

**Mayor**  
James Kallander

**Council Members**  
Keith van den Broek  
James Kacsh  
David Allison  
Bret Bradford  
EJ Cheshier  
David Reggiani  
Robert Beedle

**City Manager**  
Mark Lynch

**City Clerk**  
Susan Bourgeois

**Deputy Clerk**  
Robyn Kincaid

**Student Council**  
Dustin Marchant  
Carl Ranney

**REGULAR COUNCIL MEETING**  
**MAY 02, 2012 @ 7:30PM**  
**LIBRARY MEETING ROOM**

**AGENDA**

**A. CALL TO ORDER**

**B. INVOCATION AND PLEDGE OF ALLEGIANCE**

I pledge allegiance to the Flag of the United States of America, and to the republic for which it stands, one Nation under God, indivisible with liberty and justice for all.

**C. ROLL CALL**

Mayor James Kallander, Council members Keith van den Broek, James Kacsh, David Allison, Bret Bradford, EJ Cheshier, David Reggiani and Robert Beedle

**D. APPROVAL OF REGULAR AGENDA..... (voice vote)**

**E. DISCLOSURES OF CONFLICTS OF INTEREST**

**F. COMMUNICATIONS BY AND PETITIONS FROM VISITORS**

**1. Guest Speakers**

- a. Mt. Eccles Video Club presentation
- b. Buck Adams, City Investments (see quarterly report below)

**2. Audience comments regarding agenda items..... (3 minutes per speaker)**

**3. Chairpersons and Representatives of Boards and Commissions**

(Harbor, HSB, Parks & Rec, P&Z, School Board)

- a. Student Council Representative

**G. APPROVAL OF CONSENT CALENDAR..... (roll call vote)**

**4. Confirmation of CVFD Election of Officers..... (page 1)**

**H. APPROVAL OF MINUTES**

**5. Minutes of March 21, 2012 City Council Regular Meeting..... (page 3)**

**6. Minutes of April 4, 2012 City Council Regular Meeting..... (page 12)**

**7. Minutes of April 5, 2012 City Council Work Session..... (page 19)**

**I. CONSIDERATION OF BIDS - none**

**J. REPORTS OF OFFICERS**

**8. Mayor's Report**

**9. Manager's Report..... (page 22)**

**10. City Clerk's Report..... (page 23)**

**11. Staff Reports**

- a. Cordova Center Phase I, **Josh Hallquist**

- b. Legislative Lobbyist, **John Bitney**..... (page 24)

- c. Solid Waste Upgrade Progress, **Moe Zamarron**..... (page 26)

**12. Department Quarterly Reports – 1Q, 2012**

- a. Harbormaster, **Dale Muma**..... (page 27)

- b. Director of Parks and Recreation, **Susie Herschleb**..... (page 28)

- c. UBS Financial, City Investments, **Buck Adams**..... (page 29)

- d. City Planner, **Samantha Greenwood**..... (page 59)

- e. Chief of Police, **Bob Griffiths**..... (page 60)

- f. City Fire Marshal, **Paul Trumblee**..... (page 61)

- g. Assistant City Manager/Info Services/Library/Museum/CDV CTR, **Cathy Sherman**..... (page 65)

- h. Director of Public Works, **Moe Zamarron**..... (page 67)

i. Finance Director, **Ashley Royal**..... (page 73)

## **K. CORRESPONDENCE**

- 13. Letter from DCCED in re Hospital Roof appropriation of \$2M 04-04-12..... (page 80)
- 14. Letter from USDA Chugach National Forest 04-11-12..... (page 81)
- 15. Article in re Brad Sjostedt AK Air Magazine April 2012..... (page 84)
- 16. Explanation from ACSA in re new school funding Mill Rate cap to schools..... (page 85)
- 17. AK Superior Court final judgment and taxes owed to Cordova for 2007, 2008, 2009..... (page 87)

## **L. ORDINANCES AND RESOLUTIONS**

- 18. Resolution 05-12-24..... (roll call vote)(page 88)  
A resolution of the City Council of the City of Cordova, Alaska, authorizing supplemental appropriations in the total amount of \$69,735 in the general fund, and enterprise funds to pay a 2012 wage increase for all City employees; based on their rate of pay effective May 1, 2012; and amending the City of Cordova's 2012 budget accordingly

## **M. UNFINISHED BUSINESS - None**

## **N. NEW & MISCELLANEOUS BUSINESS**

- 19. Contract approval: small boat harbor reconfiguration..... (voice vote)(page 91)
- 20. Collective Bargaining Agreement with IBEW Local Union 1547 approval..... (voice vote)(page 103)
- 21. Contract approval: breakwater fill project (to be discussed in e.s. and then voted upon in regular session)
- 22. Pending Agenda and Calendar..... (page 147)

## **O. AUDIENCE PARTICIPATION**

## **P. COUNCIL COMMENTS**

- 23. Council Comments

## **Q. EXECUTIVE SESSION**

- 24. Union contract negotiations (if necessary)  
this executive session may be held previous to approval of agenda items 18 and/or 20 if Council so chooses
- 25. Contract approval: breakwater fill project (to be discussed in e.s. and then voted upon in regular session)  
(materials to be provided at meeting)
- 26. City Manager Employment Contract renewal

## **R. ADJOURNMENT**

Executive Sessions: Subjects which may be discussed are: (1) Matters the immediate knowledge of which would clearly have an adverse effect upon the finances of the government; (2) Subjects that tend to prejudice the reputation and character of any person; provided that the person may request a public discussion; (3) Matters which by law, municipal charter or code are required to be confidential; (4) Matters involving consideration of governmental records that by law are not subject to public disclosure.

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## A MEMO FROM SUSAN BOURGEOIS, CITY CLERK

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DATE: April 25, 2012  
TO: Mayor and City Council  
SUBJECT: CVFD Officer Election

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Per the following Code reference (see below CMC 3.20.020), the CVFD annual election of officers is subject to Council confirmation. Please see Fire Marshal Paul Trumblee's letter.

**3.20.020 - Fire department—Appointment of officers and members.**

The chief of the fire department and deputy chief shall be elected annually by the members of the department *subject to confirmation by the council*. Each shall hold office for one year and until his successor has been duly elected, except that he may be removed by the council for cause after a public hearing. The paid firefighter shall be a full-time salaried employee appointed by the city manager, who shall, in making such appointment, take into consideration recommendations of the members of the department, and said firefighters shall hold office during good behavior, and may be removed by the council only for cause after a public hearing.

Firefighters and probationary firefighters shall be appointed by the members of the department

RECOMMENDED MOTION: Move to confirm the election and appointment of Mike Hicks as Fire Chief and Dan Jager as Deputy Fire Chief.

REQUIRED ACTION: Unanimous roll call approval of the Consent Calendar.



## *Cordova Volunteer Fire Department*

FIRE CHIEF MICHAEL HICKS

P.O. Box 304  
Cordova, Alaska 99574  
(907) 424-6117 or (907) 424-6100  
Fax (907) 424-3473  
email: [fire@cityofcordova.net](mailto:fire@cityofcordova.net)

April 26, 2012

Mark Lynch  
City Manager

In accordance with article III, section I of our department constitution ("The Chief shall not take office until confirmed by authorities set up by the city ordinance") 3.20.020 – Fire Department Appointment of Officers and Members, we are requesting confirmation for the following newly elected officers:

Fire Chief- Michael Hicks  
Deputy Fire Chief – Dan Jager

Would you please include this as an action item for the May 2<sup>nd</sup> 2012 meeting.

Sincerely

Paul Trumblee  
City Fire Marshal

**CITY COUNCIL REGULAR MEETING  
MARCH 21, 2012 @ 7:30 PM  
LIBRARY MEETING ROOM  
MINUTES**

**A. CALL TO ORDER**

*Mayor James Kallander* called the Council Regular Meeting to order at 7:30 pm on March 21, 2012, in the Library Meeting Room.

**B. INVOCATION AND PLEDGE OF ALLEGIANCE**

*Pastor Dave Dial* led the audience in an invocation. *Mayor Kallander* led the audience in the Pledge of Allegiance.

**C. ROLL CALL**

Present for roll call were *Mayor James Kallander* and Council members *Keith van den Broek*, *James Kacsh*, *Bret Bradford*, *EJ Cheshier*, *David Reggiani* and *Robert Beedle*. Council member *David Allison* was absent. Also present were City Manager *Mark Lynch*, City Clerk *Susan Bourgeois* and Student Council Representative *Carl Ranney*.

**D. APPROVAL OF REGULAR AGENDA**

*M/Reggiani S/van den Broek* to approve the Regular Agenda.

Vote on motion: 6 yeas, 0 nays, 1 absent (Allison). Motion passes.

**E. DISCLOSURES OF CONFLICTS OF INTEREST - None****F. COMMUNICATIONS BY AND PETITIONS FROM VISITORS**

1. Guest Speakers - None

2. Audience comments regarding agenda items

*Mike Hicks*, Mile 6.5 CRH, spoke as the Volunteer Fire Chief. He stated that he is in favor of seeing the burn pile shut down because he gets called out in the middle of the night sometimes to put it out. *Hicks* read a letter into the record in support of keeping the E-911 surcharge in place highlighting the history of the project and the grant funds that have been missed for acquiring a new system. *Lynch* clarified that a grant *Hicks* had referred to in his letter that we lost was for the ALMR system not just for an E-911 system.

*Gary Graham*, 102 Elmer's Point Way, stated that he has worked towards getting an E-911 system for 3-years. He is totally in support of keeping the \$2 surcharge in place. It took a lot of work to get it before Council and get it approved. We are hanging onto this money to procure a system and after the procurement the surcharge will help maintain the system. We are just building up a savings account now and it would be foolish to stop where we are at now. He is afraid someone is going to die with the system we have now and he hopes it isn't one of his family members.

*Richard Groff*, 201 Whiskey Ridge Rd, stated that he is a member of the Cordova Volunteer Fire Department, is involved in Emergency Management and Planning, and the E-911 committee. He spoke in favor of keeping the surcharge explaining the benefit of the reverse 911 capabilities of the system. If there is a pending tsunami a dispatcher can make one phone call and record a message then it will call everyone in the database which puts fewer people at risk. If it happened now the dispatchers would have to dial and talk to each person individually while the first responders drive around town with a loud speaker informing the citizens. In drills it takes the first responders 27 minutes to drive the town with the speakers. Reverse 911 sends a phone call to an entire area. He is in favor of E-911 and thinks they should fail this resolution. He told a story about an incident when there was a 3-4 minute delay, in that case it didn't matter, but it could have in a similar scenario. It is important that this community get a better

system for the safety of its citizens and its first responders. He also spoke in regard to #15 stating that it is very important and the citizen is right and Council should think about making their own resolution.

**Tom Bailer**, 304 Orca Inlet, spoke in regard to #23. He stated that he thinks there is some grey area in the resolution. It shouldn't be a blanket statement that the City will pay for everything. There will need to be more detail when it is put into code. He also asked Council to define what the "formal funding" is in regard to the South Fill expansion. He added that he agrees with **Covel's** letter regarding the E-911 surcharge.

3. Chairpersons and Representatives of Boards and Commissions

**Harbor** had lack of quorum so they didn't meet.

**Parks & Rec** had a meeting last night and are going through their master plan and their section of the comprehensive plan to update it and make it current.

**P&Z** has 2 items in the packet tonight.

**School Board** has hired a new Superintendent

## G. APPROVAL OF CONSENT CALENDAR

**Mayor Kallander** informed Council that the consent calendar was before them. Council chose to pull items 5 and 6 from the consent calendar.

4. Resolution 03-12-15

A resolution of the City Council of the City of Cordova, Alaska, requesting FY 13 payment in lieu of taxes funding from the Department of Commerce, Community, and Economic Development

~~5. Resolution 03-12-18~~

~~A resolution of the City Council of the City of Cordova, Alaska, authorizing the City Manager to enter into a 10 year lease of property legally described as Lots 3, 4 & 5, Block 8, Original Townsite of Cordova with the Cordova Chamber of Commerce~~

~~6. Resolution 03-12-19~~

~~A resolution of the City Council of the City of Cordova, Alaska, authorizing the City Manager to enter into a 20 year lease of property legally described as Lot 12, Block 2, Ocean Dock Subdivision within Tract B, Tideland Survey No. 1589 with Chugach Alaska Corporation~~

7. Resolution 03-12-21

A resolution of the City of Cordova, Alaska, authorizing the establishment of a line of credit with UBS Bank USA in a principal amount of not to exceed \$2,793,918.60 for the purpose of borrowing in anticipation of the receipt of revenues of the City to finance part of the cost of the Cordova Center project, and providing for related matters

Vote on Consent Calendar: 6 yeas, 0 nays, 1 absent (Allison). Cheshier – yes; Reggiani – yes; Beedle – yes; van den Broek – yes; Kacsh – yes and Bradford – yes. Consent Calendar was approved.

## H. APPROVAL OF MINUTES

**M/Reggiani S/Kacsh** to approve the minutes.

8. Minutes of December 27, 2011 City Council Work Session

9. Minutes of January 14, 2012 City Council Special Meeting

Vote on motion: 6 yeas, 0 nays, 1 absent (Allison), Student Council yea. Motion passes.

## I. CONSIDERATION OF BIDS - None

## J. REPORTS OF OFFICERS

10. Mayor's Report

**Mayor Kallander** reported that he was in Juneau on Thursday and met with the Governor to thank him for his help during the disaster. **Greenwood** had prepared a report on the damages and **Royal** worked with **Zamarron** on preparing a report on the extra expenses from the snow that he was able to give to **Mike**

**Nizich** who is the Governors Chief of Staff. **Mayor Kallander** opined that the reports were impressive, \$1.5M extra spent. He then he went to OMB and met with **Karen Rehfeld** and reported the same things to her. We extended our disaster declaration but his sense from the legislators is that the chances of us getting more assistance with the costs we have incurred for snow removal are not good. Anchorage is at \$9M now and will probably be at \$10M and have the votes to do something. We will monitor what Anchorage and Valdez are doing as they also blew their snow budgets. He met with the Department of Administration and gave them an update on the PERS situation with Providence. They were very gracious and said we are one of the few communities that have been proactive with them. We are in good shape with them. **Mayor Kallander** spent a lot of time with **Bill Thomas** on the Capitol budget paring down to what seemed obtainable. This was: \$750K for Electronic Medical Records, \$100K for the South Fill Expansion engineering and planning, and \$2.6M for a Shipyard building. First they are going to go to **Gary Stevens** with it to take to the Senate, they don't think they will have any problem getting it in there, and then it will go to the house. **Mayor Kallander** had a good meeting with the grant administrators and the Director of DCCED on the EVOS money. He contacted **Stephanie Moreland**, who is the fisheries advisor for our DC representatives, after reading the article in the Anchorage Daily News about the J-1 Visa program which is about half of our labor for our processors in Cordova. It would have a huge impact on our economy if the processors can't source enough labor for the upcoming season. There is a lot of momentum for support of the J-1 program to at least get us through this season. **Hillary Clinton** really wants to end this program. **Beedle** asked about the hospital roof funding. **Mayor Kallander** responded that it passed unanimously at the Senate on Tuesday and is waiting on the Governor's signature. He is confident he will sign it. They will work towards getting a new hospital roof completed by September. **Kacsh** stated in regard to our not getting financial assistance with snow removal that maybe we should stop hauling snow. **Lynch** confirmed that the City stopped hauling snow two days ago.

#### 11. Manager's Report

**Lynch** reported that **Nygaard** is following through getting bids out to contractors to repair damage from the snow. The remaining issues with EVOS have been worked out and we have submitted a request for about \$850K which is much less than we can get, that was just the amount that we had pending. We will be getting 100% of our costs from now until we reach 33% of the project costs because they have dragged this out so long. That will put us close to the \$9M. We did get verification that the check was cut and on its way. **Lynch** reminded Council that water line change as recommended by P&Z will have an added cost and could be in the \$2-7 per month range. Harbor study engineer is tentatively scheduled for April 2<sup>nd</sup>. The Sound Developer progress is good. We should be back in business down there in a couple weeks. He has been working with CH2MHill on the hospital roof agreement. He handed out to Council a copy of what they will be signing tonight if they pass the resolution. The hospital requested their remaining \$200K that was available to them. That check will be cut soon. **Mayor Kallander** stated that Council had budgeted \$800K. They expect their revenue to increase in the next 3-4 months. They plan to stay under that \$800K. **Allison** added that there were 2 patients that we were not collecting on and we expect to get reimbursed for that by July. Also in July the base rates go up due to a re-basing year. **Lynch** added that the \$250K for Providence was for a 12-month period and we are only doing a 9-month period this year so that is a little cushion. **Reggiani** clarified that in January they passed a resolution authorizing the additional funds to Providence in the form of a loan. Half of the \$800K was for Providence and the other \$400K was the typical annual contribution. The \$400K beyond Providence was to be in form of a loan in anticipation that they could someday pay it back. **Allison** agreed with **Reggiani** that that was his feeling from the discussion when that resolution was passed. **Cheshier** stated that all that happened with that resolution was that we decided to call it a loan now instead of just giving it to them in the hopes that they may someday be able to pay it back and so it could be tracked. **Lynch** stated that they may have to do a budget amendment if that is the case. **Allison** stated that CCMC needs to be made aware that the funds are

in the form of a loan for their tracking purposes as well. **Mayor Kallander** asked the City Manager to advance the \$200K and for **Reggiani** to meet with the City Manager to craft resolutions to reflect Councils intent consistent with the January 14<sup>th</sup> resolution.

#### 12. City Clerk's Report

**Bourgeois** reported that after election time we can reappoint the Vice-Mayor and re-appoint our representatives to the boards and commissions. She asked if Council wanted to change anything as the Elections didn't change the Council members seating's. Council chose to not change anything.

#### 13. Staff Reports

- a. **Josh Hallquist**, COR, Cordova Center Project
- b. **Cathy Sherman**, Cordova Center Phase 2 update

Phase I: **Sherman** reported the stone mason is on site and should be completed in the next two weeks. The roofing materials are all on site to finish but they are waiting on the weather to clear the roof of snow before bringing the roofing crew back. They are looking into adding hardware to the peak of the roof to use as tie offs for if we have a snow year like this year so we can safely remove the snow. All submittals are done except for the handrails for the inside stairs. Windows are in the shops or already being transported. Wood should be on the barge. Substantial completion is set for the end of May to middle of June. Full financial report on Phase 1 at April 4<sup>th</sup> meeting.

Phase II: **Sherman** reported that OAC will provide a breakdown estimate for costs for Phase II by April 30. 1% for Art decisions should be done by May 1st. Funding plan by first meeting in June.

#### K. CORRESPONDENCE

14. Letter from George Covell in re E-911 surcharge 03-04-12
15. Letter and proposed City Resolution against NDAA from John Whissel 03-01-12
16. Letter from Senator Kookesh to the Governor in re nonresident workers 03-09-12
17. SBA Disaster Assistance Announcement 03-12-12
18. Letter to Senator Murkowski in re J-1 program changes

**Beedle** asked about the NDAA letter if it is asking for a resolution. **Mayor Kallander** confirmed that he thought that is what he is asking for. **Bradford** stated that he supports something like the proposed resolution. He will be doing some research and bring it forward. **Mayor Kallander** asked **Lynch** if the SBA had a good response. **Lynch** responded that he was pretty busy. **Sherman** stated that he will be meeting with people right up till he gets on the plane to leave.

#### L. ORDINANCES AND RESOLUTIONS

##### 19. Resolution 03-12-20

A resolution of the City Council of the City of Cordova, Alaska, suspending the collection of an E-911 surcharge on all landlines and wireless telephones in Cordova

**M/Reggiani S/Allison** to approve resolution 03-12-20, a resolution of the City Council of the City of Cordova, Alaska, suspending the collection of an E-911 surcharge on all landlines and wireless telephones in Cordova

**Reggiani** stated that he supports getting an E-911 system in Cordova and moving towards getting an enhanced system. He thinks **Mr. Covell** did a good job in his letter highlighting some of the points. He has a problem with the funding of it not the system itself. He is not satisfied with collecting a surcharge from the customers and saving up to eventually purchase some aspects of an enhanced 911 system. He doesn't think we should wait. If we need something to improve our system, whether it is phased in or jumping in, we should do it. Collecting a surcharge is not going to save lives. The permanent fund is there to help us secure a system. Once a system is in place a surcharge would be appropriate to either pay back to the



permanent fund or look towards operating funds. He believes Council has not had the opportunity to really discuss it yet. In the beginning Council was coaxed or led into believing that approving the surcharge would make us eligible for some grants. He appreciates the **Chief** (i.e. Police Chief Griffiths) getting up to speed on it and giving Council a bigger picture of how it relates to other communities in the state. He still has not seen a hard and fast proposal that he could say “okay, that’s what we want to get”. He supports suspending it for now until we have a plan, have purchased a system and are providing a service to the customers. Once we have a service in place for our customers than a surcharge is appropriate. **Kacsh** stated everyone in the room has a cell phone and he will gladly pay a \$120 a year if it will save one of his kids’ lives because they would call from a cell phone. He agrees that he does not like sitting around waiting for something to happen. Let’s get the system on a loan from the permanent fund and the surcharge can be the mechanism to pay that loan back. Our antiquated dispatch puts us in a place of having significant liabilities if something happens and we can’t respond due to our inadequate system. Make a capital project out of it, do it and pay it back to the permanent fund. **Allison** said he supports a system if it is going to work. There are some other steps the City needs to take before this system can be in place. The addressing for instance has a lot of work that still needs to be done. The obstacle the committee faces was that they were tasked with one thing and one thing only “to evaluate proposals for a system and bring back the preferred proposal to Council”. They weren’t tasked with figuring out what all steps that needs to be taken to prepare for the system or to look at what systems might be available. Maybe reinstate that committee and task them with the additional work but there are other issues that need to be looked at before the system will work. He supports suspending the surcharge until ducks are lined up or he supports forward funding it if the ducks are lined up from the permanent fund. **Bradford** reviewed for Council some of the committee work and reminded Council that the **Chief** had brought the system up at budget time and asked us to fund it and we told him not yet. He would like to see the committee back together or get the **Chief** or a consultant to advise us on what we need for our community. He thinks suspending the surcharge until we can find a system goes against all the work we went through in setting it in place to begin with. It hasn’t been in place that long and now we want to suspend it because nothing has been done on it; we have had a busy winter. He won’t support this resolution. He will support putting E-911 back on the front burner. When we first started talking about the system we weren’t sure on numbers but now that the surcharge has been in place we have numbers to work with and can estimate how quickly the loan can be paid back. The addressing issue is a challenge but we have to start somewhere and he would like to see this in place to see it save lives. **Beedle** commented that Council is not against E-911. He would like to suspend the fee and get the committee back together again with a broader task. He is going to vote to suspend it but will push to go forward on it and give the community something to look at that can provide a service instead of just taking their money. We need to include the providers too. **Reggiani** stated that the surcharge is a tax and he is a budget hog and tries to keep the taxes down as much as possible. Ideally we could put an E-911 without any increase in taxes. He does not like taxing without providing a service. He thinks getting an expert is a great idea. **Cheshier** stated that he has a problem with charging somebody for something that we don’t have. A surcharge should be for maintenance on a system after it is in place. He would like to see a committee put together and present something that Council can wrap their arms around. Once the community can see something that will work and is doable then they can tell us if they want us to spend \$500k on it. **Bradford** stated that when the committee was started there were work sessions and public involvement that they wanted the system. When the surcharge was initiated there were very few objections to the surcharge. The only thing we can use the money for is E-911. He opined that suspending it will be taking us steps backwards. **Van den Broek** stated that he has had an issue with the surcharge from the beginning from a telecommunications standpoint as far as who is collecting the surcharge. People in town can have phone providers from any number of different places outside of Cordova. So it seemed like a tax on people who have chosen to go with a local provider. He agrees to suspend the surcharge until we can do some more research and find a

way to do it without taxing some people and not everyone. **Mayor Kallander** asked what it will take to wind down the surcharge. **Lynch** responded that we would notify the phone companies and they stop it. We are collecting from all of the providers. He furthered that he is disappointed in the lack of confidence Council has in the staff because staff has put a tremendous amount of time and effort into this project. The addressing is ready to input but it is waiting for a system to input it to. He reminded Council that they had come to them with a plan; a system, a payback plan and a time frame and it was turned down. We have been told that there is RUS funding. Staff looked into the possibility and there used to be grant funding available but there is no longer grant funding available for an E-911 system. **Lynch** added that **Chief Griffiths** is very knowledgeable about E-911 systems should Council have any questions. **Mayor Kallander** asked **Chief Griffiths** if he looked recently at systems for Cordova and what a ballpark cost might be for such a system. **Chief Griffiths** responded that the system we had quoted in Cordova with newer technology than what was proposed a year and a half ago would be about the same cost which was about \$365K. **Mayor Kallander** clarified that that would be the installed and running cost. **Chief Griffiths** responded in the affirmative.

Vote on motion: 5 yeas, 2 nays. Reggiani – yes; Beedle – yes; van den Broek – yes; Kacsh – no; Allison – yes; Bradford – no and Cheshier – yes. Motion passes.

**Mayor Kallander** asked for direction from Council on how to move forward. **Bradford** stated that he would like to see the committee get back together and meet as soon as possible with the **Chief**. **Kacsh** stated that he would like to give the committee a time frame too for no more than 6-months. **Beedle** stated the he thinks we should start letting people know their new addresses. Start the steps now and let people get used to their new addresses. **Lynch** asked if that was direction to have an ordinance drafted for people to put their addresses on their houses. **Beedle** responded in the affirmative.

#### 19a. (5) Resolution 03-12-18

A resolution of the City Council of the City of Cordova, Alaska, authorizing the City Manager to enter into a 10 year lease of property legally described as Lots 3, 4 & 5, Block 8, Original Townsite of Cordova with the Cordova Chamber of Commerce

**M/Reggiani S/Bradford** to approve Resolution 03-12-18, a resolution of the City Council of the City of Cordova, Alaska, authorizing the City Manager to enter into a 10 year lease of property legally described as Lots 3, 4 & 5, Block 8, Original Townsite of Cordova with the Cordova Chamber of Commerce

**Reggiani** stated that he had pulled this understanding that it is an annual lease that staff would like to see go to a 10-year lease at a rental rate of \$1 per year. He looked at exhibit A and the City budget and sees that it cost the City \$2200-2500 more per year than we bring in. He wonders if the Chamber of Commerce can't be incorporated into another building. **Mayor Kallander** asked if **Reggiani** has a specific recommendation. **Reggiani** suggested referring back to staff to get a better understanding of the expenses of a 10-year lease or a shorter term lease.

**M/Bradford S/Reggiani** to refer to staff to be brought back as a 1-year lease.

**Reggiani** pointed out that there is a time crunch with the expiration of their current lease if the resolution can come back to Council at the next meeting that should be enough time though. **Sherman** stated that the reason if came before Council tonight is just because they were looking at doing a long term lease. If Council does not pass this resolution tonight then it will revert back to a 1-year lease automatically. **Kacsh** stated that he would like to keep it at the 1-year lease while looking for ideas to consolidate.

**M/Reggiani S/Cheshier** to postpone resolution 03-12-18 indefinitely.

**Allison** asked what Council wants staff to do now. Dropped the long term lease idea and keep coming back year after year with the lease again or look at other options. **Reggiani** stated that he would like to review the City buildings and look at consolidating.

Vote on motion: 7 yeas, 0 nays. Motion passes.

## 19b. (6) Resolution 03-12-19

A resolution of the City Council of the City of Cordova, Alaska, authorizing the City Manager to enter into a 20 year lease of property legally described as Lot 12, Block 2, Ocean Dock Subdivision within Tract B, Tideland Survey No. 1589 with Chugach Alaska Corporation

**M/Reggiani S/van den Broek** to approve resolution 03-12-19, a resolution of the City Council of the City of Cordova, Alaska, authorizing the City Manager to enter into a 20 year lease of property legally described as Lot 12, Block 2, Ocean Dock Subdivision within Tract B, Tideland Survey No. 1589 with Chugach Alaska Corporation

**Reggiani** stated that he pulled this from the calendar because it seems expensive and he didn't understand what the need was for additional space. **Mayor Kallander** informed Council that he has been working on this for a year and initially we tried to buy the land. We couldn't buy it so we tried to trade some City property for it and we were unsuccessful with that as well. The Chugach board has decided that they will lease it to us. We have exhausted every opportunity with Chugach to try to be able to put this into our inventory of land for development. We were working to obtain this piece of land to consolidate that area and expand the shipyard. A lease there given the expense probably doesn't make a lot of sense. **Beedle** stated that the more he read through it the costs stood out to him. Does it affect the Samson land deal? **Mayor Kallander** responded that it does not affect that deal. We are making some accommodations with them because they are moving from a square piece of land to a piece that has lots of angles. If we were able to obtain this piece it would have just made the deal cleaner. It is not likely we could generate enough revenue from this piece of land to cover it.

Vote on motion: 0 yeas, 7 nays. Motion failed.

#### M. UNFINISHED BUSINESS - None

#### N. NEW & MISCELLANEOUS BUSINESS

##### 20. Council concurrence of Mayor's appointments to fill vacancies on the HSB

**Mayor Kallander** informed Council that he has asked for resignations from the board members that are not Council members. There are not enough seats for the whole Council to sit on the Board so he asked the Clerk to go by seniority. The list of names he would like to appoint is listed in the packet. (remaining on the Board: Allison, Cheshier, Kacsh, new appointments to the Board: Reggiani, van den Broek, Bradford)

**M/Cheshier S/Allison** to concur with the Mayor's appointments.

Vote on motion: 7 yeas, 0 nays. Motion passes.

##### 21. Approving contract with CH2MHill for hospital roof

**M/Reggiani S/Allison** to direct the City Manager to enter into the attached contract with CH2MHill for Professional Services (Exhibit B) for roof replacement at Cordova Community Medical Center.

**Reggiani** stated that he supports moving into a contract with CH2MHill for a design contract. His only hesitation is the \$105K for the design & bid phases because it seems like a lot of money just to redesign the soffit on the hospital roof. What does that design actually entail? **Mayor Kallander** responded that there is cupola redesign, tear down design, and then the architectural and engineering drawings to rebuild the soffit. **Kacsh** stated that his concern is the funding end of the spending. **Lynch** addressed the concern stating that this is just directing him to enter into contract negotiations. They can direct him to wait to enter into it until the funding is in place and he will wait. **Bradford** stated that the contract price includes the design and bid price. Will they be including the project management in this contract? **Lynch** responded that they will do everything that requires a licensed engineer other than that **Josh Hallquist** will be managing the day to day management of the project. **Beedle** stated that he concurs with **Kacsh** that we shouldn't award the contract until we have the money. He asked if there will be onsite progress

meetings or only teleconferences. **Lynch** pointed out on the schedule when there will be onsite visits. He clarified for Council that he will not sign the contract till after the governor signs the bill giving us the money.

Vote on motion: 7 yeas, 0 nays. Motion passes.

22. Council's acceptance of P&Z Commission's Resolution 12-02

**M/Allison S/Bradford** for City Council to accept resolution 12-02 from the Planning and Zoning Commission.

**Allison** asked how many funds they would like Council to commit to the project. He is in favor to committing funds but he would like to know how much. **Lynch** stated that there is a request in to the State for \$100k. After we find out how much the State will commit then Council will decide how much they want to commit. **Reggiani** and **Mayor Kallander** agreed with **Lynch**. **Bradford** stated that he thinks this will get things going in the right direction and start the public process.

Vote on motion: 7 yeas, 0 nays. Motion passes.

23. Council action on P&Z Commission's recommendation in re Water line code change

**M/Reggiani S/Kacsh** for the City Council to accept the formal recommendation of the Planning and Zoning Commission and direct staff to prepare an ordinance to enact these changes.

**Mayor Kallander** clarified that approving this resolution would kick it back to P&Z to work with staff to sort out all the specifics. **Reggiani** confirmed that there are a lot of specifics that will need to be worked out and clarified with staff. He thanked **Lynch** stating that he gave a good presentation to P&Z so they could fully understand the issues. It was a unanimous decision in P&Z to make the property line be the cut off line of responsibility. **Kacsh** pointed out that if you take over a single homeowner's burden then it spreads out evenly among everyone else. **Beedle** stated that since it is a service that everyone has to hook up to we should evaluate the health of our water service. He added that he would like to review the **Arvidson** case in light of the change.

Vote on motion: 7 yeas, 0 nays. Motion passes.

24. Pending Agenda and Calendar

DOT work session to be scheduled for April; **Lynch** out of town from April 9th-13<sup>th</sup> for training

## O. AUDIENCE PARTICIPATION

**Tom Bailer**, 304 Orca Inlet Dr, stated that if they changed code to start charging someone for a service that used to be free they would not go back and charge those people. He opined that the water line appeal should be treated the same way. School repairs on the roof happened but the roof on the playground wasn't and that slip up is going to cost us. It should have been shoveled. He stated that he appreciated their vote on E-911 and thinks it will make it get put into place quicker.

**JR Lewis**, KLAM, asked if it took a lot of work to get the surcharge in place to begin with and it will take a lot of work to reinstate it again later wouldn't it be easier if they had just reduced it to a smaller amount as a place holder to keep the steps in place and not have to stop everything. **Mayor Kallander** and **Lynch** responded that we will just have to send out notices with some staff time. It would be the same process either way.

## P. COUNCIL COMMENTS

25. Council Comments

**Reggiani** stated that he is discouraged with the damage at Mt. Eccles. He wonders if it was a situation where expectations were not clear on whose responsibility it was to take care of City buildings. The confusion doesn't matter but moving forward maybe a MOU would be helpful to clearly identify the responsibilities of the School District and the City. **Mayor Kallander** stated that he also was disappointed

in the damage adding that the City never received a call asking for help from the School District on this. The snow load rating on the new gym is 75 pounds per square foot and it was over 150 when we went in with our snow crews. City staff looked at the deflection on the beams and it was serious.

*Allison* stated that he is sorry for being late they were doing an audit at CTC. He thanked *JR* for putting the meetings on the radio. CTC's Annual meeting is Friday and CEC's Annual meeting is Monday.

*Cheshier* stated that he would like to hear from constituents about E-911. He echoed Council's disappointment on the damage at the school. Brand new building with kids in it is a serious as a heart attack to him.

*Beedle* stated that he hopes the E-911 vote will push it forward. He thanked *Zamarron* stating that he likes the direction he is taking in refuse. He is excited about the Sound Developer really going away.

## **Q. EXECUTIVE SESSION**

Council took a recess at 10:00 pm and came back at 10:05 pm

### **26. Cordova Center Financial Update**

*M/Allison S/Reggiani* to enter into executive session to receive a Cordova Center Financial Update. Subjects that may be discussed are matters the immediate knowledge of which would clearly have an adverse effect upon the finances of the government.

Vote on motion: 7 yeas, 0 nays. Motion passes.

Council entered executive session at 10:07 pm; Council came out of executive session at 10:15 pm

### **27. Union contract negotiations**

*M/Allison S/Kacsh* to enter into executive session to discuss the union contract negotiations. Subjects that may be discussed are matters the immediate knowledge of which would clearly have an adverse effect upon the finances of the government.

Vote on motion: 7 yeas, 0 nays. Motion passes.

Council entered executive session at 10:15 pm; Council came out of executive session at 10:22 pm

### **28. Options regarding Porterhouse tax and business license delinquencies**

*M/Allison S/Beedle* to enter into executive session to discuss options regarding Porterhouse tax and business license delinquencies. Subjects that may be discussed are matters the immediate knowledge of which would clearly have an adverse effect upon the finances of the government.

Vote on motion: 7 yeas, 0 nays. Motion passes.

Council entered executive session at 10:23 pm; Council came out of executive session at 10:55 pm

~~27. City Manager goals and expectations (postponed for the next meeting)~~

## **R. ADJOURNMENT**

*M/Bradford S/Beedle* to adjourn the regular meeting at 10:56 pm

Vote on motion: 7 yeas, 0 nays. Motion passes.

Approved: May 2, 2012

Attest: \_\_\_\_\_

Robyn Kincaid, Deputy City Clerk

**CITY COUNCIL REGULAR MEETING  
APRIL 04, 2012 @ 7:30 PM  
LIBRARY MEETING ROOM  
MINUTES**

**A. CALL TO ORDER**

*Mayor James Kallander* called the Council Regular Meeting to order at 7:30 pm on April 4, 2012, in the Library Meeting Room.

**B. INVOCATION AND PLEDGE OF ALLEGIANCE**

*Mayor Kallander* led the audience in the Pledge of Allegiance.

**C. ROLL CALL**

Present for roll call were *Mayor James Kallander* and Council members *Keith van den Broek*, *James Kacsh*, *David Allison*, *Bret Bradford*, *EJ Cheshier* and *David Reggiani*. Council member *Robert Beedle* was absent. Also present were City Manager *Mark Lynch*, City Clerk *Susan Bourgeois* and Student Council Representative *Carl Ranney*.

**D. APPROVAL OF REGULAR AGENDA**

*M/Reggiani S/Bradford* to approve the Regular Agenda.

Vote on motion: 6 yeas, 0 nays, 1 absent (Beedle). Motion passes.

**E. DISCLOSURES OF CONFLICTS OF INTEREST**

*Allison* declared #27 as he works for Eagle Contracting. *Mayor Kallander* indicated he had no conflict.

**F. COMMUNICATIONS BY AND PETITIONS FROM VISITORS**

1. Guest Speakers - None

2. Audience comments regarding agenda items

*Katrina Hoffman*, 108 Forestry Way, President and CEO of PWSSC and Executive Director of OSRI. *Hoffman* stated that she has 3 reasons for approaching Council: Share the strengths and challenges the Science Center faces, to respond to a report in the packet and to remind the Council of their desire for continued collaboration in Cordova. The report may lead people to believe that the Science Center does not pay rent or taxes in Cordova when in fact they pay property tax on 4 pieces of property in Cordova. As a non-profit entity they may be exempt from some taxes but continue to pay. The Science Center has spent more than \$400K in sales tax since they started in 1989. The lease on the building that their staff occupies expired in November 2010. It has yet to be renewed. Since she came to Cordova there have been 25 people on payroll, 22 reside in Cordova year round. Since December 1<sup>st</sup> the Science Center has spent over \$400K in salaries and wages in the community. In the last 3-months they have spent over \$300K on wages, services, and purchases from local vendors. They just finished retro-fitting their research vessel that splashed back into the water yesterday. They were able to employ 4 welders in town for 8 weeks working on the vessel. Not having a current lease on their building interferes with their ability to do business and negotiate with potential funders that would like to fund the development of a new site. They fit 22 people into 3000sf; all the scientists share one laboratory that is 300sf. The only thing keeping them from bringing more business to Cordova is capacity and facilities. They have brought in about \$50M since 1989. They have invested over \$1M in improvements on City buildings they occupy. Which averaged out would be about \$4K a month in rent since 1989. They are looking to expand and have been partnering with the City to see that happen. They were glad to see the fill permit approved. *John Harvill* did a great piece of work on that project for which they are very thankful. They would like the City to work with them in the sale and purchase of suitable land at a reasonable cost to

the City and to themselves. Currently they have lease with the option to build on Lot 1 Block 1. It has come to their attention that there may be other interested parties in that piece of land. They are open to working with the City and other interested parties to find feasible solutions to the land use needs. They have multiple funders interested in supporting their efforts but they won't give any money until there is a deed on some property. This leaves them in a Catch-22 with the Lot 1 Block 1. They are planning for 30 years into the future and would like to see the City and Science Center work together. She requested of Council 2 things: to assist the Science Center in renewing the expired lease with the same conditions as the previous lease and to create a working group of Council members, Science Center and other interested parties to discuss land use of the North Harbor fill area. Staff does not speak for the Science Center; any support from the Science Center must come from her as the Executive Director or from the board as a whole. Comments or positions from individual staff or board members should not be interpreted PWSSC comments or positions.

**Clay Koplin**, 6.5 Mile, spoke regarding correspondence #17 regarding the flood program. He voluntarily participates in the National Flood Insurance program and because it is in an unmapped zone it is only \$350 a year. If it becomes mapped as a flood zone then it no longer is voluntary it becomes mandatory for people to get the flood insurance. Once it is mapped as a flood zone than you don't get the preferred risk which is the lower rate. He also wanted to comment on correspondence #27 the PWSSC lease agreement. CEC has had long standing partnerships with the City, Science Center and Ocean Beauty. CEC has been looking at their expansion plans. He believes there are opportunities for expansion for each of these entities. If they expand their electrical usage it could be a win-win-win for this community.

**Margaret Arvidson**, 710 3<sup>rd</sup> St, commented on the Arvidson water line topic. The packet misrepresents where the site of the repair. She provided Council with a packet to clearly show the site. She respectfully requests the reimbursement of their money. City employee pointed out the water line leak to her and told her that she is responsible for the water line and must repair it at her own expense or the City will repair it and bill them. She said she told him to do what needed to be done and the City billed her for the repair. She would like Council to refund them as their appeal is what prompted the Council to change code.

**John Harvill**, 701 Railroad, clarified that in his letter he quoted that it was to be a \$1.5M grant when it was actually \$1.4M. In his comments in the letter in regard to the selling price he and **Lynch** talked in generalizations. It was never taken that he was speaking for PWSSC; they were only speaking in generalizations. He clarified that the Corps permit was a City permit. He just assisted in providing the documents. Only thing that was formally done was PWSSC sent a letter requesting the purchase of the property. The planning department approved the request and Council approved the sale with the price to be negotiated. 5-Months have passed since that approval and PWSSC has not started the negotiation process to finalize the sale of that property which is amazing to him. He believes that the PWSSC is a vital piece to this community and thinks we should do all we can to support them in the future.

**Beedle** joined the meeting at 7:40 pm

### 3. Chairpersons and Representatives of Boards and Commissions

**Jim Nygaard**, 1003 Young Drive. They have a few minor things to finish up with the ILP Building. They have a little bit of money left over from the construction that has been transferred to the district. The gym floor was built with a 30-year life span and the paint is chipping. He has scheduled the repairs to be done the first 2-weeks in June. The staff position that has been left open by **Frank Wicks** went from a 1fte position to a .5fte position. This means that the two people that applied for the position in house would teach half time and be principal half time. The two applicants were **Jeff Hamburger** and

**Gayle Groff.** The new Superintendent coming in will staff the office the other half of the time to ensure the office is staffed throughout the day. Staffing mainly is waiting on the legislature to see what they will do with School funding. He has had some great conversations with the PWSSC and they are optimistic that they will be able to utilize some of their talents this coming year. They are on the third go around with negotiations with teachers. They really can't talk dollar signs until they hear from the legislature on funding. The timber receipts were pending House support. They decided to hold off any action on that for 90-days. They had to change their calendar due to the snow closure so in-service days will be after school is out which would be an extra 4-days for teachers. New superintendent has been hired. **Theresa Keel** is from San Antonio, Texas and really focused on curriculum development. He was impressed with school and community support. There were issues with snow removal at the High School. He has been communicating with FEMA and the insurance company. Worst case scenario 5400sf of title will have to be replaced. The roof repair may be complete roof replacement. District has a \$2500 deductible on the event and whatever the insurance company doesn't cover FEMA will get. Early March a beam started to fail at the older covered play area. He went to a local contractor to see if they would repair it and they said it was too dangerous to put men under there. During spring break shovelers took a considerable load off but with the shifting of the ice it collapsed Monday night. Insurance will allow them to basically total the cover and reconstruct a new area better designed for snow load. **Joanie Behrends** and he worked on a grant for a portable generator and we have a very good chance of getting that 300k generator for community use. At the CEC banquet concerns arose again on the darkness in that area. The City might want to revisit their stand on street lights in that area. **Beedle** asked where people wanted the street lights. **Nygaard** responded that they picked out 3 areas of high walking traffic that could use lighting. **Lynch** stated that he had looked into it and Council has approved for three lights to go into that area and **Zamaron** is working on it. **Reggiani** asked for clarification on the outsourcing the science programs to PWSSC. **Nygaard** responded that he is just in the talking stages now to provide the best programs for the high school. It may also be partnered with the Collage for dual credit. He has not used the term "outsourcing".

**Allison** reported that that the Health Services Board met an hour ago and elected **EJ Cheshier** as Vice president and **Dave Reggiani** as the Secretary.

**Carl Ranney** reported that they will be having an Oscar Talent night on May 5th. It will consist of live acts and a video competition with the theme of "Title Zone". Dusty & Raven heading up that committee. Student Council has all but approved the purchase of camera for use by Student Council. **Allison** said that they did a good job at cabaret.

## G. APPROVAL OF CONSENT CALENDAR

**Mayor Kallander** read the proclamation of appreciate to Dixon Sherman into the record and informed Council that the consent calendar was before them.

4. Record unexcused absence of Robert Beedle from the 2/1/12 Regular Meeting
5. Record unexcused absence of Bret Bradford from the 3/7/12 Regular Meeting
6. Council concurrence of Mayor's appointment/ reappointment of member to the E-911 Committee
7. Proclamation of Appreciation to Dixon Sherman
8. Resolution 04-12-22

A resolution of the City Council of the City of Cordova, Alaska, authorizing a 2012 budget amendment reducing account #101-902-57017 in the amount of four hundred thousand dollars (\$400,000), and authorizing an increase in the Line of Credit to Cordova Community Medical Center in the amount of four hundred thousand dollars (\$400,000), to a total of nine hundred thousand dollars (\$900,000)



Vote on Consent Calendar: 7 yeas, 0 nays. Cheshier – yes; Reggiani – yes; Beedle – yes; van den Broek – yes; Kacsh – yes; Allison – yes and Bradford – yes. Student Council Rep – yes. Consent Calendar was approved.

## H. APPROVAL OF MINUTES

*M/Reggiani S/Kacsh* to approve the minutes.

9. Minutes of January 18, 2012 City Council Regular Meeting

10. Minutes of March 7, 2012 City Council Regular Meeting

11. Minutes of March 15, 2012 City Council Special Meeting

Vote on motion: 7 yeas, 0 nays, Student Council Rep yea. Motion passes.

## I. CONSIDERATION OF BIDS - None

## J. REPORTS OF OFFICERS

### 12. Mayor's Report

*Mayor Kallander* reported that the redistricting board resubmitted some small changes in the Fairbanks house district. It is *Bitney's* opinion that our district will go unchanged. They are trying to get our CIP list into the Senate budget rather than waiting for the House. But the Senate is tied up with oil tax legislation and the Capital budgets will be held as hostage material. Until the oil tax is voted up or down nothing will be done on the capital budget so it is several weeks away. He reported that he walked in the Choose Respect Walk. *DOT Commissioner Luiken* and his wife came to Cordova to visit for several days. He had dinner with them and was able to discuss several issues such as the AMHS, paving and the bridge at 36-mile. *Beedle* asked if we will lose our Senator. *Mayor Kallander* responded it doesn't look like it right now with what is being proposed.

### 13. Manager's Report

*Lynch* reported that they made good progress with the union contracts and will need the executive session tonight. He is optimistic that he may have a resolution on the negotiations before their next meeting. The Sound Developer & Spartan are pretty much gone. The scrap is in a spot for boat trailer parking but they think they will be able to get their barge in the next few weeks to get the scrap out. Eagle Contracting filled the trench and will be maintaining the filled trench until the snow that was in the fill has melted completely. We have had an extremely good response on the proposals for the North Fill floating dock. At the time of printing the packet there were about 23 proposals, we are at 30 as of today. Half of the proposals are engineers half are construction companies. It is his hope that the two can work together. Council approved a motion in November for him to negotiate a sale of Lot 1 Block 1 for the breakwater and fill. He did meet with *Mr. Harvill* several times and only spoke in generalities as indicated earlier in this meeting. Things went really well until *Mr. Harvill* left the Science Center Board. Since that time he has had no contact with the Science Center other than a letter he sent to them inquiring how they would like to proceed. *Mayor Kallander* pointed out that he has worked with *Lynch* on many contracts and he feels that *Lynch* does a very good job. He furthered that contract negotiations is definitely one of *Mr. Lynch's* strong points. For those that don't know the efforts *Lynch* put into the Sound Developer easily saved the City up to \$150K.

### 14. City Clerk's Report

*Bourgeois* reported that we are in the 30-day property tax assessments appeal period; the last day to appeal is April 9<sup>th</sup>. This year we only have 4 and may not even have BOE. The assessor is coming in the weekend of the 13<sup>th</sup> and will stick around for BOE on the 16<sup>th</sup>, if it happens. House bill 184 might change the shared fisheries business tax and raw fish tax. It is still a 50/50 split as of now. She is going to set up a teleconference with Whittier and Valdez to see if we can't get more of our share.

## 15. Staff Reports

- a. **Josh Hallquist**, COR, Cordova Center Project
- b. **Cathy Sherman**, Cordova Center Phase 2
- c. **John Bitney**, City Legislative Lobbyist
- d. **Moe Zamarron**, Director of Public Works

**Moe Zamarron** reported that Council requested feedback on the public response to the presentation on the Solid Waste upgrades. He did an unofficial online survey in addition to some small emailing and conversations around town. The consensus was that something should be done. He was surprised that so many people felt like the size was okay and should possibly be more. 71% said that the cost was worth the results. 2/1 said just start it and finish it as opposed to taking it in small steps. The next step for him will be determining when to plug this project into the Public works project line up. In a few weeks we can look at it again when he can map out the factors. **Mayor Kallander** suggested a work session to include more public process to include the neighbors of the project. **Bradford** asked if **Zamarron** can prepare a report with **Royal** possibly to map it out over a 10-years span. **Zamarron** responded that those factors can be presented. **Lynch** stated that the only aspect that needs to be addressed soon is enlarging the footprint at the baler because we would like to do it while they are here paving this summer. **Mayor Kallander** stated that he doesn't believe Council wants to push **Zamarron** as he has a lot going on right now but that Council has a whole would like to get moving on it. **Reggiani** agreed with **Mayor Kallander** and added that a comprehensive plan for Public works may be beneficial to Council to understanding the projects he has going on. **Lynch** asked Council if **Zamarron** can look into enlarging the footprint. Council concurred. **Zamarron** will bring a cost estimate of the enlargement.

## K. CORRESPONDENCE

- 16. Letter from Chenega IRA Council requesting donation 02-01-12
- 17. Letter from DCCED, DCRA flood program 02-29-12
- 18. Bristol Bay Borough Resolution in re J-1 Visa Program 03-19-12
- 19. Letter from Mayor to Covell in re E-911 03-21-12
- 20. Letters from Mayor thanking previous HSB members for their service 03-21-12
- 21. Letters from Mayor to Juneau in re 2013 capital requests 03-21-12
- 22. Letter from Mayor to Chairman Torgerson of the Redistricting Board 03-23-12
- 23. Letter from Senator Murkowski to OMB and Secretary of State 02-12
- 24. Follow up letter from Senator Murkowski to OMB (with attached ltrs from Alaska) 03-12
- 25. Letter from DCCED, Grants Administration in re EVOS grant
- 26. Letter from Dept of Revenue, Oil & Gas in re TAPS 2007-2009 settlement
- 27. Report from Harvill to Mayor in re PWSSC, corp permitting, fill project
- 28. Letter from Lynch to Hoffman of PWSSC in re Harvill report to Mayor

**Bradford** mentioned **George Covell's** letter stating that the E-911 committee met for an hour and decided to hire a consultant. **Allison** asked if we are sending funds to the Chenega IRA Council. Council concurred to send \$200. **Beedle** commented on items 27 and 28 stating that he hopes as a result of discussions tonight new lines of communication can be opened.

## L. ORDINANCES AND RESOLUTIONS

## 29. Resolution 04-12-23

A resolution of the City Council of the City of Cordova, Alaska, authorizing a budget amendment to transfer twenty thousand dollars (\$20,000) to the Cordova School District for the purpose of purchasing

and installation of high efficiency lighting fixtures at the Cordova High School, to be recorded on the City's books in account # 101-902-57004, School Capital projects

**M/Cheshier S/Bradford** to approve resolution 04-12-23, a resolution of the City Council of the City of Cordova, Alaska, authorizing a budget amendment to transfer twenty thousand dollars (\$20,000) to the Cordova School District for the purpose of purchasing and installation of high efficiency lighting fixtures at the Cordova High School, to be recorded on the City's books in account # 101-902-57004, School Capital projects.

**Reggiani** asked if the lights are in the gym. **Nygaard** responded that it will be the classroom, the library and the wrestling room. **Mayor Kallander** stated that it was a result of the energy audit. **Nygaard** stated that it has a high rate of return of 3-4 years. **Van den Broek** asked if the water damage to the ceiling tiles will affect the light fixtures. **Nygaard** responded that some had moisture in them but at this point there has been no damage to the lights. **Bradford** asked when it will be completed. **Nygaard** responded that he would like to do it local so pending details he is hoping for June.

Vote on motion: 7 yeas, 0 nays, Student Council Rep yea. Motion passes.

## M. UNFINISHED BUSINESS

30. Customer dispute of utility bill (CMC 14-04-100 billing errors and disputes)

**Bradford** stated that this has come before Council before. This case made us look at code and find fault in it and change it. He would like to see them get their money back.

**M/Allison S/Beedle** to refund Joe and Margaret Arvidson the \$2223.13 that was paid for their water bill on 9/08/11

**Beedle** agreed with **Bradford** stating that code has changed because of this appeal. **Lynch** clarified that we have not enacted a new code yet. We are still operating under the old code. It is an ordinance so it will take a 1<sup>st</sup> hearing and a 2<sup>nd</sup> hearing then a 30 day appeal period so it will be several months before it is changed after the attorneys are done with it. **Reggiani** stated that it is a quasi-judicial issue; he believes staff applied code correctly to this case. Until code is actually changed it is code and he is not sure they have the ability to override code. **Lynch** stated that council does have legal authority to waive code. **Allison** stated that he can hang his hat in support of the resolution on that they have probably spent more than the work cost in staff and attorney time. We as a Council have already decided that this is the direction they want to go. Staff did nothing wrong, they followed code like they are supposed to, so don't keep sending it back to staff. **Arvidson's** did follow procedure and appealed properly and the decision is final here. He is in support saving time and money and refunding them the bill. **Bradford** agreed that we are acting as a quasi-judicial board right now and this is part of the appeal process which allows for a case by case scenario. **Cheshier** stated that he will be against it on principal because he does not think the change should be retro-active. **Mayor Kallander** agreed with **Reggiani** and **Cheshier** even though he doesn't get a vote. We as a Council change code along the way and we don't go retro-active on our decisions, we follow code. He hopes we are not opening a can of worms and setting a bad precedent here. **Kacsh** stated that it should be taken as a case by case matter.

Vote on motion: 5 yeas, 2 nays (Cheshier and van den Broek), Student Council Rep yea. Motion passes.

## N. NEW & MISCELLANEOUS BUSINESS

31. Council concurrence of Mayor's appointment to fill vacancy as Cordova's Rep on PWSRCAC

**M/Allison S/Bradford** to approve Mayor Kallander's appointment of James Kacsh to serve as the City of Cordova's representative on the PWSRCAC board of directors

Vote on motion: 7 yeas, 0 nays, Student Council Rep yea. Motion passes.

Student Council rep left the meeting

32. Pending Agenda and Calendar

No second meeting in April

**M/Kacsh S/Bradford** to cancel April 18, 2012 Regular Council meeting.

Vote on motion: 7 yeas, 0 nays. Motion passes.

**O. AUDIENCE PARTICIPATION - None**

**P. COUNCIL COMMENTS**

33. Council Comments

**Bradford** would like to encourage the Science Center to stick with it. He thanked the public for their input and JR for putting it on the radio.

**Reggiani** stated that he is disheartened with what happened at the covered playground. We spent a lot of time putting in the new play equipment and we only got 1 season out of it. He asked **Lynch** if he could help him understand the change in 1995 (referring to the water line Code) for any future appeals.

**Allison** agreed with **Bradford** and is in support of keeping PWSSC here and happy. Code sets an appeal process for 3-months. The appeal we viewed tonight was appealed properly. Thanked JR and City staff.

**Beedle** agreed with Koplin on keeping PWSSC here could be a win-win-win. He would like to see the lights go in soon near school. He appreciates the citizens appeal process.

**Q. EXECUTIVE SESSION**

Council took a recess at 9:17 pm and came back at 9:25 pm

~~34. Cordova Center Financial Update~~

~~35. Union contract negotiations~~

36. City Manager goals and expectations

**M/Allison S/Beedle** to enter into executive session to discuss the City Manager goals and expectations. Subjects that may be discussed are subjects that tend to prejudice the reputation and character of any person; provided that the person may request a public discussion.

City Clerk was asked to leave the Council chambers for the executive session.

Vote on motion: 7 yeas, 0 nays. Motion passes.

Council entered executive session at 9:25 pm; Council came out of executive session at 10:27 pm

Council had a discussion with the City Manager on his goals and expectations for the future

**R. ADJOURNMENT**

**M/Allison S/Kacsh** to adjourn the regular meeting at 10:28 pm

Vote on motion: 7 yeas, 0 nays. Motion passes.

Approved: May 2, 2012

Attest: \_\_\_\_\_

Robyn Kincaid, Deputy City Clerk

**CITY COUNCIL WORK SESSION  
APRIL 5, 2012 @ 5:30 PM  
MT ECCLES ELEMENTARY SCHOOL  
COMMONS / CAFETERIA  
MINUTES**

**A. CALL TO ORDER**

*Vice-Mayor David Reggiani* called the Council Work Session to order at 5:32 pm on April 5, 2012 in the Mt Eccles Elementary School Commons / Cafeteria.

**B. ROLL CALL**

Present for roll call were Council members *Keith van den Broek, David Allison, Bret Bradford, David Reggiani* and *Robert Beedle*. Mayor *James Kallander* and Council members *James Kacsh* and *EJ Cheshier* were absent.

Planning & Zoning commissioners *Tom Bailer* and *John Greenwood* were in attendance.

Also present were Assistant City Manager *Cathy Sherman*, City Planner *Sam Greenwood* and City Clerk *Susan Bourgeois*.

DOT TEAM: *Steve Titus, Bill O'Halloran, Russ Johnson, Elmer Marx* and *Meadow Bailey*.

**C. COMMUNICATIONS BY AND PETITIONS FROM VISITORS**

1. Audience Comments regarding agenda items - None

**D. WORK SESSION TOPIC**

2. Discussions with representatives from AKDoT&PF in re CRH 36 mile bridge

The DOT team ran the meeting and started by saying that they shut down the bridge because they felt strongly that it was a safety issue. They are here today to answer as many questions and concerns as possible in addition to covering some other projects that will be going on in Cordova this summer. The bridge is a top priority project for their offices and if they can keep things rolling they hope to be building in 2015.

**The Existing Bridge 339**

Is about 400 feet long and was built in 1977 and consists of 5 spans of pre-stressed girders. The girders are not interconnected and are supported by piers. If any one of the piers is damaged there is no back-up support for the bridge. The bridge was designed for a 100-year event flood level at 21,300 cfs (cubic feet per second) flowing under the bridge. In the summer of 2011 the flow increased with a peak of 89,000 cfs. The bridge wasn't designed to convey that much water. The Alaska DOT has partnered with the USCG and estimated that it could increase up to 205,000 cfs. The Copper River itself is relocating, moving from the west to east creating this hydraulic issue. This is probably just the first battle of a war we will continue to fight. The road has created a dam of sorts forcing the water flow to go under the bridge. When that water can't span out it will scour down creating the room it needs to flow. 3-4 years ago they were very worried about bridge 342 because of the increased water flow. In early 80's they lengthened the bridge and did work to keep the water flowing under it. Then the water volume diminished and the threat resolved itself. The flow moved down to bridge 339. From May to October, 2011 they did bi-weekly soundings on the bridge and it progressed up to 5 feet of scour a day. It is now getting the majority of the ice chunks from the Copper River. When the large amount of snow Cordova received this winter melts it will hit the Copper River and could create even more scouring.

Deputy Clerk *Robyn Kincaid* arrived at 6:00 pm; City Clerk *Susan Bourgeois* left at 6:00 pm

**Proposed Bridges**

They have narrowed it down to two bridge options. They will increase the bridge length and the pier spans. It will be similar to bridge 342. The supports could be multiple column piles or one very large diameter pile. Using multiple column piles is the cheaper option but may not be the way to go depending on the flow increase. Accessing the bridge for constructing is a complication and factor in the design.

### Anticipated Schedule

Gather engineering field data, develop hydraulic river model and develop preliminary bridge design in 2012. Finalize environmental documents, finalize design, and start permitting in 2013. Continue permitting and possible ROW in 2014. Start construction in 2015.

### Discussion

A community member asked if it was a bridge on the Glenn highway in Anchorage would it take just as long. They responded that it would if they have to use federal money. If you use their money you have to play by their rules. Coast Guard has a long public comment period and wants everyone else to get their ducks in a row first then they will do their job. In other parts of the Country this process is longer.

**Van den Broek** asked if break up diverts the flow will the bridge be salvageable. They responded that it is possible but it is more than likely that it is a total loss. If the flow is diverted the very action of the water level lowering could cause a suction effect and bring the bridge down. A community member asked if they build a new bridge could they include an ice deflection on it like the million dollar bridge has on it. They responded that every bridge is designed for ice force but earthquake is a larger factor in this area.

**Luke Borer** asked what happens if ice removes the bridge. They responded that they wouldn't have to demo. Lots of people get involved if a bridge collapses though. They would prefer a controlled demo. A community member asked if the ice took out the bridge could the Governor declare it a disaster and speed up the process. They responded that it would open up another funding source but the process would not go faster. A community member asked if the lack of maintenance on the road past the bridge is going to cause more problems. They responded that the portion of road between 36 mile and 43 mile is a tricky area. They are concerned about what the road will look like after the bridge is completed but have no way to work on it currently. **Jennifer Gibbens** asked what the estimates are for the two bridge options. They responded that the repair option is estimated to be at least \$8M not including the expense of accessing the site. The longer bridge option is estimated to be about \$26M but the increased flow may require a longer bridge which would cost more. They have \$2.5M allocated now to work on design. **Jennifer Gibbens** asked what the community can do. They responded that the community can comment on the STIP, and should talk to their legislators. The community wanting the team to come talk to them showed the team that the community really does want this project. **Luke Borer** asked when they will plow the snow and open the road. **Rob Mattson** responded that they usually try to open mid-April depending on the drifts. They are working to get to 21 mile. It is an immense snow field though and a challenging year with the amount of snow and large trees down. **Bradford** asked if after break up if the bridge has not failed could they make it safe for foot traffic and 4-wheelers. They responded that it could happen but in order to do that they would need access to both sides of the bridge. It would be a challenge and some costs associated with it but it is possible. We will look at it but the reason the bridge was closed is for safety. Our bridge experts say don't go on the bridge. If the bridge has as much ice on it as it did last year it won't survive.

Other DOT projects this summer

They are paving from 0-6 mile of the Copper River Highway. It will be done before August this year. Cordova will have a much stronger road than it has now with a 20-30 year life span. The crown currently is at 2% and will be increased to 3% to help with drainage. They are driving Whitshed tomorrow to evaluate the drainage issues. **Jennifer Gibbens** asked if they will be repairing the sidewalks and creating handicapped parking with the road project. They responded that it is not in the scope of this project. They are looking to pave as quickly as possible. The sidewalks are an issue because some of the businesses

have basements that go under the sidewalks so there are right of way issues to be addressed. It would be its own project. They also are doing some minor paving repair on the taxi way at the airport after the road project is completed. A community member opined that they should look at the Eyak River Bridge because it is so narrow and people fish off that bridge it is a huge risk. The team responded that it is a good bridge it is just too narrow. That project was examined awhile back but not sure where it is at in the process or if it was dropped. They suggested the community talk to their legislators if they want the project pushed forward. During any of the DOT projects they will be doing weekly updates to the media and to the Mayor's office.

**E. AUDIENCE PARTICIPATION - None**

**F. COUNCIL COMMENTS**

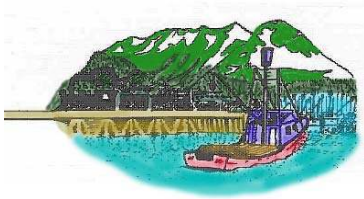
*Reggiani* thanked the team for presenting and being so informative.

**G. ADJOURNMENT**

Meeting was adjourned with no objection at 7:47 PM.

Approved: May 2, 2012

Attest: \_\_\_\_\_  
Robyn Kincaid, Deputy City Clerk



City of Cordova  
602 Railroad Ave.  
P.O. Box 1210  
Cordova, Alaska 99574

Phone: (907) 424-6200  
Fax: (907) 424-6000  
Email:

[citymanager@cityofcordova.net](mailto:citymanager@cityofcordova.net)

# CITY OF CORDOVA

## *Office of City Manager*

April 25, 2012 Manager's Report (for 05/02/12 Council meeting)

**Personnel issues:** We are still working on filling positions in Public Works. We are very close to hiring a mechanic. Water/Sewer and Refuse have hired new employees to fill vacancies, and we are still working on hiring a Superintendent to oversee both divisions.

**Union Contract/Grievances:** We have reached a tentative agreement concerning the IBEW contract, and the union has ratified. If approved by Council it will be effective as of May 1, 2012 and will run through April 30, 2015. There has been no progress concerning current grievances. Grievance arbitration concerning management's right to assign work in the best interest of the City is set to begin in mid-June. We are working on a potential use of FMCS (Federal Mediation and Conciliation Service) to help potentially settle grievances at a lower cost than arbitration.

**Hospital Roof:** CH2MHILL has been working toward getting the final architecture/engineering work completed so they can publish the RFP for the roof replacement. Josh Hallquist is working on behalf of the City as our Project Manager, and has had several meetings to ensure a smooth process. The project is on track to complete late this summer.

**Sound Developer / Spartan:** The trench has been filled, and the shipyard area is primarily useable with the exception of a few areas where the Harbormaster is waiting for complete compaction to occur. Metal is scheduled to be removed by May 31.

**Harbor Study & Boardwalks:** A memo is in your packet recommending DHI Consulting Engineers for the initial work on the Harbor Study. I am also in discussions with DHI concerning the boardwalks.

**Breakwater/Fill:** I am working on the final details with Eagle Contracting. I hope to have a final contract for approval in the next Council packet.

**North Fill Floating Dock:** We received four proposals and they are currently being reviewed to determine which best meets our needs and quality expectations.

**Snow Emergency:** Finance is still very busy working with the State to finalize costs and reimbursements. We have been given a deadline of April 30 to have everything submitted. We are waiting for some information concerning insurance, but other costs have been calculated and are ready for submission.





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Office of the City Clerk  
Cordova, AK 99574  
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Fax: 907.424.6000  
Cell: 907.253.6248  
E-mail: [cityclerk@cityofcordova.net](mailto:cityclerk@cityofcordova.net)

## **CITY CLERK'S REPORT TO COUNCIL**

*May 02, 2012 Regular Council Meeting*

**Date of Report:** late April, 2012

### **Things I need feedback on:**

- See Pending Agenda: need responses in re 2<sup>nd</sup> May meeting and July 4 meeting

### **Things I have been working on:**

- Signed paychecks/other AP checks
- Prepared agendas and packets for BOE on April 16 and regular meeting on May 2, 2012
- Completed successful assessment appeal period and BOE will certify the property tax roll at next meeting and will give Council mill rate scenarios to set mill rate at the June 6 meeting
- Deputy Clerk continues with prep for EOR (expiration of the redemption period) for delinquent 2010 taxes which is Friday May 18 – last day to redeem properties on the 2010 foreclosure list
- Deputy Clerk prepared agenda and packet for second (revived) E-911 Committee meeting on April 30, 2012
- Submitted quarterly ordinances for codification to Municode
- Organized/updated excel spreadsheet for Cordova Cemetery in hopes of reprinting on AutoCad soon
- Worked with a family member to plan for a July 2012 burial (possibly in the Lakeview cemetery – more probably in the Cordova cemetery – on the highway)
- Worked with Finance Director and Attorneys on Butler delinquencies for property tax on two separate properties
- Prepared for 2012 IIMC Conference I am attending in Portland on May 20 – 24 (printed session materials, chose advanced academy sessions to attend) researched locations for best Portland Microbreweries near Convention Center
- Prepared and submitted first quarter APOC “Employer of Lobbyist” report
- Analyzed Capital Budget for Mayor
- Posted HSB and School Board meeting packets to City website

## **Cordova Legislative Update**

### **April 20, 2012**

#### **Summary**

The regular session adjourned Sunday, April 15<sup>th</sup>. A special session on oil taxes, in-state pipeline, and sex trafficking is underway. Below is a description of the items that passed, some that didn't, and other issues of interest.

#### **Capital Budget**

Below is a table showing projects in the Capital Budget (Senate Bill 160) that are for projects that directly impact the community of Cordova:

<b><u>Recipient</u></b>	<b><u>Project</u></b>	<b><u>Amount</u></b>
City of Cordova	Bike Rack	\$4,000
City of Cordova	Morning Music Program	\$15,000
City of Cordova	Student Van	\$40,000
City of Cordova	Window Replacement	\$13,000
Native Village of Eyak	Hartney Bay Utility Installation	\$366,000
Pioneers of Alaska	Igloo Building Renovation	\$200,000
PWS Aquaculture	Cannery Creek Hatchery	\$5,263,000
PWS Aquaculture	Main Bay Hatchery	\$864,000
City of Cordova	LT2 Compliance Facility	\$3,888,250
DOT&PF	AMHS – Cordova Dock	<u>\$1,200,000</u>
	<b>TOTAL</b>	<b>\$11,853,250</b>

#### **Education Funding**

In the final days of the session, the House Finance Committee presented an education funding package in Senate Bill 182. The funding includes funding for pupil transportation in the current year and next year, and also adjusts the level of state aid for education by lowering the minimum required local contribution. For Cordova, the bill provides \$108,708 in the current year for pupil transportation, and \$111,758 next year. Under the increased state aid for education, Cordova will receive an additional \$149,026 for next year by lowering the minimum local contribution, plus an additional \$20,051 by increasing the Career and Technical Factor.

#### **Community Revenue Sharing**

Another \$25 million was added to the community revenue sharing program – which brings the total of the program to \$85 million. For Cordova, this additional amount added \$86,177 to the community's revenue sharing. The total for Cordova is now \$293,003.

#### **Shellfish Farming**

House Bill 60, by Rep. Paul Seaton, would allow geoduck farming in the Gulf of Alaska where there currently are no wild stocks. The legislature also passed HB121, which establishes a mariculture revolving loan program. The loan fund is patterned after the state's salmon hatchery loan program to allow private non-profits to cover construction and front-end operating costs while undertaking planning to build cost recovery programs.

**Commercial Fishing Entry Permit Loans**

House Bill 261, by Rep. Bryce Edgmon, passed and is waiting for Governor Parnell's signature. The bill would increase the maximum loan amount to \$200,000 as a means to assist the purchase of limited entry permits.

**Coastal Zone Management**

The legislature did not pass HB325, a bill to re-establish the coastal management program in Alaska. A ballot initiative to re-establish the program will be on the August 28<sup>th</sup> Primary Election ballot.

**PERS**

Senate Bill 100, which would repeal PERS termination studies, died in the House Labor & Commerce Committee after passing the Senate.

**Redistricting**

Last week the Alaska Redistricting Board filed an updated plan that it hopes will comply with the Alaska Supreme Court. No changes were made to Cordova's House District 35. There were some minor changes to the neighboring House District 36, which is the other half of Cordova's Senate District. A schedule for further court hearings is expected within the next few days.

**Conclusion**

After receiving \$2 million in the Supplemental Budget to replace the hospital roof, no priority projects from the City of Cordova's list were included in the final Capital Budget. The small projects that were added were from the School District, and there were some grants to local organizations.

The Legislature did boost statewide funding for education and revenue sharing to local communities, and there are other statewide programs where funding opportunities are available. These include programs such as weatherization, home-energy rebates, housing development, and workforce development.

The filing deadline for state candidates is June 1<sup>st</sup>. Hopefully we will have a final redistricting plan adopted in time to know which candidates will be asking to represent Cordova in the next legislature.

# Memo

To: Cordova City Council and James Kallander, Mayor  
From: Moe Zamarron, Director of Public Works  
CC: Mark Lynch, City Manager  
Date: 26 April, 2012  
Re: Solid Waste Upgrade Progress

The City is in receipt of a grant for Solid Waste program improvements. This is a 70/30 matching fund grant for \$497,000 which makes the City's portion \$213,000. The current 2012 budget already provides a match of \$115,000 for the paving at the baler facility which is included in this grant amount. That leaves \$98,000 left to provide in matching funds to use the rest of the grant money. The total amount of \$710,000 would go toward baler site improvements including grading, paving the original footprint and prepping the facility for the next phase of the solid waste upgrades.

The Refuse Enterprise proposes setting up a repayment schedule for the \$98,000 over a 5 year period adding 3% to the monthly service rates, or about \$1.24 to the typical residential bill. Timing of when to institute a rate increase and/or when to start repayment would be up to Council.

The next step in implementing the overall system upgrades will be discussed as funding and resources become available. Periodic reports as to program status will be presented in the staff reports to City Council.

Please consider this information and offer input as is seen fit.

Thank you,  
Moe Zamarron  
Director of Public Works  
City of Cordova

TO: City Manager Lynch  
 FROM: Harbormaster Muma  
 DATE: 4/2/2012  
 RE: Quarterly Activity Report/Jan.-Mar. 2012

Exclusive Slips Assigned	623 out of 715 Total Slips			87% Occupancy (as of 4/2/12)	
	Jan.	Feb.	Mar.	Total	
Vessels Charged Daily Rate	3	3	12	18	
Vessels Charged Monthly Rate	0	0	0	0	
Vessels In Impound Status	0	0	0	0	
Vessel Lifts	0	3	5	8	
Port Arrivals:					
Shoreside	1	1	1	3	
Samson	1	1	1	3	
Used Oil Collected(gallons)	3,650				
Used Oil Collected(Jan.-Dec.)	3,650				
Vessels Towed	1				
Vessels Pumped	2				
Vessel Bilges Pumped	1				
Vessel Sewage Tanks Pumped	0				

#### GENERAL ACTIVITIES

- \* Demolition of Sound Developer and Spartan
- \* Electrical repairs
- \* Emergency phone inspections
- \* Fire extinguisher inspections
- \* Fire extinguisher maintenance
- \* Incinerate sorbents
- \* Pump maintenance
- \* Pump used oil
- \* **SNOW REMOVAL**
- \* Travel Lift maintenance

### Memo

DATE: 4/10/12  
TO: CITY COUNCIL  
FROM: SUSIE HERSCHLEB / DIRECTOR OF PARKS AND RECREATION  
RE: 1<sup>ST</sup> QUARTER REPORT

Council,  
You will see that our numbers are below last years. All I have to say about that is SNOW.

In January we housed the National Guard. February's Iceworm festival took everyone by surprise so attendance and revenue took a hit.

Regularly scheduled youth programming for January and February has been extremely difficult to reschedule; both volunteers and kids are hard to find!

We are taking 2 basketball teams to Valdez for the 'Hoop It Up' tournament on 20-22 of this month. We are thankful to those who are volunteering their time to coach/chaperone and especially to the Alaska Marine Highway for being patient while we firm up our plans.

Skaters Cabin revenue is likely down because it was buried most of the 1st quarter.

Attendance and revenue are beginning to return to normal. Points North gives us an annual boost in daily drop-ins when they are not flying and our evening weight room and gym numbers are really picking up – I guess folks have returned to the gym since snow removal has subsided!

Thank goodness spring has sprung!

1st Quarter Revenue 2012									
	Month	Drop in	Passes	Programs	S.Cabin	Odiak	Other	Total	
	Jan	\$ 126.00	\$ 710.00	\$ 140.00	\$ 75.00			\$ 1,051.00	
	Feb	\$ 142.00	\$ 2,770.00	\$ 360.00	\$ 320.00			\$ 3,592.00	
	Mar	\$ 421.00	\$ 880.00	\$ 360.00	\$ 260.00			\$ 1,921.00	
	Total	\$ 689.00	\$ 4,360.00	\$ 860.00	\$ 655.00	\$ -	\$ -	\$ 6,564.00	
	2011 TOTALS	\$978.00	\$6,614.00	\$2,250.00	\$320.00	\$1,094.22	\$ -	\$11,256.22	
	1st Quarter Attendance								
Month	Aero	Tot Time	HS Gym	Y.Programming	Adt. B Ball	Adt V Ball	WR	OG	Total
Jan	28			525	35	50	700	634	1972
Feb	34	10		1300	70	98	1163	596	3271
Mar	47	87		130	88	115	1254	946	2667
Total	109	97	0	1955	193	263	3117	2176	7910



UBS Financial Services Inc.

3000 A Street, Suite 100  
Anchorage, Alaska 99503

Anchorage Office

Fax. 907-261-5990

www.ubs.com

April 4, 2012

City Council Members and Staff  
City of Cordova, Alaska  
602 Railroad Avenue  
Cordova, Alaska 99574

Dear Council Members and Staff,

As of April 3, 2012 the City of Cordova has a total of **\$15,516,174** (including accrued interest), on deposit with UBS, distributed among six funded accounts. Four of these accounts are under active investment management. Three of which are fixed income accounts managed by Sage Advisors and one Permanent Fund account invested in the Pace balanced mutual fund program. The assets under active investment management totaled **\$12,312,469.22** between these four referenced accounts as of April 3, 2012. The remaining two accounts, one for the Permanent Fund and one for the Central Treasury, are being utilized as cash management accounts with the assets deposited in money market funds.

*In the first quarter of this year the net returns for the three Permanent Fund accounts, which includes a cash management only account, was 3.86%. The return for the three Central Treasury accounts, which consist of only fixed income investments and cash type instruments, was .17%. The combined net returns year to date for all six accounts held at UBS was 2.21% through March 31, 2012.*

The first quarter has been marked by one of the strongest domestic equity market rallies on record. Bonds on the other hand, have struggled somewhat as interest rates spiked during the quarter, which put bond prices under pressure. None-the-less, the fixed income accounts managed on Cordova's behalf by Sage Advisory Services have held up well and provided solid returns during 2011.

I have attached a research report from our Wealth Management Research department, which does an excellent job of recapping the first quarter's activity and the outlook going forward into 2012. I will be referencing this piece extensively during the quarterly review.

In addition to previously referenced research report, I have attached three performance reports for your review. The first is titled COC-Total and reflects the asset allocation and portfolio performance for all six accounts combined. This summary report is followed by separate reports for the Permanent Fund and Central Treasury accounts.

I have a serious family emergency that requires I immediately leave the state, but I plan to attend the council meeting via teleconference on April 18<sup>th</sup>. As always, thank you for the opportunity to assist Cordova.

Sincerely,

Buck Adams, CFP®, CIMA®, ChFC®  
Senior Vice President – Investments  
Senior Managed Accounts Consultant.

Attached: March 31, 2012 Performance reports Permanent Fund and Central Treasury accounts  
Second Quarter 2012 Quarterly recap and outlook research report.



**Branch office:**  
3000 "a" Street  
Suite 100  
Anchorage, AK 99503-4040

**Financial Advisor:**  
Keystone Wealth Management  
907-261-5971  
BUCK.ADAMS@UBS.COM

# UBS Client Review

As of April 3, 2012

**Prepared for**  
COC - Total

**Accounts included in this review**

Account	Name	Type
UC 03542	• CORDOVA	• MAC Wrap
UC 03543	• CORDOVA	• BSA
UC 03544	• CORDOVA	• BSA
UC 03546	• CORDOVA	• MAC Wrap
UC 04046	• CORDOVA	• MAC Wrap
UC 04047	• CORDOVA	• Pace Multi Advisor

**What's inside**

Executive summary. . . . .	2
Performance review. . . . .	3
Performance by account. . . . .	4
Important information about this report. . . . .	6



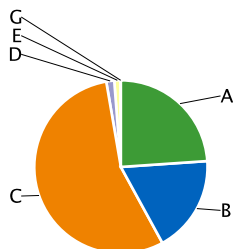
# Executive summary

as of April 3, 2012

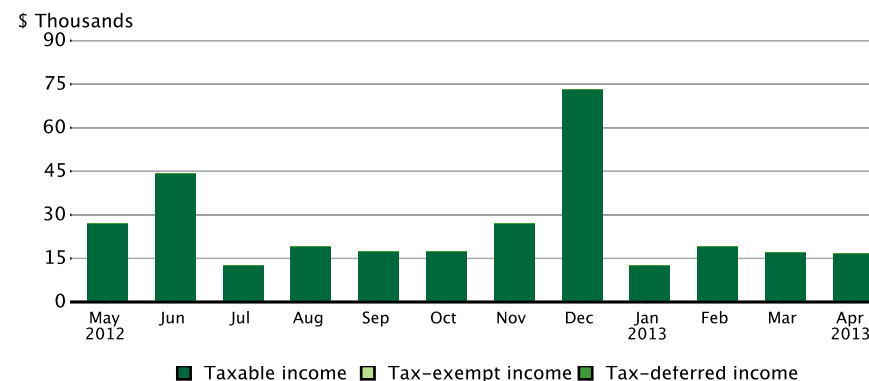
## Asset allocation summary

	Value on Apr 03 (\$)	% of portfolio
<b>A Cash and cash alternatives</b>	<b>3,711,570.37</b>	<b>23.92</b>
<b>B Equities</b>	<b>2,811,486.74</b>	<b>18.12</b>
U.S. equity	2,095,312.81	13.50
Non U.S. equity	509,485.13	3.28
Global equity	206,688.81	1.33
<b>C Fixed income</b>	<b>8,577,002.45</b>	<b>55.27</b>
U.S. fixed income	8,048,303.60	51.86
Non U.S. fixed income	266,662.19	1.72
Global fixed income	262,036.66	1.69
<b>D Alternative strategies</b>	<b>229,176.71</b>	<b>1.48</b>
<b>E Broad commodities</b>	<b>179,464.83</b>	<b>1.16</b>
<b>F Real estate</b>	<b>0.00</b>	<b>0.00</b>
<b>G Other</b>	<b>10,282.36</b>	<b>0.07</b>
<b>Total Portfolio</b>	<b>\$15,518,983.47</b>	<b>100%</b>

Balanced mutual funds represented in multiple asset classes based on Morningstar allocations



## Expected cash flow

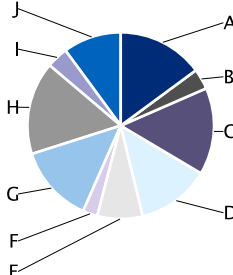

**Total expected cash flow: \$303,925.77**

Cash flows displayed account for known events such as maturities and mandatory puts.

## Equity sector analysis

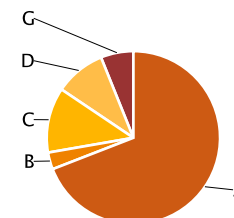
	Value on Apr 03 (\$)	% of equity
<b>A Consumer discretionary</b>	<b>418,610.57</b>	<b>14.89</b>
<b>B Energy</b>	<b>99,822.81</b>	<b>3.55</b>
<b>C Finance</b>	<b>424,321.75</b>	<b>15.09</b>
<b>D Health care</b>	<b>355,540.16</b>	<b>12.65</b>
<b>E Industrials</b>	<b>221,146.97</b>	<b>7.87</b>
<b>F Materials</b>	<b>71,592.70</b>	<b>2.55</b>
<b>G Staples</b>	<b>379,328.99</b>	<b>13.49</b>
<b>H Technology</b>	<b>452,750.60</b>	<b>16.10</b>
<b>I Telecommunications</b>	<b>104,718.46</b>	<b>3.72</b>
<b>J Utilities</b>	<b>283,653.73</b>	<b>10.09</b>
<b>K Unclassified securities</b>	<b>0.00</b>	<b>0.00</b>
<b>Total equity</b>	<b>\$2,811,486.74</b>	<b>100%</b>

Balanced mutual funds represented in multiple asset classes based on Morningstar allocations



## Credit quality of bond holdings

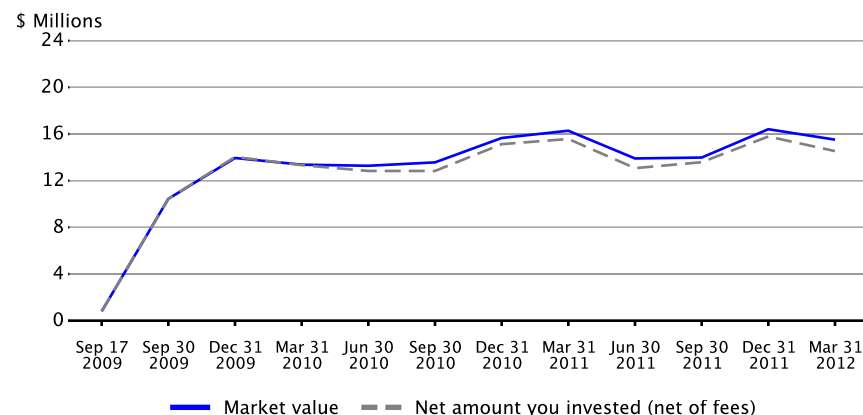
Insured credit rating	Issues	Value on Apr 03 (\$)	% of port.
<b>A Aaa/AAA/AAA</b>	<b>42</b>	<b>5,269,178.44</b>	<b>69.10</b>
<b>B Aa/AA/AA</b>	<b>6</b>	<b>239,947.77</b>	<b>3.16</b>
<b>C A/A/A</b>	<b>28</b>	<b>933,349.02</b>	<b>12.16</b>
<b>D Baa/BBB/BBB</b>	<b>26</b>	<b>728,032.23</b>	<b>9.48</b>
<b>E Non-investment grade</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>F Certificate of deposit</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>G Not rated</b>	<b>3</b>	<b>463,170.13</b>	<b>6.10</b>
<b>Total</b>	<b>105</b>	<b>\$7,633,677.58</b>	<b>100%</b>



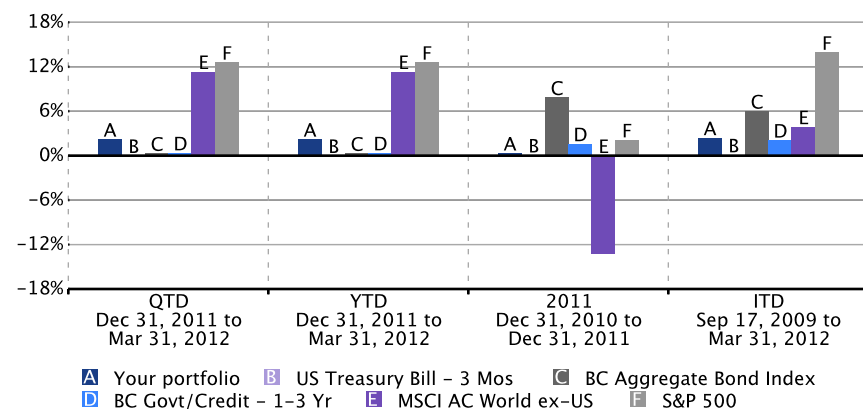
# Performance review

as of March 31, 2012

## Sources of portfolio value



## Portfolio and selected benchmark returns



## Portfolio value and investment returns

	Performance returns (annualized > 1 year)			
	QTD Dec 31, 2011 to Mar 31, 2012	YTD Dec 31, 2011 to Mar 31, 2012	2011 Dec 31, 2010 to Dec 31, 2011	ITD Sep 17, 2009 to Mar 31, 2012
<b>Opening value</b>	<b>16,409,037.55</b>	<b>16,409,037.55</b>	<b>15,657,234.00</b>	<b>800,000.00</b>
Net deposits/withdrawals	-1,270,135.65	-1,270,135.65	579,976.26	13,578,816.18
Div./interest income	46,949.13	46,949.13	282,001.10	610,553.07
Change in accr. interest	8,517.79	8,517.79	-8,418.88	36,029.67
Change in market value	321,805.63	321,805.63	-101,754.93	490,775.52
<b>Closing value</b>	<b>15,516,174.44</b>	<b>15,516,174.44</b>	<b>16,409,037.55</b>	<b>15,516,174.44</b>
Net Time-weighted ROR	2.21	2.21	0.34	2.41

Net deposits and withdrawals include program and account fees.

## Time weighted rates of return (net of fees)

	Performance returns (annualized > 1 year)			
	QTD Dec 31, 2011 to Mar 31, 2012	YTD Dec 31, 2011 to Mar 31, 2012	2011 Dec 31, 2010 to Dec 31, 2011	ITD Sep 17, 2009 to Mar 31, 2012
<b>Your portfolio</b>	<b>2.21%</b>	<b>2.21%</b>	<b>0.34%</b>	<b>2.41%</b>
<b>Cash and Cash Alt</b>				
US Treasury Bill - 3 Mos	0.01	0.01	0.07	0.09
<b>Fixed Income</b>				
BC Aggregate Bond Index	0.30	0.30	7.84	6.00
BC Govt/Credit - 1-3 Yr	0.36	0.36	1.59	2.08
<b>Equities</b>				
MSCI AC World ex-US	11.34	11.34	-13.33	3.89
S&P 500	12.59	12.59	2.11	13.93

# Performance by account

as of March 31, 2012

## Summary of performance by account

						Performance returns (annualized > 1 year)			
						QTD	YTD	2011	ITD
						Dec 31, 2011 to Mar 31, 2012	Dec 31, 2011 to Mar 31, 2012	Dec 31, 2010 to Dec 31, 2011	Start date to Mar 31, 2012
		Performance start date	Value on Mar 31, 2012 (\$)	% of portfolio					
UC 03542	City of Cordova Central Treasury • MAC Wrap - SAGE INT FIXED Risk profile: Conservative Return objective: Current Income	Nov 5, 2009	2,206,114.88	14.22%	Net time-weighted	-0.17%	-0.17%	5.50%	3.75%
UC 03543	City of Cordova Central Treasury • BSA Risk profile: Conservative Return objective: Current Income	Sep 17, 2009	1,305,945.22	8.42%	Net time-weighted	0.04%	0.04%	0.12%	-11.82%
UC 03544	City of Cordova Permanent Fund • BSA Risk profile: Conservative Return objective: Current Income	Sep 21, 2009	1,900,608.63	12.25%	Net time-weighted	0.03%	0.03%	0.11%	-4.76%
UC 03546	City of Cordova Permanent Fund • MAC Wrap - SAGE INT FIXED Risk profile: Conservative Return objective: Current Income	Nov 5, 2009	2,899,073.35	18.68%	Net time-weighted	0.85%	0.85%	4.12%	3.78%
UC 04046	City of Cordova Central Treasury • MAC Wrap - SAGE INT FIXED Risk profile: Moderate Return objective: Current Income and Capital Appreciation	Feb 8, 2011	2,824,995.69	18.21%	Net time-weighted	0.69%	0.69%	N/A	5.53%
UC 04047	City of Cordova Permanent Fund • Pace Multi Advisor Risk profile: Aggressive/Speculative Return objective: Capital Appreciation	Dec 23, 2010	4,379,436.67	28.22%	Net time-weighted	7.78%	7.78%	-5.20%	2.01%
Total Portfolio		Sep 17, 2009	\$15,516,174.44	100%	Net time-weighted	2.21%	2.21%	0.34%	2.41%

# Performance by account - as of March 31, 2012 (continued)

	QTD Dec 31, 2011 to Mar 31, 2012	YTD Dec 31, 2011 to Mar 31, 2012	2011 Dec 31, 2010 to Dec 31, 2011	ITD Sep 17, 2009 to Mar 31, 2012
<b>Benchmarks - Time-weighted returns</b>				
<b>Cash and Cash Alt</b>				
US Treasury Bill - 3 Mos	0.01 %	0.01 %	0.07 %	0.09 %
<b>Fixed Income</b>				
BC Aggregate Bond Index	0.30 %	0.30 %	7.84 %	6.00 %
BC Govt/Credit - 1-3 Yr	0.36 %	0.36 %	1.59 %	2.08 %
<b>Equities</b>				
MSCI AC World ex-US	11.34 %	11.34 %	-13.33 %	3.89 %
S&P 500	12.59 %	12.59 %	2.11 %	13.93 %



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This section contains important disclosures regarding the information and valuations presented here. This report presents information since December 31, 2002. This report does not include complete account activity or performance of your accounts before this date. All information presented is subject to change at any time and is provided only as of the date indicated. The information in this report is for informational purposes only and should not be relied upon as the basis of an investment or liquidation decision. UBS Financial Services Inc. accounts statements and official tax documents are the only official record of your accounts and are not replaced, amended or superseded by any of the information presented in these reports.

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Please review the report content carefully and contact your Financial Advisor with any questions.

The account listing may or may not include all of your accounts with UBS Financial Services Inc. The accounts included in this report are listed under the "Accounts included in this review" shown on the cover page.

**Mutual Fund Asset Allocation:** If the option to unbundle balanced mutual funds is selected and if a fund's holdings data is available, mutual funds will be classified by the asset class, subclass, and style breakdown of their underlying holdings. Where a mutual fund or ETF contains equity holdings from multiple equity sectors, this report will proportionately allocate the underlying holdings of the fund to those sectors measured as a percentage of the total fund's asset value as of the date shown.

This information is supplied by Morningstar, Inc. on a monthly basis to UBS Financial Services, Inc based on data supplied by the fund which may not be current.

Mutual funds change their portfolio holdings on a regular (often daily) basis. Accordingly, any analysis that includes mutual funds may not accurately reflect the current composition of these funds. If a fund's underlying holding data is not available, it will be classified based on its corresponding overall Morningstar classification. All data is as of the date indicated in the report.

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**Margin:** The quantity value may indicate that all or part of this position is held on margin or held in the short account. When an account holds a debit balance, this debit balance is incorporated into the account's total market value and deducted from the total value. When calculating the percent of portfolio on each security, the percentage will be impacted by the total market value of the account. Therefore, if the account's market value is reduced by a debit value of a holding the percent of portfolio will be greater and if the account's market value is increased by a holding then the percent of portfolio will be less.

**Cash:** Cash on deposit at UBS Bank USA is protected by the Federal Deposit Insurance Corporation (FDIC) up to

\$250,000 in principal and accrued interest per depositor for each ownership type. Deposits made in an individual's own name, joint name, or individual retirement account are each held in a separate type of ownership. Such deposits are not guaranteed by UBS Financial Services Inc. More information is available upon request.

**Portfolio:** Portfolio for purposes of this report is defined as all the accounts presented on the cover page or the header of this report and does not necessarily include all of the client's accounts held at UBS Financial Services Inc.

**Gain/Loss:** The gain/loss information may include calculations based upon non-UBS Financial Services Inc. cost basis information. The Firm does not independently verify or guarantee the accuracy or validity of any information provided by sources other than UBS Financial Services Inc. In addition, if this report contains positions with unavailable cost basis, the gain/(loss) for these positions are excluded in the calculation for the Gain/(Loss). As a result these figures may not be accurate and are provided for informational purposes only. Clients should not rely on this information in making purchase or sell decisions, for tax purposes or otherwise. Rely only on year-end tax forms when preparing your tax return. See your monthly statement for additional information.

**Fixed Income:** Fixed income instruments are classified as short term if they have a maturity date less than or equal to 3 years and intermediate term if they have a maturity date between 3 to 10 years. Instruments with maturity dates longer than 10 years are classified as long-term instruments. Unclassified instruments are those for which no maturity date is available or applicable.

**Bond:** The term "Bond" refers to all fixed interest bearing securities issued by public and private entities where the issuer owes the holders interest and/or principal at a specified later date. This term does not include mutual funds. These securities are subject to market risk and interest rate risk. If sold in the secondary market prior to maturity, investors may experience a gain or loss depending on interest rates, market conditions and the credit quality of the issuer.

**Insured/Underlying Rating:** Where a rating does not exist for a particular agency, the report will display NR.

**Averages:** All averages are weighted averages calculated based on market value of the holding, not including accrued interest.

**Classified Equity:** Classified equities are defined as those equities for which the firm can confirm the specific industry and sector of the underlying equity instrument.

**Equity:** The Growth, Value and Core labels are determined by Standard and Poor's using a price-to-book ratio methodology. The Growth, Value and Core labels are based on how a company's price-to-book ratio compares to the median price-to-book ratio for its industry based on the company's assigned Industry Sector. If the company's ratio is greater than or equal to the industry median, it is classified as a growth stock. If the company's ratio is less than the industry median, it is classified as a value stock. If a security includes both growth and value attributes, it is classified as a core stock. If price-to-book is not available or the industry's median is not available, this item will be Unclassified.

**Capitalization:** Market Capitalization is defined as the number of shares outstanding times the market value. Equity securities are classified as Large Cap if they have a capitalization of 8 billion or above. Securities with capitalization between 1.8 and 7.9 billion are classified as Mid Cap. Securities with capitalization below 1.79 billion are classified as Small Cap. Unclassified securities are those for which no capitalization is available or applicable.

**Equity:** This analysis may include a variety of accounts, each with different investment and risk parameters. As a result, the overweighting or underweighting in a particular sector or asset class should not be viewed as an isolated factor in making investment/liquidation decisions; but should be assessed on an account by account basis to determine the overall impact on the account's portfolio.

**Cash Flow:** This Cash Flow analysis is based on the historical dividend, coupon and interest payments you have received as of the Record Date in connection with the securities listed and assumes that you will continue to hold the securities for the periods for which cash flows are projected. The attached may or may not include principal paybacks for the securities listed. These potential cash flows are subject to change due to a variety of reasons, including but not limited to, contractual provisions, changes in corporate policies, changes in the value of the underlying securities and interest rate fluctuations. The effect of a call on any security(s) and the consequential impact on its potential cash flow(s) is not reflected in this report. Payments that occur in the same month in which the report is generated -- but prior to the report run ("As of") date -- are not reflected in this report. In determining the



## Disclosures applicable to accounts at UBS Financial Services Inc. (continued)

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**Income:** The Estimated Annual Income is the annualized year to date per share dividends paid and multiplied by the quantity of shares held in the selected account(s).

**Investment Grades:** This report may designate a security as a high yield fixed income security even though one or more rating agencies rate the security as an investment grade security. Further, this report may incorporate a rating that is no longer current with the rating agency. For more information about the rating for any high yield fixed income security, or to consider whether to hold or sell a high yield fixed income security, please contact your financial advisor or representative and do not make any investment decision based on this report.

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Puerto Rico income tax purposes. Neither UBS Financial Services Inc. nor its employees provide tax or legal advice. You should consult with your tax and/or legal advisors regarding your personal circumstances.

**Pricing:** All securities are priced using the closing price reported on the last business day preceding the date of this report. Every reasonable attempt has been made to accurately price securities; however, we make no warranty with respect to any security's price. Please refer to the back of the first page of your UBS Financial Services Inc. accounts statement for important information regarding the pricing used for certain types of securities, the sources of pricing data and other qualifications concerning the pricing of securities. To determine the value of securities in your account, we generally rely on third party quotation services. If a price is unavailable or believed to be unreliable, we may determine the price in good faith and may use other sources such as the last recorded transaction. When securities are held at another custodian or if you hold illiquid or restricted securities for which there is no published price, we will generally rely on the value provided by the custodian or issuer of that security.

**Indexing:** For comparison purposes we have used up to five general broad market indices. These indices were selected to demonstrate the performance of broad market indicators that are readily recognized rather than for direct performance comparisons against the accounts listed. Depending on the composition of your portfolio and your investment objectives, these indices may not be an appropriate measure for comparison purposes and as such, are presented for illustration only. Generally, these indices, such as the S&P 500 index, assume no management, custody, transaction or other expenses, and assume reinvestment of dividends and capital gains. As a consequence, performance of selected indices may be more or less volatile than any accounts used in this report. The past performance of the indices is not a guarantee of future results. Represented in this report are: U.S. Treasury Bill (USTB) - which represents the 3 month return for Treasury Bills issued by the United States Government; the Barclays Capital Aggregate Bond Index (LBAG) - which is composed of securities from Barclays Capital government/corporate bond index, mortgage-backed securities index, and the asset-backed securities index. Total return comprises price appreciation/depreciation and income as a percentage of the original investment. This index is rebalanced monthly by market capitalization; the S&P 500 (SP500) index - which covers 500 industrial, utility, transportation, and financial companies of the U.S. markets (mostly NYSE issues). The index represents about 75% of NYSE market capitalization and 30% of NYSE issues. It is a capitalization-weighted index calculated on a total

return basis without dividends reinvested. If benchmark information is not available at the time this report was run, NA will be displayed. We reserve the right to substitute indices or display only those indices for which current updated information is available in order to ensure the accuracy and completeness of these reports.

**MSCI AC World ex-US:** The MSCI ACW (All Country World) ex US Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global developed and emerging markets, excluding the US.

**BC Govt/ Credit - 1-3 Yr:** (LBGC1) Measure of corporate and non-corporate fixed income securities that are rated investment grade and have 1-3 years to final maturity.

**Index Volatility:** Performance of certain indices may be presented in comparison to account information. Generally, these indices, such as the S&P 500 Index, assume no management, custody, transaction or other expenses, and assume reinvestment of dividends and capital gains. In addition, these indices may have been selected to demonstrate the performance of broad market indicators that are readily recognized rather than for direct performance comparisons against the accounts shown on the report. As a consequence, performance of selected indices may be more or less volatile than any account or accounts and comparative value may be minimal. The use of any market index (such as the S&P 500) in this report is intended for illustrative purposes only as a general reference to a broad market, and not as an accurate performance comparison. Certain accounts consolidated on this report may have separate performance monitors designed to accurately reflect performance.

**Annualized Performance:** All performance periods greater than one year are calculated (unless otherwise stated) on an annualized basis, which represents the return on an investment multiplied or divided to give a comparable one year return.

**Fees:** Fees represented in this report include program and wrap fees. Program and wrap fees prior to October 1, 2010 for accounts that are billed separately via invoice through a separate account billing arrangement are not included in this report. Commissions are not included in the fees calculation.

**Performance:** This report presents accounts activity and performance starting December 31, 2002. For accounts opened prior to 12/31/02, this report does not include the complete accounts activity or performance of your accounts prior to that date. Information for accounts opened after 12/31/02 is reported as of the month end

date of the first month of activity in the accounts. For consolidated reports the Performance Start Date will be the earliest performance start date of any of the individual accounts selected for the consolidation time period. If an individual account's performance information is not available for a full reporting time period (month to date, quarter to date, year to date or performance to date), the individual's net of fee time weighted return will not be displayed. For consolidated accounts that include different account Performance Start Dates, the consolidated Additions/Withdrawals, Income Earned and Investment Appreciation/Depreciation will include all activity that occurred during the consolidated reporting time period. Accounts that hold or held insurance products will be reported on from the month end date of when insurance and annuity activity could be obtained from the carrier.

**Client Accounts:** This report includes all assets in the accounts listed and may include eligible and ineligible assets in a fee-based program. Since ineligible assets are not considered fee-based program assets, the inclusion of such securities will distort the actual performance of your accounts and does not reflect the performance of your accounts in the fee-based program. **As a result, the performance reflected in this report can vary substantially from the individual account performance reflected in the performance reports provided to you as part of those programs.** For fee-based programs, fees are charged on the market value of eligible assets in the accounts and assessed quarterly in advance, prorated according to the number of calendar days in the billing period. When shown on a report, the risk profile and return objectives describe your overall goals for these accounts. For each account you maintain, you choose one return objective and a primary risk profile. If you have questions regarding these objectives or wish to change them, please contact your Financial Advisor to update your accounts records.

**Net Deposits/Withdrawals:** When shown on a report, this information represents the net value of all cash and securities contributions and withdrawals, program fees (including wrap fees) and other fees added to or subtracted from your accounts from the first day to the last day of the period. When fees are shown separately, net deposits / withdrawals does not include program fees (including wrap fees). When investment return is displayed net deposits / withdrawals does not include program fees (including wrap fees). For security contributions and withdrawals, securities are calculated using the end of day UBS Financial Services Inc. price on the day securities are delivered in or out of the accounts. Wrap fees will be included in this calculation except when paid via an invoice or through a separate accounts billing arrangement.





## Disclosures applicable to accounts at UBS Financial Services Inc. (continued)

**Dividends/Interest:** Dividend and interest earned, when shown on a report, this information does not reflect your account's tax status or reporting requirements. Use only official tax reporting documents (i.e. 1099) for tax reporting purposes. The classification of private investment distributions can only be determined by referring to the official year-end tax-reporting document provided by the issuer.

**Accruals:** When shown on a report, this information represents the difference between the accrued interest at the beginning of the period from the accrued interest at the end of the period.

**Change in market value (Investment appreciation/depreciation):** Represents the change in value of the portfolio during the reporting period, excluding additions/withdrawals, dividend and interest income earned and accrued interest.

**Market Value:** When shown on a report, represents the total value at the end of the performance period minus total security value at the beginning of the performance period.

**Time-weighted Returns:** This report displays a time weighted rate of return, a methodology that calculates a portfolio's return by linking equal-weighted monthly returns together. The monthly return is calculated using the Modified Dietz formula. This calculation uses the beginning and ending portfolio values for the month and weighs each contribution/withdrawal by the amount of time invested.

**Money-weighted Returns:** Money-weighted return is a measure of the rate of return for an asset or portfolio of assets. It is calculated by finding the rate of return that will set the present values of all cash flows and terminal values equal to the value of all cash flows and terminal values equal to the value of the initial investment. Money-weighted rate of return incorporates the size and timing of cash flows, so it is an effective measure for returns on a portfolio.

**Net of Fees:** The information is shown net of fees and commission charges to your accounts for the time period shown. For example, if your accounts are charged an asset based fee during the month the report is produced, performance information would reflect deduction of those fees. Please see your program documents regarding fee schedules.

**Net of Fees and Gross of Fees Returns:** Performance is presented on a "net of fees" and "gross of fees" basis, where indicated. Net returns do not reflect Program and wrap fees prior to October 1, 2010 for accounts that are billed separately via invoice through a

separate account billing arrangement. Gross returns do not reflect the deduction of fees, commissions or other charges. The payment of actual fees and expenses will reduce a client's return. The compound effect of such fees and expenses should be considered when reviewing returns. For example, the net effect of the deduction of fees on annualized performance, including the compounded effect over time, is determined by the relative size of the fee and the account's investment performance.

**Performance Start Date Changes:** The Performance Start Date for accounts marked with a '^' have changed. Performance figures of an account with a changed Performance Start Date may not include the entire history of the account. The new Performance Start Date will generate performance returns and activity information for a shorter period than is available at UBS Financial Services Inc. As a result, the overall performance of these accounts may generate better performance than the period of time that would be included if the report used the inception date of the account. UBS Financial Services Inc. recommends reviewing performance reports that use the inception date of the account because reports with longer time frames are usually more helpful when evaluating investment programs and strategies. Performance reports may include accounts with inception dates that precede the new Performance Start Date and will show performance and activity information from the earliest available inception date.

The change in Performance Start Date may be the result of a performance gap due to a zero-balance that prevents the calculation of continuous returns from the inception of the account. The Performance Start Date may also change if an account has failed one of our performance data integrity tests. In such instances, the account will be labeled as 'Review Required' and performance prior to that failure will be restricted. Finally, the Performance Start Date will change if you have explicitly requested a performance restart. Please contact your Financial Advisor for additional details regarding your new Performance Start Date.

**Closed Accounts:** Accounts that have been closed may be included in the consolidated performance report. When closed accounts are included in the consolidated report, the performance report will only include information for the time period the account was active during the consolidated performance reporting time period.

**Important information for former Piper Jaffray clients:** As an accommodation to former Piper Jaffray clients, these reports include performance history for their Piper Jaffray accounts prior to August 12, 2006,

the date Piper Jaffray accounts were converted to UBS Financial Services. UBS Financial Services has not independently verified this information nor do we make any representations or warranties as to the accuracy or completeness of that information and will not be liable to you if any such information is unavailable, delayed or inaccurate.

### **Important information for former McDonald**

**Investments clients:** As an accommodation to former McDonald Investments clients, these reports include performance history for their McDonald Investments accounts prior to February 9, 2007, the date McDonald Investments accounts were converted to UBS Financial Services. UBS Financial Services has not independently verified this information nor do we make any representations or warranties as to the accuracy or completeness of that information and will not be liable to you if any such information is unavailable, delayed or inaccurate.

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**Custom Time Periods:** If represented on this report, the performance start date and the performance end date have been selected by your Financial Advisor in order to provide performance and account activity information for your account for the specified period of time only. As a result only a portion of your account's activity and performance information is presented in the performance report, and, therefore, presents a distorted representation of your account's activity and performance.

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# UBS Client Review

As of April 3, 2012

## Prepared for

COC - Central Treasury

## Accounts included in this review

Account	Name	Type
UC 03542	• CORDOVA	• MAC Wrap
UC 03543	• CORDOVA	• BSA
UC 04046	• CORDOVA	• MAC Wrap

## What's inside

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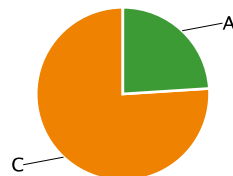


# Executive summary

as of April 3, 2012

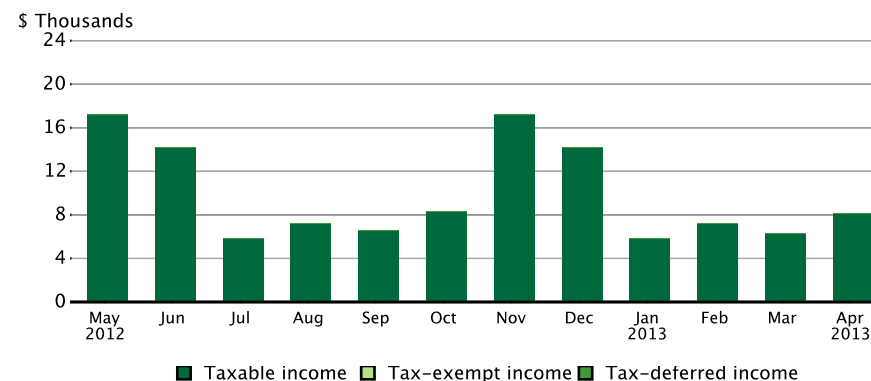
## Asset allocation summary

	Value on Apr 03 (\$)	% of portfolio
<b>A Cash and cash alternatives</b>	<b>1,517,730.43</b>	<b>23.99</b>
<b>B Equities</b>	<b>0.00</b>	<b>0.00</b>
<b>C Fixed income</b>	<b>4,809,735.81</b>	<b>76.01</b>
U.S. fixed income	4,737,951.10	74.88
Non U.S. fixed income	71,784.71	1.13
<b>D Alternative strategies</b>	<b>0.00</b>	<b>0.00</b>
<b>E Broad commodities</b>	<b>0.00</b>	<b>0.00</b>
<b>F Real estate</b>	<b>0.00</b>	<b>0.00</b>
<b>G Other</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Portfolio</b>	<b>\$6,327,466.24</b>	<b>100%</b>



Balanced mutual funds represented in multiple asset classes based on Morningstar allocations

## Expected cash flow


**Total expected cash flow: \$118,097.85**

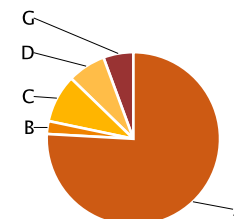
Cash flows displayed account for known events such as maturities and mandatory puts.

## Equity sector analysis

**Portfolio does not contain applicable holdings – exhibit intentionally left blank.**

## Credit quality of bond holdings

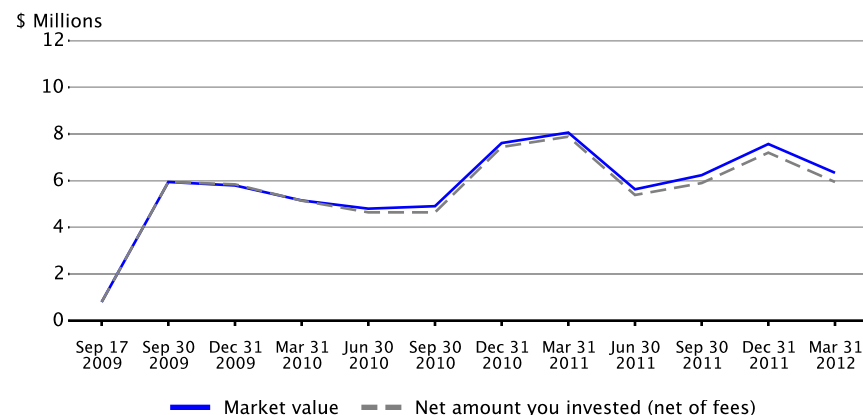
Insured credit rating	Issues	Value on Apr 03(\$)	% of port.
<b>A</b> Aaa/AAA/AAA	38	3,647,544.42	75.89
<b>B</b> Aa/AA/AA	6	114,816.16	2.40
<b>C</b> A/A/A	28	433,822.07	8.97
<b>D</b> Baa/BBB/BBB	26	344,994.04	7.13
<b>E</b> Non-investment grade	0	0.00	0.00
<b>F</b> Certificate of deposit	0	0.00	0.00
<b>G</b> Not rated	3	268,559.12	5.62
<b>Total</b>	<b>101</b>	<b>\$4,809,735.81</b>	<b>100%</b>



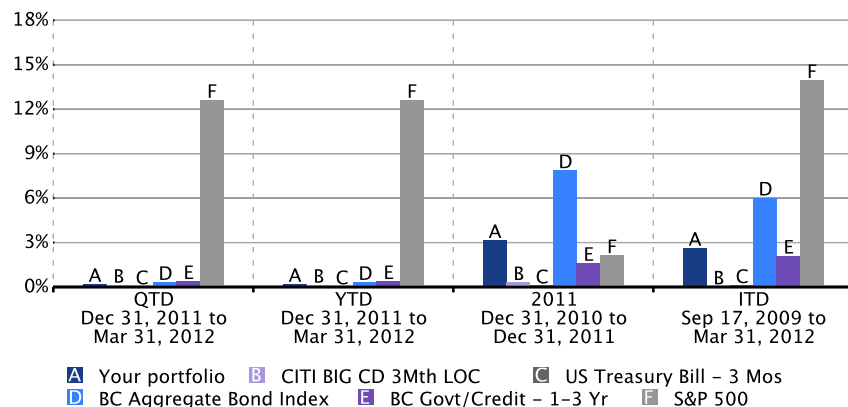
# Performance review

as of March 31, 2012

## Sources of portfolio value



## Portfolio and selected benchmark returns



## Portfolio value and investment returns

	Performance returns (annualized > 1 year)			
	QTD Dec 31, 2011 to Mar 31, 2012	YTD Dec 31, 2011 to Mar 31, 2012	2011 Dec 31, 2010 to Dec 31, 2011	ITD Sep 17, 2009 to Mar 31, 2012
<b>Opening value</b>	<b>7,570,835.68</b>	<b>7,570,835.68</b>	<b>7,612,402.78</b>	<b>800,000.00</b>
Net deposits/withdrawals	-1,255,731.67	-1,255,731.67	-262,520.75	5,101,103.37
Div./interest income	19,909.78	19,909.78	92,629.65	221,432.96
Change in accr. interest	9,020.24	9,020.24	-8,969.64	18,515.91
Change in market value	-6,978.24	-6,978.24	137,293.64	196,003.56
<b>Closing value</b>	<b>6,337,055.79</b>	<b>6,337,055.79</b>	<b>7,570,835.68</b>	<b>6,337,055.79</b>
Net Time-weighted ROR	0.17	0.17	3.13	2.61

Net deposits and withdrawals include program and account fees.

## Time weighted rates of return (net of fees)

	Performance returns (annualized > 1 year)			
	QTD Dec 31, 2011 to Mar 31, 2012	YTD Dec 31, 2011 to Mar 31, 2012	2011 Dec 31, 2010 to Dec 31, 2011	ITD Sep 17, 2009 to Mar 31, 2012
<b>Your portfolio</b>	<b>0.17%</b>	<b>0.17%</b>	<b>3.13%</b>	<b>2.61%</b>
<b>Cash and Cash Alt</b>				
CITI BIG CD 3Mth LOC	0.11	0.11	0.29	N/A
US Treasury Bill - 3 Mos	0.01	0.01	0.07	0.09
<b>Fixed Income</b>				
BC Aggregate Bond Index	0.30	0.30	7.84	6.00
BC Govt/Credit - 1-3 Yr	0.36	0.36	1.59	2.08
<b>Equities</b>				
S&P 500	12.59	12.59	2.11	13.93

# Performance by account

as of March 31, 2012

## Summary of performance by account

						Performance returns (annualized > 1 year)			
						QTD	YTD	2011	ITD
						Dec 31, 2011 to Mar 31, 2012	Dec 31, 2011 to Mar 31, 2012	Dec 31, 2010 to Dec 31, 2011	Start date to Mar 31, 2012
		Performance start date	Value on Mar 31, 2012 (\$)	% of portfolio					
UC 03542	City of Cordova Central Treasury • MAC Wrap - SAGE INT FIXED Risk profile: Conservative Return objective: Current Income	Nov 5, 2009	2,206,114.88	34.81%	Net time-weighted	-0.17%	-0.17%	5.50%	3.75%
UC 03543	City of Cordova Central Treasury • BSA Risk profile: Conservative Return objective: Current Income	Sep 17, 2009	1,305,945.22	20.61%	Net time-weighted	0.04%	0.04%	0.12%	-11.82%
UC 04046	City of Cordova Central Treasury • MAC Wrap - SAGE INT FIXED Risk profile: Moderate Return objective: Current Income and Capital Appreciation	Feb 8, 2011	2,824,995.69	44.58%	Net time-weighted	0.69%	0.69%	N/A	5.53%
Total Portfolio		Sep 17, 2009	\$6,337,055.79	100%	Net time-weighted	0.17%	0.17%	3.13%	2.61%

### Benchmarks - Time-weighted returns

#### Cash and Cash Alt

CITI BIG CD 3Mth LOC

US Treasury Bill - 3 Mos

#### Fixed Income

BC Aggregate Bond Index

BC Govt/Credit - 1-3 Yr

#### Equities

S&amp;P 500

QTD	YTD	2011	ITD
Dec 31, 2011 to Mar 31, 2012	Dec 31, 2011 to Mar 31, 2012	Dec 31, 2010 to Dec 31, 2011	Sep 17, 2009 to Mar 31, 2012
0.11 %	0.11 %	0.29 %	N/A %
0.01 %	0.01 %	0.07 %	0.09 %
0.30 %	0.30 %	7.84 %	6.00 %
0.36 %	0.36 %	1.59 %	2.08 %
12.59 %	12.59 %	2.11 %	13.93 %



# Disclosures applicable to accounts at UBS Financial Services Inc.

This section contains important disclosures regarding the information and valuations presented here. This report presents information since December 31, 2002. This report does not include complete account activity or performance of your accounts before this date. All information presented is subject to change at any time and is provided only as of the date indicated. The information in this report is for informational purposes only and should not be relied upon as the basis of an investment or liquidation decision. UBS Financial Services Inc. accounts statements and official tax documents are the only official record of your accounts and are not replaced, amended or superseded by any of the information presented in these reports.

UBS Financial Services Inc. offers a number of investment advisory programs to clients, acting in our capacity as an investment adviser, including comprehensive financial planning, discretionary account management, non-discretionary investment advisory programs, and advice on the selection of investment managers and mutual funds offered through our investment advisory programs. When we act as your investment adviser, we will have a written agreement with you expressly acknowledging our investment advisory relationship with you and describing our obligations to you. At the beginning of our advisory relationship, we will give you our Form ADV brochure(s) for the program(s) you selected that provide detailed information about, among other things, the advisory services we provide, our fees, our personnel, our other business activities and financial industry affiliations and conflicts between our interests and your interests.

Please review the report content carefully and contact your Financial Advisor with any questions.

The account listing may or may not include all of your accounts with UBS Financial Services Inc. The accounts included in this report are listed under the "Accounts included in this review" shown on the cover page.

**Mutual Fund Asset Allocation:** If the option to unbundle balanced mutual funds is selected and if a fund's holdings data is available, mutual funds will be classified by the asset class, subclass, and style breakdown of their underlying holdings. Where a mutual fund or ETF contains equity holdings from multiple equity sectors, this report will proportionately allocate the underlying holdings of the fund to those sectors measured as a percentage of the total fund's asset value as of the date shown.

This information is supplied by Morningstar, Inc. on a monthly basis to UBS Financial Services, Inc based on data supplied by the fund which may not be current.

Mutual funds change their portfolio holdings on a regular (often daily) basis. Accordingly, any analysis that includes mutual funds may not accurately reflect the current composition of these funds. If a fund's underlying holding data is not available, it will be classified based on its corresponding overall Morningstar classification. All data is as of the date indicated in the report.

**Accrued Interest:** Interest that has accumulated between the most recent payment and the report date may be reflected in market values for interest bearing securities.

**Tax Status:** "Taxable" includes all securities held in a taxable account that are subject to federal and/or state or local taxation. "Tax-exempt" includes all securities held in a taxable account that are exempt from federal, state and local taxation. "Tax-deferred" includes all securities held in a tax-deferred account, regardless of the status of the security.

**Expected Cash Flow reporting for Puerto Rico Income Tax Purposes:** Expected Cash Flow reporting may be prepared solely for Puerto Rico income tax purposes only. If you have received expected cash flow reporting for Puerto Rico income tax purposes only and are NOT subject to Puerto Rico income taxes, you have received this reporting in error and you should contact your Financial Advisor immediately. Both the Firm and your Financial Advisor will rely solely upon your representations and will not make the determination of whether you are subject to Puerto Rico income taxes. If you have received this reporting and you are NOT subject to Puerto Rico income taxes, the information provided in this reporting is inaccurate and should not be relied upon by you or your advisers. Neither UBS Financial Services Inc. nor its employees provide tax or legal advice. You should consult with your tax and/or legal advisors regarding your personal circumstances.

**Margin:** The quantity value may indicate that all or part of this position is held on margin or held in the short account. When an account holds a debit balance, this debit balance is incorporated into the account's total market value and deducted from the total value. When calculating the percent of portfolio on each security, the percentage will be impacted by the total market value of the account. Therefore, if the account's market value is reduced by a debit value of a holding the percent of portfolio will be greater and if the account's market value is increased by a holding then the percent of portfolio will be less.

**Cash:** Cash on deposit at UBS Bank USA is protected by the Federal Deposit Insurance Corporation (FDIC) up to

\$250,000 in principal and accrued interest per depositor for each ownership type. Deposits made in an individual's own name, joint name, or individual retirement account are each held in a separate type of ownership. Such deposits are not guaranteed by UBS Financial Services Inc. More information is available upon request.

**Portfolio:** Portfolio for purposes of this report is defined as all the accounts presented on the cover page or the header of this report and does not necessarily include all of the client's accounts held at UBS Financial Services Inc.

**Gain/Loss:** The gain/loss information may include calculations based upon non-UBS Financial Services Inc. cost basis information. The Firm does not independently verify or guarantee the accuracy or validity of any information provided by sources other than UBS Financial Services Inc. In addition, if this report contains positions with unavailable cost basis, the gain/(loss) for these positions are excluded in the calculation for the Gain/(Loss). As a result these figures may not be accurate and are provided for informational purposes only. Clients should not rely on this information in making purchase or sell decisions, for tax purposes or otherwise. Rely only on year-end tax forms when preparing your tax return. See your monthly statement for additional information.

**Fixed Income:** Fixed income instruments are classified as short term if they have a maturity date less than or equal to 3 years and intermediate term if they have a maturity date between 3 to 10 years. Instruments with maturity dates longer than 10 years are classified as long-term instruments. Unclassified instruments are those for which no maturity date is available or applicable.

**Bond:** The term "Bond" refers to all fixed interest bearing securities issued by public and private entities where the issuer owes the holders interest and/or principal at a specified later date. This term does not include mutual funds. These securities are subject to market risk and interest rate risk. If sold in the secondary market prior to maturity, investors may experience a gain or loss depending on interest rates, market conditions and the credit quality of the issuer.

**Insured/Underlying Rating:** Where a rating does not exist for a particular agency, the report will display NR.

**Averages:** All averages are weighted averages calculated based on market value of the holding, not including accrued interest.

**Classified Equity:** Classified equities are defined as those equities for which the firm can confirm the specific industry and sector of the underlying equity instrument.

**Equity:** The Growth, Value and Core labels are determined by Standard and Poor's using a price-to-book ratio methodology. The Growth, Value and Core labels are based on how a company's price-to-book ratio compares to the median price-to-book ratio for its industry based on the company's assigned Industry Sector. If the company's ratio is greater than or equal to the industry median, it is classified as a growth stock. If the company's ratio is less than the industry median, it is classified as a value stock. If a security includes both growth and value attributes, it is classified as a core stock. If price-to-book is not available or the industry's median is not available, this item will be Unclassified.

**Capitalization:** Market Capitalization is defined as the number of shares outstanding times the market value. Equity securities are classified as Large Cap if they have a capitalization of 8 billion or above. Securities with capitalization between 1.8 and 7.9 billion are classified as Mid Cap. Securities with capitalization below 1.79 billion are classified as Small Cap. Unclassified securities are those for which no capitalization is available or applicable.

**Equity:** This analysis may include a variety of accounts, each with different investment and risk parameters. As a result, the overweighting or underweighting in a particular sector or asset class should not be viewed as an isolated factor in making investment/liquidation decisions; but should be assessed on an account by account basis to determine the overall impact on the account's portfolio.

**Cash Flow:** This Cash Flow analysis is based on the historical dividend, coupon and interest payments you have received as of the Record Date in connection with the securities listed and assumes that you will continue to hold the securities for the periods for which cash flows are projected. The attached may or may not include principal paybacks for the securities listed. These potential cash flows are subject to change due to a variety of reasons, including but not limited to, contractual provisions, changes in corporate policies, changes in the value of the underlying securities and interest rate fluctuations. The effect of a call on any security(s) and the consequential impact on its potential cash flow(s) is not reflected in this report. Payments that occur in the same month in which the report is generated -- but prior to the report run ("As of") date -- are not reflected in this report. In determining the



## Disclosures applicable to accounts at UBS Financial Services Inc. (continued)

potential cash flows, UBS Financial Services Inc. relies on information obtained from third party services it believes to be reliable. UBS Financial Services Inc. does not independently verify or guarantee the accuracy or validity of any information provided by third parties. Although UBS Financial Services Inc. generally updates this information as it is received, the Firm does not provide any assurances that the information listed is accurate as of the Record Date. Cash flows for mortgage-backed, asset-backed, factored, and other pass-through securities are based on the assumptions that the current face amount, principal pay-down, interest payment and payment frequency remain constant. Calculations may include principal payments, are intended to be an estimate of future projected interest cash flows and do not in any way guarantee accuracy. Mortgage-backed, asset-backed, factored, and other pass-through securities have dynamic cash flows which may vary from month to month.

**Income:** The Estimated Annual Income is the annualized year to date per share dividends paid and multiplied by the quantity of shares held in the selected account(s).

**Investment Grades:** This report may designate a security as a high yield fixed income security even though one or more rating agencies rate the security as an investment grade security. Further, this report may incorporate a rating that is no longer current with the rating agency. For more information about the rating for any high yield fixed income security, or to consider whether to hold or sell a high yield fixed income security, please contact your financial advisor or representative and do not make any investment decision based on this report.

### Gain/Loss reporting for Puerto Rico Income Tax

**Purposes:** Gain/(Loss) reporting may be prepared solely for Puerto Rico income tax purposes only. If you have received gain/(loss) reporting for Puerto Rico income tax purposes only and are NOT subject to Puerto Rico income taxes, you have received this reporting in error and you should contact your Financial Advisor immediately. Pursuant to the Puerto Rico Internal Revenue Code (PRIIRC) long-term capital gains are derived from the sale or exchange of capital assets held longer than six (6) months. For the purposes of this report only, long term gains and losses are represented by assets held for a period of more than six (6) months. Both the Firm and your Financial Advisor will rely solely upon your representations and will not make the determination of whether you are subject to Puerto Rico income taxes. If you have received this reporting and you are NOT subject to Puerto Rico income taxes, the information provided in this reporting is inaccurate and should not be relied upon by you or your advisers for purposes other than determining realized gain/loss for

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**Pricing:** All securities are priced using the closing price reported on the last business day preceding the date of this report. Every reasonable attempt has been made to accurately price securities; however, we make no warranty with respect to any security's price. Please refer to the back of the first page of your UBS Financial Services Inc. accounts statement for important information regarding the pricing used for certain types of securities, the sources of pricing data and other qualifications concerning the pricing of securities. To determine the value of securities in your account, we generally rely on third party quotation services. If a price is unavailable or believed to be unreliable, we may determine the price in good faith and may use other sources such as the last recorded transaction. When securities are held at another custodian or if you hold illiquid or restricted securities for which there is no published price, we will generally rely on the value provided by the custodian or issuer of that security.

**Indexing:** For comparison purposes we have used up to five general broad market indices. These indices were selected to demonstrate the performance of broad market indicators that are readily recognized rather than for direct performance comparisons against the accounts listed. Depending on the composition of your portfolio and your investment objectives, these indices may not be an appropriate measure for comparison purposes and as such, are presented for illustration only. Generally, these indices, such as the S&P 500 index, assume no management, custody, transaction or other expenses, and assume reinvestment of dividends and capital gains. As a consequence, performance of selected indices may be more or less volatile than any accounts used in this report. The past performance of the indices is not a guarantee of future results. Represented in this report are: U.S. Treasury Bill (USTB) - which represents the 3 month return for Treasury Bills issued by the United States Government; the Barclays Capital Aggregate Bond Index (LBAG) - which is composed of securities from Barclays Capital government/corporate bond index, mortgage-backed securities index, and the asset-backed securities index. Total return comprises price appreciation/depreciation and income as a percentage of the original investment. This index is rebalanced monthly by market capitalization; the S&P 500 (SP500) index - which covers 500 industrial, utility, transportation, and financial companies of the U.S. markets (mostly NYSE issues). The index represents about 75% of NYSE market capitalization and 30% of NYSE issues. It is a capitalization-weighted index calculated on a total

return basis without dividends reinvested. If benchmark information is not available at the time this report was run, NA will be displayed. We reserve the right to substitute indices or display only those indices for which current updated information is available in order to ensure the accuracy and completeness of these reports.

**CITI BIG CD 3M th LOC:** Citigroup BIG CD (3 M) (LOC)

**BC Govt/ Credit - 1-3 Yr:** (LBGC1) Measure of corporate and non-corporate fixed income securities that are rated investment grade and have 1-3 years to final maturity.

**Index Volatility:** Performance of certain indices may be presented in comparison to account information. Generally, these indices, such as the S&P 500 Index, assume no management, custody, transaction or other expenses, and assume reinvestment of dividends and capital gains. In addition, these indices may have been selected to demonstrate the performance of broad market indicators that are readily recognized rather than for direct performance comparisons against the accounts shown on the report. As a consequence, performance of selected indices may be more or less volatile than any account or accounts and comparative value may be minimal. The use of any market index (such as the S&P 500) in this report is intended for illustrative purposes only as a general reference to a broad market, and not as an accurate performance comparison. Certain accounts consolidated on this report may have separate performance monitors designed to accurately reflect performance.

**Annualized Performance:** All performance periods greater than one year are calculated (unless otherwise stated) on an annualized basis, which represents the return on an investment multiplied or divided to give a comparable one year return.

**Fees:** Fees represented in this report include program and wrap fees. Program and wrap fees prior to October 1, 2010 for accounts that are billed separately via invoice through a separate account billing arrangement are not included in this report. Commissions are not included in the fees calculation.

**Performance:** This report presents accounts activity and performance starting December 31, 2002. For accounts opened prior to 12/31/02, this report does not include the complete accounts activity or performance of your accounts prior to that date. Information for accounts opened after 12/31/02 is reported as of the month end date of the first month of activity in the accounts. For consolidated reports the Performance Start Date will be the earliest performance start date of any of the individual accounts selected for the consolidation time

period. If an individual account's performance information is not available for a full reporting time period (month to date, quarter to date, year to date or performance to date), the individual's net of fee time weighted return will not be displayed. For consolidated accounts that include different account Performance Start Dates, the consolidated Additions/Withdrawals, Income Earned and Investment Appreciation/Depreciation will include all activity that occurred during the consolidated reporting time period. Accounts that hold or held insurance products will be reported on from the month end date of when insurance and annuity activity could be obtained from the carrier.

**Client Accounts:** This report includes all assets in the accounts listed and may include eligible and ineligible assets in a fee-based program. Since ineligible assets are not considered fee-based program assets, the inclusion of such securities will distort the actual performance of your accounts and does not reflect the performance of your accounts in the fee-based program. **As a result, the performance reflected in this report can vary substantially from the individual account performance reflected in the performance reports provided to you as part of those programs.** For fee-based programs, fees are charged on the market value of eligible assets in the accounts and assessed quarterly in advance, prorated according to the number of calendar days in the billing period. When shown on a report, the risk profile and return objectives describe your overall goals for these accounts. For each account you maintain, you choose one return objective and a primary risk profile. If you have questions regarding these objectives or wish to change them, please contact your Financial Advisor to update your accounts records.

**Net Deposits/Withdrawals:** When shown on a report, this information represents the net value of all cash and securities contributions and withdrawals, program fees (including wrap fees) and other fees added to or subtracted from your accounts from the first day to the last day of the period. When fees are shown separately, net deposits / withdrawals does not include program fees (including wrap fees). When investment return is displayed net deposits / withdrawals does not include program fees (including wrap fees). For security contributions and withdrawals, securities are calculated using the end of day UBS Financial Services Inc. price on the day securities are delivered in or out of the accounts. Wrap fees will be included in this calculation except when paid via an invoice or through a separate accounts billing arrangement.

**Dividends/Interest:** Dividend and interest earned, when shown on a report, this information does not reflect your account's tax status or reporting requirements. Use only official tax reporting documents



## Disclosures applicable to accounts at UBS Financial Services Inc. (continued)

(i.e. 1099) for tax reporting purposes. The classification of private investment distributions can only be determined by referring to the official year-end tax-reporting document provided by the issuer.

**Accruals:** When shown on a report, this information represents the difference between the accrued interest at the beginning of the period from the accrued interest at the end of the period.

**Change in market value (Investment appreciation/depreciation):** Represents the change in value of the portfolio during the reporting period, excluding additions/withdrawals, dividend and interest income earned and accrued interest.

**Market Value:** When shown on a report, represents the total value at the end of the performance period minus total security value at the beginning of the performance period.

**Time-weighted Returns:** This report displays a time weighted rate of return, a methodology that calculates a portfolio's return by linking equal-weighted monthly returns together. The monthly return is calculated using the Modified Dietz formula. This calculation uses the beginning and ending portfolio values for the month and weighs each contribution/withdrawal by the amount of time invested.

**Money-weighted Returns:** Money-weighted return is a measure of the rate of return for an asset or portfolio of assets. It is calculated by finding the rate of return that will set the present values of all cash flows and terminal values equal to the value of all cash flows and terminal values equal to the value of the initial investment. Money-weighted rate of return incorporates the size and timing of cash flows, so it is an effective measure for returns on a portfolio.

**Net of Fees:** The information is shown net of fees and commission charges to your accounts for the time period shown. For example, if your accounts are charged an asset based fee during the month the report is produced, performance information would reflect deduction of those fees. Please see your program documents regarding fee schedules.

**Net of Fees and Gross of Fees Returns:** Performance is presented on a "net of fees" and "gross of fees" basis, where indicated. Net returns do not reflect Program and wrap fees prior to October 1, 2010 for accounts that are billed separately via invoice through a separate account billing arrangement. Gross returns do not reflect the deduction of fees, commissions or other charges. The payment of actual fees and expenses will reduce a client's return. The compound effect of such

fees and expenses should be considered when reviewing returns. For example, the net effect of the deduction of fees on annualized performance, including the compounded effect over time, is determined by the relative size of the fee and the account's investment performance.

**Performance Start Date Changes:** The Performance Start Date for accounts marked with a '^' have changed. Performance figures of an account with a changed Performance Start Date may not include the entire history of the account. The new Performance Start Date will generate performance returns and activity information for a shorter period than is available at UBS Financial Services Inc. As a result, the overall performance of these accounts may generate better performance than the period of time that would be included if the report used the inception date of the account. UBS Financial Services Inc. recommends reviewing performance reports that use the inception date of the account because reports with longer time frames are usually more helpful when evaluating investment programs and strategies. Performance reports may include accounts with inception dates that precede the new Performance Start Date and will show performance and activity information from the earliest available inception date.

The change in Performance Start Date may be the result of a performance gap due to a zero-balance that prevents the calculation of continuous returns from the inception of the account. The Performance Start Date may also change if an account has failed one of our performance data integrity tests. In such instances, the account will be labeled as 'Review Required' and performance prior to that failure will be restricted. Finally, the Performance Start Date will change if you have explicitly requested a performance restart. Please contact your Financial Advisor for additional details regarding your new Performance Start Date.

**Closed Accounts:** Accounts that have been closed may be included in the consolidated performance report. When closed accounts are included in the consolidated report, the performance report will only include information for the time period the account was active during the consolidated performance reporting time period.

**Important information for former Piper Jaffray clients:** As an accommodation to former Piper Jaffray clients, these reports include performance history for their Piper Jaffray accounts prior to August 12, 2006, the date Piper Jaffray accounts were converted to UBS Financial Services. UBS Financial Services has not independently verified this information nor do we make any representations or warranties as to the accuracy or

completeness of that information and will not be liable to you if any such information is unavailable, delayed or inaccurate.

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**Custom Time Periods:** If represented on this report, the performance start date and the performance end date have been selected by your Financial Advisor in order to provide performance and account activity information for your account for the specified period of time only. As a result only a portion of your account's activity and performance information is presented in the performance report, and, therefore, presents a distorted representation of your account's activity and performance.

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# UBS Client Review

As of April 3, 2012

## Prepared for

COC - Permanent Fund

## Accounts included in this review

Account	Name	Type
UC 03544	• CORDOVA	• BSA
UC 03546	• CORDOVA	• MAC Wrap
UC 04047	• CORDOVA	• Pace Multi Advisor

**Branch office:**  
3000 "a" Street  
Suite 100  
Anchorage, AK 99503-4040

**Financial Advisor:**  
Keystone Wealth Management  
907-261-5971  
BUCK.ADAMS@UBS.COM

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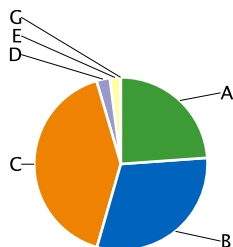
# Executive summary

as of April 3, 2012

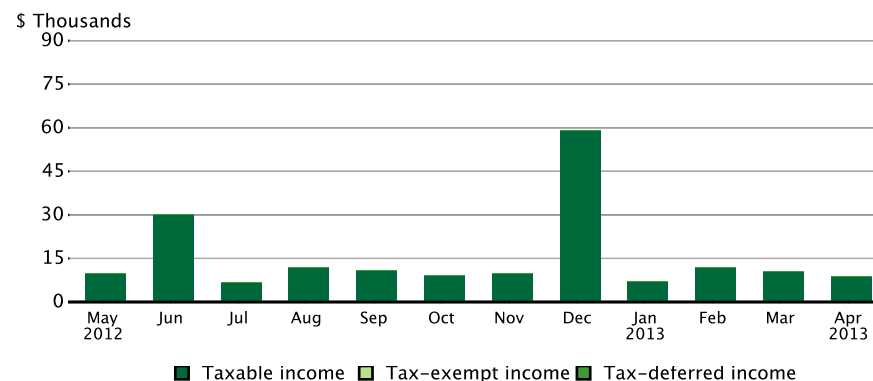
## Asset allocation summary

	Value on Apr 03 (\$)	% of portfolio
<b>A Cash and cash alternatives</b>	<b>2,193,839.94</b>	<b>23.87</b>
<b>B Equities</b>	<b>2,811,486.74</b>	<b>30.59</b>
U.S. equity	2,095,312.81	22.80
Non U.S. equity	509,485.13	5.54
Global equity	206,688.81	2.25
<b>C Fixed income</b>	<b>3,767,266.64</b>	<b>40.99</b>
U.S. fixed income	3,310,352.49	36.02
Non U.S. fixed income	194,877.48	2.12
Global fixed income	262,036.66	2.85
<b>D Alternative strategies</b>	<b>229,176.71</b>	<b>2.49</b>
<b>E Broad commodities</b>	<b>179,464.83</b>	<b>1.95</b>
<b>F Real estate</b>	<b>0.00</b>	<b>0.00</b>
<b>G Other</b>	<b>10,282.36</b>	<b>0.11</b>
<b>Total Portfolio</b>	<b>\$9,191,517.23</b>	<b>100%</b>

Balanced mutual funds represented in multiple asset classes based on Morningstar allocations



## Expected cash flow

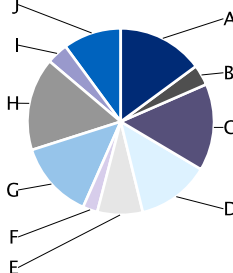

**Total expected cash flow: \$185,827.92**

Cash flows displayed account for known events such as maturities and mandatory puts.

## Equity sector analysis

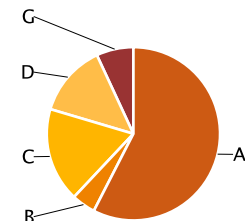
	Value on Apr 03 (\$)	% of equity
<b>A Consumer discretionary</b>	<b>418,610.57</b>	<b>14.89</b>
<b>B Energy</b>	<b>99,822.81</b>	<b>3.55</b>
<b>C Finance</b>	<b>424,321.75</b>	<b>15.09</b>
<b>D Health care</b>	<b>355,540.16</b>	<b>12.65</b>
<b>E Industrials</b>	<b>221,146.97</b>	<b>7.87</b>
<b>F Materials</b>	<b>71,592.70</b>	<b>2.55</b>
<b>G Staples</b>	<b>379,328.99</b>	<b>13.49</b>
<b>H Technology</b>	<b>452,750.60</b>	<b>16.10</b>
<b>I Telecommunications</b>	<b>104,718.46</b>	<b>3.72</b>
<b>J Utilities</b>	<b>283,653.73</b>	<b>10.09</b>
<b>K Unclassified securities</b>	<b>0.00</b>	<b>0.00</b>
<b>Total equity</b>	<b>\$2,811,486.74</b>	<b>100%</b>

Balanced mutual funds represented in multiple asset classes based on Morningstar allocations



## Credit quality of bond holdings

Insured credit rating	Issues	Value on Apr 03 (\$)	% of port.
<b>A Aaa/AAA/AAA</b>	<b>28</b>	<b>1,621,634.01</b>	<b>57.55</b>
<b>B Aa/AA/AA</b>	<b>6</b>	<b>125,131.61</b>	<b>4.45</b>
<b>C A/A/A</b>	<b>27</b>	<b>499,526.95</b>	<b>17.59</b>
<b>D Baa/BBB/BBB</b>	<b>26</b>	<b>383,038.19</b>	<b>13.48</b>
<b>E Non-investment grade</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>F Certificate of deposit</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>G Not rated</b>	<b>2</b>	<b>194,611.01</b>	<b>6.93</b>
<b>Total</b>	<b>89</b>	<b>\$2,823,941.77</b>	<b>100%</b>

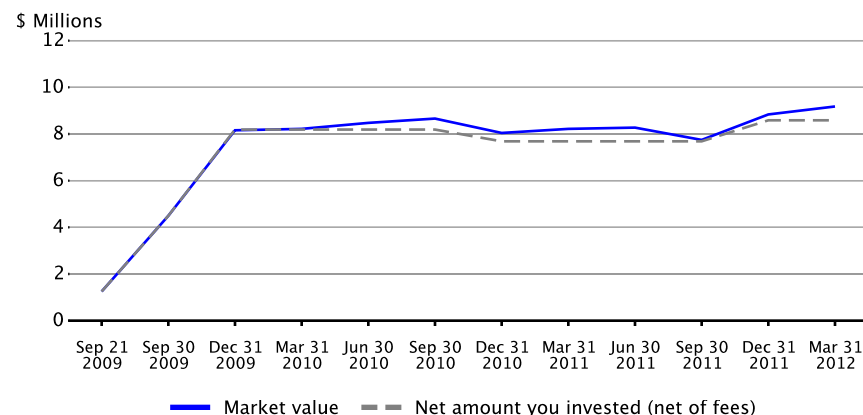




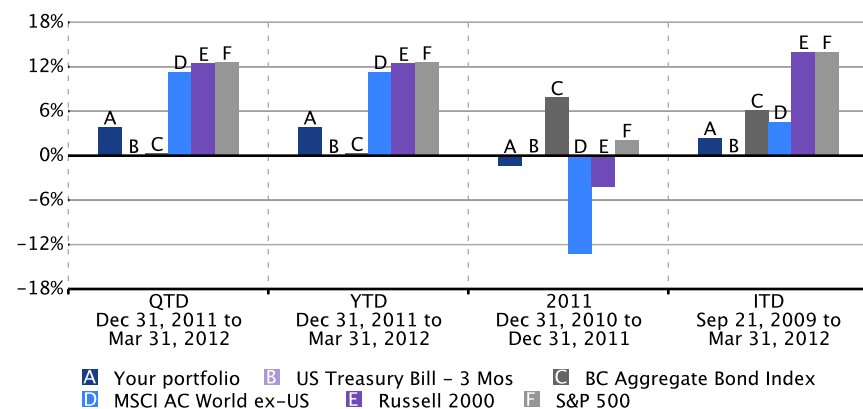
# Performance review

as of March 31, 2012

## Sources of portfolio value



## Portfolio and selected benchmark returns



## Portfolio value and investment returns

	Performance returns (annualized > 1 year)			
	QTD Dec 31, 2011 to Mar 31, 2012	YTD Dec 31, 2011 to Mar 31, 2012	2011 Dec 31, 2010 to Dec 31, 2011	ITD Sep 21, 2009 to Mar 31, 2012
<b>Opening value</b>	<b>8,838,201.86</b>	<b>8,838,201.86</b>	<b>8,044,831.22</b>	<b>1,250,948.90</b>
Net deposits/withdrawals	-14,403.98	-14,403.98	842,497.01	7,226,763.91
Div./interest income	27,039.35	27,039.35	189,371.45	389,120.11
Change in accr. interest	-502.45	-502.45	550.75	17,513.76
Change in market value	328,783.87	328,783.87	-239,048.57	294,771.97
<b>Closing value</b>	<b>9,179,118.65</b>	<b>9,179,118.65</b>	<b>8,838,201.86</b>	<b>9,179,118.65</b>
Net Time-weighted ROR	3.86	3.86	-1.41	2.42

Net deposits and withdrawals include program and account fees.

## Time weighted rates of return (net of fees)

	Performance returns (annualized > 1 year)			
	QTD Dec 31, 2011 to Mar 31, 2012	YTD Dec 31, 2011 to Mar 31, 2012	2011 Dec 31, 2010 to Dec 31, 2011	ITD Sep 21, 2009 to Mar 31, 2012
<b>Your portfolio</b>	<b>3.86%</b>	<b>3.86%</b>	<b>-1.41%</b>	<b>2.42%</b>
<b>Cash and Cash Alt</b>				
US Treasury Bill - 3 Mos	0.01	0.01	0.07	0.09
<b>Fixed Income</b>				
BC Aggregate Bond Index	0.30	0.30	7.84	6.14
<b>Equities</b>				
MSCI AC World ex-US	11.34	11.34	-13.33	4.59
Russell 2000	12.44	12.44	-4.18	14.04
S&P 500	12.59	12.59	2.11	14.03

# Performance by account

as of March 31, 2012

## Summary of performance by account

						Performance returns (annualized > 1 year)			
						QTD	YTD	2011	ITD
						Dec 31, 2011 to Mar 31, 2012	Dec 31, 2011 to Mar 31, 2012	Dec 31, 2010 to Dec 31, 2011	Start date to Mar 31, 2012
UC 03544	City of Cordova Permanent Fund • BSA Risk profile: Conservative Return objective: Current Income	Performance start date Sep 21, 2009	Value on Mar 31, 2012 (\$) 1,900,608.63	% of portfolio 20.71%	Net time-weighted	0.03%	0.03%	0.11%	-4.76%
UC 03546	City of Cordova Permanent Fund • MAC Wrap - SAGE INT FIXED Risk profile: Conservative Return objective: Current Income	Nov 5, 2009	2,899,073.35	31.58%	Net time-weighted	0.85%	0.85%	4.12%	3.78%
UC 04047	City of Cordova Permanent Fund • Pace Multi Advisor Risk profile: Aggressive/Speculative Return objective: Capital Appreciation	Dec 23, 2010	4,379,436.67	47.71%	Net time-weighted	7.78%	7.78%	-5.20%	2.01%
<b>Total Portfolio</b>		<b>Sep 21, 2009</b>	<b>\$9,179,118.65</b>	<b>100%</b>	<b>Net time-weighted</b>	<b>3.86%</b>	<b>3.86%</b>	<b>-1.41%</b>	<b>2.42%</b>

### Benchmarks - Time-weighted returns

#### Cash and Cash Alt

US Treasury Bill - 3 Mos

0.01 % 0.01 % 0.07 % 0.09 %

#### Fixed Income

BC Aggregate Bond Index

0.30 % 0.30 % 7.84 % 6.14 %

#### Equities

MSCI AC World ex-US

11.34 % 11.34 % -13.33 % 4.59 %

Russell 2000

12.44 % 12.44 % -4.18 % 14.04 %

S&amp;P 500

12.59 % 12.59 % 2.11 % 14.03 %



# Disclosures applicable to accounts at UBS Financial Services Inc.

This section contains important disclosures regarding the information and valuations presented here. This report presents information since December 31, 2002. This report does not include complete account activity or performance of your accounts before this date. All information presented is subject to change at any time and is provided only as of the date indicated. The information in this report is for informational purposes only and should not be relied upon as the basis of an investment or liquidation decision. UBS Financial Services Inc. accounts statements and official tax documents are the only official record of your accounts and are not replaced, amended or superseded by any of the information presented in these reports.

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Please review the report content carefully and contact your Financial Advisor with any questions.

The account listing may or may not include all of your accounts with UBS Financial Services Inc. The accounts included in this report are listed under the "Accounts included in this review" shown on the cover page.

**Mutual Fund Asset Allocation:** If the option to unbundle balanced mutual funds is selected and if a fund's holdings data is available, mutual funds will be classified by the asset class, subclass, and style breakdown of their underlying holdings. Where a mutual fund or ETF contains equity holdings from multiple equity sectors, this report will proportionately allocate the underlying holdings of the fund to those sectors measured as a percentage of the total fund's asset value as of the date shown.

This information is supplied by Morningstar, Inc. on a monthly basis to UBS Financial Services, Inc based on data supplied by the fund which may not be current.

Mutual funds change their portfolio holdings on a regular (often daily) basis. Accordingly, any analysis that includes mutual funds may not accurately reflect the current composition of these funds. If a fund's underlying holding data is not available, it will be classified based on its corresponding overall Morningstar classification. All data is as of the date indicated in the report.

**Accrued Interest:** Interest that has accumulated between the most recent payment and the report date may be reflected in market values for interest bearing securities.

**Tax Status:** "Taxable" includes all securities held in a taxable account that are subject to federal and/or state or local taxation. "Tax-exempt" includes all securities held in a taxable account that are exempt from federal, state and local taxation. "Tax-deferred" includes all securities held in a tax-deferred account, regardless of the status of the security.

**Expected Cash Flow reporting for Puerto Rico Income Tax Purposes:** Expected Cash Flow reporting may be prepared solely for Puerto Rico income tax purposes only. If you have received expected cash flow reporting for Puerto Rico income tax purposes only and are NOT subject to Puerto Rico income taxes, you have received this reporting in error and you should contact your Financial Advisor immediately. Both the Firm and your Financial Advisor will rely solely upon your representations and will not make the determination of whether you are subject to Puerto Rico income taxes. If you have received this reporting and you are NOT subject to Puerto Rico income taxes, the information provided in this reporting is inaccurate and should not be relied upon by you or your advisers. Neither UBS Financial Services Inc. nor its employees provide tax or legal advice. You should consult with your tax and/or legal advisors regarding your personal circumstances.

**Margin:** The quantity value may indicate that all or part of this position is held on margin or held in the short account. When an account holds a debit balance, this debit balance is incorporated into the account's total market value and deducted from the total value. When calculating the percent of portfolio on each security, the percentage will be impacted by the total market value of the account. Therefore, if the account's market value is reduced by a debit value of a holding the percent of portfolio will be greater and if the account's market value is increased by a holding then the percent of portfolio will be less.

**Cash:** Cash on deposit at UBS Bank USA is protected by the Federal Deposit Insurance Corporation (FDIC) up to

\$250,000 in principal and accrued interest per depositor for each ownership type. Deposits made in an individual's own name, joint name, or individual retirement account are each held in a separate type of ownership. Such deposits are not guaranteed by UBS Financial Services Inc. More information is available upon request.

**Portfolio:** Portfolio for purposes of this report is defined as all the accounts presented on the cover page or the header of this report and does not necessarily include all of the client's accounts held at UBS Financial Services Inc.

**Gain/Loss:** The gain/loss information may include calculations based upon non-UBS Financial Services Inc. cost basis information. The Firm does not independently verify or guarantee the accuracy or validity of any information provided by sources other than UBS Financial Services Inc. In addition, if this report contains positions with unavailable cost basis, the gain/(loss) for these positions are excluded in the calculation for the Gain/(Loss). As a result these figures may not be accurate and are provided for informational purposes only. Clients should not rely on this information in making purchase or sell decisions, for tax purposes or otherwise. Rely only on year-end tax forms when preparing your tax return. See your monthly statement for additional information.

**Fixed Income:** Fixed income instruments are classified as short term if they have a maturity date less than or equal to 3 years and intermediate term if they have a maturity date between 3 to 10 years. Instruments with maturity dates longer than 10 years are classified as long-term instruments. Unclassified instruments are those for which no maturity date is available or applicable.

**Bond:** The term "Bond" refers to all fixed interest bearing securities issued by public and private entities where the issuer owes the holders interest and/or principal at a specified later date. This term does not include mutual funds. These securities are subject to market risk and interest rate risk. If sold in the secondary market prior to maturity, investors may experience a gain or loss depending on interest rates, market conditions and the credit quality of the issuer.

**Insured/Underlying Rating:** Where a rating does not exist for a particular agency, the report will display NR.

**Averages:** All averages are weighted averages calculated based on market value of the holding, not including accrued interest.

**Classified Equity:** Classified equities are defined as those equities for which the firm can confirm the specific industry and sector of the underlying equity instrument.

**Equity:** The Growth, Value and Core labels are determined by Standard and Poor's using a price-to-book ratio methodology. The Growth, Value and Core labels are based on how a company's price-to-book ratio compares to the median price-to-book ratio for its industry based on the company's assigned Industry Sector. If the company's ratio is greater than or equal to the industry median, it is classified as a growth stock. If the company's ratio is less than the industry median, it is classified as a value stock. If a security includes both growth and value attributes, it is classified as a core stock. If price-to-book is not available or the industry's median is not available, this item will be Unclassified.

**Capitalization:** Market Capitalization is defined as the number of shares outstanding times the market value. Equity securities are classified as Large Cap if they have a capitalization of 8 billion or above. Securities with capitalization between 1.8 and 7.9 billion are classified as Mid Cap. Securities with capitalization below 1.79 billion are classified as Small Cap. Unclassified securities are those for which no capitalization is available or applicable.

**Equity:** This analysis may include a variety of accounts, each with different investment and risk parameters. As a result, the overweighting or underweighting in a particular sector or asset class should not be viewed as an isolated factor in making investment/liquidation decisions; but should be assessed on an account by account basis to determine the overall impact on the account's portfolio.

**Cash Flow:** This Cash Flow analysis is based on the historical dividend, coupon and interest payments you have received as of the Record Date in connection with the securities listed and assumes that you will continue to hold the securities for the periods for which cash flows are projected. The attached may or may not include principal paybacks for the securities listed. These potential cash flows are subject to change due to a variety of reasons, including but not limited to, contractual provisions, changes in corporate policies, changes in the value of the underlying securities and interest rate fluctuations. The effect of a call on any security(s) and the consequential impact on its potential cash flow(s) is not reflected in this report. Payments that occur in the same month in which the report is generated -- but prior to the report run ("As of") date -- are not reflected in this report. In determining the



## Disclosures applicable to accounts at UBS Financial Services Inc. (continued)

potential cash flows, UBS Financial Services Inc. relies on information obtained from third party services it believes to be reliable. UBS Financial Services Inc. does not independently verify or guarantee the accuracy or validity of any information provided by third parties. Although UBS Financial Services Inc. generally updates this information as it is received, the Firm does not provide any assurances that the information listed is accurate as of the Record Date. Cash flows for mortgage-backed, asset-backed, factored, and other pass-through securities are based on the assumptions that the current face amount, principal pay-down, interest payment and payment frequency remain constant. Calculations may include principal payments, are intended to be an estimate of future projected interest cash flows and do not in any way guarantee accuracy. Mortgage-backed, asset-backed, factored, and other pass-through securities have dynamic cash flows which may vary from month to month.

**Income:** The Estimated Annual Income is the annualized year to date per share dividends paid and multiplied by the quantity of shares held in the selected account(s).

**Investment Grades:** This report may designate a security as a high yield fixed income security even though one or more rating agencies rate the security as an investment grade security. Further, this report may incorporate a rating that is no longer current with the rating agency. For more information about the rating for any high yield fixed income security, or to consider whether to hold or sell a high yield fixed income security, please contact your financial advisor or representative and do not make any investment decision based on this report.

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**Purposes:** Gain/(Loss) reporting may be prepared solely for Puerto Rico income tax purposes only. If you have received gain/(loss) reporting for Puerto Rico income tax purposes only and are NOT subject to Puerto Rico income taxes, you have received this reporting in error and you should contact your Financial Advisor immediately. Pursuant to the Puerto Rico Internal Revenue Code (PRIIRC) long-term capital gains are derived from the sale or exchange of capital assets held longer than six (6) months. For the purposes of this report only, long term gains and losses are represented by assets held for a period of more than six (6) months. Both the Firm and your Financial Advisor will rely solely upon your representations and will not make the determination of whether you are subject to Puerto Rico income taxes. If you have received this reporting and you are NOT subject to Puerto Rico income taxes, the information provided in this reporting is inaccurate and should not be relied upon by you or your advisers for purposes other than determining realized gain/loss for

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**Pricing:** All securities are priced using the closing price reported on the last business day preceding the date of this report. Every reasonable attempt has been made to accurately price securities; however, we make no warranty with respect to any security's price. Please refer to the back of the first page of your UBS Financial Services Inc. accounts statement for important information regarding the pricing used for certain types of securities, the sources of pricing data and other qualifications concerning the pricing of securities. To determine the value of securities in your account, we generally rely on third party quotation services. If a price is unavailable or believed to be unreliable, we may determine the price in good faith and may use other sources such as the last recorded transaction. When securities are held at another custodian or if you hold illiquid or restricted securities for which there is no published price, we will generally rely on the value provided by the custodian or issuer of that security.

**Indexing:** For comparison purposes we have used up to five general broad market indices. These indices were selected to demonstrate the performance of broad market indicators that are readily recognized rather than for direct performance comparisons against the accounts listed. Depending on the composition of your portfolio and your investment objectives, these indices may not be an appropriate measure for comparison purposes and as such, are presented for illustration only. Generally, these indices, such as the S&P 500 index, assume no management, custody, transaction or other expenses, and assume reinvestment of dividends and capital gains. As a consequence, performance of selected indices may be more or less volatile than any accounts used in this report. The past performance of the indices is not a guarantee of future results. Represented in this report are: U.S. Treasury Bill (USTB) - which represents the 3 month return for Treasury Bills issued by the United States Government; the Barclays Capital Aggregate Bond Index (LBAG) - which is composed of securities from Barclays Capital government/corporate bond index, mortgage-backed securities index, and the asset-backed securities index. Total return comprises price appreciation/depreciation and income as a percentage of the original investment. This index is rebalanced monthly by market capitalization; the S&P 500 (SP500) index - which covers 500 industrial, utility, transportation, and financial companies of the U.S. markets (mostly NYSE issues). The index represents about 75% of NYSE market capitalization and 30% of NYSE issues. It is a capitalization-weighted index calculated on a total

return basis without dividends reinvested. If benchmark information is not available at the time this report was run, NA will be displayed. We reserve the right to substitute indices or display only those indices for which current updated information is available in order to ensure the accuracy and completeness of these reports.

**MSCI AC World ex-US:** The MSCI ACW (All Country World) ex US Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global developed and emerging markets, excluding the US.

**Russell 2000:** Consists of the smallest 2,000 securities in the Russell 3000 index, representing approximately 11% of the Russell 3000 total market capitalization. This index is widely regarded in the industry as the premier measure of small cap stocks.

**Index Volatility:** Performance of certain indices may be presented in comparison to account information. Generally, these indices, such as the S&P 500 Index, assume no management, custody, transaction or other expenses, and assume reinvestment of dividends and capital gains. In addition, these indices may have been selected to demonstrate the performance of broad market indicators that are readily recognized rather than for direct performance comparisons against the accounts shown on the report. As a consequence, performance of selected indices may be more or less volatile than any account or accounts and comparative value may be minimal. The use of any market index (such as the S&P 500) in this report is intended for illustrative purposes only as a general reference to a broad market, and not as an accurate performance comparison. Certain accounts consolidated on this report may have separate performance monitors designed to accurately reflect performance.

**Annualized Performance:** All performance periods greater than one year are calculated (unless otherwise stated) on an annualized basis, which represents the return on an investment multiplied or divided to give a comparable one year return.

**Fees:** Fees represented in this report include program and wrap fees. Program and wrap fees prior to October 1, 2010 for accounts that are billed separately via invoice through a separate account billing arrangement are not included in this report. Commissions are not included in the fees calculation.

**Performance:** This report presents accounts activity and performance starting December 31, 2002. For accounts opened prior to 12/31/02, this report does not include the complete accounts activity or performance of your accounts prior to that date. Information for accounts

opened after 12/31/02 is reported as of the month end date of the first month of activity in the accounts. For consolidated reports the Performance Start Date will be the earliest performance start date of any of the individual accounts selected for the consolidation time period. If an individual account's performance information is not available for a full reporting time period (month to date, quarter to date, year to date or performance to date), the individual's net of fee time weighted return will not be displayed. For consolidated accounts that include different account Performance Start Dates, the consolidated Additions/Withdrawals, Income Earned and Investment Appreciation/Depreciation will include all activity that occurred during the consolidated reporting time period. Accounts that hold or held insurance products will be reported on from the month end date of when insurance and annuity activity could be obtained from the carrier.

**Client Accounts:** This report includes all assets in the accounts listed and may include eligible and ineligible assets in a fee-based program. Since ineligible assets are not considered fee-based program assets, the inclusion of such securities will distort the actual performance of your accounts and does not reflect the performance of your accounts in the fee-based program. **As a result, the performance reflected in this report can vary substantially from the individual account performance reflected in the performance reports provided to you as part of those programs.** For fee-based programs, fees are charged on the market value of eligible assets in the accounts and assessed quarterly in advance, prorated according to the number of calendar days in the billing period. When shown on a report, the risk profile and return objectives describe your overall goals for these accounts. For each account you maintain, you choose one return objective and a primary risk profile. If you have questions regarding these objectives or wish to change them, please contact your Financial Advisor to update your accounts records.

**Net Deposits/Withdrawals:** When shown on a report, this information represents the net value of all cash and securities contributions and withdrawals, program fees (including wrap fees) and other fees added to or subtracted from your accounts from the first day to the last day of the period. When fees are shown separately, net deposits / withdrawals does not include program fees (including wrap fees). When investment return is displayed net deposits / withdrawals does not include program fees (including wrap fees). For security contributions and withdrawals, securities are calculated using the end of day UBS Financial Services Inc. price on the day securities are delivered in or out of the accounts. Wrap fees will be included in this calculation except when paid via an invoice or through a separate accounts billing arrangement.



## Disclosures applicable to accounts at UBS Financial Services Inc. (continued)

**Dividends/Interest:** Dividend and interest earned, when shown on a report, this information does not reflect your account's tax status or reporting requirements. Use only official tax reporting documents (i.e. 1099) for tax reporting purposes. The classification of private investment distributions can only be determined by referring to the official year-end tax-reporting document provided by the issuer.

**Accruals:** When shown on a report, this information represents the difference between the accrued interest at the beginning of the period from the accrued interest at the end of the period.

**Change in market value (Investment appreciation/depreciation):** Represents the change in value of the portfolio during the reporting period, excluding additions/withdrawals, dividend and interest income earned and accrued interest.

**Market Value:** When shown on a report, represents the total value at the end of the performance period minus total security value at the beginning of the performance period.

**Time-weighted Returns:** This report displays a time weighted rate of return, a methodology that calculates a portfolio's return by linking equal-weighted monthly returns together. The monthly return is calculated using the Modified Dietz formula. This calculation uses the beginning and ending portfolio values for the month and weighs each contribution/withdrawal by the amount of time invested.

**Money-weighted Returns:** Money-weighted return is a measure of the rate of return for an asset or portfolio of assets. It is calculated by finding the rate of return that will set the present values of all cash flows and terminal values equal to the value of all cash flows and terminal values equal to the value of the initial investment. Money-weighted rate of return incorporates the size and timing of cash flows, so it is an effective measure for returns on a portfolio.

**Net of Fees:** The information is shown net of fees and commission charges to your accounts for the time period shown. For example, if your accounts are charged an asset based fee during the month the report is produced, performance information would reflect deduction of those fees. Please see your program documents regarding fee schedules.

**Net of Fees and Gross of Fees Returns:** Performance is presented on a "net of fees" and "gross of fees" basis, where indicated. Net returns do not reflect Program and wrap fees prior to October 1, 2010 for accounts that are billed separately via invoice through a

separate account billing arrangement. Gross returns do not reflect the deduction of fees, commissions or other charges. The payment of actual fees and expenses will reduce a client's return. The compound effect of such fees and expenses should be considered when reviewing returns. For example, the net effect of the deduction of fees on annualized performance, including the compounded effect over time, is determined by the relative size of the fee and the account's investment performance.

**Performance Start Date Changes:** The Performance Start Date for accounts marked with a '^' have changed. Performance figures of an account with a changed Performance Start Date may not include the entire history of the account. The new Performance Start Date will generate performance returns and activity information for a shorter period than is available at UBS Financial Services Inc. As a result, the overall performance of these accounts may generate better performance than the period of time that would be included if the report used the inception date of the account. UBS Financial Services Inc. recommends reviewing performance reports that use the inception date of the account because reports with longer time frames are usually more helpful when evaluating investment programs and strategies. Performance reports may include accounts with inception dates that precede the new Performance Start Date and will show performance and activity information from the earliest available inception date.

The change in Performance Start Date may be the result of a performance gap due to a zero-balance that prevents the calculation of continuous returns from the inception of the account. The Performance Start Date may also change if an account has failed one of our performance data integrity tests. In such instances, the account will be labeled as 'Review Required' and performance prior to that failure will be restricted. Finally, the Performance Start Date will change if you have explicitly requested a performance restart. Please contact your Financial Advisor for additional details regarding your new Performance Start Date.

**Closed Accounts:** Accounts that have been closed may be included in the consolidated performance report. When closed accounts are included in the consolidated report, the performance report will only include information for the time period the account was active during the consolidated performance reporting time period.

**Important information for former Piper Jaffray clients:** As an accommodation to former Piper Jaffray clients, these reports include performance history for their Piper Jaffray accounts prior to August 12, 2006,

the date Piper Jaffray accounts were converted to UBS Financial Services. UBS Financial Services has not independently verified this information nor do we make any representations or warranties as to the accuracy or completeness of that information and will not be liable to you if any such information is unavailable, delayed or inaccurate.

### **Important information for former McDonald**

**Investments clients:** As an accommodation to former McDonald Investments clients, these reports include performance history for their McDonald Investments accounts prior to February 9, 2007, the date McDonald Investments accounts were converted to UBS Financial Services. UBS Financial Services has not independently verified this information nor do we make any representations or warranties as to the accuracy or completeness of that information and will not be liable to you if any such information is unavailable, delayed or inaccurate.

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**Custom Time Periods:** If represented on this report, the performance start date and the performance end date have been selected by your Financial Advisor in order to provide performance and account activity information for your account for the specified period of time only. As a result only a portion of your account's activity and performance information is presented in the performance report, and, therefore, presents a distorted representation of your account's activity and performance.

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# Quarterly recap and outlook

## *Second quarter 2012*

**Please Note:**

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Financial Advisors may, however, present different sections of the seminar by omitting slides that may not be relevant to the particular audience.

**NEVER OMIT THE SLIDES MARKED 'APPENDIX' AT THE END OF THIS PRESENTATION.**

Please have any combination of these slides reviewed by your local compliance before use.

**This report has been prepared by UBS Financial Services Inc. ("UBS FS").**





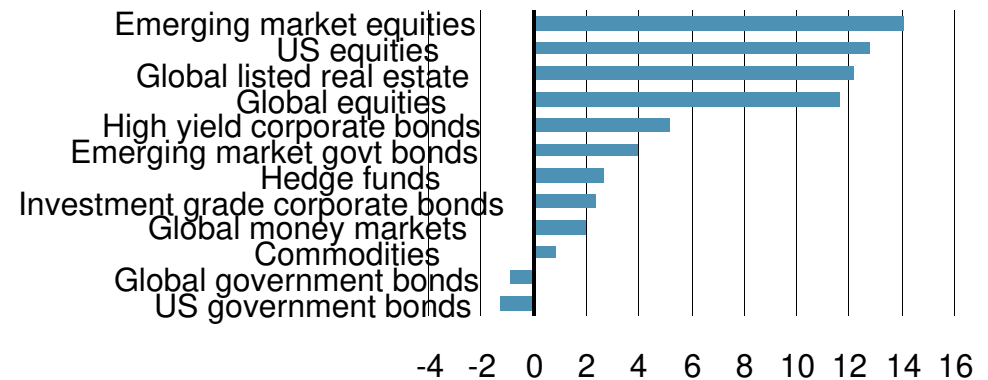
# US economic data and financial market performance

## Stocks rallied amid improved US economic data and waning financial stress

- The S&P 500 rose 12.0% during the first quarter of 2012 to close above 1400, its highest level since June 2008, and within 10% of its all-time high. A combination of accommodative monetary policy, diminished fear around fiscal issues and relatively undemanding market valuations boosted stocks.
- US economic data generally outperformed conservative forecasts. A steady drop in the unemployment rate, a pickup in new job formation and declines in new claims for unemployment benefits point to an improved labor market.
- There was a modest selloff in government bonds, with 10-year Treasury yields rising from 1.8% in late January to the 2.25% range.
- Strong economic data also bolstered President Obama's job approval rating, which is now closing in on 50%.

### Second-quarter 2012 performance snapshot

Year-to-date total return of selected asset classes, in USD and %

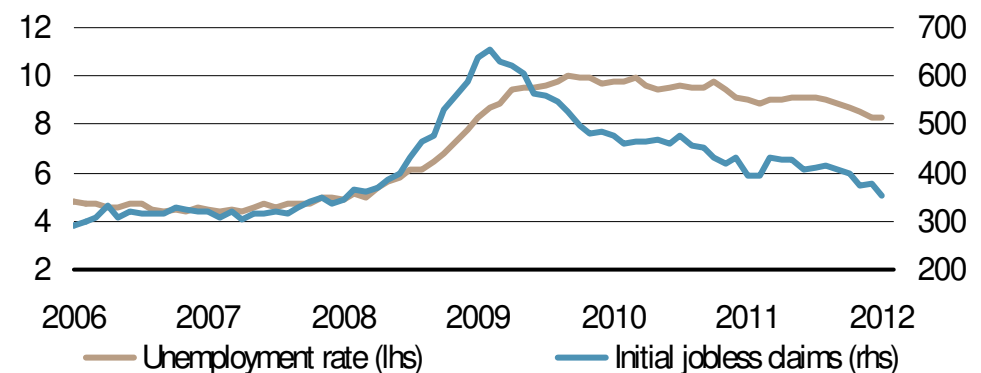


Sources: Bloomberg, Thomson Financial, JP Morgan, Merrill Lynch Indices, UBS WMR, as of 30 March 2012

### Labor market improvement has accelerated

Unemployment rate, in %

Initial jobless claims, 4 week average in 000s



Source: Bloomberg, St. Louis Federal Reserve, UBS WMR, as of 30 March 2012

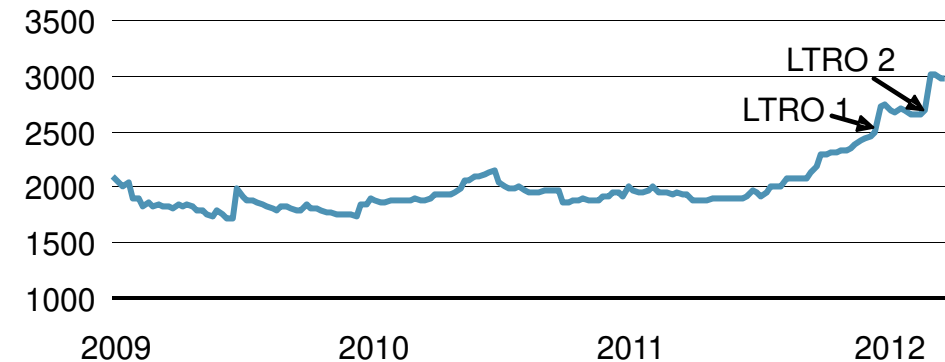
# calmed

## Euro zone measures have contained the debt crisis and averted disaster

- Despite concerns that a Greek default would wreak havoc on financial markets, Eurozone officials stemmed the debt crisis, at least for the time being, through:
  - a successful rescheduling of Greece's public debt through widespread private participation, which puts the region on an ostensibly sustainable debt path, set to reach 120% debt/GDP by 2020.
  - aggressive ECB policy actions, especially the unexpectedly successful Long-Term Refinancing Operations (LTRO), which have limited the borrowing costs for other at-risk European countries by offering EUR1 billion of 3-year financing to European banks.
- Italian and Spanish bond yields declined steadily during the first quarter, quelling apocalyptic fears that a fresh default in a larger euro zone economy would trigger renewed financial market contagion.

### LTROs have boosted the ECB balance sheet

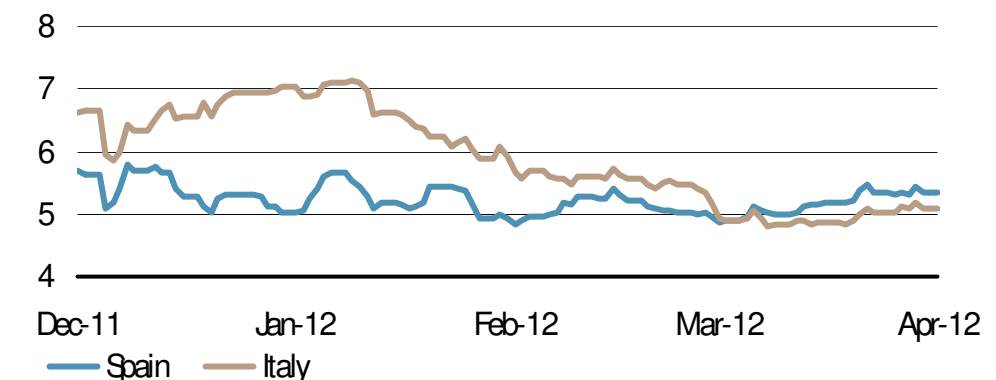
Total assets of the European Central Bank, in EUR billions



Source: Bloomberg, UBS WMR, as of 30 March 2012

### Peripheral European bond yields stabilizing

Spanish and Italian 10-year government bond yields, in %



Source: Bloomberg, UBS WMR, as of 30 March 2012



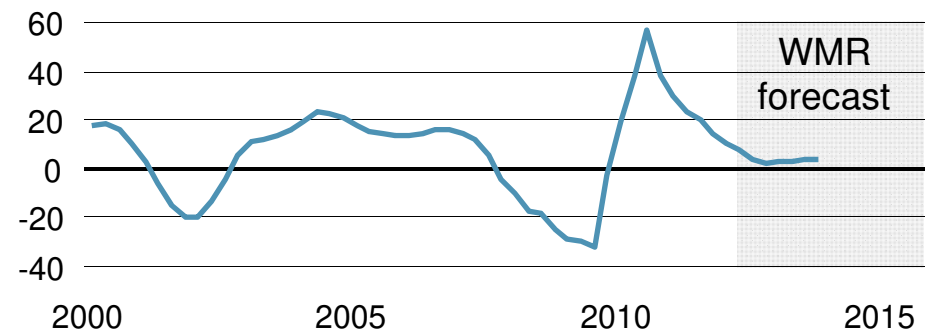
# Solid growth with more limited scope for positive surprises

## Economic and financial market gains likely more modest

- After a strong first quarter, stocks could move higher on stronger earnings, but the scope for positive economic surprises is limited and valuations provide less momentum. With top-line growth constrained and margins near historical highs, S&P 500 profit growth is set to decelerate.
- We project 2% earnings growth for 2012 and 4% in 2013.
- A better cyclical growth picture, diminished global tail risks and stable inflation suggest that there is less scope for monetary policy easing in the developed world.
- We think emerging markets will continue to benefit from accommodative central banks, attractive valuations and solid growth.
- While US households have made progress bringing down their debt levels, governments and banks around the world continue to face deleveraging pressures.

### US earnings growth is slowing

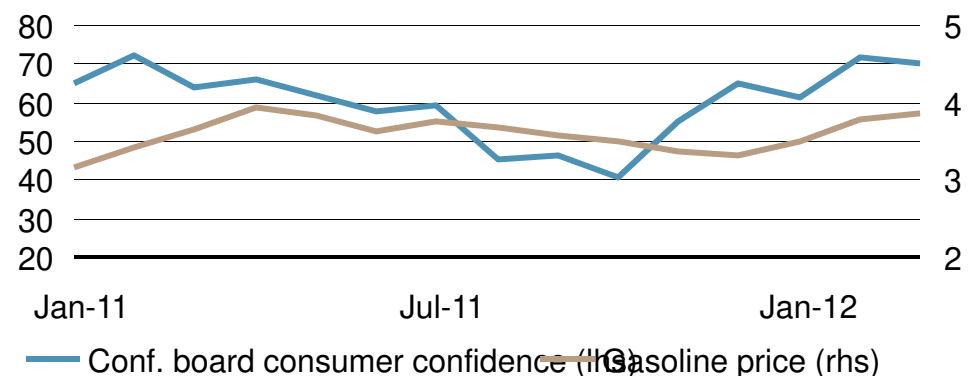
S&P 500 earnings, in year-over-year % change



Source: Bloomberg, UBS WMR, as of 30 March 2012

### Despite rising gas prices, confidence on uptick

Consumer confidence index (1985 = 100) Gasoline prices, in USD per gallon



Source: Bloomberg, UBS WMR, as of 30 March 2012

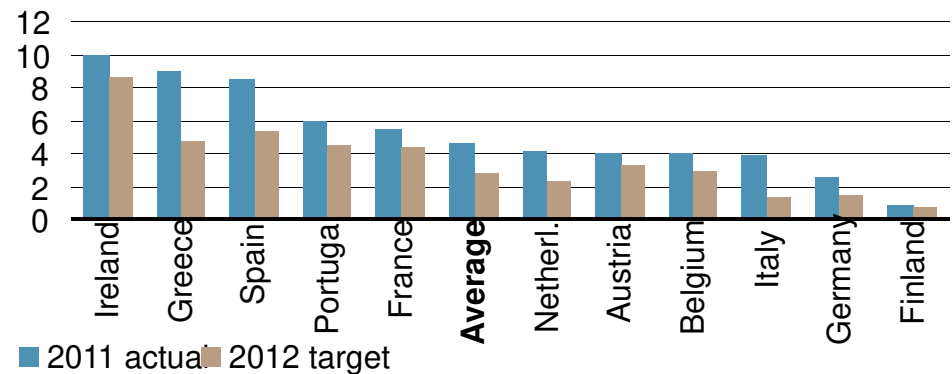
# Global risks persist

## Geopolitical risks could undermine the economy and risky assets

- While the European debt crisis may be contained for now largely due to the LTROs, economic contraction in the eurozone, continued austerity and persistent questions about the structure of the union will nag markets.
- Amid decelerating growth prospects, weak economic activity, high oil prices and growth targets scaled down to 7.5%, there continues to be a risk of a Chinese “hard landing”. While we look for China to avoid such an outcome, any further softening of global demand could trigger a sharper-than-projected slowdown.
- There is still risk of an escalation in the Iran/Israel nuclear standoff and the impact this could have on oil prices. While talk of prices above \$150 per barrel has subsided, risks remain.
- Upcoming US presidential and congressional elections could begin to unsettle markets, especially as the debt ceiling and tax policy come into focus.

### Government austerity measures in Europe set to accelerate

Public deficits in the euro zone, in %

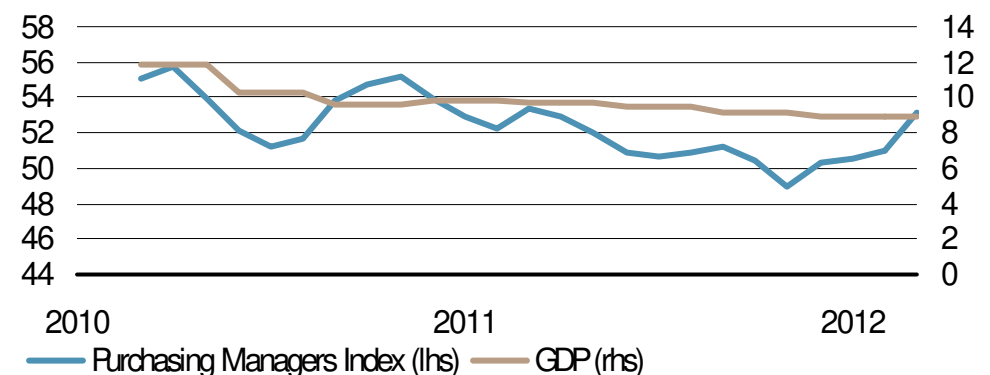


Source: Haver, Eurostat, UBS WMR, as of 27 March 2012

### Chinese PMI suggests growth stabilization

Chinese manufacturing PMI

Quarterly change in Chinese GDP, in %



Source: Bloomberg, UBS WMR, as of 30 March 2012

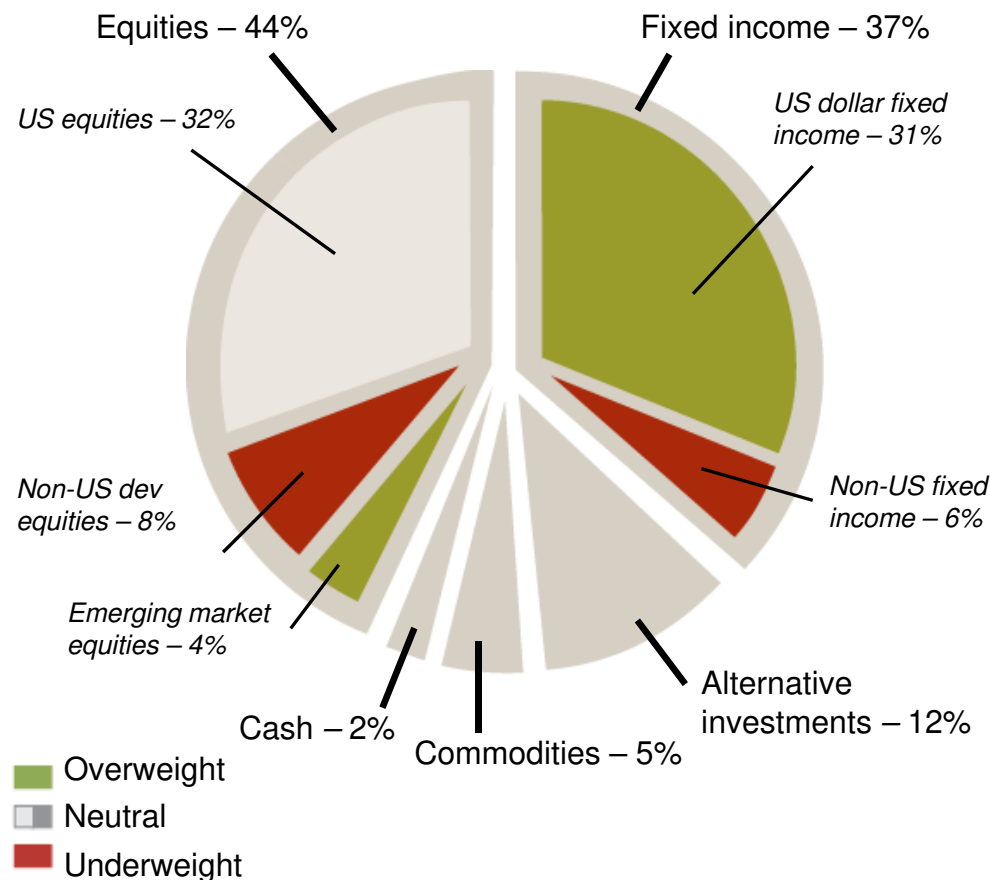
# Asset allocation recommendations

## Shift from defensive posture to neutral allocation, focus on regional weights

- **Emerging market over developed market equities:** Solid growth prospects, an accommodative monetary policy stance and attractive valuations likely support emerging markets over the next 6 to 12 months.
- **Domestic growth over domestic value stocks:** Growth continues to trade at a sizable discount to value relative to historical norms. Technology and Consumer Staples are favored.
- **Dividend growers over dividend payers:** Focus on companies with the ability and willingness to consistently raise dividends.
- **Domestic credit over domestic government debt:** Despite a steady narrowing of credit spreads, we favor domestic credit over government debt.
- **US dollar debt over non-US debt:** Yield differentials having narrowed, dollar-denominated debt is likely to outperform.

### Current asset allocation

Model portfolio moderate risk profile, in %



Note: Investment strategy recommendations that we believe will provide attractive opportunities over the next 9-12 months. The benchmark allocations underlying this page are provided for illustrative purposes only by UBS for a hypothetical US investor with a moderate investor risk profile and total return objective. See "Sources of benchmark allocations and investor risk profiles" in the Appendix of the Investment Strategy Guide for a detailed explanation regarding the source of benchmark allocations and their suitability and the source of investor risk profiles. The current allocation is the sum of the benchmark allocation and the tactical deviation. See "Deviations from benchmark allocation" in the Appendix of the *Investment Strategy Guide* regarding the interpretation of the suggested tactical deviations from benchmark. See "Nontraditional Assets" and "Description of Certain Alternative Investment Strategies" in the Appendix of the *Investment Strategy Guide* regarding Alternative Investments. See "Emerging Market Investments" in the Appendix of the *Investment Strategy Guide* regarding Emerging Markets.

Source: Bloomberg, UBS WMR, as of 28 March 2012

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Version as per October 2011.

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## Memorandum

To: City Council, Mark Lynch, City Manager  
From: Samantha Greenwood, City Planner  
Date: 4/18/2012  
RE: Quarterly Report, 1st Quarter 202

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The following is a summary of the activities the planning department has been involved in during the 1st quarter period.

### January

Snow need I say more

### February & March

- Shoreside sale is moving forward the survey is being reviewed by shoreside, purchase contract is on second revision to shoreside,
- Southfill lots 3 And 5 have or will be shortly closing
- Southfill Lot 6 is being advertised requesting proposal
- Lots 1-4 Block 42 Original townsite is schedule to close May 1<sup>st</sup>
- Starting the process of updating the Hazard mitigation plan with Joanie
- Still working on City code focus on Chapter 18 zoning
- Providing GIS maps and data for multiple agencies
- Have been collecting, compiling and assisting State, Federal and SBA with documentation for snow disaster.
- Working with Samson on land swap
- Working on southfill extension plans
- Working on water/sewer line code write up with P&Z and lawyers
- Assisting and answering publics concerns and questions.

### Building Permits for 1<sup>st</sup> Quarter

Staff issued one Building Permit on February 9, 2012 for the interior completion of a previously approved project.

Staff issued one Building Permit on February 21, 2012 for the placement of a new Modular Home.

Staff issued one Building Permit on March 2, 2012 for an interior and exterior Residential weatherization project

Staff issued one Building Permit on March 14, 2012 for the replacement of a Residential roof.



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Fax: (907) 424-6000  
Email: [policechief@cityofcordova.net](mailto:policechief@cityofcordova.net)  
Web: [www.cityofcordova.net](http://www.cityofcordova.net)

# CITY OF CORDOVA

## *Office of Chief of Police*

To: City Manager Mark Lynch

From: Chief Bob Griffiths *RE Griffiths*

Subject: 1<sup>st</sup> Quarter 2012 Report

Date: April 2, 2012

### PATROL

The Cordova Police Department received a total of 401 Calls for Service in the 1<sup>st</sup> quarter of 2012. From these Calls for Service, a total of 60 investigative cases were generated. There were a total of 18 arrests made.

There were 71 citations written for the quarter and 21 warnings issued. Note: Snowpocalypse diverted officers' efforts from traffic, other than the more serious violations.

### PERSONNEL

Officer Robin Kacsh resigned. Her last day of work was February 1. Linda Brown filled the vacant dispatch position on February 6 and continues her training. Advertising for the temporary CSO position began in March.

### JAIL

There were 27 prisoners for the quarter serving a total of 36.5 days.

### DMV

Open 31 days for the quarter (about 2.5 days a week). 365 customers completed transactions totaling \$21,668.

### TRAINING

Nancy attended the Association of Public Safety Communications Officials, Intl. (APCO) Regional Conference at the end of February/beginning of March. In March, Linda went to DMV training, Rick and Adam both attended A.P.S.I.N. Full Access training and Zack attended the REID Interview training.

### PROJECTS

We have deployed our new records management system, Sleuth. We have purchased the camera equipment and plan on that being installed and operational in April.

### PUBLIC RELATIONS

Officer Johns has been teaching D.A.R.E. at the Elementary School this quarter.

## **CORDOVA VOLUNTEER FIRE DEPARTMENT**

### **Quarterly Report**

In this 1st quarter the Cordova Volunteer Fire Department responded to 36 calls for fire, rescue and EMS for a total of 289.5 member hours. Including the emergency calls, the volunteers of the fire department participated in the regular Thursday night meetings, public education and other activities for a total of 1100 member hours.

On April 12<sup>th</sup> 2012 the Volunteer Fire Fire Members held their annual elections for Fire Chief, Deputy Fire Chief , Secretary and Treasurer.

No new changes were made.

Fire Chief Michael Hicks, Deputy Chief Daniel Jager remain our Senior Officers with Council's approval.

Please see attached detail monthly activity sheets for more information on fire department activities.

# Monthly Activity 1-12

			Attendance	Hours	Total Man Hours
<b>Date</b>	<b>Thursday Meetings</b>				
1/5	Meeting was canceled		0	0	0
1/12	Business meeting		20	3	60
1/19	Medic call debrief		13	1.5	19.5
1/19	Ambulance Inventory		3	2.5	7.5
1/19	Maintenance		17	2.5	42.5
1/26	(No Attendance sheet)		?	?	?
	<b>Total</b>		<b>53</b>	<b>9.5</b>	<b>129.5</b>
<b>Date</b>	<b>Public Education Taught</b>				
	<b>Total</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Date</b>	<b>Other Activities</b>				
1/1	Organize the SAR Room		1	115	115
1/26	Explorers		1	1	1
	<b>Total</b>		<b>2</b>	<b>116</b>	<b>116</b>
<b>Date</b>		<b>Fire Runs</b>			
12/12		Motor Vehicle Accident	13	1	13
12/25		CO2 Alarm	1	1	1
		<b>Total</b>	<b>14</b>	<b>2</b>	<b>14</b>
<b>Date</b>		<b>Amb. Runs</b>			
1/3	12-001	Medical Transport	2	1.5	3
1/9	12-002	Chest pain	2	3	6
1/14	12-003	Person Fell	4	1	4
1/14	12-004	Medical Transport	2	2	4
1/14	12-005	Women fell	4	1	4
1/16	12-006	Man with Dizziness	12	1.5	18
1/19	12-007	Medical Transport	4	1.5	6
1/19	12-008	Medical Transport	3	1.5	4.5
1/21	12-009A	2 Basketball players collided	4	1	4
1/21	12-009B	2 Basketball players collided	4	1	4
1/29	12-010	Child with back pain	3	1	3
1/31	12-011	Elderly woman with chest pain	5	1.5	7.5
1/31	12-012	Medical Transport	2	1.5	3
		<b>Total</b>	<b>51</b>	<b>19</b>	<b>71</b>
		<b>Total hours for the month of January</b>			<b>330.5</b>



## Monthly Activity 2-12

			Attendance	Hours	Total Man Hours
<b>Date</b>	<b>Thursday Meetings</b>				
2/2	Iceworm setup		17	3	51
2/9	Business meeting		15	3	45
2/16	Medic CPAP training		7	2	14
2/16	Maintenance		15	3	45
2/23	Ice rescue training		15	3	45
2/23	Ambulance inventory		4	2	8
	<b>Total</b>		<b>73</b>	<b>16</b>	<b>208</b>
<b>Date</b>	<b>Public Education Taught</b>				
	<b>Total</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Date</b>	<b>Other Activities</b>				
2/3	Iceworm preparation		9	3	27
2/4	Ambulance standby for survival suit races		2	1.5	3
2/4	Iceworm parade		14	4	56
2/19	Ambulance inventory		1	1	1
	<b>Total</b>		<b>26</b>	<b>9.5</b>	<b>87</b>
<b>Date</b>		<b>Fire Runs</b>			
2/2	12-020	Diesel smell	1	1	1
2/6	12-021	House fire	18	6	108
2/10	12-022	Fuel leak on Lake Ave.	1	1	1
2/18	12-023	Propane smell	1	1	1
2/26	12-024	Possible CO leak	1	1.5	1.5
		<b>Total</b>	<b>22</b>	<b>10.5</b>	<b>112.5</b>
<b>Date</b>		<b>Amb. Runs</b>			
2/9	12-013	Man needing help to get to CCMC	2	1	2
2/9	12-014	Medical transport	2	1.5	3
2/9	12-015	Medical transport	2	2	4
2/16	12-016	Medical transport	2	1.5	3
2/18	12-017	Medical transport	2	1.5	3
2/23	12-018	Medical transport	2	1.5	3
2/27	12-018	Woman unable to move	1	0.5	0.5
		<b>Total</b>	<b>13</b>	<b>9.5</b>	<b>18.5</b>
		<b>Total hours for the month of Febuary</b>			<b>426</b>

# Monthly Activity 3-12

			Attendance	Hours	Total Man Hours
<b>Date</b>	<b>Thursday Meetings</b>				
3/1	Medic training		5	2	10
3/1	Building search training		5	2	10
3/8	Ambulance inventory		7	1	7
3/8	Business meeting		20	2.5	50
3/8	Officers meeting		5	1.5	7.5
3/15	CPAP airway training		7	2.5	17.5
3/15	Hose evolutions		19	3	57
3/22	Avalanche training		19	3	57
3/29	Working fire videos and hydrant training		15	3	45
	<b>Total</b>		<b>102</b>	<b>20.5</b>	<b>261</b>
<b>Date</b>	<b>Public Education Taught</b>				
	<b>Total</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Date</b>	<b>Other Activities</b>				
3/14	Medical supplies arrangement		1	1.5	1.5
3/14	House Captain duties		1	1	1
3/19	EMS planning		2	1	2
3/25	House Captain duties		1	1	1
3/26	Explorer training		2	1.5	3
	<b>Total</b>		<b>7</b>	<b>6</b>	<b>8.5</b>
<b>Date</b>		<b>Fire Runs</b>			
3/18	12-025	Dumpster fire	17	0.5	8.5
3/21	12-026	CO alarm	1	0.5	0.5
3/22	12-027	False alarm	1	0.5	0.5
3/23	12-028	Automated alarm	15	1	15
3/27	12-029	Smoke filled trailer	14	1	14
3/28	12-030	Electrical fire	1	0.5	0.5
		<b>Total</b>	<b>49</b>	<b>4</b>	<b>39</b>
<b>Date</b>		<b>Amb. Runs</b>			
3/4	12-019a	Man hit by snow load	2	1	2
3/4	12-019b	Man hit by snow load	2	1	2
3/4	12-019c	Man hit by snow load	2	1	2
3/6	12-020	Medical transport	3	1	3
3/9	12-021	Man slipped on the ice	3	0.5	1.5
3/9	12-022	Medical transport	3	1.5	4.5
3/13	12-023	Medical transport	3	1.5	4.5
3/21	12-024	Woman having a stroke	3	0.5	1.5
3/21	12-025	Medical transport	2	2	4
3/28	12-027	Medical transport	2	1	2
3/30	12-028	Medical transport	2	1.5	3
3/31	12-029	Medical transport	2	1	2
3/31	12-030	Child with head/neck injury at ski hill	3	1	3
		<b>Total</b>	<b>32</b>	<b>14.5</b>	<b>35</b>
		<b>Total hours for the month of March</b>			<b>343.5</b>

To: City Council; City Manager; City Clerk  
 CC: Historical Society, Library Board  
 From: Cathy Sherman, Assistant City Manager  
**1<sup>st</sup> Quarter Report -- Information Services Department**



### **CORDOVA HISTORICAL MUSEUM:**

- **Visitation:** 1268 (Closed for two weeks due to snow and no heat)
- **Exhibits:** Sailing for Salmon, Iceworm Photo Show, Pribilof Islands
- **Programs:** Civilian Conservation Corps in Cordova; History of Skiing in Cordova
- **School Class Visits:** Skiing and the history of the ski hill; Reading, Writing and 'Rithmetic – the History of Schools in Cordova; Tracing Our Roots – Genealogy and Family Trees
- **Staff** worked on Operations Manual for Museum; completed submittals of History of Cordova publication; research for USFS, Pioneer Igloo historic register nomination, numerous individuals; Prepared 1% for art applications for Cordova Center for committee review; continued work on copyright review for Cordova history book.

### **CORDOVA PUBLIC LIBRARY:**

- **Visitation:** 4336
- **Circulation:** 1453
- **Internet Use:** 881
- **WiFi Use:** 550
- **Staff** worked on continuing assessments of the core collection in Alaskan and adult fiction, patron computer upgrades, inventoried and updated leased McNaughton collections, continued after-school art programs

### **INFORMATION SERVICES:**

- Both the Library and museum were affected by the snow and mechanical issues including loss of heat and water which forced us to close for a period of days throughout January.
- Completed research on City Department internet needs and comparison of providers for manager.
- Staff assisted with Emergency Operations at City Hall.





## CORDOVA CENTER: First Quarter Report 2012

### Phase I:

Construction slowed some due to extreme snow conditions during January, but focused on the final close in of the structure.



Framing work was nearly completed by end of March.



Mason continued working on stone throughout the southwest and east side of the building. Roofers were on hold until snow melted in late April. Submittals continued on windows, fascias and copper trim.

### Phase II:

Owner decisions on finishing materials continue allowing for final work by architect on Phase II drawings. Contract for review of Phase II documents for constructability and estimation was let to OAC Services of Seattle. Delivery methods for Phase II will be reviewed by City Council within the second quarter of 2012.

City of Cordova

**PUBLIC WORKS DEPARTMENT**

**1st Quarter Report**

January – February - March  
2012

The Public Works Department is comprised of 4 Divisions. Major activities for each Division include the following:

**ADMINISTRATION DIVISION**

A wide variety of issues came up requiring my attention including, but not limited to, the following:

- Attended DEC meetings in Anchorage to discuss water and wastewater planning for Cordova
- Provided assistance in winter storm related clearing and recovery efforts for the City
- Instituted a comprehensive safety program to be tailored to each division
- Prepared a solid waste upgrade plan for the Refuse Division
- Attended meeting between utilities, contractor and the State DOT to discuss paving of the Copper River Highway.
- Disposed of surplus property sold in November

Sincerely,  
Moe Zamarron  
Director of Public Works

**FACILITIES MAINTENANCE DIVISION**

This includes one ½ time position to conduct building repairs and service mechanical components and one full-time custodial position. The following buildings are repaired and maintained in whole or in part by this Division.

- City Hall / Police Station
- Library
- Chamber of Commerce
- Bidarki
- Pool
- City Shop
- Harbor Restrooms (Custodial only)

Daily rounds are conducted of each building to ensure systems are functioning properly. Often small repairs are required such as repairing or replacing hinges, stuck windows, squeaky doors, weather-stripping, switches, light bulbs, installing signs, painting, etc. A used all-wheel-drive van was purchased from the state for use by the division custodian.

### POOL

Normal boiler upkeep activities

### LIBRARY / MUSEUM

Made plans to repair water system difficulties

### CHAMBER OF COMMERCE

Nothing to report.

### EYAK WATER TREATMENT PLANT

Miscellaneous minor repairs.

Assisted with machinery replacement

### BIDARKI

Nothing to report

### WASTEWATER TREATMENT PLANT

Miscellaneous minor repairs.

### CITY SHOP

Miscellaneous minor repairs.

### CUSTODIAL

Daily cleaning / trash pickup rounds are conducted at the following buildings:

- Bidarki
- Harbormaster's Office
- Harbor North Restroom
- City Hall / Police Station
- Library / Council Chambers

## **STREETS DIVISION**

A wide variety of issues came up including, but not limited to, the following:

- Upgraded equipment with purchase of new tire changer and various small tools
- Provided outstanding winter conditions street maintenance for Cordova's residents
- Prepared plans for spring maintenance and capital project activities
- Continued OSHA compliance measures

## **REFUSE DIVISION**

A wide variety of issues came up including, but not limited to, the following:

- Continuing a facility-wide cleanup at the baler
- Purchased supplies necessary for the demanding summer collection and disposal season
- Rebuilt the rear suspension on the Mack collection truck
- Received new multi-use skid-steer loader

# WATER & WASTEWATER DIVISION

## DAILY WORK DUTIES

Water Sources are checked daily/seven days a week for chlorine residual, turbidity, pH, UVT and general operations (Orca, Murcheson, & Meals). Three locations within the system are checked daily/ five days a week for chlorine residual, turbidity, and general operations (Harbor, Bidarki, & Hospital). Morning sewer lifts station checks (Whiskey Ridge, Murcheson, Eyak, Ferry Dock, Morpac, & Main lift station (South Second ST.)). Operate sludge dewatering system. Make polymer & Cl<sub>2</sub> for STP. Deliver sludge to 17 mile. Routine lab work & plant maintenance.

## WEEKLY WORK DUTIES

Collect bi-weekly coliform samples. Clean the Wastewater Treatment Plant and Lift Stations. Calibrate meters/monitoring equipment. Download/transfer all data from all three sources. Test/ check back-up generators. Exercise Micro Screen Drums.

## MONTHLY WORK DUTIES

Quality control / Quality assurance for Lab. EPA/DEC wastewater reports, DEC water reports, DEC DBP (Disinfection Byproducts Rule) Reports. Read water meters. Deliver shut-off notices, disconnect for nonpayment. Collect monthly samples. Backwash filters at Eyak WTP. Check catchments. Drain, Cleaned/Wash Micro Screen Room & chlorine contact chamber.

## MISCELLANEOUS

- Performed 10 water sample test for customers (PWSAC).
- Performed 11 locate, throughout the City limits where water/sewer mains are available.
- Performed 14 water shut-off/turn on, due to nonpayment, requested by the customers, or emergency shut-offs.
- Hauled load of chlorine to Meals WTP 23 times.
- Hauled load of chlorine to Orca 6 times.
- Plowed around STP & Eyak WTP 36 times.
- Hauled fuel to dewater day tank 29 times
- Made/hauled load of chlorine for Wastewater Treatment plant 39 times.
- Shoveled snow off 9 fire hydrants
- Checked on fire hydrant hit by State plow on First Street & Browning Avenue, fire hydrant undamaged.
- Checked on fire hydrant hit & broke off top operating nut, by plow on Harbor Loop by Facility Contractor.
- Thawed out pista grit at Wastewater Treatment Plant.
- Worked on alum feeder for water filters at Eyak WTP.
- Hired temps to shovel WTP (Eyak/Murcheson, Orca, Meals, Cabin Ridge, Mews, & 1.5 Booster station), STP (Dewater, Shop, & Office), Lift Stations (Ferry Dock, Morpac, Odiak, Whiskey Ridge, Eyak, & Murcheson) roofs.
- Picked up Sewer/Water crew to work, due to heavy snow.
- Dug out fleet vehicles for Emergency Operations Center.
- Dugout/locate fire hydrants.
- Inspected Eyak WTP ceiling & roofs for damages.
- Set up 1.5" hose for water hauling.

- Worked on Eyak WTP carbon feeder.
- Worked on blower #1 at STP.
- Helped remove snow from Cabin Ridge booster station, Davis @ 4 mile & Acelano on Whitshed Road, High School, Bidarki, City Hall, Mt. Eccles Elementary School, Library, & Chamber of Commerce.
- Worked on polymer pump @ dewater building.
- Called to possible fuel leak in sewer line on Lake Avenue by Little Chapel Church, no sign of fuel in sewer main.
- Worked with John Hallinan (CH2MHill) & Paul Cloyd (Northernlight Contracting) in wiring Eyak Filter plant.
- Installed heat tape for Chlorine line for STPs Clarifier & Headworks.
- Responded to water leak at 118 South 2<sup>nd</sup> Street.
- Responded to USCG housing for possible water leak, found frozen storm drain.
- Worked on Eyak WTP Filter pressure gauges.
- Sludge discharge line frozen.
- Responded to possible frozen main on 3<sup>rd</sup> Street, water valve for home shut-off accidentally. Water restored to customer.
- Thawed pick up line for composite sampler (headworks) at STP.
- Responded to water leak at 202 South 2<sup>nd</sup> Street.
- Shoveled & Flagged fire hydrants.
- Worked on Ferry Dock lift station's modem (unresponsive).
- Worked on chlorine generator (circuit breaker faulted, needed to be replaced). Circuit breaker ordered.
- Setup temps at Eyak WTP to shovel snow off roof.
- Pumped septic tank for Bill Webber with Vactor Truck @ 6.5 mile Copper River Highway.
- Worked with John Hallinan (CH2MHill) at Eyak WTP.
- Checked for possible fuel entering sewer main & to Wastewater Treatment Plant (unable to locate source).
- Found fine screen frozen & backed up, thawed fine screen & restored.
- Found massive oil sheen that covers STP's tanks 1 & 2. Started oil containment procedures, contacted ADEC of the oil contamination. Contacted Eagle Contracting to help locate oil source. There were 2 known report of oil spill, but were not the source of the massive oil spill. Traced oil leak between 2<sup>nd</sup> & 1<sup>st</sup> by Red Dragon. Contacted Andy Craig for oil containment & recovery. Oil also located coming out of the west side of the harbor.
- Took video of sewer main line of suspect location of the oil leak location.
- Did Labor I, II, & Sewer/Water Tech. interviews.
- Pressure tested fire hydrant at Copper River Seafoods.
- Worked on oil recovery clean up in STP.
- Located source of massive oil spill. CEC's 2000 gallon tank damaged during Snowpocolypse, while clearing snow off their roof, damaging the drain valve. 2800 gallons of heating oil possibly spilled.
- Worked on Meals chlorine generator & analyzer.
- Responded to excessive run alarm at Odiak LS.
- Setup 1.5 "hose for Estes to haul water from STP.
- Removed antenna from Ferry Dock LS, damaged during Snowpocolypse.
- Worked on Non-Compliance Report due to oil upset.



- Responded to water leak at Breakwater Avenue 226 Old Harbor & 118 South 2<sup>nd</sup> ST for repairs.
- Contacted Brandon with LiquiVision about Morpac tank repair proposal, advised Moe Zamarron.
- Work on troubleshooting chlorine analyzer with Hach tech.
- Worked on Odiak & Ferry Dock radio antennas.
- Troubleshoot dewater process at STP.
- Responded & located heating oil leak spilling into Eyak Lake at Lake Ave & Young Drive.
- Responded to water leak on Council & 3<sup>rd</sup> St. (Storm drain over flowing).
- Fixed lock on Odiak lift station dry well.
- Worked on chlorine leak at Eyak WTP.
- Worked on Meals chlorine gen at Meals.
- Checked on possible leak at 107 Bluff Trail (unable to troubleshoot due too much snow).
- Responded to pump fail alarm at Odiak LS (reset & back on-line).
- Located main valves on 5<sup>th</sup> & Browning.
- Door hanged Porter House & Commodore Apts. for shut-off due to non-payment of water/ sewer utilities.
- Met with Don S. w/ Eagle Contracting, Moe Z. & Mark L. in regards to preparing to dig service water line for Porter House Apt, to shut-off water due to non payment.
- February 22, 2012 Andy Craig shut down oil clean up on STP and will check on oil recovery every other day. Oil spill coming to plant minimal to none. Oil spill started coming into STP January 28, 2012.
- Ordered arm part for circle chart recorder at STP, from Branom Industries.
- Repaired fire hydrant at Solid Waste Facility. Hydrant knocked over during snow removal.
- Took FEMA inspectors to inspect snow damages on Orca, Eyak/Murcheson WTP & STP.
- Set up Temps to shovel snow off City Hall's roof.
- Took FEMA & State inspectors to inspect snow damages on Orca, Eyak/Murcheson WTP, STP, & Solid Waste Facility.
- Repaired manhole ring & lid on Railroad Ave & First St. (moved by State plow during snow removal).
- Exercise Eyak Filter Plant, ran filters 1-4 to waste.
- Northern Light Contracting to Eyak WTP to finish up wiring, per CH2MHill's recommendations.
- Worked on carbon tank mixer in Eyak WTP.
- Replaced sump pump at STP garage.
- Worked on Odiak LS pump 1, preparing to replace pump 1 (motor shaft broke).
- Met Mark L. in regards to water service tap procedure.
- Trouble shoot dewater process, found VFD for somat press faulted & needed to be replaced. Ordered, replaced, & back on-line.
- Snow movers to Eyak WTP, City Hall, Library, & Mt. Eccles play ground.
- Responded to all WTP, LS, & STP due to power outage.
- Repaired fire hydrant on Chase Ave & Copper River Highway, hit by plow.
- Responded to fire hydrant leaking on Highland Drive. Found hydrant open, someone had illegally used the fire hydrant (closed leak stopped).
- Installed fire hydrant flags/pole.

- Programmed VFD for somat press at dewater building with Boreal Controls.
- Worked on waste oil heater (plugged).
- Did maintenance on backhoe.
- Worked on Orca chlorine gen.
- Worked on pista grit, solenoid faulted ordered/replaced.
- Checked/replaced fire extinguishers with Taylor Fire Protection, around Water/Wastewater Facilities.
- Worked on blower #3 pump & motor at STP.
- Fixed water leak on STP head works.
- Removed pump & motor in position #1 and installed new pump & motor, with boom truck.
- Worked on fuel line for waste oil heater's day tank.
- Worked on Meals chlorine gen (burned fuse in panel).
- Meals out of water, started backwashing filter plant, checked Meals reservoir (empty & no sign of water flowing into reservoir). Started running Eyak Filter Plant 24/7 (3-26-12), backwashed filters and made Powdered Activation Carbon (PAC) & Aluminum Chlorohydrate (coagulant) when needed.
- Responded to water leak at Cliff Trail, hired Eagle Contracting to dig/repair water leak.
- Checked on water meter installation on Copper River Seafoods.
- Unloaded 16 pallet of salt at Eyak/Murcheson WTP.
- Checked on Trident South Plant, found sprinkler system, dock hose bibs open & pipes leaking, and conveyors & process line running water without anybody processing any fish. Advised plant manager & maintenance.
- Checked on Trident North, Copper River Seafoods, & Ocean Beauty are not processing fish.
- Performed pressure test at Copper River Seafoods.
- Performed pressure test, open bore flush, super chlorination test, & bacti test at Copper River Seafoods.
- Responded to water leak at CDFU, plumber replacing valve. Unable to shut-off curb valve after blowing it out, due to someone had poured concrete on top of valve. The plumber was able to fix leak.

Sincerely,  
 Malvin Fajardo  
 Water / Wastewater Superintendent

# MEMO, City of Cordova

FROM: Ashley Royal, Finance Director  
TO: City Manager, Mayor and City Council  
Date: April 25, 2012  
RE: Quarterly Report

This five page report, thru March 31, 2012, is a revised format.

- Cash and Investments report, all funds
- Revenue and Expenditure Report compared to Budget for General Fund
- Revenue and Expenditure Report compared to budget all funds except School Project and Cordova Center
- Cordova Center Project Report – condensed
- School Project Report - condensed

The Cash and Investments report shows comparison of 12/31/10 to 12/31/11 to 3/31/12. The report is divided in two parts – the top part showing the balances by general ledger account number, and where the money actually resides. The bottom part shows how the money is allocated between the various funds of the City. You will notice that a lot has changed since 2010 in the fund structure of the general ledger. Sewer and Water Fund has been divided into two separate funds, and the Enterprise funds now each have a corresponding separation of their respective capital projects and depreciation reserve, and in the case of Refuse the landfill reserve. Note the FNB checking at 3/31 is negative, but that's because of a large outstanding check amount, but it's covered by the amount in the FNB Sweep account. Also, note that the interfund transfers planned for 2012 have not yet been done, and the Resolution or Ordinance to accomplish that shall be forthcoming at a future regular council meeting.

The financial statement for the General Fund is broken down by major categories for revenue, and by department. This report is a standard format for presentation to city councils, printed off the Caselle software. The first column is for the month of March, 2012. The second column is for the first quarter of 2012 YTD. The third column is the 2012 adopted budget. The fourth column

is the difference between the YTD and the Budget, and the last column is the percent received or spent YTD.

The third page is a financial report laid out in the same format as described above, but for all funds, except the School Project and Cordova Center.

The fourth page is a revised and simplified comprehensive report for the Cordova Center. It is designed to give an overview on one page. It's a pretty standard format, with the first column showing the comprehensive budget as known at this time. The second column is for all transactions recorded prior to 2012. The third column is for the remaining amounts known. And the fourth column is for actual transactions thus far in 2012.

The fifth page is designed to show the status of the School Project at the present time, for management purposes. The initial State Budget is shown in the first column, for reference and comparison to the second column, which is the total available per the general ledger. The third column is all the transactions actual prior to 2012. The fourth column is actual YTD for 2012.

Respectfully submitted by:  
Ashley Royal  
Finance Director, City of Cordova

City of Cordova			
Cash and Investments	12/31/2010	12/31/2011	3/31/2012
001-11000 FNB Checking	(\$40,990.83)	(\$117,035.34)	(\$731,217.32)
001-11001 FNB Sweep Acct.	\$2,715,894.15	\$361,693.23	\$908,147.61
001-11002 FNB Payroll Checking	(\$39,267.14)	(\$42,366.13)	(\$9,319.91)
001-11003 Cash XPB	N/A	\$0.00	\$2,524.10
001-11010 UBS - Central Treasury Investments	\$7,612,877.50	\$7,569,873.99	\$6,336,959.91
101-12015 AMLIP	\$2,610.30	\$2,616.68	\$2,620.00
104-12025 UBS - Permanent Fund Investments	\$8,033,064.58	\$8,836,765.81	\$9,178,756.00
420-12025 UBS School Capital Project	\$445,474.16	N/A	N/A
203-11000 Cash Savings Acct	\$6,861.99	\$6,887.94	\$6,887.94
502-11000 FNBA Credit Cards Acct	\$324,843.57	\$178,124.43	\$13,624.25
805-12000 FNBA Certificate of Deposits	\$479,725.10	\$480,442.09	\$480,571.69
	<u>\$19,541,093.38</u>	<u>\$17,277,002.70</u>	<u>\$16,189,554.27</u>

Fund #	Cash Allocation Reconciliation			
101	General Fund	\$4,433,851.07	\$5,255,710.89	\$4,311,449.35
104	Permanent Fund	\$8,534,668.01	\$8,929,994.81	\$9,345,485.00
203	Ambulance Replacment Fund	\$54,304.83	\$63,028.51	\$63,028.51
333	2102 Snowpocalypse	N/A	N/A	(\$758,615.33)
401	General Projects & Grant Admn	(\$103,585.88)	(\$168,774.59)	(\$414,964.90)
408	School ILP Building	N/A	\$105,242.89	\$49,151.32
410	Chip Seal C.I. P.	\$100,546.53	(\$61,634.45)	\$75,765.55
420	School Capital Project	\$2,552,396.89	\$834,553.54	\$814,683.84
426	Cordova Center Fund	\$1,456,881.79	\$288,501.97	\$1,041,786.74
430	Public Safety Building C.I. P.	N/A	(\$75,000.00)	(\$75,000.00)
435	Hospital Repair Project	N/A	(\$13,500.00)	(\$13,500.00)
442	Shipyards Building Project	N/A	(\$5,650.00)	(\$5,650.00)
444	Shipyards Fill Project	N/A	(\$5,000.00)	(\$5,000.00)
448	Sawmill Avenue Trail Project	N/A	(\$5,000.00)	(\$5,000.00)
502	Harbor Enterprise Fund	\$703,404.87	\$344,241.29	\$178,333.89
	Sewer/Water Enterprise Fund	\$543,643.91	N/A	N/A
503	Sewer Enterprise Fund	N/A	\$78,802.27	\$78,484.42
504	Water Enterprise Fund	N/A	\$199,704.11	\$115,452.21
505	Refuse Enterprise Fund	\$1,232,282.24	\$246,429.45	\$228,844.88
506	Odiak Camper Park Fund	\$32,699.12	\$23,943.31	\$18,124.50
602	Harbor & Port Projects	N/A	\$5,000.00	(\$31,411.66)
603	Sewer Projects	N/A	\$7,775.00	\$7,775.00
604	Water Projects	N/A	(\$237,937.56)	(\$311,137.56)
605	Solid Waste Projects	N/A	\$68,936.43	\$68,936.43
702	Harbor Fund Dep'n Reserve	N/A	\$350,532.98	\$350,532.98
703	Sewer Fund Dep'n Reserve	N/A	\$56,500.00	\$56,500.00
704	Water Fund Dep'n Reserve	N/A	\$100,000.00	\$100,000.00
705	Refuse Fund Dep'n Reserve	N/A	\$300,444.16	\$300,044.16
805	Landfill Fund	N/A	\$535,449.69	\$535,579.29
911	E-911 Special Revenue Fund	N/A	\$54,708.00	\$69,875.65
		<u>\$19,541,093.38</u>	<u>\$17,277,002.70</u>	<u>\$16,189,554.27</u>

CITY OF CORDOVA  
FUND SUMMARY  
FOR THE 3 MONTHS ENDING MARCH 31, 2012

GENERAL FUND

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	VARIANCE	PCNT
<u>REVENUE</u>					
TAXES	8,483.48	528,324.12	5,507,136.66	4,978,812.54	9.6
LICENSES & PERMITS	.00	60.00	17,800.00	17,740.00	.3
OTHER GOVERNMENTAL	.00	1,196,089.39	2,453,553.00	1,257,463.61	48.8
LEASES & RENTS	2,750.00	26,407.16	186,050.00	159,642.84	14.2
LAW ENFORCEMENT	1,620.00	29,056.07	307,234.00	278,177.93	9.5
D. M. V.	4,101.40	12,876.64	74,500.00	61,623.36	17.3
PLANNING DEPARTMENT REVENUE	50.00	2,316.75	14,500.00	12,183.25	16.0
RECREATION DEPT REVENUE	3,358.00	7,615.00	71,900.00	64,285.00	10.6
POOL REVENUE	676.00	1,448.00	23,200.00	21,752.00	6.2
SALE OF PROPERTY	700.00	2,115.00	9,600.00	7,485.00	22.0
INTERFUND TRANSFERS IN	.00	.00	852,083.84	852,083.84	.0
OTHER REVENUE	( 11,398.25)	20,880.49	81,146.00	60,265.51	25.7
STATE DEBT SERVICE REIMBURSME	637,490.00	637,490.00	975,707.41	338,217.41	65.3
	647,830.63	2,464,678.62	10,574,410.91	8,109,732.29	23.3
<u>EXPENDITURES</u>					
CITY COUNCIL	27.82	160.35	26,150.00	25,989.65	.6
CITY CLERK	24,260.92	59,433.64	225,616.00	166,182.36	26.3
CITY MANAGER	27,253.23	63,391.74	384,638.00	321,246.26	16.5
FINANCE	41,450.12	93,716.27	358,832.00	265,115.73	26.1
PLANNING DEPARTMENT EXPENSE	24,073.57	52,476.10	193,564.00	141,087.90	27.1
DEPARTMENT OF MOTOR VEHICLE	5,729.51	12,434.30	67,072.00	54,637.70	18.5
LAW ENFORCEMENT	80,873.43	196,414.94	815,460.00	619,045.06	24.1
JAIL OPERATIONS	21,310.08	47,240.79	200,289.00	153,048.21	23.6
FIRE & EMS	31,215.75	84,974.13	308,606.00	223,631.87	27.5
DISASTER MANAGEMENT DEPT.	.00	.00	510.00	510.00	.0
INFORMATION SERVICES	43,161.58	95,741.41	371,526.00	275,784.59	25.8
FACILITY UTILITIES	20,581.50	42,463.25	145,500.00	103,036.75	29.2
PW ADMINISTRATION	12,131.18	31,168.19	105,746.00	74,577.81	29.5
FACILITY MAINTENANCE	12,054.76	30,632.82	197,522.00	166,889.18	15.5
STREET MAINTENANCE	52,161.72	120,311.28	572,912.00	452,600.72	21.0
SNOW REMOVAL	10,873.64	13,807.93	60,881.00	47,073.07	22.7
EQUIPMENT MAINTENANCE	38,913.39	73,636.25	274,998.00	201,361.75	26.8
PARKS MAINTENANCE	7,234.79	10,322.90	100,715.00	90,392.10	10.3
CEMETERY MAINTENANCE DEPT.	.00	.00	8,218.00	8,218.00	.0
RECREATION - BIDARKI	34,318.15	87,820.73	339,175.00	251,354.27	25.9
POOL	30,974.49	52,169.85	258,059.00	205,889.15	20.2
SKI HILL	12,999.41	21,537.15	58,400.00	36,862.85	36.9
NON-DEPARTMENTAL	81,228.21	120,529.53	342,830.00	222,300.47	35.2
LONG TERM DEBT SERVICE	.00	1,016,468.08	1,699,076.18	682,608.10	59.8
INTERFUND TRANSFERS OUT	.00	.00	749,945.73	749,945.73	.0
TRANSFERS TO OTHER ENTITIES	510,416.66	1,050,833.32	2,708,170.00	1,657,336.68	38.8
	1,123,243.91	3,377,684.95	10,574,410.91	7,196,725.96	31.9
	( 475,413.28)	( 913,006.33)	.00	913,006.33	

CITY OF CORDOVA  
FUND SUMMARY  
FOR THE 3 MONTHS ENDING MARCH 31, 2012

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	VARIANCE	PONT
<u>REVENUE</u>					
101 GENERAL FUND	647,830.63	2,464,678.62	10,574,410.91	8,109,732.29	23.3
104 CITY PERMANENT FUND	49,088.91	415,490.19	1,110,858.73	695,368.54	37.4
203 AMBULANCE REPLACEMENT FUND	.00	.00	7,050.00	7,050.00	.0
205 VEHICLE REMOVAL FUND	.00	.00	33,000.00	33,000.00	.0
401 GENERAL PROJ & GRANT ADMN	4,000.00	31,717.35	454,808.00	423,090.65	7.0
410 CHIP SEAL C.I.P.	.00	.00	261,618.57	261,618.57	.0
502 HARBOR ENTERPRISE FUND	23,025.58	65,348.34	1,010,956.14	945,607.80	6.5
503 SEWER ENTERPRISE FUND	50,426.97	150,171.82	627,210.00	477,038.18	23.9
504 WATER ENTERPRISE FUND	46,700.39	116,948.55	675,593.42	558,644.87	17.3
505 REFUSE ENTERPRISE FUND	55,877.00	164,892.93	852,300.00	687,407.07	19.4
506 ODIK CAMPER PARK	.00	.00	53,662.00	53,662.00	.0
602 HARBOR & PORT PROJECTS	.00	.00	1,760,000.00	1,760,000.00	.0
603 SEWER PROJECTS	.00	.00	113,500.00	113,500.00	.0
604 WATER PROJECTS	.00	.00	201,500.00	201,500.00	.0
605 SOLID WASTE PROJECTS	.00	.00	642,000.00	642,000.00	.0
702 HARBOR FUND DEP'N RESERVE	.00	.00	70,000.00	70,000.00	.0
703 SEWER FUND DEP'N RESERVE	.00	.00	50,000.00	50,000.00	.0
704 WATER FUND DEP'N RESERVE	.00	.00	4,236.25	4,236.25	.0
805 LANDFILL FUND	129.60	129.60	50,000.00	49,870.40	.3
911 E-911 SPECIAL REVENUE FUND	3,906.12	15,167.65	50,000.00	34,832.35	30.3
	880,985.20	3,424,545.05	18,602,704.02	15,178,158.97	18.4
<u>EXPENDITURES</u>					
101 GENERAL FUND	1,123,243.91	3,377,684.95	10,574,410.91	7,196,725.96	31.9
104 CITY PERMANENT FUND	.00	.00	945,676.57	945,676.57	.0
333 2012 SNOWPOCALYPSE	554,645.78	758,615.33	.00	( 758,615.33)	.0
401 GENERAL PROJ & GRANT ADMN	126,567.22	189,997.77	504,808.00	314,810.23	37.6
408 SCHOOL ILP BUILDING	.00	30,441.33	.00	( 30,441.33)	.0
410 CHIP SEAL C.I.P.	.00	.00	200,000.00	200,000.00	.0
502 HARBOR ENTERPRISE FUND	106,684.09	199,531.58	1,010,956.14	811,424.56	19.7
503 SEWER ENTERPRISE FUND	50,272.12	107,082.47	627,210.00	520,127.53	17.1
504 WATER ENTERPRISE FUND	38,041.68	88,648.53	675,593.42	586,944.89	13.1
505 REFUSE ENTERPRISE FUND	64,364.14	151,137.40	831,325.00	680,187.60	18.2
506 ODIK CAMPER PARK	2,074.20	4,671.65	53,662.00	48,990.35	8.7
602 HARBOR & PORT PROJECTS	33,249.66	36,411.66	1,790,000.00	1,753,588.34	2.0
603 SEWER PROJECTS	.00	.00	264,000.00	264,000.00	.0
604 WATER PROJECTS	.00	.00	252,000.00	252,000.00	.0
605 SOLID WASTE PROJECTS	.00	.00	832,000.00	832,000.00	.0
	2,099,142.80	4,944,222.67	18,561,642.04	13,617,419.37	26.6
	( 1,218,157.60)	( 1,519,677.62)	41,061.98	1,560,739.60	

Account Number	Account Title	Total Project Budget	Prior Years Actual	2012 Current year Budget	2012 Current year Actual
426-300-40325	Investment Earnings	90,770.90	90,770.90	0.00	0.00
426-300-42195	Cordova Center Design	23,109.00	23,109.00	0.00	0.00
426-300-42200	Not Yet Known	0.00	0.00	0.00	0.00
426-300-43000	Deferred Revenue	0.00	(387,361.70)	387,361.70	387,361.70
426-310-42410	DOI FY03 S.2708	994,000.00	994,000.00	0.00	0.00
426-310-42420	HUD EDI B-04-SP-AK-0040	994,100.00	994,100.00	0.00	0.00
426-310-42430	DCCED 05-DC-039	25,000.00	25,000.00	0.00	0.00
426-310-42440	DCCED 06-DC-101	1,000,000.00	1,000,000.00	0.00	0.00
426-310-42450	DCCED 10-DC-011	1,000,000.00	1,000,000.00	0.00	0.00
426-310-42460	DCCED 11-DC-197	2,500,000.00	2,500,000.00	0.00	0.00
426-310-42470	DCCED 11-DC-626	2,000,000.00	2,000,000.00	0.00	0.00
426-310-45480	EVOSTC - Fed Grant	7,000,000.00	0.00	7,000,000.00	846,628.67
426-390-49998	Transfer from Permanent Fund	1,500,000.00	1,500,000.00	0.00	0.00
426-390-49999	Transfer from General Fund	0.00	0.00	0.00	0.00
<b>Total Revenue</b>		<b>17,126,979.90</b>	<b>9,739,618.20</b>	<b>7,387,361.70</b>	<b>1,233,990.37</b>
426-401-00000	Phse I - From City Money	1,493,902.55	425,302.53	1,068,600.02	71,221.39
426-402-00000	Phse II - From City Money	6,097.45	6,097.45	0.00	0.00
426-411-00000	Phse I - DOI FY03 S.2708	994,000.00	994,000.00	0.00	0.00
426-412-00000	Phse II - DOI FY03 S.2708	0.00	0.00	0.00	0.00
426-421-00000	Phse I - HUDEDI B04SP-AK-0040	994,100.00	994,100.00	0.00	0.00
426-422-00000	Phse II - HUDEDI B04SP-AK-0040	0.00	0.00	0.00	0.00
426-431-00000	Phse I - DCCED 05-DC-039	25,000.00	25,000.00	0.00	0.00
426-432-00000	Phse II - DCCED 05-DC-039	0.00	0.00	0.00	0.00
426-441-00000	Phse I - DCCED 06-DC-101	1,000,000.00	1,000,000.00	0.00	0.00
426-442-00000	Phse II DCCED 06-DC-101	0.00	0.00	0.00	0.00
426-451-00000	Phse I - DCCED 10-DC-011	1,000,000.00	1,000,000.00	0.00	0.00
426-452-00000	Phse II - DCCED 10-DC-011	0.00	0.00	0.00	0.00
426-461-00000	Phse I - DCCED 11-DC-197	2,500,000.00	2,500,000.00	0.00	0.00
426-462-00000	Phse II - DCCED 11-DC-197	0.00	0.00	0.00	0.00
426-471-00000	Phse I - DCCED 11-DC-626	2,000,000.00	2,000,000.00	0.00	0.00
426-472-00000	Phse II - DCCED 11-DC-626	0.00	0.00	0.00	0.00
426-481-00000	Phse I - EVOSTC	7,000,000.00	681,238.32	6,318,761.68	165,390.35
426-482-00000	Phse II - EVOSTC	0.00	0.00	0.00	0.00
426-901-00000	Interfund Transfers Out	0.00	0.00	0.00	0.00
<b>Total Expenditures</b>		<b>17,013,100.00</b>	<b>9,625,738.30</b>	<b>7,387,361.70</b>	<b>236,611.74</b>
<b>Net Totals</b>		<b>113,879.90</b>	<b>113,879.90</b>	<b>0.00</b>	<b>997,378.63</b>



Account Number	Account Title	State Budget	Per GL Total Available	Per GL 2008 - 2011	Per GL 2012
<b>School Capital Project</b>					
<b>Revenue</b>					
420-300-40100	Bond Issue Proceeds	16,610,704.59	16,610,704.59	16,610,704.59	.00
420-300-40325	Investment Earnings	.00	262,168.89	262,168.89	.00
420-300-43000	Deferred Revenue	.00	.00	823,948.04-	823,948.04
<b>Transfers</b>					
420-393-41005	Transfer to School Dist	.00	200,000.00-	200,000.00-	.00
Total Revenue:		16,610,704.59	16,672,873.48	15,848,925.44	823,948.04
<b>Mt Eccles Gym Addition</b>					
420-403-50220	CM (by consultant)	91,982.00	91,982.00	91,982.00	.00
420-403-52100	Land Purchase	205,759.91	205,759.91	205,759.91	.00
420-403-52110	Site Investigation	.00	.00	.00	.00
420-403-52140	Design Services	413,919.00	413,919.00	413,919.00	.00
420-403-52150	Construction	6,090,955.00	6,084,932.89	6,084,932.89	.00
420-403-52160	Equipment	151,222.00	151,222.00	151,222.00	.00
420-403-52170	District Admn Overhead	229,955.00	243,536.97	243,536.97	.00
420-403-52180	Art	22,996.00	22,996.00	22,996.00	.00
420-403-52190	Project Contingency	.00	.00	.00	.00
Total Mt Eccles Gym Addition:		7,206,788.91	7,214,348.77	7,214,348.77	.00
<b>Mt Eccles Renovation</b>					
420-405-50220	CM (by consultant)	166,730.00	166,730.00	166,730.00	.00
420-405-52140	Design Services	833,650.00	830,398.89	830,398.89	.00
420-405-52150	Construction	7,491,425.00	7,491,425.00	6,668,354.05	.00
420-405-52160	Equipment	487,202.00	487,202.00	487,202.00	.00
420-405-52170	District Admn Overhead	416,825.00	441,085.82	440,208.73	9,264.20
420-405-52180	Art	41,683.00	41,683.00	41,683.00	.00
420-405-52190	Project Contingency	.00	.00	.00	.00
Total Mt Eccles Renovation:		9,437,515.00	9,458,524.71	8,634,576.67	9,264.20
Total Expenditure:		16,644,303.91	16,672,873.48	15,848,925.44	9,264.20
Net Grand Totals:		33,599.32-	.00	.00	814,683.84



STATE OF ALASKA  
DEPARTMENT OF  
**COMMERCE**  
COMMUNITY AND  
ECONOMIC DEVELOPMENT

*Sean Parnell, Governor*  
*Susan K. Bell, Commissioner*  
*Scott Ruby, Director*

Division of Community and Regional Affairs  
Grants Section

April 4, 2012

City of Cordova  
Mayor, Jim Kallander  
P.O. Box 1210  
Cordova, AK 99574

RE: Fiscal Year 2012 Supplemental Appropriation HB 307

Dear Mayor Kallander:

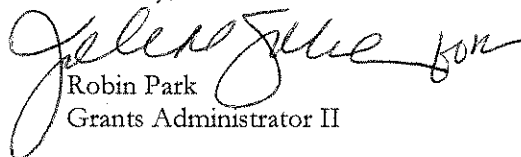
I am pleased to notify you that the City of Cordova has been appropriated a FY-2013 Designated Legislative Grant per AS 37.05.315 for the purpose of Hospital Roof Emergency Repairs and Replacement. The amount of State funding available for this grant is \$2,000,000.00. This appropriation was signed into law on March 23, 2012. The start date for the grant, once signed under agreement will be March 15, 2012.

In order for the grant funds to be released, you must enter into a grant agreement with the Department of Commerce, Community, and Economic Development for this project. Please provide the following information by May 1, 2012.

1. Please provide a scope of work for this project which includes a brief project description, proposed timeline and budget narrative.
2. Complete the enclosed Authorized Signers form and return the original to our office.
3. Provide contact information including name, title, telephone/fax numbers and email address for the person who will be responsible for administering this grant.

Upon receipt of the above, I will prepare and send the Grant Agreement for signature. If you have any questions, please contact me at (907) 456-4731. Congratulations on this grant award. I look forward to working with you to ensure the success of this project.

Sincerely,

  
Robin Park  
Grants Administrator II

Enclosure: Authorized Signers Form

P.O. Box 110809, Juneau, Alaska 99811-0809  
Telephone: (907) 465-4731 Fax: (907) 465-5867 Text Telephone: (907) 465-5437  
Email: [robin.park@alaska.gov](mailto:robin.park@alaska.gov) Website: <http://www.commerce.alaska.gov/dcra/>



File Code: 1920  
Date: APR 11 2012

Jim Kallander  
Mayor  
P.O. Box 1210  
Cordova, AK 99574

Dear Mayor Kallander:

Recently the Chugach National Forest was selected as one of eight national forests across the country to revise our forest plan under a new planning rule for the National Forest System. The rule, finalized by Secretary of Agriculture Tom Vilsack on March 23<sup>rd</sup> provides a framework that allows the Forest Service to meet current and future needs, taking into account new science, land management, and the all-lands approach for managing public resources.

The Chugach was selected as an "early adopter" of the new rule due to its solid collaborative capacity, established trust and past success with stakeholders, strong regional and unit level leadership, and because our current plan is due for revision by 2017 - the Record of Decision (ROD) for the Chugach National Forest's *Revised Land and Resource Management Plan* was signed on May 31, 2002. The plan, developed under the 1982 planning rule, was the result of years of analysis and extensive public input from individual members of the public, communities, agency partners, Alaska Native tribes and corporations.

One of the distinguishing features of our 2002 forest plan was its strong focus on public and community engagement. I intend to build on this tradition, which will include your engagement as a neighboring land manager. The new rule has direction to guide our approach.

Under the new rule, our plan will identify the Chugach's distinctive roles and contributions within the broader landscape. Specifically, the rule requires our plan to reflect our expected distinctive roles and contributions to the local area, region, and Nation, and the roles for which the Chugach is best suited, considering the U.S. Forest Service mission, the Chugach's unique capabilities, and the resources and management of other lands in the vicinity."

In our early stages of preparing for plan revision, which will launch later this year, we are inviting the public to meetings this April and May to consider and share:

- What they value about the Chugach National Forest;
- Their thoughts on the Chugach's distinctive roles and contributions considering the social, economic and ecological characteristics of the plan area;
- Input on the opportunities and resources on the Chugach in comparison to those on neighboring lands;
- Reflections on where the Chugach has been in the last decade and what it is now.



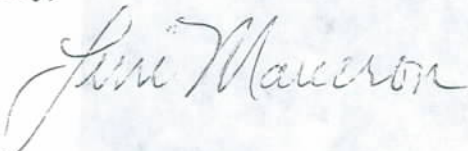
You and your staff are invited to these sessions, though my staff will seek to schedule individual meetings with your planning staff in the coming months in order to:

- Outline a collaborative relationship, building upon the all-lands approach;
- Dialogue about the role and contributions of each of our landscapes in the context of the broader ecological, economic and social landscape;

I look forward to working with you and your staff in the coming months. My planning and public affairs staff will be in touch by June. If you have a specific staff person you'd like to serve as point of contact, please don't hesitate to notify me or my Public Affairs Staff Officer, Sara Boario ([sboario@fs.fed.us](mailto:sboario@fs.fed.us)).

In the meantime, I've included the upcoming schedule of public meetings below if you'd like to share them with your stakeholders.

Sincerely,



TERRI MARCERON  
Forest Supervisor

### ***Meeting details***

The meetings will be led by Dr. Shannon Donovan of the University of Alaska Anchorage. During these two hour sessions, participants will be encouraged to share perspectives with each other in a variety of formats including maps, worksheets, and small group discussion.

### **Dates**

April 16 – Kenai/Soldotna: Kenai Peninsula College, Steffy Building

April 17 – Cooper Landing: Cooper Landing Community Center

April 18 – Moose Pass: Moose Pass School

April 19 – Seward: Legends Building

April 24 – Cordova: Masonic Lodge

April 26 – Valdez: Prince William Sound Community College, Training Room

April 30 – Hope: Hope School Gym

May 3– Whittier: Whittier School

May 8<sup>th</sup> – Anchorage: University of Alaska Anchorage

May 10 – Girdwood: Community Center

For more information on the new planning rule, please visit: [www.fs.usda.gov/planningrule](http://www.fs.usda.gov/planningrule)

Information specific to the Chugach National Forest plan revision will soon be available at [www.fs.usda.gov/chugach](http://www.fs.usda.gov/chugach)



## PEOPLE BEHIND THE SPIRIT

### Stepping Up

Each year, Alaska Airlines recognizes a handful of its most celebrated employees as Customer Service Legends—the airline's highest honor. We invite you to enjoy learning about one of our Legends, Ramp Service Agent Brad Sjostedt.

By mid-January this past winter, Cordova had received 18 feet of snow. The coastal city in Southcentral Alaska typically receives four to five feet of snow each winter, and when local plow trucks couldn't keep up with snow blocking roads around the airport, Brad Sjostedt went to see his dad. He borrowed a front-end loader from his father's construction business and went to work.

"Sometimes you've just got to get things done," Brad says.

Especially in a small, isolated town such as Cordova, which has no road access. With scenic Prince William Sound out the front door, a towering rumple of mountains and glaciers out back, and the mouth of Alaska's most famous salmon resource, the Copper River, right next door—air travel is essential. Brad says he speaks for all of the airline's 14 employees in Cordova when he says he understands the needs of community members, from families heading to Disneyland for a winter break to local

fishermen shipping fresh seafood.

On any given day, Brad can be found on the station ramp loading and unloading bags, fixing a broken door hinge, helping customers or sweeping the floor.

"Brad is always the first to jump in and solve a problem," says Cordova Customer Service Manager Lisa Jones. "He'll come in on a day off, in a winter storm or in the middle of the night to help de-ice or fuel an aircraft, assist with a medevac or load boxes of fish."

Brad started with the airline in 1998, right out of high school. He already knew he had a passion for aviation, and it has become a huge part of his life. He's earned a commercial pilot license and, in his spare time, he flies for a local air-taxi company that operates out of the same hangar that Merle "Mudhole" Smith used back in the 1930s for Cordova Air Services—one of several regional airlines that merged to become Alaska Airlines. Brad also has two planes of his own, a Piper Super Cub

and a Cessna 185.

Besides being a jack-of-all-trades around the ramp area, Brad is also a certified mechanic with an FAA Airframe & Powerplant License. When an Alaska jet in Cordova needs mechanical work, Brad gets the call—even if he's out tracking moose in the Interior or flying his two kids to Hinchinbrook Island for a weekend with their grandparents.

"When you walk through the terminal this time of year and you see a family waiting to fly out for a vacation in Hawai'i, it's a good feeling to be able to make a fix and get them going," he says.

Come mid-May, when the king salmon start streaming into the Copper River and restaurants around the country start tout-ing fresh fish flown in from Alaska, Brad and the Cordova crew kick into high gear. Says fellow Ramp Service Agent John Ladart, "You'll find Brad on the ramp, working with the intensity of a quarter-back on Super Bowl Sunday." —Paul Frichtl



Brad Sjostedt  
Alaska Airlines Legend

### Volunteer Spirit

#### Spreading cheer

Most evenings, Alaska Airlines Concierge Kathryn O'Reilly Hansen is busy serving customers in the airline's new Board Room at Los Angeles International Airport. Most days, she's helping serve the needs of some 1,500 families in L.A.'s South Bay area. Kathryn is president of Cheer for Children, a nonprofit focused on providing families in need of a little extra assistance and fun—including backpacks full of school supplies, new shoes and warm clothing, and gift cards for household essen-

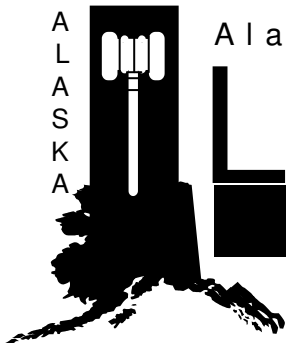


Kathryn O'Reilly Hansen  
with Cheer for Children  
Easter Bunnies.

tials. Sometimes, she's just a sympathetic ear.

The charity's larger focus is on two schools for orthopedically handicapped children, as well as the Harbor-UCLA Medical Center, where Cheer for Children helps with daily needs and sponsors seasonal parties. Outings for the schools include fishing trips at the Redondo Beach Fishing Pier.

Kathryn has worked with Cheer for Children since it started with 10 volunteers in 1985. While the charity operates under the guidance of a core group of only four—including Kathryn and her husband—Kathryn says it now draws on the generosity, time and talents of thousands. —P.F.



# LEGISLATION

## UPDATE

Issue 12-18

April 18, 2012

### *A Membership Service of ACSA*

ACSA and ALASBO staff have been considering the changes to the local mill rate funding requirement set forth in [HB CS for CSSB182](#) and have worked with DEED to more fully understand how this component of the state foundation program will now work. You are encouraged to review the analysis below and contact Elizabeth Nudelman, EED Director of School Finance, to review the details of your district's calculations.

### **Analysis of SB182 Change in Mill Rate for Local Funding Requirement**

SB182 passed in the final hours of the 27<sup>th</sup> Legislature on April 15, 2012. Included was a change in the mill rate contribution requirement for municipalities from 4 mills to 2.65 mills, effective for FY13. The state will pay **\$21.3 million** to fund this change. Here are some points to understand about this change:

- This change does NOT affect REAA's; only districts that receive local contribution funding from their cities and boroughs are affected
- The change equalizes the mill rate contribution for all municipalities across the state; a previous provision that involved a calculation based on FY99 property values has been removed; the equalization addresses the disparity that had resulted from this calculation, whereby municipalities with faster growing property values were contributing at a lower effective mill rate than others
- There are NO LOSERS with this new plan; no school district will receive less funding than it would have with the previous mill rate
- Districts that were funded at the maximum allowable amount (cap) under the old plan will see ALL the new funding go to their municipalities; these funds could be used to help districts by paying bond debt, reducing any fees charged to the district, or local improvements that help the district, for example
- Districts that were not funded at the maximum allowable amount (cap) may receive an increase in total funding from state and local sources, depending on how the new funding is split between the district and the municipality
- The maximum allowable contribution (cap) for all districts will go down; therefore, more districts will be funded at or near the cap, even if there is no change to FY13 commitments of local funding
- Here's how the math works with this change:
  - 1) Local contribution requirement goes down, based on change from 4 mills to 2.65 mills
  - 2) State funding is increased to make up the difference
  - 3) The total of 1) and 2) is the same for all districts under the new plan and the old calculation; \$21.3 million in costs are shifted to the state
  - 4) The maximum allowable contribution (cap) is reduced because the local contribution requirement is lower (max allowable = local required + additional allowable)
  - 5) Districts and municipalities will negotiate funding up to the new maximum allowable contribution; some of the new state funding may go to districts and some will be retained by municipalities

- Watch out for:
  - Awareness of new maximum allowable local funding (cap); if a district budgets for funding that exceeds the new cap, it will be informed by EED next fall that a refund is owed to the municipality and the budget must be reduced!
  - Opportunity for additional funding from the municipality, up the amount of the new maximum allowable contribution
- Note that if a municipality chooses to fund at the same level budgeting prior to this change, so long as it doesn't exceed the new maximum allowable amount, the district will receive an automatic increase in funding, because the district will be receiving more from the state
- Note that municipalities will **NOT** be receiving checks from the state; this is a misstatement of how the funding program works (the funds are not municipal revenue sharing); however, municipalities may fund districts at a reduced amount, since the district is receiving more from the state and because their local required funding amount has gone down
- It is **highly recommended** that superintendents and school business officials take the time to understand this change, so that productive discussions with municipal officials can take place, and so that no districts will be writing refund checks to their municipalities next fall!
  - Review EED's ["Public School Funding Program Overview"](#) from September 2011
    - Note: The only updates to this document are the change in mill rate, and the change in the voc ed factor, another component of SB182
  - Contact Elizabeth Nudelman, EED Director of School Finance, to review the specific figures for your district: 907-465-8679, [elizabeth.nudelman@alaska.gov](mailto:elizabeth.nudelman@alaska.gov)





PO Box 196660, ANCHORAGE, ALASKA 99519-6660 Phone (907) 278-1611

FAX 787-8447

**Ed Hendrickson**  
Sr. Vice President & Chief Financial Officer

April 24, 2012

City of Cordova  
P.O. Box 1210  
Cordova, Alaska 99574

City Clerk:

The property tax amounts listed below are calculated based upon the Alaska Superior Court's March 6, 2012 Final Judgment (Case No. 3AN-06-8446 CI), which is now under appeal in the Alaska Supreme Court.

Payment will be made by wire transfer on April 25, 2012 for the following AS43.56 state assessed property located within the City of Cordova:

State No.	City No.	Description	2007	2008	2009	Interest	Total
			Tax Amount	Tax Amount	Tax Amount		
012-000-0001	02-060-245-1	Vehicles & Equipment	55,907.26	43,663.50	2,957.28	35,513.77	138,041.81

**This payment and the payment of interest will be paid under protest. The full amount paid is the subject of an appeal to the Alaska Supreme Court (S-14706) and may be required to be refunded.**

The Owners of the Trans Alaska Pipeline System are not waiving any rights and retains full reservation of rights to seek reduction of assessment and taxes due and pursue any other available remedy. This payment is being made by Alyeska Pipeline Service Company as Agent for these Owners. Taxpayer/Owners intend to seek refunds of overpayments.

The Owners of the Trans Alaska Pipeline System are: ConocoPhillips Transportation Alaska, Inc.; BP Pipelines (Alaska) Inc.; ExxonMobil Pipeline Company; Koch Alaska Pipeline Company, LLC; Unocal Pipeline Company

If you have any questions, please call Robert Thaggard at (907) 787-8589.

Sincerely,

Ed Hendrickson  
Sr. Vice President & Chief Financial Officer

cc: TAPS Owners  
Manley & Brautigam, P.C.

**CITY OF CORDOVA, ALASKA  
RESOLUTION 05-12-24**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CORDOVA, ALASKA, AUTHORIZING SUPPLEMENTAL APPROPRIATIONS IN THE TOTAL AMOUNT OF \$69,735 IN THE GENERAL FUND, AND ENTERPRISE FUNDS TO PAY A 2012 WAGE INCREASE FOR ALL CITY EMPLOYEES; BASED ON THEIR RATE OF PAY EFFECTIVE MAY 1, 2012; AND AMENDING THE CITY OF CORDOVA'S 2012 BUDGET ACCORDINGLY.**

**WHEREAS**, during contract renewal negotiations with I.B.E.W. Local Union No. 1547 a three percent (3%) wage increase was agreed to beginning May 1, 2012; and

**WHEREAS**, The Cordova City Council approved a three percent (3%) wage increase to all bargaining unit employees, exempt employees, City Manager, and City Clerk based on their rate of pay effective May 1, 2012; and

**WHEREAS**, in order to pay the wage increase, which was not included in the 2012 budget as previously adopted, the following supplemental appropriations are necessary:

General Fund	\$53,014
Harbor Fund	\$6,432
Sewer Fund	\$2,909
Water Fund	\$2,909
Refuse Fund	\$4,232
Odiak Camper Park Fund	\$239
Total Appropriation all Funds	\$69,735

**NOW, THEREFORE BE IT RESOLVED THAT** the City Council of the City of Cordova, Alaska, hereby authorizes supplemental appropriations in the total amount of \$69,735 in the General Fund and Enterprise Funds to pay the 2012 wage increase for all City employees based on their rate of pay effective May 1, 2012, and such additional appropriation shall be recorded in the 2012 Operating Budget as amendments to all payroll related expense line items.

**PASSED AND APPROVED THIS 2<sup>nd</sup> DAY OF MAY, 2012**

\_\_\_\_\_  
James Kallander, Mayor

ATTEST:

\_\_\_\_\_  
Robyn Kincaid, Deputy City Clerk

City of Cordova

Union Employee Classification and Pay Plan Schedule

APPENDIS C (effective May 1, 2012 via Resolution # 05-12-24)

CLASSIFICATIONS AND PAY PLAN SCHEDULE

POSITION	BASE	LEVEL	LEVEL	LEVEL	LEVEL	LEVEL	LEVEL	MAX
		1	2	3	4	5	6	WAGE
EQUIPMENT OPERATOR II	\$ 21.43	\$ 22.57	\$ 23.67	\$ 24.81	\$ 25.93	\$ 27.04	\$ 28.18	\$ 29.30
SHOP MECHANIC	\$ 21.43	\$ 22.57	\$ 23.67	\$ 24.81	\$ 25.93	\$ 27.04	\$ 28.18	\$ 29.30
PUBLIC SAFETY OFFICER	\$ 21.43	\$ 22.57	\$ 23.67	\$ 24.81	\$ 25.93	\$ 27.04	\$ 28.18	\$ 29.30
SEWER/WATER TECH	\$ 19.83	\$ 20.88	\$ 21.90	\$ 22.95	\$ 23.98	\$ 24.04	\$ 26.06	\$ 27.11
EQUIP/OP/LABOR MNTE II	\$ 19.29	\$ 20.31	\$ 21.31	\$ 21.68	\$ 23.33	\$ 24.34	\$ 25.36	\$ 26.38
FIREFIGHTER/MEDIC	\$ 19.29	\$ 20.31	\$ 21.31	\$ 21.68	\$ 23.33	\$ 24.34	\$ 25.36	\$ 26.38
EQUIPMENT OPERATOR I	\$ 19.29	\$ 20.31	\$ 21.31	\$ 21.68	\$ 23.33	\$ 24.34	\$ 25.36	\$ 26.38
HARBOR OPS SUPERVISOR	\$ 19.29	\$ 20.31	\$ 21.31	\$ 21.68	\$ 23.33	\$ 24.34	\$ 25.36	\$ 26.38
ACCOUNTING SPECIALIST	\$ 17.69	\$ 18.62	\$ 19.53	\$ 20.47	\$ 20.56	\$ 22.31	\$ 23.25	\$ 24.17
COMMUNICATIONS CLERK LEADER	\$ 17.15	\$ 18.06	\$ 18.94	\$ 19.85	\$ 20.74	\$ 21.63	\$ 22.55	\$ 23.44
ADMIN CLERK	\$ 17.15	\$ 18.06	\$ 18.94	\$ 19.85	\$ 20.74	\$ 21.63	\$ 22.55	\$ 23.44
REFUSE MAINT. WORKER II	\$ 17.15	\$ 18.06	\$ 18.94	\$ 19.85	\$ 20.74	\$ 21.63	\$ 22.55	\$ 23.44
<b>CSO</b>	\$ 17.15	\$ 18.06	\$ 18.94	\$ 19.85	\$ 20.74	\$ 21.63	\$ 22.55	\$ 23.44
LABORER/MAINT. II	\$ 17.15	\$ 18.06	\$ 18.94	\$ 19.85	\$ 20.74	\$ 21.63	\$ 22.55	\$ 23.44
ADMIN./PLANNING ASSISTANT	\$ 16.08	\$ 16.92	\$ 17.76	\$ 18.61	\$ 19.45	\$ 20.28	\$ 21.14	\$ 21.98
<b>-COMMUNICATIONS CLERK</b>	\$ 16.08	\$ 16.92	\$ 17.76	\$ 18.61	\$ 19.45	\$ 20.28	\$ 21.14	\$ 21.98
LABORER/MAINT. I	\$ 16.08	\$ 16.92	\$ 17.76	\$ 18.61	\$ 19.45	\$ 20.28	\$ 21.14	\$ 21.98
HARBOR MAINTENANCE I	\$ 16.08	\$ 16.92	\$ 17.76	\$ 18.61	\$ 19.45	\$ 20.28	\$ 21.14	\$ 21.98
REFUSE MAINT. WORKER I	\$ 16.08	\$ 16.92	\$ 17.76	\$ 18.61	\$ 19.45	\$ 20.28	\$ 21.14	\$ 21.98
PARKS/REC OPS. LEADER	\$ 16.08	\$ 16.92	\$ 17.76	\$ 18.61	\$ 19.45	\$ 20.28	\$ 21.14	\$ 21.98
POOL OPS. LEADER	\$ 16.08	\$ 16.92	\$ 17.76	\$ 18.61	\$ 19.45	\$ 20.28	\$ 21.14	\$ 21.98
JANITOR	\$ 16.08	\$ 16.92	\$ 17.76	\$ 18.61	\$ 19.45	\$ 20.28	\$ 21.14	\$ 21.98
UTILITIES/ACC. REC. CLERK	\$ 16.08	\$ 16.92	\$ 17.76	\$ 18.61	\$ 19.45	\$ 20.28	\$ 21.14	\$ 21.98
TECHNOLOGY LEADER	\$ 16.08	\$ 16.92	\$ 17.76	\$ 18.61	\$ 19.45	\$ 20.28	\$ 21.14	\$ 21.98

HARBOR ADMIN. ASSISTANT	\$ 16.08	\$ 16.92	\$ 17.76	\$ 18.61	\$ 19.45	\$ 20.28	\$ 21.14	\$ 21.98
LIBRARIAN	\$ 15.01	\$ 15.80	\$ 16.57	\$ 17.37	\$ 18.15	\$ 18.93	\$ 19.72	\$ 20.52
PROGRAM LEADER	\$ 15.01	\$ 15.80	\$ 16.57	\$ 17.37	\$ 18.15	\$ 18.93	\$ 19.72	\$ 20.52
YOUTH SERVICES LIBRARIAN	\$ 15.01	\$ 15.80	\$ 16.57	\$ 17.37	\$ 18.15	\$ 18.93	\$ 19.72	\$ 20.52
GENERAL OFFICE CLERK	\$ 15.01	\$ 15.80	\$ 16.57	\$ 17.37	\$ 18.15	\$ 18.93	\$ 19.72	\$ 20.52
<u>CURATOR OF</u> COLLECTIONS <u>AND EXHIBITS</u>	\$ 15.01	\$ 15.80	\$ 16.57	\$ 17.37	\$ 18.15	\$ 18.93	\$ 19.72	\$ 20.52
MUSEUM - <u>ASSISTANT</u>	\$ 12.85	\$ 13.54	\$ 14.20	\$ 14.88	\$ 15.55	\$ 16.22	\$ 16.90	\$ 17.58
LIBRARY <u>ASSISTANT</u>	\$ 12.85	\$ 13.54	\$ 14.20	\$ 14.88	\$ 15.55	\$ 16.22	\$ 16.90	\$ 17.58
LIFEGUARD	\$12.85	\$ 13.54	\$ 14.20	\$ 14.88	\$ 15.55	\$ 16.22	\$ 16.90	\$ 17.58

PAY LEVEL BEGINS WHEN EMPLOYEE COMPLETES NUMBER OF MONTHS OF SERVICE IDENTIFIED BELOW.

IF HIRED OR PLACED BY MERIT INCREASE AT LEVELS 1, THIRTY MONTHS MUST PASS PRIOR TO OBTAINING NEXT MERIT BASED INCREASE.

IF HIRED OR PLACED BY MERIT INCREASE AT LEVELS 2-5 TWENTY FOUR MONTHS MUST PASS PRIOR TO OBTAINING NEXT MERIT BASED INCREASE.

AT STEP LEVEL 6 ONE YEAR MUST PASS BEFORE FINAL TENURE BASED INCREASE TO MAX WAGE IS APPROVED.

MERIT INCREASES SHALL OCCUR WHEN APPROVED.

STEP SYSTEM:

LEVEL 1 - AFTER COMPLETION OF	6 MONTHS OF SERVICE
LEVEL 2 - AFTER COMPLETION OF	36 MONTHS OF SERVICE
LEVEL 3 - AFTER COMPLETION OF	60 MONTHS OF SERVICE
LEVEL 4 - AFTER COMPLETION OF	84 MONTHS OF SERVICE
LEVEL 5 - AFTER COMPLETION OF	108 MONTHS OF SERVICE
LEVEL 6 - AFTER COMPLETION OF	132 MONTHS OF SERVICE
MAX WAGE - AFTER COMPLETION OF	144 MONTHS OF SERVICE



City of Cordova  
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P.O. Box 1210  
Cordova, Alaska 99574  
Phone: (907) 424-6200  
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Web: [www.cityofcordova.net](http://www.cityofcordova.net)

# CITY OF CORDOVA

## *Office of City Manager*

April 25, 2012

Memo to City Council  
Re: Harbor Study

**CMC 5.12.040 “Council approval of contracts” says:**

*No contract for supplies, services or construction which obligates the city to pay more than fifteen thousand dollars may be executed unless the council has approved a memorandum setting forth the following essential terms of the contract:*

- A. The identity of the contractor;*
- B. The contract price;*
- C. The nature and quantity of the performance that the city shall receive under the contract; and*
- D. The time for performance under the contract.*

I recommend the city enter into a contract with DHI Consulting Engineers of Anchorage, Alaska, to perform Professional Services associated with Small Boat Harbor Reconfiguration.

The contract price is \$19,300 lump sum for: Fees – Planning thru Report.

The contract estimate price is \$1,100 for: Reimbursable Items.

The nature and quantity of the performance the city shall receive is set forth in the attached “Small Boat Harbor Reconfiguration – Scope of Service and Fee Proposal” (EXHIBIT A)

The time for performance under the contract is estimated to be 4 weeks from authorization to proceed.

**Recommended action:** Voice Vote.

I move to direct the City Manager to enter into a contract (EXHIBIT B) with DHI Consulting Engineers for Professional Services to perform a preliminary study of Small Boat Harbor Reconfiguration in the new section of Cordova Small Boat Harbor.

Thank you,

Mark Lynch  
City Manager



# EXHIBIT A



**DHI CONSULTING ENGINEERS**

Civil Engineering • Surveying • Planning

April 24, 2012  
WO 12992

Mr. Mark Lynch  
City Manager  
P.O. Box 1210  
Cordova, Alaska 99574

RE: Small Boat Harbor Reconfiguration  
Scope of Service and Fee Proposal

Dear Mr. Lynch,

I appreciate the opportunity to meet and review the current configuration issues related to the Cordova Small Boat Harbor. It is our understanding that the "Old" portion of the Small Boat Harbor was recently reconstructed and is working reasonably well. The "New" portion of the Small Boat Harbor is currently outdated based on the current size and number of vessels using the harbor. It is the City's desire to look at reconfiguring the ramps and slips in the "New" portion of the harbor that would better reflect current use and fleet using the Small Boat Harbor. In addition, the City would like to install two net repair platforms. One in the "New" and one in the "Old" harbor areas.

Our Scope of Services will be to provide a conceptual layout for the "New" portion of the harbor, an Engineer's Cost Estimates, and a Final Report, all of which can be used by the City to solicit funds for the redeveloped project.

## **I. SCOPE OF SERVICES:**

Using the original design drawings, aerial photography, and other information we will develop a base drawing that is accurate enough to use in our conceptual planning. This would eliminate the need for an as-built survey at this time.

Using this base map, and working with yourself and the harbor master we will develop a layout for the "New" portion of the harbor to maximize the number of slips based on the number and size of vessels currently using the harbor. Once we have completed the conceptual design and obtained the City's concurrence of the layout, we will have a consultant prepare a Construction Cost Estimate for replacing the gangways, ramps and slips. The Cost Estimate would be based on using design components similar to those used in the reconstruction of the "Old" harbor.

Once the conceptual design and the Construction Cost Estimate is complete, we will prepare a report discussing and summarizing the harbor development.

## II. FEES:

We will provide the above services on a time and material (T&M) basis as follows:

a.	Conceptual Planning	T&M	<b>\$10,490.00</b>
b.	Engineers Cost Estimate (HMS)	T&M	<b>\$ 5,400.00</b>
	DHI Consultant Markup (15%)		<b>\$ 810.00</b>
c.	Project Report	T&M	<b><u>\$ 2,600.00</u></b>
<b>Total T&amp;M:</b>			<b>\$19,300.00</b>

The time and material fee shall not be exceeded by more than 15% with the prior written approval from the City of Cordova. The above fees are based on the assumption that the work will start within 30 days of this proposal and that all work will be completed with 30 days of the acceptance date. Should the work start, stop or not be completed with this time frame, the above fee will be subject to renegotiation.

## III. REIMBURSABLE ITEMS

Direct Expenses will be charged to the project at actual cost plus 10%. Direct expenses include such items as printing/copying, binding and collation of documents, long distance calls, computer plotting, plats, and aerial photos. The estimated expenses are \$1,100.00.

**Total Lump Sum Fee Plus Reimbursables: \$20,400.00**

## IV. EXCLUSIONS:

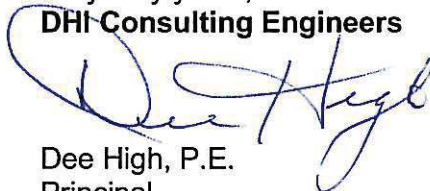
We have excluded from our "Scope of Services" and "Fees" services related to civil and structural design, permitting, bid and construction phase services; Payment of Municipal, State and Federal fees, and preparation of record/as-built drawings.

## V. SCHEDULE:

We can begin work within 5 days of your acceptance of this proposal and upon receipt of all the project information we need to complete our work. We will complete our work within 4 weeks of receiving your authorization to proceed.

I believe the above covers the items we discussed. Let me know if you have any questions.

Very truly yours,  
**DHI Consulting Engineers**



Dee High, P.E.  
Principal

992proposaltr.doc

Dimond Center Tower, 5<sup>th</sup> Floor • 800 East Dimond Blvd. Suite 3-550 • Anchorage, Ak. 99515  
Ph (907) 344-1385 • Fax (907) 344-1383 • Email: [admin@dhialaska.com](mailto:admin@dhialaska.com)

SERVING ALASKA SINCE 1985



# EXHIBIT B

## AGREEMENT FOR CONSULTING SERVICES

City of Cordova and DHI Consulting Engineers (“DHI”) agree that the following terms and conditions will apply to any services, including subsequent services and changes, (collectively “Services”) to be provided by DHI relating to Work Order No. 12992, dated April 24, 2012 (collectively the “Agreement”):

### 1. STANDARD OF CARE

Services performed by DHI will be conducted in a manner consistent with that level of care and skill ordinarily exercised by other professionals currently practicing under similar conditions in the same locality, subject to the time limits and financial, physical or other constraints applicable to Services. No warranty, express or implied is made.

### 2. INVOICES AND PAYMENT TERMS

A. Unless otherwise specified in any proposal, DHI will submit monthly invoices to the City of Cordova and final bill upon completion of Services. The City of Cordova shall notify DHI within ten (10) days of receiving an invoice if they have any dispute with the invoice. The parties shall promptly resolve any disputed items. Full payment is due prior to delivery of DHI’s final deliverable. Payment on undisputed invoice amounts is due upon receipt of invoice by the City of Cordova and is past due thirty (30) days from the date of the invoice. The City of Cordova agrees to pay a finance charge of one and one-half percent (1½%) per month (18% per annum), or the maximum rate allowed by law, on past due accounts. If payment remains past due sixty (60) days from the date of the invoice, then DHI shall have the right to suspend or terminate all Services under this Agreement, without prejudice or penalty. The City of Cordova will pay all reasonable demobilization and other suspension or termination costs. The City of Cordova agrees to pay attorneys’ fees, legal costs, and all other collection costs incurred by DHI in pursuit of past due payments.

B. Where the cost estimate for the Services is “not to exceed” a specified sum, DHI shall notify the City of Cordova before each limit is exceeded, and shall not continue to provide Services beyond such limit unless the City of Cordova authorizes an increase in the amount of the limitation. If a “not to exceed” limitation is broken down into budgets for specific tasks, the task budget may be exceeded without the City of Cordova authorization as long as the total limitation is not exceeded.

### 3. CHANGES

The City of Cordova and DHI recognize that it may be necessary to modify the Scope of Services, schedule, and/or cost estimate proposed in this Agreement. Such changes shall change the Services, schedule, and/or the cost, as may be equitable under the circumstances. DHI shall notify the City of Cordova in a timely manner when it has reason to believe a change to the Agreement is warranted. DHI shall prepare a change order request outlining the changes to the scope, schedule, and/or cost of the project. The City of Cordova has a duty to promptly consider the change order request and advise DHI in a timely manner in writing on how to proceed. If after a good faith effort by DHI to negotiate modifications to the scope of Services, schedule, and/or cost estimate, an agreement has not been reached with the City of Cordova, then DHI shall have the right to terminate this Agreement, without prejudice or penalty, upon written notice to the City of Cordova.



4. DELAYS AND FORCE MAJEURE

A. If site or other conditions prevent or inhibit performance of Services or if unrevealed hazardous materials or conditions are encountered, Services under this Agreement may be delayed. The City of Cordova shall not hold DHI responsible for damages or delays in performance caused by acts of omissions of the City of Cordova, its subcontractors, governmental authorities, regulatory agencies, civil or labor unrest, acts of God, nature, or terror, disruptions of the Internet, DHI's electronic telecommunications or hosting services or any other events that are beyond the reasonable control of DHI. In the event of any such delays, the contract completion date shall be extended accordingly and the City of Cordova shall pay DHI for Services performed to the delay commencement date plus reasonable delay charges. Delay charges shall include personnel and equipment rescheduling and/or reassignment adjustments and all other related costs incurred including but not limited to, labor and material escalation, and extended overhead costs, attributable to such delays.

B. Delays in excess of thirty (30) days within the scope of this Article shall, at the option of either party, make this Agreement subject to termination or to renegotiation.

5. INDEMNIFICATION

A. DHI agrees to indemnify and save harmless the City of Cordova and its officers, directors, and employees from and against all claims, damages, losses or expenses arising from personal injury, death, or damage to third-party property to the extent that all such claims, damages, losses or expenses are finally determined to result directly from DHI's negligence. Such indemnification, as limited by Article 6, Limitation of Liability, shall be the City of Cordova's sole and exclusive remedy against DHI.

B. The City of Cordova shall, at all times, defend, indemnify and save harmless DHI and its subcontractors, consultants, agents, officers, directors and employees from and against all claims, damages, losses, and expenses (including but not limited to reasonable attorneys' fees, and court and arbitration costs), arising out of or resulting from the Services of DHI, including but not limited to claims made by third parties, or any claims against DHI arising from the acts, errors or omissions of the City of Cordova, its employees, agents, contractors and subcontractors or others. To the fullest extent permitted by law, such indemnification shall apply regardless of breach of contract or strict liability of DHI. Such indemnification shall not apply to the extent that such claims, damages, losses or expenses are finally determined to result directly from DHI's negligence.

6. LIMITATION OF LIABILITY

A. The City of Cordova shall immediately notify DHI in writing of any deficiencies or suspected deficiencies arising directly or indirectly from DHI's negligent acts, errors or omissions. Failure by the City of Cordova to notify DHI shall relieve DHI of any further responsibility and liability from such deficiencies. To the extent permitted by law, the City of Cordova and DHI agree that all liability arising directly or indirectly from this Agreement or the Services of DHI shall expire no later than one (1) year from the date of DHI's acts, errors, or

omissions or prior to the last date allowed in the applicable statute of limitations, whichever occurs first in time.

B. The City of Cordova agrees to limit the liability of DHI, its affiliates, and their respective employees, officers, directors, agents, consultants and subcontractors ("DHI Group") to the City of Cordova, its employees, officers, directors, agents, consultants and subcontractors, whether in contract tort, or otherwise, which arises from DHI's acts, negligence, errors or omissions, such that the total aggregate liability of the DHI Group to all those named shall not exceed Fifty Thousand Dollars (\$50,000) or DHI's total fee for the Services rendered under this Agreement, whichever is greater.

C. Neither party shall be responsible to the other for lost revenues, lost profits, cost of capital, claims of customers, loss of data or any other special, indirect, consequential or punitive damages.

## 7. INSURANCE

A. DHI maintains insurance coverage with the following limits:

- (I) Workers' Compensation in compliance with statutory limits
- (ii) Automobile Liability  
Combined Single Limit \$1,000,000
- (iii) Commercial General Liability  
Each Occurrence \$1,000,000  
General Aggregate \$2,000,000

B. The City of Cordova shall not require DHI to sign any document or perform any Service which in the judgment of DHI would risk the availability or increase the cost of its Commercial General Liability insurance.

## 8. PROFESSIONAL WORK PRODUCT

A. The Services provided by DHI are intended for one time use only. All documents, including but not limited to, reports, plans, designs, boring logs, field data, field notes, laboratory test data, calculations, and estimates and all electronic media prepared by DHI are considered its professional work product (the "Documents"). DHI retains all rights to the Documents.

B. The City of Cordova understands and acknowledges that the Documents are not intended or represented by DHI to be suitable for reuse by any party, including, but not limited to, the City of Cordova, its employees, agents, subcontractors or subsequent owners on any extension of a specific project not covered by this Agreement or on any other project, whether the City of Cordova's or otherwise, without DHI's prior written permission. The City of Cordova agrees that any reuse unauthorized by DHI will be at the City of Cordova's sole risk and that the City of Cordova will defend, indemnify, and hold DHI harmless from any loss or liability resulting from the reuse, misuse, or negligent use of the Documents.



9. DATA AND INFORMATION

The City of Cordova shall provide to DHI all reports, data, studies, plans, specifications, documents and other information ("Project Information") which are relevant to the Services. DHI shall be entitled to rely upon the Project Information provided by the City of Cordova or others and DHI assumes no responsibility or liability for the accuracy or completeness of such. The City of Cordova waives any claim against DHI, and agrees to defend, indemnify and hold DHI harmless from any claim or liability for injury or loss allegedly arising from errors, omissions, or inaccuracies in the Project Information. DHI will not be responsible for any interpretations or recommendations generated or made by others, which are based, whole or in part, on DHI's data, interpretations or recommendations.

10. RIGHT OF ENTRY

The City of Cordova will provide for the right of entry for DHI, its subcontractors, and all necessary equipment in order to complete the Services under this Agreement. If the City of Cordova does not own the site, the City of Cordova shall obtain permission and execute any required documents for DHI to enter the site and perform Services. It is understood by the City of Cordova that in the normal course of work some surface damage may occur, the restoration of which is not part of this Agreement.

11. CONTROL OF WORK AND JOB-SITE SAFETY

A. DHI shall be responsible only for its activities and that of its employees and subcontractors. DHI's Services under this Agreement are performed for the sole benefit of the City of Cordova and no other entity shall have any claim against DHI because of this Agreement or the performance or nonperformance of Services hereunder. DHI will not direct, supervise or control the work of other consultants and contractors or their subcontractors. DHI does not guarantee the performance of, and shall have no responsibility for, the acts or omissions of any other contractor, subcontractor, supplier or other entities furnishing materials or performing any work on the project.

B. Insofar as job site safety is concerned, DHI is responsible only for the health and safety of its employees and subcontractors. Nothing herein shall be construed to relieve the City of Cordova or any other consultants or contractors from their responsibilities for maintaining a safe job site. DHI shall not advise on, issue directions regarding, or assume control over safety conditions and programs for others at the job site. Neither the professional activities of DHI, nor the presence of DHI or its employees and subcontractors, shall be construed to imply that DHI controls the operations of others or has any responsibility for job site safety.

12. PUBLIC RESPONSIBILITY

The City of Cordova has a duty to comply with applicable codes, standards, regulations and ordinances, with regard to public health and safety. While DHI performs the Services it will endeavor to alert the City of Cordova to any matter of which DHI becomes aware and believes requires the City of Cordova's immediate attention to help protect public health and safety, or which DHI believes requires the City of Cordova to issue a notice or report to certain public

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officials, or to otherwise comply with applicable codes, standards, regulations or ordinances. If the City of Cordova decides to disregard DHI's recommendations in these respects, (i) DHI shall determine in its sole judgment if it has a duty to notify public officials, and (ii) DHI has the right immediately to terminate this Agreement upon written notice to the CLIENT without penalty.

### 13. TERMINATION

Either party may terminate this Agreement as a result of a material breach of the other party if the other party does not commence and continue to cure the breach within thirty (30) days of receipt of written notice of the breach from the non-breaching party. In the event of termination, DHI shall be paid for Services performed to the termination notice date, reasonable termination expenses, and a portion of its anticipated profits not less than the percentage of the contract services performed as of the termination notice date. DHI may complete such analyses and records as are necessary to complete its files and may also complete a report on the Services performed to the date of notice of termination or suspension. The expenses of termination or suspension shall include all direct costs of DHI in completing such analyses, records and reports.

### 14. DISPUTES

A. All disputes, claims, and causes one party makes against the other, at law or otherwise, including third party or "pass-through" claims for indemnification and/or contribution, which amount to a claim more than \$50,000 shall be initiated, determined, and resolved by arbitration in accordance with the American Arbitration Association and judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof. Notwithstanding the foregoing, any claims by DHI against the City of Cordova involving failure to make payment pursuant of Article 2, Invoices and Payment Terms, as well as alleged misappropriation or misuse of DHI's Intellectual Property or Confidential Information may be resolved through any legal or equitable means or any form of alternative dispute resolution.

B. In the event that one party makes a claim against the other, at law or otherwise, and then fails to prove such claim, then the prevailing party shall be entitled to all costs, including attorneys' fees incurred in defending against the claim.

### 15. INTELLECTUAL PROPERTY

A. If the Services require DHI to provide the City of Cordova with the right to use or access proprietary DHI software, programs, information management solutions, hosting services, technology, information or data ("DHI Products"), DHI grants the City of Cordova during the term of the project a non-exclusive, non-transferable, non-assignable license to use the DHI Products for the City of Cordova's internal purposes, solely in connection with the Services. Except for this limited license, DHI expressly reserves all other rights in and to the DHI Products.

B. DHI's Right to Use the City of Cordova Materials - If the Services require the City of Cordova to provide DHI with the right to use or access proprietary the City of Cordova software, programs, technology, information or data ("The City of Cordova Products"), the City of



Cordova grants DHI a perpetual, non-exclusive, non-transferable, non-assignable, royalty free world-wide license to use and access the City of Cordova Product as necessary to provide the City of Cordova with Services.

C. Intellectual Property General - DHI shall own all Intellectual Property (as hereinafter defined) associated with the Services and the DHI Products, together with any modifications, updates or enhancements to said Intellectual Property. DHI grants no right or license to such Intellectual Property to the City of Cordova except as expressly provided in this Agreement. The City of Cordova conveys to DHI any interest in any such Intellectual Property rights that, notwithstanding the foregoing, would otherwise be deemed by law to vest in the City of Cordova. "Intellectual Property" includes patents, patent applications, trademarks, trademark applications, copyrights, moral rights or other rights of authorship and applications to protect or register the same, trade secrets, industrial rights, know-how, privacy rights and any other similar proprietary rights under the laws of any jurisdiction in the world. DHI may use and publish the City of Cordova's name and give a general description of the Services rendered by DHI for the purpose of informing other clients and potential clients of DHI's experience and qualifications.

D. DHI shall use reasonable efforts to provide the Services without infringing on any valid patent or copyright and without the use of any confidential information that is the property of others; provided, however, reasonable efforts of DHI shall not include a duty to conduct or prepare a patent or copyright search and/or opinion. If DHI performs its Services in a manner consistent with the above, then to the fullest extent permitted by law, the City of Cordova shall indemnify, defend and hold harmless DHI and its officers, directors, agents and employees against all liability, costs, expense, attorneys' fees, claims, loss or damage arising from any alleged or actual patent or copyright infringement resulting from the Services under this Agreement.

## 16. INFORMATION MANAGEMENT

A. The City of Cordova acknowledges that electronic media is susceptible to unauthorized modification, deterioration, and incompatibility and therefore the City of Cordova cannot rely upon electronic media versions of Documents. In the event of any discrepancy, DHI's hard copy shall prevail.

B. Some DHI Products may be offered to the City of Cordova via the Internet and some DHI Products may utilize wireless radio communications. Atmospheric, meteorological, topographical and other conditions can affect the performance of any wireless device, software or technology (including, but not limited to information management solutions, hosting services, FTP and extranet services), just as application size, traffic, bottlenecks and other conditions can affect Internet access and upload and download speeds. The City of Cordova acknowledges that these types of conditions and other similar conditions are beyond the reasonable control of DHI and that DHI makes no representations or guarantees that the City of Cordova will be able to access any particular DHI Product at any given time without any error or interruption.



17. MISCELLANEOUS

A. This Agreement supersedes all other agreements, oral or written, and contains the entire agreement of the parties. No cancellation, modification, amendment, deletion, addition, waiver or other change in this Agreement shall have effect unless specifically set forth in writing signed by the party to be bound thereby. Titles in this Agreement are for convenience only.

B. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns provided that it may not be assigned by either party without consent of the other. It is expressly intended and agreed that no third party beneficiaries are created by this agreement, and that the rights and remedies provided herein shall inure only to the benefit of the parties of this Agreement.

C. The City of Cordova acknowledges and agrees that DHI can retain subconsultants, who may be affiliated with DHI, to provide Services for the benefit of DHI. DHI will be responsible to the City of Cordova for the Services and work done by all of its subconsultants and subcontractors, collectively to the maximum amount stated in Article 6, Limitation of Liability. The City of Cordova agrees that it will only assert claims against and seek to recover losses, damages or other liabilities from DHI and not DHI's affiliated companies. To the maximum extent allowed by law, the City of Cordova acknowledges and agrees it will not have any legal recourse and waives any expense, loss, claim, demand, or cause of action, against DHI's affiliated companies, and their employees, agents, officers and directors.

D. No waiver of any right or remedy in respect of any occurrence on one occasion shall be deemed a waiver of such right or remedy in respect of such occurrence on any other occasion.

E. All representations and obligations (including without limitation the obligation of the City of Cordova to indemnify DHI in Article 5 and the Limitation of Liability in Article 6) shall survive indefinitely the termination of the Agreement. The City of Cordova acknowledges that it may not use DHI's name or any reference to the Services in any press release or public document without the express, written consent of DHI.

F. Any provision, to the extent found to be unlawful or unenforceable, shall be stricken without affecting any other provision of the Agreement, so that the Agreement will be deemed to be a valid and binding agreement enforceable in accordance with its terms.

G. All questions concerning the validity and operation of this Agreement and the performance of the obligations imposed upon the parties hereunder shall be governed by the laws of Alaska unless the law of another jurisdiction must apply for this Agreement to be enforceable.

H. All notices required or permitted to be given hereunder, shall be deemed to be properly given if delivered in writing via facsimile machine, e-mail, regular mail, hand delivery or express courier addressed to the City of Cordova or DHI, as the case may be, at the addressee set forth below in regard to the City of Cordova and as listed on the Proposal in regard to DHI, with postage thereon fully prepaid if sent by mail or express courier.

I. The City of Cordova represents and warrants that the individual signing this Agreement is an authorized representative of the City of Cordova and has authority to bind the City of Cordova.

18. AUTHORIZATION TO PROCEED

By signing below, the City of Cordova hereby authorizes DHI to proceed with the Services outlined in the Proposal and in accordance with this Agreement, which includes terms relating to *payment, limitation of liability, insurance and indemnity*, among many other important provisions. The City of Cordova also represents that any "purchase order" type document which the City of Cordova may issue subsequent to executing this Agreement, shall be for administrative or accounting purposes only, and that this Agreement shall supersede any such terms or conditions attached thereto in governing the performance of the Services.

DHI CONSULTING ENGINEERS

CLIENT:

  
Signature

\_\_\_\_\_  
The City of Cordova

\_\_\_\_\_  
Signature

4/24/12  
Date

\_\_\_\_\_  
Date

Dee High  
Name

Mark Lynch  
Name

Owner  
Title

City Manager  
Title

I have the authority to bind the company.

I have the authority to bind the corporation

Please address invoices to:  
City of Cordova  
PO Box 1210  
Cordova, AK 99574  
\_\_\_\_\_



**COST ESTIMATE PER TASK**

**PROJECT TITLE:** Cordova Small Boat Harbor Reconstruction

[illegible]





City of Cordova  
602 Railroad Ave.  
P.O. Box 1210  
Cordova, Alaska 99574  
Phone: (907) 424-6200  
Fax: (907) 424-6000  
Email: [citymanager@cityofcordova.net](mailto:citymanager@cityofcordova.net)  
Web: [www.cityofcordova.net](http://www.cityofcordova.net)

# CITY OF CORDOVA

## *Office of City Manager*

April 25, 2012

Memo to City Council  
Re: IBEW Contract Renewal

Attached is the Collective Bargaining Agreement between the City and IBEW Local Union 1547 (the page numbers in the index will not match due to the inserted new text. This will be corrected once the final version is created). There is also a salary increase resolution in your packet that will be voted on separately, but by approving the contract you are also acknowledging that the pay increase is a component thereof. All of the changes to this agreement are within the guidelines we have previously discussed. The pay increase beginning May 1 is 3%, and is applied to all City employees as has been done in the past.

**RECOMMENDED MOTION:** Move to approve the Collective Bargaining Agreement by and between the City of Cordova and IBEW Local Union 1547 representing City Employees covering the period of May 1, 2012 to April 30, 2015.

**REQUIRED ACTION:** Majority voice vote.

Thank you,

Mark Lynch  
City Manager

# **Collective Bargaining Agreement**

by and between the

**City of Cordova**

and

**IBEW Local Union 1547**

representing

**City Employees**

**City of Cordova Agreement**  
**May 1, 2012 – April 30, 2015**

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## **PREAMBLE**

This Agreement by and between the City of Cordova hereinafter referred to as the "Employer" or "City" and the International Brotherhood of Electrical Workers, Local Union 1547, AFL-CIO, hereinafter referred to as the "IBEW" or "Union" representing the employees covered herein hereby establish the agreed upon wages, hours and other terms and conditions of employment set forth herein.

## **ARTICLE I - PURPOSES OF AGREEMENT**

### **Section 1.1. Purposes of Agreement**

The purposes of this Agreement are to set forth the negotiated wages, hours, and other terms and conditions of employment for bargaining unit employees, to promote the settlement of labor disagreements by conference, to provide for resolution of unsettled grievances by binding arbitration, to prevent strikes and lockouts, to improve efficiency of City government, to encourage and maintain merit principles among City employees, and to encourage a spirit of helpful cooperation between the City and its employees and the Union to their mutual benefit.

### **Section 1.2. Discrimination Prohibited**

The Employer and the Union agree to comply with all laws, rules and regulations of local, state and federal governments prohibiting discrimination against any bargaining unit employee with regard to all aspects of employment or membership because of race, religion, color, sex, ancestry, national origin, marital status, age, political affiliation, union activity or disability and with proper regard for their privacy. The term "he" used in this agreement shall also mean "she".

### **Section 1.3. Political Activity**

In order to assure that employees are protected against coercion for partisan political purposes, no term or condition of employment shall abridge the statutory or constitutional rights of any employee to engage in any legal political activity. Employees are prohibited from using their positions with the City for the purpose of interfering with or illegally affecting the result of an election or a nomination for office.

## **ARTICLE 2 - DEFINITIONS**

As used in this Agreement, the following definitions apply:

**Administrative Leave.** This leave is granted by the City Manager without the loss of longevity, sick leave, annual leave or pay.

**Anniversary Date.** The date on which any employee completes one full year of employment within a given position with the City.

**Appointing Authority.** The City Manager or other City officials who have authority to appoint individuals to positions in the City Service.

**Appointment.** The official act of designating a person to an authorized position after successful completion of an appropriate probationary period.

**Authorized Position.** A position which is funded and allocated to an appropriate class.

**Break In Service.** Results from a regular employee resigning, retiring, being terminated, dismissed, laid off or going on leave without pay for more than thirty (30) calendar days.



**City of Cordova Agreement**  
**May 1, 2012 – April 30, 2015**

**Calendar Year.** Twelve month period beginning January 1 and ending December 31.

**City.** City of Cordova.

**City Council.** The City Council of the City of Cordova.

**City Manager.** The Chief Administrative officer and the head of the administrative branch of the City government who is directly responsible to the City Council for the proper administration of all affairs of the City.

**Class Specification or Position Description.** A written description of a class containing the title of the position, a statement of the nature of work indicating the duties and responsibilities, representative examples of work and general minimum recruiting information.

**Classification Plan.** The grouping of positions into appropriate classes which are sufficiently similar with respect to duties and descriptive title and defined by class specifications.

**Classified Employees.** Regular full-time and regular part-time employees.

**Compensation Date.** The date of an employee's last salary adjustment. This date is used to compute when the next salary review and/or annual step increase, if any, is applicable.

**Date of Hire.** The date on which a new employee is placed on the City payroll.

**Demotion.** The assignment of an employee from a position of one class to a position of another class with a lower pay range.

**Discharge or Dismissal.** The involuntary termination of an employee from City service for disciplinary reasons.

**Disciplinary Action.** Imposition of certain personnel actions, e.g. reprimand, warning, suspension, dismissal or demotion as a result of improper conduct or conduct detrimental to the City.

**Disciplinary Action Memo.** A document on which disciplinary action is documented.

**Eligible.** A person whose name has been placed on an eligible list of qualified candidates for a position in accordance with recruiting and examining procedures.

**Emergency.** A critical situation over which an employee has no control. A sudden, unexpected occurrence demanding immediate action. May be life threatening.

**Examination.** All tests that are applied to determine eligibility of applicants for positions in any class in the City service.

**FMLA.** Family Medical Leave Act.

**Fringe Benefits.** Any employment benefits not required by law (FICA, ESC) such as health insurance, paid holidays, vacation, sick leave, etc.

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**Immediate Family.** Unless otherwise specified by a particular provision of this Agreement, immediate family means persons related to an employee by blood or marriage, or legal adoption as follows: Spouse, Father, Mother, Grandfather, Grandmother, Brother, Sister, Son, Daughter, Father-in-Law, Mother-in-Law, Grandfather-in-Law, Grandmother-in-Law, Brother-in-Law, Sister-in-Law, Son-in-Law, Daughter-in-Law, Step-Parents and Step-Children; and any persons for whose financial or physical care the employee is principally responsible.

**Layoff.** The involuntary cessation of employment because of lack of work, lack of funds or abolishment of a position.

**Leave of Absence.** Time off from work for reasons within the scope and purpose of this Agreement upon prior approval of the employee's supervisor, Department Head or City Manager.

**Leave Without Pay.** A break in service not covered by annual or sick leave for which an employee is not paid.

**Length of Service Date.** The date of original hire to City service except adjusted by leave without pay and time not worked between separation and reinstatement, or reappointment. This date is used for annual and sick leave accrual, retirement benefits and longevity.

**Open Competitive Examination.** An examination which permits the competition for a class of position, and is not restricted to persons currently employed in the City service.

**Pay Plan.** The schedule of pay ranges and rates for all classes of positions in the City service, fringe benefits and appropriate rules and regulations.

**Pay Range.** The minimum, standard and variable, intermediate and maximum rates of pay established for each class of position.

**Pay Rate.** The specific dollar amount within a pay range paid to an employee for a class of work performed. Does not include overtime, longevity, lead worker or other financial benefits.

**Performance Evaluation Report.** A document on which employee performance is evaluated.

**Personnel Action.** Any action taken with reference to appointment, compensation, promotion, transfer, layoff, dismissal or other action affecting the status of employment.

**Police Standards Act.** The Police Standards Act of July 7, 1972, as amended.

**Position Description.** A document, prescribed by the City Manager, which supervisors or employees elaborate on the duties and responsibilities of an existing or proposed position.

**Probationary Employee.** An employee who is serving a probationary period and is employed in either a regular full-time or regular part-time position.

**Probationary Period.** A working test period which is part of the examination process when an employee demonstrates fitness and ability to perform the work of the position.

**Promotion.** A change in status of a regular employee from a position of one class to another class, with a higher maximum rate of pay.

**Reallocation or Reclassification.** A change in classification of a position by raising it to a higher class, reducing it to a lower class, or changing it to another class at the same level.

**Regular Employees.** Those employees who are regular full-time and regular part-time who have successfully completed their probationary period. Regular employees are covered by this Agreement.

**Regular Part-Time Employee.** Regular part-time employees are those employees who have successfully completed their probationary period and are employed in positions where the work involved will total less than ~~thirty-two (32)~~ forty (40) hours per week. Regular part-time employees scheduled to work sixteen (16) hours but ~~not to exceed thirty-two (32)~~ less than forty (40) hours a week are entitled to the benefits available to regular full-time employees. Benefits which are related to hours worked, such as annual leave, holiday pay, and similar benefits accrue on a prorated basis of actual hours worked to regular hours, defined at a rate of forty (40) hours per week.

**Regular Part-Time Position.** A position requiring the services of an employee for less than a regular work week on a continuous basis.

**Regular Full-Time Employee.** Regular employees are those employees who have successfully completed their probationary period and are employed full time.

**Reinstatements.** The return of an employee to a position of the same class previously occupied after layoff, military leave or at any time after successful appeal of a suspension, demotion or termination.

**Resignation.** A voluntary act by an employee of terminating employment in the City service.

**Separation.** The removal of an employee from the payroll for either voluntary or involuntary reasons, to include dismissal, resignation, layoff, retirement or death.

**Suspension.** An enforced unpaid leave of absence for disciplinary reasons or pending investigation of charges made against an employee.

**Temporary Appointment.** A short term appointment not to exceed six (6) months for an individual who meets qualification requirements.

**Temporary Assignment.** The temporary or acting assignment of an employee to perform the duties and responsibilities of a position other than the position regularly assigned.

**Temporary Employee.** An employee who has been appointed for a specific limited period which does not exceed six (6) months or 1,040 regular hours of employment in any given calendar year. A temporary employee is not eligible for employee benefits.

**Termination.** The cessation of employment with the City.

**Transfer.** The movement of an employee from one position to another in the same or comparable class within the City service.

### **ARTICLE 3 – RECOGNITION**

The City recognizes the IBEW as the sole and exclusive collective bargaining representative of the employees of the City who are employed in a classification set forth in this Agreement.

### **ARTICLE 4 - UNION MEMBERSHIP AND DUES**

#### **Section 4.1. Membership in the Union**

From the effective date of this Agreement through termination date, all employees covered by this Agreement shall, as a condition of continued employment, either be or become a member of the Union and pay all uniformly imposed Union dues and assessments, or pay a service fee to the Union certified by the Union's Manager pursuant to AS 23.40.110(b)(2) ("Mandatory Deductions"). Employees have the right to join or not join as they see fit. Employees may choose not to participate in union matters.

#### **Section 4.2. Payments**

The payment of union dues or the equivalent service fees shall commence with the first payday of the month after thirty-one (31) calendar days following the initial date of employment. For present employees, payments shall commence with the first payday after thirty-one (31) calendar days following the effective date of this Agreement.

#### **Section 4.3. Payroll Deductions**

In accordance with AS 23.40.220, upon receipt by the City of the checkoff authorization form, dated and executed by the employee, which includes the employee's social security number, the City shall each pay period deduct from the employee's wages the amount of the Union dues and assessments or fees owed for that pay period. The City will forward the monies so deducted to the Union together with a list of employees from whose wages such monies were deducted on or before the 15th day of the following month. The City shall deduct from an employee's wages only that amount which the Union has certified in writing is the amount of semimonthly dues or fees.

#### **Section 4.4. Direct Payments**

If, for any pay period in which the Employer is obligated to make deductions pursuant to this Article, the wages owed an employee after mandatory deductions are less than the authorized dues or fees to be deducted pursuant to this Article, the City shall make no deduction from the wages owed the employee for that pay period. Payment of dues or fees for that period shall be made by the employee directly to the Union.

#### **Section 4.5. Notice of Increase or Decrease**

The Union Business Manager shall notify the City Manager in writing of any increase or decrease in authorized dues or assessments at least thirty (30) days prior to the effective date of the rate change.

#### **Section 4.6. Security of Information**

The Union specifically agrees that all information shall be used only for purposes related to the execution of the Agreement, that the Union shall be responsible for the protection and security of the information provided, and that the Union shall assume liability which may result from any improper disclosure or use by the Union of information provided.

#### **Section 4.7. Responsibility to Unit**

The Union recognizes its responsibility to inform all members of the bargaining unit of the rights, responsibilities and benefits which attach to Union membership as well as the option of making a service fee payment instead of dues as provided for at AS 23.40.110(b)(2). The Union also

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recognizes that it owes the same responsibilities to all members of the bargaining unit regardless of which option is selected.

**Section 4.8. Failure to Satisfy Financial Obligations to the Union**

The City of Cordova recognizes the Union reserves the right to discipline its members for any violations of Union laws, rules or agreements and to collect dues, fees, assessments, or equivalents, which are owed to it by a City employee.

**Section 4.9. Defense and Indemnity**

The Union hereby agrees to defend and indemnify and hold the City harmless from any and all claims that are made against the City for or on account of any dues or service fee deductions withheld from earnings. The City and Union will cooperate to rectify any errors in deductions.

**Section 4.10. Rights of Non-Association**

In accordance with AS 23.40.225 the City and the Union agree to safeguard the rights of non-association of employees having bona fide religious convictions based upon tenets or teachings of a church or religious body of which an employee is a member. Upon submission of proper proof of religious conviction to the Alaska Labor Relations Agency, the Agency shall declare the employee exempt from becoming a member of a labor organization or employee association. The employee shall pay an amount of money equivalent to regular union dues to the Union through payroll deduction by the City. The Union shall contribute an equivalent amount of money to a charity of its choice not affiliated with a religious, labor or employee organization. The Union shall submit proof of such contribution to the Labor Relations Agency and the City.

**Section 4.11. Union and Employee Responsibility**

The Union, the City and employees agree that this Agreement is binding on each and every employee in the bargaining unit and that all bargaining unit employees, individually and collectively, accept full responsibility for carrying out all the provisions of this Agreement. The parties agree that they will actively dissuade excessive absenteeism, sexual harassment, and other practices which may hamper the City's operation and that the Union and employees will support the City's efforts to eliminate waste and inefficiency, to improve the quality of work and to promote harmonious relations between the City, the Union and employees. The parties agree to make every effort to see that bargaining unit employees working under this Agreement obey all rules, instructions, and regulations prescribed by the City which are not inconsistent with the terms of this Agreement.

**Section 4.12. Union Representatives and Activities**

**Sec. 4.12.1 Shop Stewards .**

One working steward will be appointed by the Union for the following departments:

- Water, Sewer, Refuse, Public Works
- Library, City Hall, Clerical, Bidarki, Pool, Museum
- Police
- Harbor

**Sec. 4.12.2 Identification of and General Duties .**

If a Shop Steward cannot be on the job, he/she may appoint a temporary steward for the time he/she is not available. The Union shall promptly notify the City of the names of the shop stewards and shall notify the City whenever changes occur, and each Steward shall notify the City of temporary stewards. The Shop Steward will make every effort, in cooperation with the City Manager or his duly authorized representative, to correct violations or infractions of this Agreement. The duly authorized Shop Steward shall confine their union duties to scheduled breaks and off duty time.

**Sec. 4.12.3 Issues of Compensation for Time and Discipline of Stewards .**

The City shall have no obligation to compensate union stewards for time spent handling grievances or disputes under this Agreement during scheduled work time unless the City requests the Steward's presence at a meeting or unless a bargaining unit employee requests the Steward's presence at a meeting called by City representatives where the employee has been informed, or has reason to believe, that disciplinary action against the employee could result. The City will notify the Union either prior to, upon, or reasonably soon after the termination of a Shop Steward.

**Sec 4.12.4 Non-Employee Representatives.**

The Union business representatives shall be authorized to speak for the Union in all matters governed by this Agreement. The Union shall provide to the City a list of all such authorized business representatives. These representatives shall be permitted, upon advance notice to the City, to visit work areas covered by this Agreement so long as such visits do not disrupt the work or employees doing the work. Such visits must be held in areas mutually agreed to by the parties.

**Sec. 4.12.5 Non-Interference With Work.**

The Employee and Non-Employee Representative shall handle complaints and grievances under this Agreement with the proper City representative so as to minimize interference with the performance of work.

**Section 4.13. Union Bulletin Boards**

The Union may have as many as seven (7) bulletin boards placed at various non-public locations on City property mutually agreed to by the City Manager and the Union. The bulletin boards shall be no larger than four (4) square feet. The cost of the bulletin boards shall be paid by the Union. The shop steward(s) shall be the only person(s) authorized to post items on a union bulletin board and the bulletin boards shall be used only for official union business. No personal, local, state or federal political matters shall be placed on any union bulletin board at any time. If the rules pertaining to bulletin boards set forth in this section 4.6 are violated, the bulletin board(s) involved may be removed by the City provided, however, any disputes will be resolved through the grievance procedure.

**ARTICLE 5 - POLICE STANDARDS ACT**

In addition to the provisions of this Agreement, the Police Standards Act, AS 18.65.130-.320, as amended, and regulations adopted by the Police Standards Council, shall apply to applicable personnel in the Department of Public Safety.

**ARTICLE 6 - MANAGEMENT RIGHTS**

**Section 6.1. Management's Authority**

The City shall remain vested with all management authority and rights unless specifically restricted by an express provision of this Agreement, including, but not limited to this listing of management rights, which is not all-inclusive:

- a). the right to direct the workforce;
- b). the full and exclusive right to hire, promote, demote, discharge, discipline and lay off employees;
- c). to promulgate rules and regulations governing the conduct of employees and to require their observance;
- d). to make all provisional, temporary, regular, part-time, and full-time job assignments;
- e). to control the use of vacations and other time off so as not to jeopardize the functions of the Employer;

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- f). to establish and direct the locations and methods of work, job assignments and work schedules;
- g). to subcontract work;
- h). to close down, relocate, expand, reduce, alter, transfer or cease any job, department, operation or facility;
- i). to decide, determine and designate all occupational classifications it has to offer employees, including the right to establish, reclassify and abolish positions;
- j). to determine job content, duties and responsibilities;
- k). to maintain order and efficiency;
- l). to determine the work day and work week, with two week advance notice, however, in the event of an emergency, scheduling will be allowed without advance notice;
- m).to accomplish the reduction of the work force for efficiency purposes;
- n). to control, direct and supervise all equipment and employees subject to the terms of this Agreement; and
- o). to determine the nature, type, location and duration of services to be performed under this Agreement.

**Sec. 6.1.1 Listing of Rights – PERA.**

The City reserves all rights granted to it by the Alaska Public Employment Relations Act unless expressly waived or modified by the terms of this Agreement. All of the functions, rights, powers and authority of the City not specifically abridged, delegated or modified by this Agreement are recognized by the Union as being retained by the City. The City's failure to exercise a management right does not preclude the City from exercising it at some time in the future.

**Sec. 6.1.2 Retention of Rights.**

It is understood the City retains all rights and authority to operate and direct employees of the City as exercised by the City prior to execution of this Agreement unless such right or authority has been expressly modified by the terms of this Agreement.

**Section 6.2. Exemption to Work Stoppage**

The Union recognizes that the continuity of certain work is imperative to the public service mission of the City, and in the event of an emergency such as inclement weather, natural disasters, work stoppage, or other unforeseen circumstances, management and all other personnel, including but not limited to law enforcement personnel, guards, firefighters and other protectors of public safety and health, shall be permitted to perform their respective functions.

**Section 6.3. Subcontracting**

While the City reserves the right to assign or subcontract work to independent contractors, the City agrees it shall not exercise that right where doing so results in the layoff of any regular bargaining unit employee without first giving the Union notice of the proposed action and a reasonable opportunity to meet and confer regarding same. A period of thirty (30) days following notice shall be considered a reasonable time to meet and confer regarding the proposed action. Upon request, the City shall share with the Union the information on which the proposed action is based, and will give due consideration to any such information the Union brings to its attention. If the parties do not agree upon a different course of action within thirty (30) days, or within a mutually agreed extension of that period, the City may proceed with its action.

## ARTICLE 7 - EMPLOYEE RESPONSIBILITY

### **Section 7.1. Presentation of the Agreement.**

Employees of the City shall be presented with a copy of this Agreement and shall take the responsibility to read it.

### **Section 7.2. Safe Work Environment, Work Rules.**

Every employee has the primary responsibility of insuring his own safety as well as that of fellow employees, citizens and the assets of the City. All employees are expected to act responsibly concerning their personal safety and well being, as well as that of their fellow employees. All personnel are expected to use good judgment in performing their jobs when personal safety or safety of others must be considered. If procedures or rules have been developed for a specific task or activity, they will be followed unless superseded by another procedure, rule, statute, code or regulation. Accidents caused by careless behavior or poor judgment on the part of an employee will be taken into account during the employee's performance review.

## ARTICLE 8 - RECRUITMENT

### **Section 8.1. Types of Job Classifications**

All employees of the City are designated as either temporary, probationary, regular, part-time, project employees or volunteers. Temporary, project employees and volunteers are not covered by this Agreement.

#### **Sec. 8.1.1 Regular Fulltime Employee.**

Regular employees are those employees who have successfully completed their probationary period and are employed full-time.

#### **Sec. 8.1.2 Probationary Employee.**

- a). One who has been hired for regular employment but who has completed less than six (6) months continuous service (or a longer period when required by state or federal certification standards or when the probationary period is extended by the City).
- b). All police officers must serve a twelve (12) month probationary period. All employees hired to fill a regular position are considered probationary employees for the first six (6) months (or longer when required for state or federal certification or when the probationary period is extended by the City).
- c). Probationary employees may be disciplined or dismissed at any time during the probationary period in the sole discretion of the City. During the initial probationary period, the employee serves "at will" and may be dismissed at any time for any reason at the City's sole discretion.
- d). Fringe benefits and seniority shall accrue during the probationary period. Time served as a temporary employee shall count toward the probationary period as specified in Sec. 8.1.5 (Classification Transfer - Temporary Employee). The probationary period may be extended by mutual agreement of the City and Union.

#### **Sec. 8.1.3 Temporary Employee.**

A temporary employee is hired for a position with a duration of up to six (6) months. Temporary employees are not covered by this Agreement.

#### **Sec. 8.1.4 Regular Part-time Employee**

Regular part-time employees are those employees who have successfully completed their probationary period and are employed in positions where the work involved will total less than ~~thirty-two (32)~~ forty (40) hours per week. Regular part-time employees scheduled to work sixteen (16) hours but ~~not to exceed thirty-two (32)~~ less than forty (40) hours per week are entitled to the benefits available to regular full-time employees. Benefits which are related to



hours worked, such as annual leave, holiday pay, and similar benefits accrue on a prorated basis of actual hours worked to regular hours, defined at a rate of forty (40) hours per week.

**Sec. 8.1.5 Classification Transfer -- Temporary Employee.**

Any ~~employee~~ **person** hired as a temporary employee may, at the discretion of the City, be transferred to probationary or regular status, after the City has afforded bargaining unit employees the opportunity to bid for the vacancy as specified in Sec. 8.3.1 and Section 8.9 of this Agreement. If the employee has been employed less than the designated probationary period, he or she will be transferred to probationary status and the time accrued from the employee's temporary hire date will be considered as part of the probationary time requirements in the same position within the same department. The time the employee served in temporary status shall be credited for leave accrual purposes. If the employee has had more than one (1) period of temporary service, only the most recent period of temporary service shall be credited for leave purposes.

**Sec. 8.1.6 Exceptions to Classification and Terms.**

- a). Project employees are not bargaining unit employees but persons hired through state or federal funding to perform a specific function over a designated funding period. Such individuals' compensation, hours, benefits and terms of employment are governed by policies of the funding agency. Project employees are not covered by this Agreement.
- b). Volunteers are not employees but persons who give their services without compensation or benefits to assist a department or function of the City. Volunteers are not covered by this Agreement.

**Section 8.2. Recruitment**

The City Manager and/or his/her representative shall develop and conduct an active recruitment program designed to meet current and projected personnel needs. Recruitment will be tailored to the various classes of positions to be filled and may be directed to any sources the City believes likely to yield qualified candidates. However, local hire should be given a preference.

**Section 8.3. Job Announcements and Publicity**

In order to ensure an adequate number of candidates for present or anticipated vacancies not filled by the recall from layoff and to permit successful competition with other employees, the city manager will issue job announcements and otherwise publicize vacancies through such media which will include, but not be limited to, the local public media. All job announcements shall be clear and readable. They shall include the job title, salary range, job qualification requirements, examination information including the time, place and manner of completing applications, and other pertinent information.

**Sec. 8.3.1 Regular Positions - Published and Posted.**

Publicity for all regular full-time and regular part-time job vacancies shall be conducted for a sufficient period of time in the same manner to ensure reasonable opportunity for persons to apply and be considered for employment. When a job vacancy exists for a regular full-time or regular part-time position or a temporary full or part-time position, written notice shall be posted in house and simultaneously advertised to the public for applicants, including notice to the Union's offices, for ten (10) working days. Applications received from regular full and regular part-time employees during the first five (5) working days of the ten (10) day advertisement period shall be exclusively considered prior to other applicants. If the vacancy is not filled by a regular full-time or regular part-time city employee the City shall next refer to applicants from the employee lay off list who have previously held the vacant position or other regular employees who may have applied after the first five (5) working days. Next,

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other qualified applicants from the lay off list will be considered. If no regular employee or an employee on the lay off list is deemed qualified by the City it may hire as it deems appropriate. Upon mutual agreement, the City and Union may waive the posting requirements when the City and Union agree there are no potential bidders.

**Sec. 8.3.2 Bid Restrictions.**

No employee may submit a bid for a job or position until such employee has completed the probationary period.

**Section 8.4. Employment Application**

Applications for employment shall be made on forms and received in a manner prescribed by the City Manager. Such forms may require background information to include training, experience and other pertinent information. All applications must be signed and dated by the applicant. The City Manager or his designee may require proof of any statements on the application. Any individual who falsifies or makes misleading statements on any application or as part of the application process and is hired is subject to appropriate discipline within a reasonable period of time of the City learning of such falsification or misleading statement.

**Section 8.5. Rejection of Applicants**

If an application is rejected, notice of such rejection shall be sent in writing to the applicant.

**Section 8.6. Selection Devices**

The City Manager shall be responsible for determining the selection device or devices to be used to obtain the best qualified candidates for each class of positions.

**Section 8.7. Security**

Selection material shall be known only to the City Manager and to other individuals designated by the City Manager. Precautions shall be exercised by persons participating in the development and maintenance of selection materials to maintain the integrity and security of such materials.

**Section 8.8. Open Competitive Selection**

Job vacancies not filled by promotion or reassignment shall be filled as specified in this Agreement, and if none are specified, than as determined by the City Manager. The City Manager shall provide for the holding of open competitive selection procedures as often as necessary to meet current or anticipated manpower needs.

**Section 8.9. Promotional Selection**

Promotional selection shall be open to employees covered by this Agreement who meet the prescribed minimum qualifications for the position as determined by the City. Open positions for promotional consideration shall be posted in house for seven (7) calendar days in all departments. After seven (7) calendar days, the Department head may select a candidate(s). If a bargaining unit employee is not selected for the opening, the City may hire from any other sources using the same criteria.

**ARTICLE 9 - APPOINTMENTS AND PROMOTION**

**Section 9.1. Probationary Periods**

All regular full-time and regular part-time appointments are subject to a probationary period as specified in Sec. 8.1.2 of this Agreement.

**Sec. 9.1.1 Promoted Probationary Period.**

All promoted employees are subject to a probationary period of six (6) months from the date of promotion to afford the City and the employee the opportunity to determine if the employee can satisfactorily perform the job.

**Sec. 9.1.2 Effect of Failure to Complete.**

If the promoted employee does not perform satisfactorily, the City shall have the right to return the employee to the position the employee held prior to the promotion, provided there is an opening, or any other position that the employee is qualified for, provided there is an opening. If there is no opening, the employee will be placed on lay off status with preferential rehire rights which shall expire three hundred sixty-five (365) days from the date of layoff. When it becomes clear that an employee serving a promotional probationary period is not performing adequately he or she shall be so informed in writing with a copy to the City Manager. All promoted probationary employees shall be evaluated in accordance with Section 12.2.

**Sec. 9.1.3 Probationary Reinstated Employee.**

At the discretion of the City, an employee reinstated within one (1) year of termination may not be required to serve a probationary period unless rehired into a different class than previously served or previous probationary period was not completed.

**Section 9.2. Temporary Appointments**

Temporary employees may be appointed as deemed necessary by the City. Temporary appointments are for short term periods, not to exceed six (6) months. A temporary appointment shall be for a specific length of time with the ending date of the appointment to be recorded in the employee's personnel file on the date of hire. A temporary employee may, at the discretion of the City, be transferred to regular or probationary status in accordance with Sec. 8.1.5. In accordance with Sec. 8.1.3, temporary employees are not covered by this Agreement.

**Section 9.3. Emergency Appointments**

The City may also make emergency appointments not to exceed thirty (30) calendar days without recourse to usual procedures. Such appointments shall be made in case of an unforeseen emergency, when necessary to prevent impairment of City services or when required to protect or serve the public. Emergency appointments are not covered by any of the provisions of this Agreement.

**Section 9.4. Change of Status**

When an employee's status changes from one category to another the employee will be given a copy of the status change by the Department Head. A dated copy of this written notification will then be placed in the employee's personnel file.

**ARTICLE 10 - CLASSIFICATION PLAN**

**Section 10.1. Classification Plan**

The classification plan is the grouping of positions into appropriate classes which are sufficiently similar with respect to duties and responsibilities. Each class in the classification plan shall be designated by a descriptive title and defined by a class specification. The classification plan is established by resolution of the Council and periodically updated as necessity dictates or as required.

**Section 10.2. Class Specification**

Class specifications are written descriptions of positions of each class included in the classification plan. Specifications shall include a class title, a general statement of duties and responsibilities, typical examples of duties performed and minimum qualification requirements for entrance into a class. Special requirements, where appropriate, such as required licenses or certifications, may also be included.

**Section 10.3. Purpose of Classification Plan**

The classification plan is an administrative tool that provides a system of standardized titles and common job language and aids the effective administration of personnel activities such as:

- Personnel Planning and Budgeting.
- Establishing Job Performance Standards.
- Establishing Fair and Equitable Pay.
- Developing Valid Selection and Recruitment Programs.

**Section 10.4. Establish, Change or Abolish Job Classification and Class Specification**

The City shall have sole and exclusive authority to establish, decide, determine and designate all occupational classifications it has to offer employees, including the right to establish new classifications and class specifications, reclassify, change, consolidate or abolish existing classifications and class specifications at any time, and to determine job content, duties and responsibilities. In developing the classification plan, the City Manager shall consult the department heads, key staff, employees and other technical resources as appropriate. Upon request, the City will meet and confer with the [Union Business Representative](#) regarding such matters.

**Sec. 10.4.1 New Class and Rates.**

The City may establish new classifications and specifications and rates for classifications and specifications. The City shall notify the [Union Business Representative](#) when any new classification or class specification not listed on the wage schedule is established. In the event the [Union Business Representative](#), within five (5) calendar days thereafter, notifies the City in writing that ~~it~~<sup>they</sup> disagrees with said rate, the matter shall be subject to negotiations between the parties. The rate shall be effective as of the first date employees were assigned to the classification.

**Sec. 10.4.2 Arbitrator's Authority.**

An arbitrator shall have no authority to establish, modify or eliminate any classification or specification and shall have no authority to establish, modify or eliminate any wage rate for a classification. The authority of an arbitrator with regard to classifications and specifications is limited to determining whether the City satisfied its obligation to provide the Union with the notice specified above when a new classification or specification is created and for determining an appropriate reminder for any such failure not inconsistent with the terms of this Agreement.

**Section 10.5. Job Descriptions**

Job descriptions issued by the City shall be considered only as descriptive guidelines and not as inclusive of each and every duty of a position.

**Section 10.6. Duties of Employees**

An employee may be required by the City to perform any of the duties described in his job description, any other duties which are of similar kind and quality and any duties of lower classes in the same occupational series or in other series which have similar characteristics.

**Section 10.7. Qualifications Statements**

The qualification statements in each job description establish requirements that must be met by an individual before consideration for appointment or promotion to a position. Common alternative combinations of education, training or experience are specified in the job description. However, other combinations may be qualifying, if deemed equivalent, by the City. Personal suitability qualifications commonly required by an employee occupying a position in any class, such as good character, loyalty, honesty, demeanor, industry, amenability to supervision, and willingness to cooperate with others shall be qualifications required for each position, even though such traits may not be specifically mentioned in the descriptions.

**Section 10.8. Reorganization of Department**

The City shall have sole and exclusive authority to establish, decide, determine and designate all departments, including the right to establish new departments, reclassify, change, consolidate or abolish departments at any time.

**Section 10.9. Effective Date of Classification Change**

Classification actions shall be effective on the first day of the pay period following a classification determination.

**Section 10.10. Status of Incumbents in Reclassified Positions**

In all cases of reclassifications, the employee in the position shall be entitled to examine and compete for the reclassified position. If the incumbent is ineligible to continue in the position and is not transferred, promoted or demoted, the provisions of this Agreement regarding separation shall apply.

**ARTICLE 11 - EMPLOYEE DEVELOPMENT PROGRAM**

**Section 11.1. Purpose of Employee Development Program**

The purpose of the employee development program shall be to foster and promote the training and development of employees in order to:

- Improve the quality of services rendered by the City.
- Equip employees for career advancement within the City service.
- Provide a reservoir of occupational skills necessary to meet current and future employment needs.

**Section 11.2. Development and Administration**

The City shall have responsibility for the development, administration and coordination of the employee development program.

**ARTICLE 12 - PERFORMANCE EVALUATION**

**Section 12.1. Administration**

The City shall have sole and exclusive authority for overall administration of the employee performance evaluation program. The City shall advise and assist employee rating officers to assure that performance evaluation procedures are handled in accordance with the provisions stated in this article.

**Section 12.2. Purpose of Employee Performance Evaluation Program**

The primary purpose of the employee performance evaluation program is to inform employees how well they are performing and to offer constructive criticism on how they can improve their work performance. Constructive criticism will be detailed and well documented. Performance evaluation may also be considered in decisions affecting salary advancement, promotions, demotions, dismissals, order of layoff, order of reemployment, placement and training needs.

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Accident free performance is considered to be a reasonable expectation for all City employees. Accidents caused by careless behavior or poor judgment on the part of an employee may be taken into account during the employee's performance review depending on the severity of the accident.

**Section 12.3. Periods of Evaluation**

Formal performance evaluations shall be in writing with one copy given to the employee and one copy to be placed in the employee's personnel file. Each classified employee's performance may be formally evaluated at any time at the discretion of the City. An employee's performance must have been at least satisfactory in order to receive any step increase that may be applicable. ~~A special performance evaluation may be completed whenever there is a significant change either upward or downward in the employee's performance.~~

**Section 12.4. Performance Evaluations**

The rating officer shall be the employee's Department Head. The rating officer shall be responsible for completing a performance evaluation report at the time prescribed for each employee under his/her supervision. Performance evaluations are subject to review by the City Manager.

**Section 12.5. Review of Performance Report**

The rating officer shall discuss the performance evaluation report with the employee before the report is made part of the employee's permanent record. If the rating officer plans to recommend the denial of any step increase, the report must be discussed with the reviewing officer prior to review with the employee.

**Section 12.6. Unsatisfactory Evaluation**

Employees who receive a less than satisfactory rating, as determined by the City Manager, on their annual evaluation shall not be eligible to receive a step increase, and may be subject to progressive discipline, demotion or termination.

**Section 12.7. Review of Performance Evaluation with Employee**

The Department Head shall prepare the performance evaluation report and discuss it privately with the employee to whom it pertains. The employee may comment on the content of the performance evaluation report and such written comments shall be attached to the report.

**Section 12.8. Distribution of Reports**

Upon completion of department review, the Department Head shall furnish the employee with a copy of the performance evaluation report. The original shall be filed in the employee's central personnel file.

**Section 12.9. Effect of an Evaluation**

The substance of a performance evaluation report shall be determined solely by the City. The authority of an arbitrator with regard to performance evaluation reports is limited to determining whether the City satisfied its obligation to permit an employee to attach his written comments to the report and for determining an appropriate remedy for any such failure which is not inconsistent with the terms of this Agreement.

**Section 12.10. Special Merit Awards**

The City may, upon recommendations of a Department Head, grant at any time a lump sum award or a one (1) step increase to an employee in recognition of (1) outstanding service, (2) special acts of accomplishment, or (3) special recognition. The amount of the award shall not exceed five percent (5%) of the employee's annual salary.

## **ARTICLE 13 - DISCIPLINARY ACTION AND SEPARATION FROM EMPLOYMENT**

### **Section 13.1. Discipline**

The City may discipline and/or discharge employees for just cause. Bargaining unit employees may have a shop steward present at disciplinary or investigatory meetings where the employee has been informed or has reason to believe that disciplinary action could result. The employee is required to notify the employer of his/her request to have a shop steward present. Whenever an employee receives progressive discipline of any nature from the supervisor, the employee may elect to respond in writing. A copy of the Employer's action and the employee's written response will be placed in the employee's personnel file.

### **Section 13.2. Suspension Without Pay**

A Department Head may, at any time, suspend an employee for just cause. Employees against whom charges are preferred may, at the discretion of the Department Head, with concurrence of City Manager, be suspended from duty pending final disposition of charges.

### **Section 13.3. Demotion for Disciplinary Reasons**

The City may demote an employee for disciplinary reasons for just cause.

### **Section 13.4. Demotion Without Prejudice**

Demotion without prejudice shall not be considered a punitive action. The City may demote an employee without prejudice for any of the following reasons:

- a). Inability to perform duties adequately for reasons that are not the fault of the employee such as physical or functional disability, lack of necessary qualifications or lack of ability.
- b). Layoff because of lack of work or funds, or abolition or consolidation of positions. When employees are laid off, the City may consider the advisability of demoting to vacant positions in lower classes for which an employee selected for layoff is qualified.

### **Section 13.5. Notice of Resignation by Employee**

Employees shall give not less than fourteen (14) calendar days written notice of intended resignation to his/her supervisor. All written material required under this section shall become part of the employee's personnel file.

#### **Sec. 13.5.1 Rescind Resignation.**

An employee, with written concurrence from his/her Department Head the City Manager, may withdraw his resignation at any time prior to the effective date. Requests to withdraw resignations shall be in writing.

#### **Sec. 13.5.2 Effective Date of Termination.**

The effective date of termination pursuant to a written notice of resignation shall be the last day on which the employee works.

### **Section 13.6. Failure to Give Adequate Notice**

Failure to give adequate notice, as required by Section 13.5 shall be noted on the employee's separation personnel documents and may prevent the employee from consideration for future employment.

### **Section 13.7. Layoffs**

The City has the right to lay employees off. Layoffs may occur for any reason outside the employees' control that does not reflect discredit upon the employee. The following list is not exclusive of other reasons:

- a). Abolition or consolidation of a position or shortage of work or funds.



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- b). End of a substitute appointment upon return of the incumbent when the substitute's transfer to another position has not been achieved.
- c). Failure of an employee to successfully complete the probationary period following promotion.
- d). Material change in the duties of the position for which the employee lacks the necessary skills, knowledge, aptitude or experience.
- e). Completion of seasonal work for seasonal employees.

**Sec. 13.7.1 Layoff Procedures.**

When it is necessary to reduce the number of employees because of lack of work or funds, consolidation or abolition of positions, the Department Head concerned shall investigate the situation, shall decide which employee(s) shall be laid off and report his/her findings and decision to the City Manager prior to layoff notices. The Department Head may consider all relevant information, including but not limited to the types of activities to be curtailed and the class(es) of position affected. The Department Head may select employee(s) to be laid off.

**Sec. 13.7.2 Factors of Layoff Selection.**

The following factors may be used in the selection of employee(s) to be laid off:

- a). the employee's job responsibilities in relation to the continued, overall efficient operation of the department as determined by the Department Head;
- b). the employee's overall job record and performance; or
- c). merit system principles such as attitude, aptitude and initiative. Consideration will be given to the employee's length of service, skill level and efficiency. Length of service by the employee, while a factor, will not be the controlling factor. Employees laid off without prejudice will be given preferential re-hire status if fully qualified for the position.

**Sec. 13.7.3 Notice Requirement.**

A minimum of thirty (30) days written notice of layoff will be given to [the Business Representative and to the](#) employees.

**Sec. 13.7.4 Reemployment Lists.**

Regular full-time or regular part-time employees who are involuntarily separated from the City service as a result of layoff or reduction in force shall be placed on a reemployment list for the class they occupied at the time of separation. Names shall be ranked on reemployment lists based on performance, qualifications and length of service with the City, with performance as determined by the City the determining factor. The eligibility of an individual to remain on the reemployment list shall expire three hundred sixty-five (365) days from the date of layoff from the City.

**Sec. 13.7.5 Employee Responsibility for Rehire.**

It is the responsibility of the laid off employee to stay informed of openings for City positions and to keep the City informed of his desire for another City position. The City need not contact the laid off employee to advise him of openings for City positions. If the laid off employee does not accept a position offered to him by the City for which he is qualified, the preferential rehire right shall terminate. The employee shall have up to seven (7) calendar days to report after accepting a position.

**Section 13.8. Dismissal for Disciplinary Reasons**

The City may discipline and/or discharge employees for just cause. Bargaining unit employees may have a shop steward present at disciplinary or investigatory meetings where the employee has been informed or has reason to believe that disciplinary action could result. The employee is required to notify the Employer of his/her request to have a shop steward present.



**Section 13.9. Dismissal Without Prejudice**

The City may dismiss an employee without prejudice for reasons that are not directly the fault of the employee, but which result in unsatisfactory job performance. These reasons shall be documented in writing in the employee's personnel file and may include:

- a). Lack of necessary knowledge skills, ability, understanding or aptitude.
- b). Illness or injury that may interfere with successful performance of duties or that may cause so much absence from the job that work is impaired.

**Section 13.10. Dismissal Notice or Severance Pay**

When an employee is dismissed without prejudice, the employee shall receive two (2) weeks notice or a maximum of two (2) weeks severance pay.

**Section 13.11. Dismissal During Probation**

Employees in probationary status may be terminated at any time at the discretion of the City, without cause, during their probationary period.

**ARTICLE 14 - GRIEVANCE PROCEDURE**

**Section 14.1. Definition of a Grievance**

A grievance is hereby defined as a claimed violation, misinterpretation, inequitable application or noncompliance with the provisions set forth in this Agreement. ~~The Employer is prohibited from filing grievances under this grievance procedure.~~

**Section 14.2. Complaints or Discussions**

While not considered a grievance as defined herein, employees and/or the Union steward are encouraged to engage in informal discussions with management to settle or prevent problems prior to a formal written grievance being filed.

**Section 14.3. Grievance Procedure**

Any employee and/or the shop steward having a problem regarding employment shall first discuss the issue with the designated supervisor. This shall be considered Step 1 of the process. If the issue is not resolved, the employee and/or shop steward has the right to present the grievance in accordance with the following procedures.

**Sec. 14.3.1 Written Grievance Format**

The grievance shall be in writing and include the following:

- The nature of the grievance and the circumstances out of which it arose, including the date of occurrence or statement that such grievance is continuing and ongoing.
- The remedy or correction which is requested.
- The Article(s) or Section(s) of the Agreement relied upon or alleged to have been violated.
- The signature(s) of the grievant(s) and/or the Union Shop Steward.
- The date the grievance was submitted to management.

**Sec. 14.3.2 Step 2 – Written Grievance and Filing**

All written grievances shall be presented to the ~~employee's designated management supervisor~~ City Manager or his/her designee as soon as practicable after the occurrence upon which the grievance is based, but in no event later than five (5) working days if the grievance is a termination grievance, or ten (10) working days if the grievance arises from other causes. Failure to submit the written grievance within such periods shall constitute a bar to further action thereon. All grievances from suspensions of more than three (3) days, and termination shall be initiated with the City Manager at Step 4 of the grievance procedure.

**Sec. 14.3.3 Step 3 – Meet and Discuss, Response, Steward and Management**

- (a) Within five (5) working days after written presentation of an alleged grievance, the affected employee or employees shall discuss the written grievance with the designated management representative(s) for the work function to which the employee(s) are assigned, in an effort to resolve the dispute or difference. Within five (5) working days of completion of the discussion, the employer will reply in writing to the shop steward.
- (b) If the reply is unsatisfactory the grievance may be moved to Step Four, provided written notification of such move is made within five (5) working days following the receipt of the Management's Step Three response.

**Sec. 14.3.4 Step 4 - Meet and Discuss, Response, Union and City.**

Within five (5) working days after receipt of the notice from Step Three, or after receipt by the City Manager of a grievance involving a suspension of more than three (3) days or a termination, the Union Business Representative and the City Manager or his/her designee will meet and discuss the grievance or, in the alternative, discuss the grievance telephonically. The Employer shall respond in writing to the Union Business Representative with a copy sent to the Union Shop Steward within five (5) working days of completion of their meeting or telephonic discussion.

**Section 14.4. Arbitration**

Grievances which have not been settled under the foregoing procedure may be appealed to arbitration via the City Manager or his/her designee within ten (10) working days from the date of the answer in Step Four. If the grievance is not appealed to arbitration, it shall be considered resolved on the basis of the Step Four answer of the City without prejudice or precedent in the resolution of future grievances.

**Sec. 14.4.1 Question relating to Arbitrability.**

In the interest of time and monetary savings, when the arbitrability of a grievance is questioned, both parties agree that the same arbitrator shall be used to decide both the arbitrability and the grievance issue itself and that said arbitrator shall resolve either prior to or during the first day of the hearing any disputes concerning conducting separate hearings on arbitrability and the substance of the grievance.

**Section 14.5. Selection of Arbitrator**

If a request for arbitration is tendered, the Union and the Employer will meet or, in the alternative, consult telephonically, within five (5) working days to agree on a mutually acceptable Alaskan arbitrator. If no agreement can be reached, the parties shall select an arbitrator by the striking method from a list of eleven (11) ~~non-Alaskan~~ arbitrators supplied by the American Arbitration Association for the purposes of that dispute. The arbitrator will be selected within five (5) working days of the receipt of the list. The order for striking shall be determined by a toss of the coin. The union representative shall call out his choice. Arbitration shall commence as soon as possible following the appointment of the arbitrator.

**Section 14.6. Authority of the Arbitrator**

The authority of the arbitrator shall be to consider only the particular issue or issues presented to him in writing which has been processed through the grievance procedure. He shall have the power to interpret the terms of the agreement, but his decision shall be based solely on the terms of the agreement. The arbitrator shall have no authority to add to, delete from, alter, amend, or modify any provision of this Agreement. The arbitrator shall not hear or decide more than one (1) grievance without the consent of the parties. The written award of the arbitrator of any grievance adjudicated within his jurisdiction and authority shall be final and binding on the aggrieved employee, the Union and the City.

**Section 14.7. Fees and Expenses of Arbitration**

The arbitrator's expenses shall be borne entirely by the losing party. If, in the opinion of the arbitrator, neither party can be considered the losing party, then such fees shall be borne equally by the Employer and the Union. Each party shall bear its own arbitration expenses.

**Section 14.8. Extension of Time Frames**

Time frames for the grievance/arbitration process may be extended only by mutual agreement of the parties.

**Section 14.9. Sole and Exclusive Nature of Grievance Procedure**

The grievance procedures of this Agreement are the sole and exclusive remedies of the employees of the City of Cordova alleging violations of this Agreement, except for a violation that also constitutes a violation of state or federal law. Unless there is an independent statutory basis for seeking judicial or administrative relief, an employee must fully exhaust contract remedies prior to filing any lawsuit or other administrative action. Failure to do so shall be grounds for dismissal of the lawsuit or administrative action. If the Union elects not to pursue a grievance, either initially or at any subsequent step in the grievance procedure, the employee may pursue the grievance. Any employee who elects to pursue a grievance without the assistance of the Union must comply with all filing and other requirements of the grievance procedure.

**Section 14.10. Use of Mail, ~~or Fax~~, or Electronic Mail.**

When a written grievance or response is delivered by mail, it shall be sent return receipt requested to the respondent or to the person filing the grievance. When a written grievance or response is hand-delivered, the respondent or the person filing the grievance shall acknowledge receipt in writing on the grievance or response. When a written grievance or response is delivered by facsimile or electronic mail, a hard copy shall be delivered by mail. Copies of all written responses to grievances at any step shall be sent to the Union in Anchorage.

**Sec. 14.10.1. Proof of Timely Service Issues.**

For the purposes of the time frames in this Article, a grievance or response delivered by mail, ~~or~~ facsimile or electronic mail shall be considered submitted on the date of mailing as evidenced by the postmark or date of facsimile, but the time for response or for filing the next step shall not begin to run until the day after actual receipt. A hand-delivered grievance or response shall be considered submitted on the date of delivery, and the time for response or for filing the next step begins to run on the day after that date. If the last day of a time period falls on a Saturday, Sunday or holiday, the period will be extended until the next business day.

**Section 14.11. Time Limitations**

The time limitations set forth in this Article are of the essence of this Agreement. No grievance shall be valid unless it is submitted or appealed within the time limits set forth in this Article. If the grievance is not timely submitted or appealed, it shall be deemed to have been either waived or settled in accordance with the City's response. If the City fails to answer within the time limits or in the manner set forth in this Article, the grievance shall automatically proceed to the next step.

**ARTICLE 15 - COMPENSATION**

**Section 15.1. Pay Rates**

Effective ~~January 1, 2009~~ May 1, 2012, there shall be ~~no~~ an increase in the overall wage rate of three percent (3%).

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~~Effective June 1, 2010 May 1, 2013, the IBEW has the right to exercise a wage re-opener by providing notice in writing to the City of Cordova between March 1 and March 31 of that year. Any wage change will become effective when both parties have signed the document showing that they have reached a tentative agreement there shall be an increase in the overall wage rate equal to one hundred percent (100%) of the Anchorage CPI-U, as measured from January 1, 2012 to December 31, 2012. In no event will the increase exceed three and one half percent (3-1/2%) nor be less than one and one half percent (1-1/2%).~~

~~Effective June 1, 2011 May 1, 2014, the IBEW has the right to exercise a wage re-opener by providing notice in writing to the city of Cordova between March 1 and March 31 of that year. Any wage change will become effective when both parties have signed the document showing that they have reached a tentative agreement there shall be an increase in the overall wage rate equal to one hundred percent (100%) of the Anchorage CPI-U, as measured from January 1, 2012 to December 31, 2012. In no event will the increase exceed three and one half percent (3-1/2%) nor be less than one and one half percent (1-1/2%).~~

**Section 15.2. Base Pay Rate**

The beginning pay rate shall normally be the base rate prescribed for the position. The City may make an appointment above the base pay rate if qualifications and experience of the individual substantially exceed the education and experience required for that position and equally qualified applicants are not available at the base rate. In no instance shall an appointment be made above Level 4. Also, in no instance will an appointment be made above the base rate when equally qualified applicants are available at the base rate.

**Section 15.3. Step Increases**

Employees shall receive step increases after completion of the length of service specified in the Wage Appendix. Each employee shall receive a performance evaluation within the thirty (30) day period prior to completion of the length of service specified in the Wage Appendix. The employee's performance must have been at least satisfactory in order to receive a step increase.

**Section 15.4. Pay Rate Adjustments**

The following personnel actions shall affect the pay status of an employee in the manner described:

**Sec. 15.4.1 Transfers.**

When an employee is transferred from one position to another with a common pay level, he or she shall continue to receive the same pay rate.

**Sec. 15.4.2 Promotion.**

When an employee is promoted from one position to another, the employee shall enter at Level 1 of the new position or, if the employee's current rate of pay is greater than Level 1 of the new position, the pay shall be adjusted to the pay level in the new position which is immediately above his/her current rate of pay. The anniversary date shall change to the effective date of promotion.

**Sec. 15.4.3 Demotion.**

When an employee is demoted for cause, or for administrative purposes, the pay shall be adjusted to the closest level in the new position to the employee's existing level, but not to exceed the maximum of the new position.

**Sec. 15.4.4 Reinstatement after Resignation.**

No preferential pay treatment will be given to reinstated employees who previously resigned. They will be paid at the base rate for the position hired. Reinstatement of veterans will be in accordance with applicable law.

**Sec. 15.4.5 Reinstatement after Layoff.**

When a laid off employee is re-employed in the same position from which he or she was laid off, he or she shall be placed in the same pay level that he or she occupied at the time of layoff. The anniversary date shall be adjusted by the number of months and/or days laid off. When the employee is re-employed in a different position, the rate of pay shall be in accordance with Section 15.2.

**ARTICLE 16 - WORKDAY/WORKWEEK AND HOLIDAYS**

**Section 16.1. Workday/Workweek**

The standard workday shall consist of the period from midnight to midnight. The standard workweek shall consist of the period from midnight Friday to midnight Friday.

**Section 16.2. Scheduling**

The City may establish whatever schedules are appropriate to meet operating needs. Temporary rescheduling of an employee's working hours to meet routine needs may be done as necessary, with a two week advance notice. Emergency scheduling will be allowed without advance notice.

**Sec. 16.2.1 Lunch Period/Breaks.**

Employees shall have a one (1) hour unpaid lunch period as scheduled by the Department Head. If the employee is required [by the City](#) to work during the lunch period, the employee shall be paid for that period. Coffee breaks shall be scheduled by the Department Head. Such breaks shall be taken at the job site. There shall be no transporting of employees back to the shop solely to take a break. The lunch hour may be one-half (1/2) hour if mutually agreed to by the City and a majority of the employees in the department.

**Sec. 16.2.2 Lunch Periods/Breaks for Police Officers and Dispatchers.**

Given the nature of duties and scheduling of police officers and dispatchers, police officers and dispatchers will eat lunch and take breaks during their ten hour and eight hour shifts when the work level permits. Police officers and dispatchers shall not have unpaid lunch breaks.

**Section 16.2.3 [4 / 10's Schedule](#)**

Should the organizational needs change, the parties agree that a four (4) day workweek, ten (10) hour day, may be implemented by mutual consent between the Employer and Union.

**Section 16.3. Overtime**

It is recognized that overtime duty is an occasional necessity and must be worked if assigned. All overtime worked must have the prior approval of the Department Head, except in cases of emergency that preclude such prior arrangements. The Department Head shall review the records and certify overtime approved for payment. All overtime records are subject to review by the City Manager or designee. Overtime shall be scheduled as needed by the City. The primary factor in selecting an employee shall be the employee's ability to perform the required work and not based upon seniority. Employees whose regular job duties include attendance at Board meetings shall coordinate with their supervisor and/or Department Head to adjust and

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schedule their work time and their attendance at Board meetings in such a way that required attendance at Board meetings can be accomplished without the need for overtime duty or with as little overtime as business conditions permit. Scheduled overtime shall not be considered "call-out". An employee who has been scheduled to work overtime but has not yet worked the overtime shall be deemed in a "standby-on-call" status with respect to such time and shall be paid overtime only when he or she has actually worked the overtime.

**Section 16.4. Pay Rates for Overtime, Holidays, Shifts, Standby and Callouts or Pre-Approved Annual Leave**

Overtime hours worked in excess of eight (8) hours per day/forty (40) hours in one (1) week shall be paid at one and one-half (1-1/2) times the regular rate of pay, except no overtime hours worked in excess of eight (8) hours in a day shall be paid to those employees who work a flexible work hour plan of four (4) ten-hour days. For the purpose of calculating overtime compensation, time designated by this Agreement as annual leave, family or medical leave, sick leave, military leave, jury duty leave, leave without pay or any other time when the employee is not working shall not be counted as hours worked for computation of overtime pay. Only hours actually worked shall count as hours worked for computation of overtime pay. Employees not serving in executive, administrative, professional or other exempt positions shall have their workday, workweek, overtime and premium pay as defined by the Fair Labor Standards Act (FLSA) unless otherwise provided in this Agreement.

If an employee is required by the City to return to work on a previously approved scheduled day of annual leave, the employee shall be paid at one and one-half times (1-1/2) the regular straight time rate for actual hours worked.

An employee who is eligible to receive annual or holiday pay under the terms of this Agreement, and who is on annual or holiday leave, will be paid at the employee's straight time rate plus any shift differential in effect when such leave is taken and on the day the employee would be paid were the employee on duty in the employee's regular job.

**Sec. 16.4.1 Shift and Shift Differential – Eight (8) or less Hour Shifts.**

The City has the authority to schedule and change shifts as needed. Employees assigned to the swing and graveyard shifts shall be entitled to shift differential pay. Employees not assigned to the swing or graveyard shift are not entitled to be paid the referenced shift differentials if they work into the swing or graveyard shift because the day shift is their regularly scheduled shift. Similarly, an employee assigned to the swing shift who works into the graveyard shift is not entitled to the graveyard shift differential because the swing shift is his regularly scheduled shift. These differentials will not be paid for standby pay.

**a). Swing Shift.** Employees assigned to a swing shift beginning at or after 4:00 PM, shall be paid three percent (3%) above the base salary rate for all hours worked on the swing shift, from 4:00 p.m. until midnight.

**b). Graveyard Shift.** Employees assigned to a graveyard shift beginning at or after midnight, shall be paid six percent (6%) above the base salary rate for all hours worked on the graveyard shift, from midnight until 7:00 a.m. ~~Shift differential shall not be included in annual leave or holiday pay.~~

**Sec. 16.4.2 Shift and Shift Differential – More than Eight (8) Hour Shifts.**

For personnel regularly assigned to work more than an eight (8) hour shift, there will be a day shift and a night shift.



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a). **Day Shift.** Day shift is defined as beginning at or after 5:00 a.m. and ending at or before 5:00 p.m.

b). **Night Shift.** Night shift begins at or after 5:00 p.m. and ends at or before 5:00 a.m. Employees regularly assigned to night shift shall be paid four and one-half percent (4½%) above the base salary rate for all hours worked on the night shift. This differential will not be paid for standby pay.

**Sec. 16.4.3 Standby On-Call Duty.**

Employees on [standby on-call](#) duty shall be compensated at the rate of two dollars (\$2.00) per hour except that Police Officers shall receive \$5.00 per hour for [standby on-call](#) duty. [Standby On-call](#) duty shall not be considered hours worked for purposes of computation of overtime and no shift differential will be included in [standby on-call](#) pay.

**Sec. 16.4.4 Call-in/Out Pay.**

An employee who is called back to work after he has completed his shift and left the work premises shall be paid at the appropriate overtime rate for the hours worked outside of his regular shift with a minimum guarantee of three (3) hours pay at the appropriate overtime rate. However, if an employee is called into work within two (2) hours of the time his shift is scheduled to start or within two (2) hours after he has completed his shift and left the premises, he shall be paid at the appropriate overtime rate for the hours worked outside of his scheduled shift with a minimum guarantee of two (2) hours pay at the appropriate overtime rate. This call in provision shall only apply when the work required was not arranged in advance and the employee so notified. An employee who is paid call out pay may not receive [standby on-call](#) pay for the same time.

**Section 16.5. Recognized City Holidays**

The following dates shall be recognized as holidays with pay for all employees in regular full-time and regular part-time positions who are in pay status the day before and the day following such days:

New Year's Day ([January 1](#))  
Martin Luther King Day (3rd Monday in January)  
President's Day (3rd Monday in February)  
Seward's Day (last Monday in March)  
Memorial Day (last Monday in May)  
Independence Day (July 4)  
Labor Day ([1<sup>st</sup> Monday in September](#))  
Alaska Day ([October 18](#))  
Veteran's Day (November 11)  
Thanksgiving Day ([4<sup>th</sup> Thursday in November](#)) and the day after  
Christmas Day ([December 25](#))  
[Employee's Birthday](#) \*

[\\* An employee's birthday shall be observed on a workday mutually agreed to by the employee and their supervisor within the month in which the birthday falls.](#)

**Section 16.6. Holiday Falling on a Saturday or Sunday**

When a recognized holiday falls on a Saturday, the preceding Friday shall be recognized as the holiday. When a recognized holiday falls on a Sunday, the Monday following shall be recognized as the holiday. If the holiday falls on an employee's regularly scheduled day off, his or her observed holiday shall be the work day closest to the observed holiday. ~~In the event the employee is required to work on the holiday, the employee and Department Head shall meet~~

~~and mutually agree as to the day which the employee shall take off. In the event the employee and Department Head are unable to agree, the Department Head shall determine which day the employee shall take off in the same or subsequent pay period. The City shall have the right to determine if an employee will be required to work on a holiday. If the City requires an employee to work on a holiday, the employee shall be paid at two and one-half times the regular straight time rate.~~

**Section 16.7. Holiday During Annual or Medical Leave**

A recognized City holiday occurring during an employee's annual or sick leave shall not be counted as a day of annual or sick leave.

**Section 16.8. Holiday Between Two Days of Leave Without Pay**

A holiday occurring between two (2) days of leave without pay shall not be paid.

**Section 16.9. Computation of Holiday Pay**

Regular full-time employees shall receive their regular straight time rate of pay for recognized holidays not worked. For regular part-time employees holiday pay is computed for the regular hours the employee would normally have worked on that particular day, at the appropriate straight time rate.

**16.10 Work Performed on Recognized Holidays (except Birthdays)**

~~The City shall have the right to determine if an employee will be required to work on a holiday. If the City requires an employee to work on a holiday, the employee shall be paid at two and one-half times the regular straight time rate. This shall apply to all Recognized City Holidays worked, except for birthdays which are covered in Section 16.5.~~

**ARTICLE 17 – RETIREMENT, INSURANCE & MEDICAL BENEFITS**

**Section 17.1. Retirement**

The City of Cordova is a participant in the State of Alaska Public Employees Retirement System (PERS) and as a PERS employer, the City agrees to contribute the percentage of each employee's gross wages as determined by the State's actuarial funding requirements. All regular employees are required to enroll and participate in PERS upon accepting employment with the City. The City agrees to fund and maintain the current PERS plan for the life of this Agreement and any extension thereof.

**Section 17.2. Insurance and Medical Benefits**

All regular full-time and regular part-time employees covered by this Agreement will be offered enrolled in the City's health and life insurance program. Each eligible employee who chooses to participate, and his or her spouse and unmarried dependent children shall be covered by the group policy in accordance with the terms of the policy. The City will not duplicate medical insurance where an employee's spouse is employed and covered under the Cordova Community Hospital's program. All benefits, limitations, exclusions and other coverage provisions will be subject to the terms and conditions of the Health Insurance Contract that is in effect and issued to the City of Cordova. Benefits, limitations, exclusions and other coverage provisions are provided to the employee in the Health Insurance booklet. Regular part-time employees will have the cost of their insurance coverage pro-rated according to hours worked. When a regular full-time or regular part-time employee is on leave without pay for longer than ten (10) consecutive working days as authorized in Section 18.1, the employee is responsible for payment of all health and life insurance premiums. The Consolidated Omnibus Budget



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Reconciliation Act (COBRA) of 1984 and all pertinent amendments thereto govern the rights of employees to health insurance after termination of employment.

**Sec. 17.2.1 Premium Co-payments.**

~~As of May 1, 2012~~~~On the effective date of this Agreement,~~ the City will contribute ~~no more than~~ the following dollar amounts per employee per month for insurance coverage for the employee and eligible dependents. Any increase or decrease in the health insurance premium rates beyond those specified will be borne equally by the City and the employee.  
~~There shall be no return or refund of premium of any kind to any employee.~~

**Current pPremium as of July 1, 2008May 1, 2012:**

<u>Coverage</u>	<u>Maximum-Monthly Contribution of City</u>
Employee	<del>\$386.78</del> 526.87
Employee/Spouse	<del>\$868.24</del> 1,191.75
Employee/Child(ren)	<del>\$727.57</del> 990.75
Family	<del>\$1,208.98</del> 1,657.25

**Section 17.3. Transportation Expenses for Healthcare**

If air or surface transportation is required for medically necessary surgery that cannot be performed locally or a condition which cannot be treated locally, a physician licensed as a doctor of medicine (M.D.) or doctor of osteopathy (O.D.) must provide written certification and detailed medical documentation of the existing condition. For children under 18 years of age, the transportation charge of a parent or legal guardian as attendant will be allowed if the attending physician certifies the medical necessity for such allowance. Round trip air transportation by a commercial airline or surface transportation, which includes ferry transportation, from the place where the illness or injury occurred to the nearest hospital equipped to treat the condition will be provided only if:

- a). A life-endangering situation exists that requires the immediate transfer to a hospital that has special facilities for treating the condition;
- b). The enrollee is admitted as a registered bed patient in a legally operated hospital upon arrival.

**Sec. 17.3.1 Required Surgery or Medical Treatment Unavailable in Cordova.**

In addition to the above air and surface transportation benefits, if surgery is medically necessary and cannot be performed locally or a condition exists which cannot be treated locally, one of the following will be provided each calendar year:

- a). One visit and one follow-up visit requiring therapeutic treatment which cannot be provided locally; or
- b). One visit for pre- or postnatal maternity care and one visit for the actual maternity delivery which cannot be provided locally; or
- c). One pre- or post surgical visit and one visit for the actual surgical procedure which cannot be performed locally; or
- d). One visit for each allergic condition which cannot be provided locally.

**Sec. 17.3.2 Exceptions to the Rule.**

Once benefits have been provided for one of the situations listed above, the only further air or surface transportation benefits available for that enrollee for the remainder of the calendar year would be for an additional life-endangering situation as described above.

**Section 17.4 Joint Health Care Committee**

The City and Union recognize that there have been and likely will continue to be major changes which affect health care coverage for City employees. In the spirit of cooperation and in an effort to effectively deal with rapidly changing insurance issues, it is agreed that the City and Union will utilize a joint health care committee comprised of the City Manager, two individuals designated by the City, the IBEW Business Representative and two individuals designated by the Union to address insurance issues. This committee will meet on a mutually agreed basis. The committee has no authority to bind the City or the Union and will make recommendations regarding what the committee believes to be effective measures to deal with health care issues.

**ARTICLE 18 – LEAVE**

**Section 18.1. Annual Leave Entitlement**

Regular full-time and regular part-time employees covered by this Agreement shall be entitled to leave accrual benefits except during the period when the employee is on leave without pay.

**Section 18.2. Annual Leave Accrual Rate**

**A.** For employees hired before January 1, 2000, the annual leave accrual rates shall be as follows:

- Eight (8) hours per month for zero to two years service (2.4 weeks/year).
- Twelve (12) hours per month for two but less than three years service (3.6 weeks/year).
- Sixteen (16) hours per month for three but less than six years service (4.8 weeks/year).
- Twenty (20) hours per month for six years or more service (6 weeks/year).

**B.** For employees hired on or after January 1, 2000, the annual leave accrual rates shall be as follows:

<u>Years of Service</u>	<u>Annual Accrual</u>	<u>Years of Service</u>	<u>Annual Accrual</u>
0	10 Days	8	21 Days
1	10 Days	9	21 Days
2	15 Days	10	21 Days
3	15 Days	11	21 Days
4	15 Days	12	25 Days
5	15 Days	13	25 Days
6	21 Days	14	25 Days
7	21 Days	15	25 Days

**Sec. 18.2.1 Accrual Calculations.**

Annual leave shall accrue beginning with the date of appointment. New hire probationary employees shall accrue annual leave during the probationary period but are not entitled to use annual leave unless and until they successfully complete the probationary period and acquire status as a regular employee. Annual leave accrual shall be based on regular hours of work. Overtime and leave without pay hours will not be included in annual leave calculations.

**Section 18.3. Requesting Leave**

Employees desiring to take paid annual leave shall submit a request at least two (2) weeks prior to the date requested for leave for approval of such leave to the Department Head. Leave will be granted if business conditions permit. All Department Heads shall submit a leave request form to the payroll clerk one (1) week prior to granting leave to any employee in order to verify availability of the amount of leave requested. The payroll clerk will initial the leave slip and file it

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in the employee's payroll records. If the employee does not have sufficient leave accrued, the Department Head or City Manager will be advised immediately. Spot leave may be granted at the discretion of the City.

**Section 18.4. Leave Accrual for Employees on Paid Leave**

Leave continues to accrue during the period of time an employee is on paid leave. Leave does not accrue during any period of leave without pay.

**Section 18.5. Computation of Leave Accrual for Regular Part-Time Employees**

Regular part-time employees shall accrue leave on a proportional basis as regular full-time employees. Leave shall be computed based on the actual hours worked on a proportional basis to the eighty (80) hours in a pay period.

**Section 18.6. Maximum of 240 Hours That Can Be Accumulated**

The maximum amount of annual leave that may be accumulated is 240 hours. Annual leave accumulated in excess of this amount at December 31st of each year will be written off unless an additional carry over is authorized by the City Manager due to unusual circumstances as specified in Section 18.8 of this Agreement.

**Section 18.7. Annual Leave Use**

Annual leave may be used upon completion of twelve (12) months of service with the City. However, the City Manager may grant an employee early annual leave due to extraordinary circumstances.

**Sec. 18.7.1 Use of Annual Leave.**

Annual leave may be used for any purpose desired by the employee. Employees shall be allowed to use any amount of accrued leave at the time they desire given that the Department Head determines their absence will not be detrimental to the operation of the department.

**Sec. 18.7.2 Mandatory Leave.**

At least forty (40) hours of annual leave must be used each calendar year after the first anniversary date and every anniversary date thereafter.

**Section 18.8. Exceptions**

Whenever, in the opinion of the City Manager or his designee, it is not feasible nor in the best interest of the City service to grant earned leave to an employee, such employee shall not lose bona fide earned annual leave but shall receive a suspension of the limitation of accrued leave accumulation. Whenever, in the opinion of the Department Head and City Manager, it is not feasible nor in the best/ interests of the City service to suspend the annual leave accumulation limits, the City Manager shall authorize cash in lieu of leave not to exceed twenty (20) working days in any fiscal year.

**Section 18.9. Annual Leave Cash-In Possibilities**

In addition to the provision in Section 18.8 of this Agreement, cash in lieu of accrued annual leave may be obtained under exceptional circumstances. The employee shall specify in writing the reasons for the request. The request is subject to approval by the City Manager, at the City Manager's discretion.

**Section 18.10. Leave Upon Termination**

Employees separated during the probationary period shall not be granted nor paid any annual leave. Regular employees who separate after successful completion of the probationary period shall be paid their accrued unused annual leave in a lump sum within three (3) working days of

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termination. The salary or hourly rate(s) to be used in computing the cash payment shall be the employee's regular rate which was received by the employee at the time of separation.

**Section 18.11. Reinstated Employee Leave**

Reinstated employees hired within two (2) years of termination, and who have had at least one (1) year of total service shall be permitted to use their accrued leave as it accrues, provided they have successfully completed their probationary period in previous service.

**Section 18.12. Military Leave, Rights and Benefits**

The City will comply with all applicable federal and state laws with respect to military leave, benefits and re-employment rights.

**Section 18.13. Jury Leave**

Jury duty shall be treated as approved leave without loss of longevity, leave or pay. Service in court when subpoenaed as a witness on behalf of the City, or when called as an expert by the City on a matter of City concern or relating to a municipal function, will be treated the same as jury duty. In order to be entitled to jury leave, the employee shall provide the Department Head with proof of the requirement of his or her presence for the hours claimed. Fees paid by the court (other than those for an employee's appearance at any time outside the employee's regularly scheduled shift, for travel, parking and subsistence allowance) shall be turned in for deposit in the City's general fund. Witness service for purposes other than just described will be covered by annual leave, or leave without pay, business conditions permitting, and any fees received in this connection may be retained by the individual.

**Section 18.14. Leave Without Pay**

Leave without pay may be granted to an employee upon recommendation of the Department Head and approval of the City Manager. Each request for such leave shall be considered in light of the circumstances involved and the needs of the department. Leave without pay shall not be requested nor granted until such time as all accrued annual leave has been exhausted, except when an employee is absent and drawing worker's compensation pay. The City Manager and Department Head may, in their discretion, grant no more than ten (10) consecutive working days' leave without pay during any calendar year. Additional leave without pay may be granted upon the approval of the City Council.

**Section 18.15. Change of Anniversary Date Because of Leave Without Pay**

If an employee uses more than thirty (30) calendar days of leave without pay during the leave year, the anniversary date shall be advanced by the number of days such leave without pay exceeds thirty (30).

**Section 18.16. Unauthorized Leave**

Any absence not authorized and approved in accordance with provisions of this Agreement shall be without pay for the period of absence and shall be grounds for disciplinary action. Any employee who is absent from work for three (3) or more days without notifying the Department Head shall be deemed to have abandoned his employment with the City. If the Department Head is unavailable, the employee must notify another management representative such as the City Manager, Human Resources Department or, as a last result, police dispatch. In the event of extraordinary circumstances that would prohibit notification, the employee will not be considered to have abandoned his/her employment so long as the employee notifies the City of the reason for their absence as soon as practicable. An example would be an employee unable to return from a hunting trip due to bad weather in which case the aircraft operator is unable to fly, and the employee is unable to contact the City.

**Section 18.17. Education Leave With or Without Pay**

Leave with or without pay, not to exceed three (3) months, may be authorized, at the discretion of the City, for employees to complete advanced training programs.

**Section 18.18. Pregnancy, Childbirth and Family Leave**

It is the intent of the City to grant family and medical leave consistent with both the Federal Family and Medical Leave Act of 1993, the provisions of AS 23.10.500-23.10.550, and the terms set forth herein, whichever provides greater rights. The following conditions apply to instances when an employee requests time off for family and medical leave of absences for a limited period with job protection and no loss of accumulated service provided the employee returns to work.

**Sec. 18.18.1 Fair Dealing with Employees.**

The City shall grant an employee whose health is affected by pregnancy, childbirth, or a related medical condition the same employment benefits and privileges that the City grants to other employees with similar ability to work who are not affected, including allowing the employee to take disability or sick leave or other accrued leave that the City makes available to temporarily disabled employees.

**Sec. 18.18.2 Eligibility Defined.**

An employee is eligible to take family leave if the employee has been employed for at least thirty-five (35) hours a week for at least six (6) consecutive months or at least seventeen and one-half (17 1/2) hours a week for at least twelve (12) consecutive months immediately preceding the leave. The leave may be unpaid leave. However, the employee may choose to substitute accrued paid leave to which the employee is entitled. The City shall permit an eligible employee to take family leave because of a serious health condition for a total of eighteen (18) workweeks during any twenty-four (24) month period. The City shall permit an eligible employee to take family leave because of pregnancy and childbirth or adoption for a total of eighteen (18) workweeks within a twelve (12) month period; the right to take leave for this reason expires on the date one (1) year after the birth or placement of the child. If the employee is entitled to a longer period of time under Section 18.18 and its subsections, then the longer period applies. An employee is entitled to take leave:

- a). because of pregnancy and the birth of a child of the employee or the placement of a child, other than the employee's stepchild, with the employee for adoption; an employee using family leave under this paragraph shall take the leave in a single block of time;
- b). in order to care for the employee's child, spouse, or parent who has a serious health condition; in this paragraph, "child" includes the employee's biological, or foster child, stepchild, or legal ward; and
- c). because of the employee's own serious health condition.

**Sec. 18.18.3 Scope of Family and Medical Leave.**

If an employee has unused accrued annual or sick leave, the employee must use such unused accrued sick leave first and then unused accrued annual leave before unpaid family leave under this section. Subject to the provisions of the FMLA, the City may require an employee to pay the employee's share of the costs of maintaining health insurance coverage during a period of unpaid leave. Where an employee fails to return from FMLA leave for at least thirty (30) days, the City may demand payment of its share of the health premiums it paid during the leave, in accordance with the FMLA.

**Sec. 18.18.4 Related Employees.**

Notwithstanding Sec. 18.18.2 (b) of this section, if a parent or child of two employees employed by the City has a serious health condition, the City is not required to grant family leave to both employees simultaneously.

**Sec. 18.18.5 Healthcare Premium Coverage.**

During the time that an employee is on leave under this section, the City shall maintain coverage under any group health plan at the level and under the conditions that the coverage would have been provided if the employee had been employed from the date the leave began to the date the employee returns from leave under Sec. 18.18.6. If the employee was paying all or part of the premium payments prior to leave, the employee would continue to pay his or her share during the leave period.

**Sec. 18.18.6 Returning from FMLA.**

Unless the City's business circumstances have changed to make it impossible or unreasonable, when an employee returns from leave under this section, the City shall restore the employee to the position of employment held by the employee when the leave began; or to a substantially similar position with substantially similar benefits, pay, and other terms and conditions of employment.

**Sec. 18.18.7 Employee Notice.**

If the necessity for leave is foreseeable based on an expected birth or adoption or on planned medical treatment or supervision, the employee shall provide the employer with prior notice of the expected need for leave in a manner that is reasonable and practicable. If the necessity for leave is foreseeable based on planned medical treatment or supervision, the employee shall also make a reasonable effort to schedule the treatment or supervision so as to not disrupt unduly the operations of the employer, subject to the approval of the health care provider of the employee or the employee's child, spouse, or parent. In cases of illness, the employee will be required to report periodically on his or her leave status and intention to return to work. If the employee is too ill to report himself, the reporting can be accomplished by the employee's health care provider or the employee's designee.

**Sec. 18.18.8 Completion of Request for Family and Medical Leave of Absence Form.**

A request for Family and Medical Leave of Absence form must be originated in duplicate by the employee. This form should be completed in detail, signed by the employee, submitted to the immediate supervisor for proper approvals, and forwarded to the City Manager. If possible, the form should be submitted thirty (30) days in advance of the effective date of the leave.

**Sec. 18.18.9 Content of Request.**

All requests for family and medical leaves of absence due to illness will include the following information attached to a completed Request for Family and Medical Leave of Absence: sufficient medical certification stating (a) the date on which the serious health condition commenced; (b) the probable duration of the condition; and (c) the appropriate medical facts within the knowledge of the health care provider regarding the condition. In addition, for purposes of leave to care for a child, spouse, or parent, the certificate should give an estimate of the amount of time that the employee is needed to provide such care. For purposes of leave for an employee's illness, the certificate must state that the employee is unable to perform the functions of his or her position. In the case of certification for intermittent leave or leave on a reduced leave schedule for planned medical treatment, the

dates on which such treatment is expected to be given and the duration of such treatment must be stated.

**Sec. 18.18.10 Intermittent Leave or a Reduced Work Schedule.**

An employee may take family medical leave or medical leave intermittently if necessary. When the need for intermittent leave is foreseeable, the employee must give notice to the City thirty (30) days in advance of the time the leave is to begin. If the employee cannot give thirty (30) days notice, he must give notice as soon as practicable. When an employee takes intermittent leave for family or medical leave purposes, the City may require the employee to show that the intermittent leave was medically necessary. The employee can be required to produce a health care provider certification showing that the intermittent absences are a part of, or may result from, the treatment the employee is receiving for a serious health condition. The City has the right to require the employee to re-certify the medical necessity of the leave, which ordinarily will not be required more frequently than every thirty (30) days. However, if the City receives information that casts doubt on the validity of the certification, the City, at its expense may require re-certification on a more frequent basis. If the City for some reason suspects that the employee's doctor has misdiagnosed the condition or is fraudulently certifying the need for leave, the City has the right to have a specialist with appropriate expertise for the condition examine the employee. The City will pay for the second examination and it will not be performed by a doctor who is employed on a regular basis by the City. The City will not contact the employee's doctor to verify the legitimacy of the certification. If the opinion of the doctor selected by the City differs from that of the employee's doctor, the City may require a third examination, at its expense, to be performed by a doctor designated or approved jointly by the City and the employee. The City may transfer an employee who must take intermittent leave to a position that better accommodates intermittent absences. The position must provide the employee with equivalent pay and benefits, but the position need not have equivalent duties.

**Sec. 18.18.11 Employee Transfer.**

- a). A pregnant employee may request a transfer to a suitable position under this section. The City may not fill the position with a person other than the requesting employee until the City has offered the position to the employee and the employee has refused the offer. A position is suitable if it is an existing unfilled position in the same administrative division in which the employee is currently employed and is less strenuous or less hazardous than the employee's current position; transfer to the position is recommended by a licensed health care provider; the employee is qualified and immediately able to perform the duties of the position; and the transfer will not subject the employee to legal liability under this Agreement.
- b). The City shall compensate an employee who receives a transfer under this section at a rate at least equal to the lesser of the rate, as adjusted by the changes to compensation that apply generally to the work force, at which the employee was compensated immediately before requesting the transfer; or the position into which the employee transfers is compensated.

**Sec. 18.18.12 Investigation and Conciliation of Complaints.**

A person aggrieved by a denial of a right or privilege granted by this provision has the right to file a grievance.

**Sec. 18.18.13 Definitions.**

"Child" means an individual who is (a) under eighteen (18) years of age; or (b) eighteen (18) years of age or older and incapable of self care because of mental or physical disability.

"Employer" means the City of Cordova.



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**"Healthcare provider"** means a licensed dentist, a licensed physician, or a licensed psychologist.

**"Parent"** means a biological or adoptive parent, a parent-in-law, or a stepparent.

**"Serious health condition"** means an illness, injury, impairment, or physical or mental condition that involves inpatient care in a hospital, hospice, or residential health care facility; or continuing treatment or continuing supervision by a health care provider.

**Section 18.19. Sick Leave Accrual**

Sick Leave accrues separately from annual leave on an annual basis. An employee may accrue up to a maximum of six hundred twenty (620) hours of sick leave. Regular annual leave may always be used as sick leave when the sick leave account balance is zero (0).

**Sec. 18.19.1 Maximum Accrual by Date of Hire.**

Employees on the payroll on January 1, 2000, who have more than six hundred twenty (620) hours of accrued sick leave on the books shall not forfeit their balance in excess of six hundred twenty (620) hours and shall be permitted to draw down on those hours through the life of this Agreement. Once their sick leave balance falls below six hundred twenty (620) hours, they shall again begin accruing sick leave.

**Sec. 18.19.2 Sick Leave Accrual Rates.**

For employees hired before January 1, 2000, sick leave accrues on an annual basis at the rate of fifteen days per year. For employees hired on or after January 1, 2000, sick leave accrues at the rate of twelve days per year.

**Sec 18.19.3 Conversion of Sick Leave**

Any employee who has been employed by the City for five years or more, and has reached the total allowable amount of sick leave (620 hours), may elect to convert unused sick leave up to sixteen (16) hours into cash during the month of November of each year.

**Section 18.20. Purpose of Sick Leave**

Accumulation of sick leave is allowed primarily for the purpose of providing an employee with an economic cushion to be used in event of the employee's illness or quarantine. However, it may also be used for other purposes as set forth in Sections 18.21 and 18.22 of this Agreement.

**Section 18.21. Use of Sick Leave**

An employee may use accrued sick leave for absence as noted above. Doctor or dental appointments shall be included as cause for sick leave. Extended absence on sick leave, three (3) or more consecutive work days due to illness, hospitalization, medical observation or treatment, may be required to be certified by a physician, surgeon, psychiatrist, dentist or other such licensed professional.

**Section 18.22. Employee Notification/Sick Leave**

When utilizing sick leave, an employee shall inform his or her immediate supervisor within a reasonable amount of time if unable to report to duty. If the supervisor is unavailable, the employee must notify another management representative such as the City Manager, Human Resources Department or, as a last resort, the Police Dispatcher. Failure to do so may be cause for disciplinary action, provided however, consideration will be given for extenuating circumstances that would make such notice requirements impossible.

**Section 18.23. On the Job Injury**

Employees shall report all on the job injuries to their appropriate Department Head as soon as possible after the injury (if possible within 24 hours). Failure to do so may result in disciplinary

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action. Employees shall follow all of the City's procedures regarding worker's compensation claims.

**Section 18.24. Cash Value of Sick Leave**

Upon separation under favorable terms and completion of five (5) years of service, fifty percent (50%) of the sick leave balance accrued (up to a total of \$3,840.00) can be cashed in for pay at the employee's current rate of pay. For employees with twenty (20) years of service with the City as of January 1, 2000, fifty percent (50%) of the sick leave balance accrued (up to a total of five hundred twenty (520) hours) can be cashed in for pay at the employee's current rate of pay. This cash-in pay is subject to all taxation and contributions required of all payroll compensation.

**Section 18.25. Death in Immediate Family**

A regular employee is eligible for paid bereavement leave, not to exceed five (5) days, upon the death of his or her immediate family. Family members are defined as parents-in-law, spouse, father, mother, brother, sister, son, daughter, stepchildren, step-parents and grandparents.

**Section 18.26. Sick Leave Bank**

An employee may voluntarily donate unused sick leave he or she has accrued to another City employee who is seriously ill or injured, requires absence from work for more than twenty (20) consecutive days, has exhausted all of his or her annual and sick leave and is under the care of a physician. The City manager must approve the use of such leave. Donations of such leave do not cause or result in any transfer of money. Should an employee with a higher wage donate to an employee with a lower wage, there is no money or benefit left over. Such leave donations are one-for-one in hours of sick leave. One hour of time from a donor equals one hour of time for the recipient, with no remainder or excess balance.

**ARTICLE 19 - MISCELLANEOUS PROVISIONS**

**Section 19.1. Tuition Refunds**

In order to be considered for a tuition refund, a tuition refund application must be completed and submitted to the City Manager. An employee who successfully completes course work that is job related and considered, at the discretion of the City, to be of benefit to the City, may be reimbursed up to 100% of the tuition expense. In order to receive this reimbursement, the employee must, prior to enrollment, obtain the written concurrence of his or her Department Head that the proposed course is related to the employee's present duties and that successful completion of the course will be of mutual benefit to the City and the employee. The employee also shall sign an agreement that the reimbursed tuition will be repaid to the City by the employee in the event he or she leaves City employment within twelve (12) months from date of completion of the course. Upon successful completion of the course, the employee shall furnish evidence of successful completion and amount of course fee to the City Manager and the reimbursement cost will be drawn from funds in the department's budget. The City will only pay for reimbursement costs when the employee receives a passing grade.

**Section 19.2. Gifts and Gratuities**

It shall be the responsibility of each City employee to remain free from indebtedness or favors which would tend to create a conflict of interest between personal and official interests, or might reasonably be interpreted as affecting the partiality of the individual employee. If an employee is tendered or offered a gift or gratuity which would, in the eyes of the public, or in the eyes of public officials, be construed to be an attempt to bribe, influence or to encourage special consideration with respect to municipal operations, such offer shall be reported without delay to the employee's immediate superior who in turn will inform the Department Head or City Manager. If there should be any doubt whether a gift or gratuity is of such significance as to

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create undue influence upon the employee, the matter shall be reported to the Department Head concerned. Any employee who knowingly accepts any gift or gratuity without approval by the Department Head or City Manager in violation of this section may be disciplined up to and including dismissal from employment.

**Section 19.3. Outside Employment**

No employee shall engage in any other employment, whether public, private or self-employment, during scheduled work hours, nor outside scheduled work hours, if such employment conflicts with the City's interests or adversely affects the employee's availability and usefulness. Employees are urged to discuss any outside employment intentions with their supervisor prior to assuming such employment and complete and return to the Department Head a "Request for Approval for Secondary Employment Form". Examples of other employment considered contrary to the City's interest and to adversely affect the availability and usefulness of employees are:

- Preparing financial reports subject to City audit or review.
- Directly or indirectly participating in any business or organization that has, or is attempting to obtain funds or business from the City.
- Using or having access to information or data pertinent to other employment.

**Sec. 19.3.1 Conflict of Interest Notice Required.**

All employees shall file a "Notice of Potential Conflict" with the City Manager should they suspect that they or any member of their family by blood, law or marriage might benefit directly or indirectly from any City contract or disbursement other than wages. Upon the filing of "Notice of Potential Conflict", the City Manager may waive the conflict provided that no other person or entity with comparable experience and competence is available at a similar price.

**Section 19.4. Employment of Immediate Family Members**

No person may be employed in a position supervised by an immediate family member. Additionally, immediate family members shall not be placed in a position such that one member is required or authorized to review the work, personnel documents, expense account or time records of another immediate family member. Immediate family members shall be described as set forth in the definition section of this Agreement, and shall include cohabitants.

**Section 19.5. Standard Operating Procedure**

The City Manager may require each department to establish and maintain standard operating procedures for use by employees in daily operations.

**Section 19.6. Additional Rules**

The City may prescribe certain policies, procedures and rules in addition to the rules set forth in this Agreement that will apply to employees' safety and welfare and federal or state regulations that affect employees so long as the policies, procedures and rules adopted by the City are not inconsistent with this Agreement. These policies, procedures and rules will be in addition to those contained in this Agreement and shall apply to employees covered in this Agreement as if they were set forth in this Agreement so long as such policies, procedures and rules are not inconsistent with this Agreement.

**Section 19.7. No Strikes, Slowdowns or Lockouts**

The parties agree that there shall be no strikes, slowdowns or lockouts during the life of this Agreement.

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**Section 19.8. Picket Lines**

It shall be a violation of this Agreement and it shall be cause for disciplinary action in the event an employee refuses to go through or work behind any picket line. The City specifically retains all of its rights under AS 23.40.200.

**ARTICLE 20 - SCOPE OF AGREEMENT**

**Section 20.1. Duration**

This Agreement shall become effective upon ratification by the bargaining unit and Cordova City Council and shall continue in full force and effect through midnight, ~~December 31, 2011~~April 30, 2015.

**Section 20.1.1 Opening Period.**

Either party desiring to terminate, add to, or modify the terms of the Agreement shall, between ~~October~~February 1 and ~~October 31~~February 28 in the year of the expiration date of the Agreement, notify the other as to this intention. In the event no notice is timely received the Agreement shall renew and continue in full force and effect from year to year thereafter. Nothing herein shall prevent the parties from mutually agreeing to commence bargaining for a successor agreement at an earlier date.

**Section 20.2. Separability**

If any term or provision of this Agreement is, at any time during the life of this Agreement, adjudged by a court of competent jurisdiction to be in conflict with any law, such term or provision shall become invalid and unenforceable, but such invalidity or unenforceability shall not impair or affect any other term or provision of this Agreement.

**Section 20.3. Amendment**

This Agreement may be amended at any time by mutual consent of the parties hereto. Such amendment shall be reduced to writing and state the effective date of the amendment.

**Section 20.4. Printing of the Agreement**

The parties agree that a Union representative and a person appointed by the Employer will meet and mutually agree on the format, size, and specifications of the Agreement to be printed. The Union shall print or be responsible for the printing of the Agreement. The parties will designate the number of copies of the Agreement each desires and each party will be responsible for the cost involved in printing that number of copies.

**20.5 Complete Agreement**

All matters within the scope of bargaining have been negotiated and agreed upon. The terms and conditions set forth in this Agreement represent the full and complete understanding of the commitment between the City and the Union.

**City of Cordova Agreement**  
**May 1, 2012 – April 30, 2015**

**SIGNATURE PAGE**

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be effective on \_\_\_\_\_, and signed by their duly authorized representatives.

**For**  
**CITY OF CORDOVA**

**For**  
**INTERNATIONAL BROTHERHOOD OF**  
**ELECTRICAL WORKERS LOCAL 1547**

\_\_\_\_\_  
Name

\_\_\_\_\_  
Business Manager/Financial Secretary

\_\_\_\_\_  
Title

\_\_\_\_\_  
Business Representative

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## **Pending agenda:**

Capital Priorities List Meeting – **June 2012, September 2012, December 2012**

Certification of 2012 Property Tax Roll – second meeting in May (**May 16, 2012**)

Code requires the certification by June 1 of the tax year, so if the second May meeting is canceled we will have to have a special meeting before June 1

Resolution to set the 2012 Mill Rate – first meeting in June (**June 6, 2012**) – by Code must be set by June 15 of the tax year

**July 4, 2012** is the first Wednesday in July – see Code below:

### **3.12.020 - Meetings—Regular.**

The regular meeting of the council shall be held on the first and third Wednesday of every month. If such a Wednesday falls on a holiday or a day on which a quorum cannot be established, the regular meeting shall be held on the next business day on which a quorum can be established. If the council determines that only one meeting in any month is needed, the meeting on the third Wednesday of the month may be cancelled by the council at the first meeting of the same month.

We should decide ahead of time when to hold that meeting. I believe we can say the next day that we can establish a quorum is July 18 and hold the regular meeting that day. Please advise and let's have a motion and vote to decide the best course of action so I can proceed with appropriate public notice.

## **Committees:**

***Cordova Center Committee:*** Tim Joyce, Sylvia Lange, VACANCY, Darrel Olsen, Larue Barnes, VACANCY, Valerie Covell, David Roemhildt, Dan Logan, Nancy Bird, and Cathy Sherman

***Fisheries Advisory Committee:*** David Reggiani, PWSAC; Ken Roemhildt, Seafood Sales; Jim Holley, AML; Torie Baker, Marine Advisory Program Coordinator; John Bocci; and Jeremy Botz, ADF&G

***Cordova Trails Committee:*** Elizabeth Senear, VACANCY, Jim Kallander, Toni Godes, and David Zastrow

***Public Services Building Design Committee:*** David Reggiani - Chairman, Chief Bob (Griffiths), Martin Moe, Jim Kacsh, Dick Groff, Mike Hicks, Tom Bailer

***E-911 Committee:*** Chief Bob Griffiths – Chairman, Bret Bradford, Gray Graham, Dick Groff, Mike Hicks (and/or Paul Trumblee), David Allison, George Covell

**Calendars:** 3 months' of calendars are attached hereto

May 2012; June 2012; July 2012

# May 2012

Sun	Mon	Tue	Wed	Thu	Fri	Sat
Location Legend CH—City Hall Conference Room LMR—Library Meeting Room HSL—High Sch Lib		1	2  7:30 reg mtg LMR —Clerk vaca—	3  _____	4  —Clerk vaca—	5
6	7	8  P&Z Mtg 7pm CH	9  Sch Bd 7pm HSL Hrbr Cms 7pm CH	10	11	12
13	14	15  5:30 Prks & Rec LMR	16  7:30 reg mtg LMR	17	18	19
20	21  —Clerk in training—	22  _____	23  —Clerk in training—	24  _____	25  —Clerk in training—	26
27	28 Memorial Day holiday—City Hall Offices Closed	29	30	31		Location Legend CH—City Hall Conference Room LMR—Library Meeting Room HSL—High Sch Lib



# June 2012

Sun	Mon	Tue	Wed	Thu	Fri	Sat
Location Legend CH—City Hall Conference Room LMR—Library Meeting Room HSL—High Sch Lib					1	2
3	4	5	6  7:15 pub hrg (maybe) LMR 7:30 reg mtg LMR	7	8	9
10	11	12  P&Z Commission Mtg 7pm CH	13  Sch Bd 7pm HSL Hrbr Cms 7pm CH	14	15	16
17	18	19	20  7:15 pub hrg (maybe) LMR 7:30 reg mtg LMR	21	22	23
24	25	26	27	28	29	30
						<b>149</b>

# July 2012

Sun	Mon	Tue	Wed	Thu	Fri	Sat
1  2012 tax bills mailed	2	3	4 City Hall Offices Closed—cancel mtgs? <del>7:15 pub hrg (maybe)</del> <del>LMR</del> <del>7:30 reg mtg LMR</del>	5	6	7
8	9	10  P&Z Commission Mtg 7pm CH	11  Sch Bd 7pm HSL Hrbr Cms 7pm CH	12	13	14
15	16	17	18  7:15 pub hrg (maybe) LMR 7:30 reg mtg LMR	19	20	21
22	23	24	25	26	27	28
29	30	31				Location Legend CH—City Hall Confer- ence Room LMR—Library Meeting Room HSL—High Sch Lib