AGENDA ITEM or FINAL CONTRACT REVIEW SUBMITTAL FORM

Agenda Item: IGA; Gunnison County & State of CO

Action Requested:

Parties to the Agreement:

Term Begins: **Term Ends:** **Grant Contract #:**

Summary:

Work Number Agreement with state of CO

Fiscal Impact:

Submitted by: Randy Morgan **Submitter's Email Address:** rmorgan@gunnisoncounty.org

Finance Review: (●) Required ( ) Not Required

Comments:
No concerns, costs covered in the DHHS budget. ln

Reviewed by: GUNCOUNTY1\lNienhueser Discharge Date: 10/15/2019

County Attorney Review: (●) Required ( ) Not Required

Comments:
ok db 10/14/19

Reveiwed by: Discharge Date: 10/14/2019 Certificate of Insurance Required

Yes ( ) No (●)

County Manager Review:

Comments:

Reveiwed by: GUNCOUNTY1\mbirnie Discharge Date: 10/17/2019

(●) Consent Agenda ( ) Regular Agenda ( ) Worksession Time Allotted: 0

Agenda Date: 10/22/2019

Revised April 2015

CONTRACT AMENDMENT #2

SIGNATURE AND COVER PAGE

State Agency State of Colorado for the use and benefit of the Department of Human Services	**Original Contract Number** 17 IHGA 91555
Contractor Gunnison County Department of Health & Human Services	**Amendment Contract Number**
225 North Pine Street Gunnison, CO 81230	**Contract Performance Beginning Date** On or about October 19, 2016
	Current Contract Expiration Date Either upon termination of the Schedule A as specified in the Work Number Agreement or termination as specified in this Contract.

THE PARTIES HERETO HAVE EXECUTED THIS AMENDMENT

Each person signing this Amendment represents and warrants that he or she is duly authorized to execute this Amendment and to bind the Party authorizing his or her signature.

CONTRACTOR	**STATE OF COLORADO**
Gunnison County Department of Health & Human Services _____ By: Date: _____	Jared Polis, Governor Department of Human Services Michelle Barnes, Executive Director _____ By: Ki'i Powell, Director Date: _____

In accordance with §24-30-202 C.R.S., this Amendment is not valid until signed and dated below by the State Controller or an authorized delegate.

STATE CONTROLLER
Robert Jaros, CPA, MBA, JD

By:_____
Andrea Eurich, Controller

Amendment Effective Date:_____

1. PARTIES

This Amendment (the "Amendment") to the Original Contract shown on the Signature and Cover Page for this Amendment (the "Contract") is entered into by and between the Contractor, and the State.

2. TERMINOLOGY

Except as specifically modified by this Amendment, all terms used in this Amendment that are defined in the Contract shall be construed and interpreted in accordance with the Contract.

3. AMENDMENT EFFECTIVE DATE AND TERM

A. Amendment Effective Date

This Amendment shall not be valid or enforceable until the Amendment Effective Date shown on the Signature and Cover Page for this Amendment and upon full execution of substantially the same amendment with all counties listed in this Contract. The State shall not be bound by any provision of this Amendment before that Amendment Effective Date, and shall have no obligation to pay Contractor for any Work performed or expense incurred under this Amendment either before or after of the Amendment term shown in **§3.B** of this Amendment.

B. Amendment Term

The Parties' respective performances under this Amendment and the changes to the Contract contained herein shall commence on the Amendment Effective Date shown on the Signature and Cover Page for this Amendment or upon full execution of substantially the same amendment with all counties listed in this Contract, whichever is later and shall terminate on the termination of the Contract.

4. PURPOSE

The purpose of this Amendment is to:

A. Grant CDHS permission to extend and amend its agreement with TALX corporation;

B. Formally add participating counties to the "annual minimum" table; and

C. Update pricing.

5. MODIFICATIONS

The Contract and all prior amendments thereto, if any, are modified as follows:

A. Exhibit A is hereby replaced with Exhibit A-2, which is attached and incorporated into this Amendment.

6. LIMITS OF EFFECT AND ORDER OF PRECEDENCE

This Amendment is incorporated by reference into the Contract, and the Contract and all prior amendments or other modifications to the Contract, if any, remain in full force and effect except as specifically modified in this Amendment. Except for the Special Provisions contained in the Contract, in the event of any conflict, inconsistency, variance, or contradiction between the provisions of this Amendment and any of the provisions of the Contract or any prior modification to the Contract, the provisions of this Amendment shall in all respects supersede, govern, and control. The provisions of this Amendment shall only supersede, govern, and control over the Special Provisions contained in the Contract to the extent that this Amendment specifically modifies those Special Provisions.

Exhibit A-2 – Statement of Work

A. Background

For purposes of this Exhibit A, Contractor may also be referred to as "County." The State has entered into a contract ("Universal Membership Agreement")(State contract routing number 16 IHEA 83111)(Exhibit B) with TALX Corporation, a provider of Equifax Verification Services ("EVS") and intends to execute an amendment ("Schedule A")(State contract routing number 16 IHEA 87603)(Exhibit C) to the Universal Membership Agreement (collectively "Work Number Agreement"). The Work Number Agreement allows EVS to provide employment verification services directly to Colorado counties. The State acts only as a pass-through entity, meaning that EVS will bill the State for fees incurred by the counties, and the State will then bill the counties individually.

The Work Number Agreement is between the State and EVS with participating counties each signing Participation Agreements (see Exhibit 1 to Universal Membership Agreement). The Work Number Agreement obligates the counties collectively and Contractor individually to pay EVS via the State for services rendered so the State and County are entering into this Contract to memorialize the State's and County's responsibilities as they relate to the Work Number Agreement.

B. Payment

County shall pay the State for County's use of services within the scope of the Work Number Agreement. The State shall promptly pass through County's payments to EVS in accordance with the Work Number Agreement. Except within its role as a pass through entity, the State is not liable for County's obligations incurred under this Contract or the Work Number Agreement. The State shall provide each County an invoice at least 30 days prior to the date the payment is due to EVS. The State shall ensure that any payment to the State is paid over to EVS prior to the date that payment is due to EVS.

C. Annual Minimum

The Work Number Agreement by the terms of the Schedule A obligates each Participating County, through the State as the pass-through entity, to pay the Participating County's proportionate share of the Annual Minimum Payment as set forth in this Intergovernmental Agreement and Exhibit 1 to the Schedule A. The Annual Minimum Payment is $2,100,000.00 , which is based upon an estimated 375,000 income verification requests at $5.60 per income verification request, plus a $2,000 per month service fee. County's responsibility for its share of any deficiency survives termination of this Contract or the Work Number Agreement.

County is responsible for its percentage of the Annual Minimum Payment based upon the following formula:

[County's Minimum Usage] / [Total Participating counties' Previous Usage] = County Percentage
[County Percentage] X [Annual Minimum Payment] + [Admin Fee]= County Financial Obligation

IF County's Actual Annual Payment is less than County's Financial Obligation, THEN County is considered a Deficient County and shall pay any deficiency according to the following formula:

[Annual Minimum Payment] – [Total Actual Annual Payment] = Total Deficiency

[County Financial Obligation] – [County Actual Annual Payment] = County Deficiency

[County Deficiency] / [Total counties' Deficiency] = Deficient County Percentage

[Deficient County Percentage] X [Total Deficiency] = Deficient County Payment to State

This table represents each county's financial obligation:

County	Minimum Usage (as a percent of 2018-19 usage)	Minumum Cost	Admin. Fee (Annual)	Total Financial Obligation
Adams	34443	$192,882.67	$2,204.37	$195,087.04
Alamosa	50	$280.00	$3.20	$283.20
Arapahoe	66573	$372,808.80	$4,260.69	$377,069.49
Archuleta	48	$270.67	$3.09	$273.76
Bent	17	$93.33	$1.07	$94.40
Boulder	15730	$88,088.00	$1,006.72	$89,094.72
Broomfield	2952	$16,529.33	$188.91	$16,718.24
Clear Creek	17	$93.33	$1.07	$94.40
Conejos	72	$401.33	$4.59	$405.92
Crowley	143	$802.67	$9.17	$811.84
Delta	598	$3,350.67	$38.29	$3,388.96
Denver	81362	$455,627.20	$5,207.14	$460,834.34
Douglas	1573	$8,810.67	$100.69	$8,911.36
Eagle	1117	$6,253.33	$71.47	$6,324.80
Elbert	17	$93.33	$1.07	$94.40
El Paso	39253	$219,818.67	$2,512.21	$222,330.88
Fremont	2437	$13,645.33	$155.95	$13,801.28
Grand/Jackson	155	$868.00	$9.92	$877.92
Gunnison	142	$793.33	$9.07	$802.40
Jefferson	35733	$200,106.67	$2,286.93	$202,393.60
Kiowa	17	$93.33	$1.07	$94.40
Kit Carson	17	$93.33	$1.07	$94.40
Lake	163	$914.67	$10.45	$925.12
La Plata/San Juan	1442	$8,073.33	$92.27	$8,165.60
Larimer	25975	$145,460.00	$1,662.40	$147,122.40
Las Animas	265	$1,484.00	$16.96	$1,500.96
Mesa	4983	$27,906.67	$318.93	$28,225.60
Moffat	270	$1,512.00	$17.28	$1,529.28
Montezuma	1820	$10,192.00	$116.48	$10,308.48
Morgan	3383	$18,946.67	$216.53	$19,163.20
Park	17	$93.33	$1.07	$94.40
Phillips	53	$298.67	$3.41	$302.08
Pitkin	60	$336.00	$3.84	$339.84
Pueblo	12048	$67,470.67	$771.09	$68,241.76
Rio Grande/Mineral	80	$448.00	$5.12	$453.12

Routt	362	$2,025.33	$23.15	$2,048.48
San Miguel/Ouray	132	$737.33	$8.43	$745.76
Summit	353	$1,978.67	$22.61	$2,001.28
Weld	40828	$228,638.67	$2,613.01	$231,251.68
CDHS SNAP QA	300	$1,680.00	$19.20	$1,699.20
TOTAL	**375000**	**$2,100,000.00**	**$24,000.00**	**$2,124,000.00**

D. Miscellaneous Provisions

1. State is acting as a fiscal agent for County, passing through payment of all costs from County to EVS, including the Annual Minimum Payment. The State shall not be liable for any debt or payment obligation, including the Annual Minimum Payment, incurred by County pursuant to this Contract or the Work Number Agreement, provided, however, that any failure by the State to pass through such payments from County shall constitute a breach of this Contract by the State. The State shall be obligated to pay over to EVS any funds received from a County. Upon breach of this agreement by the State, the County shall have the right to terminate this Contract upon written notice and at least thirty (30) days in which the State may cure the breach or any other remedy allowed by law. If County fails to pay the State for County's costs incurred under this Contract or the Work Number Agreement, the State shall have the right to terminate this Contract upon written notice and at least thirty (30) days in which County may cure the breach.

2. The Work Number Agreement is for the benefit of County. Any amendments or changes to the Work Number Agreement or any new Schedule A or amendments to Schedule A must be signed by or approved by a person authorized by the governing body for each County in accordance with the County's local procedures prior to the amendment or change being effective as to a participating county. The State shall not execute amendments or revisions to the Work Number Agreement or Schedule A that bind any participating county without the participating counties' consent as provided herein.

3. County's liability for any unpaid fees owed under this Contract or the Work Number Agreement shall survive termination of this Contract as to County who has not paid all required fees until the State receives payment from County.

4. Annual Termination: Unless specified elsewhere in this Contract or the Work Number Agreement, the State or County may only terminate this Contract, upon 60 days written notice, so as to align with the end of an annual term stated in the Work Number Agreement. If a County elects to terminate it shall not be obligated to expend any funds, including any annual minimum payment, for the years following its termination.

5. The State may execute similar agreements with new counties not originally part of this Contract or the Work Number Agreement. If the State executes a similar agreement with a new county or counties, the State and County will recalculate the annual minimum for the subsequent annual term.

6. County hereby grants the State authority to do the following:
    a. Extend until October 31, 2020 the State's agreement with TALX corporation; and
    b. Amend, in accordance with this Amendment, the State's agreement with TALX Corporation.

END OF EXHIBIT A-2

Hello!

In order to continue participating in the Work Number agreement, your county will need to sign the attached Intergovernmental Agreement (IGA) amendment #2 which allows the Department to sign the statewide agreement on behalf of the county and sets a minimum for each county in the event that the statewide minimum is not hit and we owe any funds. Given our usage pattern, to date, it is highly unlikely that any county will owe anything other than for its discrete, monthly usage – but this assurance protects all the counties in case something strange happens. This does not eliminate the County's obligation to pay the State for the County's use of services.

First, we need your county to review Schedule A, as referenced in the IGA Amendment #2, and sign the attached IGA Amendment #2. Specifically, you need to do the following:

1. Review your county department's name and address in the top box on the attached IGA amendment. If it is not correct, please correct it on the Word document.
2. On page 1, type in the name and title of the person who is authorized to sign this agreement on the county's behalf. (In the event that the county requires a second individual to sign the agreement, there is space for a second signature).
3. Print THREE copies of the IGA amendment.
4. Have the authorized person sign and date ALL three copies of the IGA amendment.
5. Return **ALL three signed/dated IGA amendments** by U.S. mail or express mail to:

   Barry J. Pardus
   Colorado Department of Human Services
   Office of Economic Security
   1575 Sherman Street, 5th Floor
   Denver, CO 80203

Upon receipt of the signed IGA amendments, the Department will assign a routing number, counter-sign, and return one fully executed copy to the contact listed on the first page of the IGA amendment.

It is imperative that you sign and return the agreement as quickly as is feasible, within your processes, so this process continues to move forward to completion (**by October 29th at the latest**).

Just a reminder: Counties will be billed for their discrete usage monthly, by program, through the Settlement Accounting process.

Meanwhile, please do not hesitate to contact me (Barry.pardus@state.co.us or 303-866-3726) if you have any questions about the agreement, what you need to do, or anything else.

Thank you for your partnership in this endeavor!