

**Side Letter of Agreement
Between the
City of Petaluma and the Petaluma Professional &
Mid-Managers Association – Units 4, 9, 11**

**Dental and Vision Insurance
July 1, 2017 – June 30, 2019**

Representatives of the City of Petaluma and the Petaluma Professional & Mid-Managers Association ("Association") Units 4, 9, and 11 have met and conferred and reached agreement on this Side Letter of Agreement. This Side Letter shall be effective July 1, 2017 through June 30, 2019.

The City has been a client of Wells Fargo Insurance Services for many years. At the request of AFSCME and PPMMA, the City considered re-evaluating the insurance market and ensuring the City is receiving the most competitive benefit packages. The City put out a Request for Proposal on March 29, 2017 to select an insurance broker and market all of the City's employee benefit plans outside of CalPERS health, including: dental, vision, employee assistance program (EAP), Long Term Disability (LTD), Life insurance, Flexible Spending Accounts (FSA), etc.

The City selected a new broker, Burnham Benefits, on May 15, 2017, and was able to secure significant rate reductions and enhance the benefits of some plans, while maintaining comparable benefits for all lines of coverage. The change in broker unexpectedly resulted in Wells Fargo's termination of the City's self-funded plan. This unintended consequence caused the City to abruptly switch dental and vision providers by July 1, 2017, instead of the original anticipated change in providers in January 2018. This switch had an immediate effect on the dental and vision plans.

Both parties agree to the following:

SECTION 30 – DENTAL INSURANCE

The City shall provide a dental plan for the term of the Memorandum of Understanding and pay the total premium costs for the employee and eligible dependents. The maximum benefit amount is two thousand dollars (\$2,000.00) per person per calendar year. Orthodontic coverage shall be provided for dependent children at 50% of the dentist's allowed fee (subject to a \$2,000 lifetime maximum per person). Dependent children are eligible for dental and orthodontic coverage from birth to age 26.

SECTION 31 – VISION INSURANCE

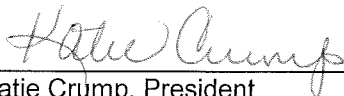
The City shall provide a vision plan for employees and eligible dependents. The cost shall be paid for by the City. Employees are eligible for eye exams every twelve (12) months with a twenty-five dollar (\$25.00) deductible. Frames are available every twelve (12) months with a maximum benefit of one hundred eighty dollars (\$180.00). Single vision, lined bifocal and trifocal lenses are available every twelve (12) months and are covered with no copay. Progressive lenses are available every twelve (12) months with copays ranging from \$55 to \$75 with no maximum benefit.

SECTION 33 – DISABILITY INSURANCE

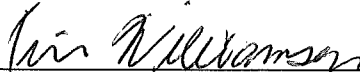
33.2 Long-Term Disability Insurance

The City shall provide for a long-term disability plan after the designation is met, with the premium to be paid for by the City. Plan coverage is indicated on provider contract documents on file in Human Resources.

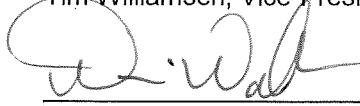
Petaluma Professional & Mid-Managers Association – Unit 4


Katie Crump, President

10/18/17
Date


Tim Williamsen, Vice-President

10/18/17
Date


Dennis Wallach, Labor Negotiator

10/17/17
Date

City of Petaluma


John C. Brown, City Manager

10/19/17
Date


Scott Brodhun, Assistant City Manager

10/23/17
Date


Amy M. Reeve, Human Resources Director

10/17/2017
Date