



Report to: General Committee

Date Report Authored: April 07, 2014

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**SUBJECT:** 2014 Municipal Election - Award of Proposal 246-R-13 – Provision of Optical Scan Vote Tabulation & Online Voting System, Support & Services

**PREPARED BY:** Stephen Huycke, Public Services & Records Coordinator, Ext. 4290  
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**RECOMMENDATION:**

- 1) THAT the report titled “2014 Municipal Election - Award of Proposal 246-R-13 – Provision of Optical Scan Vote Tabulation & Online Voting System, Support & Services” be received;
- 2) THAT the contract for Part 1 of Proposal 246-R-13, Optical Scan Vote Tabulation: Provision, Support & Services, be awarded to the highest ranked, lowest priced bidder, Election Systems & Software (ES&S), in the amount of \$169,647.62 (inclusive of HST);
- 3) THAT the contract for Part 2 of Proposal 246-R-13, Online Voting System: Provision, Support & Services, be awarded to the highest ranked, third lowest priced bidder, SCYTL Canada Inc., in the amount of \$260,781.37 (inclusive of HST);
- 4) That the award be funded from the Voting Equipment, supplies and services Election account (#310-311-7884); and further,
- 5) THAT Staff be authorized and directed to do all things necessary to give effect to this resolution.

**PURPOSE:**

The purpose of this report is to obtain approval to award the contract for Optical Scan Vote Tabulators and an Online Voting System for the 2014 Municipal Election.

**BACKGROUND:**

On November 20, 2012 Council passed By-law 2012-239 authorizing the use of Optical Scan Vote Tabulators and By-law 2012-238 authorizing the use of Internet Voting during the Early Voting Period for the 2014 Municipal Election. At this same meeting, Legislative Services Staff advised Council that they would also be evaluating the possibility of using a Telephone Voting System for the 2014 Municipal Election.

On October 4, 2013, the City issued RFP 246-R-13 for the provision of Optical Scan Vote Tabulators, an Online Voting System, and a Telephone Voting System for the 2014 Municipal Election. The RFP was divided into three parts. Part 1, the provision of Optical Scan Vote Tabulators, had sixty-five (65) different business and technical requirements. Part 2, the provision of an Online Voting System, had one hundred and

forty-eight (148) business and technical requirements. Part 3, the provision of a Telephone Voting System had one hundred and forty-seven (147) business and technical requirements. These requirements will help further the following election goals:

- Compliance with the Municipal Elections Act, 1996;
- Ensuring secrecy and confidentiality of the voter's choices;
- Protecting and improving the integrity of the election process;
- Ensuring certainty of results;
- Enhancing the efficiency of the voting process;
- Providing for greater access to independence in the voting process for persons with disabilities;
- Providing a high level of customer service to electors.

The business and technical requirements included a number of dimensions focused on security, accessibility and functionality. The criteria were developed based on previous Markham elections and following a review of similar recent Municipal Election RFPs. ITS staff researched and incorporated into the RFP a number of detailed technical requirements around security, functionality, ease of use, ability to support a two step registration process, ability to leverage Voters' List data on a real-time basis as well as overall voting data integrity. The technical requirements defined address the principles of the Municipal Elections Act and support the following conditions: voter privacy, voter authentication, secrecy of intermediate results, integrity of final election results, control of a Central Electoral Authority, auditability and conventional e-security measures.

**BID INFORMATION:**

Advertised, place and date	ETN
Bid closing date	November 14, 2014
Number picking up documents	6
Number responding to bid	4*

\*As allowed under the bid document, bidders were not required to bid on all three parts. Of the four bids received, the City received two submissions for Part 1, four submissions for part 2, and four submissions for part 3.

**PROPOSAL EVALUATION:**

The evaluation team was comprised of staff from ITS and Legislative Services, with Purchasing staff as the facilitator. Each of Parts 1, 2 and 3 were evaluated separately.

The evaluation of each part was based on pre-established evaluation criteria as detailed in the Request for Proposal: 10 points for "Relevant Experience and Expertise of the Firm & Team"; 10 points for "Project Understanding, Methodology, Delivery and Management"; 50 points for "Meeting Minimum Business and Technical Requirements"; and, 30 points for "Price"; totaling 100.

Staff weighted each of the Minimum Business and Technical Requirements based on its importance in ensuring functionality and security of the vote system. Further, to ensure each bidder understood the City's requirements and to allow staff members to review the proposed solutions, Staff invited each of the vendors to a presentation/interview

assessment as allowed in the bid document. These presentations were scored out of a possible 10 points, for a total score out of 110. The resulting scores are as follows:

### **PART 1 – OPTICAL SCAN VOTE TABULATION: PROVISION, SUPPORT & SERVICES**

<b>Supplier</b>	<b>Score (out of 100)</b>	<b>Overall Score (out of 110)</b>	<b>Rank Results</b>
<b>Election Systems &amp; Software (ES&amp;S)</b>	86.47	<b>98.78</b>	<b>1</b>
Dominion Voting Systems	76.00	82.44	2
SCYTL Canada Inc.	NO BID		
Intellivote Systems Inc.	NO BID		

Election Systems & Software (“ES&S”), the lowest priced bidder, scored higher on the technical submission as well as in the presentation/interview assessment, demonstrating a thorough understanding of the project and its requirements. Election ES&S have been providing equipment to support Canadian municipal elections for more than 25 years. ES&S has supplied Markham with voting equipment in at least the last 4 Municipal Elections and By-Elections. Based on feedback from Markham following the 2010 Election, ES&S has made improvements to their Optical Scan Vote Tabulators (model DS200). These improvements, which were demonstrated by the vendor, ensure that the processing time for ballots are consistent throughout an electoral event. Staff are confident that the recommended vendor has exceeded the mandatory Business & Technical requirements as defined in Part 1 of the RFP.

The evaluation confirmed ES&S as the highest overall ranked bidder with the lowest price. Purchasing staff reviewed the supplier’s cost model and negotiated a 19% (\$38,711.07) cost reduction with ES&S for the recommended award from their initial proposed price.

### **PART 2 – ONLINE VOTING SYSTEM: PROVISION, SUPPORT & SERVICES**

<b>Supplier</b>	<b>Score (out of 100)</b>	<b>Overall Score (out of 110)</b>	<b>Rank Results</b>
<b>SCYTL Canada Inc.</b>	92.31	<b>98.78</b>	<b>1</b>
Intellivote Systems Inc.	88.63	96.63	2
Dominion Voting Systems	86.32	93.32	3
Election Systems & Software (ES&S)	86.31	Not Invited*	N/A

\*ES&S quoted Part 2 with SCYTL Canada Inc., as a consortium

Scytl Canada Inc. (“Scytl”), the third lowest priced bidder, scored higher on the technical submission as well as in the presentation/interview assessment, demonstrating a thorough understanding of the project and its requirements. Scytl is a wholly owned subsidiary of Scytl Secure Electronic Voting S.A., a Barcelona Spain company established in 2001. Scytl has provided online voting services to more than 100,000 election events worldwide, including a successful deployment of an online voting system for the

Regional Municipality of Halifax's 2012 Municipal Election. Scytl is the owner of numerous patents and patent applications related to e-democracy and online voting security.

Scytl's online voting solution is the leading solution in the online voting sector for executing transparent and secure elections. The electronic platform being offered has passed many certification and auditing processes performed by prestigious certification authorities, academia and subject matter experts in many countries around the world. Scytl is ISO 9001:2000 certified, following ISO/IEC 90003 guidelines for software development within the field of electronic voting.

The solution being provided implements a unique and patented cryptographic protocol, which combined with physical and logical security measures, provides an electronic voting platform that has the highest security levels available today.

The capabilities of the solution include: multi-device support with end-to-end advanced encryption; enhanced voter authentication and authorization; ensuring that only one vote per voter is counted and only from valid electors; individual verifiability; voter privacy; results validation; unique audit capabilities; execution of critical actions in isolated and physically segregated environments; advanced monitoring capabilities; seamless integration with vote tabulator provider (ES&S); full integration with Voters' List management provider (DataFix); solution hosted by redundant and reliable Tier 3+ data centers that have advanced control mechanisms for managing distributed denial of service attacks (DDOS); and solution hosting providers have passed SSAE 16 certifications.

In addition to end-to-end specialized security, Scytl uses all of the standard commercial security measures that complement the features of the cryptographic protocol, such as: audit trails, timeouts, system hardening, logical sealing, firewalls and secure architectures. The most common attacks that could be experienced during an electoral event are mitigated, including: phishing, denials of service, viruses, spying software, and replacement of audited software.

The evaluation confirmed Scytl as the highest overall ranked bidder with the third lowest price. Purchasing staff negotiated a 27% (\$106,979.27) cost reduction with Scytl for the recommended award from their initial proposed price.

#### **OPTIONS / DISCUSSIONS:**

Staff recommend that the City not deploy **Part 3 – Telephone Voting System: Provision, Support & Services**, for the Markham 2014 Municipal Election. Vendors of telephone voting systems have noticed a significant drop in the number of users of these systems over the past two Municipal Elections, while observing an increase in the number of internet voters. Markham is a highly connected City with more than 80% of households having internet access at home or on smart phones. Scytl's online voting solution is mobile friendly, which means eligible voters will be able to access the online voting system using these devices. Staff do not believe the extra time and expense required to deploy a Telephone Voting System in Markham is warranted.

**CONCLUSION**

Staff are confident that the recommended vendors, ES&S & Scytl, have exceeded the mandatory Business & Technical requirements as defined in the RFP for both optical scan vote tabulators and an online voting system. Both systems will allow the City to maintain the integrity of the election process.

**FINANCIAL CONSIDERATIONS AND TEMPLATE: (external link)**

The awards of the contract for Part 1 (\$169,647.62, inclusive of HST) and Part 2 (\$260,781.37, inclusive of HST) will be funded from the Voting Equipment, supplies and services Election account (#310-311-7884).

Item	Amount
Budget (account 310-311-7884)	\$ 758,958.00
Budget allocated for these items:	\$ 425,000.00
Part 1 & 2:	\$ 430,428.99
<b>Budget Shortfall:</b>	(\$ 5,428.99)*

\*The budget shortfall will be offset by the reduction in mailing expenses for the second step of the registration process as this will now be done via a secure email.

**HUMAN RESOURCES CONSIDERATIONS**

Not Applicable

**ALIGNMENT WITH STRATEGIC PRIORITIES:**

Not Applicable

**BUSINESS UNITS CONSULTED AND AFFECTED:**

ITS

**RECOMMENDED****BY:**

04/04/2014

04/04/2014

  
X

Kimberley Kitteringham  
City Clerk/Returning Officer

  
X

Trinela Cane  
Commissioner of Corporate Services

**ATTACHMENTS:**

Not Applicable