

## Memorandum

date:

September 12, 2011

to:

Dawn Sanders, Buffalo Municipal Housing Authority

from:

Stephen W. Bell, Partner/Director of Public Affairs

re:

Letter of Agreement with the BMHA

This letter describes terms of an agreement between the Buffalo Municipal Housing Authority, (hereinafter "BMHA") and Eric Mower and Associates (hereinafter "EMA") for public affairs counsel and services. Thank you for choosing EMA as your strategic communications partner,

## I. Scope of work:

- a. EMA is retained by BMHA to provide strategic communications services in connection with communications to key audiences, including the news media, general public and political and civic leaders. Services will include but are not limited to: media relations and strategy; development of news releases, op-eds and letters to the editor; community outreach; targeted and strategic communications to opinion leaders, government officials and other key constituencies; and other actions as appropriate during the course of the agreement.
- b. Services not covered by this agreement and that would be estimated and billed separately and in addition to the public affairs fee include: production and development of such printed materials as brochures, lawn signs and direct mall pieces; public opinion research (polling, focus groups); website creation; development and placement of paid advertising.

## II. Service fee agreement:

- a. BMHA will pay EMA a minimum of \$15,000, billed at \$325 an hour for work by partners and public affairs directors, and \$150 an hour for work by other public relations professionals. All work will be agreed to between the parties in general terms before it is undertaken.
- b. This agreement shall become effective Sept 12, 2011 and shall remain in effect until Dec. 31, 2011.
- c. If BMHA terminates the agreement without cause, EMA will be due all media and production commissions, hourly charges as stipulated and the full service fee for the 30 day termination period regardless of the amount of EMA services required during the termination

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period. If BMHA terminates the agreement for cause, it will be liable to EMA, and for all vendor services, for fees and costs for work performed up to the point that a cause termination notice is sent to EMA at its standard business address. "Cause' will be given its standard accepted meaning in service agreements of this nature, but would include, but not be limited to, gross negligence and fallure to provide services in a timely fashion.

- d. Out of pocket expenses necessary to conduct public relations activities including but not limited to such things as postage, photocopying, long-distance telephone/fax, travel, shipping, and delivery charges, will be billed as incurred with zero markup. Out-of-town travel time will be billed at the applicable hourly rate.
- e. Creative, advertising and production services (including direct mail and interactive services) will be estimated separately and apart from the public affairs fee stated above. For the protection of both the client and EMA, such services shall not be provided without expressed written approval of the estimate. Paid media and production services are commissionable at the industry standard rate of 15% gross of costs (17.65% of the net).
- f. BMHA will be solely liable for payment of all vendor invoices until EMA has been paid by BMHA for these invoices. EMA shall be solely liable for payment of all vendor invoices once EMA has been paid for these invoices by BMHA. This transfer of liability with payment is called sequential liability and is endorsed by the American Association of Advertising Agencies.
- g. In certain circumstances, EMA and its vendors may require advanced payment for a part or all portions of an assignment. In those cases, an invoice will be issued by the agency for immediate processing and work will begin only when the invoice is paid. EMA will issue regular statements indicating any unpaid invoices.
- h. Thirty (30) days after receipt of an invoice by BMHA, unpaid balances are subject to interest of 1% monthly, or 12% annually. Should your monthly billings remain unpaid for more than 30 days from invoice date, EMA reserves the right to suspend further activities until its account is made current.
- i. Unless otherwise agreed to by both parties, all materials created for BMHA will become the properly of BMHA at the time of full payment of all monies owed.
- J. BMHA on its part and its expense, shall defend, indemnify and hold harmless EMA in any action, suit or proceedings threatened or brought against EMA based on any advertising or publicity which EMA has prepared for BMHA. BMHA agrees to reimburse EMA for all expenses, including but not limited to, attorneys' fees and court costs, incurred by EMA with respect to the enforcement of any provision contained herein. All disputes shall be interpreted and governed by the laws of the State of New York.

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Should these terms be acceptable to you, please sign and date a copy of this agreement and return one copy to me, either by email or via fax at 842-1271. Please do not healtate to contact me if you have any questions.

Thank you again for giving us this opportunity. We are looking forward to working with you.

EMA Approval/Date

Stephen W. Bell/EMA

Client Approval/Date Dawn Sanders, BMHA

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