

SIDE LETTER AGREEMENT
BETWEEN CITY OF CHICO AND ALL EMPLOYEE GROUPS
REGARDING HEALTH INSURANCE ADVISORY COMMITTEE

Pursuant to the provisions of the Meyers-Miliias-Brown Act (“MMBA”) and specific articles related to “Letter Agreement for Variation of Provisions” of the Memoranda of Understanding between the City of Chico (“City”) and its employee groups, this Side Letter Agreement between the City and its employee groups (“Side Letter Agreement”) is entered into on the date of ratification as an amendment to their respective Memoranda of Understanding.

Therefore, effective June 30, 2026, the following language, establishing a Health Insurance Advisory Committee, hereby replaces and supersedes any and all existing provisions regarding health benefit committees or review groups currently found in the Memoranda of Understanding for the following employee groups, including:

- Chico Fire Management Employees (CFME) – Section 5.2 B.
- Chico Management Employees (CME) – Section 3.2 B.
- Chico Police Management (CPM) – Section 4.2 B.
- Chico Police Officers Association (CPOA) – Section 6.3 B. and C.
- Chico Public Safety Association (CPSA) – Section 6.3 B. and C.
- Confidentials (CNF) – Section 6.2 A.2.
- Service Employees International Union – Trades & Crafts (SEIU) – Section 6.2 B. and C.
- Stationary Engineers, Local 39 (L39) – Section 6.2 B.
- United Public Employees of California, Local 792 (UPEC) – Section 6.2 B. and C.

The language below shall replace the above provisions in their entirety as follows:

Health Insurance Advisory Committee.

1. Purpose. The City agrees to establish a Health Insurance Advisory Committee (“Committee”) consisting of representative(s) of the Administrative Services Department/Human Resources & Risk Management Division who will coordinate the Committee, and representatives from each employee group. The purpose of the Committee is to review the City’s health plans and make recommendations to the City Manager. Committee members shall establish governing bylaws and set goals, deadlines, and frequency of meetings that align with the annual renewal process. The primary responsibility of the Committee shall be to review carriers and providers who offer the best combination of plan design, availability of providers, and cost. Participation on the Committee does not satisfy the duty of the City and the participating employee groups to meet and confer in good faith with respect to matters within the scope of representation, including benefit offerings to represented employees. Items that require negotiations with and/or a vote of employee groups will be taken to the individual employee groups affected by the item, which may or may not include all employee groups.

2. Governance. The Committee will be governed by the *City of Chico Health Insurance Advisory Committee Bylaws* which set forth the membership, voting, communication procedures and other rules of the committee.

3. Attendance. Current employee representatives shall not be charged vacation or other leave time if Committee meetings are held during employee's normal work hours, nor shall employees receive overtime or call-back pay for service on the Committee.

4. Modifications to Cost-Sharing. Modifications of insurance premium cost-sharing arrangements are to be negotiated by individual bargaining groups.

This side letter agreement shall remain in effect until the expiration of the respective MOU at which point it will be incorporated into future MOU language. Any amendments or modifications to this Side Letter Agreement shall be made in writing, signed and dated by all parties.

The parties hereto have caused this Side Letter Agreement to be executed on the date signed below.

For:

CHICO FIRE MANAGEMENT EMPLOYEES:

 06/09/26
Jim Lucanic (Jun 9, 2026 13:06:49 PDT)
James Lucanic (Date)

CHICO MANAGEMENT EMPLOYEES:

 06/09/26
Robyn Ryan (Date)

CHICO POLICE MANAGEMENT:

 06/09/26
Jeffrey Durkin (Date)

CHICO POLICE OFFICERS ASSOCIATION:

 06/10/26
Austin Jones (Jun 10, 2026 14:26:06 PDT)
Austin Jones (Date)

CITY OF CHICO:

 06/09/26
Barbara Martin (Jun 9, 2026 10:37:48 PDT)
Barbara Martin, (Date)
Administrative Services Director

 06/09/26
Mark Sorensen (Jun 9, 2026 10:56:18 PDT)
Mark Sorensen, City Manager (Date)

Approved as to Form and Content:

 06/09/26
Ryan Jones (Jun 9, 2026 09:52:45 PDT)
Ryan Jones, City Attorney* (Date)
*Pursuant to The Charter of the
City of Chico, Section 906 (D)

CONFIDENTIALS:

Melanie Nichols

06/10/26

Melanie Nichols

(Date)

**SERVICE EMPLOYEES INTERNATIONAL
UNIT – TRADES & CRAFTS:**

Jason Anderson

06/11/26

Jason Anderson (Jun 11, 2026 09:00:12 PDT)

Jason Anderson

(Date)

STATIONARY ENGINEERS, LOCAL 39:

Travis Elliott

06/11/26

Travis Elliott (Jun 11, 2026 10:42:26 PDT)

Travis Elliott

(Date)

**UNITED PUBLIC EMPLOYEES OF
CALIFORNIA, LOCAL 792:**

Rob Perry

06/11/26

Rob Perry (Jun 11, 2026 11:27:28 PDT)

James LeDonne

(Date)

CHICO PUBLIC SAFETY ASSOCIATION:

January Slattery

06/12/26

January Slattery (Jun 12, 2026 18:34:08 PDT)

January Slattery

(Date)