

TOWN OF WOODWAY
COUNCIL MEETING AGENDA

23920 113th Place West, Woodway, WA 98020

MONDAY, MAY 20, 2019

7:00 P.M.

- | | | |
|-----------|-----|--|
| 7:00 P.M. | | Call to Order, Flag Salute, Roll Call |
| 7:00 P.M. | I | Approval of Checks – <i>May 20, 2019 Claims</i> |
| 7:05 P.M. | II | Approval of Minutes – <i>May 6, 2019</i> |
| 7:10 P.M. | | Audience Comments* |
| 7:15 P.M. | III | Council Reports |
| 7:20 P.M. | IV | Mayor Pro Tem’s Report |
| 7:25 P.M. | V | Town Administrator’s Report |
| 7:30 P.M. | VI | Business Licensing Services Agreement with WA State Dept. of Revenue |
| 7:40 P.M. | | Audience Comments* |
| 7:45 P.M. | | General Council Discussion-Choice of Subjects |
| 7:50 P.M. | VII | Executive Session for Approximately 15 Minutes to Discuss Litigation |
| 8:05 P.M. | | Adjournment |

** Audience comments only during the time specified. Council Deliberations will not be interrupted for audience comment. Citizens desiring comment time in excess of five minutes should contact the mayor to schedule presentation time. Council agendas are subject to change before or during the council meetings upon motion. Anyone with a disability requiring special accommodations should contact the Town Clerk’s Office at Town Hall or call (206)542-4443 before 1:00 p.m. the Thursday preceding the Council Meeting. For TDD relay service, call (206)587-5500, or outside the Seattle area #1-800-833-6388.*



TOWN OF WOODWAY
CLAIMS APPROVAL

“I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered, or the labor performed as described herein and that the claim is a just, due, and unpaid obligation against the Town of Woodway, Snohomish County, Washington, and that I am authorized to authenticate and certify to said claims.”

Clerk Treasurer

The following transactions are approved for 2019 payment:

Claims checks #12664 through 12674 and EFT transaction #820\$25,519.71

This 20th day of May 2019.

Mayor Pro Tem

Councilmember

Councilmember

Councilmember

TOWN OF WOODWAY COUNCIL MEETING MINUTES

Meeting Date: May 6, 2019
Location: Woodway Town Hall - 23920 113th Place W.

- | | | |
|-----------------------------------|--|---|
| Members Present | <input checked="" type="checkbox"/> Mayor Carla Nichols
<input checked="" type="checkbox"/> Councilmember Elizabeth Mitchell
<input checked="" type="checkbox"/> Councilmember Tom Whitson | <input checked="" type="checkbox"/> Councilmember Tom Howard
<input checked="" type="checkbox"/> Councilmember Mike Quinn
<input checked="" type="checkbox"/> Councilmember Brian Bogen |
| Staff & Guests Present | <input checked="" type="checkbox"/> Town Administrator Eric Faison
<input type="checkbox"/> Public Works Director Terry Bryant
<input type="checkbox"/> Police Chief Doug Hansen | <input checked="" type="checkbox"/> Clerk-Treasurer Heidi Napolitano
<input type="checkbox"/>
<input type="checkbox"/> |

AGENDA ITEMS	COMMENTS & DISCUSSION	ACTION/ FOLLOW-UP
Call to Order, Flag Salute, Roll Call	Mayor Nichols called the meeting to order at 7:00 p.m.	

AGENDA ITEMS	COMMENTS & DISCUSSION	ACTION/ FOLLOW-UP
<p>I - Ordinance 19-600: Shoreline Master Program & Critical Area Regulation Updates</p>	<p>Mayor Nichols introduced Town Planner Bill Trimm. Mr. Trimm gave a brief history of the Shoreline Master Program (SMP) in Woodway and shared the recommended changes to the SMP and the Critical Area Regulations (CAR). Washington State requires cities to upgrade their SMP periodically and Woodway received a \$ 10,000 grant to complete this requirement.</p> <p>The Planning Commission reviewed the legislative changes and incorporated the appropriate changes. They also updated the required critical area buffers and habitat ratings.</p> <p>The Council discussed wetland classifications within the Town and thanked the Planning Commission for their work.</p> <p>Mayor Nichols shared that Woodway's Town Attorney recommended deleting Section 4, as it was not legally required.</p> <p><i>Councilmember Quinn</i> moved to approve Ordinance 19-600: Shoreline Master Program & Critical Area Regulation Updates with Section 4 deleted. <i>Councilmember Mitchell</i> seconded the motion.</p>	<p>The motion passed unanimously.</p>
<p>II - Approval of Checks – May 6, 2019 Claims, April 2019 Payroll</p>	<p><i>Councilmember Mitchell</i> moved to approve the April 2019 Payroll EFT transactions #727 through 746 and check #12637 totaling \$50,835.24. <i>Councilmember Whitson</i> seconded the motion.</p> <p><i>Councilmember Quinn</i> moved to approve 2019 Claims Checks #12638 through 12663 and EFT transaction #764 totaling \$63,087.29. <i>Councilmember Howard</i> seconded the motion. Council discussed the Town's costs associated with the winter storm activities. Mayor Nichols added that this past winter was the most difficult in the past twenty four years and that she felt residents appreciated the efforts on the part of Town staff to keep the roads clear.</p>	<p>The motion passed unanimously.</p> <p>The motion passed unanimously.</p>

AGENDA ITEMS	COMMENTS & DISCUSSION	ACTION/ FOLLOW-UP
III - Approval of Minutes - April 15, 2019	<i>Councilmember Howard</i> moved to approve the minutes of April 15, 2019. <i>Councilmember Quinn</i> seconded the motion.	The motion passed unanimously.
Audience Comments	None.	
IV - Council Reports	<p><i>Councilmember Mitchell:</i></p> <ul style="list-style-type: none"> • Attended Alliance for Housing Affordability meeting. • Attended Snohomish County Tomorrow meeting with Councilmember Quinn. The board members approved recommendations to the Puget Sound Regional Council in relation to the Vision 2050 planning document. A brief discussion followed. <p><i>Councilmember Quinn:</i></p> <ul style="list-style-type: none"> • Requested an excused absence for the June 3 meeting. A brief discussion followed. 	The Council moved the 1 st June meeting from June 3 to June 11.
V - Mayor's Report	<ol style="list-style-type: none"> 1. Requested an excused absence for the May 20 Council meeting. 2. Shared that she participated with Town staff, police & fire staff, and a volunteer radio operator in the first SWIF-19 emergency exercise facilitated by the Snohomish County Department of Emergency Management. The exercise was held at Town Hall. Three more exercises will be held in 2019. 3. Reported on the Snohomish County 911 annual meeting which summarized the merger of SnoPac and SnoCom 911 communication centers. Staff from both organizations have been merged, service levels improved and potential savings identified. 	
V - Mayor's Report, Continued	<ol style="list-style-type: none"> 4. Followed up on a recent resident request for more policing on the 4th of July and asked for suggestions for communicating fire danger with the residents. 	

AGENDA ITEMS	COMMENTS & DISCUSSION	ACTION/ FOLLOW-UP
VI - Town Administrator's Report	<ol style="list-style-type: none"> 1. Clerk-Treasurer Napolitano gave a summary of the recent public records management project. 2. Updated the Council on recent Public Works projects, including the completion of the front lawn and the continued work on the new Deer Creek Park trail. 3. Reported that the Town Hall repair agreement was close to being finalized. Work to be done as part of the agreement includes structural repair, painting, concrete work, and more. 	
VII - 1 st Quarter 2019 Financial Report	<p>Mayor Nichols reviewed the 1st Quarter 2019 Financial Report. Revenue projections will increase once the Town receives April property tax funds. Real Estate Excise Tax revenues are above budgeted levels. Expenditures are on track with the budget although winter storm work, tree removal and litigation costs may require a future budget amendment.</p>	
VIII - Resolution 19-412: Authorized Signers on US Bank Account	<p>Mayor Nichols presented Resolution 19-412: Authorized Signers on US Bank Account. The change is necessary to add new Mayor Pro Tem Quinn as an authorized signer.</p> <p><i>Councilmember Mitchell</i> moved to approve Resolution 19-412: Authorized Signers on US Bank Account. <i>Councilmember Quinn</i> seconded the motion.</p>	<p>The motion passed unanimously.</p>
IX - Appoint Representatives to Regional Organizations	<p>Mayor Nichols reviewed the current assignments and asked if Councilmember Bogen would like to be a representative or alternate for any regional organizations.</p> <p>Mayor Nichols shared that the County Executive was convening a Snohomish County Affordable Housing Task Force and asked for volunteers to serve on the task force.</p> <p>Several changes were made to the committee assignments.</p>	

AGENDA ITEMS	COMMENTS & DISCUSSION	ACTION/ FOLLOW-UP
X - Clerk's Office Staffing	<p>Town Administrator Faison requested that the Deputy Clerk/Permit Technician's hours be increased from 25 to 30 hours per week. Mr. Faison reviewed the memo and accompanying financial forecast with various budget scenarios. A discussion followed including staff workloads, days the office would be open to the public, and more.</p> <p><i>Councilmember Mitchell</i> moved to increase the Deputy Clerk/Permit Technician's hours from 25 to 30 per week. <i>Councilmember Bogen</i> seconded the motion.</p>	The motion passed unanimously.
Audience Comments	None.	
General Council Discussion-Choice of Subjects	None.	
XI - Executive Session for Approximately 30 Minutes to Discuss Litigation & Property Acquisition	<p><i>Councilmember Quinn</i> moved to change the Executive Session from 30 minutes to 10 minutes. <i>Councilmember Mitchell</i> seconded the motion.</p> <p>At 8:47 p.m., Mayor Nichols recessed to executive session for approximately 10 minutes to discuss potential litigation and property acquisition. At 8:57 p.m., Mayor Nichols reconvened the meeting.</p> <p><i>Councilmember Mitchell</i> moved to extend the Executive Session for an additional 5 minutes. <i>Councilmember Howard</i> seconded the motion.</p> <p>At 8:57 p.m., Mayor Nichols recessed to executive session for approximately 5 additional minutes. At 9:03 p.m., Mayor Nichols reconvened the meeting.</p> <p><i>Councilmember Mitchell</i> moved to extend the Executive Session for an additional 5 minutes. <i>Councilmember Quinn</i> seconded the motion.</p>	<p>The motion passed unanimously.</p> <p>The motion passed unanimously.</p> <p>The motion passed 4-1, with Councilmember XXX voting no.</p>

AGENDA ITEMS	COMMENTS & DISCUSSION	ACTION/ FOLLOW-UP
XI - Executive Session, Continued	At 9:03 p.m., Mayor Nichols recessed to executive session for approximately 5 additional minutes. At 9:08 p.m., Mayor Nichols reconvened the meeting.	
Adjournment	<i>Councilmember Howard</i> moved to adjourn the meeting. <i>Councilmember Quinn</i> seconded the motion.	The motion passed unanimously. The meeting was adjourned at 9:09 p.m.

Respectfully Submitted,

APPROVED BY THE TOWN COUNCIL

Heidi K. S. Napolitano, Clerk-Treasurer

Carla A. Nichols, Mayor

(These minutes accurately reflect what was said at the Council Meeting. Publication does not vouch for the veracity of these statements.)

BUSINESS LICENSING SERVICES AGREEMENT

I. Parties and Contact Information

This Business Licensing Services Agreement (“Agreement”) is entered into between the parties identified below:

	State of Washington Department of DOR Business Licensing Service	City of Woodway
	(“Revenue”)	(“Partner”)
Mailing Address	PO Box 47475 Olympia, WA 98504-7475	23920 113 th Place W Woodway, WA 98020
Delivery Address	6500 Linderson Way, SW, Ste. 102 Tumwater, WA 98501	23920 113 th Place W Woodway, WA 98020
Contact Person	Katie Early Phone: (360) 705-6607 E-mail: KatieE@dor.wa.gov	Carla Nichols Mayor Phone: (206)542-4443 Email: mayor@townofwoodway.com

II. Purpose and Background

The purpose of this Agreement is to establish the terms under which the Business Licensing Services (BLS) program 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, hereafter referred to as Confidential Licensing Information. Partner retains all power and authority over its business licensing and other regulatory activities except as expressly delegated to Revenue under this Agreement.

Per RCW 35.090.020 (1) “a city that requires a general business license of any person that engages in business activities within that city must partner with the department (Revenue) to have such license issued, and renewed if the city requires renewal, through the business licensing service in accordance with chapter 19.02 RCW.”

III. Effective Date

This Agreement is effective as of (*check one*): (mm/dd/yyyy).
the date of the last signature of the parties.

IV. Services Provided by Revenue

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

- Distribute and process initial and renewal internet and/or paper-based applications for Partner’s business licensing 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 Business License with Partner's license endorsement as authorized by Partner.
- Provide routine reports on Partner's business licenses as requested by Partner, which may include 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 electronic filings received by Revenue from applicants and provide copies or certified copies as requested.
- Maintain a database 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 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.

V. Partner Obligations

- Timely provide Revenue with all information requested to implement Partner's participation in the BLS program.
- Follow all requirements identified by Revenue as necessary for participation in the BLS program, including using :
 - 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 online 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 Partner Licensing and Information Technology staff are available to respond promptly to Revenue. Partner 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.

VI. Compensation

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

- Partner shall reimburse Revenue the costs of developing and producing ad hoc informational reports. Ad hoc reports will be created only if requested by the Partner and agreed-upon by Revenue.
- Partner shall reimburse Revenue's 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.

VII. 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.

VIII. 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.

IX. 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. This agreement may also be amended by mutual written agreement of both parties.

X. 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 or by arbitration. 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. 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.

XI. Miscellaneous

- A. Governing Law and Venue. This Agreement shall be governed by the laws of the State of Washington. Any action arising out of this Agreement must be commenced in Thurston County, Washington.
- B. 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.
- C. 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 and signed by personnel authorized to bind the party against whom enforcement is sought.
- D. Assignment and Delegation. Either party may assign any right or interest, or delegate any duty or obligation, arising under this Agreement upon thirty (30) days written notice to the other party.
- E. 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.
- F. 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 through 7 in Exhibit A.
- G. 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.
- H. Amendments. No amendment to this Agreement is enforceable unless made in writing and signed by personnel authorized to bind the party against whom enforcement is sought.
- I. Merger and integration. 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.
- J. Changes in law. The provisions of this Agreement shall be deemed to change in a manner that is consistent with any changes to any directly applicable statutory authority, provided that the change is consistent with the manifest intent of this Agreement and does not conflict with any of its express provisions. Any such change to this Agreement shall be effective on the effective date of the change in authority.

IN WITNESS WHEREOF, this Agreement is executed effective as of the date specified above.

State of Washington
Department of Revenue
Business Licensing Services

Partner

Date

Date

Template approved as to form

Approved as to form

On File
Kelly Owings,
Assistant Attorney General for Washington State

Date

EXHIBIT A
CONFIDENTIALITY AND DATA SHARING
AGREEMENT

I. Purpose and Scope

The following provisions establish the terms under which the Department of Revenue (“Revenue”) and Partner will share confidential data pursuant to the Business Licensing Services Agreement (the “Agreement”).

II. Definitions

- A. “Confidential Licensing Information” (CLI) has the same meaning as “Licensing Information” under Revised Code of Washington (RCW) 19.02.115(1)(b). CLI is classified as at least Category 3 data under Washington’s Standard for Securing Information Technology Assets, Office of the Chief Information Officer (OCIO) Standard No. 141.10.
- B. “Confidential Tax Information” (CTI) has the same meaning as “Return,” “Tax Information,” and “Taxpayer Identity” under RCW 82.32.330(b), (c), & (e). CTI is classified as at least Category 3 data under Washington’s Standard for Securing Information Technology Assets, OCIO Standard No. 141.10.
- C. “Confidential” refers to data classified as at least Category 3 data under Washington’s Standard for Securing Information Technology Assets, OCIO Standard No. 141.10.
- D. “Portable Devices” refers to small portable computing devices. Examples of portable devices include, but are not limited to handhelds/PDAs, Ultramobile PCs, flash memory devices (e.g., USB flash drives, personal media players), portable hard disks, and laptop/notebook computers.
- E. “Portable Media” refers to small portable digital storage media. Examples of portable media include, but are not limited to optical media (e.g., CDs, DVDs, Blu-Rays), magnetic media (e.g., floppy disks, tape, Zip or Jaz disks), or flash media (e.g., CompactFlash, SD, MMC).
- F. “Data” refers to individual pieces of information.
- G. “Cloud” refers to a non-Partner data center(s) offering infrastructure, operating system platform, or software services. A more complete definition of “cloud” can be found in the National Institute of Standards (NIST) Special Publication 800-145.
- H. “Encryption” refers to enciphering data with a NIST-approved algorithm or cryptographic module using a NIST-approved key length.
- I. “Complex Password” or “Complex Passphrase” refers to a secret phrase, string of characters, numbers, or symbols used for authentication that is not easily guessable and meets an established industry guideline for complexity and length, such as NIST Special Publication 800-118.

III. Data Classification, Authorized Use, Access, and Disclosure

- A. Data Classification: Data shared under this Agreement is considered confidential and classified as at least Category 3 data under Washington’s Standard for Securing Information Technology Assets, OCIO Standard No. 141.10.
- B. Permitted Uses: Business licensing information may be used for official purposes only.
- C. Permitted Access: Business licensing information may be accessed only by Partner’s employees and agents that have a bona fide need to access such information in carrying out their official duties.
- D. Permitted Disclosure: Business licensing information received under the Agreement must not be disclosed to non-parties unless the disclosure is:
 - 1) Ordered under any judicial or administrative proceeding; or
 - 2) Otherwise expressly authorized by Revenue in writing.

IV. Confidentiality

Partner and Revenue each agree to keep confidential and secure from unauthorized use, access, or disclosure all confidential data received under the Agreement.

- A. Ensuring Security: Partner shall establish and implement physical, electronic, and managerial policies, procedures, and safeguards to ensure that all confidential data exchanged under this Agreement is secure from unauthorized use, access, or disclosure.
- B. Proof of Security. Revenue reserves the right to monitor, audit, or investigate Partner's security policies, procedures, and safeguards for confidential data. Partner agrees to provide information or proof of its security policies, procedures, and safeguards as reasonably requested by Revenue.

V. Statutory Prohibition Against Disclosure; Confidentiality Agreement

- A. Criminal Sanctions. RCW 19.02.115(2) prohibits the disclosure of Confidential Licensing Information, except as expressly authorized under RCW 19.02.115(3). RCW 82.32.330(2) prohibits the disclosure of Confidential Tax Information except as expressly authorized under RCW 82.32.330(3). It is a misdemeanor for any person acquiring Confidential Licensing Information or Confidential Tax Information under this Agreement to disclose such information in violation of the disclosure limitations stated in RCW 19.02.115 and RCW 82.32.330. Partner will require employees with access to Confidential Licensing Information and/or Confidential Tax Information to sign a copy of the confidentiality agreement attached at Exhibit C.

VI. Breach of Confidentiality

In the event of any use, access, or disclosure of confidential data by Partner, or its employees or agents in material violation of the 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 immediately terminate this Agreement and require the certified return or destruction of all records containing confidential data received under the Agreement.

VIII. Data Security

Confidential data provided by Revenue shall be stored in a secure physical location and on Partner-owned devices with access limited to the least number of staff needed to complete the purpose of this Agreement.

- A. Partner agrees to store data only on one or more of the following media and protect the data as described:
 - 1) Workstation hard disk drives
 - a) Access to the data stored on local workstation hard disk drives will be restricted to authorized users by requiring logon to the local workstation using a unique user ID and complex password, passphrase, or other authentication mechanisms which provide equal or greater security, such as biometrics or smart cards.
 - b) If the workstation is not located in a secure physical location, hard drive must be encrypted.
 - c) Workstations must be maintained with current anti-malware or anti-virus software.
 - d) Software and operating system security patches on workstations must be kept current.

- 2) Network servers
 - a) Access to data stored on hard disks mounted on network servers and made available through shared folders will be restricted to authorized users through the use of access control lists, which will grant access only after the authorized user has authenticated to the network using a unique user ID and complex password, passphrase, or other authentication mechanisms that provide equal or greater security, such as biometrics or smart cards.
 - b) Data on disks mounted to such servers must be located in a secure physical location.
 - c) Servers must be maintained with current anti-malware or anti-virus software.
 - d) Software and operating system security patches on servers must be kept current.
- 3) Backup tapes or backup media
 - a) Partner may archive Revenue data for disaster recovery (DR) or data recovery purposes.
 - b) Backup devices, tapes, or media must be kept in a secure physical location.
 - c) Backup tapes and media must be encrypted.
 - d) When being transported outside of a secure physical location, tapes or media must be under the physical control of Partner staff with authorization to access the data or under the physical control of a secure courier contracted by Partner for transportation purposes.
- 4) Cloud Storage
 - a) Revenue will meet cloud and data requirements in Washington's Standard for Securing Information Technology Assets, OCIO Standard 141.10.
 - b) Revenue and Partner will, at a minimum, meet the following requirements:
 - i. Encrypt the data at rest and in transit.
 - ii. Control access to the cloud environment with a unique user ID and complex password, passphrase, or stronger authentication method such as a physical token or biometrics.
 - iii. Cloud provider data center(s) and systems must be Service Organization Control (SOC) 2 Type II certified.
- 5) All data provided by Revenue shall be stored on a secure environment by city staff. The City will implement these policies to ensure this security:
 - a) Staff will not store or place any Revenue material on any portable devices or portable media (USB devices, CD/DVD, etc.).
 - b) Staff will not email information provided by Revenue to anyone outside of City staff.
 - c) Staff shall only access Revenue information on a City network computer.
 - d) Staff will not save any Revenue reports or data on the hard drive of any City computer. It shall only be stored on a City network.

B. Protection of Data in Transit

Partner agrees that any retransmission of Revenue data over a network, other than the Partner's internal business network will be encrypted.

IX. Data Segregation

Revenue data must be segregated or otherwise distinguishable from non-Revenue data. This is to ensure that if the data is breached through unauthorized access it can be reported to Revenue and when the data is no longer needed by Partner, all Revenue data can be identified for return or destruction.

X. Data Breach Notification

If Partner or its agents detect a compromise or potential compromise in the data security for Revenue data such that data may have been accessed or disclosed without proper authorization, Partner shall give notice to Revenue within one (1) business day of discovering the compromise or potential compromise. Partner shall take corrective action as soon as practicable to eliminate the cause of the breach and shall be responsible for ensuring that appropriate notice is made to those individuals whose personal information may have been improperly accessed or disclosed. At a minimum, notification to Revenue will include:

- A. The date and time of the event;
- B. A description of the Revenue data involved in the event; and
- C. Corrective actions the Partner is taking to prevent further compromise of data.

XI. Disposition of Data

- A. Records furnished to the Partner in any medium remain the property of Revenue.
- B. Revenue data no longer needed by the Partner must be disposed of following the data destruction procedures in this Agreement.
- C. Upon the destruction of Revenue data, the partner shall complete a Certification of Data Disposition (attached to this Agreement as Exhibit B), and submit it to the Contract Manager within 15 days of the date of disposal.

XII. Data Destruction Procedures

The following are acceptable destruction methods for various types of media. At least one method defined under the various types of media must be used to destroy Revenue data for that media type.

- A. Optical discs
 - 1) Incinerate the disc(s); or
 - 2) Shred the discs.
- B. Magnetic tape(s)
 - 1) Degauss;
 - 2) Incinerate; or
 - 3) Crosscut shredding
- C. Digital files on server or workstation hard drives or similar media
 - 1) For mechanical hard drives, use a "wipe" utility which will overwrite the data at least 3 times using either random or single character data;
 - 2) For solid state hard drives, use a "secure erase" utility that resets all cells to zero;
 - 3) Degauss sufficiently to ensure that the data cannot be reconstructed; or
 - 4) Physically destroy disk(s)

D. Portable media

- 1) For mechanical hard drives, use a “wipe” utility which will overwrite the data at least 3times using either random or single character data;
- 2) For solid state hard drives and devices, use a “secure erase” utility that resets all cells to zero;
- 3) Degauss sufficiently to ensure that the data cannot be reconstructed;
- 4) Physically destroying disk(s) or devices; or
- 5) For SmartPhones and similar small portable devices use one of the following:
 - a) If the devices are encrypted and secured with a complex password, the data is considered destroyed. Before disposal or reissuance of the device, make sure the data is encrypted and then reset the device to original or new condition; or
 - b) If a Mobile Device Management (MDM) solution for the device exists, enable the remote wipe command to destroy the data.

E. Cloud Storage

Use the cloud provider’s procedures to permanently delete the files and folders.

****end*****