

POULSBO AGREEMENT DISTRIBUTION SCHEDULE

SUBJECT: Washington State Department of Revenue – Business Licensing Services

CONFORM AS TO DATES & SIGNATURES

- (X) Approved by the City Council: 08/17/2011
- (X) Completion: Until Terminated
- (X) Recorded: Posted on City website

DISTRIBUTE CONFORMED COPIES AS FOLLOWS:

- City Attorney
- Clerk's Department: Original
- Posted to Library Drive
- Posted to Web Site
- Finance:
- Fire District #18
- Mayor
- Municipal Court
- MRSC
- Parks/Recreation
- Planning/Building
- Police
- Public Works/Engineering:

Jill A. Boltz
City Clerk

July 10, 2013
Date



STATE OF WASHINGTON
BUSINESS LICENSING SERVICE

September 8, 2011

Jill A. Boltz, City Clerk
City of Poulsbo
200 NE Moe Street
Poulsbo, WA 98370

RE: Business Licensing Services Agreement No. K700

Dear Jill:

Please find enclosed one fully-executed original of the above referenced Business Licensing Services Agreement for your records. If you have any questions, please contact me at (360) 705-6641 or via email at mariam@dor.wa.gov.

Sincerely,

Maria Moore
Contract Manager
Business Licensing Service

Enclosure

BUSINESS LICENSING SERVICES AGREEMENT

I. Parties and Contact Information

This Business License Services Agreement ("Agreement") is entered into effective August 12, 2011 by and between the parties identified below:

	State of Washington Department of Revenue Business Licensing Services ("Revenue")	City of Poulsbo ("Partner")
Mailing Address	PO Box 47475 Olympia, WA 98504-7475	200 NE Moe Street Poulsbo, WA 98370
Delivery Address	6500 Linderson Way SW, Ste 102 Tumwater, WA 98501	200 NE Moe Street Poulsbo, WA 98370
Contact Person:	Maria Moore Phone: (360) 705-6641 FAX: (360) 705-6699 E-Mail: mariam@dor.wa.gov	Jill A. Boltz, City Clerk Phone: (360) 394-9880 FAX: (360) 779-5112 E-Mail: jboltz@cityofpoulsbo.com

II. Purpose.

The purpose of this Agreement is to establish the terms under which the Business Licensing Services Division of the Department of Revenue will act as Partner's agent for the purpose of collecting, processing, and disbursing information, licenses, and fees related to Partner's licensing or other regulatory activities. Partner retains all power and authority over its business licensing and other regulatory activities except as expressly delegated to Revenue under this Agreement.

III. Services provided by Revenue

Revenue will perform the services identified in this Section III using best efforts in a manner determined by Revenue in good faith to be appropriate considering Partner objectives, costs, and effectiveness.

- Issue and process initial and renewal internet and/or paper-based applications for Partner's business license and/or other regulatory activities.
 - Collect and process license fees and licensing information received from applicants and licensees. Disburse collected fees as directed by Partner.
 - Issue license documents (Business License) to Partner's licensees as authorized by Partner.
 - Provide reports on Partner's business licenses as requested by Partner, e.g., daily lists of new business applications and renewals, fees processed each day, weekly list of pending accounts, and lists of businesses for which fees have been transferred.
 - Maintain electronic or microfilm images of all paper documents and electronic representations of filings received by Revenue from applicants and provide copies or certified copies as requested.
-

- Maintain a database through the Department of Information Services containing information received from applicants and licensees (the BLS Database).
- Provide technical assistance to establish and configure appropriate BLS Database access and secure access for Partner staff.
- Provide initial training as to Partner staff in the use of the BLS Database, and ongoing training to address changes to the BLS database/access protocols or in Partner staff. Training will occur at Partner's location, over the telephone, or online, as agreed upon by the parties.
- Effect reasonable modifications in the BLS system, database, process, or forms to accommodate Partner's licensing or other regulatory requirements. Revenue will consult with Partner in evaluating alternatives and determining the most feasible and timely means of achieving Partner objectives.
- Timely notify Partner of other modifications to the BLS system, database, process, or forms, including modifications accommodating other BLS partners. Revenue will mitigate the impacts such modifications may have upon services provided to Partner.

IV. Partner obligations

- Timely provide Revenue with all information requested to implement Partner's participation in the BLS program.
- Follow all requirements identified by Revenue necessary for participation in the BLS program, including exclusive use of:
 - The Business License Application and other forms and processes established by Revenue;
 - The "Business License" document for proof of licensure under Partner's licensing or regulatory program.
 - The Unified Business Identifier (UBI) number to identify licensees and license accounts in all communications with Revenue.
- Obtain and maintain at its own cost, all necessary equipment and on-line services required at Partner's business location(s) to support Partner's access into and use of the BLS Database. End-to-end testing will take place until such time as Revenue is satisfied.
- Ensure the timely availability to Revenue of Partner Licensing and Information Technology staff. Staff will be knowledgeable of Partner operations and/or technology and be able to assist Revenue staff with process improvements and/or troubleshooting.
- Provide timely advance notice to Revenue of potential changes to Partner business licensing requirements, fees or processes.
- Upon request by Revenue, provide statistical data associated with the BLS Partner Partnership Agreement such as Full Time Equivalent (FTE) savings, change in number of Partner licensees, and change in revenue flow.

V Compensation

Services identified in this Agreement are provided by Revenue at no charge with the exception of the following:

- The Partner agrees to reimburse Revenue for any fees charged by financial institutions and/or credit card processors to handle the Partner's license fees collected by credit card and/or other electronic means, for the internet filing process of the Partner's licensees.
 - The Partner agrees to reimburse Revenue the costs of developing and producing ad hoc informational reports if reports are requested by the Partner and agreed-upon by Revenue.
 - The Partner shall reimburse Revenue expenses for the implementation of changes to the BLS process, if requested by the Partner and agreed-upon by Revenue.
-

- All project coordination costs, including travel-related expenses, shall be absorbed by the respective parties for their own staff.
- The Partner shall reimburse Revenue for Partner's share of mainframe charges from the Department of Information Services. Partner's share includes per inquiry/entry charge for access and usage of the BLS system, costs required to transmit Word document reports, and costs associated with special reports requested (if any).

VI. Billing procedures.

Partner will provide and maintain with Revenue its current billing addresses and the personnel, if any, to whom invoices should be directed. Revenue shall submit invoices to Partner as-needed, but in no event more frequently than monthly. Partner shall pay all invoices by warrant or account transfer within thirty (30) calendar days of the invoice issue date. Upon expiration or termination of this Agreement, any claim for payment not already made shall be submitted within ninety (90) calendar days after the expiration/termination date or the end of the fiscal year, whichever is earlier.

VII. Confidentiality and data sharing.

The parties agree to the confidentiality and data sharing provisions set forth in Exhibit A and incorporated herein by this reference.

VIII. Term and Termination.

This agreement is effective until terminated. Either party may terminate this Agreement upon ninety (90) calendar days' prior written notice to the other party.

IX. Disputes.

The parties agree to participate in good faith mediation to resolve any disputes that are not otherwise resolved by agreement, prior to any action in court. At any time, either party may initiate formal mediation by providing written request to the other party setting forth a brief description of the dispute and a proposed mediator. The responding party shall object to the proposed mediator by 5 p.m. on the fifth (5th) calendar day after receipt of the written request or will be deemed to have agreed to the choice of mediator. If the parties cannot agree upon a mediator within fifteen (15) calendar days after receipt of the written request for mediation, the parties shall use a mediation service that selects the mediator for the parties. Each party shall be responsible for one-half of the mediation fees, if any, and its own costs and attorneys' fees. Either party may request intervention at any time by the Governor, as provided by RCW 43.17.330, in which case the Governor's process for resolving the dispute will control.

X. Miscellaneous.

- A. Interpretation. This Agreement shall be interpreted to the extent possible in a manner consistent with all applicable laws and not strictly for or against either party.
 - B. No Waiver. The failure of either party to enforce any term in any one or more instance will not be construed as a waiver or otherwise affect any future right to insist upon strict performance of the term. No waiver of any term of this Agreement shall be effective unless made in writing signed by personnel authorized to bind the party against whom enforcement is sought.
 - C. Assignment and Delegation. Either party may assign any right or interest, or delegate any duty or obligation, arising under this Agreement upon written notice to the other party.
 - D. Severability. If any provision of this Agreement is held invalid by a court of competent jurisdiction, the remaining provisions of this Agreement shall be given effect to the extent consistent with applicable law and the fundamental purpose of this Agreement.
-

- E. Survival. Terms of this Agreement which by their nature would continue beyond termination will survive termination of this Agreement for any reason, including without limitation, Sections 3, 4, 5, and 7 in Exhibit A.
- F. No third party beneficiaries. This Agreement is for the benefit of the parties and their successors and may not be enforced by any non-party.
- G. Amendments. No amendment to this Agreement is enforceable unless made in writing signed by personnel authorized to bind the party against whom enforcement is sought.
- H. Changes in law. The provisions of this Agreement shall be deemed to change in a manner that is consistent with any changes to cited or directly applicable authority, provided that the change is consistent with the manifest intent of this Agreement and does not conflict with any express provisions. Any such change to this Agreement shall be effective on the effective date of the change in authority.

IN WITNESS WHEREOF, the parties have executed this Agreement.

State of Washington
Department of Revenue
Business Licensing Services

Partner

Bruce M. Perry
9/7/11
Date

Rhonda M. Myers
8/31/11
Date

EXHIBIT A CONFIDENTIALITY AND DATA SHARING

1. Purpose and Scope

The following provisions establish the terms under which Revenue and Partner will share Confidential Information pursuant to the BLS Agency Partnership Agreement (the "Agreement").

2. Definitions

"Non-confidential information" is any information that is not Confidential Information and includes information that may be disclosed to the public under Chapter 42.56 RCW or other state or federal law.

"Confidential Information" is any information that is confidential, personal or proprietary in nature or exempt from public disclosure under RCW 42.56 or other state or federal law. It includes, without limitation:

- "Personal Information" as defined in RCW 42.56.230 and RCW 42.56.590(5).
- A party's source code or object code, security data such as usernames and passwords
- "Confidential Tax Information," which means any information identifiable to a specific taxpayer protected by RCW 82.32.330, including but not limited to, a taxpayer's identity, income, assets, liabilities, tax payments, or actual or possible tax liabilities.
- "Confidential Licensing Information," which means any information related to the BLS program that is protected by Section 12 of SHB 2017 (Laws 2011), including but not limited to all information included on any BLS application or supplemental application, including attachments.

3. Permitted Uses

Confidential Information received under this Agreement may be used for official purposes only.

4. Confidentiality

Partner agrees for itself, its employees, and agents to keep confidential and secure from unauthorized use, access, or disclosure, all Confidential Information received under the Agreement.

- A. **Ensuring Security:** Partner shall establish and implement physical, electronic, and managerial policies, procedures, and safeguards to ensure the security of all Confidential Information received by it under this Agreement.
- B. **Electronic Security:** Partner's electronic security policies, procedures, and safeguards must be at least as stringent as those set forth in the ITSPS adopted by the Washington Information Services Board, as amended from time to time.
- C. **Proof of Security.** Revenue reserves the right to monitor, audit, or investigate Partner's security policies, procedures, and safeguards for Confidential Information. Partner agrees to provide information or proof of its security policies, procedures, and safeguards as reasonably requested by Revenue.

5. Disclosure Limitations

Partner may not disclose Confidential Information received under the Agreement unless the disclosure is:

- Expressly permitted under Chapter 42.56 RCW, RCW 82.32.330, RCW 51.16.070, RCW 50.13.020, Section 12 of SHB 2017 (Laws 2011), or other applicable state or federal law;
- required under any judicial or administrative proceeding; or
- otherwise expressly authorized by Revenue in writing.

6. Ownership and Retention of Records

Records furnished to Partner in any medium remain the property of Revenue. Except as provided in Section VII, below, Partner may retain possession of all such records in accordance with its own electronic information and document retention policies.

7. Breach of Confidentiality. In the event of any use, access, or disclosure of by Partner or its employees or agents in material violation of the confidentiality terms of this Agreement:

- A. Partner shall notify Revenue in writing as soon as practicable, but no later than three working days, after determining that a violation has occurred.
- B. Revenue may require the certified return or destruction of all records containing Confidential Information, however, Revenue shall provide Partner with an electronic record containing all information collected for Partner's licensing or other regulatory activities in an electronic medium.
- C. Partner is responsible for any loss or damages incurred by Revenue, including consequential damages such as public relations costs, arising out of the Partner's use, access, or disclosure of Confidential Information in violation of Sections 3, 4, 5, and 7 of this Exhibit A.

8. Statutory Prohibition Against Disclosure; Employee Notice, Secrecy Clause

- A. Criminal Sanctions. Section 12 of SHB 2017 (Laws 2011) prohibits the disclosure of Confidential Licensing Information, except as expressly authorized therein. It is a misdemeanor for any person acquiring Confidential Licensing Information under this Agreement to disclose such information in violation of the disclosure limitations stated in Section 12 of SHB 2017 (Laws 2011). Additionally, if the person is a state officer or employee, the person must forfeit such office or employment and is incapable of holding any public office or employment in Washington for a period of two years thereafter.
- B. Employee Notice. Partner will provide actual notice of the statutory disclosure limitations and penalties to employees that obtain access to any Confidential Information.
- C. Partner will require employees with access to Confidential Tax Information or Confidential Licensing Information to sign a copy of the secrecy clause affidavit attached at Exhibit B.

****end*****