

**SULTAN CITY COUNCIL
AGENDA ITEM COVER SHEET**

ITEM NO: Consent C 5

DATE: March 13, 2008

SUBJECT: Contract with State of Washington Department of Licensing

CONTACT PERSON: Laura Koenig, Clerk/Deputy Finance Director

ISSUE:

The issue before the Council is to authorize the Mayor to sign the extension of the contract between the State of Washington Department of Licensing and the City for Master Business License Processing.

STAFF RECOMMENDATION:

Staff recommends approval of the State of Washington Department of Licensing contract extension with from March 23, 2008 to March 23, 2010.

SUMMARY

The City of Sultan entered into a two year Master Business License Interagency Agreement with the State of Washington Department of Licensing (DOL) in March 2006. The contract expires on March 23, 2008. The DOL accepts applications for City of Sultan business license through their application process. SMC 5.04 (Attachment C) requires a license for anyone with a business located in the City or engaged in business within the City (this includes contractors and subcontractors).

As State license are renewed, the business is billed for the City license and the State remits the payment to the City on a weekly basis. A daily report of activity is e-mailed to the City. The City is responsible for enforcement of the business license code.

The City is required to review and approval all new applications. Applications may be submitted directly to the City and staff forwards them to the State or the applicant can use the computer supplied by the State to submit an application on line.

FISCAL IMPACT: The Administrative fee of \$15 is collected by the Department of Licensing from the applicant. The City pays the fee for credit card usage by applicants. The total cost for July 2007 to December 2007 was \$90.60.

ALTERNATIVES:

1. The Council could renew the contract and continue to process business licenses under through the Department of Licensing. This will allow the one step process

for those engaged in business in different municipalities. The revenues received on behalf of the City by the State will continue to be transferred on a weekly basis.

2. The Council could take action to cancel the contract with the Department of Licensing. This action will require the Council to amend SMC 5.04 and require City staff to track and bill those engaged in business within the corporate limits.

RECOMMENDED ACTION:

Approval of the State of Washington Department of Licensing contract extension from March 23, 2008 to March 23, 2010.

MOTION:

Authorize the Mayor to sign the amendment to the contract with the State of Washington Department of Licensing for Business License issuance and renewals.

Attachments:

- A. Contract Renewal
- B. Interagency Agreement
- C. SMC 5.04

Amendment Number 2 to
CONTRACT NO. 8208
BETWEEN
STATE OF WASHINGTON
DEPARTMENT OF LICENSING
And
THE CITY OF SULTAN

DOL Contract number 8208, including any subsequent modifications thereto, between the Department of Licensing (hereinafter called "DOL"), and The City of Sultan (hereinafter called the "Contractor"), is hereby amended under the provisions of the *Changes, Modifications and Amendments* clause and by the mutual consent of all parties hereto, as follows:

1. The end date of the period of performance is extended from March 23, 2008, to March 23, 2010.

ACKNOWLEDGMENT

The execution of this amendment shall constitute a ratification of that earlier verbal agreement between the parties, hereto, the terms and conditions of which are contained herein. Accordingly, regardless of the date of execution, the effective date of this amendment shall be upon execution. All other terms and conditions of the original contract and any subsequent amendments thereto remain in full force and effect. The parties hereby acknowledge and accept the terms and conditions of this Amendment which is executed by the persons signing below who warrant that they have the authority to execute it on behalf of DOL and the Contractor.

IN WITNESS WHEREOF, the parties have executed this Amendment.

City of Sultan

State of Washington
Department of Licensing

Ben Tolson
Mayor

Date

Alan Haight
Chief Financial Officer

Date

INTERAGENCY DATA SHARING AGREEMENT
BETWEEN
THE STATE OF WASHINGTON DEPARTMENT OF REVENUE
AND
CITY OF SULTAN

This Agreement is made and entered into by and between the Department of Revenue, hereinafter referred to as DOR, and the City of Sultan hereinafter referred to as the City.

I. PURPOSE

It is the purpose of this Agreement to permit on-line access by City employees to DOR's Unified Business Identifier (UBI) "Inquiry" and "Add" systems for the purpose of allowing City employees to issue UBI numbers to applicants for business licenses through the Master License Service.

THEREFORE, IT IS MUTUALLY AGREED THAT:

II. DEFINITIONS

As used throughout this Agreement, the following terms shall have the meanings set forth below:

"*Confidential Information*" shall mean information that may be exempt from disclosure to the public or other unauthorized persons under chapters 42.17 and 42.56 RCW (the Washington State Public Records statute), RCW 82.32.330 (DOR's excise tax confidentiality statute), RCW 84.08.210, RCW 84.40.020, RCW 84.40.340 (DOR's property tax confidentiality statutes), RCW 70.158.050(2) (tobacco product manufacturers statute), or other state or federal statutes. Confidential Information includes, but is not limited to, Personal Information, agency source code or object code, and agency security data.

"*Personal Information*" means information identifiable to any person, including, but not limited to, information that relates to a person's name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, social security numbers, driver license numbers, e-mail addresses, credit card information, law enforcement records or other identifying numbers, any financial identifiers, and other information that may be exempt from disclosure to the public or other unauthorized persons under RCW 42.17.310, chapter 42.56 RCW, RCW 82.32.330, RCW 84.08.210, RCW 84.40.020, RCW 84.40.340, RCW 70.158.050(2) or other state and federal statutes.

"RCW" means the Revised Code of Washington; the statutes of the State of Washington. They may be reviewed at <http://apps.leg.wa.gov/rcw/>.

III. STATEMENT OF WORK

The parties to this Agreement shall furnish the necessary personnel, equipment, material and/or service(s) and otherwise do all things necessary for or incidental to the exchange of data as set forth in the *Statement of Work, Attachment A*, attached hereto and incorporated herein.

IV. PERIOD OF PERFORMANCE

The period of performance of this Agreement shall start on June 15, 2006 and be completed on June 14, 2009, unless terminated sooner as provided herein. By written agreement of the parties, the period of performance of this Agreement may be extended for up to two additional three-year terms.

V. PAYMENT

This is a non-financial Agreement. In no event shall either party seek compensation for work performed under this Agreement.

VI. RECORDS MAINTENANCE

Unless otherwise provided by *Certification of Data Disposition, Attachment B*, the parties to this Agreement shall each retain for six years after expiration of this Agreement all books, records, documents, and other material relevant to this Agreement, including Secrecy Clause Affidavits signed by City employees and agents. Personnel of both parties, the Office of the State Auditor, federal officials so authorized by law, and any persons duly authorized by the parties shall have full access and the right to examine, review or audit any of these materials during this period.

Records and other documents, in any medium, furnished by DOR to this agreement to the City, will remain the property of DOR, unless otherwise agreed in writing. The City, and its employees and agents, will not

disclose or make available this material to any third parties without specific written authorization from DOR, signed by personnel authorized to bind DOR. The City will use security procedures and protections to assure that records and documents provided by DOR are not erroneously disclosed to third parties, as provided by this Agreement's section VII entitled "Confidentiality and Safeguarding of Confidential Information" and this Agreement's *Statement of Work, Attachment A*, in its section entitled "Security of Data."

VII. CONFIDENTIALITY AND SAFEGUARDING OF CONFIDENTIAL INFORMATION

The use or disclosure by any party of any information acquired under this Agreement or information concerning the other party for any purpose not directly connected with the administration of responsibilities with respect to this Agreement's *Statement of Work, Attachment A*, is prohibited except by prior written consent of DOR. Such written consent must be signed by personnel authorized to bind DOR and attached to the original Agreement. The City shall maintain as confidential all information concerning DOR's enforcement matters and any other information classified as Confidential Information.

The City shall not use or disclose Confidential Information in any manner that would constitute a violation of federal law or applicable provisions of Washington State law. The City agrees to comply with all federal and state laws and regulations, as currently enacted or revised, regarding data security and electronic data interchange of Confidential Information.

The City shall protect Confidential Information collected, used, or acquired under or in connection with this Agreement against unauthorized use, disclosure, modification or loss. The City shall ensure its employees and agents use the Confidential Information solely for the purposes of accomplishing this Agreement's *Statement of Work, Attachment A*, and that each employee or agent who will have access to the Confidential Information signs and submits to the City's Contract Manager a notarized DOR Secrecy Clause Affidavit prior to having access to the Confidential Information.

The City agrees to implement physical, electronic, and managerial policies, procedures, and safeguards to prevent unauthorized access, use, or disclosure of Confidential Information, including at a minimum those established in *Attachment A's* section entitled "Security of Data."

The City shall make information available to be amended, as directed by DOR, and shall incorporate any amendments into all the copies maintained by the City or its agents.

DOR reserves the right to monitor, audit, or investigate the use of Confidential Information collected, used or acquired by the City through this Agreement. The monitoring, auditing, or investigating may include, but is not limited to, Salting. "Salting" is the act of introducing data containing unique but false information that can be used later to identify inappropriate disclosure of data.

The City shall notify DOR in writing within five (5) working days of becoming aware of any unauthorized access, use or disclosure of Confidential Information. The City agrees to defend and protect DOR and hold DOR harmless for any damages related to unauthorized use or disclosure by the City's employees or agents of Confidential Information received under this Agreement.

Any breach of this clause may result in termination of the Agreement, suspension of on-line access accounts and the demand for return of all Confidential Information.

VIII. DATA DISPOSITION

The City shall certify the return or destruction of all data as described herein upon expiration without extension or termination of this Agreement, or upon reasonable demand of DOR, and the City shall retain no copies of the data. (See *Certification of Data Disposition, Attachment B*.) If the parties mutually determine that return or destruction is not feasible, the City shall not use the Confidential Information in any manner other than those permitted or authorized by state and federal laws and shall continue to use physical, electronic, and managerial policies, procedures, and safeguards to prevent unauthorized access, use, or disclosure of Confidential Information, including at a minimum those established in *Attachment A's* section entitled "Security of Data."

IX. INDEPENDENT CAPACITY

The employees or agents of each party who are engaged in the performance of this Agreement shall continue to be employees or agents of that party and shall not be considered for any purpose to be employees or agents of the other party.

X. AGREEMENT ALTERATIONS AND AMENDMENTS

This Agreement may be amended by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the parties.

XI. TERMINATION

Either party may terminate this Agreement upon 30 days' prior written notification to the other party. If this Agreement is so terminated, the parties shall be liable only for performance rendered in accordance with the terms of this Agreement prior to the effective date of termination.

XII. TERMINATION FOR CAUSE

If for any cause, either party does not fulfill in a timely and proper manner its obligations under this Agreement, or if either party violates any of these terms and conditions, the aggrieved party will give the other party written notice of such failure or violation. The responsible party will be given the opportunity to correct the violation or failure within 15 working days. If failure or violation is not corrected, this Agreement may be terminated immediately by written notice of the aggrieved party to the other.

XIII. DISPUTES

In the event that a dispute arises under this Agreement, it shall be determined by a Dispute Board in the following manner: Each party to this Agreement shall appoint one member to the Dispute Board. The members so appointed shall jointly appoint two additional members to the Dispute Board. The Dispute Board shall review the facts, Agreement terms, and applicable statutes and rules and make a determination of the dispute. The determination of the Dispute Board shall be final and binding on the parties hereto. As an alternative to this process, either of the parties may request intervention by the Governor, as provided by RCW 43.17.330, in which event the Governor's process will control.

XIV. GOVERNANCE

This Agreement is entered into pursuant to and under the authority granted by the laws of the state of Washington and any applicable federal laws. Washington law shall govern the construction of the provisions of this Agreement.

In the event of an inconsistency in the terms of this Agreement, or between its terms and any applicable statute or rule, the inconsistency shall be resolved by giving precedence in the following order:

1. Applicable state and federal statutes and rules;
2. Statement of work, Attachment A; and
3. Any other provisions of the agreement, including materials incorporated by reference.

XV. SURVIVAL

DOR's and the City's rights and obligations under this Agreement's sections VI, VII, VIII, XIII, and XIV will survive the expiration or termination of this Agreement.

XVI. ASSIGNMENT

The work to be provided under this Agreement, and any claim arising thereunder, is not assignable or delegable by either party in whole or in part, without the express prior written consent of the other party, signed by personnel authorized to bind the party.

XVII. WAIVER

A failure by either party to exercise its rights under this Agreement shall not preclude that party from subsequent exercise of such rights and shall not constitute a waiver of any other rights under this Agreement unless stated to be such in a writing signed by personnel authorized to bind the party and attached to the original Agreement.

XVIII. RIGHTS OF INSPECTION

Each party shall provide right of access to the other party, or any of its officers, or to any other authorized agent or official of the state of Washington or the federal government at all reasonable times, in order to monitor and evaluate performance, compliance, and/or quality assurance of internal policies and procedures, and/or records relating to the safeguarding, use, and disclosure of Confidential Information obtained or used as a result of this Agreement. Each party shall make available information necessary for the other party to comply with taxpayers' rights to access, amend, and receive an accounting of disclosures of their Confidential Information.

XIX. SUBCONTRACTING

With prior written consent, either party may enter into subcontracts for any of the work or services contemplated under this Agreement. Consent shall not be unreasonably withheld. The City is responsible for ensuring that all terms, conditions, assurances and certifications set forth in this Agreement are carried forward to any subcontracts.

"Subcontractor" means one not in the employment of a party to this agreement, who is performing all or part of those services under this contract under a separate contract with a party to this Agreement and includes subcontractors in any tier. The term "agents" in this Agreement includes subcontractors.

XX. SEVERABILITY

If any provision of this Agreement or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Agreement which can be given effect without the invalid provision, if such remainder conforms to the requirements of applicable law and the fundamental purpose of this agreement, and to this end the provisions of this Agreement are declared to be severable.

XXI. ALL WRITINGS CONTAINED HEREIN

This Agreement contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties hereto.

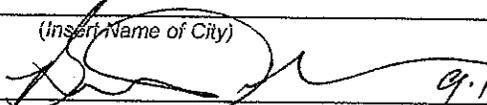
XXII. CONTRACT MANAGEMENT

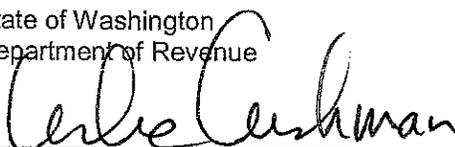
The contract manager for each of the parties shall be responsible for and shall be the contact person for all communications regarding the performance of this Agreement.

The Contract Manager for the City is:	The Contract Manager for the DOR is:
Contract Mgr's Name: Donna Murphy <i>Laura J. Koenig</i> City: Sultan Address: 319 Main Street Sultan, WA 98294-1199 Phone: 360.793.2231 FAX: 360.793.3344 E-Mail: donna.murphy@ci.sultan.wa.us <i>laura.koenig@ci.sultan.wa.us</i>	Mark Craig Department of Revenue PO Box 47478 Olympia WA 98504-7478 Phone: (360) 705-6602 FAX: (360) 705-6655 E-Mail: <u>MarkC@DoR.wa.gov</u>

The undersigned warrant and represent that they have complete and proper authority to execute this Agreement on behalf of the parties indicated.

IN WITNESS WHEREOF, the parties have executed this Agreement.

 (Insert Name of City)

 (Signature) _____ 9-13-06
 (Date)
 Ben Tolson
 (Print Name)
 Mayor
 (Title)

State of Washington
 Department of Revenue

 Cindi Holmstrom, Director _____
 (Date)
 Deputy Director 9-29-06

APPROVED AS TO FORM ONLY

signature on file

6/15/2006

(Signature)

(Date)

Heidi Irvin
Assistant Attorney General

Attachment A
STATEMENT OF WORK

DOR shall furnish the necessary personnel, equipment, material and/or services and otherwise do all things necessary for or incidental to the performance of work as set forth below.

DESCRIPTION OF DATA

This Agreement governs the transfer of and access to the following data:

The DOR's Information Services Security Program will authorize and provide on-line access to DOR's Unified Business Identifier (UBI) "Inquiry" and "Add" systems to City employees and agents who are required to have access to this information in order to issue UBI numbers to applicants for business licenses through the Master License Service and who have submitted signed and notarized DOR Secrecy Clause Affidavits to the City's Contract Manager.

The City's Contract Manager will notify DOR's Contract Manager or his designee in writing to authorize DOR to grant access to DOR's on-line UBI "Inquiry" and "Add" systems to City employees or agents after the City Contract Manager has received each employee's or agent's signed and notarized DOR Secrecy Clause Affidavit.

DATA CLASSIFICATION DECLARATION

Data described in this data-sharing agreement are Confidential. This means that the data, due to statutory requirements and the data's sensitive or private nature, require limited and authorized access. Unauthorized access could seriously and adversely impact DOR, its customers, employees or business partners. Unauthorized access could adversely impact DOR legally or financially, or could damage the public's confidence in the agency.

ACCESS TO DATA

Method of Access/Transfer

The data shall be provided by the DOR's Information Services Security Program in the following format:

- Floppy disk or CD-ROM
- Secure Message
- US or CMS mail
- Electronic file transfer
- On-line application
- Facsimile
- Other _____

Frequency of Data Exchange

- One time: data shall be delivered by _____ (date)
- Repetitive: frequency or dates _____
- As available
- As needed

Authorized Access to Data

Access to Confidential information shall be limited to individual City staff and agents who are specifically authorized and who have a business need to have access to that information. In accordance with the terms contained herein and prior to making the data available, the City shall notify all staff and agents with access to the data of the use, data-security, and non-disclosure requirements and shall have each employee and agent who will have access to the Confidential Information sign and submit to the City's Contract Manager a notarized DOR Secrecy Clause Affidavit prior to having access to the Confidential Information.

USE OF DATA

The data provided by DOR shall be used and accessed only for the limited purposes of carrying out activities pursuant to this Agreement as described herein. The data shall not be disclosed without the written authority of DOR. The City shall not use the data provided for any purpose not specifically authorized under this Agreement.

The Confidential Information acquired under this Agreement will be used by the City to issue Unified Business Identifier (UBI) numbers to applicants doing business in the City.

SECURITY OF DATA

The required protective measures are:

- A signed and notarized DOR Secrecy Clause Affidavit must be submitted to the City's Contract Manager prior to a City employee or agent having access to Confidential Information.
- Confidential Information shall not be communicated by electronic mail unless encrypted.
- Hard copies of Confidential Information shall be stored only in locked drawers, cabinets or rooms, with access to the key or code to the drawer, cabinet, or room limited to those employees or agents permitted to have access to the Confidential Information, and shall never be able to be read or copied by anyone other than those authorized to have access to the Confidential Information.
- All computer media containing Confidential Information acquired under this Agreement shall be secured adequately to assure there is no unauthorized access to the data.
- Hard copies of Confidential Information shall be shredded prior to disposal. Hard copies of Confidential Information not in locked storage shall be shredded by the close of each business day. Shredding shall be done according to best practices to assure no information is legible or could be reconstructed.
- The City shall take due care to protect the shared data from unauthorized physical or electronic access and ensure it is in compliance with all appropriate Washington State Information Services Board security standards.
- The City shall adhere to all requirements of this Agreement's section VII, entitled "Confidentiality and Safeguarding of Confidential Information" and of this Agreement's *Certification of Data Disposition, Attachment B*.

TERMINATION OF ACCESS

Each party may at its discretion disqualify a City employee or agent from gaining access to data. The City may terminate access of its employees or agents, however if the City requests DOR to process such terminations, notice of termination of access will be by written notice from the City Contract Manager to the DOR Contract Manager or his designee or successor. Termination of access of one individual by either party does not affect other individuals authorized under this Agreement.

ATTACHMENT B
CERTIFICATION OF DATA DISPOSITION

Date of Disposition _____

Data disposition methods used upon expiration or termination of this Agreement (select all that apply):

CHECK THE APPROPRIATE BOX

- All copies of any data acquired under this Agreement have been wiped from all data storage systems and media.
- All on-line access accounts related to this Agreement have been inactivated.
- All printed and hard-copy materials and all non-wiped computer media containing any data related to this data sharing Agreement have been destroyed.
- All copies of data acquired under this Agreement that have not been disposed of in a manner described above, have been returned to DOR.

I hereby certify, by signature below, that the data disposition requirements as provided in DOR Data-Sharing Agreement No. _____, have been fulfilled as indicated above.

(Insert City Name)

(Signature) (Date)

(Print Name)

(Title)

Upon completion, submit to the DOR Contract Manager or his successor.

Chapter 5.04

BUSINESS LICENSES

Sections:

- 5.04.010 Purpose.
- 5.04.020 Definitions.
- 5.04.030 Business license required.
- 5.04.040 Separate licenses required.
- 5.04.050 Change in nature or location of business.
- 5.04.060 Exemptions.
- 5.04.070 Issuance of license.
- 5.04.080 License to be posted.
- 5.04.090 Licenses not transferable.
- 5.04.100 Fraudulent use of business license.
- 5.04.110 Approval of business license.
- 5.04.120 Inspections – Right of entry.
- 5.04.130 Terms of license.
- 5.04.140 Renewal.
- 5.04.150 Penalty for late renewal.
- 5.04.160 Denial, revocation or suspension of license.
- 5.04.170 Appeal process – Request for hearing.
- 5.04.180 Appeal to the superior court.
- 5.04.190 License fees.
- 5.04.200 Violation.
- 5.04.210 General business license application – Public record.

5.04.010 Purpose.

The provisions of this chapter shall be deemed an exercise of the power of the city to license for revenue and to regulate and ensure the legal conduct of businesses and to assist in the effective administration of health, fire, building, zoning and other codes of the city. (Ord. 916-06 § 1; Ord. 843-04 § 1)

5.04.020 Definitions.

The following words, terms and phrases when used in this chapter shall have the following meanings, except where the content clearly indicates a different meaning:

A. "Business" includes all activities, occupations, trade, pursuits, or professions located and/or engaged in within the city with the object of gain, benefit or advantage to the person engaging in the same, or to any other person or class, directly or indirectly. It also includes but is not limited to general contractors, subcontractors, home occupations, multifamily dwelling units, mobile home

parks and businesses temporarily conducted within the city including but not limited to traveling salespersons.

B. "Business enterprise" means each location at which a person engages in business within the city.

C. "City" means the city of Sultan, Washington.

D. "Employee" means any person employed at any business and/or business enterprise who performs any part of his/her duties within the city, except casual laborers not employed in the usual course of business. All officers, agents, dealers, franchisees, etc., of a corporation or business trust, and partners of a partnership, are "employees" within this definition.

E. "Engaging in business" means commencing, conducting or continuing in any business or carrying on of any form of activity for gain, profit or advantage, whether direct or indirect, within the city whether or not an office or physical location for the business lies with the city.

F. "Licensee" means any business granted a business license.

G. "Person" includes one or more persons of either sex; corporations, including not-for-profit corporations and municipal corporations, partnerships, including limited partnerships; associations, joint ventures or any other entity capable of having an action at law brought against such entity, but excluding employees.

H. "Premises" shall mean and include all lands, structures and places, and any personal property, which either is affixed to, or is used in connection with any such business conducted on such premises. (Ord. 916-06 § 1; Ord. 843-04 § 1)

5.04.030 Business license required.

It is unlawful for any person to conduct, operate, engage in or practice any business in the city without having first obtained a business license for the current calendar year or unexpired portion thereof, and paying the fees prescribed herein, unless such activity is exempt as provided in SMC 5.04.060. (Ord. 916-06 § 1; Ord. 843-04 § 1)

5.04.040 Separate licenses required.

A separate business license shall be obtained for each separate location within the city at which the business is conducted. A separate business license shall be obtained for each different and discrete business conducted within the city by any person, whether at the same location as another licensed business. (Ord. 916-06 § 1; Ord. 843-04 § 1)

5.04.140 Renewal.

Renewals shall be handled by the State of Washington Department of Licensing in coordination with the city finance director. (Ord. 916-06 § 1; Ord. 843-04 § 1)

5.04.150 Penalty for late renewal.

If any license issued under this chapter is not obtained in a timely manner or renewed by the date of expiration of the existing license, then the new application must be accompanied by a fee of 150 percent of the regular fee payable upon application under this chapter. (Ord. 916-06 § 1; Ord. 843-04 § 1)

5.04.160 Denial, revocation or suspension of license.

A business license issued under this chapter may be revoked, suspended or denied for any one or more of the following reasons:

A. Failure to comply with any federal, state or local laws or regulations.

B. Failure to comply with any of the terms and conditions imposed by the city on the issuance of the business license.

C. Conduct of the business or activity in a manner which endangers the public health, welfare, or safety.

D. When the license was procured by fraud, false representation or evasions or suppression of material fact. (Ord. 916-06 § 1; Ord. 843-04 § 1)

5.04.170 Appeal process – Request for hearing.

Upon denial, suspension or revocation of a license, the city clerk shall, by certified mail, give written notice of such action to the applicant, which notice shall include a written report summarizing the complaints, objections and information received and considered by the city clerk and further stating the basis for such action. The applicant must appeal the decision for denial, suspension or revocation within 10 calendar days of receipt of the notice by filing a written notice of appeal and request for hearing with the city clerk. Upon receipt by the city clerk of the appeal notice, a hearing shall be set before the city council. Notice of the hearing shall be given to the appellant at least 10 days prior to the hearing. At such hearing, the appellant shall be entitled to be heard and introduce evidence on his behalf. (Ord. 916-06 § 1; Ord. 843-04 § 1)

5.04.180 Appeal to the superior court.

The decision of the city council is final unless an appeal of the decision is filed with the Snohomish County superior court within 30 calendar days from the date the city council decision was served upon or was mailed to the appellant. The decision for suspension or revocation of a license under this chapter shall be stayed during administrative and judicial review, but refusal to issue an initial license shall be not be stayed. (Ord. 916-06 § 1; Ord. 843-04 § 1)

5.04.190 License fees.

The fee for the business license required by this chapter shall be as established by resolution of the city council. The fee may be prorated as necessary to conform to SMC 5.04.130. (Ord. 916-06 § 1; Ord. 843-04 § 1)

5.04.200 Violation.

A. Any violation of this chapter shall be deemed a misdemeanor and shall be punished by a fine not to exceed \$500.00 and any person who engages in or carries on any business subject to the provisions of this chapter without obtaining a business license, or who carries on such activities in violation of this chapter shall be guilty of a separate violation of this chapter for each day during which the business is so engaged in or carried on, and any owner who fails or refuses to pay the business license fee or any part thereof on or before the due date shall be deemed to be operating a business without having a proper license to do so.

B. Collection. Any license fee or tax due and unpaid and delinquent under this chapter, and all penalties thereon may be collected by civil action, which remedy shall be in addition to any and all other existing remedies and penalties. (Ord. 916-06 § 1; Ord. 843-04 § 1)

5.04.210 General business license application – Public record.

General business license applications made to the city clerk pursuant to this chapter shall be public information subject to inspection by all persons except to the extent those records may be deemed to be private or would result in unfair competitive disadvantage to such business enterprise if disclosed, all as more particularly described in Chapter 42.17 RCW. (Ord. 916-06 § 1; Ord. 843-04 § 1)

5.04.050

5.04.050 Change in nature or location of business.

Each business license shall authorize a particular type of business at the designated location. Any change in the nature of the business shall necessitate a new application for a business license. A change of location shall be reported in writing to the city clerk within 10 days of the change and, if in compliance with zoning and business regulatory ordinances, the existing business license shall be transferred to the new location. (Ord. 916-06 § 1; Ord. 843-04 § 1)

5.04.060 Exemptions.

The following shall be exempt from the provisions of this chapter:

A. Minors engaged in business or operating a business concern where no other person is employed by the minor.

B. The United States or instrumentality thereof and the state of Washington or any municipal subdivision thereof, with respect to any exercise of government functions.

C. All special events sponsored by the city, but not to include participating commercial peddlers.

D. Nonprofit organizations carried on by religious, civic, charitable, benevolent, nonprofit, cultural or youth organizations.

E. Business where the sale or contract for services occurs on business premises outside of the city and the only event occurring within the city is the mere delivery of the goods and services to the customer or client.

F. Any farmer, gardener, or other person who sells, delivers or peddles any fruits, vegetables, berries or any farm produce or edibles raised, gathered, or produced by such person within the state. (Ord. 916-06 § 1; Ord. 843-04 § 1)

5.04.070 Issuance of license.

Applications for a business license shall be made either with the city of Sultan or with the State of Washington Department of Licensing giving such information as is deemed reasonably necessary to enable the enforcement of this chapter. Said application shall be accompanied by payment of the application fee. (Ord. 916-06 § 1; Ord. 843-04 § 1)

5.04.080 License to be posted.

All licenses issued pursuant to this chapter authorizing the operation or conducting of any occupation, business, trade or entertainment at a specified location shall be posted in a conspicuous

place at such location. The licensee at the request of any interested person shall display such license. (Ord. 916-06 § 1; Ord. 843-04 § 1)

5.04.090 Licenses not transferable.

No license issued under the provisions of this chapter shall be transferable or assignable unless otherwise specifically provided for; except that a license may be transferred when a business changes its structure of ownership; provided, however, that a new business license shall be required upon a substantial change of ownership, whereby those primarily accountable for the business have changed. (Ord. 916-06 § 1; Ord. 843-04 § 1)

5.04.100 Fraudulent use of business license.

No person holding a city business license shall suffer or allow any other person for whom a separate license is required to operate under or display such person's license and no person may maintain a business license obtained through false or fraudulent application or return of any false statement or representation in or in connection with any such application or return for such business license. (Ord. 916-06 § 1; Ord. 843-04 § 1)

5.04.110 Approval of business license.

All licenses approved for issuance by the city clerk shall be conditioned upon compliance at all times with all applicable ordinances, regulations and statutes of the city and the state of Washington. (Ord. 916-06 § 1; Ord. 843-04 § 1)

5.04.120 Inspections – Right of entry.

The city clerk, or designee, or authorized representative of the planning and building department are authorized to make such inspections of licensed premises and take such action as may be required to enforce the provisions of any business license or regulation ordinance. (Ord. 916-06 § 1; Ord. 843-04 § 1)

5.04.130 Terms of license.

All business licenses shall have a term as determined by the State of Washington Department of Licensing in cooperation with the city. The city license term or expiration date will be coordinated with the terms or expiration date of all other licenses or permits required by the state for each business. (Ord. 916-06 § 1; Ord. 843-04 § 1)