

City of Cold Bay

Employee Handbook

At-Will Personnel Policies



Welcome new employee!

On behalf of your colleagues, I welcome you to the City of Cold Bay and wish you every success here.

We believe that each employee contributes directly to the City of Cold Bay growth and success, and we hope you will take pride in being a member of our team.

This handbook was developed to describe some of the expectations of our employees and to outline the policies, programs, and benefits available to eligible employees. It is the responsibility of each employee to familiarize themselves with the contents of the employee handbook as soon as possible, and to follow its guidelines.

Every employee represents the City of Cold Bay. The way we do our jobs presents an image of our entire organization. Nothing is more important than being courteous, friendly, helpful, and prompt in the attention you give.

Our personal contact with the public, our manners on the telephone, and the communications we send to customers are a reflection not only of ourselves, but also of the professionalism of the City of Cold Bay.

We hope that your experience here will be challenging, enjoyable, and rewarding. Again, welcome!

Sincerely,

Mayor

INTRODUCTORY STATEMENT

This handbook is designed to acquaint you with the City of Cold Bay and provide you with information about working conditions, employee benefits, and some of the policies affecting your employment. You should read, understand, and comply with all provisions of the handbook. It describes many of your responsibilities as an employee and outlines the programs developed by the City of Cold Bay to benefit employees. One of our objectives is to provide a work environment that is conducive to both personal and professional growth. It is important to understand that the right to terminate an employment relationship at the will of either the employee or the employer at any time, with or without cause, is based on the "employment-at-will" standard. By this standard, an employee can leave a job at any time, and the employer can generally discharge an employee at any time, with or without notice or cause.

No employee handbook can anticipate every circumstance or question about policy. As the City of Cold Bay continues to grow, the need may arise and the City of Cold Bay reserves the right to revise, supplement, or rescind any policies or portion of the handbook from time to time as it deems appropriate, in its sole and absolute discretion. Employees will, of course, be notified of such changes to the handbook as they occur.

EMPLOYEE ACKNOWLEDGMENT FORM

The employee handbook describes important information about the City of Cold Bay, and I understand that I should consult the City Clerk regarding any questions not answered in the handbook. I have entered into my employment relationship with the City of Cold Bay voluntarily and acknowledge that there is no specified length of employment. Accordingly, either I or the City of Cold Bay can terminate the relationship at will, with or without cause, at any time, so long as the termination is in good faith and is not a violation of applicable federal, state or local law. The description of employment standards in these policies does not alter the at-will nature or rules of these policies.

Since the information, policies, and benefits described here are necessarily subject to change, I acknowledge that revisions to the handbook may occur. All such changes will be communicated through official notices, and I understand that revised information may supersede, modify, or eliminate existing policies. Only the governing body or its designee of the City of Cold Bay has the ability to adopt any revisions to the policies in this handbook.

Furthermore, I acknowledge that this handbook is neither a contract of employment nor a legal document. I have received the Employee Handbook, and I understand that it is my responsibility to read and comply with the policies contained in this handbook and any revisions made to it.

EMPLOYEE SIGNATURE:

EMPLOYEE'S NAME (printed):

DATE: _____

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101 Nature of Employment

Employment with Cold Bay is voluntarily entered into, and the employee is free to resign at will at any time, with or without cause. Similarly, Cold Bay may terminate the employment relationship at will at any time, with or without notice or cause, so long as there is no violation of applicable federal or state law.

Policies set forth in this handbook are not intended to create a contract, nor are they to be construed to constitute contractual obligations of any kind or a contract of employment between Cold Bay and any of its employees. The provisions of the handbook have been developed at the discretion of management and, except for its policy of employment-at-will, may be amended or cancelled at any time, at Cold Bay's sole discretion.

These provisions supersede all existing policies and practices and may not be amended or added to without the express written approval of the Mayor and City Council of Cold Bay.

102 Employee Relations

Cold Bay believes that the work conditions, wages, and benefits it offers to its employees are competitive with those offered by other employers in this area and in this industry. If employees have concerns about work conditions or compensation, they are strongly encouraged to voice these concerns openly and directly to their supervisors.

Our experience has shown that when employees deal openly and directly with supervisors, the work environment can be excellent, communications can be clear, and attitudes can be positive. We believe that Cold Bay amply demonstrates its commitment to employees by responding effectively to employee concerns.

103 Equal Employment Opportunity

In order to provide equal employment and advancement opportunities to all individuals, employment decisions at Cold Bay will be based on merit, qualifications, and abilities. Cold Bay does not discriminate in employment opportunities or practices based on race, color, religion, sex, national origin, age, disability, or any other characteristic protected by law.

Cold Bay will make reasonable accommodations for qualified individuals with known disabilities unless doing so would result in an undue hardship. This policy governs all aspects of employment, including selection, job assignment, compensation, discipline, termination, and access to benefits and training.

Any employees with questions or concerns about any type of discrimination in the workplace are encouraged to bring these issues to the attention of their immediate supervisor. Employees can raise concerns and make reports without fear of reprisal. Anyone found to be engaging in any type of unlawful discrimination will be subject to disciplinary action, up to and including termination of employment.

104 Business Ethics and Conduct

The successful business operation and reputation of Cold Bay is built upon the principles of fair dealing and ethical conduct of our employees. Our reputation for integrity and excellence requires careful observance of the spirit and letter of all applicable laws and regulations, as well as a scrupulous regard for the highest standards of conduct and personal integrity.

The continued success of Cold Bay is dependent upon our customers' trust and we are dedicated to preserving that trust. Employees owe a duty to Cold Bay, its customers, and shareholders to act in a way that will merit the continued trust and confidence of the public.

Cold Bay will comply with all applicable laws and regulations and expects its directors, officers, and employees to conduct business in accordance with the letter, spirit, and intent of all relevant laws and to refrain from any illegal, dishonest, or unethical conduct.

In general, the use of good judgment, based on high ethical principles, will guide you with respect to lines of acceptable conduct. If a situation arises where it is difficult to determine

the proper course of action, the matter should be discussed openly with your immediate supervisor and, if necessary, with the Mayor for advice and consultation.

Compliance with this policy of business ethics and conduct is the responsibility of every Cold Bay employee. Disregarding or failing to comply with this standard of business ethics and conduct could lead to disciplinary action, up to and including possible termination of employment.

105 Hiring of Relatives

The employment of relatives in the same area of an organization may cause serious conflicts and problems with favoritism and employee morale. In addition to claims of partiality in treatment at work, personal conflicts from outside the work environment can be carried over into day-to-day working relationships.

Relatives of persons currently employed by the City of Cold Bay may be hired only if they will not be working directly for or supervising a relative. If relatives are hired direct supervision will be avoided, if this is not possible then the supervisor will delegate the evaluation and personnel actions to higher ranking employee or Council Member, to avoid favoritism or the appearance of favoritism. Supervisors directly supervising relatives should be avoided whenever possible.

Relatives of current employees may not occupy a position that will be working directly for or supervising their relative. For purposes of this policy, relatives are defined as spouses, parents, children, brothers, sisters, brothers- and sisters-in-law, fathers- and mothers-in-law, stepparents, stepbrothers, stepsisters, and stepchildren. Unrelated employees residing together or otherwise engaged in a close personal relationship (such as domestic partner, co-habitant or significant other) are treated as being within the immediate family of each other for the purposes of this nepotism policy. This policy applies to all employees without regard to the gender or sexual orientation of the individuals involved.

Although Cold Bay has no prohibition against employing relatives of current employees, we are committed to monitoring situations in which such relationships exist in the same area. In case of actual or potential problems, Cold Bay will take prompt action. This can include reassignment or, if necessary, termination of employment for one or both of the individuals involved.

The city council approves all new hires. If the new hire is a direct relative of a member of the city council they will remove themselves from the voting process. If a council member has the specific knowledge and skills and is needed to fill a temporary position within the city, the city council will create a waiver for temporary employment.

106 Immigration Law Compliance

Cold Bay is committed to employing only United States citizens and aliens who are authorized to work in the United States and does not unlawfully discriminate on the basis of citizenship or national origin.

In compliance with the Immigration Reform and Control Act of 1986, each new employee, as a condition of employment, must complete the Employment Eligibility Verification Form I-9 and present documentation establishing identity and employment eligibility. Former employees who are rehired must also complete the form if they have not completed an I-9 with Cold Bay within the past three years, or if their previous I-9 is no longer retained or valid.

Employees may raise questions or complaints about immigration law compliance without fear of reprisal.

107 Conflicts of Interest

Employees have an obligation to conduct business within guidelines that prohibit actual or potential conflicts of interest. This policy establishes only the framework within which Cold Bay wishes the business to operate. The purpose of these guidelines is to provide general direction so that employees can seek further clarification on issues related to the subject of acceptable standards of operation. Contact the Mayor for more information or questions about conflicts of interest.

An actual or potential conflict of interest occurs when an employee is in a position to influence a decision that may result in a personal gain for that employee or for a relative as a result of Cold Bay's business dealings. For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the employee is similar to that of persons who are related by blood or marriage.

No "presumption of guilt" is created by the mere existence of a relationship with outside firms. However, if employees have any influence on transactions involving purchases, contracts, or leases, it is imperative that they disclose to an officer of Cold Bay as soon as possible the existence of any actual or potential conflict of interest so that safeguards can be established to protect all parties.

Personal gain may result not only in cases where an employee or relative has a significant ownership in a firm with which Cold Bay does business, but also when an employee or relative receives any kickback, bribe, substantial gift, or special consideration as a result of any transaction or business dealings involving Cold Bay.

108 Outside Employment

Employees may hold outside jobs if they meet the performance standards of their job with Cold Bay. All employees will be judged by the same performance standards and will be subject to Cold Bay's scheduling demands, regardless of any existing outside work requirements.

If Cold Bay determines that an employee's outside work interferes with performance or the ability to meet the requirements of Cold Bay as they are modified from time to time, the employee may be asked to terminate the outside employment if he or she wishes to remain with Cold Bay.

Outside employment that constitutes a conflict of interest is prohibited. Employees may not receive any income or material gain from individuals outside Cold Bay for materials produced or services rendered while performing their jobs.

109 Non-Disclosure

The protection of confidential business information and trade secrets is vital to the interests and the success of Cold Bay. Such confidential information includes, but is not limited to, the following examples:

* See Standard of Employee Conduct

All employees may be required to sign a non-disclosure agreement as a condition of employment. Employees who improperly use or disclose trade secrets or confidential business information will be subject to disciplinary action, up to and including termination of employment, even if they do not actually benefit from the disclosed information.

110 Job Posting

Cold Bay provides employees an opportunity to indicate their interest in open positions and advance within the organization according to their skills and experience. In general, notices of all regular, full-time job openings are posted, although Cold Bay reserves its discretionary right to not post a particular opening.

It is the City of Cold Bay policy to give first consideration to qualified employees to fill a vacant job position. As such, position vacancies announcements shall be sent via email to current employees with details of the job opening. If there are no qualified candidates, the job openings will be posted on the employee bulletin board and normally remain open for 15 days. Each job posting notice will include the dates of the posting period, job title, department, location, rate of pay, job summary, essential duties, and qualifications (required skills and abilities).

To apply for an open position, employees should submit a job posting application to the City Clerk listing job-related skills and accomplishments. Job posting is a way to inform employees of openings and to identify qualified and interested applicants who might not otherwise be known to the hiring manager. Other recruiting sources may also be used to fill open positions in the best interest of the organization.

111 Employment Categories

It is the intent of Cold Bay to clarify the definitions of employment classifications so that employees understand their employment status and benefit eligibility. These classifications do not guarantee employment for any specified period of time. Accordingly, the right to terminate the employment relationship at will at any time is retained by both the employee and Cold Bay.

Each employee is designated as either NONEXEMPT or EXEMPT from federal and state wage and hour laws. NONEXEMPT employees are entitled to overtime pay under the specific provisions of federal and state laws. EXEMPT employees are excluded from specific provisions of federal and state wage and hour laws. An employee's EXEMPT or NONEXEMPT classification may be changed only upon written notification by Cold Bay management.

In addition to the above categories, each employee will belong to one other employment category:

REGULAR FULL-TIME employees are those who are not in a temporary status and who are regularly scheduled to work Cold Bay's full-time schedule of 8 hours per day 8-12 with a 1 hour lunch break 1-5, with 2 15min breaks. Generally, they are eligible for Cold Bay's benefit package, subject to the terms, conditions, and limitations of each benefit program.

PART-TIME employees are those who are not assigned to a temporary status and who are regularly scheduled to work less than 20 hours per week. While they do receive all legally mandated benefits (such as Social Security and workers' compensation insurance), they are ineligible for all of Cold Bay's other benefit programs.

TEMPORARY employees are those who are hired as interim replacements, to temporarily supplement the work force, or to assist in the completion of a specific project. Employment assignments in this category are of a limited duration. Employment beyond any initially stated period does not in any way imply a change in employment status. Temporary employees retain that status unless and until notified of a change. While temporary employees receive all legally mandated benefits (such as workers' compensation insurance and Social Security), they are ineligible for all of Cold Bay's other benefit programs.

CASUAL/On-call employees are those who have established an employment relationship with the City of Cold Bay but who are assigned to work on an intermittent and/or unpredictable basis. While they receive all legally mandated benefits (such as workers' compensation insurance and Social Security), they are ineligible for all of the City of Cold Bay's other benefit programs.

112 Access to Personnel Files

Cold Bay maintains a personnel file on each employee. The personnel file includes such information as the employee's job application, resume, records of training, documentation of performance appraisals and salary increases, and other employment records.

Personnel files are the property of Cold Bay, and access to the information they contain is restricted. Generally, only supervisors and management personnel of Cold Bay who have a legitimate reason to review information in a file are allowed to do so.

Employees who wish to review their own file should contact the City Clerk. With reasonable advance notice, employees may review their own personnel files in Cold Bay's offices and in the presence of an individual appointed by Cold Bay to maintain the files.

113 Employment Reference/Background Checks

To ensure that individuals who join the City of Cold Bay are qualified and have a strong potential to be productive and successful, it is the policy of the City of Cold Bay to check the employment references of all applicants. Background checks may be completed on potential employees.

If reference checks are requested by prospective employers of present or past city employees, the Mayor will respond in writing to those reference check inquiries which are submitted in writing. Responses to such inquiries will confirm only dates of employment, wage rates, and position(s) held. No employment data will be released without a written authorization and release signed by the individual who is the subject of the inquiry.

For more information on reference checks see Alaska Statute 09.65.160.

114 Personnel Data Changes

It is the responsibility of each employee to promptly notify Cold Bay of any changes in personnel data. Personal mailing addresses, telephone numbers, number and names of dependents, individuals to be contacted in the event of an emergency, educational accomplishments, and other such status reports should be accurate and current at all times. If any personnel data has changed, notify the City Clerk.

115 Employment Applications

Cold Bay relies upon the accuracy of information contained in the employment application, as well as the accuracy of other data presented throughout the hiring process. Any misrepresentations, falsifications, or material omissions in any of this information or data may result in the exclusion of the individual from further consideration for employment.

116 Performance Evaluation

Supervisors and employees are strongly encouraged to discuss job performance and goals on an informal, day-to-day basis. Additional formal performance evaluations are conducted to provide both supervisors and employees the opportunity to discuss job tasks, identify and correct weaknesses, encourage, and recognize strengths, and discuss positive, purposeful approaches for meeting goals.

Supervisors and employees are strongly encouraged to discuss job performance and goals on an informal basis. Formal performance evaluations are conducted at six months period in any new position. This six-month period, allows the supervisor and the employee to discuss the job responsibilities, standards, and performance requirements of the new position

The performance of all employees is generally evaluated according to an ongoing 12-month cycle, beginning at the fiscal-year end.

117 Job Descriptions

Cold Bay makes every effort to create and maintain accurate job descriptions for all positions within the organization. Each description includes a job information section, a job summary section (giving a general overview of the job's purpose), an essential duties and responsibilities section, a supervisory responsibilities section, a qualifications section (including education and/or experience, language skills, mathematical skills, reasoning ability, and any certification required), a physical demands section, and a work environment section.

Cold Bay maintains job descriptions to aid in orienting new employees to their jobs, identifying the requirements of each position, establishing hiring criteria, setting standards for employee performance evaluations, and establishing a basis for making reasonable accommodations for individuals with disabilities.

The Mayor and the hiring manager prepare job descriptions when new positions are created. Existing job descriptions are also reviewed and revised in order to ensure that they are up to date. Job descriptions may also be rewritten periodically to reflect any changes in the position's duties and responsibilities. All employees will be expected to help ensure that their job descriptions are accurate and current, reflecting the work being done.

Employees should remember that job descriptions do not necessarily cover every task or duty that might be assigned, and that additional responsibilities may be assigned as necessary. Contact the Mayor if you have any questions or concerns about your job description.

118 Salary Administration

The salary administration program at Cold Bay was created to achieve consistent pay practices, comply with federal and state laws, mirror our commitment to Equal Employment Opportunity, and offer competitive salaries within our labor market. Because recruiting and retaining talented employees is critical to our success, Cold Bay is committed to paying its employees equitable wages that reflect the requirements and responsibilities of their positions and are comparable to the pay received by similarly situated employees in other organizations in the area.

Compensation for every position is determined by several factors, including the essential duties and responsibilities of the job, and salary survey data on pay practices of other employers. Cold Bay periodically reviews its salary administration program and restructures it as necessary.

Employees should bring their pay-related questions or concerns to the attention of their immediate supervisors, who are responsible for the fair administration of departmental pay practices. The Mayor is also available to answer specific questions about the salary administration program.

119 Social Security Number

To protect employees' personal information, the City of Cold Bay prohibits the use of employees' Social Security numbers for identification purposes, except as allowed by law.

The City of Cold Bay will continue to collect, use, or release Social Security numbers as required by state or federal law, and may use Social Security numbers for internal verification or administrative purposes.

Employees who have questions about this policy or who feel that their Social Security number has been used inappropriately by the City of Cold Bay should contact the City Council.

120 Employee Benefits

Eligible employees at Cold Bay are provided a wide range of benefits. A number of the programs (such as Social Security, workers' compensation, state disability, and unemployment insurance) cover all employees in the manner prescribed by law.

Benefits eligibility is dependent upon a variety of factors, including employee classification. Your supervisor can identify the programs for which you are eligible. Details of many of these programs can be found elsewhere in the employee handbook.

The following benefit programs are available to eligible employees:

- | | |
|-----------------------|-----------------------|
| * Bereavement Leave | * Medical Leave |
| * Family Leave | * Military Leave |
| * Flextime Scheduling | * Paid Time Off (PTO) |
| * Holidays | * Voting Time Off |

Some benefit programs require contributions from the employee, but most are fully paid by Cold Bay.

121 Holidays

Cold Bay will grant holiday time off to all eligible regular full-time employees on the holidays listed below:

- New Year's Day (January 1)
- Seward's Day
- Martin Luther King, Jr. Day (third Monday in January)
- Presidents' Day (third Monday in February)
- Memorial Day (last Monday in May)
- Independence Day (July 4)
- Labor Day (first Monday in September)
- Alaska Day (October 18)
- Veterans' Day (November 11)
- Thanksgiving and the day after (Fourth Thursday and Friday in November)
- Christmas Eve and Christmas (December 24 and 25)
- New Year's Eve (December 31)
- Three floating Holidays (after 180 days in eligible position)
- Employee's Birthday

Cold Bay will grant paid holiday time off to all eligible employees immediately upon assignment to an eligible employment classification. Holiday pay will be calculated based on the employee's straight-time pay rate (as of the date of the holiday) times the number of hours the employee would otherwise have worked on that day.

A recognized holiday that falls on a Saturday will be observed on the preceding Friday. A recognized holiday that falls on a Sunday will be observed on the following Monday.

If a recognized holiday falls during an eligible employee's paid absence (such as PTO leave), holiday pay will be provided instead of the paid time off benefit that would otherwise have applied.

If eligible nonexempt employees work on a recognized holiday, they will receive holiday pay plus wages at their straight-time rate for the hours worked on the holiday.

In addition to the recognized holidays previously listed, eligible employees will receive 3 floating holidays in each anniversary year. To be eligible, employees must complete 180 calendar days of service in an eligible employment classification. These holidays must be scheduled with the prior approval of the employee's supervisor.

Paid time off for holidays will not be counted as hours worked for the purposes of determining overtime.

122 Workers' Compensation Insurance

Cold Bay provides a comprehensive workers' compensation insurance program at no cost to employees. This program covers any injury or illness sustained in the course of employment that requires medical, surgical, or hospital treatment. Subject to applicable legal requirements, workers' compensation insurance provides benefits after a short waiting period or, if the employee is hospitalized, immediately.

Employees who sustain work-related injuries or illnesses should inform their supervisor immediately. No matter how minor an on-the-job injury may appear, it is important that it be reported immediately. This will enable an eligible employee to qualify for coverage as quickly as possible.

Neither Cold Bay nor the insurance carrier will be liable for the payment of workers' compensation benefits for injuries that occur during an employee's voluntary participation in any off-duty recreational, social, or athletic activity sponsored by Cold Bay.

123 Time Off to Vote

Cold Bay encourages employees to fulfill their civic responsibilities by participating in elections. Generally, employees are able to find time to vote either before or after their regular work schedule. If employees are unable to vote in an election during their nonworking hours, Cold Bay will grant up to 1 hour of paid time off to vote.

Employees should request time off to vote from their supervisor at least two working days prior to the election day. Advance notice is required so that the necessary time off can be scheduled at the beginning or end of the work shift, whichever provides the least disruption to the normal work schedule.

124 Bereavement Leave

Employees who wish to take time off due to the death of an immediate family member should notify their supervisor immediately.

Up to 5 days of paid bereavement leave will be provided to eligible employees in the following classification(s):

- * Regular full-time employees

Bereavement pay is calculated based on the base pay rate at the time of absence and will not include any special forms of compensation, such as incentives, commissions, bonuses, or shift differentials.

Bereavement leave will normally be granted unless there are unusual business needs or staffing requirements. Employees may, with their supervisors' approval, use any available paid leave for additional time off as necessary.

Cold Bay defines "immediate family" as the employee's spouse, parent, child, or sibling.

125 Jury Duty

Cold Bay encourages employees to fulfill their civic responsibilities by serving jury duty when required. Employees may request unpaid jury duty leave for the length of absence. If desired, employees may use any available paid time off (for example, PTO benefits).

Employees must show the jury duty summons to their supervisor as soon as possible so that the supervisor may make arrangements to accommodate their absence. Of course, employees are expected to report for work whenever the court schedule permits.

Either Cold Bay or the employee may request an excuse from jury duty if, in Cold Bay's judgment, the employee's absence would create serious operational difficulties.

PTO leave and holiday benefits will continue to accrue during unpaid jury duty leave.

126 Paid Time Off (PTO)

Paid Time Off (PTO) is an all-purpose time-off policy for regular full-time eligible employees to use for vacation, illness or injury, and personal business. It combines traditional vacation and sick leave plans into one flexible, paid time-off policy.

Once employees enter an eligible employment classification, they begin to earn paid PTO time according to the schedule. However, before vacation time can be used, a waiting period of 180 calendar days must be completed. After that time, employees can request use of earned vacation time including that accrued during the waiting period. The amount of PTO employees receives each year increases with the length of their employment as shown in the following schedule:

Upon

- Upon eligibility an employee is entitled to 8 hours of PTO bi-weekly per pay period.
- After 3 years of eligible service the employee is entitled to 9 hours of PTO, accrued biweekly per pay period.
- After 5 years of eligible service the employee is entitled to 10 hours of PTO, accrued biweekly per pay period.

The length of eligible service is calculated on the basis of a "benefit year." This is the 12-month period that begins when the employee starts to earn PTO. An employee's benefit year may be extended for any significant leave of absence except military leave of absence. Military leave has no effect on this calculation. (See individual leave of absence policies for more information.)

PTO can be used in minimum increments of one-half day. Employees who have an unexpected need to be absent from work should notify their direct supervisor before the scheduled start of their workday, if possible. The direct supervisor must also be contacted on each additional day of unexpected absence.

To schedule planned PTO, employees should request advance approval from their supervisors. Requests will be reviewed based on a number of factors, including business needs and staffing requirements.

PTO is paid at the employee's base pay rate at the time of absence. It does not include overtime or any special forms of compensation such as incentives, commissions, bonuses, or shift differentials.

In the event that available PTO is not used by the end of the benefit year, employees may carry unused time forward to the next benefit year. If the total amount of unused PTO reaches a "cap" equal to two times the annual PTO amount, further accrual will stop. When the employee uses PTO and brings the available amount below the cap, accrual will begin again.

Upon termination of employment, employees will be paid for unused PTO that has been earned through the last day of work.

127 Timekeeping

Accurately recording time worked is the responsibility of every nonexempt employee. Federal and state laws require Cold Bay to keep an accurate record of time worked in order to calculate employee pay and benefits. Time worked is all the time actually spent on the job performing assigned duties.

Employees should accurately record the time they begin and end their work, as well as the beginning and ending time of each meal period. They should also record the beginning and ending time of any split shift or departure from work for personal reasons. **Overtime work must always be approved before it is performed.**

It is the employees' responsibility to sign their time records to certify the accuracy of all time recorded. The supervisor will review and then initial the time record before submitting it for payroll processing. In addition, if corrections or modifications are made to the time record, both the employee and the supervisor must verify the accuracy of the changes by initialing the time record.

128 Paydays

All employees are paid biweekly. Each paycheck will include earnings for all work performed through the end of the previous payroll period.

If a regular payday falls during an employee's PTO leave, the employee may receive his or her earned wages before departing for PTO leave if a written request is submitted at least one week prior to departing for PTO leave.

Employees may have pay directly deposited into their bank accounts if they provide advance written authorization to Cold Bay. Employees will receive an itemized statement of wages when Cold Bay makes direct deposits.

129 Pay Advances

Cold Bay does not provide pay advances on unearned wages to employees.

130 Work Schedules

The City of Cold Bay's workweek is Monday – Sunday. Work schedules for employees vary throughout our organization. Supervisors will advise employees of their individual work schedules. Staffing needs and operational demands may necessitate variations in starting and ending times, as well as variations in the total hours that may be scheduled each day and week.

When granted, the purpose of flex-time is to allow employees to vary their starting and ending times each day, within established limits.

131 Employment Termination

Termination of employment is an inevitable part of personnel activity within any organization, and many of the reasons for termination are routine. Below are examples of some of the most common circumstances under which employment is terminated:

- * Resignation - voluntary employment termination initiated by an employee. Three days without reporting to work or contacting the appropriate official may be considered a voluntary resignation, at the discretion of the employer.
- * Discharge - involuntary employment termination initiated by the organization.
- * Layoff - involuntary employment termination initiated by the organization for non-disciplinary reasons.
- * Retirement - voluntary employment termination initiated by the employee.

Since employment with Cold Bay is based on mutual consent, both the employee and Cold Bay have the right to terminate employment at will, with or without cause, at any time. Employees will receive their final pay in accordance with applicable state law.

132 Smoking

In keeping with Cold Bay's intent to provide a safe and healthful work environment, smoking is prohibited throughout the workplace, in buildings, vehicles, and city housing. Smoking should be done 50ft. from all buildings.

This policy applies equally to all employees, customers, and visitors.

133 Overtime

When operating requirements or other needs cannot be met during regular working hours, employees may be scheduled to work overtime hours. When possible, advance notification of these mandatory assignments will be provided. All overtime work must receive the supervisor's prior authorization. Overtime assignments will be distributed as equitably as practical to all employees qualified to perform the required work.

Overtime compensation is paid to all nonexempt employees in accordance with federal and state wage and hour restrictions. Overtime pay is based on actual hours worked. Time off on, PTO leave, or any leave of absence will not be considered hours worked for purposes of performing overtime calculations.

134 Use of Equipment and Vehicles

Equipment and vehicles essential in accomplishing job duties are expensive and may be difficult to replace. When using property, employees are expected to exercise care, perform required maintenance, and follow all operating instructions, safety standards, and guidelines.

Please notify the supervisor if any equipment, machines, tools, or vehicles appear to be damaged, defective, or in need of repair. Prompt reporting of damages, defects, and the need for repairs could prevent deterioration of equipment and possible injury to employees or others. The supervisor can answer any questions about an employee's responsibility for maintenance and care of equipment or vehicles used on the job.

The improper, careless, negligent, destructive, or unsafe use or operation of equipment or vehicles, as well as excessive or avoidable traffic and parking violations, can result in disciplinary action, up to and including termination of employment.

135 Emergency Closings

At times, emergencies such as severe weather, fires, power failures, or earthquakes, can disrupt company operations. In extreme cases, these circumstances may require the closing of a work facility.

When operations are officially closed due to emergency conditions, the time off from scheduled work will be paid.

In cases where an emergency closing is not authorized, employees who fail to report for work will not be paid for the time off. Employees may request available paid leave time such as unused PTO leave benefits.

136 Business Travel Expenses

Cold Bay will reimburse employees for reasonable business travel expenses incurred while on assignments away from the normal work location. All business travel must be approved in advance by the Mayor.

Employees whose travel plans have been approved should make all travel arrangements through the City Clerk office.

When approved, the actual costs of travel, lodging, and other expenses directly related to accomplishing business travel objectives will be reimbursed by Cold Bay. Employees are expected to limit expenses to reasonable amounts.

Per diem allowance in addition to the travel expenses listed above, for each day away from home that requires an overnight stay or is ten hours or more including travel time, a daily per diem allowance for meals will be paid at \$33 per meal and will be paid by check, either before departure or upon return, as the employee requests.

Employees who are involved in an accident while traveling on business must promptly report the incident to their immediate supervisor. Vehicles owned, leased, or rented by Cold Bay may not be used for personal use without prior approval.

Cash advances to cover reasonable anticipated expenses may be made to employees, after travel has been approved. Employees should submit a written request to their supervisor when travel advances are needed.

Employees should contact their supervisor for guidance and assistance on procedures related to travel arrangements, travel advances, expense reports, reimbursement for specific expenses, or any other business travel issues.

137 Internet Usage

Internet access to global electronic information resources on the World Wide Web is provided by Cold Bay to assist employees in obtaining work-related data and technology. The following guidelines have been established to help ensure responsible and productive Internet usage.

All Internet data that is composed, transmitted, or received via our computer communications systems is considered to be part of the official records of Cold Bay and, as such, is subject to disclosure to law enforcement or other third parties. Consequently, employees should always ensure that the business information contained in Internet email messages and other transmissions is accurate, appropriate, ethical, and lawful.

The equipment, services, and technology provided to access the Internet remain at all times the property of Cold Bay. As such, Cold Bay reserves the right to monitor Internet traffic, and retrieve and read any data composed, sent, or received through our online connections and stored in our computer systems.

Data that is composed, transmitted, accessed, or received via the Internet must not contain content that could be considered discriminatory, offensive, obscene, threatening, harassing, intimidating, or disruptive to any employee or other person. Examples of unacceptable content may include, but are not limited to, sexual comments or images, racial slurs, gender-specific comments, or any other comments or images that could reasonably offend someone on the basis of race, age, sex, religious or political beliefs, national origin, disability, sexual orientation, or any other characteristic protected by law.

The unauthorized use, installation, copying, or distribution of copyrighted, trademarked, or patented material on the Internet is expressly prohibited. As a general rule, if an employee did not create material, does not own the rights to it, or has not gotten authorization for its use, it should not be put on the Internet. Employees are also responsible for ensuring that the person sending any material over the Internet has the appropriate distribution rights.

Internet users should take the necessary anti-virus precautions before downloading or copying any file from the Internet. All downloaded files are to be checked for viruses; all compressed files are to be checked before and after decompression.

Abuse of the Internet access provided by Cold Bay in violation of law or Cold Bay policies will result in disciplinary action, up to and including termination of employment. Employees may also be held personally liable for any violations of this policy. The following behaviors are examples of previously stated or additional actions and activities that are prohibited and can result in disciplinary action:

- * Sending or posting discriminatory, harassing, or threatening messages or images
- * Using the organization's time and resources for personal gain
- * Stealing, using, or disclosing someone else's code or password without authorization
- * Copying, pirating, or downloading software and electronic files without permission
- * Sending or posting confidential material, trade secrets, or proprietary information outside of the organization
- * Violating copyright law
- * Failing to observe licensing agreements
- * Engaging in unauthorized transactions that may incur a cost to the organization or initiate unwanted Internet services and transmissions
- * Sending or posting messages or material that could damage the organization's image or reputation
- * Participating in the viewing or exchange of pornography or obscene materials
- * Sending or posting messages that defame or slander other individuals
- * Attempting to break into the computer system of another organization or person
- * Refusing to cooperate with a security investigation
- * Sending or posting chain letters, solicitations, or advertisements not related to business purposes or activities
- * Using the Internet for political causes or activities, religious activities, or any sort of gambling
- * Jeopardizing the security of the organization's electronic communications systems
- * Sending or posting messages that disparage another organization's products or services
- * Passing off personal views as representing those of the organization
- * Sending anonymous email messages
- * Engaging in any other illegal activities

138 Social Networking- NEW

The City of Cold Bay takes no position on an employee's decision to start or maintain a blog or participate in other social networking activities. However, it is the right and duty of the company to protect itself from unauthorized disclosure of information. The City of Cold Bay's social networking policy includes rules and guidelines for company-authorized social networking and personal social networking.

Blogging and other forms of social media or technology include, but are not limited to, YouTube and other video sites, Wiki sites, sites such as Facebook, Pinterest, Tumbler, and Twitter, chat rooms, industry chat boards, personal blogs and other similar forms of online journals, diaries and personal newsletters not affiliated with the City of Cold Bay. Unless specifically instructed, employees are not authorized to speak on behalf of the City of Cold Bay.

Employees may not publicly discuss members, products, colleagues or any work-related matter, whether confidential or not, outside company-authorized communication channels. Employees are expected to protect the privacy of the City of Cold Bay; its employees are prohibited from disclosing personal employee and non-employee information and any other proprietary or non-public information to which employees have access.

The City of Cold Bay reserves the right to monitor comments and discussions about the company, its employees, members and the industry, including products and competitors, posted on the Internet by anyone, including employees. Employees are cautioned that they should have no expectation of privacy while using company equipment or facilities for any purpose (see Computer Network & Internet above).

The City of Cold Bay strongly urges employees to report any violation, or possible or perceived violation, of this section to a supervisor, a manager, or Human Resources. Violations include discussions of the City of Cold Bay and its employees and members, any discussion of proprietary information and any unlawful activity related to blogging or social networking.

The City of Cold Bay investigates and responds to all reports of violations of the social networking policy and other related policies, and may take legal action where necessary against any employee who engages in prohibited or unlawful conduct.

The City of Cold Bay respects the right of employees to use blogs and social networking sites as a medium of self expression and public conversation and does not discriminate against employees who use these media for personal interests and affiliations or other lawful purposes.

Employees are personally responsible for their commentary on blogs and social networking sites, and can be held personally liable for commentary that is considered

defamatory, obscene, proprietary or libelous by any offended party, including the City of Cold Bay.

Employees may not use Cold Bay equipment, including computers, company-licensed software or other electronic equipment, nor facilities or company time, to conduct personal blogging or social networking activities.

Employees may not use blogs or social networking sites to harass, threaten, discriminate or disparage any employee or anyone associated with or doing business with the City of Cold Bay.

Any employee who chooses to identify him/herself as a Cold Bay employee must understand that some readers may view the employee as a spokesperson for the City of Cold Bay. Because of this possibility, an employee who identifies him/herself as an Cold Bay employee must state that the views expressed in any blog or social network are the employee's own and not those of the City of Cold Bay, nor of any person or organization affiliated or doing business with the City of Cold Bay.

Employees may not post on personal blogs or other sites the name, trademark or logo of the City of Cold Bay or any business with a connection to the City of Cold Bay. Employees may not post company-privileged information, including copyrighted information or company issued documents.

An employee who has questions relating to this policy, a personal blog or social networking should ask the employee's manager or supervisor.

139 Workplace Violence Prevention

Cold Bay is committed to preventing workplace violence and to maintaining a safe work environment. Given the increasing violence in society in general, Cold Bay has adopted the following guidelines to deal with intimidation, harassment, or other threats of (or actual) violence that may occur during business hours or on its premises.

All employees, including supervisors and temporary employees, should be treated with courtesy and respect at all times. Employees are expected to refrain from fighting, "horseplay," or other conduct that may be dangerous to others. Firearms, weapons, and other dangerous or hazardous devices or substances are prohibited from the premises of Cold Bay without proper authorization.

Conduct that threatens, intimidates, or coerces another employee, a customer, or a member of the public at any time, including off-duty periods, will not be tolerated. This prohibition includes all acts of harassment, including harassment that is based on an individual's sex, race, age, or any characteristic protected by federal, state, or local law.

All threats of (or actual) violence, both direct and indirect, should be reported as soon as possible to your immediate supervisor or any other member of management. This includes threats by employees, as well as threats by customers, vendors, solicitors, or other members of the public. When reporting a threat of violence, you should be as specific and detailed as possible.

All suspicious individuals or activities should also be reported as soon as possible to a supervisor. Do not place yourself in peril. If you see or hear a commotion or disturbance near your workstation, do not try to intercede or see what is happening.

Cold Bay will promptly and thoroughly investigate all reports of threats of (or actual) violence and of suspicious individuals or activities. The identity of the individual making a report will be protected as much as is practical.

Anyone determined to be responsible for threats of (or actual) violence or other conduct that is in violation of these guidelines will be subject to prompt disciplinary action up to and including termination of employment.

Cold Bay encourages employees to bring their disputes or differences with other employees to the attention of their supervisors or the Mayor before the situation escalates into potential violence. Cold Bay is eager to assist in the resolution of employee disputes and will not discipline employees for raising such concerns.

140 Protection for Whistleblowers

A public employer may not discharge, threaten, or otherwise discriminate against an employee regarding the employee's compensation, terms, conditions, location, or privileges of employment for any reason pertaining to the Alaska Statute 39.90.100.

An employer shall post notices and use other appropriate means to inform employees of their protections and obligations.

141 Medical Leave

Cold Bay provides medical leaves of absence without pay to eligible employees who are temporarily unable to work due to a serious health condition or disability. For purposes of this policy, serious health conditions or disabilities include inpatient care in a hospital, hospice, or residential medical care facility; continuing treatment by a health care provider; and temporary disabilities associated with pregnancy, childbirth, and related medical conditions.

Employees in the following employment classifications are eligible to request medical leave as described in this policy:

* Regular full-time employees

Eligible employees may request medical leave only after having completed 90 calendar days of service. Exceptions to the service requirement will be considered to accommodate disabilities. Eligible employees should make requests for medical leave to their supervisors at least 30 days in advance of foreseeable events and as soon as possible for unforeseeable events.

A health care provider's statement must be submitted verifying the need for medical leave and its beginning and expected ending dates. Any changes in this information should be promptly reported to Cold Bay. Employees returning from medical leave must submit a health care provider's verification of their fitness to return to work.

Eligible employees are normally granted leave for the period of the disability, up to a maximum of 12 weeks within any 12 month period. Any combination of medical leave and family leave may not exceed this maximum limit. If the initial period of approved absence proves insufficient, consideration will be given to a request for an extension. Employees will be required to first use any accrued paid leave time before taking unpaid medical leave.

Employees who sustain work-related injuries are eligible for a medical leave of absence for the period of disability in accordance with all applicable laws covering occupational disabilities.

Benefit accruals, PTO leave, or holiday benefits, will be suspended during the leave and will resume upon return to active employment.

So that an employee's return to work can be properly scheduled, an employee on medical leave is requested to provide Cold Bay with at least two weeks advance notice of the date the employee intends to return to work. When a medical leave ends, the employee will be reinstated to the same position, if it is available, or to an equivalent position for which the employee is qualified.

If an employee fails to return to work on the agreed upon return date, Cold Bay will assume that the employee has resigned.

142 Family Leave

Cold Bay provides family leaves of absence without pay to eligible employees who wish to take time off from work duties to fulfill family obligations relating directly to childbirth, adoption, or placement of a foster child; or to care for a child, spouse, or parent with a serious health condition. A serious health condition means an illness, injury, impairment, or physical or mental condition that involves inpatient care in a hospital, hospice, or residential medical care facility; or continuing treatment by a health care provider.

Employees in the following employment classifications are eligible to request family leave as described in this policy:

- * Regular full-time employees

Eligible employees should make requests for family leave to their supervisors at least 30 days in advance of foreseeable events and as soon as possible for unforeseeable events.

Employees requesting family leave related to the serious health condition of a child, spouse, or parent may be required to submit a health care provider's statement verifying the need for a family leave to provide care, its beginning and expected ending dates, and the estimated time required.

Eligible employees may request up to a maximum of 12 weeks of family leave within any 12 month period. Any combination of family leave and medical leave may not exceed this maximum limit. Employees will be required to first use any accrued paid leave time before taking unpaid family leave. Married employee couples may be restricted to a combined total of 12 weeks leave within any 12 month period for childbirth, adoption, or placement of a foster child; or to care for a parent with a serious health condition.

Benefit accruals, such as PTO leave, or holiday benefits, will be suspended during the leave and will resume upon return to active employment.

So that an employee's return to work can be properly scheduled, an employee on family leave is requested to provide Cold Bay with at least two weeks advance notice of the date the employee intends to return to work. When a family leave ends, the employee will be reinstated to the same position, if it is available, or to an equivalent position for which the employee is qualified.

If an employee fails to return to work on the agreed upon return date, Cold Bay will assume that the employee has resigned.

143 Employee Conduct and Work Rules

To ensure orderly operations and provide the best possible work environment, Cold Bay expects employees to follow rules of conduct that will protect the interests and safety of all employees and the organization.

It is not possible to list all the forms of behavior that are considered unacceptable in the workplace. The following are examples of infractions of rules of conduct that may result in disciplinary action, up to and including termination of employment:

- * Working under the influence of alcohol or illegal drugs

- * Possession, distribution, sale, transfer, or use of alcohol or illegal drugs in the workplace, while on duty, or while operating employer-owned vehicles or equipment
- * Fighting or threatening violence in the workplace
- * Boisterous or disruptive activity in the workplace
- * Negligence or improper conduct leading to damage of employer-owned or customer-owned property
- * Insubordination or other disrespectful conduct
- * Violation of safety or health rules
- * Sexual or other unlawful or unwelcome harassment
- * Possession of dangerous or unauthorized materials, such as explosives or firearms, in the workplace
- * Excessive absenteeism or any absence without notice
- * Unauthorized disclosure of business "secrets" or confidential information
- * Violation of personnel policies
- * Unsatisfactory performance or conduct

Employment with Cold Bay is at the mutual consent of Cold Bay and the employee, and either party may terminate that relationship at any time, with or without cause, and with or without advance notice.

144 Sexual and Other Unlawful Harassment

Cold Bay is committed to providing a work environment that is free from all forms of discrimination and conduct that can be considered harassing, coercive, or disruptive, including sexual harassment. Actions, words, jokes, or comments based on an individual's sex, race, color, national origin, age, religion, disability, or any other legally protected characteristic will not be tolerated.

Sexual harassment is defined as unwanted sexual advances, or visual, verbal, or physical conduct of a sexual nature. This definition includes many forms of offensive behavior and includes gender-based harassment of a person of the same sex as the harasser. The following is a partial list of sexual harassment examples:

- * Unwanted sexual advances.
- * Offering employment benefits in exchange for sexual favors.
- * Making or threatening reprisals after a negative response to sexual advances.
- * Visual conduct that includes leering, making sexual gestures, or displaying of sexually suggestive objects or pictures, cartoons or posters.
- * Verbal conduct that includes making or using derogatory comments, epithets, slurs, or jokes.

- * Verbal sexual advances or propositions.
- * Verbal abuse of a sexual nature, graphic verbal commentaries about an individual's body, sexually degrading words used to describe an individual, or suggestive or obscene letters, notes, or invitations.
- * Physical conduct that includes touching, assaulting, or impeding or blocking movements.

Unwelcome sexual advances (either verbal or physical), requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute sexual harassment when: (1) submission to such conduct is made either explicitly or implicitly a term or condition of employment; (2) submission or rejection of the conduct is used as a basis for making employment decisions; or, (3) the conduct has the purpose or effect of interfering with work performance or creating an intimidating, hostile, or offensive work environment.

If you experience or witness sexual or other unlawful harassment in the workplace, report it immediately to your supervisor. If the supervisor is unavailable or you believe it would be inappropriate to contact that person, you should immediately contact the Mayor or any other member of management. You can raise concerns and make reports without fear of reprisal or retaliation.

All allegations of sexual harassment will be quickly and discreetly investigated. To the extent possible, your confidentiality and that of any witnesses and the alleged harasser will be protected against unnecessary disclosure. When the investigation is completed, you will be informed of the outcome of the investigation.

Any supervisor or manager who becomes aware of possible sexual or other unlawful harassment must immediately advise the Mayor or any member of management so it can be investigated in a timely and confidential manner. Anyone engaging in sexual or other unlawful harassment will be subject to disciplinary action, up to and including termination of employment.

145 Attendance and Punctuality

To maintain a safe and productive work environment, Cold Bay expects employees to be reliable and to be punctual in reporting for scheduled work. Absenteeism and tardiness place a burden on other employees and on Cold Bay. In the rare instances when employees cannot avoid being late to work or are unable to work as scheduled, they should notify their supervisor as soon as possible in advance of the anticipated tardiness or absence.

146 Return of Property

All Cold Bay property must be returned by employees on or before their last day of work. Where permitted by applicable laws, Cold Bay may withhold from the employee's check or final paycheck the cost of any items that are not returned when required. Cold Bay may also take all action deemed appropriate to recover or protect its property.

147 Resignation

Resignation is a voluntary act initiated by the employee to terminate employment with Cold Bay. Although advance notice is not required, Cold Bay would appreciate two weeks' written resignation notice from all employees.

148 Security Inspections

Cold Bay wishes to maintain a work environment that is free of illegal drugs, alcohol, firearms, explosives, or other improper materials. To this end, Cold Bay prohibits the possession, transfer, sale, or use of such materials on its premises. Cold Bay requires the cooperation of all employees in administering this policy.

Under NO circumstance should the City Vehicle be used to transport alcohol, open containers of alcohol, or illegal drugs.

Desks, lockers, and other storage devices may be provided for the convenience of employees but remain the sole property of Cold Bay.

149 Solicitation

In an effort to ensure a productive and harmonious work environment, persons not employed by Cold Bay may not solicit or distribute literature in the workplace at any time for any purpose.

Cold Bay recognizes that employees may have interests in events and organizations outside the workplace. However, employees may not solicit or distribute literature concerning these activities during working time. (Working time does not include lunch periods, work breaks, or any other periods in which employees are not on duty.)

In addition, the posting of written solicitations on company bulletin boards is prohibited. Bulletin boards are reserved for official organization communications on such items as:

- * Organization announcements
- * Payday notice
- * Workers' compensation insurance information
- * State disability insurance/unemployment insurance information