on other critical, early voting tasks.

The Sentio includes the following components which allow it to be a true “roll up” & “plug-in” solution:

- Oki Data 9600 Series Print engine
- Sentio Chassis with
  - Built in handles to accommodate movement of unit
  - Large rubber wheels to accommodate movement of unit and help prevent damage to electronic components
  - Storage capacity for printer supplies and paper
  - Built in rack for installation of CPU and UPS
  - Channels for clutter free installation of all required cables
- Sentio CPU with uninterrupted Power Supply for safe shutdown of CPU in event of power outage
- All required internal network cables and power cords

The only actions required by county employees to activate the Sentio upon delivery is to:

- Plug in a single power cord and connect a single network cable to the router for transmission of VR request data
- Sign onto the Sentio computer and Early Voting software with user name and password



### ***Ballot Printing Accuracy and Readability***

The ability for a printer to maintain alignment, and therefore consistently produce a readable ballot, requires that the printer settings and adjustments remain constant over the course of the entire election cycle. The Sentio utilizes a patent pending feeder device that mitigates these risks by incorporating the following features:

- Precise, micro adjustments dials allows exact setup and alignment of paper
- Heavy duty, stainless steel side guides along the entire length of the ballot maintains accurate feeding
- Locking adjustment mechanism secures sides guides during paper loading or if accidentally bumped

The combination of our support and technology provides the highest level of certainty that printing units will produce accurate, readable ballot upon set up and during the entire early voting cycle.

### ***Ballot Automation***

#### **Voter Registration System Interface**

Sentio's open architecture was designed with the specific ability to integrate with our customer's Voter Registration systems. In the case of early voting, this allows direct communication between the counties laptop or other check in station and the Sentio. With this solution, ballot printing can begin immediately upon completion of the verification process, without requiring additional prompts or entries. This ensures accurate ballot selection, expedient print and minimal operator involvement or training.

#### **Ballot Routing Feature**

This software feature provides:

- A method to assist in routing the correct ballot to a voter during early voting
- A means of ensuring that the voter received a complete ballot set in instances of multiple page ballots

Sentio's unique printing software fulfills these important needs by overlaying key data and information on the ballot, or ballot stub, to assist in accurate distribution. These data elements include such information as:

- Identifier on stub to help deliver correct ballot to voter
- Page identification mark-page "1 of 2", "2 of 2", etc (stub and/ or ballot)
- Precinct identifier (stub and/or ballot)

#### **Supplemental Ballot Information**

The Sentio Ballot Printing provides the ability to print otheruseful supplemental information such as:

- The type of ballot being generated (e.g., "EARLY VOTE" or "PROVISIONAL")
- Information such as 1<sup>st</sup> ballot, 2<sup>nd</sup> ballot, etc, based on information in the request file
- EV site where the ballot was printed, such "NW Region EV Site", etc,





Printing of this information is not required- customers have the choice to print only data they feel appropriate on the ballot. The county can determine the font, size, color and location for printing of each of these fields.

#### **Heavy Stock Duplex Printing**

With this feature, the Sentio will print both sides of the ballot automatically, outputting a completed page without requiring operator intervention. Material specifications for auto duplex are:

- Pages less than 18" in total length
- Ballot stock of 110# index or less

#### **System Security and Audit**

Utilization of an on-demand ballot printing system outside the security of an election office requires a high level of system security and audit trail in order to protect the integrity of the electoral process and provide counties with a means to validate and verify its accuracy. To accomplish this, our Sentio ballot printing system includes the following.

#### **Multiple Software Security Layers**

Sentio requires sign in of user name and password for both the operating system and early voting software to prevent against unauthorized access:

#### **Closed Printing System**

The Sentio Ballot Printing Audit Software is designed to generate and print ballot only when a valid, authenticated request is received from the voter registration system. Consequently, access through both the Sentio and voter registration system (both of which are secure) are necessary in order to print ballots, further protecting against unauthorized ballot printing.

#### **Physical Audit**

The Sentio Ballot Audit System will scan each page exiting the printer to verify the following:

- To authenticate a valid request was received for a ballot to be printed
- The ballot being printed matches the requests
- The correct number of pages have been printed

Any error conditions will be identified and noted on the CRT screen for operator action and resolutions.

#### **Electronic Audit Trail**

The Sentio Audit System generates reports in both electronic and hard copy format as a tool to both verify results and troubleshoot abnormalities. These audit reports are available in summary and detailed formats. Detailed reports may include the following data:

- Voter name
- Voter ID
- Voter precinct
- Voter Style



- Sentio operator
- Voter check in operator
- Number of pages in ballot
- Time and date ballot request was sent
- Status of ballot (Printed, pending, failed, reprinted)

## **Absentee Voting System Design**

The following are additional features included with the Sentio Ballot Printing System to improve the efficiency and reduce costs associated with absentee printing.

### **Relia-Vote interface**

Sentio's open architecture was designed with the specific ability to ingest any comma delimited or fixed field format. This allows the ability to directly import ballot data from the county's Relia-Vote system and automatically generate the correct quantity of ballots.

### **Auto Ballot Generation**

While Relia-Vote greatly improves the efficiency of absentee processing, the ability to optimize the Relia-Vote and take maximum advantage of its capabilities requires ballot production to be precise, particularly in a multiple page environment. Therefore, upon ingestion of an MRDF file, the system will automatically perform the following functions:

- Determine the correct quantity of ballots required for each precinct or style
- Create a print stream for the correct quantity of required ballots in precinct or style order
- For ballots requiring multiple pages, a separate ballot stream will be created for each card
- Adds a header and trailer sheet for each page group and job to simplify tracking

### **Supplemental and Precinct Ballot Information**

As with the early voting system, the Sentio can print supplemental and/ or precinct data on absentee ballots. This can include information such as:

- "ABSENTEE", "PRECINCT", "TEST" on each ballot based on the mode of printing
- A precinct identifier as either text and/ or barcode, based upon the information in the absentee request file to allow the continued use of style formatted ballots on Relia-Vote inserting systems.

The county can determine the font, size, color and location for printing of each of these fields.





## Price Page

### Unit breakdown

10 Early Voting Sites with 2 units each  
 4 Counter Sites with 1 unit each  
 1 Unit for duplication purposes  
 6 Units for absentee processing

### Usage fee

	<u>Payment Each</u>	<u>Total Annual Payment</u>
(6) Base Systems with:		
Integrated EV Software		
Integrated Absentee Software		
Security and Audit		
Dual Simplex Functionality for Absentee	\$14,896	\$89,376
(25) Base Systems with:		
Integrated EV Software		
Integrated Production Software		
Security and Audit		
Duplex printing of Sequoia 110# stock	\$13,988	<u>\$349,700</u>
	Subtotal	\$439,076
	14.5% Multi-unit discount	<u>\$63,666</u>
	Net annual Cost	\$375,410

### Payment Schedule

<u>Year 1</u>	<u>Total Annual Payment</u>	<u>Due Date</u>
1	\$750,000	***
2	\$250,000	6/30/2009
3	\$250,000	6/30/2010
4	\$210,000	6/30/2011

Payment schedule above reflects a \$41,640 reduction in overall payments due to the larger first year payment.

\*\*\*The initial payment of \$750,000 shall be made by County within 30 days of delivery and acceptance of all Equipment.



### **Ballot Service Fee**

The following fees will be billed for each ballot sheet printed:

Absentee Ballot:	\$ .70
Early Voting Ballot	\$ .50
Precinct/ Test Ballots	\$ .40
Header/Trailer/Job Pages	\$ .10

### **Volume/ Tiered Discounts**

The following pricing structure shall apply to absentee ballots printed within a single election cycle:

Ballot Quantity	Rate
0-200,000	\$ .70 (standard pricing)
200-400,000	\$ .68
400-600,000	\$ .66
600-800,000	\$ .64
800-1,000,000	\$ .62
1,000,000+	\$ .60

### **Ballot Set Up Fee**

This is a per election event.

Cost is a \$400 set up fee, + \$1 per unique PDF (style or precinct).

### **End of Contract Options**

- Return Equipment to Runbeck Election Services
- Update equipment with new capabilities at a newly negotiated cost
- Renew rental of the existing equipment, on an annual basis for up to 4 additional years, at the following costs:
  - Absentee units at \$3185 per year
  - Early voting units at \$2990 per year

This fee is in addition to the ballot service and election support fees previously described. These fees will be subject to a renewal adjustment up to a maximum of

- 7% for the 1<sup>st</sup> renewal year
- 2.5% per year for each of the subsequent 3 renewal years



08- 0969

BOARD OF COUNTY COMMISSIONERS  
PALM BEACH COUNTY, FLORIDA  
BUDGET TRANSFER

FUND 1171 - Optical Scan Voting Equipment

BG-EX-180-090908-2736

ACCOUNT NUMBER	ACCOUNT NAME	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED 05/08/08	REMAINING BALANCE
<u>EXPENDITURES</u>								
Transfers - Fund 1171								
820-9009-9332	Tr To Ballot-on-Demand Equip Grant Fd 1172	0	0	279,960	0	279,960	0	279,960
Voting Equipment								
180-1101-6507	Machinery & Equipment	5,930,500	5,845,960	0	279,960	5,566,000	5,566,000	0
TOTAL				279,960	279,960			

Office of Financial Management & Budget  
INITIATING DEPARTMENT/DIVISION  
Administration/Budget Department Approval  
OFMB Department - Posted

Signatures

Date

By Board of County Commissioners  
At Meeting of 05/20/08

Deputy Clerk to the  
Board of County Commissioners

BM  
5-9-08

atwillhite 5.9.08

08 - 0970

BOARD OF COUNTY COMMISSIONERS  
PALM BEACH COUNTY, FLORIDA  
BUDGET AMENDMENT

FUND 1172 - Ballot on Demand Equipment

B6FX-180-050908-2727  
B6LV-180-050908-590

ACCOUNT NUMBER	ACCOUNT NAME	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED 05/08/08	REMAINING BALANCE
<b><u>REVENUES</u></b>								
Voting Equipment 180-1101-8331	Tr Fr Optical Scan Voting Eq Grant Fd 1171	0	0	279,960	0	279,960		
<b>TOTAL REVENUES</b>		394,412	486,448	279,960	0	766,408		
<b><u>EXPENDITURES</u></b>								
Voting Equipment 180-1101-4405	Rent - Other Equipment	394,412	486,448	279,960	0	766,408	0	766,408
<b>TOTAL EXPENDITURES</b>		394,412	486,448	279,960	0	486,448		

Office of Financial Management & Budget  
INITIATING DEPARTMENT/DIVISION  
Administration/Budget Department Approval  
OFMB Department - Posted

Signatures

Date

By Board of County Commissioners  
At Meeting of 05/20/08

aswillhite 5.9.08

am  
5-9-08

Deputy Clerk to the  
Board of County Commissioners