



CONSULTING CONTRACT

This agreement (“Agreement”) is entered into as of the 27th day of November, 2023 between Huerfano County, 401 Main Street Suite 201, Walsenburg, CO 81089 (“County”), and Frontdoor Back, Retail Store Design, 2114 Main St. Suite 100-271, Vancouver, WA 98660 (“Consultant”).

- 1) **Consultant.** Subject to the terms and conditions of this Agreement, County hereby engages Consultant as an independent consultant to perform the services set forth herein, and the Consultant hereby accepts such engagement.
- 2) **Scope of Work, Term, Compensation:** Consultant’s duties, term, responsibilities, compensation, and provisions for payment thereof shall be as set forth in the estimate previously provided to County by Consultant and which is attached as Exhibit A, which may be amended in writing from time to time or supplemented with subsequent estimates for services to be rendered by the Consultant and agreed to by County and which collectively are hereby incorporated by reference. To complete the duties outlined in this Agreement, Consultant will be working with subcontractors (“Subs”), including, but not limited to AML Insights, Cahan and Company, and UP Design Lounge.
- 3) **Conflicts of Interest; Non-hire Provision:** During the term of this agreement, Consultant shall devote as much of his/her productive time, energy, and abilities to the performance of his/her duties hereunder as is necessary to perform the required duties in a timely and productive manner. The Consultant is expressly free to perform services for other parties while performing services for the County.
- 4) **Termination:** This agreement may be terminated with the mutual consent of both parties in writing. If this agreement is terminated while Consultant is in the midst of completing the duties outlined in Exhibit A, County will reimburse Consultant for the work done up to the date of termination at a rate of \$165.00/hour, and any expenses related to subcontractor time and project materials. Total hourly compensation for the Consultant in the case of early termination of this Agreement will not exceed the stated compensation totals contained in Exhibit A to this Agreement. If Consultant is guilty of serious misconduct in connection with performance hereunder, or materially breaches provisions of this Agreement, County at any time may terminate the engagement of Consultant. If County is guilty of materially breaching provisions of this Agreement, Consultant at any time may terminate the contract with the County.
- 5) **Independent Contractor:** This Agreement shall not render Consultant an employee, partner, agent of, or joint venturer with County for any purpose. Consultant is and will remain an independent consultant in his/her relationship to County. County shall not be responsible for withholding taxes with respect to Consultant’s compensation hereunder. Consultant shall have no claim against County hereunder or otherwise for vacation pay, sick leave, retirement benefits, social security, worker’s compensation, health or disability benefits, unemployment insurance benefits, or employee benefits of any kind.



- 6) **Intended Uses:** Intended uses and purposes for work products are to provide individual instruction and guidance for participants (emerging, new and existing retailers) within Huerfano County enrolled in the Retail Business Incubator program, and individual existing retailers enrolled in the County's business improvement programs whose aim it is to improve their effectiveness at using their physical spaces and product presentations to increase awareness of, interest in, exploration of and engagement with shoppers and guests to ultimately increase sales.

- 7) **Work Products:** All work products that result from this Agreement (collectively, the "Work Products") are the exclusive property of the Consultant, which retains all common law, statutory, and other reserved rights, including copyrights, in and to Work Products. Work Products include, but are not limited to all data, reports, design directives, frameworks, surveys, documents, drawings, photographs, research, analysis, presentations including recordings of presentations, and any other work subject to intellectual property laws and doctrines. Consultant grants to County non-exclusive, non-transferable right to distribute or make available Work Products for the intended uses and purposes contained in this Agreement for the term of this Agreement.

Sharing of recorded content must be for personal consumption by individual Incubator participants and individual Huerfano County retailers participating in business improvement programs. Recorded content may also be shared with participants between regularly scheduled in-person presentations by Consultant in order to satisfy the requirement that recipients of one-on-one consultations 'attend' the educational session prior to a consultation. Group broadcasts or group distribution or distribution to other business organizations, non-profits or service providers, consultants, consulting firms or other entities not contemplated as individual clients for the Incubator program such as regional, state or federal partners, is prohibited.

County agrees to take all reasonable steps to prevent unauthorized disclosure or use of the work products. County shall not reproduce or represent work products as their own. Recorded/digital content must be kept secure from access by forwarding or sharing of links by participants or secure from being available via publicly searchable platforms. County to provide Consultant copies of recorded content.

Subject to Colorado Open Records Act. The Consultant acknowledges and understands that the County is subject to the provisions of the Colorado Open Records Act (C.R.S. § 24-72-201 to 206) and that any trade secrets, privileged information, or confidential commercial data or work products must be clearly marked as "Confidential Not for Public Release" and "Not Created by Huerfano County or any Colorado Government" in order for it to be excluded from disclosure under the Colorado Open Records Act.

- 8) **Insurance:** Consultant will carry liability insurance and errors & omissions insurance relative to any service that Consultant performs for County.



- 9) **Successors and Assigns:** All of the provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, if any, successors, and assigns.
- 10) **Choice of Law:** The laws of the state of Washington shall govern the validity of this Agreement, the construction of its terms, and the interpretation of the rights and duties of the parties hereto.
- 11) **Arbitration:** Any controversies arising out of the terms of this Agreement or its interpretation shall be settled in the state of Washington in accordance with the rules of the American Arbitration Association, and the judgment upon award may be entered in any court having jurisdiction thereof.
- 12) **Headings:** Section headings are not to be considered a part of this Agreement and are not intended to be a full and accurate description of the contents hereof.
- 13) **Waiver:** Waiver by one party hereto of breach of any provision of this Agreement by the other shall not operate or be construed as a continuing waiver.
- 14) **Assignment:** Consultant shall not assign any of his/her rights under this Agreement, or delegate the performance of any of his/her duties hereunder, without the prior written consent of the County.
- 15) **Notices:** Any and all notices, demands, or other communications required or desired to be given hereunder by any party shall be in writing and shall be validly given or made to another party if personally served or if deposited in the United States mail or if sent via email. If such notice or demand is served personally, notice shall be deemed constructively made at the time of such personal service. If such notice, demand, or other communication is given by mail, such notice shall be conclusively deemed given five days after deposit thereof in the United States mail addressed to the party to whom such notice, demand, or other communication is to be given as follows:

If to County: John Galusha, Chairman of the Board of County Commissioners, 401 Main St. Ste 201,
Walsenburg, CO 81089

If to Consultant: Frontdoor Back Retail Store Design, Seanette Corkill, 2114 Main St. Suite 100-271,
Vancouver, WA 98660

If such notice is served via email, notice shall be deemed constructively made at the time the email is sent to the parties as follows:

If to County: John Galusha, commissioners@huerfano.us

If to Consultant: Seanette Corkill, seanette@frontdoorback.com



16) **Modification or Amendment:** No amendment, change, or modification of this Agreement shall be valid unless in writing signed by the parties hereto.

17) **Entire Understanding:** This document and any exhibit attached constitute the entire understanding and agreement of the parties, and any and all prior agreements, understandings, and representations are hereby terminated and canceled in their entirety and are of no further force and effect.

18) **Unenforceability of Provisions:** If any provision of this Agreement, or any portion thereof, is held to be invalid and unenforceable, then the remainder of this Agreement shall nevertheless remain in full force and effect.

IN WITNESS WHEREOF the undersigned have executed this Agreement as of the day and year first written above. The parties hereto agree that facsimile or scanned/emailed signatures shall be as effective as if originals.

By: Seanette Corkill

Seanette Corkill,
Principal Frontdoor Back, Retail Store Design

By: _____

John Galusha
Chairman of the Board Huerfano County Commissioners

Date: November 27, 2023

Date: _____

EXHIBIT A

Scopes of Work, Compensation Schedule, and Terms

See attached – pages 5-10



EXHIBIT A

RETAIL BUSINESS INCUBATOR CONSULTING SERVICES

Huerfano County Solicitation #2023-06

Understanding and Approach

Without a selection of strong stores ready to cater to shoppers' sentiment to "support local", there's too little standing in the way of losing shoppers to alternative, non-local channels. We'll share the foundations that will help retailers (and the district as a whole) sharpen their focus on where and how best to compete within a constantly changing retail environment. Getting the greatest return per square foot (large, small, or pop-up) is more important than ever. Knowing where to invest time and resources can make the difference between just surviving or thriving.

Whether it's a 10 x 10 tent at the market, a pop-up location, or a dedicated retail space, best practices for store-specific technical design, coupled with a greater understanding of shopper expectations and behavior, allay retail shortcomings and position businesses for increased enjoyment, loyalty, and sales from their shoppers.

Our proposed approach to support Huerfano County's budding entrepreneurs is two-fold: **Education + Consultation**. To lay a foundation for planning and communicating desired outcomes, retailers need to have an understanding of the principles, terminologies and best practices of retail space planning and product presentation. To achieve this first milestone, **Education**, we propose multiple in-person, 2-hour seminars covering the core components of planning a store space, shopper behaviors and visual merchandising. These seminars would be timed over the course of 2 years to introduce concepts to the first class of Wheelhouse Incubator participants and then again to the next generation the following year. Alumni will also benefit from attending as they will be receptive to information provided that they perhaps did not absorb or appreciate the first time around. Packed with photo examples of best practices, and easy to understand and relatable explanations of in-store marketing principles and tactics, this session will provide inspiration and guidance.

Seminar Core Topics will include: **Shopper Insights | Storefronts & Signage | Store Layouts & Fixture Selection
Visual Merchandising | Lighting | Window Displays**

Upon completion of the educational session, the foundation for change is laid. Retailers are typically enthusiastic about taking action and will likely seek guidance on applying the principles and strategies to their own unique circumstances. As a way to capture this excitement and effectively direct their efforts, Step 2 will be **one-on-one consultations** which will help connect the dots.

By empowering entrepreneurs to be more effective at attracting shoppers and closing sales, they can create small wins individually that collectively translate to momentum for the Incubator community at large. Consultation deliverables are a summary outlining a customized list of solutions and actionable tactics for each client's unique goals. Aspects of their proposed space (both interior and exterior) that are crucial for shopper engagement and sales goals will be identified and ideas for improvement or implementation will be provided. Depending on each businesses' needs, scopes may include: a review of their branding strength and continuity (as it applies to the retail environment), signage and wayfinding effectiveness, floorplan analysis, lighting, category adjacency evaluations, fixture review, and visual



merchandising strategies. Recommendations are prioritized by the owners' most pressing, near-term issues and then transition to long-term or more complex issues. These consultations give business owners ideas, inspiration, and a to-do list ("Punch List for Profit") to which they, and the organization's leadership can refer to to track and document concrete change and outcomes.

Based upon our understanding, incubator participants will encompass a range of business genres, various lengths of time in business, and variables in their general knowledge base of retail best practices. We have defined 4 categories that we anticipate businesses will fall within and, as a result, what our scope of work would be to provide support that meets them where they are.

Consultation Categories (4) based upon operational maturity:

- A) **Small batch maker/producer:** This client is exploring options for a viable product/manufacturing process that meets a perceived market opportunity. For this client type, we provide support for visual merchandising strategies and the fixtures and supplies for a small footprint (e.g. their product on another retailer's shelves/tables) product presentation. Cost: \$1,000
- B) **Market Vendor:** This client is further along in their product development and may already be producing products for an identified market. This client will likely have had experience that includes independent events with a short lifespan and temporary set-ups (i.e. weekend, one week, one month) within a 10 x 10 booth or on table at a farmers market or seasonal pop-up event. For this client type, we help them reach their next level of retail sophistication and execution by assessing and providing direction for general layout and enhancements to their fixtures, signage and visual merchandising strategies. Cost: \$1,500
- C) **Existing Retail:** These retailers have committed to a lease, purchased fixtures, signage, etc. and have a track record of sales and shopper behaviors to respond to. We will evaluate all aspects of a business's exterior and interior retail presentation and shopping experiences will be evaluated relative to the retailer's goals and retail best practices. Cost: \$3,000
- D) **Retail Concept:** This client has a scalable concept and business plan in development for ground floor retail spaces ranging from 1,000 to 2,500 square feet. (Spaces larger than this warrant a customized store design package of services.) For this client, we will provide design direction for front-of-house retail area space planning (layout), fixture and finishes selection, visual merchandising protocols, operational standards, exterior and interior signage and lighting, etc. Regardless of the entrepreneur's operational category, the process for providing technical design assistance will be the same and is outlined below. Cost \$9,000

Consultations, regardless of their category, have 3-4 phases:

Phase I: One week prior to their consultations, business owners will provide summaries of their concepts (business name, product lines, photos, site dimensions of proposed locations, branding and graphics files, etc.) to the Frontdoor Back team.

Phase II: The FdB Team will meet, in person, with predetermined businesses to answer their most pressing questions and ascertain where assistance is most needed. A summary of the recommendations will be emailed to business owners and we encourage that they begin taking action per our recommendations.



Phase III: A second, one-on-one virtual meeting will allow for feedback/questions on progress and offer further support.

Phase IV: (Optional) Hands-on visual merchandising training and fine tuning for retailers/incubator participants in need of on-going support. This phase occurs on a follow up visit, after the businesses have “lived” in the space.

Wheelhouse Retail Concept Development / Store Design Specifics

Providing an environment that sets up the incubator participants for success is crucial. To that end, we propose a separate scope of work that assesses and designs an optimal layout of the Wheelhouse. While the initial concept of providing individual cubbies to participants has merit, there are other layout configurations that should be explored which may be more shopper friendly and more beneficial to all participants.

- Site survey and documentation
- Scale site plans and elevations
- Storyboard of concept theme, finishes, fixtures exterior and interior
- Fixture schedule / budget reconciliation (purchase, receipt of goods, assembly and installation by others)
- Signage design direction (exterior and interior), vendor communication (purchase and installation by others), approval of proofs
- Lighting design direction, fixture schedule, sourcing, budget reconciliation (installation and permitting by others)
- Merchandising supplies - store opening basics
- Visual merchandising best practices for all shopper facing staff
- Retail supply vendor lists

SCHEDULE OF EVENTS/ TIMING:

- 2023
- Q4 Contract signed, deposit secured, event and consultation dates set and travel arrangements for 2024 made
 - Wheelhouse store design scope of work initiated
- 2024
- Q1* Wheelhouse space planning, build out, fixture acquisition + Presentation Yr 1 (end of March) + on-site client consultations
 - Q2 Virtual follow up meetings with Incubator participants
 - Q3
 - Q4* Hands-on training / visual merchandising workshop Holiday Yr 1 (October)
- 2025
- Q1* Presentation Yr 2 (end of March) + on-site client consultations
 - Q2 Virtual follow up meetings with Incubator participants
 - Q3
 - Q4* Hands-on training / visual merchandising workshop Holiday Yr 2 (October)

**indicates FdB Team travels to Huerfano County for face-to-face interaction*



SUMMARY OF COSTS FOR TRAINING DELIVERY OPTIONS:

<p><u>In Person Seminar</u> – One, 2-hour educational seminar to the incoming class for the Incubator space plus the community at large covering top-line district cohesiveness, retail best practices and shopper insights</p> <p>Cost to record seminar/s for future participants or reference is TBD.</p>	<p>\$7,500 each</p> <ul style="list-style-type: none"> ● Q1 2024 ● Q1 2025 	
<p><u>One-on-one Consultations</u> - Business owners meet with the FdB Team for two, 1-hour meetings: Rates are flat-fee and inclusive of both meetings 1 and 2.</p> <ol style="list-style-type: none"> 1. Meeting One – <u>On-site</u> 60-minutes The initial consultation culminates in a written summary (delivered via email) of recommendations addressing retailers’ top line concerns and needs regarding design directives, best practices, resources, suggested layouts, etc. Deliverables are dictated by participants’ Category Classification. 2. Meeting Two - <u>Virtual</u> 60-minutes Consultation to address questions, gather new information, provide feedback guidance, encouragement and clarification 	<p>Category A.\$1,000 Category B. \$1,500 Category C. \$3,000 Category D.\$9,000</p>	<p>Estimated Travel for 3-person team (Seminar + Consultations) for 5 days: \$4,750</p>
<ol style="list-style-type: none"> 3. Meeting Three - <u>On-site</u> Q4 option Hands-on visual merchandising training and fine tuning for retailers/incubator participants in need of on-going support 	<p>\$3,000/each, for two, 8-hour days</p> <ul style="list-style-type: none"> ● Q4 2024 ● Q4 2025 	<p>Estimated Travel for 2-person team (merchandising/layout fine tuning), for 4 days: \$2,900</p>
<p><u>Virtual</u> – Additional support for clients wanting to check-in, brainstorm, troubleshoot, request guidance, etc. (can be billed in ½ hour increments @ \$ 82.5/ per ½ hr)</p>	<p>\$165/ per hr</p>	<p>Estimated Travel NA</p>
<p>FIRM HOURLY RATES:</p>	<p>\$165</p>	



TERMS:

Work to occur from contract execution through December 31, 2024

Option to renew the contract at 2025 rates for work to continue through December 31, 2025, is also subject to annual appropriations. Appropriations are confirmed through 2024 and 2025 via a grant.

COMPENSATION:

Contract fees Not To Exceed \$45,000.00 through December 31, 2024, without Board of County Commissioners Approval.

Deposit of 20% of NTE to reserve dates

Funds in excess of deposit, less travel expenses, will be applied to the next available deliverable (i.e. presentation or consultation)

Invoices are due Net 30; billed monthly for deliverables (or portions thereof) provided.

In the event of overdue payments, a late fee of 2% may be applied for each 30-day period of delinquency.

Subject to Annual Appropriations: This Agreement is subject to the County making an annual budget appropriation in an amount sufficient to fund expenditures under this Agreement. If the County fails or refuses to make such an appropriation, the County reserves the right to terminate this Agreement.

ADDITIONAL DETAILS:

- Consultation participants **MUST** attend the educational seminar to be eligible for a consultation.
- FdB will work with one, central, Incubator representative to schedule participants' **initial, 1-hour, in-person meetings**.
- Following participants' first, 1-hour consultation, FdB will provide a **written report** to both the retail client and the Incubator program, summarizing the meeting and addressing issues raised in the meeting.
- After initial meetings and once participants have had time to review the information provided, they are encouraged to take action on recommendations. The FdB team will be available for a **second 1-hour meeting, to be conducted virtually**, up to 5 weeks after receipt of their Meeting 1 summary to answer questions or touch base regarding findings or questions after actions are initiated. (The sooner the better as the information is fresh in everyone's minds.) A central Incubator representative will coordinate dates and times for this virtual meeting. With participants' agreement, calls/videos will be recorded.
- **Follow-up virtual meetings** can be scheduled at FdB's hourly rate (in increments of 30 minutes).

Travel will diminish NTE budget, at cost +5%, at time of booking. With overall NTE budget inclusive of travel costs, increases in this expense category will necessarily reduce the number of consultations or other deliverables available based upon available budget. As of October 2023, the following are travel cost estimates:

- Airfare round-trip \$450 / per person
- Food \$66 per diem / per person
- Lodging \$200 per diem / per person
- Car rental \$450 weekly rate + fuel
- Ground transportation (parking, rideshare, etc.) \$125



Supplies/Materials/Fixtures* will be billed at cost, +5%, monthly. Supplies et. al. are for the planned improvements to and uses of the Wheelhouse incubator space. Proposed purchases to be approved of in advance of purchase, in writing, by both a County or Incubator program representative and Consultant. If purchased by Consultant, the County will reimburse Consultant upon receipt of invoices for approved purchases. Purchases for The Wheelhouse Incubator Space are for the use of its clients while they are tenants within the Wheelhouse space will remain the property of The Wheelhouse or the County for future events or projects. Costs for materials purchases are in addition to and outside of the contracted NTE budget for services.

Materials may include:

- Merchandising Fixtures
- Vinyl Designs
- Window Paint/Stencils
- Decorative Elements
- Construction Materials/ Lumber
- Track Lighting
- Light Bulbs
- Retail Fixtures
- Props/ Mannequins

*At the time of this contract, a budget for supplies/materials/fixtures has not been determined.