ALASKA PUBLIC OFFICES COMMISSION MINUTES REGULAR COMMISSION MEETING APRIL 1, 2013

A meeting of the Alaska Public Offices Commission came to order at 9:00 a.m. on Monday, April 1, 2013. The meeting was held at the 2221 E. Northern Lights, Blvd., Room 128, Anchorage, Alaska

Brackets [] indicate an agenda item number and that an information packet is included in the meeting binder. Asterisks * indicate that no information was included in the meeting binder.

In Attendance:

Commission: Elizabeth Hickerson - Chair

Kathleen King - Vice-Chair Kenneth Kirk - Commissioner

Vance Sanders - Commissioner, Telephonically Ronald King - Commissioner, Telephonically

Staff: Paul Dauphinais - Executive Director

Jerry Anderson - Assistant Director

Joan Mize - Juneau Program Coordinator, Telephonically

Thomas Lucas - Associate Attorney II Heather Hebdon - Associate Attorney II

July Lam - Associate Attorney I

Reuben Yerkes - Paralegal II, Telephonically

Tamara Douglas - Paralegal I Delight Mells - Paralegal I

Maria Bulfa - Law Office Assistant II Ramona Nicori - Law Office Assistant I

Attendees: Assistant Attorney General, Department of Law

William "Bill" Milks

John Ptacin

Jerome Selby v. Melvin Stephens II, 13-04-POFD

Cheryl Brooking - Complainant Attorney, Kodiak Borough,

Wohlforth, Brecht, Cartledge & Brooking

Melvin Stephens II - Respondent

Consent Agenda, POFD, Group, Civil Penalty Appeal

James Studley - POFD Reconsideration Request of Civil Penalty

Appeal, Telephonically

Tammy Smith - Vice - President for **Fairbanks Education Association**, **PACE** (**FEA**), Telephonically

Jack Brown - Former Treasurer for **Alaska Republican Party**, **District 34**

Debbie Brown - Alaska Republican Party, Alaska Republican Party, District 34

Kenneth Jacobus - Counsel for **Alaska Republican Party**, **District 34**

Charles Wiegers - Chairman for **Friends of the Interior** Telephonically

Bruce Schulte v. Alaska Democratic Party, 12-18-CD

Bruce Schulte - Complainant

Kay Brown - Executive Director, Alaska Democratic Party

Caroline P. Bolar v Alaska Republican Party, 12-16-CD

Caroline P. Bolar - Complainant

Randy Ruedrich - Former Chairman of the **Alaska Republican Party**

Kenneth Jacobus - Counsel for Alaska Republican Party

ON RECORD: 9:00 a.m.

Commissioner Hickerson called the meeting to order and welcomed the new APOC Commission member, Commissioner Ronald King.

Approval of the Agenda [*]

The Commission approved the agenda as written.

Approval of the Meeting Minutes [1]

• February 20, 2013

Commissioner K. King moved to approve meeting minutes as revised.

Commissioner Sanders seconded the motion.

The Commission voted 5-0 to approve the February 20, 2013 meeting minutes as revised.

Jerome M. Selby v. Melvin M. Stephens II, 13-04-POFD [2]

The staff report was presented by July Lam, APOC staff. Ms. Cheryl Brooking, Complainant Counsel from Wohlforth, Brecht, Cartledge & Brooking, and Mr. Melvin M. Stephens II, Respondent, both appeared in person and gave statements.

This complaint alleges that Melvin M. Stephens' II filed incomplete 2011 and 2012 Public Official Financial Disclosures (POFD) statements as an Assembly Member for Kodiak Island Borough under AS 39.50. Specifically, it was alleged that he received income from a client that was not listed on his POFD filings. Moreover, the complainant also alleges that Mr. Stephens violated Conflict of Interest issues, Duty of

Loyalty issues, and Alaska Rules of Professional Conduct by representing clients in legal cases involving the Kodiak Island Borough.

The Commission took the above matter under advisement.

OFF RECORD: 9:50 a.m.

RECESS

ON RECORD: 10:00 a.m.

<u>Julie Willoughby Public Official Financial Disclosure, (POFD), Exemption Waiver</u> Request [3]

Commissioner Sanders recused himself from participating because Ms. Julie Willoughby is a close friend and a colleague. Commissioner Sanders did not participate in consideration of this exemption waiver request.

The staff report regarding the exemption waiver request was presented by July Lam APOC staff. Ms. Willoughby did not appear before the Commission.

The Commission took the above matter under advisement.

OFF RECORD: 10:16 a.m.

RECESS

ON RECORD: 10:23 a.m.

James Studley, Reconsideration Request of Civil Penalty Appeal [4]

Commissioner R. King recused himself from participating on this matter, because he did not participate in the original discussion and decision making.

The staff recommendation regarding the civil penalty assessment appeal and request for reconsideration was presented by Paul Dauphinais, APOC staff. Mr. James Studley appeared telephonically and gave a statement regarding the civil penalty assessment appeal he filed.

The Commission took the above matter under advisement.

Consent Agenda, Group Civil Penalty Appeal [5]

The staff recommendations regarding the consent agenda was presented by Tamara Douglas and Thomas Lucas, APOC staff.

Ms. Tammy Smith, Vice-President for **Fairbanks Education Association**, **PACE** (**FEA**), appeared telephonically and gave her statement.

The following groups were removed from the consent agenda for the Commission to consider separately:

- Interior Democrats
- Republican Party of Alaska, District 34

- The Commission approved the remaining items on the consent agenda.
- ABC Alaska PAC
- AK Physicians & Surgeons
- Anchorage Central Labor Council PAC
- FEA-PACE
- Friends of the Interior
- IUOE Local 302 PAC

Commissioner R. King moved to approve the remaining items on the consent agenda.

Commissioner K. King seconded the motion.

The Commission voted 5-0 to approve the remaining items on the consent agenda.

Interior Democrats 2012 Municipal Election

LATE REPORT: 105D Multiple Municipal Election Report MAXIMUM CIVIL PENALTY: \$1050 as filed 21 days late @\$50 a day

STAFF RECOMMENDATION: Reduce penalty to \$100

Commissioner K. King moved to approve staff recommendations.

Commissioner Kirk seconded the motion.

The Commission voted 5-0 to approve the recommended civil penalty.

Republican Party of Alaska, District 34 2010 State Election

LATE REPORT: Year-End State Election Report

MAXIMUM CIVIL PENALTY: \$34,050 as filed 681 days late @\$50 a day

STAFF RECOMMENDATION: Reduce penalty to \$500

The following individuals: Jack Brown, former Treasurer for **Republican Party of Alaska, District 34**; Debbie Brown, Chair of the **Alaska Republican Party**; and Kenneth Jacobus, Counsel for **Alaska Republican Party, District 34**; appeared inperson and gave statements in support above civil penalty assessment appeal.

The Commission took the above matter under advisement.

The Commission reconsidered the **Friends of the Interior** civil penalty assessment when notified that a representative for the group was prepared to make a statement. Charles Wiegers, Chairman for **Friends of the Interior**, appeared telephonically and gave a statement.

The Commission took the above matter under advisement. The Commission went off the public record to deliberate.

OFF RECORD: 11:21 a.m.

Deliberation

ON RECORD: 12:03 p.m.

Public Comment Period [*]

No public comments were received.

OFF RECORD: 12:30 p.m.

LUNCH

ON RECORD: 1:35 p.m.

Bruce Schulte v. Alaska Democratic Party, 12-18-CD [6]

Chair Hickerson recused herself from participating in the above matter because she and Ms. Kay Brown, Executive Director for **Alaska Democratic Party** have been good friends since Junior high school and continue to be close friends and there were no objections by the other Commissioners to her participation in the matter. Chair Hickerson stated that this relationship would not affect her decision making in this matter.

The Staff Report was presented by John Ptacin, Assistant Attorney General, Department of Law, Counsel for APOC staff. Mr. Bruce Schulte, Complainant appeared in-person, and Mr. Neil Reif, Respondent's Counsel from Sandler, Reif, Young & Lamb P.C., each gave a statement.

The Complaint was filed by Bruce Schulte on November 30, 2012, against the **Alaska Democratic Party**. Mr. Schulte alleged that ads by the **Alaska Democratic Party** were "independent expenditures" and/or "communications" under state law and that the ads did not list the top three contributors as required by state law.

The Commission took the above matter under advisement.

OFF RECORD: 2:06 p.m.

Break

ON RECORD: 2:11 p.m.

Executive Director Report [10]

The director's report was presented by Paul Dauphinais, APOC staff.

- Complaint Status
- Budget Status
- Personnel Update
- Legislative Update
- Training Update
- Insight (Campaign Electronic Filings)

OFF RECORD: 2:20 p.m.

Break

ON RECORD: 2:30 p.m.

Carolyn Bolar v. Alaska Republican Party, 12-16-CD [7]

Chair Hickerson recused herself from participating in the above matter after reviewing the motion given to the Commission and realizing that she had a previous conversation with Ms. Kay Brown, Executive Director for the **Alaska Democratic Party** about her discussion with Jerry Anderson, APOC staff, several months ago. This occurred before the complaint was filed with APOC. Chair Hickerson recused herself from participating in the discussion and decision making in this matter. Vice-Chair K. King presided over the hearing.

The Commission considered Motions filed in this matter in accordance with the Procedural Order dated March 13, 2013.

Commissioner Kirk moved to reject the Motion for Leave to File Amicus Prehearing Memorandum request.

Commissioner Sanders seconded the motion.

The Commission voted 4-0 and the Motion for Leave to File Amicus Prehearing Memorandum request was rejected.

Commissioner Kirk moved to reject the Motion to consider the Kay Brown Affidavit.

Commissioner Sanders seconded the motion.

The Commission voted 4-0 to reject the motion to consider the Kay Brown affidavit.

The Staff Report was presented by Thomas Lucas, APOC staff.

Ms. Caroline P. Bolar, Complainant; Mr. Randy Ruedrich, former chairman of the **Alaska Republican Party (ARP)**; and Joe McKinnon, Respondent's Counsel; appeared in-person and each gave a statement.

A complaint was filed by Caroline P. Bolar on October 30, 2012, against the **Alaska Republican Party**. Ms. Bolar alleged that the **Alaska Republican Party** violated AS 15.13.090(d) by not stating its top three contributors in independent expenditure radio advertisements.

OFF RECORD: 2:50 p.m.

Break

ON RECORD: 3:00 p.m.

The Commission continued to discuss complaint 12-16-CD.

The Commission took the above matter under advisement.

OFF RECORD: 3:23 p.m.

Deliberation

ON RECORD: 4:00 p.m.

The Commission recessed until Tuesday, April 2, 2013.