

**Contract Addendum**

This Contract Addendum is effective on August 6, 2024 (“Effective Date”) and is by and between the City of Duluth, a Minnesota Municipal Corporation, (the “City”) and Life House, a Minnesota non-profit corporation, (the “Sub-Grantee”). The organizations shall be collectively referred to as the “Parties”.

WHEREAS, the parties have previously entered into a sub-recipient funding agreement (City Contract No. 24786) dated June 24, 2024 (the "Original Contract") for the purpose of One Minnesota: Youth Accelerate Demonstration Program;

NOW, THEREFORE, in consideration of the mutual promises set forth herein, the parties agree to the following amendments to the Original Contract:

Addition of State specified conditions required for all subgrantees.

**NO OTHER AMENDMENTS:**

Except as specifically modified by this Addendum, all other terms and conditions of the Original Contract remain in full force and effect.

**ENTIRE AGREEMENT:**

This Addendum, together with the Original Contract, constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior or contemporaneous agreements or understandings, whether written or oral.

**A. Administrative Costs**

- i. The sub-grantee understands that these funds are sourced from an appropriation of state funds and as a condition of receiving those funds, it is required to agree to minimize administrative costs.

**B. Procurement/Contracting and Bidding Requirements**

- i. Any services and/or materials that are expected to cost \$100,000 or more must undergo a formal notice and bidding process.
- ii. Services and/or materials that are expected to cost between \$25,000 and \$99,999 must be competitively awarded based on a minimum of three (3) verbal quotes or bids.
- iii. Services and/or materials that are expected to cost between \$10,000 and \$24,999 must be competitively awarded based on a minimum of two (2) verbal quotes or bids or awarded to a targeted vendor.
- iv. The sub-grantee must take all necessary affirmative steps to assure that targeted vendors from businesses with active certifications through these entities are used when possible.

1. State Department of Administration's Certified Targeted Group, Economically Disadvantaged and Veteran-Owned Vendor List
  2. Metropolitan Council Underutilized Business Program: MCUB: Metropolitan Council Underutilized Business Program
  3. Small Business Certification Program through Hennepin County, Ramsey County, and City of St. Paul: Central Certification Program
- v. The sub-grantee must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award, and administration of contracts.
  - vi. The sub-grantee must maintain support documentation of the purchasing or bidding process used to contract services in their financial records, including support documentation justifying a single/sole source bid, if applicable.
  - vii. Notwithstanding (A) - (B) above, Youthprise may waive bidding process requirements when:
    1. Vendors included in response to competitive grant request for proposal process were approved and incorporated as an approved work plan submitted to the State of Minnesota for the grant.
    2. It is determined there is only one legitimate or practical source for such materials or services and that the grantee has established a fair and reasonable price.
  - viii. For projects that include construction work of \$25,000 or more, prevailing wage rules apply per Minn. Stat. §§177.41 through 177.44. These rules require that the wages of laborers and workers should be comparable to wages paid for similar work in the community as a whole.
  - ix. The sub-grantee must not contract with vendors who are suspended or debarred in MN: <https://mn.gov/admin/osp/government/suspended-debarred/>

### C. Reporting Requirements

- i. Expenditure and program income, including any profit earned, must be reported on an accrual basis.
- ii. Progress reports will be submitted quarterly and include reporting on outcomes.
- iii. Financial reports will be submitted monthly.
- iv. Information will be provided as may be deemed necessary to complete the Annual Report to the U.S. Department of Labor as described in the Workforce Innovation and Opportunity Act, Section 136(d) (1), (2).
- v. Special reports will be provided as requested.
- vi. All Grantees receiving funds under this grant contract agreement will track participants with the Workforce One ("WF1") Case Management System and/or other agreed-upon case management system(s). Data must be submitted per the standards and timeframes agreed to by Youthprise and the State of Minnesota.

Youthprise shall withhold funding if data compliance requirements are not met in a complete, accurate, and timely manner.

D. Monitoring and Corrective Action

- i. The sub-grantee agrees to permit monitoring by Youthprise and the State of Minnesota to determine grant contract agreement performance and compliance with grant contract agreement provisions. The sub-grantee further agrees to cooperate with Youthprise and the State of Minnesota in performing and completing such monitoring activities and the sub-grantee agrees to implement and comply with such remedial action as is proposed by Youthprise and the State of Minnesota. The sub-grantee must provide any financial records, timesheets, or other supporting documentation upon the request of Youthprise and the State of Minnesota.

E. State Audits

- i. Under Minn. Stat. § 16B.98, Subd.8, the sub-grantee's books, records, documents, and accounting procedures and practices of the sub-grantee are subject to examination by the Commissioner of Administration, by the State granting agency, and/or the State Auditor or Legislative Auditor, as appropriate, for a minimum of six years from the end of this Agreement, receipt, and approval of all final reports, or the required period of time to satisfy all state and program retention requirements, whichever is later.

F. Government Data Practices and Intellectual Property Rights

- i. Government Data Practices
- ii. The sub-grantee and State must comply with the Minnesota Government Data Practices Act, Minn. Stat. Ch. 13, as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the sub-grantee under Agreement. The civil remedies of Minn. Stat. §13.08 MN Statutes apply to the release of the data referred to in this clause by either the sub-grantee or the State. If the sub-grantee receives a request to release the data referred to in this Clause, the sub-grantee must immediately notify the State. The State will give the sub-grantee instructions concerning the release of the data to the requesting party before the data is released. The sub-grantee's response to the request shall comply with applicable law.
- iii. Intellectual Property Rights
- iv. The sub-grantee represents and warrants that its intellectual property used in the performance of this grant contract agreement does not and will not infringe upon any intellectual property rights of other persons or entities. The sub-grantee will indemnify; defend, to the extent permitted by the Attorney General; and hold harmless the State, at the sub-grantees expense, from any action or claim brought

against the State to the extent that it is based on a claim that all or part of the sub-grantee's intellectual property used in the performance of this grant contract agreement infringe upon the intellectual property rights of others. The sub-grantee will be responsible for payment of any and all such claims, demands, obligations, liabilities, costs, and damages, including but not limited to attorney fees.

If such a claim or action arises, or in the sub-grantee's or the State's opinion is likely to arise, the sub-grantee must, at the State's discretion, either procure for the State the right or license to use the intellectual property rights at issue or replace or modify the allegedly infringing intellectual property as necessary and appropriate to obviate the infringement claim. This remedy of the State will be in addition to and not exclusive of other remedies provided by law.

G. Worker's Compensation

- i. The sub-grantee certifies that it is in compliance with Minn. Stat. §176.181, Subd. 2, pertaining to workers' compensation insurance coverage. The sub-grantee's employees and agents will not be considered State employees. Any claims that may arise under the Minnesota Workers' Compensation Act on behalf of these employees and any claims made by any third party as a consequence of any act or omission on the part of these employees are in no way the State's obligation or responsibility.

H. Publicity and Endorsement

- i. Publicity:  
**All publicity regarding the subject matter of this Agreement must identify the State as the sponsoring agency and must not be released without prior written approval from Youthprise and the State's Authorized Representative.** For purposes of this provision, publicity includes notices, informational pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the sub-grantee, individually or jointly with others or any subcontractors, with respect to the program, publications, or services provided resulting from this Agreement. All projects primarily funded by state grant appropriations must publicly credit the State of Minnesota, including on the sub-grantee's website when practicable.
- ii. The following statement must be provided on materials produced with funds from this grant: **"The State of Minnesota Department of Human Services (DHS) funded (in whole or in part) this workforce development product (training, event, curricula, etc.) through a grant. The grant recipient created this product. DHS does not endorse this product or make guarantees, warranties, or assurances of any kind, express or implied, regarding the accuracy, completeness, timeliness, usefulness, adequacy, continued availability or ownership of the information herein or elsewhere."**
- iii. Endorsement:  
The sub-grant must not claim that the State endorses its products or services.

I. Equal Opportunity, Americans with Disabilities Act, and Minnesota Human Rights Act

- i. The sub-grantee agrees to comply with all nondiscrimination assurances described in: Section 188 of the Workforce Innovation and Opportunity Act (WIOA); the Americans with Disabilities Act, as amended (ADA), Title I and Title II, as amended (See sidebar menu to navigate to Titles I & II); and, the Minnesota Human Rights Act.

J. Grantee Monitoring and Reconciliation

- i. Subgrantee must participate in at least one monitoring visit and complete a financial reconciliation of expenditures if receiving over \$50,000 in State funds. The monitoring and financial reconciliation must be completed before the final payment is made (Policy Number: 08-10, Policy on Grant Monitoring, rev. 2016). The Code of Federal Regulations (CFR) outlines monitoring and auditing requirements for subrecipients of Federal awards (2CFR 200.331). Youthprise is responsible for the review, interpretation, and application of these regulations.

**GOVERNING LAW AND DISPUTE RESOLUTION:**

This Addendum shall be governed by and construed in accordance with the laws of the State of Minnesota. Any disputes arising under this Addendum shall be subject to the dispute resolution provisions set forth in the Original Contract.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the date set forth above.

**Life House**

By: \_\_\_\_\_  
Ryan Irlbeck  
Executive Director

**City of Duluth**

By: \_\_\_\_\_  
Roger J Reinert  
Mayor

By: \_\_\_\_\_  
Ian B Johnson  
City Clerk  
Date Attested: \_\_\_\_\_

Countersigned:  
By: \_\_\_\_\_  
Josh Bailey  
City Auditor

As to form:  
By: \_\_\_\_\_

Jessica Fralich  
City Attorney

By: \_\_\_\_\_  
Elena Foshay  
Director, Workforce Development