ADDENDUM TO PURCHASE AGREEMENT

This Addendum to the attached Purchase Agreement, contract #17647, made and entered into on the 1st day of January, 2024, by and between the St. Louis County Board of Commissioners ***(Board)*** and

CITY OF DULUTH dba CITY OF DULUTH WORKFORCE DEVELOPMENT

(Provider), hereby amends the attached Purchase of Service Agreement for

Statewide MFIP Diversionary Work Program Services

as indicated below. This Amendment shall be incorporated by reference and included as a part of the original Agreement between the parties.

1. Pages 2 and 24-26 are removed and replaced with the attached pages 2 and 24-26 to increase the contract maximum and adjust the budget accordingly.

2. All other provisions of the original Contract, except as amended herein, shall remain in full force and effect.

IN WITNESS WHEREOF, County and Provider agree to be bound by the provisions of this Agreement, said Agreement being effective from January 1, 2024 through December 31, 2024.

PROVIDER

Roger Reinert
Mayor

Date:_____

Elena Foshay
Executive Director

Date:_____

Josh Bailey
City Auditor

Date:_____

Ian Johnson
City Clerk

Date:_____

Rebecca St. George
City Attorney

Date:_____

Federal Tax ID # 41-1410670

GB/EB

COUNTY OF ST. LOUIS

Keith Nelson
Board Chairperson

Date:_____

Linnea Mirsch
Public Health & Human Services Director

Date:_____

Nancy Nilsen
Auditor

Date:_____

Approved as to form and execution:

Benjamin Stromberg
Assistant County Attorney

Date:_____

3. The specific scope of services per this Agreement are defined in Exhibit A, entitled STATEMENT OF WORK, incorporated herein and made a part of this Agreement.

PERSONNEL

4. The Provider will provide all personnel needed to perform services under this Agreement. The Provider will appoint a liaison person responsible for the overall administration of the project and communication with the County

COST AND DELIVERY OF PURCHASED SERVICES

5. Cost for covered services is as follows:

   5.1 The contract maximum for all St. Louis County Providers receiving MFIP DWP funds, of which this provider is one, is $3,037,231.00 or actual allowable expenditures, whichever is less. Expenditures incurred by this provider in rendering these purchased services shall be **$891,123.58** in Accordance with Provider's line item budget, attached hereto and incorporated herein as **Exhibit E.** County, in its sole discretion, may increase or decrease these budget allocations during the course of the Agreement in the event that other Employment and Training Providers for the same contracted services do not expend their allocation under their respective agreement with County, upon written notification to provider, not exceed $3,037,231.00, for all Providers taken together, which is the total allocation in State and Federal funds made by County for this purpose. County and Provider agree that maximum expenditure under this Agreement may not exceed such increased allocations as provided for above, upon written notification to Provider.

   5.2 The maximum amount to be paid under this Agreement shall not exceed **$891,123.58.**

   5.3 Provider may bill and retain payments received from clients and/or their insurance companies for services provided under terms of this Agreement. However, payments under this Agreement may only be made for amounts not paid by insurance or any other funding source.

   5.4 Services are provided at Ely, AEOA, Duluth WorkForce Center, Hibbing WorkForce Center, Virginia Workforce Center and other locations in St. Louis County.

ELIGIBILITY FOR SERVICES

6. Eligibility for purchased services shall be determined in accordance with procedures outlined in Exhibit A.

PAYMENT FOR SERVICES

7. Methods for billing and payment shall be made according to procedures outlined in Exhibit B, entitled PAYMENT AND REPORTING, attached hereto and incorporated herein

CY 2024 MFIP- DWP Budget Justification

Agency Name: City of Duluth Workforce Development – modification #1

Budget Period: 1/1/2024 to 12/31/2024

Line Items	Estimated	Year End – Actual Cost
A) Direct Program		
1. Personnel (add rows as needed)		
Workforce Development Technicians I & II, and Employment Technician (job counselors) – 6.64 FTE	$571,387	$
First Line Supervisors - .52 FTE	$83,836	$
Information Technician - .57 FTE	$55,415	$
	$	$
	$	$
2. Fringe Benefits (included in the above)		
Benefits	$	$
Payroll Taxes	$	$
Insurance	$	$
3. Overhead (adjust as needed)		
Space Rental and Utilities	$45,489	$
Printing and Advertising	$	$
Communications (print/copy)	$2,000	$
Travel/Training	$2,000	$
Supplies	$4,162.31	$
Equipment	$	$
4. Contractual Services	$	$
5. Participant Work Experience	$5,000	$
Direct Program (including below support services)	**$824,289.31**	**$**

Provide justification— for example:

- For each of the staff person who will work directly on the project, indicate the position title and name of the staff person if known; the full-time equivalent (or FTE) to be charged under the contract; the actual or expected rate of pay; the fringe benefits; and the total amount expected to be paid for the staff person. Other staff, such as supervisors and bookkeepers, should be included on the Administrative Cost line item.

  FTE is defined as percentage of time a person will work. To calculate the FTE, divide the hours the person will work by the standard number or work hours, with is 40 hours per week, 174 hours per month, or 2,080 hours per year. For example, a person who works 20 hours per week is a 0.50 FTE (20 divided by 40 equals 0.50).

- Include the costs of local travel, indicating the number of miles expected to travel and the mileage rate you will apply. Funds cannot be used for out-of-state travel without prior written approval from the State.

- Indicate the expected costs for general operating expenses, such as office supplies, postage, photocopying, telephone equipment and services, internet connection costs, teleconferences, videoconferences, meeting space rental, and equipment purchases or rental.

- Describe any other expected related costs that do not fit on any other line item. Examples include purchase of educational or promotional materials, conference sponsorships, etc. Funds may not be used for alcohol, gifts for staff, staff meals (except during approved travel), parties, capital improvements or alterations, any individual piece of equipment that costs more than $5,000 without prior written approval from the State.

- For each proposed contractual services, indicate the scope of work, including tasks and deliverables, that the contractor will provide; the time period for the contract; the total amount expected to be paid to the contractor; the name of the contractor, if known; whether the contractor is non-profit or for-profit, if known; and the method to be used to select the contractor, such as bids, request for proposals, or sole-source. Prior approval must be obtained from the State for all contracts.

B) Administrative		
1. Personnel (add rows as needed)		
Director - .08 FTE	$16,201	$
Operations Manager - .29 FTE	$43,542	$
Financial Analyst - .19 FTE	$6,131	$
	$	$
2. Fringe Benefits (included in above)		
Benefits	$	$
Payroll Taxes	$	$
Insurance	$	$
3. Other (add rows as needed)	$	$
Travel/Training	$960.27	$
Administration	**$66,834.27**	**$**

Provide Justification— for example:

- Administrative costs (sometimes called indirect costs) are costs that represent the cost of doing business that are not easily identified with a particular grant, contract, project, program, function, or activity, but are necessary for the overall operation of the agency and the to conduct the activities it performs. Examples of such expenses include accounting, human resources, general administration, rental of office space, and costs to operate and maintain facilities.

- Salaries of supervisory staff are also usually considered an administrative cost, unless they are providing program services. Indicate the position title and name of the staff person if known; the FTE to be charged to the contract; the actual or expected rate of pay; the fringe benefits; and the total amount expected to be paid for the staff person.

- Administrative costs can be calculated in one of three ways:
  - Based on federally-negotiated indirect cost rate;
  - through a formally adopted agency-wide cost allocation plan; or
  - through an information plan for allocation to specific funding sources

C) Participant Support Services		
1. Education	$1,300	$
2. Transportation – not working	$13,500	$
3. Transportation - working	$27,200	$
4. Employment Related	$11,700	$
5. St. Louis Co. Survey - incentives	$1,300	$
6. Other: (Add rows as needed)	$	$
	$	$
Participant Support Services	$55,000	$

Provide Justification— for example:

- Include the costs you expect to have to ensure that participants who are included in project activities can participate fully. Funds may not be used to for cash assistance paid directly to individuals to meet their personal or family needs outside your proposed activities.
- Include the costs of tuition, books, application fees, testing fees, and employment related costs. Describe how these costs will benefit participant's engagement and active participation in project activities.
- Estimated costs of subsidies based on number of people to be served by the demonstration.

Total Budget (sum of A1 – C-4)	**$891,123.58**	**$**